



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
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1997

LEGISLATIVE ASSEMBLY

Wednesday, 7 May 1997

Legislative Assembly

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

PETITION - PUBLIC TRANSPORT FARE CONCESSIONS

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

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled.

We the undersigned petitioners call on the State Government to reverse their increases in public transport fares, in particular the changes to concession fares and time constraints on transfers in that they will impact most severely on pensioners, the unemployed and other low income earners.

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 156 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 26.]

MOTION - STANDING ORDERS SUSPENSION

Statement by Minister for Labour Relations

DR GALLOP (Victoria Park - Leader of the Opposition) [11.04 am]: I move -

That so much of the standing orders be suspended as would allow me to move a motion relating to the statement by the Minister for Labour Relations in this House yesterday that the Doig report into the Solomon-White affair had exonerated him.

This is the first time available to the Opposition to raise an extremely important matter relating to the conduct of this Parliament. Yesterday in question time a specific issue was raised and the Minister for Labour Relations said, quite specifically, that he had been exonerated by the commission initiated report by Mr Don Doig. If responsible government means anything, it is most important that we set standards in this Parliament and we debate possible breaches of those standards by our conduct in this place. In our view this matter should be appropriately dealt with first thing this morning through a suspension of standing orders. I trust that the Government will give us reasonable time to deal with this matter.

The issue of openness and honesty of Ministers is a very important one. It goes to the heart of our system of government. In our view the matter should be dealt with first thing this morning in a prompt and a proper way, so that the Parliament itself will have a chance to judge the performance of this Minister in the Parliament yesterday. I believe it is most appropriate that we deal with this matter through the suspension of standing orders.

The openness and honesty of Ministers in the Parliament is a very important principle; it is the centrepiece of the principle of responsible government. Under our system of responsible government, Ministers of the Crown are responsible to the Parliament. If Ministers are not open and truthful to the Parliament, we will not have responsible government. If Ministers use the platform of the Parliament to deliberately mislead and deceive the public, our system of government will collapse, because it is through the Parliament that Ministers can report to the public about their behaviour as Ministers, on what is going on in their departments and their agencies, and on matters of public interest in the State. We are not talking here about a secondary principle of our parliamentary system; we are talking about a primary principle. Therefore, it is our view that breaches of ministerial responsibility should be dealt with by the Parliament as soon as possible. The time is appropriate for us to deal with this issue.

The only way we can ensure that it is dealt with properly is through parliamentary accountability; that is, through a debate and a vote in the Parliament. There is another way it could be dealt with, especially when the Government of the day has the numbers in the Parliament; that is, through leadership by the Premier who should set the standards for his or her Ministers in this Parliament. A reasonable amount of time being available to debate the matter will allow this Parliament to express its view on the performance of the Minister yesterday.

The question yesterday referred to the Doig report into the Solomon-White affair. I raised that issue because the Minister for Labour Relations accused the Australian Labor Party of having double standards about the rule of law in this State. It is therefore our view that it is appropriate to suspend standing orders to allow an appropriate debate of this matter.

MR COWAN (Merredin - Deputy Premier) [11.10 am]: In the absence of the Leader of the House, I have assumed some responsibility for making this decision. This is a very serious allegation against the Minister for Labour Relations and I have no doubt he is very anxious to defend his integrity. On the understanding that we have reached an agreement behind the Chair about times for debate, the Government is prepared to permit this suspension of standing orders so we can debate the issue and defend the Minister for Labour Relations' integrity.

Question put and passed with an absolute majority.

MOTION - NO CONFIDENCE

Minister for Labour Relations - Solomon-White Affair

DR GALLOP (Victoria Park - Leader of the Opposition) [11.11 am]: I move -

That this House has no confidence in the Minister for Labour Relations because of his habitual practice of misleading the House for the purpose of deceiving the public, most recently by his statement yesterday that the Doig report into the Solomon-White affair had exonerated him when in fact Mr Doig had no power to and did not investigate the role of the Minister in this affair.

Let us consider the heart of the issue as I raised it in the Parliament yesterday. The Minister for Labour Relations claimed yesterday that the Australian Labor Party had one set of rules for one group of citizens and another set for another group. I asked the Minister the following question -

Given the Minister's renewed commitment to the rule of law as expressed in the Parliament today, and given the revelation in the Doig report that was delivered to Parliament last year that the Commissioner of Health had acted illegally in having two senior public servants transferred from the Health Department on the basis of the Public Sector Management Act, will the Minister now be happy to have his behaviour in that affair examined by an independent inquiry?

The Minister replied that there had been an independent inquiry - the Doig inquiry, which was set up by the Commissioner for Public Sector Standards - that his role had been examined and that he had been exonerated. The Opposition claims that the Minister deliberately misled the Parliament yesterday and, through the Parliament, the public about the conclusions in the report delivered by Mr Doig.

The inquiry by Mr Don Doig into the transfer of Paul Solomon and Jan White from the Health Department was initiated by the Commissioner for Public Sector Standards under section 24 of the Public Sector Management Act following a letter I wrote to the commissioner when it was made public that these two public servants had been shifted out of the department. This issue was important because the Royal Commission into Commercial Activities of Government and Other Matters had made it clear that it wanted a new relationship between the political and administrative arms of Government. The royal commission made it very clear that there was a role for the Minister, the chief executive and public sector employees, and that that role should be defined by legislation. I remember only too well the passage of the Public Sector Management Bill through this Parliament. That legislation made it very clear that there was to be a distinction between the role of the Minister and the chief executive, and that principle was embodied in section 8 of the Act. I will quote that section so that new members of Parliament who were not here when this legislation was passed are under no misapprehension about why this inquiry was initiated. It provides -

- (2) In matters relating to -
 - (a) the selection, appointment, transfer, secondment, classification, remuneration, redeployment, redundancy or termination of employment of an individual employee; or
 - (b) the classification of a particular office, post or position

in its department or organization, an employing authority is not subject to any direction given, whether under any written law or otherwise, by a Minister of the Crown responsible for the department or organization, but shall, subject to this Act, act independently.

Evidence became available to the Opposition showing that this Minister had forced the Commissioner of Health to take action he would not otherwise have taken in order to shift those two public servants. Members on this side believed this matter required investigation by the Commissioner for Public Sector Standards, and the commissioner, Mr Digby Blight, initiated an inquiry under section 24 of the Public Sector Management Act, which provides -

The Commissioner may, for the purpose of performing his or her functions, investigate the activities of any public sector body and for that purpose the Commissioner, or a person authorised by the Commissioner in writing, has all the powers conferred on a special inquirer by this Act -

It was very clear that, under the Act, the commissioner could inquire into the activities of any public sector body. The Public Sector Management Act defines a "public sector body" as an "agency, ministerial office or non-SES organization". That is quite distinct from a political office holder under the Act, which, of course, includes a Minister of the Crown. In other words, in setting up this inquiry, the Commissioner for Public Sector Standards inquired into the behaviour of the Commissioner of Health, who at that time was Dr Peter Brennan. The Health Commissioner's role was subject to examination by that inquiry and certain conclusions were reached.

Members might not believe my interpretation of the legislation on this important point. However, I followed this up with a question to the Premier, who, of course, is responsible for the administration of the Act -

- (1) Will the Premier confirm that the Doig Inquiry into the transfer of Paul Solomon and Jan White from the Health Department was initiated by the Commissioner for Public Sector Standards under section 24 of the Public Sector Management Act 1994?

The Premier replied, "Yes." My question continued -

- (2) Do the powers confirmed under this section deal only with "the activities of any public sector body"?

The Premier replied "Yes." I further asked -

- (3) Does "a public sector body" include "political office holders" in its definition?

The Premier replied "No." Finally, I asked -

- (4) Is it not the case, therefore, that the Doig Inquiry could not directly investigate the Minister for Health's role in this affair?

The Premier replied -

- (4) As part of his inquiries Mr Doig could not have investigated the Minister for Health as "a public sector body". However he was able to interview the Minister within the provisions of the Act in relation to the investigation of possible breaches of the Act by the Commissioner for Public Health and/or others.

As part of his inquiries Mr Doig asked questions of the Minister but only inasmuch as they pertained to the performance of the then Commissioner of Health, Dr Peter Brennan. If members do not believe my interpretation of the Public Sector Management Act, which is that the Doig inquiry could never have investigated the performance of the then Minister for Health, I ask members to believe the interpretation of the Premier. As the Minister responsible at the time he took advice from public servants. He quite clearly said that the inquiry could not have investigated the Minister. Therein lies the first prong of the Opposition's argument that the Minister misled the House. He misled the House because that inquiry could never have examined his performance in this affair.

The foot-in-mouth Minister went further, as he always does, and said, "Ah, the report exonerated me." Let us look at what the report said in conclusions 5.1, 5.2 and 5.3. Conclusion 5.1 reads -

In relation to the transfer of Dr Paul Solomon and Dr Jan White, while I believe the Commissioner of Health, Dr Brennan did not follow prescribed procedures and therefore is in breach of the Public Sector Management Act, he did so under considerable pressure from the Minister for Health, The Hon Graham Kierath.

Conclusion 5.2 reads -

Both the current Minister for Health, the Hon Graham Kierath, and the former Minister, the Hon Peter Foss, believe that it is legitimate for a Minister to express strong views in respect to the Minister's preferred option concerning matters referred to in section 8(2) of the Public Sector Management Act even though the CEO is duty bound to act independently.

Conclusion 5.3 reads -

Section 8(2) of the Public Sector Management Act needs to be re-examined to ensure that the interpretation being applied by some Ministers is in accordance with the original intention of the Act. I believe it is not.

It is very interesting that Mr Doig, when conducting his inquiry, did not examine the behaviour of the Minister for Health. He examined the behaviour of the Commissioner of Health, and in so doing he had to look at what pressures and circumstances led him to transfer those two senior public servants. Of course, the circumstances and pressures related to a meeting they had with the newly appointed Minister for Health, the now Minister for Labour Relations, as indeed he was then. Had there been an inquiry into the Minister's behaviour, there is every likelihood it would have concluded that he acted improperly in this affair.

Mr Bloffwitch interjected.

Dr GALLOP: Does the member for Geraldton think that report exonerated the then Minister for Health?

Mr Bloffwitch: I have not read it.

Dr GALLOP: If I had not read the report, I would not interject in this debate.

The Minister for Health said yesterday that this report exonerated him. This Chamber is acting as judge and jury on the Minister because that is its role. The first bit of evidence is that the inquiry could not have examined the Minister's behaviour because it had no power to do so. The second bit of evidence is that when one reads between the lines in the report, it is clear that Mr Doig had real doubts about the performance of this Minister in this affair. He could not report that; all he could report on was the Commissioner of Health. His clear conclusion was that the Commissioner of Health had acted illegally. This Minister comes into this Parliament prattling on about the rule of law and talking about double standards in government. What irony that this Minister uses that language when he has been shown in this report to be at the very least a Minister who should be inquired into for the role he played under the laws of this State.

In another section of this report, Mr Doig wrote -

. . . in my view it is not open to argue that while the CEO is bound to act independently, it is open to a Minister to direct, advise, warn or to express strong views about a particular course of action without some expectation that such views would be followed.

Mr Doig could not directly report on the performance of the Minister. He could say what was his interpretation of this Act. His interpretation as outlined in that quotation indicates that there is a prima facie case that this Minister acted improperly; indeed, if there had been a proper, independent inquiry into his behaviour as well as the behaviour of the Commissioner of Health, there is a very strong likelihood that such an inquiry would have found that this Minister acted improperly. It was not true at all that the report of Mr Doig exonerated the then Minister for Health. If one reads between the lines, I believe Mr Doig was expressing a very clear set of concerns about the way the Minister behaved in this issue.

I return to the comments I made at the beginning of this debate. It is most important in a parliamentary system of responsible government that when Ministers front up in this Parliament and are asked questions, they answer them truthfully. The question asked of the Minister for Labour Relations yesterday was very important in view of the current politics in Western Australia. The Minister for Labour Relations is trying to ram through this Parliament controversial legislation which takes away the rights and interests of voluntary associations and those who work in them. Part of his case for doing that is that two sets of laws have been operating in this State. He was clearly trying to influence opinion with his parliamentary answer yesterday on his views of the state of industrial relations. However, as is the case consistently with this Minister, as we saw with the Mt Henry dispute and we see with the current case involving a union official, he cannot help himself; he comes into this Parliament and uses its cover to mislead the people of Western Australia. When he does that the Minister can be assured of one thing: This Opposition will not stand by and allow him do it. He might think that he can get away with it in the public domain but he certainly cannot get away with it in this Parliament. We have certain rules and conventions which must be properly followed in the practice of this Parliament. We must uphold those rules, if the people of Western Australia are to have any belief in the parliamentary process and the way in which it works.

The Opposition has a watertight case against the Minister's comments yesterday in the Parliament. Yet again he has misled the House on a matter of public importance. Our proof of that proposition is that the Statutes make it absolutely clear that Mr Doig could never have inquired into the Minister's behaviour. Inasmuch as Mr Doig referred to the behaviour of the Minister, he certainly developed a prima facie case that the Minister acted improperly according to the law of Western Australia. We will not have this Minister libelling and defaming people in the community and then trying to use the platform of Parliament to deceive people about his real intentions and performance. The opportunity is before all of us as members of Parliament to judge this Minister. I will be very interested to hear any defence that members of the Government put forward to this Parliament as to why this motion of no confidence in this Minister should not be passed. Will we see yet another example of the tyranny of numbers?

The people of Western Australia are becoming very restless about the way in which this Government is applying the tyranny of numbers not only in this House but also in the supposed House of Review.

This is a real test. Not long ago in this Parliament, members opposite failed a test. Let us see how they perform today in the face of the evidence that we have put before them in this debate. In our view, one of the great factors leading to disunity in the State of Western Australia today is the performance of the Minister for Labour Relations. He is a Minister of State who is causing havoc in our State. His prejudices, his rampant ideology, his disrespect for the truth in the way that he presents arguments and in the way that he defames people in our community are causing enormous disunity and division. The time has come for all members of Parliament to make it clear that that behaviour is not acceptable in a democratic country and a civilised community, and it is not acceptable with regard to the conventions of the Westminster system and the standards of this Parliament.

MR KOBELKE (Nollamara) [11.31 am]: I support the motion. The issue that members opposite are being asked to consider today is whether they set any store by honesty and credibility or whether that will be thrown out the door because they put before honesty their desire to stand behind a Minister of their Government who cannot tell the truth. Unfortunately, this is not a one-off situation. We are not dealing just with what took place yesterday in the Legislative Assembly when the Minister for Labour Relations misled this Chamber in an attempt to deceive not only us but also the public of Western Australia. We are dealing with myriad issues with regard to the lack of honesty of the Minister for Labour Relations. Members opposite should consider very carefully whether they will stay in this Chamber when a division is taken, as I expect it will be, and express solidarity behind their Minister, knowing full well that yesterday he misled this place; and that is only one of many examples. The Leader of the Opposition outlined the facts with regard to the affair which Mr Doig was required to examine and how the Minister was clearly not exonerated in that report.

The Minister for Labour Relations is clearly a robust debater. He is never short of a word, and that often gets him into difficulty, because he speaks too often without thinking about what he is saying or worrying about whether it is true. We all have a responsibility to speak the truth, whether it be in this House or in the wider community. We all wish to promote our point of view to establish in the mind of the community what we stand for and what we think is right and proper, and that means we put arguments based on the facts of the matter and the truth. It is our right to present our point of view, and that may mean on occasions that we do not open up all the possibilities with regard to the facts of a particular matter and present only those facts which support our point of view. That is clearly a debating technique which we all use.

However, members go well beyond the accepted standard when they say something that they know is untrue. That happens all too often with this Minister. He makes statements knowing that those statements are factually untrue. It is also totally unacceptable for members to deceive people, by either omission or misrepresentation, about the facts of a matter. It is incumbent upon a member who makes a statement that is untrue or that results in a deception through omission or misrepresentation to correct the error by pointing out that the statement misrepresented or gave a different impression about the facts.

I ask members to try to recollect the last occasion that the Minister for Labour Relations asked us to accept an apology for a statement that he had made that was factually incorrect or a deception. I cannot recall one occasion when the Minister has apologised. This Minister does not make a habit of setting the record straight. He makes a clear habit of deceiving us and of saying things that are not true. One can recount a legion of examples where this Minister has clearly misled this House by saying things that are not true. I will give two examples. On the very first day of the opening of this Parliament in 1993, the Minister for Labour Relations, in his first statement in this Chamber as a Minister, misled this House when he was asked a dorothy dixer so that he could make a statement in this place. The Minister knew what he would say, because he had arranged to be asked that dorothy dixer, and he went on at such length that the then Speaker had to sit him down. He said in reply to that question -

The teachers were on strike today, and I went through some records and found some interesting information. The first strike by teachers in 69 years took place when the Leader of the Opposition was Minister for Education . . .

He was referring to Carmen Lawrence, who was then the Leader of the Opposition and who was the Minister for Education in 1989. I am not drawing you into the debate, Mr Speaker, because that would be improper, but you know, as I do, because we were both teachers in the early 1980s, that there was a full day strike in 1982, so the Minister was factually wrong. However, the Minister did not apologise to this Chamber.

Dr Gallop: I wonder whether the Speaker went on strike on that day!

Mr KOBELKE: That is another matter. It is clear from that statement that the Minister was misleading us, because the Minister did not say, "From memory, I think". He asserted that he had taken the time and trouble to check the

records and the records indicated that there had not been a strike for 69 years until Carmen Lawrence became the Minister for Education. That was factually untrue, but that was of no consequence to the Minister. It suited his base political motives of wanting to attack the then Leader of the Opposition to make a statement that he knew was factually incorrect - either his statement about the 69 years, or his statement that he had checked the records. The Minister for Labour Relations says that he checked the record, yet his statements are wrong.

This Minister deliberately misled this House in the very first statement that he made as a Minister. That was just the start. This Minister has gone on week after week, month after month giving us examples of where he has no regard for the truth. When the Minister says things in this place which are false he never makes an attempt to correct the record and apologise for having misled the House.

The other example which I will touch on briefly relates again to a Dorothy Dixier which the Minister was asked on Wednesday, 26 March 1997. The Minister used that opportunity to attack again the union movement. He used the example of a matter that was in the courts. It was a matter about which he had a clear understanding of what was taking place. In support of that view I will quote part of his answer, which is "although some of us had known about it for some time". The Minister stated that he had known about this instance for some time, even though it had not been in the public arena. We also know that this matter came to the courts through the Building and Construction Industry Task Force. It is on the record that the Minister has an intimate involvement with the Building and Construction Industry Task Force. They are his police who are out there trying to stir up trouble on building sites and laying charges against union members. The Minister is closely involved with the work of the Building and Construction Industry Task Force. He was definitely aware of the prosecution proceedings that were taking place as a result of the actions of his task force when he made the following statement -

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.

A point of order was taken by the Deputy Leader of the Opposition. In considering that point of order you, Mr Speaker, rightly indicated to the Minister that he should not continue his remarks unless he could assure you that the matter was not likely to be sub judice. It was clear that the Minister had made a statement regarding prosecutions. It had been drawn to his attention that the matter was likely to be sub judice and in a clear way you indicated that the onus was on the Minister either to cease his statement attacking the union using information that was in a court, or to give an undertaking that the matter was not in court. The Minister then responded by saying, "A person has been found guilty because he confessed to a crime." The Minister created the impression that the matter had been dealt with. He was in part correct, because a construction manager had been found guilty. However, the subject of the Minister's attack in this House was a union official. The Minister knew that a union official had been charged. The Minister knew that the union official was contesting those charges. I have good reason to believe the Minister also knew that the case had not come to court. The Minister gave you, Mr Speaker, and all other members here an assurance that the matter was not sub judice when he knew that was not the case.

The Opposition can give many other examples of the Minister's misleading the House. However, members opposite do not need the Opposition to recount those instances. They know from talking with members of the community that no-one believes this Minister. Through the Minister continually saying things that are not true in statements not only in this place and in the media, but also in face to face meetings with small community groups, people have discovered that they have been deceived by the Minister for Labour Relations. He has set out deliberately to make false statements to create an impression when the facts are other than what he has said.

I again remind members on the government side that the issue for them is not the facts of the matter. Members opposite know the facts of the matter. This Minister has been caught out once more by his statement yesterday. That is nothing new in the Minister's behaviour. He has simply heaped one further transgression on another. He has made a further attempt to gain political advantage by throwing the truth out the window. Unless members opposite take this opportunity to make this Minister apologise - for a change - they will be on the same slippery slide as the Minister. His credibility is shot; however, members opposite may wish to try to preserve their credibility by voting with the Opposition to censure the Minister for Labour Relations.

MR KIERATH (Riverton - Minister for Labour Relations) [11.46 am]: It says a lot about the calibre of the Opposition that in order to try to delay the proceedings of this Parliament they raise issues that have already been the subject of debate in this House.

Dr Gallop: We are debating what you said yesterday.

Mr KIERATH: The motion moved by the Leader of the Opposition says that the Doig report does not exonerate me. It is interesting to compare those comments of the Leader of the Opposition about what the Doig report does and does

not do with comments he made when he was the Deputy Leader of the Opposition. Two years ago on 24 May 1995 he moved a matter of public interest that called on the Premier to dismiss me as the Minister for Health because the Doig report had shown that I breached the Public Sector Management Act by counselling or procuring a breach of the Act by the former health commissioner, Dr Peter Brennan. In 1995 the Leader of the Opposition said that the Doig report investigated those matters and showed there had been a breach of the Act; yet today he is saying that the report did not investigate the breach and we need an independent inquiry.

That was a matter of extensive debate following the tabling of the Doig report. I have a copy of the Doig report, which is tabled paper No 289 of 1995. I am sure that some members have read it.

Ms MacTiernan: Just read us the bits that exonerate you.

Mr KIERATH: I will go through them. All these matters were debated at great length at that time.

Mrs Roberts: Can't you substantiate your claim?

Mr KIERATH: I see no point in repeating all the arguments. I refer members to pages 4047 to 4052 of *Hansard* of May 1995 where they will find my detailed comments on the report. I went through the report recommendation by recommendation.

Several members interjected.

The SPEAKER: Order! This is a serious matter. The first two speakers were heard pretty much in silence as they put their points of view and arguments to the House. The Minister has the right to be properly heard. I have allowed some interjections from members who have spoken on the matter, and I will allow modest levels of interjection that add to the debate. However, I cannot allow a barrage of interjections from members.

Mr KIERATH: If the Opposition was unhappy with my comments yesterday, I expect members opposite to be unhappy with my comments on 24 May 1995. At page 4047 of *Hansard* that year I said -

In not one of the comments in the Doig report did the member for Victoria Park prove or find suggestion that my action was illegal other than in his own comments.

I also said -

Nowhere in the report does it say my actions were illegal. I like to think that the report gave me a clean bill of health.

Dr Gallop: You are ridiculous.

Mr KIERATH: Any reasonable person being questioned would form that belief. I have pointed to *Hansard* of 24 May 1995 in which I said that I believed that the report gave me a clean bill of health. When the question was asked yesterday, I referred to my sentiments expressed in 1995 and I reiterated those sentiments. Most reasonable members in this House would agree with those sentiments, because in the past two years a lot of information has gone through my brain -

Several members interjected.

Mr KIERATH: At times it is difficult to retain all the information made available to me. I make no secret about that. It is very difficult to retain all the information that comes across my desk during the day. I try hard, and generally I retain the main principles. Reflecting on the 1995 debate, my lasting impression of the Doig report was that it gave me a clean bill of health. If members opposite did not think that my comments were accurate in 1995, mechanisms were available for them to query that immediately.

Dr Gallop: We did, by way of a motion, and you rolled us.

Mr KIERATH: Yes, and at that stage I made that reply. If the Leader of the Opposition did not agree with my comments at that stage he should have raised the matter the following day, the next week, or any week since then. The matter has been left for two years because this is a poor, tired, old Opposition that is not doing its job properly, and it is now delving into matters that are two years old.

I refer all interested members to pages 4042 to 4045 of *Hansard* of 1995 where the matter was discussed at length.

Dr Gallop interjected.

Mr KIERATH: The Leader of the Opposition is showing his true colours. I did not interject on him when he was on his feet, nor did I interject on the member for Nollamara. However, the Leader of the Opposition cannot help himself. His method of trying to prevent my having a say is to drown me out by yelling across the Chamber.

In essence, the thrust of the Doig report was a recommendation which states that a chief executive officer has a duty to act independently. It says that under the Act the Minister should not direct the CEO to do anything. Clearly, to have a discussion about an organisation and its performance, one would discuss those matters and even the performance of individuals. It is natural to do that. The Opposition's argument is that a Minister should not ask questions about the performance of a department. That would be interesting! If any Government has been accused of removing or appointing people it was the former Labor Government, and those actions caused the introduction of the Public Sector Management Act to prevent the practices of the Labor Party when in power. The only people guilty of such practices are the members opposite. We introduced an Act of Parliament to prevent those sorts of directions being made. The Act provides that a Minister should not direct a CEO regarding staff matters, but should act independently.

When Hon Peter Foss was the Minister for Health, Mr Doig came to see me and I said that, as a Minister under the Westminster system, I accepted responsibility for the performance of the department. Equally, I wanted to question the department about its performance in certain areas of its operation. At no point did the report say that I had made a direction. I think the words used in the report were that "the Minister expressed strong views" -

Dr Gallop: No.

Mr KIERATH: It was "strong opinions" or words to that effect. I have never denied that I expressed opinions and views. I have always said that I never gave a direction. The Commissioner of Health supported that point. He said that he never received a direction from me. The former Minister for Health spoke about how he discussed the performance of the organisation, and he expressed his views. Because he was a lawyer, he expressed a strong legal opinion that not only has a Minister a right to express his views but also he has an obligation under his oath of office to express views.

Dr Gallop: Did Mr Doig agree with that?

Mr KIERATH: Mr Doig said that he felt -

Mr Graham interjected.

The SPEAKER: Order! The member for Pilbara.

Mr Graham interjected.

The SPEAKER: Order! I formally call to order the member for Pilbara for the first time.

Mr KIERATH: I believe that Mr Doig said that this was an area that should be examined under a review of the Act. There was no breach under the Act by me. He said that there had been breaches by the Commissioner of Health -

Dr Gallop: Where does he say that? This is a disgrace! If you accept this sort of behaviour your Government has gone!

Mr Pental: Does the Minister acknowledge that the Doig report conceded that the two officers were maltreated? I refer to paragraph 2.1 of that report. If the officers were maltreated, does that not acknowledge that the Minister was part of the process, informally or otherwise, that led to that treatment?

Mr KIERATH: The member would know that the Act prevents me from having anything to do with that.

Several members interjected.

The SPEAKER: Order!

Mr KIERATH: Members should let me answer the question. In one instance, I attempted to help Rob Anderson who I thought had been maltreated.

Several members interjected.

Mr KIERATH: There were other investigations into his treatment.

Mr Pental: I am talking about 12 May.

Mr KIERATH: Page 1 of the report relates to its terms of reference which are -

- (i) the transfers of Mr Paul Solomon and Dr Jan White from the Health Department, and
- (ii) the transfer and reinstatement of Mr Rob Anderson from the Healthcare Linen Service of the Health Department.

Mr Pental: I am referring to the second matter; the transfer of Solomon and White. Does that not acknowledge that they were maltreated, and that there is evidence here that one of the reasons he was sent to Treasury was because of you?

Mr KIERATH: That is an interesting reason!

Mr Wiese interjected.

Mr KIERATH: The member for Wagin is correct. Ultimately, it is who makes the decision, and that is the Commissioner of Health. I acknowledge that an approach was made via the Health Department and via the commissioner to remove Mr Solomon from his position. We were asked to assist through the various processes of government, because the person had asked for a job in Treasury, and the request was for inquiries to be made to see if any vacancies or opportunities existed. That was a request for some form of assistance. In the public sector people are transferred around, and they ask for assistance.

Ms MacTiernan interjected.

Mr KIERATH: I am trying to answer an interjection by the member for South Perth!

The SPEAKER: Order! Member for Armadale.

Mr KIERATH: I will try to answer that question -

The SPEAKER: Order! I remind members that this is one of the most serious motions that can be moved. The Minister has the right to reply. He has accepted an interjection from the member for South Perth, and I am allowing that process to continue. However, we do not want other members interjecting in the middle of the Minister's response to that interjection. If that happens, I will have to formally call people to order very quickly, and even take stronger action.

Mr KIERATH: I was indicating to the member for South Perth that when I was asked whether there was anything I could do, I tried to help by asking whether there were any vacancies for Mr Solomon in other areas of the public sector. I was also asked to try to help in matters relating to Mr Anderson. If anybody asked me for help, I would offer that help if it was within my power.

The key is the recommendations of the report. Obviously people are putting interpretations on them. Mr Doig says in recommendation 5.1 that Dr Brennan did not follow the prescribed procedures. In recommendation 5.2 he says -

Both the . . . Minister for Health . . . and the former Minister . . . believe that it is legitimate for a Minister to express strong views in respect to the Minister's preferred option concerning matters referred to in section 8(2) of the Public Sector Management Act even though the CEO is duty bound to act independently.

Dr Gallop: How about reading 5.3?

Mr KIERATH: I was just getting to that. He says an area must be clarified -

Section 8(2) . . . needs to be re-examined . . .

Dr Gallop: Read the whole phrase.

Mr KIERATH: He states -

Section 8(2) of the Public Sector Management Act needs to be re-examined to ensure that the interpretation being applied by some Ministers is in accordance with the original intention of the Act. I believe it is not.

Dr Gallop: That is right. Your interpretation is wrong.

Mr KIERATH: He said it was being examined.

Mr Wiese: He believes.

Mr KIERATH: That is right; he is expressing an opinion.

Dr Gallop interjected.

Mr KIERATH: Mr Speaker, please. Government members sat in silence when opposition members spoke. It shows the double standards of the Opposition in this House: They are not prepared to let other people have their say if they disagree with them.

Recommendation 5.3 is Mr Doig's opinion, but he acknowledges that both Ministers felt it was legitimate to express views. Hon Peter Foss goes further than that; he believes there is an obligation on Ministers under their oath of office to express views on the performance of the departments because they accept responsibility under the Westminster system for the actions of those departments. Mr Doig makes findings about Mr Rob Anderson in recommendation 5.5 -

I believe the Minister left it open for the Commissioner to argue that there were compelling reasons for the original decision to stand . . . To this extent I believe he was wrong but in the end this was of no consequence.

In recommendation 5.6 Mr Doig says -

I do not believe any good purpose would be served by pursuing disciplinary charges in these matters, especially as Dr Brennan has now left the Public Service.

Recommendation 5.7 states -

Although Mr Paul Solomon and Dr Jan White both elected to take a Management Initiated Retirement Package, I believe that the circumstances under which they left the Public Service should not prejudice them seeking employment in the public sector at some time in the future.

I believe one has applied for positions and has not suffered any detrimental effect.

Mr Kobelke: Where is the bit that exonerates you?

Mr KIERATH: I read it out. I repeat for the poor old member for Nollamara that it is on page 4047 of *Hansard*. It was a comment from me. I am trying to indicate that that is my lasting impression of the episode. As time goes on the detail starts to fade and one is left with what one believes is the important element of the report.

Mr Kobelke: Where is the bit of the report? I do not want your statement in *Hansard*.

Mr KIERATH: I made two statements in *Hansard* -

In not one of the comments in the Doig report did the member for Victoria Park prove or find suggestion that my action was illegal other than in his own comments.

Nowhere in the report does it say my actions were illegal. I like to think that the report gave me a clean bill of health.

At the request of the Leader of the Opposition I just ran through the recommendations and conclusions of the Doig report. Not one of those says that my actions were illegal or that I was in breach of the Act. The closest thing to criticism is Mr Doig's view that the provision of the Act on a Minister expressing views needed to be re-examined. By any standards that is an exoneration and a clean bill of health.

The Opposition has made no case today. I did not want to go through the detail of the report because previously the Opposition made it the subject of a matter of public interest and I believed the issue was dealt with at the time. If I made any statement of concern to the Opposition in my reply, mechanisms were open to the Opposition to raise it in following weeks. Obviously members opposite did not think it was important enough to raise - not until two years later when another industrial relations Bill was being considered by the Parliament. This motion cannot stand in the light of that.

I will run through some other important points in response to the Doig report. Dr Brennan basically said he acted under pressure from the Minister. I made it known I was not happy with the pace of reform in the department. I discussed those issues with Dr Brennan. I gave him no directions; he acknowledged that. He acknowledged that he always knew his responsibility was to act independently. He said he did act independently and that he did not receive any direction from the Minister. I said I did not tell Dr Brennan what to do, and he confirmed that.

This motion is a desperate attempt by the Opposition to try to make a loose link to that previous report. This matter has been subjected to full examination. I have always said I am prepared to be examined on the basis of that. My words then were that I believed the report gave me a clean bill of health. Yesterday I said I believed the report exonerated me. That would be expected: If I said previously that it gave me a clean bill of health I would be expected, two years later, when asked that question out of the blue, to make a statement like I believed it exonerated me.

I have not misled the House. I have been open and frank. My only wish is that members opposite had been as open and frank in government as this Government has been. If that had been the case, this State would not have experienced the difficulties it did. I will follow up the issue the member for Nollamara raised about teachers. The

other matter has been the subject of debate in this House. I give the member this undertaking: I will correspond with him directly in writing so he has it for the world to see. If I have made a mistake, I will apologise. I said I was going through information at the time. The risk the member runs is that somebody else might have said something and I was repeating a statement someone else said. I was at the rally when Carmen Lawrence was the Minister for Education. People made that statement in the media on the day.

Mr Kobelke: That is not what you said.

Mr KIERATH: Okay, but that is my understanding. I will investigate that matter and write back to the member for Nollamara so he has my commitment in this House. If I have made a mistake, I will apologise, not only in writing, but I will seek leave of the House to make a statement. That is fair enough. I am more than happy to address that matter in this place. I do not say I have never made a mistake: I am not a perfect human being.

[Interruption from the gallery.]

The SPEAKER: Order!

Mr Thomas interjected.

The SPEAKER: Order! I formally call to order for the first time the member for Cockburn. It is highly disorderly to interject when I am on my feet. I take this opportunity to indicate to those in the Public Gallery that we like to see people come to watch debates in Parliament. However, there is a condition on that. The condition is that they do not interfere with the proceedings in this House. If we have those sorts of problems, we must toughen up and have people removed and so on. We do not want that because we want everyone to be able to listen to the debate and watch the proceedings in this place.

Mr KIERATH: I was acknowledging I was only a human being -

Mr McGinty: No you're not.

Mr KIERATH: - and I make mistakes. That interjection shows what the member for Fremantle is really like. In this House we can have differences of opinion; however, I hope we still have respect for members as individuals.

I have given the undertaking that I will reply to the member for Nollamara. If a mistake was made, I will be the first to come back here and say so. Not a day goes by when as a person I do not make a mistake of some description.

Dr Gallop: You have made a few lately.

Mr KIERATH: I do not think there is a person alive who does not make mistakes. However, some admit to it and some do not. If I make a mistake, I am prepared to admit it.

Mr Kobelke interjected.

Mr KIERATH: The member for Nollamara raised that. I feel confident that I have made no mistakes. An inquiry was held and the person who conducted that discussed it in great detail with not only the Minister of the day but also the former Minister for Health, at the same time. We spent a lengthy time discussing our involvement in that matter. Both of us were open and frank. Not one single recommendation of the report said that the Minister had breached the Public Sector Management Act.

Dr Gallop: Who exonerated you?

Mr KIERATH: I do not care what interpretation members opposite put on that. I interpret the report as exonerating me and giving me a clean bill of health.

MR COWAN (Merredin - Deputy Premier) [12.10 pm]: The motion contains three critical phrases. I refer, first, to the issue of the Minister's habitual practice of misleading the House.

Dr Gallop: He misled us on the penalties issued yesterday, to add another to the equation.

Mr COWAN: I am sure you, Mr Speaker, as Presiding Officer, undoubtedly would have dealt with that matter expeditiously had that been the case. Therefore, that phrase is a nonsense.

I refer secondly to the issue of deceiving the public. No doubt the Opposition has decided that it will use the suspension of standing orders to again indicate its support for the union movement's protest against the Labour Relations Legislation Amendment Bill. That is a legitimate function of the Opposition. I have been around long enough to know that we can have a debate for about an hour on whether we should suspend standing orders and it will last for much longer than an hour unless we apply a gag.

It was not our intention to do that; therefore, with the cooperation of the member for Midland we have come to an agreement that we will speak for roughly an hour on this issue.

I acknowledge that it is a function of the Opposition to use standing orders to have the House debate issues over which it dissents from the Government's position. In this case it is the Labour Relations Legislation Amendment Bill and Opposition members' personal feelings - they cannot hide them very well - of antagonism towards the Minister for Labour Relations.

Dr Gallop: Do you think the Doig report exonerated the Minister? You will not answer that, will you? Of course it did not.

Mr COWAN: I would like an opportunity to answer the question. The Leader of the Opposition has a fault, if it can be called that - I do not know that I would call it that - of asking a question by interjection and running off at a tangent before allowing an opportunity to answer it.

Dr Gallop: I am sorry if my mind works faster than yours.

Mr COWAN: There he goes again.

The Leader of the Opposition has picked up one phrase used by the Minister for Labour Relations, when the Leader of the Opposition knows that the Doig report does not, and never could, investigate the activities of the Minister.

Mr McGinty: Why is the National Party defending him? He is the worst Minister on your side and you are defending him.

Mr COWAN: That is nonsense. The Doig report was an investigation into the transfer of two people from the Health Department. It did not investigate the Minister. In his report, Doig acknowledged that the Minister and his predecessor had a right that has never been questioned to indicate clearly and firmly the performance and standard they expected of senior officers of that department and the direction they should take. Doig acknowledged that the Ministers were able to do what they claimed they could do. I feel comfortable with the Minister's using the word "exonerated".

Dr Gallop: Doig specifically queried that.

Mr COWAN: The Leader of the Opposition is clutching at straws. All the Opposition wanted to do was move a censure motion against the Minister for Labour Relations and it has achieved that. As is about to be demonstrated, the Minister for Labour Relations has the confidence of this side of the House.

The Minister for Labour Relations was clearly prepared to examine some of the issues put to him regarding the industrial relations legislation to show - as he has said time and again, but everyone seems to ignore it - that the Government and he were receptive to suggestions for change. When those suggestions for change were finally put to Government they were accepted.

This motion to suspend standing orders and the substantive motion are designed for the Opposition to indicate its strong support for the union movement in its pursuit of opposition to the industrial relations legislation. The Opposition has grabbed any issue it could. There is a tenuous connection between the issues raised. Yet again members opposite have missed their target.

MR BARNETT (Cottesloe - Leader of the House) [12.17 pm]: The Deputy Premier has summarised the situation well. It was inevitable this week with industrial relations legislation before the upper House that the Opposition would attack the Minister for Labour Relations, which it has done and no doubt will continue to do. However, what a pathetic effort. If members opposite wanted to attack the Minister, surely they could have adopted his style and done it directly.

Dr Gallop: You were obviously not here yesterday.

Mr BARNETT: I was here yesterday. To drag up an issue that is two years old is not a good technique for the Opposition to use. The Opposition's debate centred on the Doig report of two years ago. If that is the best it can do -

Mrs Roberts: It is based on his deception only yesterday in this House.

Mr BARNETT: They know that to rehash the Doig report is a pretty damned weak effort.

Mrs Roberts interjected.

Mr BARNETT: I know; he made a comment in here yesterday as a result of which members opposite think they can drag up an old issue. In the greater scheme of things it is a poor and weak tactic. The Government is aware that the Labour Relations Legislation Amendment Bill is contentious and controversial.

Dr Gallop: Deal with the issue.

Mr BARNETT: I will. It hurts the Opposition that the Minister for Labour Relations, particularly through his workplace agreements legislation in 1993, has instigated fundamental changes in industrial relations and work practices. Without doubt the workplace agreements legislation has led this nation in industrial reform, albeit with some controversy. However, it is working and it is one of the most important reforms this Government has made.

I am sure the Minister for Labour Relations will not mind my saying that he has his own style. It is not my style; it is a different style. That does not make it right or wrong. It is a direct style which some may describe as full on, front on or shirt front. He is not afraid of a stoush and he does not run away from one. There have been a few in this House. That is again the style he brings with him. As a Minister he is prepared to take some risks. He takes political risks.

Dr Gallop: There you go - risks.

Mr BARNETT: The Minister moves into areas that are controversial and contentious. Some may regard it as cavalier but he is that style of Minister. He is not afraid to put a political spin on an issue. He does it in this House.

Dr Gallop: We are getting closer and closer. Why not say that he tells lies?

Withdrawal of Remark

The SPEAKER: Order! I ask the Leader of the Opposition to withdraw that last statement.

Point of Order

Mr McGINTY: I heard what the Leader of the Opposition said. He did not state that the Minister for Labour Relations told lies but posed a question which used the word "lies" in a non-accusatory way to the member on his feet. On my understanding of the standing orders, that is not unparliamentary and, unless the matter has not been heard correctly by the Chair I suggest the request for withdrawal of the statement is incorrect.

The SPEAKER: I distinctly heard the Leader of the Opposition make the statement that he tells lies. I have asked the Leader of the Opposition to withdraw.

Dr GALLOP: I withdraw.

Debate Resumed

Mr BARNETT: The Minister for Labour Relations has a direct style, and he does not run away from a fight.

Dr Gallop: Why not say that the Minister cannot tell the truth? You are getting closer and closer.

Mr BARNETT: No, I am not. The Minister is willing to take a risk and to put a political spin on matters. Members opposite are upset because the Minister is willing to confront them and the union movement on areas sensitive to them. When they have made mistakes and done the wrong thing, he is willing to show it up for what it is. Because of the way in which the Minister for Labour Relations goes about his daily affairs - that is his style - it is not surprising that he is not far from controversy. He tends to be around a few contentious issues. That is the public record.

Dr Gallop: Are you trying to win his vote?

Mr BARNETT: No. The one thing that cannot be said is that the Minister is dishonest; he is not a dishonest person. He is honest in the way he behaves. It is no secret that the Minister for Labour Relations and I may not be the closest of pals - we are not drinking mates at the weekend. However, he is a good Minister. He has achieved great results in the industrial relations portfolio and has changed industrial relations. At the end of the day he is an honest person and an honest Minister. That is the truth.

Mr Kobelke: Despite the facts?

Mr BARNETT: No. I have no hesitation in attesting to the honesty of the Minister. Therefore, the Government rejects this proposition totally.

Question put and a division taken with the following result -

Ayes (18)

Ms Anwyl
Mr Brown
Mr Carpenter
Dr Gallop
Mr Graham
Mr Grill

Mr Kobelke
Ms MacTiernan
Mr Marlborough
Mr McGinty
Mr McGowan
Ms McHale

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

Noes (31)

Mr Ainsworth
Mr Baker
Mr Barnett
Mr Barron-Sullivan
Mr Board
Mr Bradshaw
Dr Constable
Mr Cowan
Mr Day
Mrs Edwardes
Mrs Hodson-Thomas

Mrs Holmes
Mr Johnson
Mr Kierath
Mr MacLean
Mr Marshall
Mr Masters
Mr Minson
Mr Omodei
Mr Osborne
Mrs Parker

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

Pair

Dr Edwards

Mr House

Question thus negatived.

MOTION - STANDING ORDERS SUSPENSION*No Confidence in Premier*

DR GALLOP (Victoria Park - Leader of the Opposition) [12.31 pm]: I move, without notice -

That so much of the standing orders be suspended as would allow me to move the following motion immediately -

That this House has no confidence in the Premier who leads a Government whose contempt for proper parliamentary processes has reached new heights as evidenced by -

- (1) A failure to uphold the proper responsibility of his Ministers to be open and honest in Parliament.
- (2) Placing personal and party interests above the public interest by keeping placemen in the House of Review.
- (3) Prostituting the legislative process through the use of a guillotine in both Houses to force the Labour Relations Legislation Amendment Bill through before 22 May when the will of the people as expressed at the December election will take shape.

Point of Order

Mr BARNETT: Of course, members in this House can move to suspend standing orders at any time they wish; however, I thought by convention that members would have the courtesy -

Dr Gallop: Like the courtesy you have shown to our House of Review! What about that, Leader of the House?

Mr BARNETT: Courtesy and practical good sense -

Mr McGinty interjected.

The SPEAKER: Order!

Mr McGinty: This does not sound like a point of order.

The SPEAKER: Order! I call the member for Fremantle to order for the first time.

Mr BARNETT: Members can move to suspend standing orders whenever they wish to do so, but it would be both courteous and practical to wait until the Premier is present in the Chamber to deal with this matter before moving the motion.

Dr Gallop: Bring him in.

Mr BARNETT: The Premier will be here. If the Opposition had had the sense to discuss this motion with me beforehand, I could have told it when the Premier would be here. The matter could then have proceeded with some logic. What is the point of moving to suspend standing orders for a motion directed at the Premier when he is not in the House, and will not be here until later today?

Dr Gallop: Where is he?

Mr BARNETT: I do not know exactly where he is.

Dr Gallop: Ring him up and get him in here!

Mr BARNETT: What an extraordinarily immature performance! The Premier will be here after lunch - in half an hour.

The SPEAKER: Order! There is no point of order in what was said by the Leader of the House; however, he has had the opportunity to express his view. The Leader of the Opposition can continue.

Debate Resumed

Dr GALLOP: Do I take it that the Leader of the House is saying to the Chamber that in a half-hour he will facilitate debate on this motion?

Mr Barnett: That is something I will be happy to discuss behind the Chair.

Dr GALLOP: No. I need a commitment now, Leader of the House.

Mr Barnett: I do not negotiate in public with you; I'm sorry, but I'm happy -

Dr GALLOP: The Leader of the House does not negotiate in public; it must be in secret behind the Chair. He should take a risk and try negotiating in public!

Mr Barnett: I do not know where the Premier is, but I believe he will be here at lunchtime. If you had followed the convention of discussing this with me, we could have come to some arrangement. It is difficult now as you have started.

Several members interjected.

The SPEAKER: Order!

Dr GALLOP: The motion I wish to move today is a matter of great importance: The State of Western Australia is currently in a situation of crisis.

Several government members interjected.

Dr GALLOP: From where is the member for Swan Hills coming in laughing at that quote? Tell us about it.

Several members interjected.

Dr GALLOP: Tell us!

The SPEAKER: Order! The Leader of the Opposition has had a lot to say today, and I ask him to address his motion.

Dr GALLOP: The Government of any country or State has a very important contract between it and the people. The glue that holds all that together -

Points of Order

Mr BARNETT: Although this motion is to suspend standing orders, I seek your indulgence and seek a ruling on whether it is appropriate for the House to debate or consider a motion that could be seen to reflect on the other House.

Mr RIPPER: The motion moved by the Leader of the Opposition is to suspend so much of standing orders as is necessary to allow him to move the substantive motion. By definition, it virtually follows automatically that if his motion to suspend standing orders is accepted, he is entitled to move the motion in the terms as it stands.

The SPEAKER: Order! This House is free to debate any motion it chooses, so no point of order is involved on that count.

Debate Resumed

Dr GALLOP: The glue which holds everything together in our society has two aspects: First, a proper democratic process in producing a Government and Parliament, and we have two Houses of Parliament in our system of government; second, government concern for the rights and liberties of people. Any member of Parliament who moves around in the community knows people's views about the way our Parliament is being conducted, and the degree of feeling about the way the processes are currently being abused. It is a serious concern when industrial action is being taken by a section of our community when the Government is ramming through legislation to deliberately antagonise that section of the community.

The first and primary responsibility of any Government is to maintain a sense of civilisation and community. The last few weeks has seen a weakening of the glue which holds our society together, and this has occurred in two ways. It staggers me that government members are blinded by their ideology and prejudices and cannot see what is happening in this State.

First, we have legislation with draconian features. That view has been expressed by not only the Opposition, but also the churches, the local newspaper and other commentators. The legislation is of such a draconian nature that it has no role to play in our system of law. The way the legislation is being handled by the Government, which has no mandate for it from the election, can be added to the abuse of the process. During the election campaign members opposite raised only the issue of secret ballots. No detail was provided and a muzzle was placed on the Minister for Labour Relations.

The legislation was introduced, and the Government has attempted to rush it through the Parliament by imposing a guillotine in this Chamber and, for only the second time in our State's history, a guillotine in the Legislative Council. The Government is doing all of that before 22 May when the constitution of that House will alter because of the December election. It is draconian legislation and the Government is trying to ram it through the Parliament. By putting those two things together, there is in this State a major breakdown in the relationship between the Government of the day and the organised labour movement.

Points of Order

Mr BARNETT: As the Leader of the Opposition well and truly knows, this is a motion to suspend standing orders. He has not addressed that motion; he is addressing the substantive motion.

Mrs ROBERTS: The Leader of the House knows it is appropriate for the Leader of the Opposition to give reasons that the suspension of standing orders is warranted. That is exactly what he is doing.

The SPEAKER: Order! The judgment on these matters rests with the Chair. It is correct that the Leader of the Opposition needs to address the motion before the Chair, which is for the suspension of standing orders. However, it has been the practice of the House to give the mover of the motion the opportunity to refer to the substantive motion to build up his case, as it were. However, I advise the Leader of the Opposition that that opportunity does have limitations.

Debate Resumed

Dr GALLOP: I thought the case for suspending standing orders had been made very clear; that is, the State of Western Australia is currently involved in a head-on collision between voluntary organisations in the community and the Government. If that is not the basis upon which members of Parliament can raise an issue as a matter of serious concern, I do not know what is. This State has this draconian legislation and the public can see how the Government is handling the matter. If we put those two issues together the result is a major conflict between the Government of the day and organised labour in Western Australia. Therein lies a major concern.

The Labor Party has been pleading with the Government for weeks to make an accommodation in terms of this Bill. When this House was debating the Labour Relations Legislation Amendment Bill the Opposition asked the Government to withdraw all of the legislation and to seriously start talking to the trade union movement about ballots for strike action. That is the only issue for which this Government has some sort of mandate from the electorate.

Earlier this week the Opposition suggested to the Government that it refer the Bill to a Legislative Council committee for consideration so that, instead of its being considered on the run, it can be properly considered and the Bill can then come back to the Legislative Council after 22 May. That would provide a short term resolution to the problem in Western Australia. The Government has ignored the Opposition's pleas and suggested approaches that it could adopt to try to bring peace and harmony to the community. It has become very clear that the Government has no

conception of peace and harmony; all it wishes to do is to ram this legislation through the two Houses of Parliament and establish it as a system of law in Western Australia.

The straw that broke the camel's back was the imposition of the guillotine in the Legislative Council last night. More than anything else the imposition of that guillotine gives the Opposition the justification to come into this Parliament today and suspend standing orders to put the performance of this Government and its Premier on the Table of this Parliament for debate. Let us reflect on the decision which was made in the Legislative Council last night and let us not mince words: It was not a decision by the Legislative Council; it was a decision by the Government. The Government does not recognise the existence of an independent House of Review. It simply wants to ram its legislation through the two Houses of Parliament.

The Government's decision showed complete contempt for the democratic and parliamentary processes in Western Australia. The Government did the same thing in 1993 to controversial legislation which went into that Chamber. The Government applied a sessional order to the workers' compensation Bill; the land titles Bill, which dealt with the Mabo question; the criminal procedure Bill; and the industrial relations Bill. In 1997 it is doing the same thing.

I reiterate that it is the Opposition's understanding from moving around the community that the Government's action in this Parliament is causing enormous aggravation in the community. It is throwing fuel on the flames of the debate on, and the division over, the Labour Relations Legislation Amendment Bill. It is the question which is at the heart of this issue. The Opposition is debating the issues not only in relation to the Bill, but also in relation to the way the Government is handling the Bill. The actions of this Government and its Premier are creating enormous conflict.

The aggravation in the community which has been caused by the Government's handling of this issue cannot be underestimated. It is part and parcel of why there will not be a resolution of this issue in the community. When the Bill was debated in this House, I said that the Government's course of action has no resolution in the community. It is so disruptive of the rights and interests of one group in the community that it cannot lead to consensus in our society. However, the Government is pursuing this issue by attempting to ram it through the Parliament. The fuel which has been added to the flame which is causing the problem in the community is that currently in the Legislative Council there are members who were elected in 1993. This State has had a royal commission report and a Commission on Government report which have made it absolutely clear that the Legislative Council has to change.

Mr Minson: In their opinion.

Dr GALLOP: And the member does not agree with them?

Mr Minson: No I do not.

Dr GALLOP: The member for Greenough does not agree with the findings of the royal commission or the Commission on Government.

Several members interjected.

Dr GALLOP: What a sorry state of affairs when the Parliament of Western Australia sets up an independent inquiry, which takes opinions from all over the State, and says, on this fundamental question, that the way the Legislative Council works must change if this State is to have proper Government, but the members opposite reject the proposed changes.

Members should note two very important features of the Legislative Council. The first is that the members who are currently in that place were not elected last December. I assure members that that is causing huge aggravation in the community.

Several members interjected.

The SPEAKER: Order!

Mr Shave: Why not tell members to stop voting.

The SPEAKER: Order! We cannot have a barrage of interjections. I ask members on the Government side not to interject.

Dr GALLOP: The Government is attempting to ram the legislation through the Parliament by 22 May. Members know why it is doing that. On 22 May a newly elected group of members will go into that Chamber and for the first time in the State's history the balance of numbers will be such that on the floor of the House the coalition parties will not have a majority. What a way to treat democracy? What a way for the Government to treat the people?

Mr Wiese: Don't talk about that.

Dr GALLOP: The member for Wagin cannot keep a straight face when he makes a comment like that.

The Government is rubbing the faces of the electors into the mud and saying, "We don't care what you thought in December; we are the Government of the State and we will do what we like."

Mr Shave: We were elected with a record majority.

Dr GALLOP: Let us add another element to the equation which I think is of major concern to the Government of Western Australia. Currently in the Legislative Council we have two people who are effectively placemen. I am sure members of the Parliament will understand the meaning of the term "placemen". It comes from British history in the eighteenth and nineteenth centuries when the executive arm of government bought off members of Parliament for executive positions. It took a long time to get rid of placemen from the Parliament. There was some degree of preservation of the principle through the Government of the day - that is, the Government of the day and Ministers being in the Parliament. Eventually a separation emerged between the Parliament and the Executive through the concept of responsible government. We have one member who should be in the Senate, who has been selected by his political party to have another job, but who is still in the upper House. I ask members opposite to ask their constituents what they think about that, and the contempt that is being shown for the political process by his staying there simply because he wants to see this legislation rammed through the Parliament. Of course, the Agent General-elect, a person who is going to a government job is also still sitting in the Legislative Council.

Mr MacLean: What about your members? Why don't you tell the truth? How many placemen do you have?

Dr GALLOP: Who are our placemen?

The SPEAKER: Order! We cannot have that barrage of interjections. If it is to continue from members on the government side, I will be calling them formally to order very quickly.

Dr GALLOP: It is clear that the member for Wanneroo does not understand the meaning of the term. He should take some time out to learn about these matters before he interjects. The Government is placing the personal interests of its members and the party interests above the public interest in its handling of this issue. There is no question about these matters. The Legislative Council of Western Australia in 1997 is no longer a proper House of Review.

On top of that state of affairs, the Government is applying the guillotine to this controversial legislation in the upper House. Of course, the guillotine has been used in this Chamber for some time now, but surely when controversial legislation, such as the Labour Relations Legislation Amendment Bill is being debated, the Government should be a little more cautious about its application in this Chamber, let alone in the Legislative Council. The act of the Government last night in introducing its sessional order to establish the guillotine in the upper House was a major act of constitutional vandalism in this State. Earlier today we saw the continuation of the failure of the Premier and the Government to ensure Ministers are open and honest in this Parliament. It was embarrassing to hear in this Parliament yesterday the defence of the performance of the Minister for Labour Relations.

We do not move this motion lightly. We are very concerned about what is happening in Western Australia; that the Government of Western Australia has lost control; and that it is currently in the hands of the Minister for Labour Relations who has no notion of how voluntary organisations should be part of our democracy. He has no sensitivity to the rights and interests of people who disagree with him. The Government of this State has been placed in his hands. For such a person to get his way, the Government must defend that Minister in this Parliament when it is clear that he has not been open and honest to it; it must make sure the Legislative Council is made into a rubber stamp and not allowed to play its proper House of Review function, as is set out in our Constitution and has been recommended very strongly by the Commission on Government and the royal commission; and, finally, it must try to ram through this legislation before the democratic will of the people, as expressed in December last year, can take shape in the Parliament.

Those sorts of issues lead us to conclude that, because of the way he is acting, the Premier does not have any confidence in those on this side of the House. If government members cannot see that or they cannot see what is going on in our community, they cannot be looking or they are so blinded by their prejudices that they cannot see anything. Once again the Opposition makes a plea to the Government to reverse its direction on this question. Given that it is obviously obstinate in the way in which it is handling the matter, we have no choice but to put to this Parliament our strongly held view that the Premier and the Government must be held to account for the way in which they are performing in this matter. I have great pleasure in moving that we suspend standing orders so that we can get on with the substantive issue of debating the state of government in Western Australia today.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [12.56 pm]: It surprises me that the Government will not acknowledge there is a crisis in this State. We have had one of the largest marches on Parliament ever to occur in this State, certainly one of the largest in the past decade. Serious industrial action has taken place - two disputes

in the power industry and the airport has been closed for one day - and we now face a dispute in the fuel delivery industry. Economic loss is being suffered within the community.

Mr Shave: Do you support those stoppages?

Mr RIPPER: I understand why those stoppages are being undertaken; the unions are under serious attack. If I were in a trade union, I would be taking industrial action against this legislation.

Mr Shave: Do you support the action of your own people?

Mr RIPPER: Did the Minister just hear what I said? I repeat: If I were a trade unionist, I would be taking industrial action against this legislation. This legislation is an attack on the trade union movement. The blame for the disruption, division and economic loss within the community lies with this Government. Because we have this crisis within our community, because we have this division, bitterness and disruption, there is an urgency for the Parliament to deal with the motion moved by the Leader of the Opposition. We should suspend standing orders to debate this issue.

We have not only a crisis in this State but also a Government that by its actions is throwing fuel on the flames, a Government that is exacerbating the problem in our community; that by its behaviour is causing these problems which will impact seriously on the economy and the sense of social cohesion that we have in Western Australia. Some of these actions have been ongoing for some time; for example, the guillotine that has been applied in this House and the way in which the Government has been rorting the membership of the upper House and keeping members there to secure the numbers for its legislation.

Two of the actions taken by the Government to exacerbate this crisis have occurred in only the past day. One of those was the imposition last night of the guillotine in the upper House to ensure this legislation is passed before the numbers change in that place as a result of the last election. That has occurred recently and it requires an immediate response from this House. That is why standing orders must be suspended to debate the motion moved by the Leader of the Opposition. Another action, which perhaps is not a factor in itself, has added to the crisis. It is an example of a pattern of behaviour which is causing problems within the community. We have tried to hold the Minister for Labour Relations accountable for misleading this House. That behaviour in this House and in the community is adding to this crisis. Because the Government refuses to do anything about his pattern of behaviour the Parliament must hold the Premier to account for that lack of action.

Sitting suspended from 1.01 to 2.00 pm

Parliament House - Visitors and Guests

The SPEAKER: Before we proceed with the business of the House, I have pleasure in welcoming to the Speaker's Gallery today the four discoverers of the *Stefano*, which sank at Point Cloates, south of Ningaloo Reef in 1875, and which is the latest of the historic or ancient shipwrecks to be discovered off our coast. The discoverers present today are Jeremy Green, Mike McCarthy, Geoff Kimpton and Bob Richards. They are accompanied by another distinguished discoverer, Graeme Henderson, the Director of the Western Australian Maritime Museum.

[Applause.]

MR RIPPER (Belmont - Deputy Leader of the Opposition) [2.03 pm]: Before the suspension I was outlining to the House what I saw as a crisis in this State, which has been exacerbated by the Government's behaviour in imposing the guillotine, by rorting the numbers in the upper House, and by the behaviour of the Minister for Labour Relations. This House must deal with this matter urgently because the Government does not seem to be able to deal with it and, in particular, the Premier is not able to deal with it. In the last 24 hours there have been two examples of the sort of behaviour to which I have referred - the imposition of the guillotine in the upper House only last night and the behaviour of the Minister for Labour Relations, which is not only disturbing and contrary to the conventions of this House, but also adds to the dispute. The Government is not able to solve this crisis. More importantly, the Government is exacerbating the crisis by adding fuel to the flames. We have to deal with this now if we are to avert serious community disruption and division.

Yesterday in question time the Minister for Labour Relations misled the House in our view. Members opposite know that that was not an isolated instance. It is a pattern of behaviour in which the Minister for Labour Relations engages and it is a very damaging pattern of behaviour which is causing division and discord in the community. Earlier we introduced a motion to suspend standing orders. The Government accepted that motion and we moved a motion censuring the Minister for Labour Relations. The Government's defence of the Minister was pathetic. The Minister's defence was that he had said it before in the House, and therefore it must be true! He said that he only said what he had said before! We know from his pattern of behaviour that that is not so much a defence for the Minister's actions, but further evidence for his prosecution. His further defence was that he had evaded scrutiny last time, it was an old

issue, and the Doig report had not made a direct accusation. We know that Mr Doig did not have power to fully investigate the behaviour of the Minister. We know that within the limitations of his brief, Mr Doig did his best, despite his lack of power, to indicate that the Minister had done wrong. We know that the report did not exonerate the Minister.

The Leader of the House's defence of the Minister was even more pathetic. He said that we all know he is a bit of a rogue and very political, that he puts his own spin on events - that he is a spin doctor - he does not behave as the Leader of the House would behave, and that he does not behave like an honest man. Nevertheless, the Leader of the House said, he is not dishonest. I do not regard that as anything like an adequate response to what the Minister did. The Minister has a propensity never to tell the whole truth. His propensity to always put a political spin on his account of what has happened has caused damage in our community. That is one reason that the Government is unable to settle the industrial disputation in the community.

The Premier made a lot of his commitment to ministerial standards when he came into government. One of his defences for not implementing urgently the accountability recommendations of the Commission on Government was that the problems were being solved because good people had been elected. There is a corollary to that: If one of those so-called good people is not doing the right thing, the Premier has to take the next step and discipline him and insist that he behave with integrity in this place. The Premier will not do that. I know members of the Government accept in their hearts the truth of what I am saying, because every time we pull up this Minister for misleading the House, we can read the body language of members opposite and that language illustrates their embarrassment. However, they are bound by party discipline, their weakness, and a lack of leadership from the Premier and they will not do anything about it. Therefore, it is necessary for us, in the face of this crisis, to seek to hold the Premier accountable for his lack of leadership. We should take action as a Parliament now, because the discord in the community is becoming ever more serious.

It is all compounded by the Government's rorting of the numbers in the upper House. Government members of the upper House are being rewarded with positions. The Western Australian Agent General to London is still sitting in the upper House. He gave his two-hour retirement speech five or six months ago. Perhaps the members of the upper House can look forward to another retirement speech from that member after he has participated in the grubby act of voting for the Government's labour relations legislation. A senator elect is still sitting in that House. He has been held back from taking his position in the Senate for a record time.

In any case, it is dubious for Governments to give executive appointments to members of a House of Review. That may be seen as a corruption of their role as members of the House of Review, because they might act in anticipation of political reward. It is also very dubious to make appointments simply to solve preselection wrangles. It could be argued that the Agent General's appointment was very helpful to the Liberal Party in the South Metropolitan Region in resolving some of its preselection problems. Some members of the upper House would be very grateful to the party for making that appointment because it has ensured that they have been able to retain and gain seats in that House. Comparisons should be made with the Metherill appointment in New South Wales, where the Independent Commission Against Corruption found that then Premier Nick Greiner had behaved corruptly by appointing a parliamentarian for political purposes. The Government has done that in its appointment of Hon Clive Griffiths as Agent General to London; it has made an appointment for political purposes to solve an internal preselection wrangle.

Although that is serious, adds to the crisis and reinforces the need to hold the Premier accountable, it is even more important that these people are remaining in the House long after their appointment simply to force through the Government's labour relations legislation. It is taking cynicism to new heights. The Government wants it both ways: It wants to reward members and to maintain votes.

The Federal Opposition in the Senate is behaving in accordance with convention and courtesy; it is extending a pair to the Liberal Party following the death of Senator John Panizza. That Labor Party's respect for convention and courtesy is being cynically exploited by this Government, which will not send Hon Ross Lightfoot to Canberra but is keeping him here to ram through its labour relations legislation. That is in the tradition of coalition rorting of upper Houses. Members need refer back only to 1975 to see the way in which the coalition seeks to manipulate numbers in Australian upper Houses. More recently, the Federal Government virtually bought Senator Mal Colston in order to rort the numbers in the Senate. We have a 100 year history of malapportionment in this State that has ensured conservative domination of the upper House. That malapportionment is exacerbated by the "place man" scenario that has developed in that House.

Last night's use of the guillotine in the other place has made it necessary for the Opposition to move the suspension of standing orders. It is totally inappropriate for a guillotine to be applied in a House of Review. It has been done in our House of Review on only very few occasions - probably on only two or three occasions.

Mr Court: What about the Senate?

Mr RIPPER: The Premier can talk about the Senate if he wishes, but I suggest that he reflect on what I have said about Senator Mal Colston and Senator Panizza before he spends too much time referring to respect for the conventions of the Senate.

It is totally inappropriate to apply a guillotine in the upper House, and it is totally out of character with the conventions that have applied in that place for more than 100 years. This is not an ordinary case of applying a guillotine. There is a particular reason for its application; that is, the Government wants to continue its rotting of the system in the upper House by ramming this legislation through before 22 May - before the will of the people is reflected in the membership of that House.

The Government says that it has a mandate for the legislation - it is causing crisis and disruption in the community and it is not something it addressed fully in the election campaign, but it has a mandate for it. If it has a mandate for it on the basis of the results of the last election, why does it not allow it to be considered by the members elected at that election? It cannot say on the one hand that it has a mandate and on the other that it will not allow the election that provided that mandate to be reflected in the upper House when the vote is taken on the legislation. The Government is damaging public confidence in our parliamentary system and increasing the public's cynicism about politicians. The electors know how they voted at the last election: They voted for a coalition Government, but with the constraint of an upper House without coalition control. Members opposite should realise that nearly 20 per cent of electors voted for candidates who were not representing either major party. That represents a very significant proportion of the electorate voting for minor parties in the upper House.

We should debate this matter today because the Government's action last night in imposing the guillotine is only adding fuel to the flames. It is encouraging people to take industrial action that will impact on the State's economy and the welfare of our citizens. The Government is to blame for this industrial action because of the nature of the legislation and the way in which it has handled it; that is, with a high degree of cynicism and in a brutal and ruthless manner. The stewardship of the legislation has been given to a Minister who has a very confrontational, divisive, political and misleading style. If the Minister had the standards that the Premier says his Ministers should have then this issue would not be as divisive as it is at the moment. If the Premier will not deal with it then the House must now deal with the Premier. We are witnessing a perversion of democracy and it is contributing to the crisis in the community.

There is no alternative if this House is serious about its conventions and the parliamentary process than to agree to the suspension of standing orders so we can fully debate the substantive motion.

MR COURT (Nedlands - Premier) [2.17 pm]: This is the second time today that the Opposition has moved to suspend standing orders. It has plenty of opportunity during private members' time to debate these matters, therefore the Government will not support this further suspension.

The proper processes we are referring to in the industrial relations legislation relate to the way in which the industrial system operates in this State. Members opposite have difficulty in accepting that the changes to this legislation, in changing processes, give more power to union members, not to union leaders. Whether or not members opposite like it, it gives workers the power to choose whether they go on strike after a secret ballot instead of being directed. It gives them the choice as to how much they are prepared to give as a political donation and to whom. It gives them the choice about whether they operate in a federal or state system.

I have been told today that the transport workers who cart fuel will commence a two day strike tomorrow. As I understand it, those workers have not met to make that decision. So, we are told by the union leaders that that is what will happen, as if it were a predetermined matter.

Mr Marlborough interjected.

The SPEAKER: Order, member for Peel! During the debate there has been some latitude with interjections but members have a right to be heard.

Mr COURT: The Labor Party in this State has made it clear that it will not embrace the changes that are taking place in our economy and our industrial system.

Mr Marlborough interjected.

The SPEAKER: Order! The member for Peel will come to order.

Mr Marlborough interjected.

The SPEAKER: Order! I formally call the member for Peel to order for the first time.

Mr COURT: I can feel a bit of a theatrical performance coming on.

The people of this State want more choice and flexibility in the system. The United Kingdom Labour Party has been prepared to move down the path of accepting the changes that have taken place in workplaces and the economy. It has been prepared to say that it will continue with those strategies on issues such as privatisation. On its relationship with the union movement, the new Prime Minister says that his view of trade unions is very simple; they are a good part of a healthy democracy but they must never be confused with the Government of the day.

Dr Gallop: Absolutely.

Mr COURT: The Leader of the Opposition says "Absolutely", but we all know who is calling the shots round this place.

Several members interjected.

The SPEAKER: Order, Minister!

Mr COURT: The Opposition had difficulty in accepting even the principle of a simple issue such as secret ballots.

Dr Gallop: Is that democracy? Read the Bill.

Mr COURT: That shows the lack of understanding by the Leader of the Opposition of this legislation. We are being asked to debate a motion which covers a number of areas. Part two of the motion refers to placemen in the House of Review. I must admit it is a term I had not heard before.

Dr Gallop: It is a very important term, I assure you.

Mr COURT: I looked up the definition in the Australian Concise Oxford Dictionary to find out what it meant. It refers to an Australian rules player in a fixed position.

Mr Marlborough interjected.

The SPEAKER: Order, member for Peel!

Mr COURT: The Oxford English Dictionary reads, "One who holds an appointment in the service of the sovereign or state; almost always with depreciatory or hostile connotation: One who is appointed (or who aspires) to such a position from motives of interest, without regard to fitness." I cannot accept that about any of our members in the Legislative Council. Does the Leader of the Opposition think it appropriate that Hon Ross Lightfoot should still be there?

Dr Gallop: No, it is not appropriate.

Mr COURT: Does he think it appropriate that Hon Paul Sulc should still be there?

Dr Gallop: That is a different situation. You are talking nonsense.

Several members interjected.

The SPEAKER: Order! The member for Burrup knows it is highly disorderly to interject when I am on my feet. I formally call the member to order for the first time for it. Members, we cannot have a barrage of interjections from all over the House like that.

Mr COURT: Both of those members have quite properly been elected to be in the Legislative Council. If the Opposition has a new position that people who were elected in 1993 for a four year term should get out of Parliament as soon as there is another election, I am not aware of that principle. As far as I am concerned those people have every right to be in the Parliament and to be voting on whatever comes before the Parliament. If members opposite wish to go back, the fact of the matter is that we have gone to two elections, in 1993 and in 1996, with this legislation.

Mr Marlborough interjected.

The SPEAKER: Order, member for Peel.

Mr COURT: We made very clear what the elected Government would like to have implemented. Those members have every right to be part of that decision making.

I will end my comments by making two points. It became obvious in January and February that the Trades and Labor Council had no intention of negotiating with the Government on this legislation.

Dr Gallop: What a disgraceful comment.

Mr COURT: It is not, it is a fact.

The SPEAKER: Order!

Mr COURT: That fact was verified by the leadership of the TLC. They have made it clear that they have no intention of negotiating on this matter. Last week ACTU officials were prepared to negotiate but a conscious decision has been made for that not to occur. The second point is that it is obvious the Labor Party has taken it upon itself to frustrate debate as long as it possibly can. One does not have to be too smart to work out the tactics. The Opposition has a choice: It can either adopt a position where instead of wasting time it starts debating the issues or it can play games to delay debate. This matter has been before the Parliament -

Dr Gallop: Send it to a committee.

Mr COURT: It has been to a committee in the Legislative Council. The matter is hardly new to both sides of this House. As I have said, this is the second time today that the Opposition has wanted to suspend standing orders. It is a day on which half the business is the Opposition's anyway. It could debate these matters in private business.

MR MINSON (Greenough) [2.27 pm]: I have paid some attention to this debate. Seldom have I heard such idealistic nonsense and crass hypocrisy since I came to this place. It is time that the Opposition started to look in a mirror.

Several members interjected.

The SPEAKER: Order!

Mr Marlborough interjected.

The SPEAKER: Order! I formally call the member for Peel to order for the second time. A member on his feet has a right to be heard. He has only just got to his feet and there have been about seven interjections.

Mr MINSON: I want members opposite to cast their minds back a little way. When we sat opposite, such people as the current Premier, Bill Hassell, Barry MacKinnon and Richard Lewis came in here and told the whole truth about what was happening in the Government of the day. Many of the members sitting opposite sat over here with silly grins on their faces. History has proved that we were telling the whole truth. I have not heard too many apologies from the likes of brewery Jim and a few others.

The SPEAKER: Order!

Mr MINSON: I retract that, Mr Speaker. The likes of the member for Fremantle -

Point of Order

Mrs ROBERTS: Mr Speaker -

Mr Minson: I have retracted, so you can sit down.

Mrs ROBERTS : Is the member giving directions in this House or are you, Mr Speaker?

The SPEAKER : The member on his feet retracted the statement.

Debate Resumed

Mr MINSON: To make it abundantly clear, I retract that comment. The member for Fremantle and a few others were on this side of the House in ministerial positions. They know very well what went on in those days. To come here and say that we are prostituting the processes is absolutely ridiculous.

Mr McGinty: Is that the best defence you can mount?

Mr MINSON: I have only a few minutes. The question of "placemen" is particularly important. The law in this State is very specific about what should happen when there is an election and about the terms of the members of the upper House. What does the Opposition expect will happen when there is an election and some months remain until the expiry of the terms of the members of the upper House, which is basically what happened? Does it expect those members to come into this place and do nothing? If we carried that argument to its logical conclusion, the upper House would make no decisions during that time. That is a ridiculous argument. The upper House does not go into caretaker mode simply because there will be a change after 22 May. After every election, a change occurs in May.

Members opposite have missed the fact, and it is time they pointed it out to the public of Western Australia, that we got an increased majority in the seat of government, which is in this place. If there was a mandate for change for the program put forward by the Minister for Labour Relations, that was it.

Several members interjected.

Mr MINSON: Can members opposite not count? The people of Western Australia had their say and they made it very clear. The real losses in the other place were suffered by members opposite, not us. It is ridiculous to argue that all the people who will sit on the opposition side of the other House until 22 May should go home and not take part in any further debate.

With respect to the guillotine, I have said before and I will say again that every Parliament in the world that works well in a large democracy has some form of time management. If those members in the other place were serious about debating the issue -

Mr Graham interjected.

Mr MINSON: If those members were serious about debating the issue -

Mr Graham interjected.

The SPEAKER: Order! Member for Pilbara, I know you have been trying very hard to get the same interjection across about seven or eight times, but I formally call you to order for the second time.

Mr MINSON: If Opposition members in the other place were serious about debating the issue, they would have got onto it last week, but they delayed it until about four or five o'clock on Thursday. They are complaining now that time management has been put in place, but last week they stalled and wasted a week of debate while trying to tell the people whom they are supposed to represent that they were debating the issue. All they did was to pull a lot of stunts, much the same as we have seen here today, where the best part of a day has been wasted when the Opposition could have used private members' time to debate these issues. I have been here for nearly nine years, and seldom have I heard such silly arguments as I have heard from that side of the House today.

Dr Gallop: That is what they say every time they get up.

Mr MINSON: Unfortunately it is true. There is no reason that the Government should accept a debate on this issue today.

MR COWAN (Merredin - Deputy Premier) [2.35 pm]: I am very disappointed that after the Government had given the Opposition the opportunity, in all seriousness, to debate a motion which it brought on through the suspension of standing orders, it immediately sought to take licence with that liberty and to suspend standing orders again. Nothing can prevent the Opposition from seeking to do that, and it would have been beyond its expectations that you would allow this debate to be so far ranging, Mr Speaker -

Dr Gallop: Are you criticising the Speaker?

Mr COWAN: No. I am saying that it would have been beyond the expectations of members opposite that that would happen. Mr Speaker, this degree of tolerance has been a mark of your time in that position, and you have demonstrated it again, and that is your prerogative. However, the Opposition needs to understand that no Government has ever given the Opposition the degree of accommodation that this Government has given the Opposition today.

Matters of public importance were introduced some years ago to allow members of Parliament to discuss such matters on a weekly basis for an hour. That was intended to dispense with the concept of moving to suspend so much of standing orders as would allow a debate on a particular topic. That was agreed to by the Parliament and it works. However, it is never enough for this Opposition. Not only does it want to use the MPI system and the suspension of standing orders in order to debate a particular subject, but also it wants standing orders to be suspended again. Today is Wednesday and the Government is in control of the business of the House. There is no way that the Government will support the suspension of standing orders as the Opposition has requested. Paragraphs (1) and (2) of the motion do not need to be discussed.

Mr Ripper: So it is okay for Ministers to not be open and honest in Parliament?

Mr COWAN: Members in this place will always have differing opinions. Members opposite can shout their opinions from the rooftops as much as they like, but very few people believe them. Members who want proof of that fact should trot down to the Electoral Commissioner's office and ask him for a copy of the results of the last election, because that will tell them in no uncertain terms that very few people believe them. In the past four and a half years, members opposite have not been able to restore their credibility, and motions of this nature fail completely to achieve that target. The Leader of the Opposition should be concerned about not only his credibility but also the credibility of the Opposition. The credibility of the Opposition will never be restored by moving nonsense motions of this nature.

Dr Gallop: Keep saying that. That is great. We want you to be an arrogant authoritarian. Thank you very much.

Mr COWAN: I have been called a lot of things but I do not think anyone with any sincerity could ever call me arrogant. Nevertheless, I do not mind being called those things, because most members of the Parliament and most members of the public who know me would dismiss that as arrant nonsense.

Dr Gallop: You have lost the plot.

Mr COWAN: Members opposite do not know what they are doing, and they certainly do not know what they are saying.

Paragraph (3) of the motion refers to prostituting the legislative process by introducing time management systems. That is nonsense. Every Parliament has some form of time management.

Mr Graham: That is absolutely right; however, can the Deputy Premier name one Parliament in the world that has a stand-alone guillotine such as ours? He cannot, because there is not one.

Mr COWAN: If the member for Pilbara were to look at the standing orders of every Parliament -

Mr Graham: I have.

Mr COWAN: Although he would not find a standing order that is identical to ours I guarantee that there will be a standing order which permits the Government to be in control of debate on the floor of the House, and to curtail debate at any time. I know enough about standing orders to be aware that every House seeks to control its own direction and to control its own debates. Although there may not be a standing order which is identical to that which we have, the member for Pilbara can bet his life that there will be something in the standing orders that permits the House to control debate.

Mr Graham: No other Parliament in the world has an automatic, stand-alone guillotine.

Mr COWAN: There is no reason that this House should not have some form of time management, and every reason that the Government should continue to be in charge of the business before the House; that is exactly what will happen. The Government will oppose this motion.

MRS ROBERTS (Midland) [2.41 pm]: Despite the kind of comments we have heard from members opposite this is a grave and serious issue. The Government of Western Australia has plunged our State into crisis

The Government has raised the issue of community expectations. The Labour Relations Legislation Amendment Bill is the most unpopular legislation in the community. It is currently the single most important issue affecting our State and the people of our State. The community expectation is that this Parliament should be debating this issue at this moment. The Deputy Premier suggested that it was not proper to suspend standing orders in this manner.

Mr Cowan: I did not say that.

Mrs ROBERTS: It may be that he was suggesting it was improper because he thought we had moved to suspend standing orders too often today. Our decision to move to suspend standing orders twice today is not one that we take lightly. If members opposite look at the Opposition's record this year, I do not believe they would find that it has moved to suspend standing orders on a previous occasion. We debated a matter of privilege on the Minister for Labour Relations for again misleading the Parliament; that was raised by the member for Nollamara. It is not something that the Opposition does without serious consideration.

The Deputy Premier suggested that the matter of public interest debate could be used for this issue. However, when we determined the subject of the matter of public interest debate yesterday - the cost increase for concession holders using public transport - the guillotine had not been moved in the upper House.

The Government's moving last evening to guillotine debate in the upper House on the Labour Relations Legislation Amendment Bill showed utter contempt for the institution of Parliament. One of the Government's arguments is that it was elected to government so it has a mandate. It is true, as the Government has pointed out, that the Australian Labor Party did not gain as many seats as the coalition parties at the election. The coalition parties won the majority of seats and a majority of the vote. The coalition did not increase its percentage of the vote, but it picked up the majority of seats.

I put two matters before the House. The first is that the industrial legislation was not something the coalition campaigned on during the election. The second is that throughout the election the upper House was canvassed as a House of Review by not only the Labor Party, the Democrats, the Greens (WA) and the Independents but also the Government. There was a strong campaign to have people take a second look at how they voted in the upper House.

The pattern of voting between the lower House and the upper House shows that many people in our community took the opportunity to vote for someone other than a coalition member in the upper House.

Several members interjected.

The SPEAKER: Order!

Mrs ROBERTS: The Government is afraid to let those members of the upper House who were democratically elected to serve the State in the December 1996 election make a decision on its industrial legislation. The Government has chosen to show total and utter contempt for the people of Western Australia by guillotining the industrial relations legislation through the upper House before 22 May. The Government has shown further contempt by leaving, as our motion states, "the placemen" in place; that is, the President of the Legislative Council, Hon Clive Griffiths, and the Liberal senator-elect to the Federal Parliament, Ross Lightfoot.

Members on this side of the House will not debate other matters when significant and serious matters like this are not debated. This issue is pushing our State into crisis. Member opposite can shrug their shoulders, brush this issue off and hope that it will go away; however, it will not go away. The people of Western Australia will not forget the Government's total and utter contempt for the institution of Parliament and for the people of Western Australia.

Question put and a division taken with the following result -

Ayes (18)

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

Noes (34)

Mr Ainsworth	Mrs Hodson-Thomas	Mrs Parker
Mr Baker	Mrs Holmes	Mr Pandal
Mr Barnett	Mr Johnson	Mr Prince
Mr Barron-Sullivan	Mr Kierath	Mr Shave
Mr Board	Mr MacLean	Mr Sweetman
Mr Bradshaw	Mr Marshall	Mr Trenorden
Dr Constable	Mr Masters	Mr Tubby
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>)
Dr Hames		

Pair

Mr House

Ms Warnock

Question thus negatived.

STATEMENT - MINISTER FOR THE ENVIRONMENT

Environmental Impact Assessment Procedures

MRS EDWARDES (Kingsley - Minister for the Environment) [2.51 pm]: I inform the House of the ongoing process for improving environmental impact assessment procedures in Western Australia.

The WA system is already recognised as one that takes all aspects of the environment into account when decisions are made, and we want to keep it that way. The recommended improvements follow a review which the Department of Environmental Protection commissioned in January 1995. It wanted a complete review of its operation. Against that background, the review found that there were sufficient checks and balances in the existing environmental impact assessment process to ensure a high level of quality in findings and to give users a high level of confidence.

The review showed that there were shortcomings in various systems, despite the high level achieved. Areas for improvement included -

- (1) long term measurement of effectiveness in environmental protection;

- (2) integration of the assessment and pollution prevention processes; and
- (3) a policy framework for assessments.

Since the report's completion in July 1995, all recommendations have been or are being implemented. These include -

- a way of clearly defining relevant tasks and responsibilities;
- key checkpoints and procedures for integration with pollution prevention requirements;
- a performance management system to monitor timeliness and effectiveness;
- five-yearly environmental performance reviews in addition to compliance reporting against ministerial conditions;
- a program to give proponents greater certainty and more consistent advice;
- improved guidelines for proponents, covering contents of reports, priority issues and environmental objects;
- and
- closer working operations between government departments.

I also inform the House of new arrangements concerning services and facilities for the Environmental Protection Authority. The provision of reasonable services and facilities was specifically addressed when Parliament legislated in 1993 to separate the positions of Chairman of the EPA and CEO of the Department of Environmental Protection.

The following new arrangements will clarify this process: The EPA will have its own secretariat of up to four people. The EPA will be briefed on and have input to the department's budgetary and staff arrangements and can report to the Minister on any concerns. However, consistent with normal government functions, the department's CEO will be responsible and accountable for budgetary and staff matters. I have asked both the EPA and the department's CEO to finalise a service agreement on these new arrangements as soon as possible. However good all these improvements are, there will always be scope for further improvement, and we will be continually striving to achieve it.

I table the report and the departmental response.

[See paper No 375.]

[Questions without notice taken.]

BILLS (2) - INTRODUCTION AND FIRST READING

1. Regional Development Commissions Amendment Bill.
Bill introduced, on motion by Mr Cowan (Minister for Regional Development), and read a first time.
2. Human Tissue and Transplant Amendment Bill.
Bill introduced, on motion by Mr Prince (Minister for Health), and read a first time.

IRON AND STEEL (MID WEST) AGREEMENT BILL

Second Reading

Resumed from 19 March.

MR GRILL (Eyre) [3.30 pm]: The Opposition will support this legislation. As the Minister said in the second reading speech, this is a very important project, a groundbreaker for Western Australia. In the present economic environment in which we find ourselves, it is the sort of project which we should foster. A steel project in Western Australia is something we have all dreamt of, and we will be very happy when this project comes to fruition.

Having said that, I must say that the Opposition has severe misgivings about certain aspects of the legislation. We have the gravest concerns about two aspects of the agreement that we are being asked to approve by way of this Bill. Our first concern relates to the level of the infrastructure and constructive support which is being given to this project, and which is absolutely unprecedented in the history of Western Australia. Never before, as far as I can ascertain, has a Government been prepared to put in place such a high level of support for a project. In that sense I am talking about not just capital infrastructure, but also ongoing operational subsidies for this project.

It is a very desirable project and, as I said, we want to support it because this State has waited for such a project for a long time. However, as the Minister admitted in the second reading speech, with infrastructure capital subsidies

from the State running as high as \$300m and possibly \$350m or more, we are looking at subsidies the likes of which we have never seen before. Projects like the petrochemical plant never had subsidies of that sort.

Mr Bloffwitch: Wasn't it said to be worth about \$350m or \$400m?

Mr GRILL: It was something of that nature, but I cannot remember the exact amount now. In that case we were not looking to subsidies of that nature; we were looking at equity injections by the State Government of about \$175m. Ultimately substantial losses were made by the Government in respect of that plant. In the history of Western Australia, as far as I am aware, we have never seen anything like this level of infrastructure subsidy.

Mr Bloffwitch: What happened to the North West Shelf? Didn't we put a lot of money for development there?

Mr GRILL: Not in terms of capital. I am talking about the capital infrastructure subsidies that have been put in place in this project. We undertook a support mechanism for that project, which was fostered largely by conservative Governments under Sir Charles Court, and ultimately the Burke Government had to sign on for the pipeline agreement.

Mr Bradshaw: What about the subsidies that were given to Simcoa and SCM Chemicals? Substantial capital injections were put into those areas.

Mr GRILL: The total value of those projects would not have come to \$350m, let alone a subsidy towards their cost. Some small subsidies were put in place for those projects, but mainly for the development of the site at Kemerton. They were fairly small in nature, nothing like the amount involved here.

Mr Bradshaw: About \$8m went into Simcoa or SCM - I cannot remember which one.

Mr GRILL: Even if it were correct - I think it is a slight exaggeration, and I am very surprised that the member opposite is criticising it - that that level of infrastructure subsidy was put into the Kemerton site, it would be absolutely dwarfed by the level of capital infrastructure subsidy in this project. I stand by my earlier statement that as far as I know there has never been a project in this State which has attracted capital infrastructure subsidies of the level this one has the potential to attract.

Mr Barnett: This is a matter of semantics. The member is probably right that there is not a parallel example with such a large commitment by government, but I take exception to the use of the word "subsidy". Not one dollar will be paid to the company; not one dollar of the company's expenditure will be refunded.

Mr Thomas: If it is not a subsidy, it is a transfer of money.

Mr Barnett: No. There is quite a substantial difference which you are incapable of understanding. You might argue that it is inappropriate for the Government to commit to the Oakajee industrial estate, and we can have a valid argument about that; but you cannot say it is a subsidy to the company. I am telling you it is not a subsidy.

Mr Thomas: It is.

Mr Barnett: You are a clown, as you showed to the royal commission.

Withdrawal of Remark

Mr THOMAS : Mr Deputy Speaker, I ask that you request the Minister to withdraw that remark.

The DEPUTY SPEAKER: I think that comment is unparliamentary and I ask the Minister to withdraw it.

Mr BARNETT : I withdraw.

Debate Resumed

Mr GRILL: The Minister for Energy talks about semantics. Unfortunately he is engaging in an exercise of semantics at present. If the Government puts money into infrastructure which is for the sole use of a particular company and the company uses it, it represents in this case gigantic infrastructure subsidies for that company.

Mr Barnett: Can you indicate what item of infrastructure expenditure is for the sole use of the company? There is none.

Mr GRILL: Even in the second reading speech, the Minister conceded that the port and the railways infrastructure, the water and to some extent the power subsidies would be for the exclusive use of Kingstream Resources NL and An Feng (Australia) Pty Ltd for the foreseeable future. In the second reading speech the Minister adverted to the fact that possibly another company of a similar nature, presumably the Mt Gibson company, which may be using a direct reduced iron process in the vicinity, may well use the Kingstream facilities. However, the Minister has conceded that

the facilities the Government intends to put in will be used exclusively by Kingstream at least for a substantial time. If I am wrong, the Minister can name the other companies that will use it.

Mr Barnett: You are wrong. Yes; for a period Kingstream may well be the only operator within the industrial estate and the only user of the port. However, in no sense, either from day one or forever, is that industrial estate for the exclusive use of Kingstream or the port. Kingstream will have a site, from memory, of around 150 hectares, which it will buy, in an estate of some 2 000 or 3 000 ha. There is nothing exclusive about it. By definition, the first investor in that estate - that is Kingstream - will be the sole operator. However, as soon as another one comes along, there will be two and then three. I recognise what we are doing. However, it is not a direct subsidy and Kingstream does not have any exclusive rights. However, I will help the member's argument because it is not going too well for him at the moment -

Mr GRILL: I thought it was going splendidly!

Mr Barnett: I don't think it is. The only thing you could say is that because the Kingstream project requires the handling of steel slabs, which puts very tight specifications on the port, the port specifications in terms of stillness of water are more exacting than you would have for bulk cargoes.

Mr GRILL: The Minister is obviously very sensitive on this issue. I know it is his fervent hope that a whole stream of other industries will come into the Oakajee site and will take up the capacity in the port. However, that fervent hope is just a hope and his desire that that should happen, although shared by a number of his colleagues, is not thought to be likely by others of his colleagues. In fact, a number of his colleagues are cynical about this process. They believe he will transfer the cost of the new port and other facilities - the infrastructure to which I have been referring - onto them and onto their departments. That is the truth of this matter. This Minister may have a range of pie in the sky hopes about Oakajee, and I hope they come off. However, he cannot point at this stage to one other company that is likely or committed to come into that site. Very few companies will be able to take advantage of the sorts of infrastructure being put in place by virtue of this agreement.

Mr Barnett: I can give the member two now. Asian Iron and Steel and the second smelter for Western Mining.

Mr GRILL: Let us wait and see whether they come off.

Mr Barnett: A stainless steel plant is a big chance in the future.

Mr GRILL: Once again, we are operating on a wing and a prayer.

Mr Barnett: No.

Mr GRILL: Yes, we are.

Mr Barnett: I made it clear in my public comment that this was a big step for the State. I think it is the correct decision. I have thought about it carefully. Cabinet debated it at length. I do not doubt it is a cavalier step and a big step forward. It is probably the most major commitment in industrial development since the Kwinana industrial strip in the 1950s. I do not disagree with that.

Mr GRILL: All right. Therefore, we are getting some measure of agreement.

Mr Barnett: I have made that comment publicly.

Mr GRILL: Okay; we agree that the level of infrastructure subsidy - the Minister does not like that word and so I will use the word "investment" - in this project is unprecedented. That was the point I was trying to make.

We have agreed on that, so let us move on to the next point. This project will also attract another type of subsidy, an ongoing operational subsidy. That operational subsidy will be largely occasioned by the operation of the port and the railway line for which the Government has responsibility, the obligations that the Government must take up in respect of the provision of water -

Mr Barnett: We have no obligation in respect of the railway line.

Mr GRILL: The Government has ongoing obligations to maintain the line from Mullewa to Geraldton and it has an obligation to build a line from Geraldton to Oakajee. The Minister cannot say the Government has no obligations in that respect.

Mr Barnett: You are not being very careful here for someone who understands the issues. There is a commitment to expand the rail system and a commitment on extra maintenance. That is a normal responsibility.

Mr GRILL: That is what I am talking about.

Mr Barnett: No, it is not. You are talking about the operation of the railway. The users of the rail - Kingstream and anyone else - will pay normal operational rates on the railway.

Mr GRILL: The Minister must concede, because he has done so in his second reading speech, that the State Government must pick up the cost of maintenance of at least the railway line -

Mr Barnett: Who do you think pays for the maintenance of existing railway lines?

Mr GRILL: No. The Minister said explicitly in his second reading speech and the agreement Bill states that the cost of the maintenance of the line between Geraldton and Oakajee cannot be built into the freight costs. In other words, that cost will not be recovered by the State Government. To that extent, it is an operational subsidy in the way that I described it and it is ongoing. We do not know for how many years. We do not know the time line for the final construction of the plant and we do not know the final time line or the cost for the construction of the port. While the new port remains unbuilt and non-operational, the Government must pay the operational subsidy to maintain that line between Oakajee and Geraldton. The operational subsidy for the port is also open-ended and may go on for many more years than the subsidy for the rail line. We do not know - I am pleased the Minister has conceded the fact that we do not know - when that subsidy will finally work its way out of the system, if it ever does.

Mr Barnett: The State might come in and fund the port upfront.

Mr GRILL: The Minister has made a number of statements about the port.

Mr Barnett: That is a very likely possibility.

Mr GRILL: He tried to sell the proposition to the media on the day he introduced the Bill that private enterprise would be picking up the whole cost and it was, therefore, something that would not be borne by the State. That is the story he gave to the Press. The Press would not buy it. The next day, in answer to a question I asked him, he heatedly conceded that the State might have to pick up the whole of the cost. He is making a similar statement now. That was not the proposition he put in the first place.

Mr Barnett: You fail to distinguish between the capital and the ongoing costs.

Mr GRILL: That is exactly what I am doing; I am distinguishing.

Mr Barnett: I am saying there are different scenarios as to how we will do it. We have not decided how we will do it.

Mr GRILL: Yes; and that is half the problem.

Several members interjected.

The DEPUTY SPEAKER: Order! I have been allowing a fair number of interjections because the member on his feet has been happy to take them. However, when other members interject on the member who is interjecting, I have to take action. The member for Cockburn should wait until the Minister is on his feet to interject on him. That will probably advantage the debate. I have no problem if the member for Eyre is happy to take the odd interjection. However, members should cut out the cross-Chamber interjections.

Mr GRILL: Apart from that, the other interjections are making the Minister heated and angry and he makes mistakes when he is heated and angry.

The Minister has conceded that there are a range of operational subsidies, which are not calculated at this stage.

Mr Barnett: Again, I have readily acknowledged there will be ongoing upfront government commitments for infrastructure. However, there are no subsidies to the Kingstream project. The State is prepared to put money into infrastructure - rail, port, land development and whatever else. We are deliberately doing that. I agree that will cost a lot of money.

Mr GRILL: I am making the distinction that the cost the Government will pay upfront is a capital cost for the port, the railway line, and the other infrastructure to which I have referred. It will be a capital upfront cost. I am distinguishing that from the operational costs. I am using these terms in the normal economic sense; that is, the cost of operating that new infrastructure, the port, the new railway line and things of that nature. We have received -

The DEPUTY SPEAKER: The member for Armadale knows that the same rules apply in this House as applied in the House from which she came. To walk between the member on his feet and the Chair is highly disorderly. I will accept her apology and suggest that she take her seat before the member for Eyre continues speaking.

Ms MacTiernan: I apologise.

Mr GRILL: We have received different estimates from various people - some expert and some not - as to what those operational subsidies will cost each year. The cost of operating the port will vary between \$10m and \$17m per annum, depending on the rate at which the capital is borrowed and the losses incurred. The Opposition believes that conservatively the State Government will be liable for \$20m per annum as a result of these operational subsidies.

Mr Barnett: That is a reasonable figure.

Mr GRILL: There is some consensus emerging across the Chamber on these issues.

Mr Barnett: I have never denied that.

Mr Minson: There are many royalties on the iron and they will tend to cancel out.

Mr GRILL: They will not be large because we are not dealing with large amounts of iron ore in this project. A small amount is used, but it is value added. That is the part which the Opposition likes and which the Minister referred to in the second reading speech.

Mr Thomas: Because you are value adding you pay less in royalties.

Mr GRILL: In fact, the level of royalties decreases. If the ore is converted to pellets, the subsidy is 0.5 per cent, if it is converted to DRI it is 1 per cent and if it is converted to steel it is 2 per cent. The member for Cockburn is correct; it is a regressive form of royalty.

Several members interjected.

Mr GRILL: It is interesting that we agree on the ballpark figures for the ongoing subsidy. However, for a considerable period - the duration is unclear - the Government will be liable for a continuing subsidy of about \$20m in operational costs, albeit that it will reduce as time goes on and as other industries come to the park.

The Minister draws the distinction between operational costs borne by the State and those borne by the company. I agree; as far as I can see, the Government is not putting money into the operation of the steel mill per se, but it is certainly putting money into the operation of some of the crucial elements.

Mr Barnett: We agree now. It has taken us 20 minutes, but I knew we would eventually.

Mr GRILL: Frankly, the second operational subsidy is highly dubious and the level of capital injection is very high. This has caused tremendous concern in the general community. I have received many letters, some in very hostile terms, about the level of subsidy, the nature of the equity arrangements with Kingstream Resources and An Feng (Australia) and the closeness of the relationship between the Premier and his brother within that project. I will not comment on that latter aspect. However, considerable concern has been expressed about the project and the operating and capital subsidies that will be borne by the State.

The Opposition also has grave concerns about the energy issues and the way in which this Government has given an option to Kingstream Resources to obtain gas for the project. Kingstream Resources will be using a fairly new process for the manufacture of steel in this development. Of course, that process uses iron ore, but it also uses natural gas. In the first instance, it will use about 170 terajoules of gas per day, which is a significant level of demand. That attracts to it the ability of a number of companies to supply that level of gas.

Mr Barnett: That is good.

Mr GRILL: The Opposition is concerned that in the letting of this contract, and in the granting of an option to Kingstream Resources in relation to the way in which that gas will be delivered, the Government is losing control of energy policy; that is, it is abdicating responsibility for energy policy in this State. That probably requires some explanation.

Mr Barnett: It is tough to hang onto it because of that wonderful thing called competition policy, where there is an all too ready inclination to hand things over to faceless bureaucrats in Canberra. That is a problem in developing the State in a whole range of portfolio areas. You cannot have a perfect world until something is in place.

Mr GRILL: The Opposition is not against competition.

Mr Barnett: You might share my concern. Having taught neoclassical economics for seven years, I think I have some idea. However, there is a certain naivete about the application of competition policy in a development environment. It is all right in mature structures such as those in New South Wales and Victoria. The energy sector in this State - both private and public - is being developed. That is not happening elsewhere in Australia. That is another issue and I think the member agrees.

Mr Graham: You are putting up an argument that the market does not rule -

Mr Barnett: I understand a bit about the market.

Mr GRILL: The Under Treasurer has already referred to loss of control of the energy policy in the very strongest terms in a letter to AlintaGas some time ago, and that letter has been the subject of some debate in this House.

Mr Barnett: That letter was to the Gas Sales Steering Committee.

Mr Thomas: It was to Phil Harvey.

Mr Barnett: Yes. It was rejected by the committee as incorrect.

Mr GRILL: Whether or not it was rejected, the most senior bureaucrat in this State - certainly on economic issues - has expressed the very strong view that, by granting Kingstream Resources an option in the way this Bill does in respect of the delivery of that gas, the Government is abdicating its responsibility for energy policy.

Mr Barnett: You must be careful. We are talking about 170 terajoules of gas. The arrangement is between Kingstream Resources and Epic Energy; there is no arrangement between AlintaGas and Kingstream Resources. The Epic Energy proposal for 170 TJ is the same as for any other network gas. The second 170 TJ is a different issue. It is very complex.

Mr GRILL: As I understand it, under the agreement contained in this legislation Kingstream Resources NL is given the option of taking its gas in three ways: Firstly, from AlintaGas; secondly, from a third party; and thirdly, by constructing its own pipeline from the North West Shelf. The Under Treasurer is concerned about that option as are members of the Opposition. A total of 170 TJ of gas a day represents a very significant demand.

In the business community of Western Australia another debate about competing forces in energy policy is currently raging. The debate is about competition between two models. The first model is put forward by Epic Energy in association with AlintaGas. The proposal by Epic is that it will loop the Dampier to Bunbury pipeline in a way which would allow the capacity to be increased in two tranches of 170 TJ a day, which is an extra 340 TJ.

Mr Barnett: The Epic proposal is for only the first 170 TJ.

Mr GRILL: I thought it included the second tranche.

Mr Barnett: If it comes into play, it is an AlintaGas proposal.

Mr GRILL: An AlintaGas commitment later on, yes.

Mr Barnett: That is what we are realistically talking about.

Mr GRILL: Further looping down the track is contemplated, with the capacity for at least another 170 TJ to come down the Dampier to Perth pipeline. The other proposal is put up by Pacific Gas principally, but there are other suppliers.

Mr Barnett: AGL and a couple of others.

Mr GRILL: They would prefer to construct a new pipeline. They argue that the gas we could get down a new pipeline, using new methods and without the necessity to pump gas down the pipeline with compressors, would be cheaper and that the competition between two pipelines would see the delivered price of gas plummet dramatically because of a number of factors, which I will not go into now.

Mr Barnett: It represents about 20¢. You are confusing me. If you are talking about Kingstream, you will be aware that the agreement specifically gives a right for an independent pipeline for the project. It could do an Epic type deal, have its own dedicated pipeline or go to a third party of its choosing. That is within the agreement. I do not think that any project has been given such an open choice.

Mr GRILL: That is the concern.

Mr Barnett: It is good and it is competitive. Open the door!

Mr GRILL: In truth, by allowing that to happen, the Minister has abdicated responsibility for energy policy. He is allowing Kingstream to make the very decision that the Government should be making, because if Kingstream opts for the Epic Energy looping option, it closes for some years the prospect of a second pipeline. That is our information.

Mr Barnett: It is fairly ordinary information.

Mr GRILL: I think it is correct.

Mr Barnett: Your position is that Kingstream should not have the freedom to choose its supplier of energy. That is what you are saying; you cannot be saying anything else.

Mr GRILL: We are saying that, by allowing Kingstream to make a commercial decision on its supplier, it is effectively making a decision that the State should be making on energy policy. That decision is whether there will be a looping of the Dampier to Perth pipeline or whether there will be a new pipeline, initially between Dampier and Geraldton and later on to the south west. That is the crux of our argument. We have discussed it with a number of experts. We believe the argument that we are putting forward in this instance is correct. We believe that if Kingstream opts for the Epic-AlintaGas arrangement, then it closes off for several years the option of the competition that a new pipeline would bring. It is also our belief that we will not have a major reduction in the cost of transporting gas and/or major reductions in the cost of gas to the south west unless we introduce raw, competitive pressure.

Mr Barnett: You must get a piece of paper, do a sum and work out the effects of deregulation on the forms of transport. Before deregulation in 1995 we paid \$4 for the gas and \$1.25 to transport it. After 1 January 1995 we paid \$2 for the gas and \$1.25 to transport it. After the privatisation of the Dampier-Bunbury pipeline we paid \$2 for the gas and \$1 to transport it. With a private pipeline we would pay \$2 for the gas and perhaps 80¢ to transport it. That represents 20¢ against the starting point of approximately \$5.20, which is not exactly a massive 30 per cent difference, but in the order of 5 per cent. It represents 20¢ in the total savings from \$5.20 down to \$2.80. That is important to companies. However, people are running around the State saying, "There are savings of 30 per cent. This bastard of a Minister is stopping it." Industry understands now the reality of what we are talking about. I am not saying that we should not take every saving that is there. We are talking about a saving of 20¢ after gas deregulation.

Mr GRILL: Some of the people advising the Minister from within AlintaGas -

Mr Barnett: No-one from AlintaGas is advising me on this matter.

Mr GRILL: Some of those people -

Mr Barnett: Tell me who they are. They are not advising me.

Mr GRILL: They told us when we were in government that the prospects of lowering energy prices in Western Australia were negligible. We found that very hard to believe but, nonetheless, that advice came forward. The truth is that there was great scope and potential to lower energy prices. Companies like Pacific Gas, with its innovative proposals, have come forward with suggestions which will lower energy prices quite dramatically. Kingstream represents the best evidence of that. Initially when Kingstream went to AlintaGas, or SECWA as it was, for its energy supply, it was given astronomical figures to purchase and transport gas. As time has gone on that price has come down, until more recently when we have a competitive situation with the supply of gas to Kingstream.

Several months ago AlintaGas was quoting \$1.20 per unit to bring gas down the pipeline; however, the quotes have now plummeted. As a result of raw competitive pressures the tendered price for transporting gas down the pipeline is about 51¢ per unit. The Minister for Energy might say that is a marginal reduction. The truth is that is a dramatic reduction that has been brought about by the threat of competition, just as much as the reality of competition. One of the things that Mr Langouant was so concerned about when he wrote to Phil Harvey of AlintaGas on this matter is that while that low price per unit can be offered to Kingstream Resources NL at the present time, it is hard to see how that can be offered to other developers who might want the same terms. Will they be given the same option, and will that be closed off at this stage, or very shortly, by Kingstream opting for one or other of the options that are before us today? Those are real concerns that are shared not only by members on this side of the House but also a number of people in industry and business in Western Australia. By and large my discussions with people in industry in Perth and elsewhere indicate that they want a truly competitive model. They want to see two pipelines.

Mr Barnett: Sure, that would be fantastic. I would be saying the same. Are they also telling you that it is a good idea, by implication, that the State wears a loss of \$300m? I have found the level of comment from many of my colleagues and good friends in industry lacking in some sophistication and understanding of commitment, which was the renegotiation of the North West Shelf gas contract about which your side of politics complained for years. The member for Eyre may have seen the report in *The Australian* a few weeks ago. As long as Cabinet endorses the approach that I am promoting there will be an open competitive process for a new licence as of 1 January 2000. No-one has suggested that a new pipeline will be built prior to that date. I am listening; I am accommodating that. However, I will not do it in a way that compromises the undertakings that I and others gave when we renegotiated the contract in 1994. When I have explained that to industry no-one has come to me and said, "Colin, go back on your word" except the member for Eyre today. I appreciate that you may not be aware of all the background.

Mr GRILL: I wish the Minister had been at the briefing given by Dr Stammer at the Chamber of Commerce and Industry. The Minister for Mines was there. I know that the Minister for Energy usually attends those briefings, and I think that he launched the document last year. Dr Stammer expressed the view, which seemed to reflect the sentiment at that meeting, that there was the perception that although the State and the Minister in particular had made some valiant steps toward deregulating the industry, we were now falling behind. The zeal had been jettisoned and in relative terms Western Australia was worse off now in relation to the Eastern States than it was three or four years ago. They are not exactly Dr Stammer's words but they are an accurate reflection of the sentiment that he expressed.

The Opposition and the community are concerned that the model the Minister is adopting is not truly competitive and they want a truly competitive model.

Mr Barnett: I will happily concede that what I have been doing is not purely competitive. However, we cannot get pure competition out of thin air. The first thing we must do is honour a process set in place to start competition. We need to get new industry under way and then we can be as pure as driven snow. If we give competition open slather, we will not see development in this State. Every agreement Act in this State, every major project in this State and every item of public infrastructure and public transport infrastructure is a restriction on competition. Let us get real about it and let us talk about proper contestable markets.

Mr GRILL: I will remind the Minister for Resources Development about something he said when he came into power. The Minister said that he would deregulate the industry within 12 months.

Mr Barnett: I have.

Mr GRILL: That was not done within 12 months.

Mr Barnett: There is further to go, but we have done it.

Mr GRILL: In fact, the Minister took a lot longer than 12 months. Reality has crept up on him. The perception is that the Minister is dragging his feet; he has lost touch; he no longer has the zeal. The regulatory process is falling behind and as such we are falling behind the Eastern States. That is the perception of economists, for whom the Minister has some regard.

Mr MacLean: The member has not heard the latest figures on radio.

Mr GRILL: What are they?

Mr MacLean: I cannot remember the exact figures, but Western Australia is again leading everybody in growth.

Mr GRILL: We are not arguing about that.

Mr MacLean: And in a whole range of economic forecasts.

Mr GRILL: If the member for Wanneroo is referring to the fact that 23 per cent of employers in this State, as opposed to 16 per cent nationally, think they will put more people on their employment rolls in the next three months, I have heard that. However, I am talking about fundamental questions of industry and energy policy in this State. Many people in our community are prepared to give this Minister a lot of credit for the deregulation of gas. However, they are coming to the conclusion that this Minister and this Government have lost their zeal and are starting to run out of puff and are prepared to accept second best in the competitive model and to take a pig in a poke for political convenience in some of these infrastructure costs. The Opposition is very much in favour of government spending on infrastructure. However, we want to see some explanation of how those infrastructure and operational costs will be repaid, and how the competitive model will be adopted, because we are falling short in those arenas.

Having said all that, I will say a few nice things about the project. We should all embrace and welcome this project. We will see a new pellet plant in this State. We have not seen pellet plants in this State for 20 years. The two plants that were constructed in the north west were demolished and shipped overseas after the first oil shock. That was lamentable. I hope we will see several more pellet plants, and I hope that some of the other projects will get off the ground and come into play. We will see two direct reduced iron plants for Kingstream, which will bring the total to three - the other is being built in Port Hedland by Mt Newman Mining Co Pty Ltd. We will see two or three electric arc furnaces in the first stage of this project producing 2.4m tonnes of steel per annum. However, the citizens of this State have waited a long time for such a proposal to come to fruition. As the Minister in his second reading speech makes clear, this project has not yet come to fruition, and it may never come to fruition - fingers crossed it will.

Mr Barnett: I think it will, but it still has a long way to go, as is evidenced, not surprisingly, by the slipping of time on some of its decisions. Its original timetable was far too aggressive and somewhat unrealistic. I think the project will go ahead in good time.

Mr GRILL: Yes, some of the deadlines have already been missed. I do not think we need dwell on that. However, I would like to dwell a little on the history of this matter, because there have been a number of false dawns in the production of steel in this State.

We all were hopeful 30 years ago that we would see the production of steel long before now. I can remember when certain valuable mining tenements were confiscated from Lang Hancock and placed in the general reserves of this State on the basis that an American company - from memory, Armcorp - would construct a steelworks and produce steel in this State within a short number of years and, therefore, it needed high grade reserves. The project did not go ahead. The majors - CRA Exploration Pty Ltd and BHP - have also made commitments about the downstream processing of iron ore. I am not sure whether they have committed to make steel; I do not think they have. None of those commitments has ever been met. The people of this State have been tolerant in that regard. We all realise the State has the iron ore and the energy and that it should have been making steel a long time ago.

The Minister's second reading speech says this project marks the transgression from a quarry State to a steel manufacturing State. As I said previously, I hope he is correct. Some of the figures the Minister refers to in his second reading speech on the worth of value adding are worth repeating -

The steel will be cast into slabs which will weigh approximately 20 tonnes. When in full operation, the steel mill will produce steel slabs worth approximately \$700m per annum. By converting the iron ore to steel, the project could be adding better than five times the value to the iron ore. This is a very significant increase in value. To put this figure into perspective, in 1996 Western Australia exported more than 133 million tonnes of iron ore worth close to \$3b. If this project proceeds, it could increase iron ore production by only 3 per cent but could increase the value of iron related exports by almost 25 per cent.

They are good numbers; they say it all. This is something the State should have done a long time ago. The second reading speech also contains figures on employment. Although I cannot remember the figures -

Mr Barnett: Some 1 000 permanent jobs and around 2 000 in construction.

Mr GRILL: Yes. However, my understanding is that the ratio of those employed in iron ore mining operations and those employed in steelworks and ancillary operations is 1:10. That is another good figure. It is the sort of figure we have been hoping to see in this State for a long time.

There are a few tragedies. It is a tragedy we have not had the steel making process before. It is a tragedy BHP is pulling out of steel making in Newcastle and is not prepared to make steel in this State. It is sad that it is prepared to make steel elsewhere - the United States - and it has some plans to make steel in Asia, but it has no plans to make steel in Western Australia.

Mr Barnett: There are no plans to my knowledge, but I would be surprised if BHP did not end up producing steel in Western Australia. I am not saying that will happen in the next few years.

Mr Thomas: I just want to live long enough to see it.

Mr Barnett: I think we will; the economics will force that.

Mr GRILL: I want to declare an interest in this project. In its inception this project was the concept of Nik Zuks and me. It was a concept we pursued jointly up until about 1992. There was a slight falling out between us at that stage. Nik Zuks, who is now the Managing Director of Kingstream Resources NL, was my partner then and had been my partner in a number of projects up until that time. I have not made a secret about the fact I have had an interest in this project. I have always disclosed it as an interest in my parliamentary pecuniary interest records. I say that openly, given the fact that to some degree I have convinced my colleagues that we should support this project, despite some of the misgivings they have about the project and some of my criticisms.

I reflect on the days when Nik and I first had that concept and saw various government departments about putting it together. In those days, despite the words reflected in the Minister's second reading speech, there was not a lot of interest in this project. The Talling Peak deposit was considered by the then mines department to be of little, if any, value. It was held by Western Mining Corporation Limited, which had not done much with it for many years. Western Mining expressed the view to the mines department about the time we first approached it that it would like to surrender the lease, and in due course it did that. It had done some mining at Blue Hills and Koolanooka. I do not think it ever mined Talling Peak, although it had drilled it out and it was thought there was a resource there of about 19 million tonnes of iron ore, at about 63 per cent. Drilling by Kingstream since then has upgraded that deposit to about 28 million tonnes, and there could be additional resources there. Under this agreement Koolanooka and Blue Hills will be made part and parcel of this project. It was our view then, and it is my view now, that the deposit at Weld Range will form part of this project.

Mr Barnett: I think it has acquired those leases.

Mr GRILL: Yes. We endeavoured to acquire them back in those days from Alan Birchmore, who was then in charge of Endeavour Resources NL. Although Alan had no particular use for those Weld Range resources at that stage, I think he could see there was probably a dollar in them down the track. He will probably realise on that dollar now. He has always been fairly perspicacious. That was no exception.

Tallering Peak and the other associated deposits were deposits on which the then mines department and the Department of Resources Development placed little value. When we went to the mines department we were told that if we were looking for iron ore leases and we wanted to be involved in that arena, we had to look at deposits of 500 million tonnes or more. That was the view of the department at that time. Although I know it will claim a fair bit of credit if this project ever gets off the ground, the bureaucrats at that time and in that atmosphere were not particularly sanguine about the prospects of this proposal.

Another point about Tallering Peak is that it is a genuine Aboriginal sacred site. The Aboriginal people have claimed sacred sites in the past that have not been genuine, but Tallering Peak is a genuine site, and that was conceded by me, Nik Zuks and others associated with the project in those days. I want to say publicly that the group of Aboriginal people who were prepared to concede that an iron operation, and subsequently a steel operation, should go ahead in the area, made a genuine sacrifice. In return for that sacrifice they were given certain commitments, and I hope those commitments will be met. If they are not, I will be very angry because this is a truly genuine case.

[Leave granted for speech to be continued.]

Debate thus adjourned.

[Continued on page 2544.]

GRIEVANCE - WATTLEUP

Regional Strategy

MR THOMAS (Cockburn) [4.31 pm]: I address a grievance to the Minister for Planning. It relates to an area in the suburb of Wattleup. Specifically, I am concerned about its future and matters raised in the discussion paper dated March 1997 entitled "Fremantle Rockingham Industrial Area Regional Strategy", known as the FRIARS discussion paper. As members may know, Wattleup is a suburb located in the southern part of my electorate. Before the last redistribution it was in the electorate of Peel. It is in the Kwinana buffer zone and, as a consequence of the air shed from the Kwinana industrial area, there are restrictions on land use and developments in that area. That has been the case for some time but it has been brought to a head by the recent publication of the FRIARS discussion paper.

I draw to the Minister's attention the extreme concern it is causing in the electorate. It is creating uncertainty about the future and insecurity for the people residing in that area. I draw the attention of the House to a map in that report at figure 5.1. Members may note a small red dot on the map, and the key indicates it is an existing residential community whose future is to be determined. Obviously, it is a most unfortunate situation for people who have built a house in that suburb to suddenly find that a discussion paper describes their area as one whose future is to be determined. They obviously feel very insecure about the situation. I ask the Minister in this grievance debate to provide some certainty for the people of Wattleup. I hope this FRIARS process can create certainty and prevent these people from being caught in a planning blight. I will explain that, firstly, in terms of the need for certainty.

For many years Wattleup has been under a cloud, literally and figuratively, because of its location in the Kwinana buffer zone, as a consequence of the air pollution from the industry in that area. It has been determined since the Kwinana air modelling study was carried out in the late 1970s, that the level of air pollution is such that no more people should be permitted to live in the area. However, it is not bad enough to move the people from that area. Apart from those who live in the town site, people who live in the rural areas who might wish to subdivide their properties or build a second home on their land for family members are unable to do so.

Despite that, the authorities do not claim the level of air pollution is such that they should be bought out and moved from the area. Those people are betwixt and between, and many of them have been living in that area for 20 years. It is most unsatisfactory. Further, the FRIARS report proposes substantial development in the area for industry. It proposes that rural areas be rezoned light industrial and that existing areas that are zoned urban but are rural, should become light industrial. It proposes substantial development of infrastructure, specifically a port to replace Fremantle at about the same latitude as the town of Wattleup.

All members will be aware that when these plans and decisions are made, in many cases it takes some years before they come to fruition because investments are made only when there is a market for them. That can lead to planning blight which means people who, for example, are living along the route of a proposed freeway or in an area to be

redeveloped, can make no investment on improving their property because it has a limited life. On the other hand, people continue to reside in those areas. The properties tend to run down. A classic example is the East Perth area in which the properties deteriorated quite significantly before the redevelopment began because no-one was prepared to spend money on maintaining or improving the properties. As a result, the quality of life for people residing or working in those areas diminishes substantially.

If the proposals in the FRIARS report were to be adopted, there is a possibility of planning blight in that area. The point I address to the Minister is that a comprehensive and authoritative review should be carried out of the air quality standards on which the restrictions are based, so that the people of Wattleup have some idea about their future. A decision should be made. If the area is good enough to live in, people should be able to develop their properties in the same way that residents in other suburbs are able to. Secondly, if a decision is made to develop industrial infrastructure in that area, specific provision should be made to ensure the people who wait 20 or 30 years for that to occur do not experience planning blight that will substantially diminish their quality of life for decades.

MR KIERATH (Riverton - Minister for Planning) [4.40 pm]: I appreciate the member for Cockburn's comments. I know the Wattleup area well because I used to live in Mandogalup, which is inland from Wattleup. I had a cleaning contract with the Wattleup Primary School and I know the area like the back of my hand.

Wattleup has been a forgotten place for some time. There is no danger of it being included in the planning blight because it is already right smack in the middle of a planning blight. The member for Cockburn is right when he mentions the long-acknowledged problem preventing further development in the area. Unfortunately, it is not enough of a problem to move people out.

The "Fremantle Rockingham Industrial Area Regional Strategy" is designed to examine the numerous previous and current studies of that area and recommend to the Government the most appropriate strategy for long term planning and development of the area. That process commenced on 22 March and will continue until 31 May, but I anticipate that a completed document will not be available until December this year. During the consultation process Mitchell McCotter will hold meetings and I trust that the member for Cockburn will encourage the people of Wattleup to participate in them.

Mr Thomas: They are and that process is proceeding. They accept the time line of 12 months, and perhaps even a little longer. But I am asking if we can objectively try to resolve the air quality issue and, secondly, whether future planning will avoid that blight, because they are talking about east-west roads and major industrial infrastructure, a substantial increase in what could be determined planning blight over what already exists.

Mr KIERATH: I accept that, but the current process will result in a draft strategy. That will be released for public comment for a further three months. Once comments have been received and adjusted, the strategy will finally be approved. The residents will have plenty of opportunities to have an input into the process along the way. I urge them to put their strongest position up front.

Unfortunately, I do not know how to speed up the consultation process once it starts. I can only undertake to make a decision on the recommendations when they come to me as quickly as possible. I cannot shorten the three months public consultation; all I can recommend is that the people put up with the present uncertainty for the next 12 months. Once the draft document is released people will have three months to make submissions before the final document is released. The people will then know the definite proposals for the area.

If at any stage the member for Cockburn thinks the matter is running off the rails and that his constituents will be disadvantaged, I urge him to come directly to me and I will do whatever I can to assist him. I cannot give more assurance than that. I cannot override the study, which is being undertaken to seek the input only of the people who will be affected by the planning proposals. We want their input. If the member or his constituents do not like any aspect of the draft strategy, he should then draw my attention to it.

Mr Thomas: I accept the time scale of the process being undertaken. I am not calling that into question, nor are the residents, but let us use this opportunity to settle the air quality issue. Are they living in circumstances in which they should not be living? If so, should they move? Is it acceptable for them to live there and should they be able to develop their properties, and so on? When the decisions are made about the future use of the area let us take into account the interests of existing residents and develop strategies to avoid planning blight. They do not want to live for 20 years waiting for an east-west road.

Mr KIERATH: I can give an assurance on the second point the member raises, but I will have to seek advice on the first matter. If it is okay with the member, I will correspond with him on the matter. If he is not happy with that, I will take up the matter with him directly.

GRIEVANCE - ROTTNEST ISLAND

Moorings Regulations

MR McGINTY (Fremantle) [4.45 pm]: I direct my grievance to the Parliamentary Secretary to the Minister for Tourism. Regulations are to be gazetted soon in relation to the use of moorings around Rottneest Island and, in particular, dealing with the very important question of enhancing public access for the great number of boat owners who would use moorings if they were more readily available. We are all familiar with the history of the moorings around Rottneest Island and the disgraceful blasting of reefs which occurred during the mid 1980s to enhance the white-shoe brigade's capacity to get their big boats into the bays around the island. Greater regulation and enforcement and stiffer penalties were needed for those who abused our island.

However, something has been occurring in the past two years which calls for the Government's attention. In 1995 the Rottneest Island Review proposed new policy changes for mooring around the island. It states -

The Authority now wishes to adopt a revised policy. It is concerned that the current system tends to be somewhat restrictive and inequitable, especially given that Rottneest is the only offshore location most boat owners can travel to for recreational purposes.

The Authority believes that many registered boat owners who do not presently use Rottneest waters would do so if they could access moorings as registered users. It is proposed under the new policy to allow registered users to have access to all moorings by way of payment of an annual registration fee. This would apply to vessels over 6.5 metres in length.

That was the much heralded policy announced in the Rottneest Island Review. However, from 1 July the exact opposite will happen. I urge the Government to reconsider its position on moorings around Rottneest Island because it would be better to get the matter right than simply introduce regulations for the sake of it.

I agree that many of the changes are good. Ending corporate ownership of moorings at Rottneest and ending the practice of dynasties passing moorings licences from father to son is a good move. There should be a far more open and egalitarian approach to moorings on Rottneest; they should not be the preserve of a privileged few.

The practice in recent years of people who went by boat to Rottneest Island was to use a friend's mooring - the authorised user concept - or simply to hook up to an unused mooring on the proviso that you would move off if the licensee of that mooring came along. The draft moorings policy of the Rottneest Island Authority, which will come into effect on 1 July, is said to achieve public access to the boat owning community. However, it has been roundly criticised by the Rottneest Island Mooring Licensees Association (Inc) as being designed to limit access to the island rather than to enhance it, as was originally stated to be the policy objective.

I will briefly read from the moorings policy of the Rottneest Island Board, which is designed to come into effect on 1 July 1997. In its foreword, the Chairman and the Chief Executive of the Rottneest Island Authority state -

... the policy has been amended in accordance with the Policy Objectives detailed in the Rottneest Island Review

Those objectives are designed to increase public access and use of the moorings, many of which lie idle for the most part of the year. It is a policy designed to allow those moorings to be used by any boat owner subject to appropriate conditions and would enhance the use of those moorings. The objectives of the new regulations under the heading of "Equity and Fairness" are -

Any Western Australian boat owner wishing to moor his/her vessel on a mooring site at Rottneest Island should have a reasonable opportunity of doing so.

The allocation system (including any waiting list) for allowing vessels to moor at Rottneest must be transparent and it must be fair and equitable.

All mooring sites must be available for maximum use.

We would all agree with those objectives. We then come to the content of the policy under the heading of "The Mooring Licensee", which states that a licensee may not sell, sublease or give away his or her mooring. The idea of restricting the number of people who can use the mooring is inherent in that proposal. It creates a notion of exclusivity in the use of a mooring. This policy also states that it is the responsibility of the licensee to notify the authority, in writing, of any change to the vessel ownership or contract details, including extended periods of absence from the State greater than 21 days. Any time a mooring licensee is out of the State for more than 21 days, that person must advise the Rottneest Island Authority. That is a little like big brotherism. Authorised users are now to be regulated by the Rottneest Island Authority. The concept remains.

I urge the responsible Minister to listen to criticism by the Rottnest Island Mooring Licensees Association of the proposed regulations, which have departed from what was proposed in the Rottnest Island review. These regulations should not proceed until they are put right. The concept of a registered or casual user must be introduced so that any boat owner can have access to spare moorings on Rottnest Island. To enable greater access to the island, the number of rental moorings must be increased from the current level of 16. Finally, I urge consideration of joint ownership of a licence; that is, when two people legitimately own a boat together, they can both be registered as licensees of the mooring. The intention is not to create any dynasties. I urge the Government not to proceed with these regulations until it gets them right.

MR BRADSHAW (Murray-Wellington - Parliamentary Secretary) [4.51 pm]: In response to the claims made by the member for Fremantle, to some extent we probably agree, but it will never be simple to work out the best way to allow people to use the moorings around Rottnest Island. For many years serious concern has been expressed about the availability of moorings. The number of moorings is limited because of the fragility of the island and the environment. Those concerns are so important that we try to maximise the use of the existing moorings.

As was pointed out, a couple of years ago there was a review of the Rottnest Island Authority which culminated in new regulations which will come into force on 1 July this year. The Rottnest Island Authority has looked at ways of reforming the system because there have been rorts over the years. Often people have had a licence for a mooring and have not owned a boat. Some years ago I knew a person in that situation.

Mr McGinty: I do not agree with that either. It is a question of narrowing the availability.

Mr BRADSHAW: People must now sign a statutory declaration when they renew their licence, to ensure that they own a boat and comply with the regulations that are being put in place. We hope that will ensure moorings are not available for those who do not have a boat, and that they hand back the licences.

We must provide greater flexibility in allowing more use of the moorings. The Rottnest Island Authority has now come up with a further 100 moorings as a result of the changes in the regulations. I had a meeting with the chairman of the Rottnest Island Mooring Licensees Association, John Barrymore, the other day at which he expressed concerns to me. I also spoke to Ian Stewart who, through a friend, contacted me about this very important matter. They came up with some ideas of how their concerns could be addressed.

One idea was to implement a casual user arrangement. Unfortunately the legal advice given to the Rottnest Island Authority is that it could expose the authority to a degree of liability. This will remain a difficult issue until that problem can be overcome. As the member will know, in the past the authority has had to pay out a lot of money in one or two cases because of action taken against it. It is very important that that aspect is under control. The legal advice is that if it cannot avoid that liability, it is not prepared to enter into a casual user arrangement. We should be moving to allow people to go to Rottnest Island with either a licence or an arrangement under which they can tie up to a mooring for the day. More rental moorings are being made available which will make the island more accessible to those who have boats.

Another problem is that people must own a boat before they can apply for a licence. That is totally wrong. Some people may want to go to Rottnest only on their boat. They will not buy a boat until they have a mooring licence and because they cannot put an application for a mooring licence in the pipeline before they buy a boat, it puts them in a catch 22 situation. If that area is addressed, it will give a bit of flexibility as well.

In the meeting I had with John Barrymore he indicated a plane had flown over the island and had taken aerial photographs of the bays around Rottnest Island during the peak season at Christmas and the long weekend in January. It showed that about only half the moorings were being used at that time, notwithstanding that it was the peak holiday period. It is disgraceful that many of the moorings were unused when people wanted to get to Rottnest Island and tie up to them. We must look at ways in which people can tie up to the moorings that are not being used.

Mr Barnett: When I had Tourism for five halcyon months, one proposal I thought had merit was to give the yacht clubs control over a group of moorings, and they would control the boat owners to make sure the moorings were used fully. Perhaps you might like to consider that.

Mr BRADSHAW: That restricts the use to people who belong to a yacht club. It has a downside to it. A number of boat owners put forward submissions about the casual use of the moorings. They found it would be hard to manage and would not work. Even though one group of boat owners is saying that it wants more accessibility for boat owners who want to use them, another group is saying that it is not on. Members can imagine the situation that would arise if a casual user tied up to a mooring and the licensee turned up and found a boat at the mooring. It could give rise to conflict because not all people are amiable and get along with each other; some physical or other abuse could take place in those circumstances. It is not a simple issue to resolve. Although the Rottnest Island Mooring

Licencees Association has suggested one line of action, other boat owners have different ideas. The other night I asked John Barrymore how many people belong to the association.

Mr McGinty: Hundreds.

Mr BRADSHAW: If the majority of people in this association say that this is the way it should go, the Rottnest Island Authority should look at this category of user in a straightforward way so that more people can use the moorings. Obviously if boat owners do not have a mooring, they will not go to Rottnest Island. I know many boat owners wish to go to Rottnest Island and the casual use arrangement will provide them with an opportunity to do so. Rottnest Island is a great place.

The Rottnest Island Authority has come up with what it believes is the way to go. I intend to put forward some ideas when I talk to people from the authority. As I say, I do not necessarily totally agree with the regulations.

Mr McGinty: It would be better to do so before the regulations come in.

Mr BRADSHAW: I intend to do that. I will push the Rottnest Island Authority towards having more casual use moorings.

GRIEVANCE - PUBLIC TRANSPORT

Yanchep-Two Rocks

MR MacLEAN (Wanneroo) [4.58 pm]: My grievance relates to the state of the public transport system in my electorate, particularly in Yanchep-Two Rocks, one of the most isolated areas serviced by public transport. It is serviced by the 486 bus, which provides a six-day service and operates three morning services from Monday to Friday at 6.55 am, 7.28 am, which is ostensibly a school service, and 9.40 am. There are two afternoon services and the last service out of Yanchep is at 4.10 pm. The return services to Yanchep from Joondalup train and railway station for the week comprise one service at 8.30 am, three afternoon services and the last service at 6.10 pm. The Saturday service departs Yanchep at 7.44 am and the return service does not depart Joondalup until 3.58 pm. The Saturday service is of great concern because there is only one service out and one returning. Yanchep residents cannot watch the local football team play at Joondalup arena and then catch the bus home. The service is also underutilised in that there is no pick up on the way to Joondalup from Yanchep and vice versa. So, we have empty buses going to Yanchep to bring people out in the morning and an empty bus returning from Yanchep after delivering passengers home. This is particularly serious for some local tourist operators and industries. One example is the local riding school, which is having problems hiring casual staff during the busy periods. It must find someone to drive staff to and from the stables to work for the day.

The limited service is also causing concern for concession card holders who historically have purchased day concession tickets. They can still purchase concession tickets at the reasonable price of \$2.50, but that benefit is often lost because they must travel long distances and the service is infrequent. The restriction on the use of the Dayrider ticket until after 9.00 am is a severe inconvenience because the first service leaves at 9.40 am, and the next service is not until mid afternoon.

Ms MacTiernan: This has a familiar ring about it. I thought we debated it yesterday.

Mr MacLEAN: The member for Armadale is hopeless.

The children of Yanchep are also disadvantaged as a result of the withdrawal of the pre-9.00 am service. Their service leaves at 7.40 am to take them to the Joondalup train and railway station so they can catch the bus to either Wanneroo High School or the city to attend tertiary institutions. The concessional Multirider student ticket will cost only \$4.45 extra per week, but, as I mentioned previously, the up-front purchase of such a ticket is sometimes difficult.

Yanchep has special transport problems that make my constituents more vulnerable to changes in the concessional fares.

Ms MacTiernan: That is ridiculous. The other outlying areas are in the exactly the same position.

Mr MacLEAN: Yanchep is not the only area that has problems.

Several members interjected.

The ACTING SPEAKER (Mr Ainsworth): Order!

Mr MacLEAN: I must agree with the Whip's interjection: If the member is so interested in the outlying areas she represents perhaps she should present a grievance as well. Because she had to be introduced to her electorate when she stood for election, she should -

Ms MacTiernan: The member obviously does not know that I have had an office there for four years.

Mr MacLEAN: She had to be introduced to it. I remember the debates in the other place.

Yanchep is not the only area with problems. Merriwa and Clarkson also experience problems with bus services because many of the main feeder routes are still unconnected or unmade. This causes major problems with the routing of buses, resulting in timetabling difficulties. One of the problems that has arisen as a result of the time restrictions is that the 857 bus, which commences its route at a retirement village, cannot be accessed with a Dayrider ticket. Given that it leaves at almost 9.00 am, there should be more flexibility in the travel times for concession card holders. Because this covers four zones, the majority of people using the service will already be at work.

MR OMODEI (Warren-Blackwood - Minister for Local Government) [5.05 pm]: I thank the member for the grievance. The problems with transport from Yanchep and Two Rocks will be brought to the attention of the Minister and I will provide responses. However, the level and quality of the bus services provided to the northern suburbs compare well with the existing system in the rest of the metropolitan area. In recent times, particular care has been taken to supplement the services where they were not adequate and to introduce new services in developing residential areas.

In June 1995, a new bus service - route 485 - was introduced in the Clarkson and Merriwa area, which is part of the member's electorate. That effectively doubled the number of public transport bus services operating in that area. Evening bus services were introduced for the first time in November 1996, and weekend services were increased to cater for the growing demand in those communities. In February 1997, a new bus service was commenced to cater for the demand resulting from the opening of the Clarkson Community High School. In addition, plans are in place to supplement the existing services later in 1997. A new bus service will provide a link between the Clarkson and Merriwa communities and the Joondalup bus-train interchange. This will provide community access to the Joondalup shopping facilities and the train services.

In recognition of the growth of Landsdale, new services were introduced in April 1997 catering for about 400 homes in this developing area. Negotiations are under way with Homeswest and the City of Wanneroo regarding provision of public transport services for residents in the isolated subdivision of Landsdale. The Department of Transport has undertaken surveys of Neerabup residents to establish their bus service requirements. When it has completed its analysis of the survey, the department will present to Homeswest and the City of Wanneroo its recommendations regarding route designs and plans. Departmental officers tell me that they are cognisant of and active in addressing the requirements for public bus services in the developing communities of the member's electorate. It is progressively establishing new services and enhancing existing services to cater for the changing needs of the community.

The increased services are being achieved without additional funding demands being placed on the Government; they are being funded through savings generated by the public transport reform process. Approximately 60 public transport bus routes service the Wanneroo electorate, and in March 1995 evening train services were also introduced on Sundays and public holidays.

In relation to the fare changes and the concessional Dayrider tickets, which have been the subject of considerable debate in this place recently, only the concessional Dayrider ticket has had its conditions altered. Passengers purchasing that ticket are now restricted to travelling after 9.00 am. The Minister has now acknowledged that that is not adequate and he may allow the Dayrider ticket to be used after 7.00 am. I agree with the member that the Minister may have to look at that matter even closer, depending upon the feedback that he receives from the schools and the people in that area, and some flexibility and more buses may be required at that time.

Mr Carpenter interjected.

Mr OMODEI: That was the next matter that I wanted to raise. We will be looking at the whole spectrum of public transport. The member for Wanneroo referred to the 7.40 am service. That would fit into the new requirements at which the Minister is looking, with the pre-7.00 am treatment for the concessional Dayrider, and some flexible arrangement may need to be adopted for students in that area.

Only three ticket groups in the range of 56 tickets are subject to the restriction: The all day, the cash concession and the standard Multirider tickets. People who want to travel during the time slot that we talked about, and people who use the other Multirider Plus ticket ranges, are now given a 15 and 25 per cent discount respectively on those cash fares, which in many cases will provide a cheaper alternative to the Dayrider concession ticket.

From what I can see, no discernable change in patronage has occurred, and there is no need to consider restoring the unequal situation which existed and which has now been corrected, where concessional Dayrider ticket holders could use the tickets all day, even before 9.00 am, and standard Dayrider ticket holders could use the tickets only after 9.00 am. As I have mentioned in this place in the last few days, the Minister is trying to spread the load of patronage over the whole day. I know that is impossible, because the peak demand periods are in the morning and when people go home from work or school.

The general objective of the recent fare changes was that concessional fares would be consistently aligned with 50 per cent of the cost of standard fares. Currently, some concession fares are as low as 33 per cent of the cost of standard fares. The recent fare change reflects the adoption of this principle and will result in a more equitable fare structure and bring Perth into line with most other capital cities.

The Government has given a commitment to look at the area about which the member for Wanneroo is concerned, and we hope that the result will be an equitable system that will provide for people not only in the electorate of Wanneroo, which is a far flung place, but also in other areas outside the four zones.

GRIEVANCE - NATURAL HERITAGE TRUST

Proceeds of Telstra Land Sale

MR MASTERS (Vasse) [5.15 pm]: My grievance is about the allocation of money from the partial sale of Telstra for land care and environmental projects under the Natural Heritage Trust. I understand that some \$1.3b will be allocated over the next five years from the Natural Heritage Trust. That works out at around \$230m per year, and about 10 per cent, or \$20m to \$25m, of that money is earmarked for Western Australia. That enormous amount of money will be directed towards on the ground work. I emphasise the words "on the ground work", because all the guidelines that I have been able to see with regard to the Natural Heritage Trust indicate that that money will be spent on land care and environmental projects by landowners and people involved in the management of natural and other lands; in other words, positive environmental and land care gains.

I would like to establish my background and credentials in this matter. I have twice been on regional assessment panels that have looked at the best ways of allocating moneys under the National LandCare Program. Those regional assessment panels were based in the south west and had up to 15 members. While that may seem a large number, the complexity of land care and environmental issues in the south west requires that a large number of people with diverse backgrounds are available on those RAPs to ensure that the money is allocated in the best possible way.

I have also been an active member of the Vasse-Wonnerup Land Conservation Committee, which is a land care group based in Busselton. For the past three years, I have been President of the Geographe Bay Advisory Committee, which is a subregional catchment group which has been looking at ways in which the environment and land care can be furthered.

The *Farmers Weekly* of 1 May quotes Professor David Bellamy, an English botanist who has developed quite a following as a very practically orientated conservationist, as saying -

"I came to Australia 27 years ago, when salt was starting to bite very hard and there were a lot of miserable people around," Professor Bellamy said.

"Back then people could see a jigsaw of problems - today it is a jigsaw of solutions."

He said the people in agriculture today were in for the long haul and were prepared to tackle the salinity issue.

"I think the weak of heart have gone from the industry, giving more elbow room to those that are sticking it out," he said.

"Today, every farm I go to, people are doing something."

An article that was published in the *Australian Journal of Soil and Land Conservation* of November 1996 reports the results of a survey of a large number of catchment coordinating committees in Queensland. Two tables are worthy of note. Table No 5 is the effectiveness of involvement in the catchment coordinating committees by various groups. The most effective group is rural producers. The lack of financial resources within the community is the biggest disadvantage.

A number of problems are related to the Natural Heritage Trust, which I am sure will be worked out over time: A lack of community input into the preparation of guidelines for the Natural Heritage Trust; problems with community groups, farmers and others trying to raise money or provide in-kind contributions towards the federal government

money that will be allocated under the NHT; and time constraints, because most community groups and farmers will have only a short time in which to get their land care and environmental programs together.

I wish to raise two specific issues. The first problem is that the regional assessment panels that are proposed to determine the allocation of moneys under this first year of the Natural Heritage Trust are quite small groups; I have been told in the order of eight or possibly a little more. In the south west land division, and that may entail three or four regional assessment panels, the land care and environmental problems are so great and diverse that I seriously doubt whether a committee of eight people, four of whom will be government appointees, will have enough expertise to be able to understand the full range of issues.

The second, and by far the most important, problem is the potential for government agencies to allocate partially to themselves, through the various mechanisms available under the trust, money from the NHT and for that money to go to government agencies in preference to community groups.

Mr Bridge: I do not think you should use the word partially. It is a big slice.

Mr MASTERS: Whether it is a partial or a large slice remains to be seen. The bottom line is that huge dollars will come to Western Australia, and it is of crucial importance that the bulk of that funding is allocated to the owners of the land, being to a small degree government agencies but to a major degree private landowners - farmers. I could give examples, but I do not wish to embarrass any government agency at this stage. It is far better for me to say that the government agency representatives on the regional assessment panels have the ability to remove community group applications from the list of eligible applications, based upon technicalities, minor guideline discrepancies and other issues that government agencies might use, in order to ensure that community group applications are reduced in number and in the total amount of dollar contributions, therefore leaving more money for government agencies. It is important that even at this stage of the process, interactive negotiations are undertaken between community groups and the regional assessment panels in order to overcome some of the minor problems which, in many cases, are the difference between a very good community group application and a minor technicality which might render an application invalid. I put government agencies on notice that I will be looking over their shoulders, just as I will be looking over the shoulders of regional assessment panels to ensure that the spirit of the Natural Heritage Trust is complied with to the greatest degree.

MR COWAN (Merredin - Minister for Regional Development) [5.20 pm]: I wish I shared the confidence of the member for Vasse that the Commonwealth Government will "allocate large amounts of money" to Western Australia from the Natural Heritage Trust. I have already seen some evidence that that will not be the case, and that effectively funds that are already allocated to the States for national land care programs, for example, will be folded into the Natural Heritage Trust and the money that we will receive will be nothing more than the existing funds reallocated through the trust. I hope I am proven wrong about that, and that we receive adequate money from the Federal Government through the Natural Heritage Trust.

As a matter of interest, the State Government has already embarked on the process of applying to the Federal Government for funds through that program. We have taken a two-pronged approach, first, to look at the commitment the Commonwealth has made to programs in other States - for example, the Murray-Darling 2001 program, the Cape York land program and the Tasmanian forests and rivers program. The Federal Government has offered money from outside the annual allocation of Natural Heritage Trust funds. We have requested the Federal Government to give serious consideration to this State receiving funds from outside the natural heritage annual allocation for our salinity program. Additionally, we have asked for funds within the trust program. We expect to require some \$30m a year for the salinity action plan to be implemented and some \$25m from within the Natural Heritage Trust program for other programs such as rangelands, biodiversity, waterways and others. We have signalled that intention by making an application to the Federal Government for that purpose.

The allocation of funds to community groups is a prerequisite for funding by the Natural Heritage Trust. That is not in dispute. The member is correct that, as a State, we must ensure that we have a process whereby funds can be allocated to community groups. We have ensured that is the case. We will have seven regional assessment panels which will comprise people from within the community as well as government officers. It is not intended that government officers will dominate the regional assessment panels. As a safeguard, the chairman of the state assessment panel, Mr Alec Campbell, has set about establishing some strategic reference groups to advise him on the different aspects of applications to the state assessment panel by the respective regional assessment panels.

It is our intention to ensure that the funding from the Commonwealth Government is distributed to community groups. I hope that the member is correct in his assessment of the amount of money that will come our way. I am very disappointed that a claim would be made that the State is seeking to access those funds for its own purposes. We will seek to access our share of the funds for the State through the establishment of a Cabinet subcommittee which is responsible for the whole of government operations. The first resolution by the Cabinet subcommittee was to

establish a system of committees and reference groups which will give community ownership to the program of utilisation of Natural Heritage Trust money.

I assure the member for Vasse that it is unnecessary for anyone to write to the relevant Ministers in Canberra asking them to withhold funding to the State because there is some uncertainty about the funds being made available to community groups. The intention of the Government is to ensure that a proper process is set up to enable the money to be made available to community groups.

The State Government already allocates significant amounts of money for conservation, biodiversity, rangeland and land care programs. That resource will not diminish. It will be increased by \$1m in the next financial year, then to \$5m and \$10m through Agriculture Western Australia. That is an indication of the genuineness of the State Government. The member can be assured that the money that flows from the Natural Heritage Trust will be delivered to the community through community groups.

The ACTING SPEAKER (Mr Ainsworth): Grievances noted.

PUBLIC SECTOR MANAGEMENT AMENDMENT BILL

Second Reading

MR BROWN (Bassendean) [5.27 pm]: I move -

That the Bill be now read a second time.

In 1993 the Court Government promised the people of Western Australia open and accountable government. A year later, following consideration of the recommendations of the Royal Commission into Commercial Activities of Government and Other Matters, the Government introduced what we now know as the Public Sector Management Act.

Now that the Act has been in operation for some time, it is important to review the degree to which it has fulfilled the promises made. Have the provisions of the Act facilitated greater public scrutiny of government decisions and the decisions of its agencies? Have the provisions of the Act made Ministers and public sector agencies accountable for their actions and decisions? Are the accountability mechanisms of the Act effective? Has the Act ushered in fair and reasonable employment arrangements for public sector employees? When these questions are put to the test it is easy to see that the promises of greater openness have not been met. Equally, experience has revealed the ineffectiveness of the so-called accountability mechanisms.

Let me provide a few examples. First, it is pertinent to examine the degree to which the Government is committed to the principle of open government. Open government involves a preparedness by the Government to disclose the decisions it makes and the financial costs of such decisions. Does the Government meet this obligation? The answer is a clear no. Time and again in this House the Government refuses to disclose information about the cost of the contracts it has entered into, the performance of the contractors, what contracts departments and agencies have entered into and even the costs of public sector operations that the Government is contemplating contracting out to the private sector. The Government has gone to extraordinary lengths to keep its contracting arrangements secret. Even the government dominated Public Accounts and Expenditure Review Committee would not examine the benefits or otherwise of the Government's policy of contracting out.

Second, do the accountability mechanisms in the Act work? Under the Act the Commissioner for Public Sector Standards is charged with the responsibility of establishing public sector standards and codes of ethics and assisting public sector bodies develop codes of conduct. The commissioner has little real power to enforce these standards and codes, other than the power of investigation.

The degree to which public sector agencies comply with findings of the commissioner is not clear. However it is patently clear that Ministers have little or no regard for the commissioner's pronouncements. Let me instance a case: Ministers have refused to provide information to Parliament on certain public sector appointments on the grounds that to do so would breach section 105 of the Act. The commissioner, however, has ruled that such disclosure would not offend the Act. Despite this finding, Ministers still refuse to provide such information on the spurious grounds that the Act does not permit it. I raise this point because it highlights two issues: First, the degree to which the Office of the Commissioner for Public Sector Standards is viewed by Government. It is clear the commissioner's opinions are not taken seriously by Ministers. The commissioner is simply ignored. Secondly, and equally important, is the effect the Act has on the notion of open government, if the Minister's interpretation of its provisions are correct. If that is the case, the Court Government has passed legislation which prevents the Parliament from exercising proper scrutiny over certain aspects of the public sector. In my view such legislation is contrary to the findings and recommendations of the Royal Commission into Commercial Activities of Government and Other Matters.

The other test I referred to earlier involves an assessment of whether the Act provides fair and reasonable employment arrangements, particularly the mechanisms that prevent patronage in staff appointments and promotions. It is common knowledge that some very curious appointments have been made since the Act removed the possibility of departments and agencies being challenged over the relative merit of appointments. This Bill will overcome those weaknesses by removing those provisions of the Act that permit the Government to keep secret the financial implications of contracts and public sector appointments; improving the accountability mechanisms by requiring government departments and agencies to demonstrate that the best person was appointed or promoted; and removing the provisions of the Act which discriminate against public sector employees.

It must be stressed that the amendments sought to be introduced by this Bill do not conflict with any of the essential recommendations of the Royal Commission into Commercial Activities of Government and Other Matters. In this respect it needs to be realised that the royal commission did not recommend a number of the offensive provisions of the Act; for example, it did not recommend public sector employees be denied access to the Industrial Relations Commission; public sector employees be denied the right to appeal against a decision to promote a less skilled and competent employee; and public sector employees being required to accept employment with a private employer at 80 per cent of their normal rate of pay where the Government decides to sell off or contract out the work done by that employee.

Before explaining the provisions of the various clauses of the Bill, I should mention that a number of its provisions are similar to or the same as those contained in a Bill I introduced in 1996. However, a number of new provisions have been added. For the sake of completeness, I will explain the purpose of each clause rather than rely on what was said in the past and today.

I turn to the specific clauses of the Bill. Clause 4 of the Bill proposes an amendment to section 9 of the Act to provide that Ministers, as well as public sector bodies and employees, are bound to observe public sector standards, codes of ethics and any code of conduct applicable to an agency or department under the Minister's control. All too often in the public arena it is claimed there is one rule for Ministers and a separate rule for the broader community. This clause makes it clear that Ministers are bound to observe the same standards of behaviour as employees of public sector agencies. It makes it clear that this Act is not one which promotes the philosophy of "Do as I say, not as I do".

In case it is argued that it is not appropriate to regulate Ministers' behaviour in this way, elsewhere in the Act Ministers are constrained in what they may and may not do. For example, section 105 specifically precludes members of Parliament and ministerial officers from interviewing or communicating with an employing authority over the selection and appointment of persons to a public sector office.

Earlier this year I asked the Minister for Public Sector Management if he expected his Ministers to observe public sector standards and codes applicable to them. Although the Minister did not answer the question with a categorical yes, the nature of the answer given suggested he expected them to do so. This Bill provides the Government with the ideal opportunity to demonstrate that it expects its Ministers to observe the same high standards expected of public sector employees. If the Bill is defeated, it highlights that the Government is not prepared to compel its Ministers to conform to such standards.

Clause 5 seeks to amend section 11 of the Act which deals with the capacity of the Minister to direct the holding of a special inquiry. Similar provisions to these under the Prisons Act were invoked in 1994 when the Government came under pressure about the abysmal management of the Ministry of Justice. In order to divert attention from its own inadequacies, the then Minister and the former director general made a series of serious allegations about what was allegedly occurring in the ministry, including claims that sick leave was being rorted and officers were being victimised for supporting the Government's changes to employment conditions. In response to these "concerns", two inquiries were established to examine alleged wrongdoings. In hindsight, it is patently clear the inquiry was used as a device to take the heat off the Minister and the ministry and focus attention on employees' behaviour. The inquiries which followed were extraordinarily costly in financial and human terms and demonstrated that great care should be taken before such inquiries are implemented. Certainly such inquiries should not be used as a political device to save incompetent administrations.

The amendment seeks to achieve two objectives: First it seeks to ensure that such inquiries are instituted in only special and extraordinary circumstances. Second, and most important, the amendment proposes that an independent person must be appointed to conduct the inquiry. In the prisons inquiries, referred to earlier, the person appointed to conduct the inquiry held a senior position in the ministry and was involved in the investigations that led to the creation of the inquiries. In addition, it was no secret that he had come into conflict with a number of individuals whose conduct was under scrutiny. Special inquiries to be conducted under the provisions of the Public Sector Management Act should be, and be seen to be, conducted in an impartial manner. This amendment will go some way towards achieving that objective.

Clause 6 amends section 13 to require that such special inquiries shall be conducted in accordance with the rules of natural justice. Such a provision is needed to ensure that individuals investigated under this Act are not treated in the same appalling way as Ministry of Justice officers were treated in the prison inquiries. In those inquiries officers were not advised of their right to refuse to answer self-incriminating questions unless specifically instructed to do so by the inquirer; nor were they advised that, in the absence of an instruction, such answers could be used against them in a court of law. The massive waste of taxpayers' funds in the prisons inquiries makes it imperative that similar inquiries conducted under this Act are conducted openly and in a way that ensures that those required to give evidence are fully informed of their rights and obligations.

Clause 7 introduces a number of new provisions, the first of which requires public sector bodies to report to Parliament on the performance of contractors engaged outside the public sector. This provision accords with the accountability theme of the royal commission and is necessary due to the increasing difficulties some members of Parliament have encountered in trying to obtain information from government on the performance of contractors. It is not my intention to bore the House with the less than subtle attempts that have been made by some Ministers to avoid providing any information on the performance of contractors. One example will suffice for the time being. The Minister representing the former Minister for Employment and Training was asked a straightforward question about the standard of cleaning in TAFE colleges since that function was taken over by contractors. It was not a particularly difficult or tricky question, yet the Minister chose to avoid it by providing an answer that ignored the information being sought. The proper parliamentary scrutiny of the performance of contractors has never been so important as it is today with an ever increasing amount of work formerly carried out by public sector employees being contracted out to the private sector.

In November 1995 the Auditor General, in his report titled "Contracting for Services" said the following about competitive tendering and contracting out -

The implementation of this policy is having a significant impact. Services previously delivered by staff employed within government agencies are increasingly being contracted out for delivery by the private sector. In March 1994, an independent survey estimated that public sector agencies had let, or were planning to let in the following twelve months, service contracts worth \$415 million with the private sector. Preliminary findings from a similar, but more comprehensive, survey in April 1995 estimate the figure to be over \$1.1 billion, a significant increase in contracting for services with the private sector.

With such a significant and increasing amount being allocated to contracted services, it is imperative that the Parliament is informed about the standard of the work being provided. It should not be up to individual members of this place to try to extract information which, on past experience, has not been voluntarily made available. The compliance costs of this provision should not be great if agencies are properly monitoring performance standards. Certainly this should be occurring now. Hence the obligation created by this Bill will simply mean agencies adopting a reporting style that enables the information to be presented to Parliament in an appropriate form. The Royal Commission into Commercial Activities of Government and Other Matters stressed the need for information of this nature to be provided to Parliament. It said -

Our concern must be to enhance Parliament's role as the gatherer of information about Government and as the public's informant.

The reporting requirements of the Bill are not onerous as they require agencies to report annually on contracts which have been in operation for more than 12 months or have concluded in the reporting period.

The clause also introduces a new section that requires agencies to report on the status of employees who have been made redundant in the preceding 24 months. This provision has been included so the State can measure the economic and social effects of the competitive tendering and contracting out model.

A study undertaken by Carolyn Coombs, a Master of Social Science at the University of South Australia, on the sociological implications of voluntary redundancy found over 30 per cent of redundant workers who take separation packages regret it later. The study concludes that voluntary redundancies are just another form of retrenchment that lead to unemployment and social and economic insecurity. The researcher found that voluntary redundancy is neither voluntary nor rewarding. Workers targeted for voluntary redundancy have little choice other than to accept it. Older workers were particularly vulnerable, with a number being forced into early retirement. The research findings are consistent with feedback received from employees made redundant in this State. The research does not suggest, and I do not suggest, that every employee pushed into accepting voluntary redundancy is unable to obtain alternative employment. Equally, the happy stories about redundant workers finding higher paid and more fulfilling jobs after being made redundant do not apply to everyone.

The obligation cast on agencies by this Bill will enable the Parliament to assess the true value of current policy directions. The information provided will enable an assessment to be made on whether the financial savings of contracting out outweigh the human and societal costs that go with it.

A further provision introduced by the clause requires the Commissioner for Public Sector Standards to prepare a standard on the propriety of public sector officers negotiating contracts with entities that may take over their work if the negotiations are successful. The intention of this provision is to provide guidance in those cases where a public sector officer is effectively being put in the position of negotiating on behalf of the Government with his or her potential employer. In such cases it is important to guard against any perception of favoured treatment. It is expected the standard produced by the commissioner will set out procedures for avoiding any conflict of interest.

Clause 8 of the Bill amends the disciplinary procedures by prohibiting sanctions applied to an employee for being involved in an industrial dispute. It is unfortunate indeed that such a provision is necessary in this day and age. However, necessary it is, as we have witnessed during the industrial dispute at the Department of Minerals and Energy. Employees, through their union, the Civil Service Association, endeavoured to negotiate an enterprise agreement for over two years. Delaying tactics used by the Government to try to convince the staff their only hope of achieving a wage increase was to give up their quest for an enterprise agreement and sign individual workplace agreements did not work. The Government's attempts to frustrate the process only caused the employees to become more incensed and eventually, after continued provocation, to take industrial action. Instead of trying to resolve what had become a heated conflict, the Government decided to try to browbeat the employees into submission by laying charges under the Public Sector Management Act against one of them for having the temerity to stand by his convictions.

There are a number of good and cogent reasons why disciplinary provisions of the nature of those contained in the Act should not be used to try to resolve industrial disputes. First, it is important for any disciplinary provisions to be perceived by management and the work force alike as being a set of fair procedures for dealing with breaches of discipline expected by all who work in the organisation. The procedures should not be, or be seen to be, a mechanism for management to unreasonably impose its will on the work force. Disciplinary provisions used in this way are resented by those who comply under threat of sanction. This in turn affects the morale of the whole organisation as those with no power grudgingly carry out the will of their masters. In contrast, disciplinary procedures which are seen to be fairly applied are a powerful tool for management to deal with an errant employee. In the public sector it is important for the disciplinary provisions to be applied in the manner in which they are intended, not for the settlement of industrial disputes. If the Government wishes to impose sanctions against those who fail to comply with its industrial agenda, it is able to do so by using other than the disciplinary procedures.

Clause 9 proposes to reinstate the power of the Industrial Relations Commission to deal with redeployment and redundancy in the public sector. Until the Public Sector Management Act came into operation, redeployment and redundancy arrangements were primarily covered by the operation of a general order of the Industrial Relations Commission. The general order prescribed the arrangements to apply in the event of an employee becoming surplus to requirements. Redundancy was voluntary, in the true sense of the word, as employees who became surplus to requirements were given the option of taking severance, being redeployed or retrained. All that changed with the introduction of the Public Sector Management Act. The Act ushered in a different approach to the setting of conditions to apply in cases of redundancy. Instead of the conditions being set by the Industrial Relations Commission or by agreements between the relevant unions and the Government, the redundancy arrangements were determined by Government alone. There was no employee or union involvement in the process. Since that time the Government has made it patently clear that, subject to the Minimum Conditions of Employment Act, employers have the exclusive right to determine the wage levels and employment conditions to apply to new employees. That philosophy is reflected in this Act.

The Public Sector Management Act introduced a completely new way of dealing with redundancies brought about by Government decisions to sell government operations or contract out work to the private sector.

History reveals the Government was less than open about its intentions when it introduced its Public Sector Management Bill. In the Premier's second reading speech passing reference only was made to the types of changes being introduced. At that time the then member for Kalgoorlie endeavoured to extract from the Premier exactly what the Government proposed. *Hansard* records that either the Premier did not know or was coy about providing the answers. The Bill itself did not specify exactly what the Government had in store. Indeed, it was only when the regulations were finally tabled that the Government's intentions became clear.

It is important members understand the redeployment and redundancy provisions which operate under the Act and regulations. Part 6 of the Act gives the Governor the power to make regulations. The regulations deal with the situation where the whole or part of a department or agency is sold or where the work of that agency is contracted out to the private sector.

The Public Sector Management (Redeployment and Redundancy) Regulations provide that employees whose work has been sold off or contracted out to the private sector may be ordered to accept a suitable position with a private sector employer. A suitable position is defined as one which may carry a rate of pay 20 per cent below the employee's existing wage. An employee who refuses to comply with an order may be dismissed. Where this occurs, the employee loses any entitlement to the severance-redundancy payment.

The Government boasts it has been able to substantially reduce the public sector work force in the last four years through employees voluntarily agreeing to participate in its severance-redeployment arrangements. The truth is that employees have had no option other than to accept their fate whenever they have been targeted for the boot.

The Bill now before the House seeks to restore fairness in the system by returning to the Industrial Relations Commission the right to issue a general order governing these matters. The Bill establishes certain principles the commission must follow in bringing down any general order. It will be up to the parties to agree on the detail or argue the merits of their position before the Industrial Relations Commission.

Another provision of the Bill seeks to reinstate a less formal promotion appeal process. The Bill requires the Commissioner for Public Sector Standards to issue a standard which gives unsuccessful applicants for promotional positions the right to appeal against the decision of the employing agency. The Public Sector Management Act removed the right of unsuccessful applicants to appeal against decisions of employing agencies on the grounds that they had a better claim for the vacancy based on their skills and experience. While the Act removed this right of appeal, it also proclaimed the principle that selection processes should be based on a proper assessment of merit and equity. If selection processes are based on merit and equity, as provided for in section 8 of the Act, there should be no fear about employees testing the decisions of employing agencies. The proposed promotional appeal process will give employees the opportunity to test these principles.

Since the commencement of the Act a number of dubious appointments have gone unchallenged because no mechanism exists to test the integrity of the selection process. This is less likely to occur if an avenue exists to test the competence and the judgement of those involved in the selection process.

Clause 12 introduces three new sections, the first of which requires the Commissioner for Public Sector Standards to establish standards under which permanent status may be given to employees. This provision has been included in the Bill as a direct result of the increasing use by Government of temporary and fixed-term contract employees whose jobs continue from one year to the next but who are not appointed to a permanent position. The standard will enable a proper assessment to be made on whether such positions are in reality permanent.

A further new section makes provision for the placement of employees who have been displaced by structural change in the public sector. Concerns have been raised with the Opposition that some departments and agencies are averse to offering redeployees employment opportunities.

Clause 13 seeks to amend section 105 of the Act to make abundantly clear that Ministers may report to Parliament on any matter relating to the selection and appointment after an appointment has been made.

Finally, clause 14 amends schedule 3 by removing those offensive provisions which compel employees to give self-incriminating evidence.

This Bill improves the accountability requirements and ensures a level of fairness in the management of the public sector which is sadly lacking at the moment. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

MOTION - WHITE SANDS TAVERN SITE

Ministerial Planning Appeal

DR EDWARDS (Maylands) [5.52 pm]: I move -

That this House urges the Minister for Planning to dismiss the ministerial planning appeal for the redevelopment of the White Sands Tavern site in Scarborough.

On 8 January this year, on his last day as Minister, the former Minister for Planning, Richard Lewis, wrote to the company wanting to redevelop the White Sands site in Scarborough. The company had appealed to the Minister following the City of Stirling's rejection of its proposal to build a 300-room, twin-tower, 6-storey complex on the site. It should be pointed out that this proposal was unanimously rejected by the City of Stirling on two occasions. As a result, the company appealed to the Minister.

I now turn to the letter the former Minister wrote to the company. In that letter the former Minister outlines, firstly, what he believes to be the facts. He then goes on to make some amazing statements. The first is that he was generally disposed favourably towards a development on the site and the second is that he was, "of a mind to uphold the appeal based on principles shown on the . . . plans".

This letter is not a decision and may even be a deferral. Perhaps the most charitable thing one could say about it is that it expressed an opinion. Whatever it is, it is based on erroneous assumptions. It must also be remembered that it was written by the former Minister on his last day as Minister for Planning. It was probably a parting shot at local government. It has been said before, and I say it again, that this was one of about 30 decisions made by the former Minister either during the caretaker period or when he was technically a Minister but actually not a member of Parliament.

When that letter appeared it raised a number of eyebrows. The message it sent to the developers was that effectively their appeal had been upheld. However, the message it sent to local residents was that they had been betrayed - and they continue to feel that betrayal.

The City of Stirling was sent a copy of the same letter, as happens in these cases, and it has pointed out a number of statements that concerned it. I will highlight the concerns of the City of Stirling to show that factually there were errors in the letter and that it should not be used as the basis on which to decide this particular appeal. For example, the City of Stirling draws attention to the Minister's statement that there were no specific developmental performance standards relating to development at the site and points out that there are provisions within the district planning scheme that set those requirements. In addition, a definition of "amenity" applies to this proposal. Under "amenity" the council is required to have regard to appearance, proportion and the effects on nearby properties and occupants when it assesses applications. It is clear that the city considers height as applying under amenity and has expressed its view about that on both occasions the proposal has been considered.

Mr Omodei: Was that amendment made under the council's town planning scheme?

Dr EDWARDS: Yes. Secondly, the Minister also said that if the land was not classified as a hotel site, it would be classified R40. He went on to say that under the City of Stirling's regulations, erection of buildings could occur that would equate to the proposed development. The city agreed that was correct and that if it was zoned otherwise, it would be R40. However, there is a six metre height limit for buildings in the City of Stirling so the development would have been ruled out immediately on the grounds of height. Further, if it were zoned R40, the city would not permit multiple dwellings, one above the other, as was proposed.

The third statement the Minister made was that the clients, the developer, had deliberately withdrawn the original proposal for the 12-storey building. That was not true. It had not been deliberately withdrawn; it was, in fact, refused by the city because that was the first proposal. The Minister then referred in his letter to a four-storey development and said he felt that this would be far more detrimental from an aesthetic point of view. There never was a four-storey proposal. Interestingly, the former Minister's concluding comment was that there were various shortcomings with the proposal anyway. That is an understatement.

Western Australians believe everyone should have access to the coastline and it is a very precious resource. Over the years people have become increasingly sensitive to the impact of development on coastal areas. Even the Western Australian Planning Commission is sensitive to that. In 1996, then Minister Lewis released a policy on development on coastal areas. The policy suggested ideas about how to handle height restrictions and tall buildings. Six factors had to be considered when looking at tall buildings and structures. One of them was visual amenity. Another two were consideration of the coastal landscape and assurances that there be no overshadowing of the beach.

It is interesting that the former Minister's letter seems to go against the document that only months earlier he had been endorsing and was putting forward as his policy for the area. That is a serious departure, especially when one considers the appeal.

Sitting suspended from 6.00 to 7.30 pm

Dr EDWARDS: Before the suspension I was referring to the strength of feeling in Scarborough about the proposed redevelopment of the White Sands Tavern site. I will outline some of the things that have been in the media recently to demonstrate how strong feelings are and our high the stakes are. On Monday, 14 April, there was an article in *The West Australian* headed "Blimp bandits on video". Although in some ways it is funny, it is also serious. People in the local area launched a blimp, a big balloon 5 metres by 3 metres to tell people about a public meeting on the issue the following week. Unfortunately, it was shot down twice. On the second occasion it went free and did not deflate. Pilots were warned about it because it was a traffic hazard.

Mr Bloffwitch: Someone felt strongly about it if they shot it down.

Dr EDWARDS: Someone felt very strongly about it. Another article in *The West Australian* said that a security video at the Indian Ocean Hotel, which is nearby, captured two men on screen in the vicinity of the blimp. The videotape was ultimately handed over to the police. Perhaps in due course we will see some action about that. Members will be aware, and anyone with a sense of history knows, that for a long time passions have run high in Scarborough about the issue. In the past there was a bombing in protest at high rise development. We do not want to return to a situation like that.

On 17 April, I and a number of other members of this Chamber, including the Speaker, attended a public meeting in Scarborough about this issue. Approximately 120 people came out on what was quite a cold night to express their disquiet about the proposal. It was interesting that only one person spoke against the motion. To be honest, I do not think he was particularly well informed. At the end of the night, when the motion opposing this development, but not opposing other developments, was passed, only three or four people did not support the motion.

Yesterday I received a copy of a letter from the Scarborough branch of the Liberal Party to the Minister for Planning expressing its concern about his allowing this development to proceed. I have never received a letter quite like this before. The letter states that a meeting of the Scarborough branch of the Liberal Party the night before had passed a motion unanimously to write the letter to the Minister for Planning. The letter outlined the branch's concern and said that the people in the branch had worked hard at the local level and felt their local members of Parliament, State and Federal, had been re-elected because they had not wanted high rise in the area to proceed. The Labor Party policy for this area was that the type of development referred to in the motion was not acceptable. There is no doubt that people from all political parties in this area share a common view. The letter states that Labor is "ready for an issue such as this to pop up". It further states -

Also Elizabeth Constable is already getting political mileage out of the matter.

Dr Constable: I have not said anything yet.

Dr EDWARDS: No. The letter then refers to various councillors who are opposed to the project, and points out that the people who are opposed are very level-headed and have a good planning background. Local people have expressed their opposition to the White Sands redevelopment. They are also being sensible about their opposition because they are not saying no development; they are saying no to this type of development, but are prepared to negotiate for something that better suits that area.

The local authority, the City of Stirling, has twice rejected the proposal. I have read the rejection information and the planning officers of the council recommended to councillors that they oppose the redevelopment. Therefore, both levels of the local authority opposed the proposal. The City of Stirling is now moving to amend the district planning scheme. That will bring with it a 12 metre height restriction for commercial developments in that area. That is responsible because the councillors have the discretion to allow certain developments over that height if they meet certain criteria. That is consistent with the Western Australian Planning Commission document that was released at the end of last year, with the suggested policies on dealing with tall buildings and structures in the coastal areas.

There is no doubt that the Minister for Planning has been left in a difficult position. The former Minister's letter reads like a de facto approval for the redevelopment. However, I have been concerned by reports in the local media that the Minister believes he has no discretion but to uphold the appeal. I was also concerned that he blamed the City of Stirling for not having height restrictions. The Minister cannot have it both ways. Perhaps one could argue that Richard Lewis signalled his intention but what he did was not a decision. There are two very important points in the letter that Mr Lewis sent. The first is that he said he had decided to defer consideration of the appeal. Again, in his closing paragraph he made some comments suggesting that there be negotiations. He then went on to say that these would be considered when a final decision was made on the matter. Therefore, it is quite clear that he did not regard that as a final decision. If people have read it that way, they are wrong. The Minister still has discretion to hear the appeal and to make his own decision.

The Minister's behaviour is that of a person hearing an appeal. He has been seeking information, holding meetings and talking to people who are concerned about it. I was interested to see a legal opinion on this issue. It goes through the contents of the Town Planning and Development Act. It effectively points out that once the Minister goes through the actions of initiating an appeal, because it is a hearing de novo, he is setting in process the grounds for making another decision. I hope that the Minister listens to the local people; that he takes account of what the local government is saying, both at the planning officer and councillor level; that he revisits the policy that the Western Australian Planning Commission released for discussion in the middle of last year; and that he lets the City of Stirling proceed with its amendment to the district planning scheme so that the height question in this area is settled once and for all.

I urge the Minister to dismiss the appeal and to allow this area to have more suitable and acceptable development, and to send the message to the rest of the coastal communities that he is concerned about what happens on the coastal strip and is prepared to make sure that only the very best development takes place in that area.

DR CONSTABLE (Churchlands) [7.43 pm]: I will add some comments to those of the member for Maylands and reinforce some of the major points she has made in her speech. I believe the only possible decision the Minister can make about this appeal is to refuse it. I do so on the basis of the local knowledge of people living in the area and also because of the wide concern about the future of the metropolitan coastline. As you well know, Mr Speaker, the border between the electorates of Churchlands and Innaloo is just a few blocks from the White Sands block. Therefore, many people in my electorate and the electorate of Innaloo have contacted me in recent weeks about their concerns with the proposed hotel site. It is not only of that local concern that I wish to speak but also of the long term concern about the future of the coastline. This decision will be a landmark which will take us into the future. I hope the refusal of the appeal will secure the coastline for proper development for future generations. It is of great importance for the local area, for people living nearby, for people who travel distances from their homes to use that area for recreational purposes and for tourists who come from overseas and interstate to stay in the Scarborough area, that the area be maintained as a beautiful place. It must be carefully managed in the years to come so that it will retain its beauty and be there as an amenity for people to use for recreational purposes.

A six-storey building in this area will be the beginning of the end of the metropolitan coastline. It will add an ugliness to it, diminish the amenity and set a precedent which I do not think anybody wants to see. At the recent local meeting organised by Scarborough ratepayers a number of concerns were expressed, including fears about an increase in crime. If we look at areas on coastlines that have been overdeveloped, as it were, such as those on the Gold Coast in Queensland, we see that crime has increased over recent years. We want to make sure that any development we have takes that into consideration. Traffic problems will of course occur. Noise for local people will also be a major factor. I do not think that the tourism industry in the area will be enhanced by having large developments of the type that is proposed. Of course, we want those sorts of industries to increase but we want that to happen in a measured way and not in a way that will detract from the general amenity of people who live in the area and those who come to use it. A large building will detract from the natural beauty of the area.

Local wisdom is very important. People living in the area have spent a lot of time over the last 10 or 12 years concerned about how their local area works and how it looks. That local wisdom was expressed at the public meeting held just a few weeks ago. It was attended by local Stirling City Council members and also by members of Parliament concerned with the area. The member for Carine was there, together with you, Mr Speaker, in your capacity as the member for Innaloo, the member for Maylands and me. The vote was almost unanimous. At least 120 people attended, maybe more, and only three stood out against the motion. I will read the motion into the *Hansard*, because it sums up the feelings of people living in the area. This motion was carried overwhelmingly -

That this meeting opposes the proposed White Sands hotel development of two six storey towers as:

- (I) The development will be in excess of the proposed 12 metre height limitation for all developments within the City of Stirling;
 - (II) It sets a precedent for all other future developments;
- and
- (III) It is out of character for the area because it impacts on the amenity of the surrounds.

Further;

That the Minister for Planning be requested forthwith to refuse approval of the development.

The first three points sum up clearly the local wisdom and thought that has gone into the area in recent years. It gives a very good summary on which the Minister can base his decision. We know that the Stirling City Council has twice rejected plans for high-rise developments on the site. There are three significant reasons for a second rejection, which is what we are really talking about. The first reason is the height and the bulk of the proposed building. It is clearly out of keeping with the area and the spirit of the recent decisions of Stirling City Council. It is also clearly out of keeping with the Western Australian Planning Commission's proposed policy for coastal planning and development. That is a very important point to keep in mind. The impact on the amenity of the area is the second significant point. It is crucial. Other businesses in the area may well be affected by it because developments of this kind will turn away from the area people who come to spend their leisure hours there. The third important reason is that it does not conform with the Western Australian Planning Commission's draft coastal development policy.

The intentions of the Stirling City Council are absolutely clear in regard to height restrictions. It is all very well for some people commenting on this to raise just the technical side of rules and regulations in the City of Stirling.

However, the council has through precedents made its intentions clear about what it wants in the area and has set a very good standard for the metropolitan coastline. Stirling City Council has limited coastal development to 12 metres or four storeys in a special beach development zone. It is true that this White Sands proposal is technically just outside that zone, but the intentions of the city are very clear indeed and so are the wishes of the local residents.

The intentions of the WA Planning Commission's draft coastal planning and development policy are clear. They concur with those of the City of Stirling. The draft policy provides that the height and bulk of buildings within the coastal view - that includes the White Sands proposal - should be carefully assessed to take into account the impact on the surrounding area which will result from any development. That is crucial. We know it is a draft proposal; however, the intention is clear. It is true that policy is not yet finalised, however, sensible guidelines have been put before us by the City of Stirling and the WA Planning Commission. When one considers the amount of time and thought that goes into those policies we should listen carefully to those authorities.

I am sure the Minister would be aware of a provision that allows the council and the Minister to reject the application on the grounds that the height and bulk of this proposal would adversely affect the amenity and locality. The Stirling City Council has done its job, and the councillors involved in this area have done their job diligently. They have listened to their constituents. They have spent a lot of time on this. As local members of Parliament we have also been listening to our constituents. The result of that was demonstrated clearly with the vote at the ratepayers' association meeting recently. Public opinion is against further high rise buildings, and against this development. For that reason, as well as the guidelines that are in place, the Stirling City Council has rejected the second proposal.

I will also mention the actions of the previous Minister to reinforce the point that he did not make a decision about this matter. It is open to the current Minister to look at the information with a fresh eye and to look at other information - as I am sure he will do. The Minister is not bound by any comments that the previous Minister may have made. The Minister is in a position to make up his own mind and not be bound by anything that has been said beforehand. That is what needs to be done now by the new Minister.

This proposal does not meet development and performance standards. Clause 1.4.4 of the district planning scheme of the City of Stirling empowers the council to refuse an application on the ground of adverse effect on the amenity of the locality. That should be enough for Minister to uphold the City of Stirling's view on this matter. The council is required to have regard to the appearance of the building, its proportions and the effect that it might have on nearby properties and the occupants of these nearby properties. In doing so the City of Stirling has come to the conclusion that the second White Sands proposal does not meet the requirements of clause 1.4.4 of its district planning scheme. The bottom line is that the current Minister is not bound by anything that has gone before, such as ministerial statements or notions. Previous Minister Lewis did not make a definitive decision on the appeal. I hope that the Minister will consider this with a fresh mind and eye and support the Stirling City Council and the local residents. In doing so the Minister will be securing the metropolitan coastline and setting an important precedent for the metropolitan coastline, so that we will be able to say in 10, 20 or 30 years that our coastline has not been spoilt, and at the same time proper development has occurred as it was needed.

MR KIERATH (Riverton - Minister for Planning) [7.54 pm]: I have always been frank and honest. The only reason that I have not made a decision on this issue at this stage is the representations made to me by you, Mr Speaker, as the local member.

This issue gives me a great deal of personal difficulty. I will give the member for Maylands her due in that she recognised the dilemma in which I find myself. Ultimately in public office one is faced with a dilemma about what one feels personally and what one must do when one swears an oath of office. I am very much with the community on issues like height limitations. However, I swore an oath that I would uphold my office without fear or favour. That means that I will not be threatened, intimidated, forced, coerced, bullied, pushed or any of those sorts of things. I will be persuaded by logic, reason and good argument.

As a Minister I am offended by this motion. It interferes with my duty as Minister. This is not a policy issue, it affects my judicial position as a Minister. I will tell the House the dimension of the dilemma that I face. As we hear frequently, if this House were to pass comment on an issue that is before the courts it would be sub judice. This issue is before a court of some description - a court established by legislation to give the Minister for Planning the right to make a decision on appeal on administrative decisions at various levels of government. I do not know what other members of this House think about that; however, I take my role seriously. I am deeply offended by any attempt by motions of this House, or anything else, to influence me in that decision making capacity. I invite any member of this House who feels strongly to make recommendations directly to me on matters of fact, opinion or even of a political nature. Members should make a direct approach to me to make their points of view known, and I will take them into account when I make my decision. Members should not come into this House and try to bring to bear the influence of this House on my statutory role. If members have not learned anything else about me by now, they should know that if they want me to make an impartial decision they can persuade me by logic, reason and fact.

Members should not try to put pressure on me - be it political pressure, or pressure in this House, or any other form of pressure, because I will dig into a rigid line. I feel I have an obligation to do that. I say candidly that I do not like this motion. I understand the politics of the issue. If I were one of the members I might try to play politics with it as well. However, I ask members to reflect on what they are asking me to do and the effect that may have. I am sure in the cold light of day they would accept that this motion is out of order. I cannot get any fairer than to invite any member of this House to approach me on those issues.

On the strength of your representations, Mr Speaker, I delayed my decision for a month while I considered alternative points of view. Some of my statements have been gravely misrepresented. At no time did I say that I had no discretion. In my style and fashion I tried to lay the facts on the table for the people concerned and indicate what I was inclined to do given the facts that were before me. I did that in the hope that people would come forward with other facts that had not been presented to me to enable me to change my opinion.

I will take a little time to explain to this House the procedures that a Minister must go through when that Minister is making judgments on appeals. The first thing a Minister does is determine the facts of the case - not opinions or innuendo. I swore an oath of office as the Minister for Planning to make decisions on planning issues. Some decisions are clear. They are almost black and white: The matter presents itself and there is no discretion. Other matters come before Ministers that are what I call lineball; they are not clear cut one way or the other. In that situation I have much more of a discretion in my decision making role. Although I do not duck any responsibility - I make the decision and ultimately I wear the consequences of that decision - a group of people who have expertise in the planning area provide advice to me before it gets to that stage. It goes something like this: Two or three people from the planning appeals office comprise a committee - a source of information and advice to the Minister. In addition, a ministerial officer who happens to be stationed in my office, but who is a public servant experienced in planning matters, provides advice to me. That officer specialises in that area and listens to all sides of the debate and ensures those points of view are put before me. Many people want to speak to the Minister about issues. With about 800 appeals a year a Minister cannot afford to spend all his time listening to every party who wants to come forward. However, the officer will listen to anybody who wants to put forward a view. That officer sits in on that appeals process as well.

When I make a decision I have with me at least two, and usually three, members of the Town Planning Appeal Committee and the Ministry for Planning to give some form of consistency through the decisions. Invariably they are not the people who have done the investigations. Somebody else who has experience and who is on the panel of members has conducted that investigation. They pass judgment on whether that decision stacks up. Four officers plus the Minister form the Town Planning Appeal Committee. In that committee I seek, as I have always done, the advice of the other members. I cannot see any point having them there if I do not seek their advice.

To give members an understanding of the process and to make clear that it is not a decision of just the Minister, who could follow whatever whim or fancy came his or her way, I have explained the situation I go through. If it were a lineball decision, it would be easy for me as a Minister to take the position of a member of my party. Some people would say that would be the sensible course to take. Of course it would be the easiest position to take. It is difficult to convey the opposite.

I have operated differently from the former Minister. The former Minister would not meet any of the parties. I said that in special cases I would meet the parties and listen to all sides. That usually occurs when I am in a dilemma, I do not find a matter clear cut and I find the advice given to me somewhat confusing, and I need some form of guidance. In those cases I like to talk to the parties direct so that, if nothing else, I can at least make a decision. Sometimes I must make that decision on my gut feeling about whether people have been telling me the truth. Usually I ask the parties to compromise. That is a good test because those who are not prepared to compromise are usually the ones the decision should not be handed down in favour of. I have found that those who are prepared to compromise are usually the ones who are telling the truth and who are prepared to find the best outcome and accommodate different points of view. I am giving members an insight into how I view matters when I sit in a decision making capacity.

I have tried to say to the parties in this case that out of all the issues I have faced as Minister, I have not found another issue that is as black and white as this issue. That is the dilemma I face. If I could find some reason to come down in favour of the community, I would. The instruments convey to people not only ideas and policies, but also legal rights. Legal rights are contained in a town planning scheme. A process exists for changing that, and that process is at the absolute control of the local council. It must be accepted for better or worse that the latest town planning scheme is the sum total of the thoughts and feelings of the council and community.

What did I find when I went to the town planning scheme in this case? I found no height limitations. I thought that perhaps the council did not consider this matter; that perhaps nothing else in the town planning schemes of that council had height limitations. If I could find that, I could say the council never considered the issue of height

limitations. Unfortunately I found areas in town planning schemes of that council where there were height limitations and areas where there were not. I do not know how other members feel, but my impression is, whether the council made a deliberate decision or not, height limitations apply in some areas but not in others. I have heard the argument about its being an oversight of the council or that the council forgot about it or did not realise it. It does not matter: When people buy property with a view to development, the first thing they do is check the town planning scheme to see whether any intended use is allowed and what are the restrictions.

There are no restrictions in relation to height in this area. If there is a veiled restriction, I am searching for it. However, I found the exact opposite. While considering this appeal I found the council realised it had made a mistake; that there were no height limitations in the town planning scheme. It realised the only proper way to fix that was to amend the town planning scheme and take the appropriate action. I support the council in that endeavour. I said that as Minister I would do everything I could to expedite that scheme. However, there is a process to go through involving advertising, seeking submissions and considering those submissions - carefully, it is hoped - and then making an informed decision. That process is full of integrity. It preserves the various parties' rights. I do not think any member of this Parliament will want to destroy that, whatever happens.

From a legal rights point of view, this party has a right to put forward a development like this. It has an expectation that if it meets the requirements, it has a right to develop. If the council wants to impose uses, developments or limitations, it should do it through its town planning scheme. The fact that it has not done so indicates it has chosen not to impose those limits. The fact that it has now decided it will impose those limits only reinforces that previously there were no limits and the party had certain rights.

I have tried to cover most situations that arise. No matter what members of this House say, a legal right exists in town planning schemes which I have a strong obligation to uphold, even if I do not necessarily agree with it. I have looked for reasons and excuses to go against that, but so far I have not been able to find any. It does not give me great pleasure in this issue because ultimately, even though people advise me, the responsibility rests with me. It is one of the most difficult decisions I have had to face in my political career.

I also sought legal advice on a letter from former Minister for Planning, Richard Lewis. I am not one to criticise Minister Lewis because I think he was a good Planning Minister and a Minister who viewed the issues in clear planning terms. I know some people want to make political mileage out of that. However, his decisions in the past couple of months of his office were predictable because they were consistent with the decisions he made all the time. That is rather interesting. There was no variance. He was very much a planning Minister.

Mr Barnett: He did more for planning than had been done in the previous 20 years in this State. I am sure the current Minister will do equally as well. Richard Lewis broke through an impasse.

Mr KIERATH: I agree with the Deputy Leader of the Liberal Party. I did not always agree with Richard Lewis, but I think he did more for planning than any other Minister in the past 50 years.

Mr Barnett: He put planning ahead of development.

Mr KIERATH: We had that argument when in opposition. We talked about different points of view. I think I persuaded him on one issue. I said there must be a public process in which people can put their point of view because even if they do not win at the end of the day, if someone has listened to them and tried to accommodate their point of view most of them will accept the final decision. He had a dilemma with the major amendment process because he thought it would be too time consuming. I agree with the Deputy Leader of the Liberal Party that the previous Minister took planning from a position in which it was reacting to current concerns back to where it should be; that is, 10 or 20 years ahead of the development. That is exactly where planning should be. It should not be done from one election to the next. It should be long term.

Mr Barnett: For members opposite who might see the dark side of some of his decisions, I advise that Richard Lewis as a Minister upset many people who are natural supporters of this side of politics.

Mr KIERATH: Exactly. The former Minister for Planning always viewed things from a planning perspective, no matter which side of politics people came from. He could not be persuaded.

Ms MacTiernan: Is that why he was unable to get preselection?

Mr KIERATH: It may well have been a factor. On planning issues he took a very objective view. Even though I took deputations to him from time to time on behalf of my constituents and asked him to display the discretion members opposite are asking me to display tonight, he always adopted a planning view.

Mr Barnett: You were silly; I did not bother to do that because I knew what the answer would be.

Mr KIERATH: I accept that comment because I knew also. However, I still took them to him. Sometimes I tried to put the human element in planning. He gave me advice when I took over this portfolio, and said I should always view things only from a planning perspective if I wanted to be a good Minister. I must confess that sometimes I put the people issues ahead of other considerations. I do not think history will judge me as being as good a Minister for Planning as Richard Lewis was. When he came to office, forward planning was way behind. He took planning from behind the game to the front of the game, and he will get credit for that. History will judge him kindly in that regard.

Ms MacTiernan: Not after the royal commission.

Mr KIERATH: I have no doubt he will withstand any royal commission. At various times I tried to put political pressure on him, but absolutely to no avail. Planning decisions were made strictly from a planning point of view. I said I took some people issues to him, and not any other issue the member opposite might read into that. I have been elected to represent my constituents and I do so. Even when I do not agree with them from time to time I go in and bat on their behalf to get the best deal for them, although it sometimes hurts me politically.

I now refer to the letter the former Minister wrote. I sought legal advice, and the member is right in saying there is no legal requirement for me to abide by that letter. However, there is a strong moral requirement.

Dr Edwards: Is there any risk of the company wanting compensation?

Mr KIERATH: I do not want to answer that. The company might read *Hansard*. It is not my job to give other people legal advice.

Ms MacTiernan interjected.

Mr KIERATH: We all know that in legal action one party makes a claim and another party resists it. Ultimately, there is usually some form of compromise, but the individual positions never completely stand up and are clouded by other political issues. Sometimes I place great emphasis on the moral position and not the strictly legal position, and there is no doubt in my mind. I went through the letter, and have read it many times.

Ms MacTiernan: Not in your industrial relations portfolio; the moral position went out the window.

Mr KIERATH: Quite the contrary. It is because of the moral position that I took the view I did. The member has misunderstood that part. I will explain the moral position of this letter. The Minister said he was of a mind to approve the development in principle and the major parts of it. He said there were a few minor technical issues that should be the subject of negotiation between the parties. He quite clearly said that if the issues had been resolved, he would have approved the development. Members will know that is definitely the wish of the former Minister. He quite clearly said that because they had not made those decisions he could not give final approval to the project, but if they did so he was of a mind to uphold the appeal. They do not involve big planning issues about the bulk, size and amenity. They are small details about the quantity of parking and other minor issues. I asked other members of the committee whether they viewed it in the same way. They said they did and that these were normal technical procedural problems to be resolved. The council said those technical issues had now been resolved. It is quite clear that a moral position has been taken by the former Minister. My only criticism is that I wish he had not written letters saying he was of a mind to uphold the appeal.

Dr Edwards: How many has he written?

Mr KIERATH: Several of them. As Minister for Planning I have been asked to write similar letters and I have refused to do so because I do not think it is fair. It raises people's expectations and I do not want to mislead people. If I cannot make up my mind, I write that I will defer the decision. I do not give an indication. In this case I have given an indication of my thoughts in the hope that they will put forward other arguments.

I have tried to outline the issues formally as Minister for Planning. If this motion were passed, it would be likely to go against the wishes of the parties trying to influence my decision because of the manner in which it has been done. I make a plea to the people who have moved the motion not to proceed with it. I ask them to defer it or not to bring it to a decision. I have outlined my reaction if any attempt is made to influence my decision. I did so at the beginning of this debate. I ask members not to bring this matter to a vote or change the wording to a different form. I do not want to make threats, but I ask the House to consider my views in that regard. I do not think I have ever been quite as frank and all-embracing as I have been tonight. I have tried to share with the House the dilemma I face.

Dr Edwards: It is not a manipulation?

Mr KIERATH: What I say is true. The member could frame the motion in another way.

Dr Edwards: It is only urging you.

Mr KIERATH: The member could use the words, say, "that when making the decision the Minister take into consideration the following", and not try to apply pressure on me to make a decision.

Dr Edwards: Do what you did for the member for Joondalup and pass me a note!

Mr KIERATH: I can only again request that the member not continue with the motion in that form, but defer it or adjourn it until appropriate words are formed. I only make a request; I do not want to repeat it to make it sound like a threat or anything else.

I accept that draft policies and suggested policies have been floated. However, they are only floated policy designed to achieve some form of resolution from the community. As such, until they become actual policy, they are no more than the ideas of an individual or a group of people.

I have not made a decision. I have decided to defer my decision for another three weeks. I appeal to individual members of this House; if they have views, please come forward and make them known so I can be in possession of all views before I make a decision. Again, I ask the House not to pass the motion.

DR EDWARDS (Maylands) [8.22 pm]: The Minister commented that the whole motion is out of order, and I reject that view entirely. The motion sat on the Notice Paper for 10 days and if the Minister truly held that view, he could have said something quietly to me, to the Leader of the Opposition or alternatively, he could have said something to the person who determines whether a matter is in order; namely, the Speaker. If he said anything to the Speaker, it certainly has not been passed on to me.

I am puzzled by the Minister's stance. He opened by saying he would not be threatened or intimidated. He almost said in one breath that he would not be influenced by anything the House said, yet in the next breath he told us not to move the motion as it is an affront and out of order. I cannot understand how the Minister has both positions in his head at once as they are in conflict. It is strange to say he cannot be threatened, and then say that this action is a threat.

The Minister admitted that the only reason he has not made a decision so far is because of a representation from the local member, whoever that is. It is laudible that he is listening to the local member. However, he does not want Parliament to pass this motion. He then invited any member to talk to him on such issues. I cannot see the difference between all of us talking to the Minister about the issue in here, and saying it to him in confidence. The Minister wants a process which is less accountable.

Mr Kierath: I do not put myself in a position of judge, but I have a decision making role like a judge. The judge asks all parties to put forward the facts of the case. He then listen to arguments. I ask that members come forward and put the facts to me as part of the process of making a decision. It is different from seeking information and somebody trying to influence a decision. The court never stands for anyone trying to influence the court; it is supersensitive to that. The courts go out of their way to exert their independence. If people take that approach, they will force a consequent reaction. If they take another approach -

Dr EDWARDS: This is very interesting from a man who said he could not be threatened, forced or intimidated. He will consider all the facts and make a decision in a cold, objective fashion, yet he then objects to us talking about it. It is extremely contradictory.

The Minister's argument tonight supports taking the whole appeals system away from the Minister. The Town Planning Appeal Tribunal has instituted a process of mediation. The Minister is trying to mediate through his meetings. It is not fair on a Minister with three portfolios to have to try to mediate 800 times a year on 800 appeals.

Is the Minister using taxpayers' money most wisely by spending around a quarter of a million dollars every year on the Town Planning Appeal Tribunal to hear about 35 cases when the Minister is trying to mediate and save the causes of 800 separate appeals?

Mr Kierath: Do you know the cost of the tribunal?

Dr EDWARDS: Yes. I have seen it in the budget papers.

Mr Kierath: Do you know the cost for the parties?

Dr EDWARDS: It is at least \$40 000.

Mr Kierath: That is for one party. The usual cost is \$100 000 to \$200 000 per case, against a ministerial appeal which costs \$160 a case.

Dr EDWARDS: That is an argument for reviewing the appeal process.

Mr Kierath: I am doing that right now.

Dr EDWARDS: I am pleased to hear that. Also, I am pleased that the Town Planning Appeal Tribunal is bringing in mediation as that will cut costs; also, maybe, it will find that more people will compromise.

I reiterate my comments to the Minister. The proposal he is considering has been rejected twice by the City of Stirling. A lot of local opposition, regional opposition and opposition from across the State is evident on this issue. It is ludicrous to say that as the town planning scheme has no height restriction, he has no choice but to allow this tall building to go ahead. That argument could be applied elsewhere: If one is not instructed not to do something, one must go away and do that thing. What sort of logic is that? It is amusing that the Minister, a law student, argues that as there is no height limit, he must let it happen. It does not follow.

He has already said that the City of Stirling has recognised that a town planning scheme amendment with a height restriction would help their case. He said he is helping them expedite that amendment. Given that superior understanding, why does the Minister not defer his decision a little longer and make it in the light of that town planning scheme amendment?

I was also interested in the Minister's argument that the former Minister for Planning had not left him a legal dilemma, but a moral dilemma. The fact he will not answer my question about compensation means that he is not being open and telling us the variables he is considering in making his decision.

Another worry is that if one looks at the section of the Town Planning and Development Act concerning appeals, one realises the Minister should not be saying that he is looking for ways to change his opinion. He should be facing this appeal objectively without an opinion. He should not be saying he already has an opinion and is looking for other things by which to change the opinion. It is not the proper way to make decisions.

Mr Kierath: Can you see that it would compromise my position if I voted yes?

Mr Ripper: You can leave the Chamber during the vote if you want.

Mr Kierath: Can you see how it would compromise my position if I vote yes?

Dr EDWARDS: Frankly, I cannot. I hope the Minister is signalling a new era of transparency. The Minister is saying that he is morally bound to the decision of the former Minister. However, sometimes the former Minister made decisions against his expert advice without giving reasons for going against that advice. There is no doubt that the ministerial planning appeals process gives the Minister a huge amount of discretion. That is why it is so popular with 800 appeals compared with the 35 appeals to the over-legalistic Town Planning Appeal Tribunal. The Minister cannot have it both ways. I am outraged that he is using a form of intimidation to tell us not to put an issue which, as an Opposition, we have every right to put and which, as an Opposition, we will pursue.

Question put and negatived.

MOTION

Legislative Assembly - Television Coverage

MR RIPPER (Belmont - Deputy Leader of the Opposition) [8.30 pm]: I move -

That this House request the Speaker to make arrangements for television stations to have access to television coverage of all House proceedings.

Mr Cowan: Do you think that will be your making? Are you a star in the making?

Mr RIPPER: I expected that sort of interjection. I expected someone would argue that this is all about my getting my face on television more often than it has been in recent times; that this is all about the egos of those on the opposition side of the House. It is much more serious than that. In any case I do not expect for practical purposes that there will be an enormous interest from the television stations in covering the proceedings of this Parliament in great detail. However, there would be some interest in the television stations taking a brief excerpt from some of the debates and proceedings, rather than just question time. It should concern all of us that as a forum Parliament is losing relevance in the community.

Mr Cowan: Do you think television will fix that? I've got news for you.

Mr RIPPER: It used to be the case that the first speech of a new backbencher would be covered with a degree of serious attention to detail in *The West Australian*; that an important Address-in-Reply speech would be covered; that the newspaper often would cover directly the debates in the Parliament. Increasingly the media is constructing its own forums. The press release is replacing a speech in Parliament. The television interview in the members' car park

is replacing reporting of a debate in the Parliament. The media finds those alternative means of communication, those alternative forums, more convenient than the parliamentary forum.

This must be of some concern to us because we draw our power from the fact that we are elected to be members of Parliament. All sorts of other people would like to exercise the power members of Parliament exercise, without the inconvenient necessity of facing elections every four years or dealing with the problems of constituents every week. Those people are found as advisers in ministerial offices, in lobby groups, in public service positions and some might even be found in the media. We will lose power to all of those other groups if we cannot undertake reforms to make Parliament more relevant in the community. We need to improve our communications and bring them up to modern standards.

Mr Barnett: Do you think you could bring your communication to a close in an hour and a half?

Mr RIPPER: I doubt it. This is not an especially difficult argument to run.

Mr Barnett: You have plenty of time in which to embellish your remarks.

Mr RIPPER: I thought the Leader of the House might support the motion, that the Government might agree with me or if it does not, it would be prepared to move an amendment which would progress the issue.

Mr Wiese: Are you admitting already that the motion is so bad?

Mr RIPPER: No. The motion should be supported; however, I can understand the Government is not as advanced in its thinking as is the Opposition on many issues. It is more important that we get some consensus to progress this issue than that we have a straight yes or no vote on this motion. The motion is capable of support from the Government, and I hope those opposite will consider that matter during the next few minutes.

Mr Cowan: I thought it was more a decision for the Presiding Officers and the Joint House Committee.

Mr RIPPER: The Presiding Officers will take some notice of a request from members of this House.

Mr Cowan: They have not in the past. It would be a first.

Mr RIPPER: There is reason to believe the prospects for reform will be advanced after the next few weeks.

Mr Barnett: How many viewers will switch from watching the Eagles v Dockers derby to watching a parliamentary speech? How many will swap from watching the test pattern to watching a parliamentary speech? I think the test pattern is more entertaining.

Mr RIPPER: I have already said that I do not think there will be enormous interest among the public in the televising of Parliament. I do not think members of the public will want to watch the Leader of the House very often either. However, I do think there will be some interest. It is ridiculous that we are not making our proceedings available for televising. We must accept that politicians in this community are on the nose, that the public is very cynical about our activities, and that by and large it has a very negative view of us. We must also accept that the community has a very negative view of the standards of parliamentary behaviour.

One reason the public has a very negative view of the standards of parliamentary behaviour is that our communications as an institution are not reaching modern standards. We use our television coverage for question time only - the rowdiest and most theatrical part of our proceedings. It is no wonder that members of the public, who very rarely visit Parliament and who have only a visual impression of Parliament through television coverage, think we spend all our time in here shouting abuse at each other and indulging in behaviour of which they disapprove. They never see the lighter or more cooperative moments, or the moments when more substantial contributions are made.

Several members interjected.

Mr RIPPER: That might not change as a result of this motion, but if we continue to restrict coverage of Parliament to question time we will give the public a misleading impression of what occurs in Parliament.

Mr Prince: Who will broadcast it? Who will be silly enough to watch?

Mr RIPPER: Many people think that sort of interjection is smart and I have dealt with that issue previously. There will not be a huge interest, but from time to time television stations will want to televise excerpts on news and current affairs programs, and many people watch those programs. Members on both sides of this House were vigorous in their defence of a Western Australian version of "The 7.30 Report". We must have believed at that time that there was considerable community interest in coverage of Western Australian news, including political issues. That interest

exists and, if we had a Western Australian version of "The 7.30 Report", from time to time the producers of that program would want to televise excerpts of parliamentary speeches.

Mr Prince: News broadcasts usually involve very short grabs, which is not what the member is talking about. Again I ask: Who would broadcast it other than in very short grabs?

Mr RIPPER: Most of the broadcasts would be very short grabs on news programs. Occasionally longer excerpts might be used in current affairs programs. I doubt that we would get a full program such as "Order in the House", which is the broadcast of the House of Representatives question time. Question time in this Parliament would not generate enough interest for television stations to broadcast that sort of program.

I am not saying that there will be a revolution in the way the community views Parliament if we endorse this motion, but it is sensible. Rather than making smart alec interjections, members opposite should consider supporting this motion. We must understand that most people get their information about politics and current affairs from the television. Newspaper readership is not what it was in the past, particularly among young people. I try to encourage my teenage son to read the newspaper more often, but I have been reduced to handing him the back page first. If I can tempt him with the football perhaps he will pay a little more attention to the serious stories at the front. However, he avidly watches the television news. It is probably common that young people get their information about politics from the television.

This Parliament communicates primarily in print. Members do not appear on television in their parliamentary role, except for question time. To the extent that they do appear on television, it is in forums that the media create outside Parliament.

We have invested a significant sum of money in a state of the art television system in this House. We could have done it more economically and quickly if we had followed the lead of some other States and simply told the television stations that they could use their own equipment to film those parts of parliamentary proceedings they wished to televise and imposed certain guidelines. However, the Presiding Officers and members of the committee that considered this matter were concerned that that would not give Parliament the control that it desired over the use of those images and the sorts of images that would be conveyed to the public. Everyone has their fear that the camera would focus on a member who, after being on duty for 12 hours or more, is quietly dozing and that that image would be conveyed to that member's electorate. In many cases that would be very unfair.

There is also naturally the thought that the dignity of Parliament might be lampooned on a show such as "Full Frontal", or that people might use excerpts from parliamentary broadcasts in an unfair way in political advertising. Some members opposite might have those concerns now. However, my motion simply seeks to extend what we are currently doing; that is, televising question time according to strict guidelines. Rather than restricting broadcasts to question time and special events, we should make the film of all proceedings of Parliament available to the media under the same guidelines as apply now for question time.

Mr Barnett: We could consider not having any limitations on the televising of the proceedings of Parliament; that might interest the media. Televising all proceedings would be a waste of money. Perhaps there should be no restrictions on the type of debates filmed. There is interest at the moment in the industrial relations legislation. If the media wished to televise that, perhaps we should be prepared to allow them to do so. With due respect to this eloquent speech, we would all concede that most of our contributions in this place are of no interest to anyone outside, let alone inside, this place. However, there may be contentious legislation or grievances that should be filmed.

Mr RIPPER: I will deal with the question of expense. We can waste money on frivolous activities, but we can also waste money when, after making a substantial investment, we do not make the most efficient use of the equipment because we are not willing to invest the marginal extra dollar to maximise that investment. We have invested \$700 000 in a very sophisticated system to televise the proceedings of Parliament. Members can see those proceedings on the screens outside the Premier's office and in the Leader of the Opposition's office.

Ms MacTiernan: Even in the bar.

Mr RIPPER: Yes, even members in the bar can watch the proceedings. We have already invested \$700 000 and we should make that coverage available to the media. At the moment, our investment is providing three hours of film a week for use by the media - one and a half hours of question time in this place and one and a half hours of question time in the other place. That is absurd. We have a \$700 000 state of the art system and television stations have access to only three hours of proceedings a week.

We currently allow television stations to televise special events as approved by the Presiding Officers. Those events are the Governor's speech and the budget speech. I am not alleging personal bias, but there is a bias against the

Opposition. The Premier's budget speech is televised but not the reply by the Leader of the Opposition. The Governor's speech outlining the Government's legislative program is televised, but not the Leader of the Opposition's response at the beginning of the Address-in-Reply debate. Even during question time it could be argued that there is a systematic bias against the Opposition, because the Opposition is seen asking questions but not making statements. The Government gets the opportunity to make positive statements, but the Opposition can only ask questions.

Mr Court: We will ask you questions tomorrow.

Mr RIPPER: I would be very interested to see how the Premier performs after all these years in government. He would be required to do his own research and prepare his own questions. As I recall, when he was in opposition he was not effective in asking questions. I sat day after day waiting for the difficult question to be bowled up to me, but it never came.

The televising of question time has now been in operation for more than a year, and there has been no problem with the procedures. I have not heard any complaints from any side of the House about the guidelines or about how the media have used that material.

When the televising of Parliament was introduced, an information paper was sent to members to inform them of the way in which the system would work. The second page of that paper contains a series of dot points outlining the details of the televising system. The second last dot point states -

At this stage the only proceedings that will be televised are Question Time and other special events as determined by the Presiding Officers.

It was clearly the expectation at that time that we would trial the system to see how it worked for limited parts of the parliamentary proceedings and that if it did work well we would extend it to the remainder of the parliamentary proceedings. We have had our trial, and the system is working well. We have made a significant investment. It is time that the televising of all of our parliamentary proceedings was made available to the electronic media. I do not think there would be any objection in any part of the House about that, because we are not saying that it will be completely open slather. We are saying that the guidelines that apply to the televising of question time should be the guidelines that apply to the televising of all other proceedings.

I do not believe that to have our own state of the art system and those strict guidelines is as necessary as some members opposite may think, because some other States have more general guidelines and the television stations use their own equipment, and I understand that they do not have too many problems. We opted for a more elaborate, sophisticated and expensive system, and it is now up to us to make the best use of that investment. Interestingly, the system that we have in the State Parliament is similar in some ways to the system that is used in the Federal Parliament. The Federal Parliament makes available all of its proceedings to the television stations if that is what they want. It is not a huge issue. It will not have us all on television for five or 10 minutes every night. It may increase marginally the coverage which the television stations give to parliamentary events, and to that extent it will improve our openness and give the public slightly more access to what goes on in the Parliament. Most people have never been to Parliament House or sat in the Public Gallery. Most people know about Parliament only through what they read in the media, hear on radio or see on television, and we are not doing the best we can to make this Parliament accessible to the public and to give the public a good understanding of what goes on in this place.

Mr Prince: It sounds to me like you are suffering from Gareth Evans' relevance deprivation syndrome.

Mr RIPPER: There have been a lot of those jibes. I do not think there will be extensive coverage, and that is not the reason that I moved the motion. We have made the investment, and there are many good reasons that the television coverage of our proceedings should be made available to the television stations.

My proposal may receive greater acceptance, particularly if it is supported by both sides of the House, when the Agent General goes to London, when the other place may take a more positive view to the televising of our proceedings. However, we do not need to proceed in concert with the upper House. It is possible for our Presiding Officer to make a decision which is peculiar to this House. It might be best to move in unison with the upper House, but if the upper House did not want to move, we should make our own arrangements.

Mr Court: That House would rate better tonight than this House!

Mr RIPPER: The upper House may well have a better rating in the future, because members opposite will lose control of that House after 22 May and there will be real theatre in that place, although it is hard to imagine, and there will be real community interest in how those new members of the upper House will vote when they have the capacity to support either the Opposition's or the Government's view.

It may be argued that events occur in the Parliament that are of equal interest to question time and that should be made available to the public. For example, this morning we debated a motion to censure the Minister for Labour Relations. We also debated a motion to hold the Premier accountable for the standards of his Government. It may be that on industrial relations and other significant issues the television stations will want to illustrate their news stories by taking excerpts from the parliamentary debate. In case the Government thinks this is all a plot to advance the Opposition, I am sure that at times the parliamentary debate will favour the Government rather than the Opposition, so the Government will have an equal opportunity to benefit from this arrangement in political terms.

We have spent \$700 000 on a system that is restricted to one and a half hours' coverage in this House and one and a half hours' coverage in the other House. We deliberately started with a trial period. Everyone is happy with the results of the trial. We should now allow the television stations to use the material which is available on television screens throughout the building, in the interests of taking a modest step towards making this Parliament more accessible to the people of Western Australia.

MR PENDAL (South Perth) [8.57 pm]: I second the motion. I have had a change of heart on this matter in the past four or five years, at least since it was first proposed. If my memory serves me correctly, it was the current Premier, the then Leader of the Opposition, and perhaps even at that time the Deputy Leader of the Opposition, who first canvassed the idea that we would televise Parliament, in particular question time. At the time, notwithstanding my media background, I opposed it within the Liberal Party because I feared that the televising of Parliament would confirm people's worst fears about us; that is, they had a bad opinion about members of Parliament and their behaviour in the first place, and that would be reinforced and confirmed if we were to put almost live to air the day to day activities of members of the Parliament.

However, I must admit that the televising of question time has been successful and has probably been beneficial to the Parliament as a whole. I am not sure of the details of the rules that apply, but my recollection is that the extracts of question time that we see portrayed on the evening news bulletins invariably portray Parliament at its best. In other words, I presume the rules allow the editing of any parliamentary underside that would give people a bad impression. Perhaps that is difficult for the television stations to accept because it means that they must accept some level of self-censorship in putting to air footage over which they have not had total control. For the Parliament and for the media there has been an up-side.

The best argument that has been put by the Deputy Leader of the Opposition so far is one that would appeal to the economic rationalists in the House - of whom I am decreasingly one, but of whom there are still plenty in the government ranks. It would be an appealing argument to the Government to say that we have already spent \$1m on putting question time to air, and it will cost not one dollar more to put to air parts of debate that the media seeks to segment because there is some public interest in it. In other words, were there to be extra costs involved the Government might be inclined to say no; but similarly there is that element which says we have invested \$1m, therefore we should make better and wider use of it than is currently being made. For that reason we should not be standing in the way of television stations which might otherwise want to put to air segments other than question time.

My final observation is that I do not know what will happen. I hope there will not be a party vote tonight, because this is a good opportunity to allow members to have their own vote for at least one debate. So far as I can see, politics do not hang on this issue. I see no advantage for one party over another. This is an occasion for this House of Parliament to make a decision based on an assessment that might have been made by each member as an individual rather than on some rigid party line that should not exist in the first place, given that the current televising of question time was an initiative of the present Premier.

I make that appeal in seconding the motion which at the time I rose I was not aware I would be doing. This is almost a harmless motion. We have made two previous difficult decisions - first, to spend \$1m and then to bring this Parliament into the end of the twentieth century by making footage available to air each night. They were the difficult decisions and it would be nice - without denigrating the member for Belmont - to think that something as ordinary and perfectly simple as this can be agreed to by members of the House, and not attached to some party banner or pushing some line. Therefore, I am happy to see the motion supported, and I hope that others might take part in the debate in a bipartisan manner, because if ever there was an opportunity to show the people of Western Australia the day to day activities of this Parliament, and an opportunity to be bipartisan, this is it. For that reason I support the motion.

MS WARNOCK (Perth) [9.05 pm]: As one of the few people in this House who has worked in the media, I would like to make two or three remarks about this motion.

Mr Court: Hang on! There are at least three over there.

Ms WARNOCK: There are only three, but I understand that there are more lawyers, school teachers and -

Mr Court: And the "publisher"!

Ms WARNOCK: I apologise. I am sorry to have missed out my colleague from my sweeping reference to two or three ex-members of the media on this side. There are three or four! I apologise to my colleague. We all have the broad experience to speak in this House on this subject, and it falls on us to make a few remarks.

As most people will be aware, it is not likely that we will see huge competition among media people to put on television large amounts of what happens in Parliament on an ordinary day. Most of what happens here is not the sort of entertainment or info-tainment which is likely to interest many members of the public. To put it brutally, most of what happens here is dull and likely to send the ratings plunging. As important as these events may be, they are not interesting.

As one who has worked in the commercial media I know most of what is likely to be recorded on the video machines in Parliament is likely to be avoided by most of our media colleagues who report on Parliament daily. However, it is equally plain that this system has cost the taxpayers in the region of \$1m, and therefore one could put a democratic argument as well as an economic rationalist argument, to which the member for South Perth has referred, that the system should not be used for only 30 or so minutes a day in this House, and for slightly longer in the upper House. It does not make any sense not to expand the coverage and offer the media this opportunity, since events here are already recorded. It does not make sense for us not to offer the media an opportunity of perhaps using snippets from a budget speech, a matter of public interest or a barrage of witty interjections during a lively debate. Since these events are being recorded, it seems logical that it be available to anyone running a radio station or a television channel to use, if they wish.

From the comments by my colleagues and from the interjections across the Chamber, most people are of the opinion that the coverage would not be much sought after. Nonetheless the argument by the member for Belmont is persuasive in that we need to educate young people more about what happens in Parliament and in government. We should offer them the opportunity to at least see more of what goes on in the people's House. I therefore think it is probably a good idea if we make this simple decision. There is nothing heroic about it, because these events are being recorded already and we have already made the larger decision to spend money on the system. Therefore, we should extend the opportunity for any media people who are looking for more coverage of Parliament and want to follow up an interesting piece that arises when perhaps they do not have someone in the Chamber, to use any of the material available. It does not make sense if we have the ability to record all these events, simply not to use it. It is wasteful, and it is puzzling that we have not made that decision already.

As the Deputy Leader of the Opposition pointed out, the system was put in as a trial, and it should be approaching the end of the trial period and the time when we should make a decision as a group that if the media are seeking any of the material recorded here, they should be able to use it. Obviously it should be subject to the usual provisos. There are already restrictions on the way material can be used and those restrictions should remain. Some people may be concerned about being found to be falling asleep - heaven forbid - but late at night one or two people do that. We could introduce strenuous regulations to cover that sort of thing. It may be my imagination, but I have the impression that since television cameras have been focusing on members in this Chamber people have made more of an effort to straighten their tie and have their hair cut. I am looking at the Deputy Leader on the other side. I get the impression that people are struggling more to stay awake these days.

Mr Cowan: I wear my best suit in here every day and you let me down.

Ms WARNOCK: I have noticed that. One of these days I will be tempted beyond control to ask the Deputy Premier a question!

We frequently say in here that this is a free, open and democratic society. We should therefore take the next step and open the Parliament fully to the scrutiny of the community. As was said often tonight, it may be a scrutiny people will not welcome entirely. They may not want to see everything we serve up to them in here. Nevertheless, there is nothing wrong with offering them that opportunity. If television channels and radio stations want to use material from here we should offer them that right. I agree with my colleagues that controls of various kinds are important. However, we can easily deal with that as a matter of further discussion in this House.

The students who visit the Parliament, who no doubt my colleagues meet as often as I do, need to know more about politics and government. They may be puzzled about why everybody always seems to be arguing in here. Perhaps public broadcasts of this place would help them realise that that is not all we do.

We should recommend that the Presiding Officers reconsider the matter and decide to take this television coverage of Parliament one step further.

MR BARNETT (Cottesloe - Leader of the House) [9.12 pm]: Despite some of my interjections earlier, this is a serious issue. Making Parliament more available to the public is important. It may well be reflected in a better parliamentary performance by us all. In broad terms, the Government supports this motion. The introduction of television under this Government, which the Premier was instrumental in encouraging, is a success. The problems many people envisaged have not eventuated. It is a good reform. I agree with the Deputy Leader of the Opposition that the time is now ripe to reassess the televising of Parliament and take it further.

Amendment to Motion

Mr BARNETT: However, the motion moved is not entirely appropriate and would win the support of members on this side if it were amended. I therefore move -

That the motion be amended by deleting all words after "requests" and substituting the following -

the Presiding Officers to assess the existing arrangements for television coverage of the Parliament and to make recommendations as to a wider access for television stations to parliamentary proceedings.

If Opposition members can accept that amendment we will have a bipartisan agreement along the lines that it is up to the Presiding Officers, the respective leaders of the House and anyone else who wants to get involved, to consider extending television coverage. This is an important issue. I am conscious that a number of members on both sides of the House wish to discuss it. I welcome members' views on how television should apply and how it may have a positive influence on the proceedings of this House.

MR TRENORDEN (Avon) [9.13 pm]: I second the amendment. I wonder from where the motivation for the motion came. In the newspaper on Monday was a full page advertisement by Channel 10 to the effect that all the poor dogs in the community would be upset because that channel's evening TV program was so good that the dogs would not get walked. I went to the movies in Fremantle because I found the four or five programs to be unwatchable.

I often wonder whether we take ourselves a little too seriously. I also wonder whether the member for Belmont got his motivation from Victoria in Canada. We were made aware by the procedures committee over there that local government in Canada has been directed down that path, as I gather have others in the north American areas. Those proceedings are watched. The argument put forward during that trip was that local government was more interesting than State Government because it dealt with issues on people's doorsteps, such as whether a road would be repaired or built right next to where people lived. People watch the program to see how their councillors vote on local issues. I understand that and believe we should be accountable in more ways. I do not believe we should deny anything to anyone. However, I do not believe that just because the coverage is available to Western Australians they will comprehend what is happening in here.

We wasted hours this morning debating something members opposite wanted to debate. This evening we have been dealing with a low key issue in their time for an hour and a half. If we were in corporate management we would be shot. If members recall, we discussed management of business in the Select Committee on Procedures for some time. The management of business in here today has been appalling. However, that message would not be obvious to people who were watching a broadcast of the proceedings.

I accept the general principle that we must be accountable. Unfortunately one of the more difficult aspects of being a member of Parliament is that, even in our private lives, we are public property. I do not believe we should say to anyone that our antics here, good or bad, boring or exciting, should not be available to the people of Western Australia. However, I have not seen the television stations kicking down the door demanding to televise debates like this or too many other debates. The public will always tune in for the Treasurer's speech on the Budget rather than the speech of the Leader of the Opposition. They will always watch the lead speech rather than the Opposition's speech. People are more interested in government action than opposition reaction to what happens.

Mr Ripper: You may be right. Certainly they cannot be compelled to cover what they do not want to cover.

Mr TRENORDEN: That is right. The bottom line is that we represent the people of Western Australian. If in due course - perhaps cable television will be encouraged to do it - somebody wants to broadcast the proceedings of the House to the people of Western Australian, so be it.

Mr Carpenter: Excellent idea.

Mr TRENORDEN: If I am caught sleeping during question time or whenever, so be that also. Sometimes this place is not as exciting as it should be.

Mr Carpenter: We will liven it up.

Mr TRENORDEN: I thought about talking about the drover's dog and other bits and pieces. I also thought of quoting President Lincoln's words that it is "better to remain silent and be thought a fool than to speak out and remove all doubt". We should not get carried away and believe that people will understand the proceedings of the House just because the media might broadcast some sections of them to the public. However, that is not a reason not to televise Parliament because we all argue about the need for accountability and that this is the people's House. If some members of the public want to see us in action why not let them?

MRS HOLMES (Southern River) [9.20 pm]: I support the amendment. I was very interested to hear the motion moved by the Deputy Leader of the Opposition. I agree in principle with everything he said, but I cannot agree with televising all the proceedings of this House. He said that it cost \$700 000 to televise three hours of the proceedings of the Parliament - one and a half hours for each House. I do question the cost of televising all the proceedings of the House.

I agree with the amendment. Obviously the ex-television presenter in this House is used to the television cameras. I am sure the day to day housekeeping of this House would not be of sufficient interest to the electors. The Minister for Health might agree with me that it could be of benefit to insomniacs.

Mr Prince: It might increase their anxiety rate.

Mrs HOLMES: It could very well do that. The amendment does cover the intention of open and accountable government, which is something I believed in when I was in local government, and still do. Before the amendment was moved I had intended to say in my remarks that the idea of the Parliament being televised at the discretion of the Presiding Officers is excellent. The Presiding Officers would decide what events are important to the electors and the State; for example, the Labour Relations Legislation Amendment Bill and other contentious Bills. It would be up to them to decide what events would be of benefit to the electors who, after all, have the right to know what is done in this House.

It is to this Government's credit that it initiated the televising of Parliament. I could not vote for the motion moved by the member for Belmont, but I am prepared to support this amendment because if it is used on a discretionary basis, according to what business is before the House, it would be of benefit to the electors and members.

MR CARPENTER (Willagee) [9.22 pm]: I support the original motion and also the amendment, without wanting to be too pre-emptive. It is a commonsense amendment and it is something the Opposition can support. It may come as no surprise to learn that I am supporting the motion. In a sense I have surprised myself because when the idea of televising Parliament was first floated I was a working journalist and I had grave reservations about it. It was not because I was projecting down a future career path, but it was because I wondered how the footage would be used and whether it would be used to bring this place into further disrepute.

Mr Prince: Did you seriously think it might diminish your role in presenting a current affairs program?

Mr CARPENTER: No, I was concerned, having visited the Parliament a lot as a reporter, how the footage of the Parliament would be displayed and for what purpose it would be used. Members are aware that it would be quite easy to display images of the Parliament that would do nothing for the reputation of Parliament.

The guidelines which were put in place by the Presiding Officers when the original decision to allow question time to be televised are good guidelines. My fears have been allayed. I am a little like the member for South Perth. I wondered whether there would flow from that a suggestion of precedent for the law courts. I am strongly opposed to the introduction of television cameras into law courts. Thankfully, the two issues have never merged and the televising of Parliament has been done in a very sensible way which has enhanced the capacity both of journalists to cover events and of the community to find out what is going on.

I was interested in the remarks of the member for Merredin. I understand from his comments that he is a little reluctant about the proposal. I thought it would have provided his constituents with the ability to see him at work and assist them in remembering what he looks and sounds like. The same applies to other country members.

The member for Avon referred to television being attractive to animals. When I worked on "The 7.30 Report" a number of people sent me photographs of their dog sitting in front of the television and doing all sorts of weird things to the television set. I have not seen photographs of pets taking the same sort of action towards politicians! That is probably a good thing.

The Rubicon has been crossed. When the Parliament decided to allow question time to be televised, the door was opened. The fears that may have been held were proven to be unfounded. It is a natural progression to allow access to all the debates in the Parliament by television stations. In his preamble to his amendment, the Leader of the House

suggested that television stations should be interested in and have access to only debates of public interest. That is all they would want. No television stations in Perth in the current market would be interested in the non-stop televising of the events of Parliament House. They might even blanch slightly at the prospect of having to sift through hours of tapes of the proceedings of the House to pick out those bits which were of interest to the public.

The current debate on the Labour Relations Legislation Amendment Bill is the perfect case where television stations would be very interested in trying to get footage of the Minister for Labour Relations, in his defence and support of the legislation, and the comments and criticisms which have come from the opposition side of the House. I can find no reason which would place a negative on the capacity of television stations to use that sort of footage. The community would be interested in watching it. If a current affairs program was still in existence, a lot of the debate as it took place in this Parliament and as it was curtailed by some of the visitors who come here, would have made very interesting footage for the general public and the media.

Mr Court: Should we have destroyed the tape afterwards?

Mr CARPENTER: No, tapes are never destroyed. The television stations have some good stuff of the Premier.

Mr Court: You must have missed the question about destroying footage.

Mr CARPENTER: That was outside this House. I am talking about the proceedings as they unfold in this House. I thought the Government would be interested in the public having the opportunity to see the proceedings of this House interrupted. I am sure the television stations would have used that and the public would have been interested in the activities of the Parliament on that occasion. The unionists would also have been interested because they are sufficiently interested in the activities of this Parliament to come here and be involved in it in a personal and direct way.

The closed shop mentality which applied to parliamentarians and their place in the world is starting to crumble and the general view is that the more open and transparent are the proceedings in politics, the better it is for all involved. The step which is proposed in this instance is one more in that evolution. It will happen eventually. The prospect of the complete changing of the guard so far as the Presiding Officers in this Parliament are concerned makes that reality somewhat closer than it would have been last year when these proposals were originally suggested.

I reaffirm my belief that if the House allows unlimited television access to the proceedings of the House, it must stick rigidly to the guidelines which have been wisely drawn up. I remind the House what they are. They include that program material is to be used only for the purpose of providing fair and accurate reports for the proceedings of the Legislative Assembly and Council, and so on. My experience in journalism and in dealing with videotape has proved to me that you can make people say almost anything. If one wanted to be unfair and reckless with footage -

Mr Court: You would never do that.

Mr CARPENTER: I was never accused of doing that, and certainly not by the Premier.

Mr Prince: You said *Frontline* was close to the truth.

Mr CARPENTER: It is, and that is why we need to do this.

Mr Court: That is why you watch *Frontline*.

Mr CARPENTER: I watched it to find out what the producer is up to.

The Premier has had a lot of television exposure and contact with the television industry. He knows as well as I do that there are good reasons for the guidelines. That is why I will continue to remind the House that they include providing fair and accurate reports, and providing information about the proceedings and operations of the Legislative Assembly and Council, and that they shall not be used for party political advertising or election campaigns.

That guideline must differ from the guidelines covering the videotaping of the proceedings of the Federal Parliament because I remember one Liberal Party television commercial during the last federal campaign which featured Paul Keating making his famous blurb remarks. It is wise to have a guideline which prevents party political advertising or election campaigners using such footage. Moments of weakness, or of exuberance, are captured on videotape and they could be used in ways which were not intended or would not be as evident if the performance were seen in its wider context. We should be wary of that and continue to deny political parties the opportunity to make use of such footage.

The guidelines also provide that satire, ridicule or denigration should be avoided. That may be slightly more difficult to achieve because many members of Parliament indulge in satire, ridicule and denigration in their remarks across the Chamber. The intention of the guideline is to prevent television stations or journalists satirising, ridiculing or

denigrating members of Parliament who are not otherwise intending to be represented in that way. That comes back to the point I made when I first got to my feet to speak about my reservations about making videotapes of Parliament available to television stations. Journalists are easily tempted to use videotape which shows a member of Parliament, especially a Premier, a Minister or a senior politician, in a bad light. That should be avoided at all costs when extending access to the videotapes of this place to outside operators.

Videotaped proceedings of the House, of course, should not be used for commercial advertising, although I cannot readily think of a commercial advertiser who would want to use any vision from Parliament House to promote a particular product. No doubt given the creativity and imagination of people in commercial advertising and marketing someone could think of innovative ways of using the footage of Parliament for that purpose. That should be avoided at all costs.

Part of the debate has focused on the expense and the desirability of televising the whole of the proceedings as opposed to segments of the proceedings. The Deputy Leader of the Opposition has reminded us that the entire proceedings of the House are televised anyway in house. Any member of Parliament can sit in offices around the Parliament and watch the proceedings of this and the other House. The guidelines are framed in such a way that the operators of the cameras can present only a very restrictive and limited view of the proceedings; that is, close-up shots of the person on his or her feet at the time. That same vision would be provided to television stations. There would be no added expense, given that the money has already been spent on installing the equipment, for that coverage to be made available to television stations who wanted the footage. There would be an additional expense for the television stations who wanted to use that footage, but they would have to make that decision.

Sooner or later, all of the proceedings of Parliament will be available to television stations. My prediction is that in the near future a cable company will operate the videotaping of the proceedings of Parliament and will make that available to the general public. The Presiding Officers may decide that they do not want it to happen in their lifetimes, but it will happen. There is an inexorable move in that direction and we now have an opportunity to face up to reality and bring on the inevitable.

That may also improve the performance of some members in this House. They may be more inclined to become involved in the proceedings of the Parliament and it might also encourage the people who manage the business of the House to allow other people to become more involved in the proceedings of the House, especially in some of the debates that are not crucial to the contentious issues of the day. I am sure that every member wants to be able to show the people he or she represents that they are doing the best they can to represent them in the Parliament of Western Australia. Many new members on both sides will now understand how difficult it is to become involved in the proceedings. Unlimited access to the proceedings of the Parliament, especially if it were carried on a cable station, could promote the idea among all people that there are opportunities to get involved in the proceedings of the Parliament. That would be a good thing. I am sure the general public would support a move in that direction and would support the motion before the House.

It has been said tonight that most of the people we represent do not really care much about what we do in Parliament because they do not think we do anything worthwhile or positive, but that ignores the fact that a considerable number of people are extremely interested in what goes on in the Parliament of Western Australia. I am sure they would appreciate steps which increased their access to information directly from the Parliament, via either videotape or television networks. Contrary to the comments of the member for Avon, it would improve the general public's understanding of the way Parliament works. I cannot see how it would not do that. At least the general public and constituents would have the opportunity of acquainting themselves, if they so desired, with what happens in the Parliament without having to go to the sometimes impossible lengths of visiting the Parliament to sit in the Public Gallery in silence. It would be a far more valuable experience than for people to sit in the gallery if they were interested enough. I believe many thousands of people would be interested enough initially to sit at home in the comfort of their lounge rooms and make a running commentary on what they are seeing rather than sit here in Parliament House and be told to remain silent if they seek to make their opinions known.

I believe it would be an educative role for the general public. I am referring here to going a step beyond allowing wider access to the commercial television stations and the ABC as they are presently configured in Western Australia. That situation will remain in place in this State for only a few more years. Even in that situation, giving the TV stations access to debates such as those on industrial relations and the gold tax, which would be of vital concern to many people in business and in the goldfields, would be of great benefit to the general public who are interested in those issues.

Another of the advantages for us would be that to which I have referred a couple of times in the short time I have been a member of Parliament. Many people feel the proceedings of the Parliament have very little relevance to them. They feel alienated from the political process and, in many cases, cynical about the people who represent them in the Parliament. At least we will be seen to be giving them greater access to the political process in Western Australia.

That access should be undiluted because they will not have to read about it in the newspaper. That would be appreciated by constituents and would be of some advantage to members of the Parliament who would be telling the public that we were doing everything we could to open up the political processes in this State so that they were able to see what we were doing in the Chambers of the Parliament, if not in the rooms that surround the Chambers of Parliament. For that reason and the other reasons that I have expounded, I support the original motion and the amendment.

MRS HODSON-THOMAS (Carine) [9.42 pm]: I support the amendment. However, it is disappointing to hear members say that some people might believe that giving television stations access to the coverage of all House proceedings would lift the performance of members of Parliament. I hope that all members perform their duties in accordance with the position that they have been afforded, whether the proceedings are televised or not; that is, with honesty, integrity and accountability. Unfortunately, I am not fully conversant with the cost of this exercise. As a new backbencher and a new member of the Joint House Committee, I would like the opportunity to discuss this matter further with my fellow committee members from both sides of the House so that we can look at the order of priority for the expenditure of resources in the House. I am not convinced that this should be high on our list of priorities and I am not convinced that the community really would be interested in watching the proceedings of this place on television. It will probably be the only time I will agree with the member for Willagee - strict guidelines must be adhered to.

MR BARRON-SULLIVAN (Mitchell) [9.44 pm]: Television and politics are a fascinating topic. Some years ago I would have agreed in principle with the member for South Perth that parliamentary proceedings should be televised 24 hours a day if necessary. However, it is not that simple. When opposition members consider the Nixon-Kennedy debates and the impact television would have on television campaigns in the United States and the experience in Canada, which pioneered the coverage of Parliament by television, they will realise it is not as simple as the original motion makes out.

The original motion is somewhat lacking because it refers only to the requirements for this House and ignores the other place. There are two Houses of this Parliament. The democratic process is not limited to these four walls alone. If the aim of televising parliamentary procedures is to assist in an understanding of the democratic process, part of that education must include both Houses. We would not want people to think that this bearpit is the only House in this great establishment.

I said earlier that Canada pioneered the televising of parliamentary proceedings in about 1977 - it has had about 20 years' experience. The Canadian experience is worth considering. The Canadian Legislature did not rush into making that decision. It did not pass a motion like the member for Belmont's motion, which is quite far-reaching, without considering first of all what would be the consequences and what guidelines should be imposed, as the member for Willagee suggested. I believe the Canadian Legislature eventually imposed some very strict guidelines on the televising of its procedure. For example, it insisted that only speakers in a debate could be filmed. For example, those members who are gasbagging on the opposition backbenches, perhaps discussing the future of the Leader of the Opposition or something like that, would not want lip readers watching what they are saying. Those sorts of things must be taken into account. Had this proceeding been televised, I imagine those opposite would want the camera focused only on the speaker.

If we are considering televising Parliament, we should concentrate on the total debate. Television is a fine art of media, where the three-second grab is the name of the game. A three-second grab of a complicated debate on some of the legislation that is put through this Parliament is not sufficient to explain both sides of the story or the complexity of many issues to all the people who might be interested in observing the process. The Canadian Legislature insisted that the Parliament own and operate the broadcasting system. That ensured there would be no fear or favour in the allocation of broadcasting time of parliamentary events and debates.

If the aim of this motion and the amendment is to promote our democratic system and inform people about what goes on within these four walls, I suggest there are other priorities. As a country member, I would like to see the resources spent on that sort of exercise being considered for other exercises aimed at educating the broader community, particularly people in their school years and formative years. There are other options for informing and educating people about the democratic process.

Mr Carpenter: The expenditure has been allocated.

Mr BARRON-SULLIVAN: A considerable amount of expense is still to be incurred in the Canadian experience. As the member will be aware, it is not simply a matter of flicking a switch. When one considers the additional expenditure that might be required, I suggest there are other ways of promoting the democratic process and what goes on here. I am suggesting that that question must be resolved before we can rush into an arrangement of this nature.

I was interested in the comment about commercial advertising by the member for Willagee. I would hate to be a salesman on a commission trying to sell sponsorship on tonight's debate. I would starve.

In summary, I fully support the amendment because I do not believe we should be rushing into motions such as this. There is adequate reporting of Parliament at the moment. Even if this matter takes some time to resolve, it is not as though people will be left in the dark as to what is happening in this Parliament.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [9.50 pm]: The Opposition will not oppose the amendment moved by the Leader of the House. We are pleased that progressing this issue will have bipartisan support. Contrary to the views put forward just now by the member for Mitchell, I do not regard my original motion as far-reaching. It simply sought to extend what is now done during question time. We already televise all the proceedings of the House. It is simply a question of allowing television stations to access those proceedings on the same basis as they now access question time. I do not believe there would be significant additional cost with that particular development. Most of the cost has already been incurred through the installation of the state of the art television system we have now. It is a shame that that system, worth around \$700 000, is really only available for in-house televising and that television stations take about three hours of parliamentary time a week. That is a fairly small proportion of the total parliamentary time when we take into account both Houses. Obviously it is preferable for both Houses to move together on this issue, but at the time the issue was raised there was much more enthusiasm in this House for the televising of Parliament than in the other place.

It is fair to say that the introduction of the televised coverage of Parliament was slower than it otherwise might have been because of the need to bring the upper House along with members of this House and to agree to mutually acceptable arrangements. It would be possible for this House to proceed on its own, if such a circumstance developed. If I have any reservation about the Government's amendment to my original motion, it is that it asks the Presiding Officers to assess the televising of Parliament and to make recommendations for wider access for television stations to parliamentary proceedings. That process could take some considerable time. I hope we do not have to wait another year before we have an answer on this. Although the Opposition is happy to support the amendment in the interests of the bipartisan approach to the Presiding Officers, we would like to see early consideration of this motion about to be endorsed by the House and an early response by the Presiding Officers. It took too long last time to reach agreement and have the system installed. The Premier said straight after the 1993 election that he supported televising parliamentary proceedings. It was three years before it happened. The Opposition will support the amendment with the rider that we appeal to the Presiding Officers to consider the matter fairly speedily.

MR COURT (Nedlands - Premier) [9.56 pm]: When in opposition we campaigned for question time in particular to be televised. That never happened. When we came into government we were immediately asked when we would do it. If members want to talk about who wins or loses with television coverage of question time and the like, a good Opposition can benefit much more than a Government. However, at the same time we have to live in the real world where there will be more and more television coverage one way or another. It is only a matter of time before telephones and the like will have vision on them.

The delay that took place is quite an interesting story. The original estimates that came through were considerably less than the final cost, because it ended up tying in a number of other projections. At the same time we undertook the provision of sound systems, these hideous lights and a few other things.

Mr Shave: Did you say that when Jimmy Clarko was here?

Mr COURT: I did. I said that it was a bad advertisement for Copper Art.

At the same time there were changes to the value of the equipment because of fluctuations in the value of the yen. It was an expensive operation. I was sceptical about it but the people who finally chose, designed and implemented the system have done a good job. We have a good quality coverage coming through in the system. When people can sit in rooms or walk along corridors and see what is happening in the Chambers, I think that the people involved made a good decision on the equipment, although there were some final teething problems which were overseen by the Presiding Officers of the day. The Presiding Officers will make some assessment. I agree with the member for Willagee that we must have certain guidelines in place. I agree with his comments about advertisements and other matters. He would know only too well how the access to that sort of footage may be abused. I have faith that the Presiding Officers will make a proper decision on this matter and have proper guidelines in place. The introduction of television has gone smoothly and is much more professional than that in the South Australian Parliament. I do not know what it is like today. Their implementation of television allowed half a dozen cameras to film over the balcony onto what was happening. It did not give a good impression of what was happening in the Parliament. I am pleased that members opposite will support the amendment.

Amendment put and passed.

Motion, as Amended

Motion, as amended, put and passed.

IRON AND STEEL (MID WEST) AGREEMENT BILL*Second Reading*

Resumed from an earlier stage of the sitting.

MR GRILL (Eyre) [9.59 pm]: In summing up I wish to make these points: Although we strongly support the project and agree with the Minister for Resources Development that it is probably one of the most important projects this State has ever seen, we have grave misgivings about some of the features of the agreement. The major one is the level of subsidy which will be supplied by the State to this project. In fact, without a subsidy the project could not possibly go ahead and real doubt exists whether the project will go ahead. The second area of concern is in relation to energy policy. Although this Government made a good start with the deregulation of the gas market it is now dragging its feet on this project and it has abdicated responsibility for energy policy to a commercial interest, in this case Kingstream Resources NL. It should not be Kingstream that ultimately makes the decision whether Western Australia has a second pipeline from Dampier to the south west. I urge the Minister to take back that responsibility as soon as possible and to discharge that responsibility on behalf of the people of this State in the proper way.

Mr Barnett: And without damage to the people of this State in terms of financial loss.

Mr GRILL: I go along with that as well.

Mr Barnett: Would you agree that I must be conscious of that?

Mr GRILL: Yes, certainly. Dr Don Stammer commented the other day that the big mistake that was made in the United Kingdom and other parts of Europe in divesting and privatisation of these sorts of assets was that they should have opted for community interest over price, and that in most cases community interest is served by engendering a competitive situation.

MR THOMAS (Cockburn) [10.01 pm]: Like the member for Eyre I support this project. The Opposition believes it is most desirable for further processing of primary product in this State. We are pleased to see this project at least get to the agreement Act stage. Nonetheless, as the member for Eyre has indicated, we have a number of reservations about the project and about the way in which the Government is proceeding to bring it to fruition. We wish to make some comments and subsequently to move some motions in relation to them.

I am particularly concerned about energy policy. The State is at a turning point in the development of its energy policy. We can avail ourselves of vast opportunities and a critical part of that is the determination of a proper energy policy. It is our feeling that the way in which the Government is moving at the present time could prejudice -

Mr Barnett: Can you name an opportunity that is being missed at the moment?

Mr THOMAS: I am about to. The State could be in a position where significant options are prejudiced if this project is progressed in the manner in which it is indicated that it might. Hitherto when the Opposition has expressed reservations or questioned the way in which this Minister carries out his duties he becomes sensitive and on occasions has resorted to personal abuse rather than argument. That almost invariably reflects that a person does not have an argument.

Mr Barnett: Do you have an example of where I have resorted to personal abuse?

Mr THOMAS: Earlier today.

Mr Barnett: Calling you a clown? You are a bit precious aren't you?

Mr THOMAS: Not at all. The Minister can call me what he likes because it is of no concern to me. It indicates that the Minister does not have an argument on these matters. The Minister asked for an example. My colleague the member for Eyre raised the matter of subsidies for this project. The Minister assumed his pompous manner and said that he was a former lecturer in economics and he knew what subsidies were and if there was no payment from the State to the proponents - he said there would not be - there was no subsidy. That is obviously a person who has reacted and gone into a corner to the point where his position is untenable. If the State operates an infrastructure or a service to a project at a loss that is a subsidy in the normal use of that word. I might not be a former lecturer in neoclassical economics, but that is a subsidy.

I invite the Minister to go to the back of the Chamber and ask the attendants for the dictionary. He will find that the type of situation to which the member for Eyre was referring is caught by the definition of subsidy. The Minister was

wrong, and if he would sometimes keep his mind open he might find that some of the suggestions put by members on this side of House and elsewhere -

Mr Barnett: I have never heard an economic lecture delivered out of the Oxford dictionary.

Mr THOMAS: Perhaps not. We were talking about the meaning of words and it is often the case that one consults a dictionary for that purpose. What the member for Eyre was referring to is caught by the dictionary definition. Perhaps that is a small point; however, the Minister should keep an open mind rather than getting on his high horse.

Mr Barnett: I will not interject other than to say that the member for Eyre agreed with my position. We agreed across the Chamber that the subsidy was for the infrastructure for the third party.

Mr THOMAS: The member for Eyre used the word "subsidy" in his summing up. At that point the Minister may have consulted his dictionary and backed off. If he had done it on the earlier occasion the Minister might have learnt something.

This project is proposed at a time when the development of the energy policy in this State is at an important stage. We have seen the evolution towards competition in the energy industry in the State, and the current Minister has presided over it for most of that time. That process began when my leader, the member for Victoria Park, was the Minister for Energy. The member for Victoria Park commissioned the Carnegie report that recommended the breakup of the State Energy Commission of Western Australia. Sadly that report was delivered to Government after the Labor Party was no longer in power. However, I believe that the current Leader of the Opposition, the former Minister for Energy, can take credit for instigating the process to establish a competitive energy sector in Western Australia.

Some quite important and major decisions have been made since then, decisions with which the Opposition has agreed. In 1994 we saw the disaggregation of the gas sales agreements with the North West Shelf joint venturers. At the same time legislation was introduced to provide for open access to gas pipelines and to the electricity transmission system. We have been moving towards a competitive energy industry in the Western Australian energy sector. That is most important. There would be few aspects of the economy that are more important to our becoming internationally competitive than the supply of cheap energy to industry in this State. The reason is obvious: Many of the opportunities for the development of new industries in this State rely on the further processing of mineral resources. In many cases energy is the largest cost input, and the price of energy rather than the quality of the ore frequently is the determinant of whether a project or industry is viable.

The gas transmission industry is probably more important in Western Australia than in any other State. I will illustrate that by referring to tables that were published in this month's *The Australian Pipeliner*, with which the Minister for Resources Development is presumably familiar. It is a monthly journal published by the Australian Pipeline Industry Association. It gives a summary of the position of the States. Gas consumption in Western Australia is already the largest in Australia, with the exception of Victoria. Victoria consumes 190 petajoules and Western Australia is not far behind, consuming 171 PJ. In most cases the other States consume substantially less - less than 100 PJ a year. Victoria has a total of 1 139 kilometres of pipeline compared with Western Australia's total of 3 750 km; that is, this State has almost three times as much pipeline for a smaller consumption of gas.

Mr Barnett: Why do you think that might be?

Mr THOMAS: Obviously it is a big State and the distances are substantial.

Mr Barnett: Yes; 10 out of 10.

Mr THOMAS: I thought the reason for that was obvious and I did not think it was necessary to explain it. The significance is that the price of gas delivered to a project is a function of two factors: One is the price of the gas by the producer and the other is the cost of transmission.

Mr Barnett: No, it is not. There is a third factor, which is the regulatory framework. In the agreements that exist in Bass Strait that framework is the dominant factor that gives cheap gas to Victoria. That is why there is no gas exploration off the Victorian coast. The other two points you raise are factors, but the most important is the historical arrangement with Bass Strait gas.

Mr THOMAS: With respect, Minister -

Mr Barnett: You don't like knowing that, but that is the reality. The market is so regulated there that there is no incentive to explore for gas. The price is artificially low.

Mr THOMAS: That may be the case.

Mr Barnett: It is the most important factor. I want to round out your argument. You mentioned two factors; however, there are three, and the one you omitted is the important factor.

Mr THOMAS: The Minister for Resources Development can split hairs if he likes. The regulatory framework can regulate either the price of the gas or the price of its transmission from the well to the market; however, it is regulating one or other of those two. They may be affected by all sorts of factors, but ultimately it is the price of transmission and the price of the gas itself that are the determinants of the price of gas on the market.

Mr Barnett: You should ask for a briefing from Esso-BHP on the gas arrangements.

Mr THOMAS: I have not had a briefing on this matter, but I have regular briefings from those companies and others and I am fully aware that regulatory frameworks vary from place to place and that they can stifle -

Mr Barnett: Why did you omit it from your argument?

Mr THOMAS: If the Minister opened his mind before he opened his mouth he would understand that those regulatory frameworks are still regulating the price of the gas and/or its transmission. They are the two elements of delivering the gas from the ground to the ultimate consumer. The point I was trying to make, which is a simple point, but which must be emphasised, is that relative to a State such as Victoria, on average Western Australia must transmit its gas three times as far. This project, which is to be located in the mid-west near Geraldton, will be closer to the Pilbara than to the metropolitan area, Bunbury or other parts of the south west of the State which have been the principal places of gas consumption hitherto. Therefore, it has that advantage. Nonetheless, that gas will have to be piped a considerable distance.

The structure and framework of the gas transmission industry is an important element in the viability of this project. I do not have the figures with me from the briefing with the proponents of the project, but my recollection is that the price of gas to that project was about 28 per cent. As I recall, that was a lesser factor than the price of the ore itself. Although we look upon this project and similar projects as further processing iron ore and exporting products that are manufactured from that ore, in a real sense it is exporting products of the gas. We must consider the price of the gas and the structure of that industry in determining the viability of this project.

It is worthwhile reflecting on what this Parliament has done over the past couple of months. We have been primarily concerned with the rabid obsessions of the Minister for Labour Relations on industrial relations. Labour costs on this project are way below those of gas and the other inputs. It is essentially a capital intensive industry. Labour costs compared with the matters this Government wants to address are of relatively small importance. This State is at the threshold: It could be moving towards a competitive gas transmission industry that is able to deliver significantly lower gas transmission costs to industry. The distance involved in this State will have a bigger impact on the delivered cost of gas than it does in most other States, certainly in the other large consumer of gas in Australia - Victoria.

Most members will be aware that the structure of the gas transmission industry in Western Australia is essentially the one pipeline. I am talking about the Pilbara-south west pipeline rather than the goldfields pipeline because at this stage it has the lion's share of the industry. We are talking about one pipeline that has a present capacity of around 500 terajoules a day. That pipeline is pretty well full. It has had its capacity increased significantly by compression over the past few years; however, there is a law of diminishing returns in investment in increasing capacity by compression, and the pipeline will have to be looped. I will return to that in a moment.

If there is to be any significant increase in demand for gas in this State, there must be new transmission capacity. It is my submission that means it will involve the construction of a new pipeline. AlintaGas, and people such as the Minister who identify with its interests, say there is no need for the new pipeline; that the existing pipeline can be looped. However, looping the existing pipeline would essentially be building a new pipeline by increments. AlintaGas, the organisation that is opposed to a second pipeline, is seeking to protect its position by saying it will loop to satisfy this demand and, presumably, the next demand that comes along, and it will build a second pipeline by increments and, therefore, keep other people out of the markets.

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

Mr THOMAS: My colleague the member for Eyre alluded to the Opposition's concern that when the proponents of this project submit their gas transmission proposals under the schedule to the Act, effectively they will be in a position to grant a pipeline licence, which could significantly prejudice the opportunities of a general second pipeline operating in the State. It is highly desirable that a competitive gas transmission industry should exist, and it is likely this agreement will prejudice the opportunities of that coming about.

I will outline how that will happen. Leaks in the Press over the past three or four months, evidently from the gas pipeline sales committee, indicate the committee is taking an active interest, not only in selling the pipeline, but in

the Kingstream project and the impact it will have on the future of the gas industry. Well it might, because I mentioned earlier that the existing pipeline has a capacity of approximately 500 terajoules a day, and it is full. If someone else can build another pipeline with a capacity of about 500 TJ a day, they must find a big market to fill that. The existing pipeline originally had a capacity of 300-odd TJ a day, and its capacity has been increased. We are talking about substantial quantities of gas. We are talking about the Kingstream project having a gas market at its first stage of about 170 TJ a day, so one client will take up one-third of the market of what could be a second pipeline. Anyone considering building a second pipeline would think that would be a good client to secure, particularly as it could be done without going to the south west. It is an attractive proposition. We have seen from the leaks from this committee that it has been suggested the Government should put pressure on Kingstream to sign a deal with AlintaGas.

Mr Barnett: Will you repeat that?

Mr THOMAS: We have seen a leak from the advisory committee that the merchant bankers they contracted suggested the Government should put pressure on Kingstream to use AlintaGas as a gas supplier in order to maximise the -

Mr Barnett: You are ducking and weaving.

Mr THOMAS: I am not ducking and weaving.

Mr Barnett: What you said, and what *Hansard* will show, is that the Government put pressure on Kingstream to do a deal with AlintaGas. I have never, and nor will I ever, put pressure on Kingstream. You are a wimp. You ducked and weaved, and *Hansard* will show that.

Withdrawal of Remark

Mr THOMAS: I ask the Minister to withdraw that statement.

Mr BARNETT : I withdraw.

Debate Resumed

Mr THOMAS: I challenge the Minister, because as I indicated earlier he gets a little sensitive when he is questioned.

Mr Barnett: When you accuse me of improper actions I get sensitive. You accused me of improper behaviour.

Mr THOMAS: My colleague sitting next to me did not hear me say what the Minister said I said.

Mr Barnett: He is asleep, that is why.

Mr THOMAS: If he does not agree with the Minister, he must be asleep! I challenge the Minister. It is not just a matter of looking at *Hansard*, because when I get the proofs I can alter them. We will get the tape because this is on tape, and we will hear exactly what I said. When this debate is finished, we will go to *Hansard* and listen to the tape. If I am right, I will ask the Minister to apologise. If I am wrong, I offer now to apologise. Will the Minister come with me to *Hansard* and play the tape?

Mr Barnett: I would not go down a dark corridor with you.

Mr THOMAS: It is not a matter of going down a dark corridor; the lights can be turned on. I do not want to tarry with the Minister, because I want to talk about more important matters such as the gas transmission industry in Western Australia. The gas pipeline sales advisory committee is involving itself in its deliberations in this project and seeking to do more than sell the pipeline. It is seeking to influence the structure of the industry in a way that may well be anti-competitive. How might that be? Recently a report appeared in the Press of a speech the Minister gave. I assume the report was accurate, but if it is not accurate I am happy to be corrected. The Minister spoke at a dinner put on by an accounting firm and indicated - there has been no public announcement nor an announcement in the Parliament - that he had decided to sell 100 per cent of the pipeline, rather than the 50 per cent interest previously proposed. Not only was he proposing to sell 100 per cent of the pipeline, but also he intended to sell the right to an additional 500 TJ of capacity with it. Whoever buys the pipeline will also buy the 500 TJ of capacity.

Mr Barnett: It would be like selling a car without the spare tyre.

Mr THOMAS: That precludes the option of a second pipeline under separate ownership to the Dampier-Bunbury natural gas pipeline for five or six years.

Mr Barnett: It does not.

Mr THOMAS: Unless the demand projections put forward -

Mr Barnett: What is your solution - to constrain the publicly owned asset?

Mr THOMAS: In the closing minutes of his speech, the member for Eyre alluded to this matter. Is it in the interests of the public to maximise the return on the sale of the pipeline which seems to be the Minister's interest and certainly AlintaGas' interest?

Mr Barnett: The taxpayers might share that interest.

Mr THOMAS: A balance is needed. The Minister is a former lecturer in economics, and is full of himself when talking about such matters. As a former lecturer in economics, he must know there is no inherent value in a pipeline. It depends on what the operator is allowed to charge. If the operator is allowed to sell the transmission of gas for \$10 a terajoule, and assuming there is sufficient inelasticity of demand at the other end to bear that charge, the pipeline will be worth a lot more than if the operator were allowed to charge only \$1 a terajoule. Although I have never lectured in or been a student of economics, I can understand that. I think that is the case and I hope the Minister will agree with me. If the Government is to maximise the return to the State, it will allow the operator to charge the higher price. Anyone who pays the higher price will want a return on the capital and therefore they must charge more. I understand from the report in *The West Australian* -

Mr Barnett: It was in *The Australian*. *The West Australian* has lost any sense of objectivity in this matter.

Mr THOMAS: It does not agree with the Minister.

Mr Barnett: That is right.

Mr THOMAS: It does not necessarily mean the newspaper is wrong. In any event, he is talking about \$1.5b on his return.

Mr Barnett: I think it is a good figure.

Mr THOMAS: It is a great figure, but what are the implications of this figure? We need proper, open examination of this matter and not secret dealings.

Mr Barnett: You will be disappointed. I do not want to sit and listen to more of this.

Mr THOMAS: I have the right to speak and the Minister must listen. If he does not want to listen, he should go outside.

Mr Barnett: It may well be that the sale is not simply a top bid process but a price subject to producing economic, albeit lower, transport charges. That will be the result. The State will get a good price for the pipeline and customers will get lower transport charges.

Mr THOMAS: I am not entirely illiterate and I am fully aware of that.

Mr Barnett: I wanted to finish your argument.

Mr THOMAS: That is almost obvious.

Mr Barnett: Thirty seconds ago you spoke of \$10 for transport charges.

Mr THOMAS: I was using that as an example.

Mr Barnett: That is your figure. If you cannot keep your concentration for 10 minutes -

Mr THOMAS: The Minister should shut up and let me get on with it.

The ACTING SPEAKER (Mr Ainsworth): Order!

Mr THOMAS: I was using that simply to illustrate the general point. It would be worth a hundred times as much if it could be done and there were sufficient inelasticity of demand to pay that price. It is true that cheap gas should be provided. We all agree on that. It is also true, and the former lecturer in economics will probably confirm this point, that if it could be sold for \$1b rather than \$1.5b, the proponents would expect two-thirds less return on the capital. I am not an economist or a former lecturer in economics like the learned Minister opposite, but I think that is the case. If that were to be the case, one must make that sort of comparison. The books of AlintaGas, as I read them, indicate that the pipeline owes the State \$950m, and the Minister is hoping to make \$1.5b. They want to clear AlintaGas' debt, and that is desirable I guess. However, not all the debt is attributable to the gas pipeline. Part of the debt is the interest on the inventory built up over the years. When the State Energy Commission of WA was split up into Western Power and AlintaGas, debt was allocated on an historical basis. AlintaGas acquired the debt of

SECWA's gas business, and the electricity business debts went to Western Power. When AlintaGas is broken up, as will happen with the sale of the pipeline, it should occur on a similar basis.

Rather than waiting for the Minister to make pronouncements on tablets of stone, we should have a debate on whether the State should make a \$500m windfall. It would be great - I can understand that. However, if that means that the capital must be serviced so the price of gas to industry is much higher when the pipeline is owned by another party, it is arguable that it would be better to have a lower gas price so industry which might not otherwise be viable can survive. Members should bear in mind that 28 per cent of its input costs with such projects are gas or energy costs; therefore, this aspect will make or break projects. The overall benefit to the State in these operating projects may outweigh the \$500m windfall to be acquired.

This project should be looked at carefully in terms of its impact on the gas transmission industry. I now invite the Minister, I challenge him, to come with me up to Hansard to listen to the tape of what I said earlier.

MR BLOFFWITCH (Geraldton) [10.32 pm]: I direct debate back to the Iron and Steel (Mid West) Agreement Bill rather than considering what we will do with future gas prices. I have a deep gratitude to the Government for committing an amount of money under the Bill to a project which will be very important for Western Australia, particularly for my electorate of Geraldton.

It is interesting to consider where this project started. I was the head of a task force looking at the southern corridor in my region. This was because a steel mill of approximately one million tonnes of output was to be placed in Narngulu, which is approximately 7 kilometres from Geraldton. The amount of load from the proposed facility would have resulted in a huge number of trains going along the foreshore of Geraldton or a huge number of trucks coming into the port way access. With that in mind, I recommended that we look at changing the rail link via the hills directly to Narngulu and put in a heavy transport corridor.

This decision involved a fair amount of personal risk for me as a politician and to the people of Geraldton. We proposed removing the railway line from the front side of town to the back beach area, which is a fairly heavy residential area. It went through the Geraldton Secondary College and the TAFE college and cut off quite a bit of their land. I had to weigh up the alternatives, and I decided that we should go ahead with that option.

As time progressed, the steel mill proposal developed into a three million tonne operation. We were all pleased about that. However, I am pleased to say that when Cabinet considered a three million tonne steel mill, it decided that Narngulu was too close to Geraldton and the residential area to be such an industrial area.

The next aspect of this development relates to the development of the Port of Geraldton. A slight anomaly can be found 25 km north on the coast where the continental shelf and deep water come in close to the shore. At Oakajee, or south of the Coronation River and beach area, one finds extremely deep water. The history books indicate that when the Port of Geraldton was built, many people said it was in the wrong area. They said we would have been better to build it at Oakajee because of the deep water. That was 70 years ago when we had horses and carts, not trucks. We had cumbersome transport to bring wheat and grain into the port, and the desire was not evident to build new roads and provide new infrastructure to move away from the smaller settlement of Geraldton to the area of Oakajee.

I am pleased that the Government had the vision - I emphasise that point - to consider the impact of the proposed mill on the southern area of Geraldton. It was decided that Oakajee, which had been touted for years, was the place for a steel mill of the dimensions proposed at the moment.

The people of Geraldton are ecstatic about the project going north, and not being in the southern corridor. In the long term, they can see mineral sands being directed to Oakajee and, to the dislike of Co-operative Bulk Handling Ltd, wheat probably will end up going out of the deep water port.

As a citizen of Geraldton, I believe this development will give us Geraldton back as we can again reclaim Point Moore. When I read Randolph Stow's *The Merry-Go-Round in the Sea* and imagine the tourism potential with people enjoying summer at Point Moore, I believe we can recapture those days with long term planning. That is only possible through moving our industry 25 kilometres north.

Despite all the criticism, the mid-west iron and steel project has general support. I can understand that when talking about an investment of \$300m, reservations are involved. I ask members to read the Bill. Kingstream must commit \$100m in development before anything happens. I do not say that it must spend \$100m, but contracts must be signed and pledges made that such expenditure on the mill will take place before the Government agrees to commit one cent to the project.

Mr Grill: How are they going with their finances?

Mr BLOFFWITCH: I believe they are organising their float at the moment and over the next couple of months. I would like to get into a deal involving An Feng (Australia) Pty Ltd as a customer. It is known who will buy the steel, and the production could go to seven million tonnes of steel or higher. The company wants a quality regular supply of steel, like many people in the world. That is the opportunity we will give this joint venture through the Kingstream project.

Ms MacTiernan: Do they have to spend that money before the Government commits its money?

Mr BLOFFWITCH: The companies do not have to put up \$100m. Given the interest of An Feng to buy this steel and to form a joint venture with Kingstream, it is difficult to imagine it is not fair dinkum. I believe it is.

Ms MacTiernan: What would happen if the company fell over after the Government had spent its \$300m?

Mr BLOFFWITCH: From the schedules I have seen, the Government would not have spent a great deal of money if the project were to fall over early in the piece. These companies will start by looking at road construction, power and water and they would not fall over three or four years later. That work will cost \$1.2b. If the joint venture falls over before it spends \$100m, that would be very early in the stage, and I do not think it would be at a huge cost to the Government. Surely it is sensible for the Government to give this support. After all, this Government is doing what a former State Government did for Kalgoorlie when it constructed the water pipeline. When that was built people said that C.Y. O'Connor was mad, that the industry probably would not be there in 10 years. They asked why the Government was wasting the money and why the pipeline was being constructed. If C.Y. O'Connor did not have the vision and the guts to keep going, the gold industry would not be what it is today. Without water, that area would not survive.

I wonder how much private money went into the industrial areas in Kemerton and Canning Vale. LandCorp and government agencies set up those industrial areas and put in the three-phase powerlines. The Government supplied the water for those areas, which were just big chunks of barren land. Government has always had a commitment to provide that support to industrial areas. This project is on a far bigger scale because far bigger players are involved. It requires something much larger than little sheds and little factories. This is a major industry.

As the Minister has said, it is a first for Western Australia where we will achieve what we have tried to get for years. Instead of having the ore ripped out of the ground, sent overseas and processed, it will be turned into steel here and will provide extra dollars and use the gas that comes from the North West Shelf. The ore will not be put into tankers and sent to Korea or Japan or all over the world; we will do something with it here. Surely every member in this House is as pleased and thrilled as I am about this project. It will provide tremendous opportunities. For the first time north of Perth and south of Karratha, we will have a deep water port in the west. Presently nickel is sent to Esperance and spends three days being shipped past Geraldton on the way to its overseas markets. How much easier will it be for a railway line to take the ore to this mill within three days? I have no doubts about how well this port will go, that it will be a very profitable and dynamic port. That is why at the moment two companies are champing at the bit to build it. They see it as a very positive move. I have absolutely no doubts about this project. It will be very good for the people of Geraldton, for the State of Western Australia, and on an Australian scale we will all be very proud of it. I know the people of Geraldton are completely behind the project. We want it to move as fast as possible. I wish An Feng and Kingstream all the best in their float and in their venture, and I certainly commend this Bill to the House.

MR GRAHAM (Pilbara) [10.45 pm]: As the Minister has his happy hat on, I remind him that I am not an economist. I believe in the George Bernard Shaw school of economics: If all the economists were laid end to end around the world, they would not reach a conclusion! The first point I make is that this is an agreement Bill, and not a project Bill. Every time these agreement Bills come before us, I make that point pedantically. Conservative Governments in this State have a fine track record of convincing the public of Western Australia that every one of these agreement Bills covers a project which will start next week or next year. I spent most of my life growing up with the rhetoric of previous conservative Governments in this State promising steel mills such as this scattered all around the Pilbara, covered by these sorts of pieces of legislation.

Mr Barnett: Can you give me an example of an agreement Act in the first five years of this Government that is not a project? You can't. Just hot air from the Pilbara.

Mr GRAHAM: The member for Eyre went through the rather extraordinary level of subsidies and incentives that are provided under this agreement.

Mr Barnett: There have been 14 agreement Acts since we came to government.

Mr GRAHAM: The Minister in conversation across the Chamber with the member for Eyre agreed there has been very little, if anything, in this State's history that matches this agreement Bill in terms of incentives - there is a debate

about the word "subsidy" - provided to a company, or a brace of companies in this case, to get a project off the ground. It is unprecedented and quite extraordinary, in terms of not only the infrastructure costs that are provided and guaranteed by the Government, but also the ongoing operating costs that will be met by the Government.

Mr Barnett: Are you opposing it? You can do that as an individual. Give us a little hint of your view.

Mr GRAHAM: The Labor Party has decided that it will support the legislation. I am a member of the Labor Party and I will support the legislation. However, we have grave concerns about parts of the legislation, and I will tell the Minister one of them. Can he imagine the reaction from those on his side of politics if a Labor Government ever came in here with a proposal that handed over hundreds of millions of dollars to the company of a Labor Premier's brother? Can he imagine how those opposite would respond? They would go absolutely berserk, irrespective of whether there was any justification for it. The Labor Party will support this legislation, but we have grave reservations about it.

This Government has no industry policy. The Minister and I have crossed swords over this issue on previous occasions, and he has ended up agreeing with me that those opposite do not have one. However, they have a policy that outlines the way in which the Government will assist the establishment of resource processing industries in this State. The objective of that policy is to attract major new resource processing industries to Western Australia that will deliver net benefits to this State. The Government says that certain principles will be used to guide decisions about whether incentives should be provided, the level at which they should be provided and what form they should take. This government document states that the incentives should deliver real, demonstrable net benefits to the community. I ask members to think about those words. The policy states -

Accountability - incentive arrangements should be transparent, measurable and open to public scrutiny about their costs and risks.

Prudence - incentive arrangements must be able to be met within State financial resources.

Value of Incentives

The value of incentives offered will not exceed the additional revenue available to the State Government that is attributable to the new project.

The very first principle is that no incentives will be provided unless they are matched by additional revenue to the State Government.

In his second reading speech, the Minister went to great pains to point out that the State Government will get back \$5m from this project through taxes. When the member for Eyre was speaking, the Minister agreed that the probable cost of the ongoing subsidies is \$20m per annum.

Mr Grill: That was a conservative figure.

Mr GRAHAM: I agree. So the very first point in the Government's own policy, written by the Minister's department and submitted to Parliament by this Minister, is breached in the first speech on this agreement Bill.

Let us consider what a company must do to be eligible for assistance under this Government's policy. The policy states -

Eligibility Criteria

Eligibility for incentives will be assessed on the following bases:

- . It must be demonstrated that the project will not occur in Western Australia unless incentives are provided.

A company does not get a cracker out of this Government until it can demonstrate that unless some money or incentives are provided, it will go elsewhere. That is not mentioned in the Minister's speech. The criteria continue -

- . The project will need to deliver demonstrable net economic benefits to the State.

According to the Government's policy, it must not only return a net economic benefit to the State but that also must be demonstrable. That has not yet been done by this Minister and this Government. The third policy criterion is -

- . Incentives will only be available for new projects.

This project clearly meets that criterion. The fourth criterion is fascinating and it states -

- . The provision of incentives must not confer an unfair competitive advantage over existing Western Australian companies.

That is a reasonable policy. If a Government is to offer incentives to a company - in this case a conglomerate of privately owned companies from Taiwan and a Western Australian company - it should not be doing that at the expense of current producers. However, in the Minister's second reading speech we find that this Government is discounting state royalties on iron ore by 15 per cent to take into account the obvious disadvantage that will be experienced by an iron ore producer in the mid-west region seeking to compete in an international market with existing producers in the Pilbara. It is absolutely amazing that this Government is subsidising a foreign company to set up in opposition to the second biggest industry in Western Australia - the iron ore industry. Not only is that unbelievable but also it is in contradiction of the Government's own policy, where it expressly states that it will not give money to anyone to the disadvantage of Western Australian producers. It is doing just that.

The Government's policy requires -

- . The project's feasibility and business plan, together with any other information required by the Government, must indicate long term financial viability.

It might do, and there is a sensitivity and confidentiality related to those issues. One can but trust the Government that it has on this occasion, unlike on other occasions, been prepared to commit the money to organisations that are incorporated, registered and operated. Hopefully that has occurred on this occasion and it is a long term financial venture.

The document then goes on to refer to the project's entailing a resource processing component and being substantially oriented to export or import replacement. Everyone would agree with that.

The last criterion states that -

- . The capital establishment cost must be at least \$2.5 million and \$1 million in regional areas.

Clearly it is in this case.

We heard a great debate between the member for Eyre and the Minister about what was or was not a subsidy. I am relaxed about that debate because I want to deal with incentives. We can argue forever about whether incentives are subsidies, but this involves incentives.

So, that there is no misunderstanding, the Government's policy on incentives provides -

Incentives may take any or a combination of the following forms:

- . Capital establishment grants (interest free convertible loans)
- . Concessional or interest free loans
- . Provision of infrastructure (public or project specific) that is necessary for the project
- . Free or subsidised land (serviced or unserviced)
- . Provision of buildings either by way of a grant or on a concessional basis
- . Changes to State Government taxes, charges or royalties.

It is open to anyone to ask whether this Government is providing incentives to this company to establish this project in Western Australia.

Mr Barnett: Will you take an interjection?

Mr GRAHAM: I will show the same tolerance to interjections that the Minister has shown. There can be no other answer to that question than, "Yes, this Government is providing incentives." It is providing those incentives contrary to its own policy.

Mr Barnett: Closed minds.

Mr GRAHAM: Look who is talking: The greatest shutter mind of all time.

Mr Barnett: If the concession were not provided, Kingstream Resources would be paying the highest royalties of any iron ore company in Australia.

Mr GRAHAM: There is no doubt that this Government is providing incentives to this company; there is no debate about that and there can be no debate. By its own definition, the Government is providing infrastructure, either public or project specific. It is also providing assistance with land and it is changing state government taxes charges and royalties for the benefit of this project.

The policy then addresses how the proposal will go through Cabinet. I have no way of knowing about that, nor do I particularly care. I assume that it went through those processes and was considered by Cabinet and a decision was made. However, the policy makes an interesting reference to funding in that funding for these projects will be provided only by supplementary budget allocations for the current financial year through budget allocations to the Department of Resources Development. I will watch that with interest. There is nothing in this year's Budget, but it might be there.

Mr Barnett interjected.

Mr GRAHAM: The policy says that incentives funding will be provided via DRD -

Mr Barnett: What policy?

Mr GRAHAM: The Government's policy.

Mr Barnett: No it does not.

Mr GRAHAM: I am reading from the policy that the department submitted to the Public Accounts and Expenditure Review Committee detailing the only way the Government would make money available to attract major new resource processing industries to Western Australia. Is the Minister telling me that is not his policy?

Mr Barnett: What are you reading from? Is it a submission to the Public Accounts and Expenditure Review Committee?

Mr GRAHAM: I am reading from the resources processing incentives policy of the Department of Resources Development, approved by Cabinet on 24 November 1994.

Mr Barnett: If that is the department's view, I do not have a problem with that.

Mr GRAHAM: That was the view endorsed by Cabinet on 24 November 1994, and on every point to date the Minister has breached it.

Mr Barnett: Bad me!

Ms MacTiernan: That is pretty important. You set out a policy that you are saying guides the Government, and you have been shown to have breached it.

Mr Barnett: I am happy to be 100 per cent accountable for this project and the decisions I make as Minister. Do not drag out a document that was put to a committee and say I should be bound by it. I will be accountable for what I do. Each big project is different and unique.

Ms MacTiernan: This is your policy and your department.

Mr Barnett: It is a statement of principle, and as such it is fine.

Mr GRAHAM: It is not a statement of principle.

Mr Barnett: It a statement of principle with which I agree. I am being realistic and putting forward a good project for the people of this State. I will defend every point and am open to question on every point.

Mr GRAHAM: Therefore, having heard that, I can now say with great confidence that not only does the Minister have no industry policy, he also has no resources processing policy, because on every occasion someone knocks on the Minister's door he jettisons his stated policy.

Mr Barnett: No I do not.

Mr GRAHAM: Does the Minister abide by it?

Mr Barnett: It is pointless talking to you because you were a member of a Government that for 10 years could not get a worthwhile project underway in this State, and you are so shattered by your performance and corruption during the late 1980s that you do not have the vision and the courage to actually do things.

Mr GRAHAM: Did the Minister say my corruption?

Mr Barnett: I said the corruption of the Labor Government.

Mr GRAHAM: We went through a royal commission and got a finding that there was no corruption.

Mr Barnett: Blistering good government, was it?

Mr GRAHAM: Last year, the Public Accounts and Expenditure Review Committee reported on how incentives should be provided to industry. I know the Minister has read that report and that he considers it has made a valuable contribution. I happen to agree with the Minister that this issue is largely an ideological one and there will be differences of opinion about it forever, but the thrust of the report was that there should be some transparency in the decision making processes and some up front criteria for the provision of assistance to industry. Does the Minister agree with that?

Mr Barnett: Yes.

Mr GRAHAM: Is that the Minister's policy or are there some other up front criteria?

Mr Barnett: Ask me a direct question, if you are capable, and I will give you a direct answer.

Mr GRAHAM: Are the up front criteria the ones that are in the policy of the Minister's department that he put through Cabinet, or are there some other criteria?

Mr Barnett: Ask me a question about this project and the Bill before the House. If you want to debate policy, move a motion and we will debate policy. If you are capable of discussing this Bill and this project, please do so.

Mr GRAHAM: The Public Accounts and Expenditure Review Committee also outlined that there should be clear procedures for reporting and auditing the decisions made by government. I know the Minister agrees with all of those things because he writes letters saying that he does. The Public Accounts and Expenditure Review Committee report said also that there should be some time limit for the life of the assistance. One of the most concerning things about this agreement Bill is that there is no time limit. The Government is committed to ongoing assistance for the life of the project.

Mr Barnett: No it is not. The commitment of the Government is to infrastructure which is available to third parties.

Mr GRAHAM: That is not true.

Mr Barnett: Have you not read any agreement Bills for new major projects in this State?

Mr GRAHAM: That is only one part of the Government's commitment. I do not know why we are still having this argument, because the Minister had it with the member for Eyre and ended up agreeing with him that the ongoing operating subsidy would be \$20m a year.

Mr Barnett: Do you support this project or do you oppose it? I would like to know.

Mr GRAHAM: Watch when I vote. Do not spit the dummy.

Mr Barnett: Do you, member for Pilbara, support or oppose this project?

Mr GRAHAM: I have grave concerns about this project -

Mr Barnett: You are useless.

Mr GRAHAM: The Minister should stop the personal abuse because we can both do that and I am better at it than he; I have been doing it for a lot longer.

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

Mr GRAHAM: Compare what the Minister is doing for these people with what he is doing for BHP. He has not hit these people - he has excluded them from paying rates; they do not have to do anything - and at the same time he has hit BHP with a bill for millions of dollars to fix up an open town in South Hedland.

Mr Bradshaw: Are you saying that Worsley Alumina should not pay rates?

Mr GRAHAM: I think they should all pay rates, and I have argued extensively and will continue to argue that these sorts of clauses in agreement Bills that prevent local authorities from receiving rates from resource companies are wrong. Whether it is Worsley Alumina Pty Ltd, Mt Newman Mining Co Pty Ltd, BHP, Goldsworthy Mining Limited or Kingstream Resources NL, they should all pay rates to the local shire.

Mr Barnett: Do you not support South Hedland now?

Mr GRAHAM: Of course I do, but the Minister is not making Kingstream Resources fix up Geraldton. Whenever anything needs to happen in the north west, the first thing the Minister and the Premier do is run to the resource companies for money. What they are doing in this instance is giving money to another company to set up in competition -

Mr Barnett: Are you worried about BHP facing a bit of competition?

Mr GRAHAM: I am not worried about that. I am worried and concerned about the taxpayers of Western Australia funding people to go into competition with BHP, particularly when one of those people is the Premier's brother.

Mr Bradshaw: Is he supposed to sit at home and do nothing?

Mr GRAHAM: The member for Murray-Wellington has just come back into the Chamber. Can members opposite imagine what would happen if I when in government came in with a proposal to give my brother \$300m plus \$20m a year -

Mr Barnett: You would be thrown out the door, and quite rightly. Anyone would throw you and your brother out the door.

Mr GRAHAM: The Minister does not know my brother -

Mr Barnett: He might be all right.

Mr GRAHAM: One of the other recommendations of the Public Accounts and Expenditure Review Committee was that agreement Bills that come to the Parliament should contain some cost benefit analysis. Let me explain the process for arriving at agreement Bills. They are negotiated between the proponents and the Department of Resources Development, with the intervention of Ministers. No backbench member is involved in an agreement Bill in any way, shape or form. They may be lobbied about different parts of it and talk to the department or the Minister about that part of it, but they are not part of the negotiations, they are not privy to the documents or the deals, and the first time that government backbenchers see that Bill is when it is introduced into the party room or into the Parliament. Therefore, they should not pretend that the party has any great identity with agreement Bills, because it does not. Members of this House have no way of assessing the value of the projects that are dealt with in those Bills other than on the word of the Minister. It is interesting when we talk about the word of the Minister that this is the first second reading speech where I have seen the Minister claim to himself the right to approve things. The normal language in the second reading speech is that the power to approve later developments is retained by the Minister. According to this second reading speech it is this Minister. I do not want to get into a blue with the Minister about it; it is a matter of personal style and form, but the Minister may not be the Minister next week -

Mr Barnett: That is true.

Mr GRAHAM: I hope that the Minister is the Minister next week; it is good for him and he appears to like that position. Therefore, the second reading speech should not reserve that right for the Minister personally. The right should be reserved for "the Minister". Members do not have the ability to determine the benefit or otherwise of this project for this State unless and until the Government produces some analysis of it. That has not been done.

I wish to clear up a couple of points made by the Minister and some of the government speakers. Listening to the second reading speech by the Minister, one could be forgiven for not recalling that the decision regarding the release of the reserves only to projects and proponents for secondary processing, and for no other purpose, was not a decision by this Government but by Hon Ian Taylor. Without that decision the project would not be going anywhere - if it ever does. It was a very forward looking decision made by Hon Ian Taylor when he was a Minister.

Mr Bloffwitch: At least Ian had the courage to stand up for Oakajee against much opposition. I admired him for that.

Mr GRAHAM: I thank the member for Geraldton. He has just made my second point. The Minister described the location of Oakajee as a brave decision by the Government. In my naivety I thought that he meant his Government, but I now understand that he meant the previous Government! I congratulate him for that.

Mr Barnett: Oakajee has been around for longer than Ian Taylor was a Minister. It goes back to the mid-1960s.

Mr GRAHAM: My constant concern about agreement Acts is that while they provide sureties for companies - and they should - they do not contain a sunset clause or provide time lines that take players from the market if they do not do what they are supposed to do. Valid concerns have been expressed about the ability of An Feng (Australia) Pty Ltd and Kingstream Resources to raise the necessary funds. An article in *The Australian Financial Review* this year referred to the difficulty the companies are facing in obtaining funding. A cynic, and I am not one, would suggest that this very favourable deal - the Minister says it is an unprecedented arrangement - that hangs off the agreement Act, will put together a bankable package. Agreement Acts are bankable and transferrable, subject to

ministerial approval. In this case, the two organisations are having difficulties raising funds. According to the article in *The Australian Financial Review* one company has a debt problem. Under this agreement Act about \$300m of government money is guaranteed; there is a government surety on reserves and a range of other matters. We also have an ongoing government subsidy.

Mr Barnett: Can you explain that \$300m government guarantee?

Mr GRAHAM: I did not say it was a government guarantee.

Mr Bradshaw: Three of us over here heard you say that.

Mr GRAHAM: Either three members need their ears cleaned, or I have it wrong! I thought I said that \$300m-odd of incentives or subsidies will be provided upfront, and that there is an ongoing government guarantee and surety over reserves and those arrangements. There is a \$20m ongoing subsidy each year, all of which adds up to a very bankable asset for these organisations.

Mr Barnett: What is the guarantee on the reserves?

Mr GRAHAM: It is a bankable asset for the organisations. I understand they are organising that now. The Parliament cannot change any part of this agreement. The agreement is binding on both parties and the Government will use its numbers to push it through the House.

DR EDWARDS (Maylands) [11.15 pm]: I wish to make some comments from a planning and environmental point of view. First, I comment on the debate relating to Narngulu and Oakajee. According to the "Geraldton Region Review of Industry and Port Sites Study", which was released in January 1996, the first consideration of Oakajee was as far back as 1976. In that year, a local regional plan identified that land near the Oakajee River would be suitable in future as a potential industrial site. The benefits identified then, but highlighted in the 1996 report, were that Oakajee was less likely to have an impact on Geraldton, particularly from the pollution point of view because the prevailing winds came from the south and any pollution was blown out to sea. Oakajee had an adequate supply of land but more importantly there was enough land to create a buffer zone. There was potential to build a deep water port at the site, and it was significant that both from the local and regional point of view it was the one site where both an industrial estate and deep water port could be developed. To have the two together was extremely important.

In recognition of all these factors, LandCorp commissioned a public environmental review in 1994, but unfortunately in 1995 the Environmental Protection Authority suspended its assessment because it considered it was a proposal of the Burrup type, about which there had been a court case. Therefore, from the environmental aspect there was some level of frustration: We knew that the EPA was considering the proposal but until recently we were unable to obtain the information because the process had been suspended.

The Geraldton planning study pointed out that the EPA had some concerns about the Oakajee site. I will address that point later. Further comments in the Geraldton region plan review were to do with Narngulu. It was pointed out that in 1996 Narngulu was nearing capacity and there was likely to be a shortage of land supply at the site in future. It was stated also that Narngulu was constrained by its proximity to the airport, by the presence of various caretakers' houses within the estate, and by the potential for housing to encroach on that industrial estate. In addition, the study pointed out that there was environmentally sensitive land to the west of Narngulu, and a potential for pollution from Narngulu to land north of Geraldton. The Minister's second reading speech highlighted that point. Therefore the planning review recommended that a zone for a buffer be created around Narngulu, and that the houses within the estate be purchased by LandCorp. I note that the Minister for Lands released a media statement recently indicating that negotiations had started in regard to those purchases.

The next point was that Narngulu was an area of about 670 hectares, and the mid-west steel project proposed initially at Narngulu would occupy 80 to 100 ha, and that that was a significant slice of land from the remainder of the site. It stated that if the project were to proceed at Narngulu, it would result in a shortage of serviced industrial land in the area. The planning report concluded that there was definitely a need for a new park for heavy industry so that the mid-west region could continue to be developed. It signalled strongly the importance of Oakajee. I am making comments about this because in hindsight it is difficult to imagine why Narngulu was persisted with.

Mr Bloffwitch: I think it was all to do with money, to be honest.

Dr EDWARDS: It probably did involve money. I noticed in the documents that the Environmental Protection Authority appeared to have the strongest view about that. It mentioned that the Ministry for Planning was known to be concerned about it and it had questioned some of the initial parameters the proponents used in identifying Narngulu as the best site for the proposal.

Mr Barnett: The thrust for change came from the Resource Development portfolio, because of the 100 per cent increase in the size of the plant, and from the planning agencies. Then the environmental agencies came in. Narngulu was never really envisaged as an industrial site coping with a project of this scale.

Dr EDWARDS: Do you mean the initial project?

Mr Barnett: Any project. This was beyond the perceptions of those who originally developed Narngulu as an industrial estate.

Dr EDWARDS: Frustration has resulted from the fact that about five environmental studies were initiated. Until the middle of April none was available to the public and we are still waiting to see some of them. The Geraldton regional plan review provides strong arguments for looking at Oakajee as a site. The lesson to be learnt is that when these reports are released they should be examined and progressed more quickly.

In the Minister's speech of 12 November 1996 when he first announced the proposal, he said that should Oakajee not be feasible another site could be used. He indicated it would be Narngulu. However, all the arguments indicate strongly that Narngulu is not acceptable. Will the Minister assure the House when he responds that if Oakajee cannot be proceeded with, the proponent will consider other sites?

The Minister also said on 12 November that Cabinet had allocated \$500 000 for further feasibility studies. What will be those studies and when will they occur?

Another point highlighted was that LandCorp was negotiating to buy the properties at Oakajee. However, I understand from a recent question in the House, that has not yet happened. Does the Minister have any indication of the time frame for that?

One of the very strong comments made in the planning study was that if Oakajee were not acceptable as a deep water port from an environmental aspect, it should not be pursued as an industrial area. That makes sense. There is no point locating an industrial estate 25 kilometres north of a port in the city or a port that is not sufficiently deep.

Mr Barnett: That is true. It could fall over because either the site or the port is unacceptable. One is useless without the other.

Dr EDWARDS: That leads me to one of my environmental concerns about the process. In 1994 a LandCorp public environmental review was undertaken on the industrial estate. However, that was suspended by the EPA and a hydrogeological report was undertaken. Despite many efforts that was not obtained until April, well after the agreement was signed.

An Oakajee port proposal was prepared by the Department of Resources Development and was advertised in the environmental protection notices in December 1996. We were told it would be assessed at the level of public environmental review. However, that still has not appeared. A consultative environmental review was undertaken of Narngulu in August 1996 but no bulletin was released by the EPA. Submissions closed for the most recent consultative environmental review at the end of March, two weeks after the agreement was signed.

Strong statements were made in the planning review that if Oakajee were not acceptable environmentally as a port - and this document signalled the EPA had concerns about Oakajee as a port - the project should not go ahead at that site. Until the middle of April when the Minister released further information, environmentally the project had many gaps.

I refer to the two bulletins released by the EPA in April this year. The first is advice to the Minister for the Environment about the Oakajee deep water port proposal. Essentially the report states that there will be major impacts and potential problems from sand accumulation and odour from seaweed. There is nothing surprising about that; otherwise the report is fairly reassuring.

I would like the Minister to elaborate on the EPA's reference to commercial fishing and its statement, which I found surprising, that the Fisheries Department has indicated that any decision to develop a port at Oakajee would affect the profitability of the nearby fishery, a lobster industry. It stated that the Government should decide on a mechanism to investigate the matter and, if necessary, compensate it for profits forgone.

The second bulletin is a document released by LandCorp dealing with the Oakajee industrial estate concept. It was reassuring about potential groundwater problems raised in the planning document. However, it highlighted that there is still major concern about the disposal of sewage and liquid waste. The Opposition will watch all those environmental bulletins and ensure that the problems highlighted to date are adequately followed up and that the environment is properly protected.

Finally, in the document released by the EPA which is the bulletin concerning the proposal at Narngulu, it pointed out that the proponents could achieve lower emission levels of oxides of nitrogen. I was a little disturbed to read in the consultative environmental review put together in February 1997 for the proposal at Oakajee that the proponents said they considered it would be too expensive to keep the emission level of the oxides of nitrogen within the guidelines, and it would result in such a significant cost that it was likely the emissions would be higher than those specified in the guidelines. Obviously the EPA could have something to say about that when it releases its bulletin. The proposal is obviously not suitable for Narngulu. If it proceeds at Oakajee the air shed must be watched to ensure that air pollution problems do not arise in the future.

In conclusion, the Opposition supports this agreement Act but as time goes by it will continue to exercise its option to scrutinise what is happening and to ensure that environmental issues are adequately protected.

MS MacTIERNAN (Armadale) [11.28 pm]: As has been said by members on this side of the House, Opposition members fundamentally support this Bill because we are strongly committed to the development of regional Western Australian. However, we intend to debate this at some length because we take the view that the great risks and uncertainty with this proposal warrant additional scrutiny.

As was flagged earlier, it is the Opposition's belief that after the second reading debate this should be examined by a committee of this Parliament. We would be surprised in fact if the Government did not support -

Mr Barnett: Are you suggesting that the Labor Party will move to send this Bill to a parliamentary committee in either this House or another House?

Ms MacTIERNAN: I am saying -

Mr Barnett: Are you?

Mr Graham: Yes.

Mr Barnett: That will amount to vandalism of this project.

Mr Graham: Why would it be vandalism?

Ms MacTIERNAN: Those comments amount to blackmail. This Government got itself into power on the basis of accountability. We are saying we support this project.

Mr Barnett: No you don't. You are out to scuttle it. If you refer it to a committee in the upper House you will scuttle this project.

Ms MacTIERNAN: The Minister should calm down. He cannot come into this Parliament and present a set of documents and say, as he did by way of interjection, "Trust me, I am Colin Barnett. I am the Minister for Resources Development and I have a good reputation in the community." That is not the way Parliament should operate. We might have a very good Minister for Resources Development, but, at the end of the day, that is not the basis on which this place should make decisions. In this instance, as the Premier of the day has a close relationship with the major proponents of this company - and that is important - I thought the Government would be keen to ensure that this project was properly scrutinised. The Opposition supports the fundamental concept.

Mr Barnett: Is it the Labor Party's policy to refer this Bill to a committee of the upper House?

Ms MacTIERNAN: Not to my knowledge. I am not responsible for the carriage of this Bill. I am not aware of any intention on behalf of the Labor Party to send this Bill to a committee of the upper House.

Mr Barnett: The person who does have carriage of the legislation did not say anything like that at all.

Ms MacTIERNAN: I am not aware of any proposal.

Mr Barnett: You have been the first one to raise the issue and perhaps you have slipped up.

Ms MacTIERNAN: I strongly believe that this Bill should be subject to further scrutiny.

Mr Barnett: Does the Labor Party support this Bill or not? Will it send it to a committee in the upper House? You are going to try to scuttle it, aren't you?

Ms MacTIERNAN: The Minister is behaving like Hon Eric Charlton.

Mr Barnett: You have a chance now. Do you support the Bill; do you support the project; do you support the development of the mid-west; or are you going to oppose it?

Mr Brown: Don't be a hood.

The ACTING SPEAKER (Mr Baker): Order!

Mr Barnett: I have listened to members opposite support this Bill and now I hear the truth. It is a dishonest performance.

Mr Brown: You are a hood, that is what you are.

Withdrawals of Remarks

Mr GRAHAM : The Minister accused the member for Bassendean of absolute dishonesty in this House and he should withdraw his comment.

Mr BARNETT : If I had made that remark, I would be happy to withdraw it. I accused the Labor Party of dishonesty in this House.

Mr GRAHAM: The Minister does not have the chance to explain. He either withdraws his comment or he does not. It was an unparliamentary comment and he should withdraw it without reservation. He spat the dummy.

Mr Grill: We put out a Press release this afternoon which clearly indicated the moves we would make to refer this Bill to a select committee of this House.

Several members interjected.

The ACTING SPEAKER : Order! I ask the Minister to withdraw that comment.

Mr BARNETT: Mr Acting Speaker, you put me in a difficult position.

Mr GRAHAM: Mr Acting Speaker, the Minister does not have the ability to canvass your ruling. He must withdraw.

Mr BARNETT: I am not canvassing your ruling, Mr Acting Speaker.

Mr GRAHAM: Mr Acting Speaker, the Minister has no ability to speak. You ordered him to withdraw his comment unreservedly. He either withdraws his comment or you must take action.

Mr BLOFFWITCH : When a member takes a point of order and states what he thinks a member said, the Minister has the right to say it is not what he said. That is what the Minister is endeavouring to do.

Several members interjected.

Mr BLOFFWITCH: I have heard members opposite do this a thousand times.

Mr Thomas: You have no right to canvass the ruling.

Mr BARNETT: At no time did I refer to the member for Bassendean and for the sake of the debate, I withdraw.

The ACTING SPEAKER: I thought I heard the member for Bassendean in the last part of the skirmish use the term "hood". Did the member use that term to refer to the Minister for Resources Development?

Mr BROWN : Yes, Mr Acting Speaker, I did and I unreservedly withdraw.

Debate Resumed

Ms MacTIERNAN: I said during the melee -

Mr Kierath: It was all your doing.

Mr Barnett: You let the cat out of the bag. You let out the secret straightaway.

Ms MacTIERNAN: I was surprised at the Minister's reaction. I thought he was of a slightly higher calibre. He was like somebody running a cross-examination of a hostile witness. He was virtually saying, "You are only able to answer yes or no and you are not allowed to say yes, but". His petulant behaviour is highly inappropriate for this Chamber. The Opposition does not intend to be intimidated.

The Opposition supports the intent of the Bill. It notes that vast expenditure of taxpayers' money is involved. As such, one must be very cautious that the State will receive a commensurate benefit for this vast expenditure, particularly in the circumstances of the close relationship which exists between the Premier and some of the major proponents of the development project. The Opposition supports the provision of infrastructure to assist in the industrial development of the State. It notes that the economies which have done that have been most successful.

I note the Minister's comments questioning the appropriateness of competition policy being applied with its full force in relation to the provision of energy in this State. There is a great deal of merit in that. In a State which has not

benefitted from a long history of manufacturing and industrial development there is a place for setting aside the principles of competition. After all, competition policy should not be a god and an end in itself but rather an instrument for enhancing economic development. If competition policy impedes economic growth and development it should be set to one side.

Consideration must be given to the risks to which the taxpayer is exposed. I know this is a theme that was loudly sung by members now on the government side during the 1980s. It is one which the Opposition accepts. It does not mean the Opposition does not support the idea of government involvement with development, but it needs to be aware and to run a ruler over the proposed project.

The Government has not disputed the projections of the member for Eyre that the expenditure on capital infrastructure development for this project will be between \$300m and \$350m. I understand the biggest component of that is \$262m for developing the port. Earlier today it was said that in addition there would be an ongoing commitment by the State of \$20m annually. I thought I heard the Minister agree to that figure.

Mr Barnett: I said it was a fair guesstimate.

Ms MacTIERNAN: I guess there will be some disagreement on whether it is infinite expenditure or whether it is to some extent confined in time.

Mr Barnett: It is not infinite.

Ms MacTIERNAN: Would it be for 60 years?

Mr Barnett: No.

Ms MacTIERNAN: It would certainly be interesting to know.

Mr Barnett: Perhaps 5 to 10 years. Sixty years times \$20m is \$1 200m. You could build four ports with that.

Ms MacTIERNAN: I understood this was ongoing expenditure.

Mr Barnett: Why would you build four ports when you need one?

Ms MacTIERNAN: We are not looking at those components.

Mr Barnett: The member for Armadale suggested that we would fund it for 60 years.

Ms MacTIERNAN: I am asking how long it is for. The House would like to know!

Mr Barnett: Do the multiplication. You do not run something for 60 years at \$20 million. You guys might have done it when you were in government, but we don't.

Ms MacTIERNAN: It might be somewhere between 5 and 10 years, so it might be somewhere between \$100m and \$200m. They are the vagaries we seem to be coming up against.

Mr Barnett: It might be zero.

Ms MacTIERNAN: That is all very vague. The figures are vague. In this forum it is probably not possible to be any more precise than that, but the Opposition needs more information on this, not to support the project in principle but to be assured that the taxpayer is not being exposed to a risk without due benefit.

The Minister has acknowledged that the royalty take will be almost \$5m, so we will not be making money out of the royalty. I accept that.

Mr Barnett: You have not included gas royalties.

Ms MacTIERNAN: I do continue in that regard. Presumably, other moneys will be returned through fuel levies, port charges and a range of charges that will result from the use of the infrastructure being developed. But the Minister has also admitted that even if this project is all hunky-dory, even if this company is able to find the capital to proceed, and if it does proceed, completes the project and meets all production expectations, the amount we can expect to recover, from royalties and taxes and charges on the use of the infrastructure, will not cover the cost incurred by the State.

Mr Barnett: Not in the initial years, no. In the range of 5 to 10 years, I would expect that.

Ms MacTIERNAN: From what the Minister has said today that will be the case only if a raft of other projects come on stream.

Mr Barnett: No, perhaps one other project.

Ms MacTIERNAN: Any one particular project?

Mr Barnett: Asia Iron.

Ms MacTIERNAN: We need another project to come on stream. Some leap of faith is required to believe that some other project will materialise to provide that cost recovery.

Even if all the figures stacked up, another unspecified project would still need to come on stream to make this thing pay. Even the uncertainty of that would not be sufficient to cast doubt on this project if it were demonstrated that there would be a substantial spinoff in jobs. It is only through making the jobs available either directly or indirectly, particularly when it is a substantially foreign owned investment, that these projects have any impact on the Western Australian economy.

Growth of 6 per cent in this State is not translating into decreased unemployment in any substantial way; it is not translating into retail sales or any of the normal consumer indicators. That demonstrates the point I am trying to make: Economic growth does not necessarily translate into jobs and into the pockets of ordinary Western Australians. If projects are operating with low levels of staff, which is happening with the state of the art technology -

Mr Barnett: A thousand jobs in this project is not bad.

Ms MacTIERNAN: But one must weigh up the risk and the amount of taxpayers' money being spent to get those jobs. We can take the Minister's word that that is the number of jobs only because we do not have any other material to substantiate his claim that that number of jobs will be created. Greater outputs are being achieved with fewer staff across Western Australia. This is an even greater problem when we realise that the plant which has achieved such a high level of productivity per unit of labour was built overseas. Jobs are not even being created in the building of the plant. The plant is being constructed overseas, transported to Western Australia and is employing few Western Australian people in the process.

The Minister says that up to 2 000 jobs will be created during the construction phase and 1 000 in the operation of the plant. That number of jobs must be balanced against the amount of money potentially being put at risk. The State is paying about \$100 000 per job.

Mr Tubby: What about export earnings and balance of trade and those sorts of things?

Ms MacTIERNAN: That does not go directly into the Western Australian economy. The point I am making is that it is through the provision of jobs that money largely comes into the Western Australian economy.

Mr Tubby: It helps the whole of Australia.

Ms MacTIERNAN: But that does not mean that every project that creates a job is worth an unlimited amount of expenditure. There must be a balance. We must be prepared to compare the amount of money that we are putting at risk with the amount of return that we are getting in jobs. We tend to be rather vague about that and say, "There is a big lot of jobs so we can put in a big lot of money." Perhaps we could spend \$300m on other projects that might generate many more jobs than that, but we must consider that issue.

The Minister's second reading speech refers to clause 15 of the agreement Bill, obviously in response to growing concern in the community about local content. The local content provision is fairly weak. Most local content provisions in agreement Acts are weak and they should be strengthened. Each of them has so many qualifications that they provide an almost endless out for companies. I would be interested to know if any agreement Act's local content provisions expressed in phrases such as "except in those cases where the Proponent can demonstrate it is impracticable so to do" have been enforced. Direct labour content will be hard to avoid because immigration approval would be needed to get foreign labour. However, paragraph (d) of clause 15(1) states that the proponent will -

. . . give proper consideration and, where possible, preference to Western Australian suppliers, manufacturers and contractors when letting contracts or placing orders for works, materials, plant equipment and supplies where price, quality, delivery and service are equal to or better than that obtainable elsewhere
. . .

I honestly think that is a fairly poor concession to Western Australian business. We should be considerably stronger in guaranteeing local content because without local content rules, we will not benefit from this project or have the spin-offs in the development of our manufacturing industry spinoffs that provide that critical mass for our manufacturing industry to develop.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [11.52 pm]: The Opposition supports this project. It represents the long-held dream of both sides of politics in this State to see the downstream processing of our iron ore resources. It is interesting that one of the existing large iron ore miners in Hamersley Iron or BHP have not come up with this proposal. It will be a very instructive development if the first steel making project in this State is developed by a company which is a newcomer to the iron ore industry. The project is important because of what it represents for downstream processing of our mineral resources in this State. It is important also because of what it represents for employment in this State.

The Minister for Resources Development accused the member for Armadale of letting out a secret relating to our proposal to refer this agreement Bill to a select committee. It is not much of a secret when it was issued in a press release. A media statement from our spokesperson for resources development, the member for Eyre, was issued today which states that the state Opposition will move in Parliament to have the Court Government Iron and Steel (Mid West) Bill referred to a select committee of inquiry. The secret that the Minister for Resources Development claimed the member for Armadale was releasing was contained in a media statement issued by the member for Eyre this afternoon.

Mr Barnett: He did not tell me about it in his speech.

Mr RIPPER: The member for Eyre covered an enormous number of issues in his speech. This matter can be dealt with only in the House. If the Minister does not think the idea of a committee is a proper one and will be disastrous for the project, he has an opportunity to say that in the debate. However, we will not cop allegations that we are economic vandals or that we are seeking to sabotage the project. Members on this side of the House support the resources industry and support downstream processing of our mineral resources. We also support projects that will create a large number of jobs. We support projects that will result in significant development in our regions and we are sensitive to some of the constraints that confront proponents of resources developments. We know about the commercial sensitivities and we will not recklessly endanger a project. However, that does not mean that we must accept everything that the Minister says in this House. We have another role in this place; that is, to scrutinise what the Minister does. While we support the project strongly, that does not mean that we agree with or approve of the way the Minister has conducted the negotiations for the State's side of the agreement. It is our responsibility as an Opposition to examine the way in which the State has conducted those negotiations and the State's obligations under any agreement, particularly when fairly large sums of money are involved.

I repeat: We strongly support the project. However, it is our duty to scrutinise the agreement. The best way to scrutinise that agreement may be through a select committee of this place.

Mr Bradshaw: This place or the other place?

Mr RIPPER: The press release refers to this place. Obviously, we would not want to set up a committee that went for an enormous length of time because that would affect the implementation of the project.

Mr Bradshaw: The select committee is about two things. The Opposition's first problem is the industrial relations legislation and the second problem is that Ken Court is involved. That is what this is about. When someone came to me about industrial relations at Alcoa, the unions said Ken Court was involved in a business up in Geraldton and they were going to put in a gas pipeline. That is your problem with this legislation.

Mr RIPPER: I reject that accusation because I was the spokesperson for resources development for the Opposition in the run up to the last election. I was specifically invited by journalists to exploit the fact that the Premier's brother was the chairman of the company involved. I resisted that temptation. In the run up to the election we could have made obvious political capital out of that. It was a gift waiting to be exploited if we had chosen to do it. We did not and we were offered the opportunity by journalists. I was asked to comment on that issue specifically and I hosed it down.

Mr Bradshaw: Now you are under pressure from the unions. You were not then.

Mr RIPPER: We are not under pressure from the unions; the Government is under pressure from the unions. That is the truth of the matter.

Let us turn to some facets of the agreement, not the project, about which we are concerned. We are concerned about the amount of state support for infrastructure that will be required. I will run through those, although I know some of my colleagues have done that. The capital cost of the port is around \$262m, although some people associated with the project hope there might be ways of building a port which will not involve an expenditure of that amount of money. An amount of \$30m will be spent on the new rail line to the Oakajee port; \$3m for the provision of power to the Oakajee site; \$8m for providing water to the Oakajee site; and several million dollars for the upgrading of public roads. Then there are the railway lines; there are all sorts of options for the railway lines. However, if

Westrail is to be involved, at least \$50m to \$60m might be involved in Westrail capital expenditure. Ongoing payments will need to be made every year because that port cannot run at a break-even or at a profit on the basis of this project alone.

Mr Bradshaw: When will the port be built?

Mr RIPPER: It will be built down the track. I take the point the member is making.

Mr Bradshaw: Is it specifically for the steel mill?

Mr RIPPER: No. The port will be available for other projects. However, those other projects have not materialised yet. In the interim, the port will not be able to function except at a loss and the Government will have to pick up that loss. The Government will either have to pick up the loss in the form of a subsidy to the private operators or by servicing the capital which the Government has put into the project. I know the Minister is of the view that this might be justified, but in calculating the royalties there is a 15 per cent discount on the relevant Pilbara iron ore price. No royalties will be payable for the water used on site.

Mr Barnett: Do you think it is appropriate that this project should pay more than Pilbara iron ore royalties?

Mr RIPPER: I support the policy that there should be royalty concessions for downstream processing. It is a good policy which the Opposition supported in a policy paper on resources development put out before the election. If the Minister in his second reading response or at the Committee stage can validate his argument that were it not for this arrangement, the project would be paying higher royalties than those paid in the Pilbara, we will listen to the argument. Rather than asserting it, why not argue it?

Mr Barnett: Are you supporting a select committee into this project?

Mr RIPPER: Yes, of course I am. I am a member of the Opposition and it has made a decision on this. However, I have said to the Minister that we strongly support the project. We are aware of the commercial sensitivities, but we have a role to scrutinise the way the Minister has handled his side of the negotiations and the agreement.

Mr Barnett: You can have a select committee or a committee of privilege or whatever to look into me. If you have it to look into the project, you want to jeopardise the project.

Mr RIPPER: We do not.

Mr Barnett: That is what you are doing.

Mr RIPPER: As an Opposition we must carry out our job, which is to scrutinise the Minister's work.

Mr Barnett: You can do that. I am quite certain you could form a select committee on the Minister for Resources Development if you wanted to. If you set it up into this project, you will destroy it. I will never let the Labor Party in this State forget it. It will be on your head.

Mr RIPPER: I reject the Minister's bullying and intimidatory tactics on these matters.

Several members interjected.

The ACTING SPEAKER: Order!

Mr RIPPER: The Opposition has a proper role and we will not be frightened about exercising it. I do not know whether the Minister is under some pressure. He normally manages to adopt a more rational and calmer attitude than he is adopting tonight.

The amount of state support is quite high. In some cases the commitment is open-ended. For example, there is no end date for the requirement to subsidise the operations of the port. The total commitments required of the State are unknown because many of the items are still subject to investigation and further estimate; in other words, the final state commitment is still being calculated. The Government got into this position because of the way it handled the project. I understand that for most of the negotiations everybody assumed the project would be located at Narngulu. Right at the end of the negotiations the Government decided to shift it to the Oakajee site. That involved a risk to the project and extra expense for the proponents. Naturally the proponents said that if the Government wanted it moved to Oakajee after all that time spent discussing Narngulu, it had better pick up the additional cost. The Government therefore found itself liable for the additional costs, all the more so because of the timing. The Government wanted to announce a major project in the run-up to the election. This was the major project it wanted to announce. It needed to sort this out for electoral reasons and to enable the proponents to proceed. The last minute decision to shift it to Oakajee is the cause of some of the open-ended, poorly estimated items of state support that will be required. When the Government announced that the project would shift to Oakajee, the Parliament was still

sitting. I asked the Minister how much would be required for infrastructure costs. His estimate was \$250m. He then told the public there might well be a private port and that would reduce the need for a state commitment. On the basis of his comments, it now seems that the Government has returned to the concept of a public port and a full state commitment.

Mr Barnett: The point I make and continue to make is that these decisions have not been made and may not be made for several years.

Mr RIPPER: I understand the Minister's arguments about the time lines. During the election campaign the Opposition pointed out that there was no provision in the Government's forward estimates and four year forward plan for the location of this project at the Oakajee site. We were fascinated to see that in the election campaign the member for Greenough advertised in his local newspaper that the State would underwrite a \$300m port at Oakajee. We challenged the Premier either to admit that those forward estimates were wrong or to discipline the member for Greenough. He chose to slap down the member for Greenough and require him to withdraw the advertisement and issue a correction. I have some sympathy with the member for Greenough because he was right. With hindsight we can see that the member for Greenough was disciplined for telling the truth about the Government's commitment. The Premier disciplined him because he did not want it made clear to the public that his forward estimates did not include the state support for a project that was the centrepiece of his Government's development thrust in the election campaign.

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

Mr RIPPER: Another set of issues is of considerable importance to the future of this State with regard to this project and agreement. The project will be a very significant user of gas. Gas represents 28 per cent of the input costs of the project. That advice was given to us by the proponents during our briefing. Therefore, the gas supply to the project is very important. I note the clause in the agreement which provides some protection for the AlintaGas rights to make a bid to supply gas to this project. I note also the discussion that has gone on in this House and in the Press about the AlintaGas arrangement with Epic to make a joint bid for the supply of gas to this project.

It is interesting that AlintaGas came to that agreement with Epic without apparently other companies having any opportunity to enter into similar arrangements with AlintaGas. The agreement also provides for the proponent's right to make other arrangements for the supply of gas and the gas transmission to the project, either to operate a pipeline or to award the contract to someone else. A real risk with all of these arrangements is that short term, project-specific commercial advantage will overturn long term considerations related to the welfare of the State and industrial development in this State. Although the supply of gas to this project will be important commercially and is being sought by a number of competitors, the real profit in gas transmission in this State is in developing further pipeline capacity to the south west. The gas supply contract for this project is very important. However, the ultimate prize, which is the right to transport gas and supply additional gas to the south west, is much larger and more significant. My concern is that whatever decision the proponents make on the supply of their gas will have a significant impact on the future supply of gas to the south west. If they opt for the Alinta-Epic deal, Epic will have the inside track for the development of additional pipeline capacity to the south west. If they opt for another party to build another pipeline to Oakajee for the supply of gas, the other party will have the inside running for the further supply of gas to the south west.

Mr Barnett: Who will?

Mr RIPPER: It will be either Alinta-Epic or someone who builds another pipeline. Probably eventually we will have either two pipelines to the south west or the de facto operation of two pipelines through the loop of the existing pipeline. We will not have three pipelines to Geraldton and two to the south west. We will most likely have an extension of whatever additional arrangements are made to supply gas to Geraldton. The decision which the proponents make on gas supply will be significant for the future of the State. The ultimate prize is the delivery of gas to the south west, and the proponents are in a strong position commercially to get a low price for the transport of their gas. However, that might be to the detriment of the long term interests of the State. The future of gas transmission to the south west is a decision that should be made by the State, not by the proponents.

I heard the Minister say by interjection that the proponents can make their own decision about from whom they buy gas. That is an understandable argument. However, this decision will have a significant impact on the future of gas transmission in this State and the State's interests must prevail. After all, the proponents will be the beneficiaries of significant state support. If they receive state support for the infrastructure required for the project, perhaps they should cede some of their rights to make decisions which affect the future of gas transmission to the south west.

I am concerned about the relationship between the Government and Epic. The Government seems to have got itself into a position where some criticism could be made of the relationship. The partnership between Epic and Alinta

was not apparently available to other potential suppliers or transporters of gas. It was not put out to tender, and no-one else had a chance to be involved in that sort of arrangement. The Government is liable for continuing subsidies for the Oakajee port until it can get other projects onto the Oakajee industrial site. The most likely additional project is the Mt Gibson project. I understand that Epic has a shareholding in Mt Gibson, so Epic is also involved in one of those projects that it is essential to get up to reduce the Government's ongoing support requirements for the port. An interesting relationship exists between the Government and Epic: The Government needs Epic to be involved with Alinta to give Alinta a realistic chance of getting the gas contract for this project. The Government needs Epic because of its involvement in the Mt Gibson project to reduce the subsidy level payable on the Oakajee port. If things work out for Epic, it will get the inside running for the ultimate prize, which is the transport of gas to the south west of this State.

There have been some interesting reactions to this project. There has been some scepticism from more established rival companies in the iron ore industry. It has been difficult for those of us who are not experts in the industry to decide whether these are the justified views of experts or the bitter feelings of rivals. However, it is disturbing that there has not been universal support and approval right across the resources sector.

Mr Barnett: You find that surprising?

Mr RIPPER: I am sure that commercial rivals often seek to do each other down; however, I have been surprised at some of the reactions. Although they might be strong rivals, they are not normally given to sneering at each other's projects.

I will now deal with the issue of local content that was raised by my colleague the member for Armadale. Direct employment in the mining industry is not huge given the level of production. I remember going to BHP's Yandi project and being told that slightly over 100 employees, including contract staff, would be responsible for producing \$300m worth of export iron ore a year. The mining industry does not offer a lot of direct employment. The mining industry's publications emphasise the multiplier effect. However, the base that is multiplied is not that high because of the productivity and the capital intensive nature of the mining industry.

Mr Barnett: There is direct and indirect employment. That is not relying on the multiplier. With other associated operators it is 16 per cent of the work force. It is capital intensive, but by our terms 16 per cent is good.

Mr RIPPER: My understanding of the figures is that about 41 000 people are employed in the mining industry in Western Australia. That estimate is considerably higher than the estimate of the Bureau of Statistics. However different definitions might be involved. If we want to get the maximum employment benefit out of the mining industry, we must promote downstream processing and that is why the Opposition strongly supports this project. However, we must also look to promoting local content.

When members were briefed by the proponents I was a little disturbed to hear that the need to import core technology would mean that a lot of the content for this project would be sourced from overseas. If we are to get jobs benefit out of the mining industry, it is important that we not only promote downstream processing, as we will do with this project, but also vigorously approach the local content issue. I have been critical of the Government in the past because I do not believe it has done as much as it could have to ensure that as many jobs as possible flow from these sorts of developments.

Mr Barron-Sullivan: What if we do not have the technology?

Mr RIPPER: If the State does not have the technology and if obstacles exist, it will be difficult to get the jobs into Western Australia. However, one of the tasks in which the Government should engage is identifying the obstacles to the jobs flowing on a competitive basis to Western Australian companies and workers and moving to overcome those obstacles. One of the things that must be done, perhaps not with this project, but with many other resource development projects, is investment in infrastructure at Jervois Bay. The Government is making some investment, but it is far short of what will be required in the long run.

Mr Barnett: Do you support Jervois Bay, or would you have a select committee into that, too? That is a \$100m project.

Mr RIPPER: The Opposition does not propose a select committee into Jervois Bay. Later in the business of this House we will discuss a select committee into the Minister's participation and the results of his work in the negotiation of this agreement.

[The member's time expired.]

MR BROWN (Bassendean) [12.21 am]: As a member of the Public Accounts and Expenditure Review Committee last year and the year before I participated in a lengthy examination of state support for industry. Members who were

here at that time might recall that the public accounts committee presented a weighty report on that topic. The composition of the committee was the same as it is today in that people were drawn from different sides of the House: Three government members - two Liberal Party members and one National Party member - and two Labor Party members. As I recollect, the recommendations of the public accounts committee on that matter were unanimous. This was not a five minute inquiry. The inquiry did not simply take a partisan position. It was not a report by the Labor Party, the Liberal Party or the National Party. It involved a group of members of Parliament examining the difficult and complex issue of state support for industry and trying with the best will in the world to come up with recommendations that were in the best interests of the State.

The member for Pilbara in his contribution earlier this evening went through a number of those recommendations. Those who are interested in reading the *Hansard* when the report was presented will see that members from both sides of the House supported those recommendations publicly. The public accounts committee in its deliberations was very much influenced by a number of substantive submissions that were put to it on state support for industry, particularly by the Western Australian Chamber of Commerce and Industry and other employer organisations that have a strong view about the nature and manner in which state support should be provided.

When a project of this nature comes before the House, a number of members, particularly those who participated on the public accounts committee, are likely to examine the proposal in light of the recommendations of that committee - and not unreasonably. When the report of the public accounts committee was released publicly it received a favourable response from the Deputy Premier as the Minister for Commerce and Trade, major employer groups and others of note and substance who commented on it. As always, the difficulty in determining matters of this nature from a parliamentary perspective is the degree to which information is capable of being made available. It is a difficult issue. On the one hand, the Minister for Resources Development tells us this evening that any establishment of a select committee to examine in detail the facets of this agreement will have dire consequences for the project. On the other hand, this Parliament is being asked to ratify an agreement that potentially involves considerable sums of public money.

Notwithstanding the care taken in drafting the agreement and the contribution that is proposed to be made by the proponents, the potential exists of those funds being placed at risk, or at least of some of those funds being used for a purpose when in the immediate term they might be better used elsewhere. It is not an insubstantial decision that this Parliament must make. If a select committee is not the appropriate way to get that level of examination and detail - I am sure members on this side of the House would not want to put the project at risk -

Mr Barnett: You're doing a very good job tonight.

Mr BROWN: I am putting to the Minister the dilemma faced by people in this Parliament when considering this agreement. On the one hand, the project offers great potential in employment opportunities and downstream processing in this State. On the other hand, it requires a considerable commitment by Western Australian taxpayers. I support strongly the use of government funds in infrastructure support.

Mr Barnett: However.

Mr BROWN: No. Most other countries that are interested in attracting industry to their shores set aside considerable resources to provide infrastructure support for companies. A number of people have put to me that, if one wants to be in the game, one must be prepared to provide the infrastructure. If one does not have the infrastructure, it is not a question of whether one gets the projects - one is not even in the game without the infrastructure provision. I accept that is the position. However, that is not the end of the question because there are competing demands for infrastructure dollars.

There were strong demands for infrastructure dollars for the Jervois Bay proposal. Prior to the handing down of the state Budget I was approached, as I am sure were other members, about the importance of significant funds being invested in that project. On the basis of information I have read, which is not exhaustive, it appears that it is a prudent use of taxpayers' funds. It is not as though I am saying that, simply because a project has all the hallmarks of delivering that infrastructure, the dollars are automatically provided. It is equally a matter of determining where the infrastructure dollars should be placed bearing in mind the amount available. That is the dilemma and, rather than the Minister for Resources Development spitting the dummy, as he has tonight, it would be wise for him to exercise his mind and other minds about satisfying the dilemma that faces the Parliament on this and other occasions.

Mr Barnett: There is no dilemma over here.

Mr BROWN: The Minister can take that attitude, but I am trying to make some constructive comments on the matter. They can be rejected in a very high-handed or offhanded way but they are on the record. I am pleased that is the case.

I wish to raise some other matters in relation to this subject. In a debate on another matter recently where this issue was raised, the Minister indicated that private sector capital would be sought for the port development. On the basis of what is known today - obviously the Minister might not be prepared to share all that knowledge with the Parliament - I would be interested to know whether expressions of interest have been received for the capital needed to plough into a port of that nature. Even if private sector capital were available to plough into the development, the Minister said in the second reading speech that this project alone would not be sufficient for the port and it would need government support.

Mr Barnett: Yes, it makes that clear.

Mr BROWN: It is not clear what level of support would be required.

Mr Barnett: Part of the reason is that the port has yet to be designed. The best estimate is around \$260m, and that is stated in the second reading speech.

Mr BROWN: That is not the question. I will rephrase it. I understand what is the estimated cost of the port. The Minister said the Government would be interested in promoting private capital to develop the port. He also made the observation that if private capital were used in this development, even with this one large project the port would not be economical until other projects used the area.

Mr Barnett: Or the project were to expand.

Mr BROWN: Or the project were to expand. The Minister indicated that in the interim period, whatever that might be, the Government would be willing to consider some form of subsidy to attract the private investment. Assuming the member for Geraldton, for example, were prepared to invest \$260m in a port, has any work been done on estimating the support or arrangement that would be needed?

Mr Barnett: Some work has been done. It is apparent that there is no shortage of Australian and international engineering companies that would fall over themselves for the chance to build the port, whether it is build-own-operate or some other arrangement. There would be no shortage of people keen to build the port. It is a great project and there are not many of them around. Plenty of your former members will be queueing up for jobs on it.

Mr BROWN: There is no question about that, but I hope they will not be employed under workplace agreements but rather under reasonable terms and conditions of employment. I will not pursue the point further.

I now raise the matter of local content, and I do not refer to the automatic local content that comes with a project such as this. It has been put to me, and concerns have been raised, that this will in many ways be a bolt up project with much of it being imported. I ask the Minister to refute that information. I know what has been said in the second reading speech and what is contained in the agreement. Will the Minister place on the record the position on local content?

Mr Barnett: I cannot specify at this stage what will be the local content in this project, but most onshore resource development projects during our time in government have had local content in the range of 85 to 90 per cent.

Mr BROWN: Do you expect this to be of the same order?

Mr Barnett: I hope so. The Beenup project, which opened a few weeks ago, had a local content of 96 per cent, which is not bad. It is a legitimate issue. I do not dodge that, and it will be negotiated on the project. It is an ongoing argument on every project. The Government pushes for a high level of local content and the proponent goes for a lower level. This is no different. There will be arguments about it.

Mr BROWN: I accept that difference of opinion.

Mr Barnett: Some members may not appreciate that if this were an oil or gas project in commonwealth waters or a project under the Mining Act there would be no local content requirement. It is only because it is an agreement Act project. In other circumstances there would be no scope for local content.

Mr BROWN: I accept that, but of course there is always pressure for local content, irrespective of the type of development, whether it is formulated in an agreement or whatever.

Mr Barnett: It is a social responsibility component.

Mr BROWN: By way of a question on notice I asked the Minister some time ago about the degree of enforceability in these agreements. I was told it is not enforceable but is a statement of principle where the Government uses its good offices to prevail upon proponents to use as much local content as possible. There is no enforcement mechanism and it is not a binding contractual agreement.

Mr Barnett: It is not mandatory.

Mr BROWN: To the extent that it is there, it is prudent. However, it does not lock in proponents in that way.

The other matter I raise relates to the broader question of infrastructure. Obviously, if the State is going down this path there is a matter of allocating dollars here that may not be available to allocate elsewhere unless the State is to borrow. Given the last election campaign, and the nature of the campaign run by the Government indicating its aversion to borrowing even if it is for the sake of investment, has any consideration been given to coordination of infrastructure developments within government? The matter has been raised with me by a number of people. I understand some proposals have been put to the Government about the coordination of infrastructure proposals. It is an important issue and one to which the Government should give consideration. These decisions should not be made on an ad hoc basis depending on what project comes around the corner. Instead, some appropriate planning should be conducted. The Minister might want to give some indication about that aspect.

Dr Turnbull interjected.

Mr BROWN: If a member on his feet is putting questions to the Minister, the courtesy, member for Collie, is to listen rather than to be engaged elsewhere.

Mr Barnett: Thank you for that gratuitous advice.

Mr BROWN: It is gratuitous. The member for Collie raised the importance of having a discussion. I asked a reasonable question about the coordination and planning of infrastructure development. Is the Government giving any consideration to establishing any procedural arrangements or consultative bodies in relation to those issues?

Mr Barnett: A body called the Infrastructure Coordinating Council is undertaking that. Also, a strategic body of Cabinet is looking at those areas.

Mr BROWN: Is there wider consultation?

Mr Barnett: Industry has suggested that, and they can do that in their own area. We are not about to hand over responsibility for government to industry bodies.

MR KOBELKE (Nollamara) [12.42 am]: Governments of both political complexions over many years have spoken of the importance of downstream processing, particularly in relation to iron ore. Unfortunately, they have not been able to deliver. We have seen agreement Acts come to the House before relating to iron ore mining requiring some commitment to further processing. However, they were not taken up in a major way.

It is a milestone that this agreement Bill will, I hope, see in the near future an iron and steel plant operating near Geraldton in Western Australia. While we have talked about steel production in WA, nothing has happened on the ground. Fulfilment of the agreement Act will bring kudos to the Government. More importantly it will be a real boon to the State, not only because of the number of jobs created, which are important, but not of huge significance considering the cost involved; I see greater significance in the fact that this will be the first of many such developments. If this project gets up and running, we have every reason to believe other projects will be established in the near future. It will be a trailblazer.

We have had a wonderful iron ore industry in the north west, but it has been a source of disappointment that no major companies have been willing to embark on downstream processing. We have had pellet plants and beneficiation plants operating as part of some of the iron ore mines prior to shipping the product overseas. Although the players are major companies of world standing, none of them has been willing to make a commitment to this level of downstream processing.

In the past few days BHP has made a major decision in the steel industry in announcing the closure of operations in Newcastle. BHP is a world standard resources company and has the expertise to produce steel, which it has been doing since around 1917. It has a proven track record. It is also a major iron ore miner in this State, yet it has not been willing to make a commitment to this level of processing we find with the An Feng and Kingstream proposal.

One must recognise in passing that BHP has been willing to commit to its DRI plant at Port Hedland. That has taken place because of a shift in the world market and the freeing up of the gas market in the north west, which enabled a much lower cost for the energy source to make the plant possible. I acknowledge that the Government has been responsible for the deregulation of gas in the Pilbara and into the goldfields with many flow-on effects in other minerals.

However, the major iron ore companies in the north west in addition to BHP - namely, Robe River and Hamersley, a member of the CRA group - have not been willing to make this commitment. One hopes that they will see an example set by An Feng, a Taiwanese company primarily involved in steel, but not as a producer. It is involved in

the rolling and producing of steel products. This is a new step for a small company when compared to BHP and CRA. It is prepared to take this bold step along with the Perth-based company, headed by Ken Court.

Mr Barnett: You will find it is not that small. You may be underestimating it.

Mr KOBELKE: I am compared it with CRA and BHP; it is certainly not in their league.

Mr Barnett: Currently it has under construction a \$US600m operation in Taiwan. It has a billion dollar Australian project which is 50 per cent built.

Mr KOBELKE: Are we talking of a total capitalisation of \$50b or \$100b?

Mr Barnett: No, but it is a major company.

Mr KOBELKE: The Minister is not suggesting that it is the size of BHP or CRA.

Mr Barnett: It is not BHP. It could be taken that it was a fairly major company; it is a major Taiwanese company

Mr KOBELKE: My point is that these other big companies have been slow to move into these areas. One can hope that this project will give the lead to show that this type of processing can take place in Australia, and we could become a major producer of steel which could flow through to the fabrication of other products. Without this initial step, it will not take place.

Also, it indicates the risk which An Feng and Kingstream are taking because these other companies in the field know the game. They do not see a project of this type as giving the level of return to cause them to commit necessary funds to such a project. It is a project which requires the support of the Government to get it off the ground. If the Government had gone with the same money to CRA or BHP, they might have been willing come on board. That is a big if, as we have this definite proposal to which the Government is responding.

The project will produce 2.4 million tonnes of iron and steel per annum. I will cut through the detail as other members have gone into the local content and the number of jobs to flow from the plant.

We need to be clear on the cost to the State. What is the level of financial commitment or financial liability which will accrue to the State? Although the project is an important one, and it receives our full support -

Mr Barnett: It does not have your full support. You are talking about setting up a select committee to consider the legislation. Your opposition spokesperson put out a press release today seeking to torpedo the float on the stock exchange. You say you support it; it is a ridiculous proposition.

Mr KOBELKE: The Minister may wish to haggle over the details or how they are expressed, but the Opposition wants to see an iron and steel plant in Geraldton. This is the only proposal that has come anywhere near as far as this, and we hope it will succeed; but we are not into signing a blank cheque. Many details must be worked out so that we are aware of the full cost or liability to Western Australia and therefore, eventually, to the taxpayers. *The Australian Financial Review* ran a story on 9 October 1996 which stated that the only remaining doubt surrounding the project which is expected to get under way in November concerns the \$1b infrastructure price tag for providing a gas line and power generation plant; that An Feng believes Kingstream is responsible for persuading the WA Government to come up with the necessary infrastructure.

Last year those figures were suggested in the Press, and further that the project would rely on the Government helping out with the infrastructure. I am not suggesting the Government will put the cash up-front and pay for the infrastructure, but it was seen as having to play a role to ensure the infrastructure would be put in place.

Let us look at the figures given in the second reading speech, which are comparable to those I have just given. I will discuss whether there are any variations in those figures. The Minister said that it would cost \$1.4b for the initial iron and steel plant and a further \$1b for infrastructure. According to the second reading speech, it was likely to include a dedicated gas-fired power station, an air separation plant and, possibly, a new gas transmission line. I take it that the \$1b for infrastructure does not include the estimated \$300m that will be required for a port and other infrastructure such as water, road and rail to put a plant at Oakajee. We are looking at a total infrastructure cost, in very rough terms, of \$1.3b. The Minister also said the amount was \$1b, and that figure has been around for a while; however, it was not predicated on the plant being at Oakajee with an extra port and the infrastructure costs associated with that. I assume - I am sure the Minister will correct me if I am wrong - in general terms the infrastructure cost will be about \$1.3b.

Mr Barnett: The plant cost of the steel mill will be \$1.4b.

Mr KOBELKE: I accept that.

Mr Barnett: There will be another \$1b worth of infrastructure developed by the proponents or third party - infrastructure which has nothing at all to do with the Government in connection with things like air separation plants, power supply and a dedicated powerline to be built. The infrastructure referred to in this Bill is not that; it is what the Government plays a role in providing - roads, a port and railways. Because the proponent sees the \$1b as being provided and owned and operated by third parties, it has chosen to stick with the government assistance. It could easily have said that the project would cost \$1.4b. The relevance of this Bill is what is public infrastructure and, therefore, what is partly funded or fully funded by the Government.

Mr KOBELKE: The Minister is saying that the public infrastructure will cost about \$300m, although it has not been properly costed. That is the best estimate at the moment. In addition, the company is saying that private infrastructure will cost about \$1b. Recognising the division of \$1.3b at present and the press statement in October last year, am I right in suggesting that the Government would be a major helper in that amount?

Mr Barnett: Not in any of that \$1b, other than the amounts for the pipeline and other things.

Mr KOBELKE: Clearly the Government is a helper because a large part of that cost relates to the provision of gas, and that is the subject of this Bill. The Government is helping with gas for the project, at least in an enabling way. I suspect it goes well beyond enabling, and I will come back to that later.

I turn to the potential, worst case scenario cost to Western Australia in the development of the public infrastructure. From the debate that has taken place, I understand in addition to the capital cost of \$300m for the port, rail, water, and the like, there is likely to be a liability to the State for the maintenance and ongoing cost of that public infrastructure of about \$20m a year. That is a fairly rough figure because many details must be sorted out before it can be confirmed. To get an estimate of the costs that might be involved - I am referring to a worst case scenario - we are looking at a commitment by the State Government of \$20m for 63 years.

Mr Barnett: No, that is not the worst case scenario.

Mr KOBELKE: If this is the only plant there, and it does not double its capacity, and another project does not come in and use it - we hope that will happen - a worst case scenario is that the Government must meet a subsidy -

Mr Barnett: Hang on. You are getting confused. The 63 years relates to things like mining leases and tenements. The funding for the port, however that occurs, would be project finance over a maximum of 15 or 20 years. The 63 years refers to the life of the project, not the life of the Government's contribution. We will not enter into a 63 year process of ongoing support. We will wrap it up in probably 15 years.

Mr KOBELKE: Is the Minister able to provide some figures on a possible scenario for that funding and how the cost would be amortised over the life that he sees for the project?

Mr Barnett: Some rough calculations have been done. I do not think they are sophisticated enough to release them publicly. I am not being secretive. A guesstimate would be that over 15 or 20 years the port might run at a loss of \$20m or it might be less. My best guesstimate based on the figures I have seen is that somewhere between five and 10 years it will go to a break-even position. It might be four or it might be 15 years.

Mr KOBELKE: I am not putting what is the most likely or the optimum or what the Minister thinks will be the outcome. I am talking about a worst case scenario; that is, the liability the State might have to pick up.

Mr Barnett: The worst case scenario is that the project is under construction, two-thirds built and for whatever reason fails. At that stage, five years after construction if you like, the Government is also locked into building a port. The worst case scenario is that we will get a steel mill that is 90 per cent built and for whatever reason it stops at that stage. We will end up with 90 per cent of a steel mill in private hands and a port and an industrial estate. That is the worst case scenario. I remind the member that the PICL deal was \$400m down the drain and nothing to show for it. The worst thing we can have is a two-thirds completed steel mill and a state of the art industrial estate and a deep sea port. That is the worst case scenario.

Mr KOBELKE: What about the potential that the steel plant continues to operate, but that it is marginal and therefore the ability to extract from it a major contribution to those costs is limited, because that would lead to a closing down, and we end up with a port which must be operated with one user for 60 years?

Mr Barnett: That is the same as the scenario that the project does not go through or ceases.

Mr KOBELKE: I am not sure that it is. The potential is to end up -

Mr Barnett: The worst case scenario is that the State will spend \$300m on a port and there is no-one to use it. That is a highly unlikely scenario because we are not committed to building a port until five years after construction starts

on the steel mill. That should give us a pretty good idea of whether the steel mill will go ahead or not. There is not much on the down side.

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

Mr KOBELKE: The problem is that the Minister cannot quantify in any definite way what are the costs. We are not into signing a blank cheque.

Mr Barnett: I can tell you right now that I will not be in a position to quantify the costs of a port that has yet to be designed, let alone go to tender. If your position is that you will not sign your so-called blank cheque, the Labor Party is saying that it will not agree to this unless I can give final figures. I will not be able to do that for the next 12 months. I want to know where the Labor Party stands on this. Where do you stand?

Mr KOBELKE: The way the Minister is going on he would have us believe that Laurie Connell would come back from the dead if he could get a slice of the action on this deal.

I was about to say that the Opposition would like to see more detailed costings than the Minister is prepared to provide. A committee is one way to achieve that. I am presenting to the Minister the Opposition's very real concerns about some of the detail. If there is a large problem with this, the Minister will not be able to come back and say that the Opposition did not raise the issues. At the end of the day, the Minister must accept responsibility. Therefore, it is right and proper that we ask these questions. If the Minister wants to get in a huff and try bully-boy tactics, members on this side will become concerned that he is not accepting responsibility.

Mr Barnett: You can ask every question and I will answer them to the best of my ability.

Mr KOBELKE: I do not want to hold up the House. I simply want to lay before the Minister what I think are the areas of genuine concern in the hope that he will address them as far as he is able by the time the legislation is passed.

Mr Barnett: I am.

Mr KOBELKE: I hope he will. Where that is not possible, because the detailed work cannot be done in that time, I hope that he will continue to keep those concerns in mind. I hope he will do that even without the Opposition's prompting. It is our job to put these concerns on the record to ensure that the Minister is aware of them - I am sure that he is - and that he is diligent in ensuring that the State's interests are protected.

Mr Barnett: You are right; it is quite proper that the Parliament and the Opposition hold me responsible. I take full responsibility. I will stake my career and reputation on this. I know what I am doing, and it is a big decision. However, I appeal to the Opposition not to set up some sort of parliamentary procedure that will delay the passage of the legislation.

Mr KOBELKE: I have little time and I have heard this previously. I have made my point clearly.

The Minister has previously made reference to an issue that concerns me. He said that no state money is being given to this steel project. I understand that that is correct in the sense that money is not being taken from government coffers and put into the pockets of An Feng or Kingstream Resources. I accept that. However, in the broader sense, that is not true. Clearly, the State is making a major contribution in relation to infrastructure to ensure that this project goes ahead. That is on the record. The Minister's statement was not as full and accurate as one would hope.

As I indicated, this will cost \$300m, and I am concerned that the potential liability could be a great deal more than that. The income stream the Minister is predicting appears to be generous in that the direct revenue in terms of royalty and payroll tax will be only \$5m per annum. We are talking about \$300m over the 63-year life of the project. One cannot compare those figures because they cover different periods. However, they show that, in terms of the actual costs to the State, we will not reap a huge direct benefit. I draw attention to the fact that the major direct financial benefits from this project will go to the Commonwealth Government. We again see this Government doing all the hard work and committing the taxpayers' money to get a project going that will benefit Western Australia, but the money that will be creamed off will go to the Commonwealth.

Mr Barnett: I agree.

Mr KOBELKE: We must recognise that.

Mr Barnett: I am.

Mr KOBELKE: It is no good crying to the Commonwealth all the time. That should be used as leverage with the Commonwealth to ensure that we get a better flow of money back to this State.

Mr Barnett: It will be.

Mr KOBELKE: I have very little time. I am happy to take the Minister's interjections, but they are holding me up. My concern is that the cost to this State as a result of the agreement Act - in a more general sense, not simply the direct costs - is far greater than that. The reason for my concern is that this legislation has a major impact on the gas market in this State. The deregulation of the gas market in the Pilbara and the goldfields has been a boon to development of downstream processing in industry in those areas. However, that has not happened in the south west. We currently have a pipeline with a daily capacity of approximately 500 terajoules, and it is being used to full capacity. It is providing gas at a very high price when there is very cheap gas in the north west. I know the Minister is aware of the problem, both through the sale of the AlintaGas pipeline and other means -

Mr Barnett: Who has briefed you on the pipeline issue?

Mr KOBELKE: I have little time. I would like to make my contribution.

We are well aware that there is huge potential for a whole range of industries to be established in the south west if we can get that cheap gas to open up competition. That is not easy; I know the Minister is grappling with it. However, this Bill creates a major problem in opening up that gas market in the south west. Deregulation of the gas market would encourage industry in the south west, and a whole range of developments could go ahead. Worsley wants a major expansion and the price of energy is an important aspect to that project.

The Government has suggested that this is only the first stage of the Kingstream Resources proposal - it could be expanded. That first stage proposal uses about one-third of the total capacity. If it doubles it could use close to two-thirds of the capacity of the existing gas pipeline. If we consider Worsley and Mt Gibson, we see that within five years the demand will be double the capacity. However, while we have a monopoly pipeline, that is a problem. The Minister knows that and he is trying to deal with it.

This Bill gives a 63-year licence to An Feng and Kingstream Resources, with certain conditions and requirements, to develop a new pipeline. They must simply put a proposal to AlintaGas and commit to at least \$100m in respect of the iron and steel plant and they will get a licence.

Mr Barnett interjected.

Mr KOBELKE: To the 26th parallel, which is three-quarters of the way to Perth. What other company will come in and build a third pipeline - assuming a second is built and that the existing pipeline is not simply enhanced - when that gas capacity already exists down to Geraldton? It could be used there in a power plant distributing power to the south west or in a whole range of other options.

We are providing a benefit to Kingstream Resources and An Feng that they can market. Any good company would seek to maximise the return on its assets. This Bill provides a major asset to that group. I have great concerns that that is the way this has been approached. The potential for growth in the south west is huge. I am not talking only about the gas companies.

Mr Barnett: Who said that?

Mr KOBELKE: I do not want to mention their names. I went to the opening of the Chamber of Commerce and Industry of Western Australia training plant, and the Minister can guess who was there. Lyndon Rowe will not mind my mentioning his name. I questioned him and other key people in industry from the finance side and from the chamber, and they told me the potential is there for a major expansion of gas sales into the south west. My estimate is that the current value of gas sold into the south west is about \$700m per annum. If we double that, and competition drives the price down, within five years we are looking at a potential gas market in the south west in excess of \$1b per annum. That is big money and it has huge potential for creating industry and jobs in the south west.

However, the key to that becomes a tradable commodity owned by An Feng and Kingstream Resources. Of course, they will seek to maximise it. This Bill is tying one of the Minister's hands behind his back in terms of deregulating and opening up competitive gas markets in the south west.

The Minister may be the superman that he purports to be and he can work with one hand tied behind his back. I doubt that we can achieve the best potential competitive gas market in the south west by giving An Feng and Kingstream the licence that this Bill will give them, because they will be key players. They will be able to buy in not only the 170 terajoules a day that they need, but also an even greater capacity. They will have the potential to bring gas to Geraldton which is close to the amount that is currently coming to Perth. The carriage of that gas will be a tradeable commodity which Kingstream can use, or it can do a deal with some other company -

Mr Barnett: It cannot.

Mr KOBELKE: It can. The Bill states that it will have the right to bring gas to the 26th parallel, which is just south of Geraldton, but the Minister of the day can vary that.

Mr Bloffwitch: The 26th parallel is well and truly north of Geraldton.

Mr KOBELKE: Perhaps I have the wrong figure - the 29th parallel. They will also be given an exemption from stamp duty on the sale of the companies in the first three years.

Mr Barnett: That is standard in all agreement Acts.

Mr KOBELKE: I know, but this Bill will give them the right to bring gas to the south west, which I believe on good advice could be worth in excess of \$1b per annum in a few years. They will not take the whole market, because a pipeline and contracts exist already, but a market of that size will clearly be influenced by this agreement Bill.

MR BARNETT (Cottesloe - Minister for Resources Development) [1.12 am]: We have had a long debate tonight and I do not intend to progress that debate further tonight, but I will make one brief comment before I adjourn my remarks. The speakers from the Labor Party have strutted in their spot and said that they strongly support this project, and they have then, one by one, cast doubt on this project, which is about to undertake a capital fundraising exercise through both the share float and the banking of the project -

Mr Grill: I thought we had an agreement that you would give your second reading speech response tomorrow.

Mr BARNETT: I will.

I find that totally inconsistent. Members opposite cannot profess to support a project fully and then deliberately say and do things that will jeopardise what is the critical stage of any project; namely, raising finance in both the share market and financial institutions. I said earlier by way of interjection that we are seeing from the Labor Party an act of economic vandalism. The Labor Party should quite rightly question the Government on this project and question the commitment of substantial amounts of government money, because it is a substantial amount of \$300m or \$400m, and it is proper that we should be accountable for that. I am prepared to stake my reputation and career on this project; I realise that it is a big and bold decision. However, members opposite should not say they fully support the project and then immediately make comments that detract from it. Members opposite can question me if they like, or set up a committee to examine me and the Government, but they should not jeopardise the passage of this legislation, because what they will surely do is scuttle this project. I will have a lot more to say about this tomorrow, and I suggest many people in this State will have a lot to say about the Labor Party tomorrow.

[Leave granted to continue remarks at a later stage.]

Debate thus adjourned.

GENDER REASSIGNMENT BILL (No 2)

Message - Appropriations

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

House adjourned at 1.15 am (Thursday)

QUESTIONS ON NOTICE

MOTOR VEHICLE SPARE PARTS - IDENTIFICATION

4. Mr PENDAL to the Minister for Police:

- (1) Is it correct that the Police Motor Squad is prohibited from providing telephone advice to members of the public regarding queries on whether or not particular motor vehicle spare parts maybe stolen, and that instead such queries must be placed in writing?
- (2) If so, what is the rationale behind such a prohibition given that individuals, replacing vehicular parts are aware that they maybe at risk at some future date if a part is determined to be a stolen one?
- (3) How much identification are motor wreckers required to obtain from their suppliers, given that pawnbrokers are obliged to adhere to a points system with regard to their suppliers?

Mr DAY replied:

The Commissioner of Police has provided the following advice -

- (1) All information contained on the Western Australia Police Service computer system is confidential. In accordance with an instruction issued by the Commissioner of Police, members of the Western Australia Police Service are prohibited from disclosing information to unauthorised persons. As information relating to stolen vehicles is recorded on the WAPS computer system, such information cannot be relayed to an unauthorised person in writing or by telephone. Although the majority of motor vehicle parts are not marked with individual identifying number, telephone calls from members of the public who inquire about particular vehicle parts are taken by the Motor Vehicle Theft Squad. There is no requirement for inquiries to be placed in writing. If it is considered that the situation requires police involvement then the necessary action is taken.
- (2) The WAPS instruction regarding disclosure of information is currently the subject of review. Under the existing instruction disclosure of information is considered to be an integrity issue and contravention of a breach of discipline.
- (3) At present auto dismantlers - motor wreckers - are not required to comply with the requirements of the Pawnbrokers and Secondhand Dealers Act 1994. However, this situation is currently being examined by the Western Australian Motor Vehicle Theft Steering Committee as are the identification requirements in all changes of vehicle ownership.

LAND - SOUTH PERTH FORESHORE

Removal of Trees - South Perth City Council

93. Mr RIPPER to the Water Resources:

- (1) Will the Swan River Trust prevent the South Perth City Council from engaging in the removal of hundreds of trees from the South Perth foreshore?
- (2) If not, why not?

Dr HAMES replied:

- (1)-(2) Yes. Under regulation (6) of the Swan River Trust Act "a person shall not, except with the approval of the Trust destroy or pull up any trees on land in the management Area". This regulation requires approval to allow routine maintenance of garden and ground areas. The City of South Perth has received approval from the trust recently for maintenance works to improve public safety. In addition, the Swan River Trust is working with the City of South Perth to prepare a joint management plan for the foreshore. The plan will address trees and landscaping as well as the many other issues that are important to the park.

POLLUTION - BAYSWATER MAIN DRAIN

Minister's Comments

249. Mr BROWN to the Minister for Water Resources:

- (1) Did the Minister say on ABC Radio on 9 March 1997 that phosphate from the CSBP site in Bayswater was responsible for nutrient pollution into both the Bayswater main drain and the nearby Swan River?

- (2) If not, did the Minister make a comment about this matter?
- (3) What did the Minister say?
- (4) What was the basis of this comment?
- (5) What volumes of nutrients were detected?
- (6) Is the problem on-going?
- (7) What other point sources are responsible for nutrient pollution into the Bayswater main drain?

Dr HAMES replied:

- (1) I cannot recall the precise details of this interview and unfortunately the interview was not transcribed by the Government Media Office. If the member could provide me with some details of this interview with ABC Radio then I would be more than happy to provide a full answer to his question.
- (2)-(7) Not applicable.

MINISTERIAL OFFICES - MINISTER FOR LABOUR RELATIONS

Refurbishment

257. Mr RIPPER to the Minister for Labour Relations; Planning; Heritage:

- (1) Have any refurbishments or renovations been undertaken to the Minister's office since December 1993?
- (2) If so, what was the nature of the change/s?
- (3) What was the cost of the work undertaken?

Mr KIERATH replied:

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

EAST PERTH REDEVELOPMENT AUTHORITY - AFFORDABLE HOMES

Commonwealth Response

322. Dr EDWARDS to the Minister for Planning:

- (1) Has the Commonwealth and/or the Federal Minister responded to the proposal by the East Perth Redevelopment Authority to provide 150 affordable homes in the redevelopment area?
- (2) When was the response received and will the Minister table the response?

Mr KIERATH replied:

- (1) Yes.
- (2) 13 September 1996. [See paper No 376.]

POLICE - STATION

Busselton - Upgrading

473. Mr MASTERS to the Minister for Police:

- (1) What progress has been made in replacing the existing Busselton police station which is sub-standard and in need of urgent replacement?
- (2) What impediments exist that are preventing the commencement of construction during the 1997-98 financial year?

Mr DAY replied:

The Commissioner of Police has provided the following advice -

- (1) Replacement of the Busselton police station is currently being considered as part of the Police Service's future capital works program. A feasibility study has identified a suitable site for the construction of a new

police station and courthouse complex. The site is located on reserve 41444 which is vested with the South West Development Commission. The South West Development Commission will transfer the site to the Police Service/Ministry of Justice, subject to an allocation of funding for the project within five years of November 1994.

- (2) The Police Service has not sought funding for this project in the 1997-98 capital works program.

HERITAGE - ACT

Moveable Heritage

556. Mr PENDAL to the Minister for Heritage:

- (1) I refer to the Government's decision to introduce a new Heritage Act in the current session and ask is it the Government's intention to provide for statutory protection of moveable heritage?
- (2) If not, why not?

Mr KIERATH replied:

- (1) Yes. It is the intention to provide statutory protection for certain classes of moveable heritage in new heritage legislation which is to be introduced in the 1998 autumn sittings.
- (2) Not applicable.

HERITAGE - STIDWORTHY RESIDENCE

Council's Assessment

560. Mr PENDAL to the Minister for Heritage:

- (1) I refer to the Minister's letter to me of 17 November 1996, regarding the historic Stidworthy residence in South Perth and ask has the Heritage Council reconsidered the assessment of the residence as a matter of priority?
- (2) If so, with what result?

Mr KIERATH replied:

- (1) The building is currently being assessed by the Heritage Council to determine whether the building is significant enough to warrant entry in the State Register, and the results of the assessment will be available in the near future.
- (2) Not applicable.

POLICE - SPEED CAMERAS

Use

562. Mrs ROBERTS to the Minister for Police:

- (1) How many people were apprehended by police officers for speeding during each of the following years -
- (a) 1990;
 - (b) 1991;
 - (c) 1992;
 - (d) 1993;
 - (e) 1994;
 - (f) 1995; and
 - (g) 1996?
- (2) How many people were fined for speeding as a result of the use of speed cameras during each of the following years -
- (a) 1990;
 - (b) 1991;
 - (c) 1992;
 - (d) 1993;
 - (e) 1994;
 - (f) 1995; and
 - (g) 1996?

- (3) How many speed cameras does the Western Australia Police Service currently own?
- (4) Does the Western Australia Police Service have plans for the purchase of additional speed cameras and, if so, what are those plans?
- (5) What proportion of speed cameras are deployed in country areas?

Mr DAY replied:

			Briefs	Cautions	Infringements	Total
(1)	(a)	1990	404	3828	5848	10080
	(b)	1991	666	7348	9155	17169
	(c)	1992	738	10916	13349	25003
	(d)	1993	829	10809	13017	24655
	(e)	1994	942	15496	12459	28897
	(f)	1995	544	13924	20393	34861
	(g)	1996	424	11795	9202	21421

(2)	(a)	1990	Speed Camera not introduced until 1991			
	(b)	1991	65697			
	(c)	1992	69777			
	(d)	1993	61153			
	(e)	1994	91201			
	(f)	1995	128389			
	(g)	1996	158176			

- (3) 17.
- (4) The Police Service camera section is currently reviewing the needs of the section and will be advancing a submission to upgrade existing cameras, which may include seeking additional units. This review is not expected to be completed before the end of the current fiscal year.
- (5) Currently two cameras are deployed at country locations.

POLICE - STATIONS

Hilton - Scaling Down

581. Mr CARPENTER to the Minister for Police:

- (1) Is the Minister aware of proposals to scale down the operations of the Hilton police station in the electorate of Willagee?
- (2) Does the Minister support such a proposal?
- (3) Is the Minister aware that the Hilton police station is the only police station in the Willagee electorate?
- (4) Is the Minister aware that there are three police stations in the electorate of Nedlands and one in the electorate of Willagee?
- (5) Would the Minister explain why there are three police stations in the electorate of Nedlands and only one in the electorate of Willagee?
- (6) Will scaling down operations at the Hilton police station worsen this situation?
- (7) Can the Minister guarantee he will oppose any plan to scale down the operation of the Hilton police station?
- (8) If not, why not?

Mr DAY replied:

- (1) There is no proposal at this time to change the operations of the Hilton Police Station; however, a new complex in Murdoch is planned with construction anticipated to commence in August 1997. When this complex is completed operations at all surrounding police stations including Hilton will be considered.
- (2) No station will close without community consultation.
- (3)-(4) Yes.
- (5) Police stations are usually located within local government boundaries not electorate boundaries.
- (6)-(8) See (1).

INDUSTRIAL RELATIONS - WORKPLACE AGREEMENTS

Terms

606. Mr BROWN to the Minister for Labour Relations:

- (1) Between 1 October 1996 and 31 March 1997, how many workplace agreements were registered which specified a wage equal to the minimum wage?
- (2) Is it true the number of workplace agreements registered over the last six months has shown an increase in the number containing a wage equal to the minimum wage?
- (3) How many workplace agreements registered in the last six months contain a wage lower than the minimum wage?

Mr KIERATH replied:

- (1)-(2) This information is not readily available and I am not prepared to request the Commissioner of Workplace Agreements to allocate resources for this purpose.
- (3) Statistics have not been kept on the wage rates specified in all workplace agreements registered in the last six months. Where a workplace agreement is lodged that contains a rate lower than the minimum wage, the correct rate is brought to the attention of the parties and they are asked to amend the agreement prior to registration. This assists in the parties' understanding of their rights and obligations. A clause in an agreement providing for a wage lower than the minimum has no effect.

GOVERNMENT VEHICLES - LEASING

Cost and Number

615. Mr BROWN to the Minister for Labour Relations; Planning; Heritage:

- (1) How many vehicles does each department and agency under the Minister's control lease?
- (2) What is the monthly amount each department and agency pays for leasing the vehicles?
- (3) What was the amount each department and agency paid for leasing the vehicles in February 1997?

Mr KIERATH replied:

Department of Productivity and Labour Relations:

- (1) 20.
- (2) \$5 926.
- (3) \$6 313.

Commissioner of Workplace Agreements:

- (1) Eight.
- (2) \$2 029.
- (3) \$2 007.

Department of the Registrar, WA Industrial Relations Commission:

- (1) Seven.
- (2)-(3) \$928.

WorkSafe Western Australia:

- (1) 88.
- (2)-(3) \$11 062.

WorkCover Western Australia:

- (1) Nil.
- (2)-(3) Not applicable.

Ministry for Planning:

- (1) 55.
- (2)-(3) \$9 310.

Minister for Planning - Planning Appeals:

- (1) Two.
- (2)-(3) \$237.

Heritage Council of Western Australia:

- (1) Two.
- (2)-(3) \$455.

Subiaco Redevelopment Authority:

- (1) Two.
- (2) \$581.
- (3) \$664.

East Perth Redevelopment Authority:

- (1) Two.
- (2) \$257.
- (3) \$73.

HERITAGE - STIDWORTHY RESIDENCE

Condition

643. Mr PENDAL to the Minister for Heritage:

- (1) I refer to my question on notice 560 of 1997, regarding the historic Stidworthy Residence in Mill Point Road, South Perth, and ask is the Minister aware that his predecessor in a letter to me of 17 November 1996, said that the City of South Perth ". . . is in the process of issuing a notice to the owner under s.135 of the Health Act ... to secure and upgrade . . ." the house?
- (2) Is the Minister aware that as late as last Thursday, 3 April 1997, the building was found to be not secure, with evidence of vagrants living on the premises, with doors open, but with no sign of forced entry?
- (3) In view of the significance of this building, will the Minister take urgent steps to inform the Indonesian owners and Perth agents of the dangers to the building and to request the City of South Perth to now take action under the Health Act 1911 to secure the premises?
- (4) If not, why not?

Mr KIERATH replied:

- (1) Yes.
- (2) No; however, I understand the building has now been locked up and remains vacant.
- (3)-(4) The building is currently being assessed by the Heritage Council to determine whether the building is significant enough to warrant entry in the State Register and the results of the assessment will be available in the near future. In the meantime I am advised that an officer of the City of South Perth has been in telephone contact with the Indonesian owner. The owner has advised the City of South Perth of his intention to visit Perth within the next month and make arrangements with a builder to refurbish the building.

INDUSTRIAL RELATIONS - WORKPLACE AGREEMENTS

Employees - Number

645. Mr KOBELKE to the Minister for Labour Relations:

- (1) Did the Liberal Party's Labour Relations Policy Documents issued for the 1996 general election state: "By October 1996 about 74 000 employees and 2 100 employers had entered into voluntary workplace agreements"?
- (2) Does this mean that 74 000 different individual employees entered into workplace agreements?
- (3) If so, what is the source for these figures?
- (4) As at the month of October 1996 what was the actual number of employees who during that month were employed under a State workplace agreement?

Mr KIERATH replied:

- (1) Yes.
- (2) No.
- (3) Not applicable.
- (4) This information is not accurately available.

ADOPTIONS - DELAYS

Mrs Sue Miller

649. Mr RIEBELING to the Minister for Family and Children's Services:

In relation to the adoption of children in Western Australia after January 1995 and specifically in relation to the adoption in which Mrs Sue Miller was the adopting mother -

- (a) what is the normal length of time an adoption would take after the child is placed in the care of the adopting parents;
- (b) in May 1995, would the Adoption Act 1994 have to be complied with;
- (c) in relation to Mrs Miller, was the Adoption Act 1994 used and complied with;
- (d) who made the decision to use this child as a test case to avoid notification of the father;
- (e) was Mrs Miller advised of the decision to use this case as a test case and, if not why not;
- (f) was Mrs Miller advised that the father of the child was unknown on 18 May 1995;
- (g) was Mrs Miller advised that there would be monthly visits from the Department of Family and Children's Services to report on the progress of the placement;
- (h) was Mrs Miller also advised that by November 1995 the final paperwork of the adoption would go before the Judge;
- (i) how many visits did the Department make between May 1995 and February 1996;
- (j) in February 1996, was the Department advised that the father of the child had to be notified;
- (k) on 7 June 1996, was the application again placed before the Judge with the same result being ordered that the father be notified;
- (l) was the adoption finally granted on the 13 August 1996 after the father had been notified;
- (m) is it true that between the placement of the child with Mrs Miller and the Department receiving permission from the father, the child could have been removed from Mrs Miller if the father had objected to the placement or not given his permission;
- (n) if the Department knew of the father's existence from May 1995 why did the Department not notify the father immediately and prior to the placement of the child;
- (o) has any person involved in this particular case apologised to Mrs Miller for the length of time that this case has taken and the failure to notify her of the correct process that should have taken place or of any excessive delays that have been caused by the Department actions and, if not why not;
- (p) in relation to adoptions from January 1995 have any other children been processed in a similar manner as the child placed with Mrs Miller and have any other adoptions followed a similar course of being rejected by Judges due to the Department's desire to test the new Adoption Act 1994?

Mrs PARKER replied:

It is not appropriate to provide confidential information on individuals who are parties to an adoption. Anyone with concerns on the provisions of the Adoption Act 1994 will have the opportunity to bring them to the committee reviewing the Act in 1997. If the member wishes to discuss aspects of a particular adoption with me he should seek to do so.

PARKS AND RESERVES - GAZETTAL

662. Dr EDWARDS to the Minister for the Environment:

(1) Which of the new -

- (a) national parks;
- (b) conservation parks; and
- (c) nature reserves,

proposed under the Conservation and Land Management's 1987 regional forest management plans, and endorsed by the Government in 1988 -

- (i) have been gazetted in full;
- (ii) have not been gazetted in full?

(2) Which expansions to existing -

- (a) national parks;
- (b) conservation parks; and
- (c) nature reserves,

proposed under CALM's 1987 regional forest management plans, and endorsed by the Government in 1988 -

- (i) have been gazetted in full;
- (ii) have not been gazetted in full?

Mrs EDWARDES replied:

- (1) (a) (i) Gloucester (Brockman), Shannon, Mt Frankland.
(ii) Mt Lindesay (Denbarker, Mitchell River, Sheepwash).
- (b) (i) Boyagarring, Lupton, Lake Leschenaultia.
(ii) Duncan, Gyngoorda, Wandering, Lesmurdie Falls, Dale, Wandoo (Dobaderry, Gunapin, Russell, Sullivan), Gooseberry Hill, Greenmount, Julimar, Kalamunda, Mundaring, Neerabup, Blackwood, Mowen, Rapids, Lennard, Bennelaking, Dardanup, Goonac, Muja, Westralia, Noggerup, Preston, Mullalyup, Ellis Creek, St John Brook, Blackbutt, One Tree Bridge, Boorara.
- (c) (i) Strange Road, Beechina North, Bullsbrook, Nanamoolan, Parkerville, Wooroloo, Yeal Swamp, Capercup Road North, Wyvern Road, Falls Brook, Riverdale, Donnybrook-Balingup Road, Unicup, Chorkerup, Gum Link Road, Randell Road, Styx, Glue Gum Creek, Sleeman Creek, Wamballup, Pardelup.
(ii) Burnside, Goegrup Lakes, North Dandalup, Boonanarring, Lake Muckenburra, Melaleuca Park, Moore River, Wabbling, Yanchep, Mogumber, Chester, Paget, Whicher, Coalfields Road, North Boyanup Road, Wagerup, Greenbushes, Nollajup, Dalgorup, Milyeannup, Bokarup, Bolbelup, Dickson, Perup, Strickland, Kordabup.
- (2) (a) (i) Tuart Forest (Ludlow), Warren (Treen).
(ii) Yalgorup (Clifton, Myalup, McLarty), Serpentine (Karnet, Gooralong), Avon Valley (Toodyay, Moondyne), Yanchep (Ridges), Leeuwin-Naturaliste (Blue Rock Cave), D'Entrecasteaux (Hawke), Walpole-Nornalup (Giants).
- (b) (i) Nil.
(ii) Lane-Poole.
- (c) (i) Marraru, Clackline, Bampanup.
(ii) Benger Swamp, Kwornicup Lake.

PEST CONTROL OPERATORS - LICENCES AND MONITORING

749. Dr EDWARDS to the Minister for Health:

- (1) How many pest control operators are licensed in the metropolitan area?
- (2) What general conditions does each licence impose?
- (3) How is compliance monitored?

(4) Do any pest control operators wash down their vehicles at home?

Mr PRINCE replied:

- (1) I am unable to give figures for the metropolitan area. However, there are currently 1 026 operators licensed in WA. This number comprises 892 full licence holders and 134 provisional licence holders.
- (2) Licences require compliance with state legislation. General conditions of each licence are as follows -
 - (a) Comply with the code of practice "Disposal of Pesticide Residues from Pesticide Spray Applications".
 - (b) Ensure that prior to any termiticide treatment being carried out on existing premises, a copy of the Health Department brochure addressing appropriate termite measures is given to the occupier of the premises to be treated.
 - (c) Ensure that whenever termiticides are used they are applied in accordance with the relevant sections of Australian Standard 3660 - 1993 entitled "Protection of Buildings from Subterranean Termites - Prevention Detection and Treatment of Infestation".

Other conditions may be attached to specific licences; for example, restrictions on boundaries of operation, training requirements etc.

- (3) The Environmental Health Service of the Health Department of Western Australia has responsibility to monitor compliance with legislation, including conditions of licence, and provide for the safe use and handling of pesticides in the community. Local government environmental health officers monitor compliance with pesticide legislation as well.
- (4) Pest control operators can wash down vehicles at home providing they do so in accordance with the code of practice referred to in (2)(a). [See paper No 377.]

HEALTH - LEAD TOXICITY

Aboriginal Children

756. Dr EDWARDS to the Minister for Health:

- (1) Is the Minister aware of the findings of the study "Lead in Australian Children (1996)" that there was an association between Aboriginality and elevated blood lead levels?
- (2) Is the Minister aware of the findings in the Fremantle lead study (1995) that Aboriginal children were more than 6 times more likely to have abnormal lead levels compared to non-Aboriginals and the conclusion that Aboriginality was an important risk factor in unacceptably high blood lead levels?
- (3) Is the association between Aboriginality and elevated blood lead levels in children related to social factors?
- (4) If yes to (3), will the Minister recommend an interdepartmental assessment of the social factors responsible?
- (5) If not, why not?
- (6) Is the Minister aware of the National Health and Medical Research Council's concerns over exposure to lead and the relationship between blood lead levels and lower IQ in young children?
- (7) Will the Minister recommend blood lead monitoring of Aboriginal children outside of the Fremantle lead study area because of the association between Aboriginality and elevated blood lead levels in children?
- (8) If not, why not?

Mr PRINCE replied:

- (1)-(8) Please refer to answer in question 757.

HEALTH - LEAD TOXICITY

Aboriginal Children

757. Dr EDWARDS to the Minister for Health:

- (1) Is the Minister aware of the findings of the study "Lead in Australian Children (1996)" that there was an association between Aboriginality and elevated blood lead levels?

- (2) Is the Minister aware of the findings in the Fremantle lead study (1995) that Aboriginal children were more than 6 times more likely to have abnormal lead levels compared to non-Aboriginals and the conclusion that Aboriginality was an important risk factor in unacceptably high blood lead levels?
- (3) Is the association between Aboriginality and elevated blood lead levels in children related to social factors?
- (4) If yes to (3), will the Minister recommend an interdepartmental assessment of the social factors responsible?
- (5) If not, why not?
- (6) Is the Minister aware of the National Health and Medical Research Council's concerns over exposure to lead and the relationship between blood lead levels and lower IQ in young children?
- (7) Will the Minister recommend blood lead monitoring of Aboriginal children outside of the Fremantle lead study area because of the association between Aboriginality and elevated blood lead levels in children?
- (8) If not, why not?
- (9) Which of the response protocols established by the NHMRC, for children with elevated blood lead levels, have been instituted in relation to the Fremantle lead study?

Mr PRINCE replied:

- (1) The document "Lead in Australian Children. Summary of the National Survey of Lead in Children", conducted by the Australian Institute of Health and Welfare, reported a number of factors associated with elevated blood lead levels including age, tendency for child to eat soil, socioeconomic factors, smoking, hygiene, age of house, occupation and hobbies. However, there was no statistically significant association with Aboriginality. Although mean levels were higher, these were explained by social and economic factors and not by race.
- (2) Yes. This study sampled blood from 20 Aboriginal children and 144 non-Aboriginal children. It reported a mean blood lead concentration of 9.9 g/dL for Aboriginal children and 6.6 g/dL for non-Aboriginal children. While the level in Aboriginal children was higher than in non-Aboriginal children, it was lower than the NHMRC goal, announced in 1993, for all Australians to have a blood lead level of less than 10 g/dL.
- (3) See answer to (1).
- (4)-(5) No. The social factors affecting Aboriginal communities are well known. A number of interdepartmental environmental health initiatives have been established, including anti-smoking campaigns, removal of lead from petrol and information on lead sources. These will help reduce lead exposure to all Australians, especially those people in lower socioeconomic groups.
- (6) Yes.
- (7)-(8) The available information does not indicate that such a monitoring program is necessary because -
 - (i) the national survey showed that social and environmental factors influenced blood level and many Aboriginal children are affected by these factors.
 - (ii) The Fremantle study showed a higher mean blood lead level in Aboriginal children than in non-Aboriginal children but this level did not exceed the NHMRC goal of 10 g/dL.
- (9) The NHMRC have set a national goal for all Australians to have blood lead levels of less than 10 g/dL. The NHMRC also called for specific responses when individual blood lead levels in children exceeded 15 g/dL, and in communities when more than 5 per cent of children aged one to four years have blood levels above 15 g/dL. These levels were not reported in the Fremantle study, so no further action was required. When high blood lead levels are encountered, Health Department officers investigate the sources of lead to which the children may be exposed and recommend on behavioural and environmental changes to limit further exposure. This is in keeping with the NHMRC recommendations.

MINIM COVE, MOSMAN PARK - FORESHORE ACCESS

765. Dr EDWARDS to the Minister for Planning:

- (1) What is the status of the Fremantle regional strategy and the provision of the Leighton Peninsula Park Link at Minim Cove, Mosman Park?

- (2) Now that the foreshore at Minim Cove has been cleaned up, will the Minister ensure public access to the foreshore through -
- (a) foreshore road or roads;
 - (b) other means to allow access to the 10 to 12 metre above sea level contour level and hence the regional open space and dual precinct of the foreshore?
- (3) Will the Minister ensure that LandCorp provides safe access for wheelchairs from Rocky Bay Inc to the foreshore precinct, through the estate?
- (4) Will the Minister ensure that no restaurants or other commercial entities be placed on the Leighton Park Peninsula Link including the remnant hillock?

Mr KIERATH replied:

- (1) The general objectives of the Fremantle regional strategy are intended to be implemented through the provision of public open space within the proposed subdivision of the former CSBP site in McCabe Street.
- (2) (a)-(b) The proposed subdivision application for the former CSBP site depicts a public open space link from McCabe Street through to the public foreshore.
- (3) The Western Australian Planning Commission will consider this issue as part of its determination of the subdivision application.
- (4) There are no plans for restaurants or commercial facilities in this location.

HEALTH - GENERAL MANAGER OF PUBLIC HEALTH

Appointment

775. Mr McGINTY to the Minister for Health:

- (1) Who was the last substantive General Manager of Public Health?
- (2) When did that person vacate the position?
- (3) What processes have been undertaken to fill the position?
- (4) What has been the cost of each of the processes undertaken in seeking a person to fill the position to date?
- (5) What action is current to fill the position?
- (6) When is it anticipated that the position will be filled?

Mr PRINCE replied:

- (1) The position of General Manager - Public Health is a new position created on 27 November 1995 as part of the revised management structure for health. There was no previous substantive occupant.
- (2) Not applicable.
- (3) (a) The position was advertised in *The Australian Financial Review* on 1 December 1995, *The West Australian* on 2 December 1995, *The Weekend Australian* on 2 December 1995 and the Public Service notices on 13 December 1995. No appointment was made from the applicants attracted by these advertisements.
- (b) An executive search company was contracted to conduct a search for a suitable person.
- (4) (a) The position was one of 12 senior executive service positions advertised in a group. The costs for this position were approximately -

Advertising costs: \$3 352
Deloitte Touche Tohmatsu professional services: \$1 658
- (b) Executive Search \$60 000 plus recruiting related expenses.
- (5) The executive search is still active.
- (6) The position is currently filled on an acting basis. The position will be filled as soon as practicable.

AGRICULTURE - KEENE'S PIGGERY

Effluent System

776. Mr McGINTY to the Minister for Health:

Has Keene's Piggery of Telephone Road, West Gingin, complied with all of the provisions of the Health Act 1911 regarding its effluent system?

Mr PRINCE replied:

The Shire of Gingin has legislative responsibility for determining if the effluent system of the Keene's Piggery complies with the relevant provisions of the Health Act. The Shire of Gingin has advised that the piggery including the effluent system complies with the offensive trades provisions of the Health Act. In making this decision the Shire of Gingin took into consideration that the effluent ponds have been licensed by the Department of Environmental Protection.

HEALTH - FOSAMAX

Osteoporosis Sufferers

777. Mr McGINTY to the Minister for Health:

- (1) Why is the drug FOSAMAX not able to be given to osteoporosis sufferers under the national health scheme when it has been recommended and prescribed by a General Practitioner?
- (2) Is there any difference in the rules relating to availability of FOSAMAX to osteoporosis sufferers based on their gender?

Mr PRINCE replied:

- (1) The national health scheme is a commonwealth program which is administered through the Health Insurance Commission and State Governments are not associated with this scheme. I will write to the federal Minister for Health concerning the issue the member has raised and provide a copy of the response.
- (2) Not applicable.

ROYAL PERTH HOSPITAL - CATERING

Cost

780. Mr McGINTY to the Minister for Health:

- (1) In reference to food catering at Royal Perth Hospital by contractors Gardner Merchant Health Care, how much per day per patient does the contractor charge?
- (2) How much per day per patient did it cost under Royal Perth Hospital's previous catering arrangements?

Mr PRINCE replied:

- (1) The current contract price payable to Gardner Merchant is -
\$24.10 per multi day patient per day
\$8.25 per same day patient
- (2) Royal Perth Hospital's former catering operations were not costed on this basis. However, based on comparative patient activity levels, savings of the order of \$750 000 will result for each year of the contract. In addition, the Government will avoid the funding of a new production kitchen and food distribution equipment, which would have been necessary if this service had not been contracted to a private provider.

INDUSTRIAL RELATIONS LEGISLATION AMENDMENT BILL - CONSTITUTIONAL VALIDITY

Crown Law Advice

784. Ms ANWYL to the Minister for Labour Relations:

- (1) Will the Minister provide a summary of the Crown Law advice with respect to the constitutional validity of the Industrial Relations Legislation Amendment Bill 1997?
- (2) If not, why not?

- (3) What date was such advice requested by the Minister and the Minister's department?
- (4) What date was the advice received?
- (5) Was any supplementary advice requested and/or received and, if so, when?

Mr KIERATH replied:

- (1) It is assumed that the question relates to the Labour Relations Legislation Amendment Bill 1997, and the answer therefore is, no such advice has been requested or received.
- (2) Crown Solicitor's Office advice is that the Western Australian Parliament has the authority to make laws for the peace, order and good government of the State, and is not subject to any constitutional limitation in respect of its legislative powers. Accordingly, advice on such matters in relation to state laws is rarely sought and when sought it is usually in the context of potential inconsistency with commonwealth law dealing with the same field.
- (3)-(5) Not applicable.

HEALTH - ABORIGINES

Life Expectancy

785. Ms ANWYL to the Minister for Health:

- (1) I refer to the Minister's answer to a question without notice on 10 April 1997 and ask -
 - (a) what research has been done to quantify the various racial or tribal groups of Aboriginal men suffering health problems?
 - (b) is data available for -
 - (i) Wongi;
 - (ii) Ngadju;
 - (iii) Central Desert,
 groups of Aboriginal men?
- (2) What statistics point to Noongar men having lower life expectancies than other Aboriginal men?
- (3) Are statistics available for the average life expectancy of Aboriginal men of other groups?

Mr PRINCE replied:

- (1) (a) The Health Department can analyse health information by health regions and postcodes but not by tribal groups.
- (b) Not applicable.
- (2) Available information for life expectancy is based on health authority regions and not current health services zones. Life expectancy for Aboriginal men is greater in the western metropolitan and northern health authority regions than in the southern health authority region. Only in the central health authority region is life expectancy greater than for the southern.

Diseases of the circulatory system are the major causes of death in every region of the State. The highest age standardised deaths rates among Aboriginal men from this cause is in the south west and great southern regions.
- (3) Not applicable.

DOMESTIC VIOLENCE - INCIDENTS

Inter-agency Sharing of Information

797. Ms ANWYL to the Minister for Family and Children's Services:

- (1) Do any guidelines exist for inter-agency sharing of information about domestic violence incidents?
- (2) If so, how and what agencies are involved?
- (3) If not, why not?

- (4) Is it planned to pursue an extension of inter-agency sharing of information about domestic violence incidents?
- (5) How does the above policy comply with the objectives of the domestic violence intervention projects?
- (6) Which intervention projects are receiving funding and how much?

Mrs PARKER replied:

- (1) No.
- (2) Not applicable.
- (3) Agencies providing services for domestic violence have referral protocols and mechanisms.
- (4) The implementation advisory committee will be establishing a working group to examine this issue.
- (5) See answer to (4).
- (6) This will be announced shortly.

FAMILY AND CHILDREN'S SERVICES - MARRIAGE BREAKDOWN

Research into Effect on Children

800. Ms ANWYL to the Minister for Family and Children's Services:

- (1) What research is being conducted with respect to children in families affected by marriage breakdown?
- (2) What is the projected completion date of such research?
- (3) If such research is not being conducted in-house, who is undertaking the research?

Mrs PARKER replied:

- (1)-(3) A review and analysis of literature on this issue is being conducted in 1997-98. The research will be conducted by Family and Children's Services.

FAMILY AND CHILDREN'S SERVICES - "PROTECTING OUR CHILDREN" PAMPHLET

Cost

801. Ms ANWYL to the Minister for Family and Children's Services:

I refer to the answer to question on notice 571 of 1997 and ask -

- (a) when will data on the number of people accessing parent help lines be available;
- (b) on what basis is it considered that to produce the pamphlet in languages other than English would not be cost effective or appropriate;
- (c) what was the total cost of production of the pamphlet?

Mrs PARKER replied:

- (a) This will be reported annually in the Family and Children's Services annual report to Parliament.
- (b) Straight translations are not always most culturally appropriate; print runs of small numbers in numerous languages are not cost effective.
- (c) \$28 086.

FAMILY AND CHILDREN'S SERVICES - CLAN FAMILY SUPPORT SERVICES

Funding

806. Mr RIPPER to the Minister for Family and Children's Services:

- (1) What increases in funding has the CLAN Family Support Services in Queens Park received since 1993-94?
- (2) Has funding for this service in real terms (ie. taking account of inflation) been cut since 1993-94?

Mrs PARKER replied:

- (1) Since 1993-94 the annual funding level has increased to be as follows -

1993-94	\$40 000
1994-95	\$40 233
1995-96	\$40 446
1996-97	\$42 064

- (2) No, as the above increases have been made.

HEALTH - CHIROPRACTORS

Registration Board - Membership

809. Mr McGINTY to the Minister for Health:

- (1) Who are the members of the Chiropractors Registration Board?
- (2) What vacancies are there on the Board and for how long have these positions been vacant?
- (3) When does the Minister intend to fill the positions?
- (4) Have representatives of the Chiropractors' Association expressed concern to the Minister that the current Act to register chiropractors fails to ensure minimum standards for all persons who manipulate the spine?
- (5) Would the Minister advise what action, if any, he and/or his department are taking to close that loophole?
- (6) Do medical practitioners practise spinal manipulation in Western Australian sponsored health care facilities and programs?
- (7) If yes to (6) above, are medical manipulators who practise spinal manipulation required to have attained a minimum standard of training?
- (8) If no to (6) above, why not?
- (9) If yes to (6) above, what training in spinal manipulation is needed to equate a medical practitioner's level of competency in this area with that of a chiropractor?
- (10) Why are chiropractors precluded from practising within health programs and facilities provided by the Western Australian Government?

Mr PRINCE replied:

- (1)

Member	Position
Vacant	Member, Chairperson
Robert Scott	Member
Stephen Farrell	Member
Kenneth Spencer	Member
Bevan Goodreid	Member
- (2) The position of Legal Practitioner - ex officio the chairperson - is currently vacant and has been vacant since 18 October 1995.
- (3) Under section 7(2)(a) of the Chiropractors Act 1964, the decision to nominate a legal practitioner to the Chiropractors Registration Board rests with the Attorney General; this nomination is subsequently approved by the Governor.
- (4) Yes.
- (5) Health registration Bills covering chiropractors, osteopaths and physiotherapists are currently being drafted by Parliamentary Counsel to provide for the regulation of these practices and their registration. The issue of standards for all health professionals will be further assessed by the Health Department in the context of national competition policy reform.
- (6) Yes - orthopaedic surgeons.
- (7) Yes.
- (8) Not applicable.

- (9) Training in spinal manipulation is that required by the Royal Australasian College of Surgeons Fellowship in Orthopaedics.
- (10) It is not possible for the Government to subsidise the full range of health services. As such, a number of health services offered by health professionals, such as chiropractors, are only available in the private sector. The role of the Government with respect to the chiropractic profession is to provide a system of registration and regulation to facilitate the smooth operation of the profession in the private sector.

QUESTIONS WITHOUT NOTICE

LABOUR RELATIONS LEGISLATION AMENDMENT BILL - INDUSTRIAL DISPUTES

Low Level

268. Dr GALLOP to the to the Premier:

Can the Premier tell the House why Western Australia needs the Labour Relations Legislation Amendment Bill when the number of days lost due to industrial action is at historically low levels?

Mr COURT replied:

We were informed by the Opposition that our first two pieces of industrial relations legislation would cause chaos in the workplace, and lead to more disputation and lower wages, etc. None of that has happened. In many ways, our industrial relations legislation has simply followed the practice in the marketplace anyway. There has been a major cultural change in the industrial relations arena, and it is time that members opposite embraced those changes.

AIRPORTS - PERTH INTERNATIONAL

Sale - Airstralia Development Group Pty Ltd

269. Mr SWEETMAN to the Premier:

- (1) Is it true that an announcement has been made today regarding the successful bidder for the lease of Perth International Airport?
- (2) If so, what is the name and background of the successful consortium?
- (3) Will the State benefit from the sale of the lease to the new consortium?

Mr COURT replied:

- (1)-(3) The Federal Government announced today that Perth Airport has been sold to a consortium, Airstralia Development Group Pty Ltd, which has a majority Australian ownership and comprises a number of companies which have a great deal of experience in the management of airports.

Mr Thomas: What does the Leader of the House think about the sale?

Mr COURT: If the member will listen, I will provide the details of the sale. Through its aviation policy group, which I chair, the Government has been supportive of the process that was ultimately adopted by the Federal Government. We made it our business to talk with all the bidders who were keen to liaise with the State Government. The chosen bidder was one with which we had no difficulty. The consortium will provide good management of the airport and will be innovative in handling any future development of the airport.

Mr Marlborough: Will the shopping centre provide a 24 hour service?

Mr COURT: I will provide the details. The consortium comprises Airport Group Holdings International, Infratil Australia Ltd - an Australian infrastructure investment company - and Hastings Fund Management. AGHI has a strong aviation background, being represented at 22 locations worldwide and with close to 70 years' experience in airport management and development, and airline service. It has a number of notable aviation achievements including ownership and management of one of Los Angeles' airports, building and operating the International Airport Terminal in Toronto, the operation of the Atlanta International Airport during the 1996 Olympic Games, and the design of international air terminals in China and the former Soviet Union. I will not go into the detail of the other partners, but that information can be provided.

Dr Gallop: Will there be 24 hour trading for the shops at the airport?

Mr COURT: The company is prepared to comply with state laws on these matters.

One outstanding issue with the Federal Government is stamp duty on the transaction. That matter must be negotiated between the State and Federal Governments.

Mr Kobelke: What about compliance with state laws?

Mr COURT: I just said that a condition of the sale was that the company must comply with state laws. There are some exceptions and one relates to environmental assessments -

Mr Kobelke: Will the company be required legally to comply or will it be a memorandum of understanding?

Mr COURT: I am prepared to organise a briefing for members so that they can obtain that sort of detail.

We are very pleased that this consortium will run the airport, because it was clear in its submission that it wanted to work with the State Government in the implementation of an aviation strategy which will involve the development of a number of regional centres. With the exception of one, major regional airports, in effect, are operated by local authorities, and a lot can be achieved by working closely with the operator of this airport. I am one of those who have been critical of the management of Perth Airport. The decision to allow new domestic and international terminals to be built apart from each other was a crazy planning move. The design of the international terminal was a mistake. They are issues the new consortium fully understands. The consortium will take the Government into its confidence when it comes to the long term planning strategies to resolve some of those issues.

It is a historic day for the development of this important infrastructure asset in the State. I hope it will lead to a rapid expansion of that asset. As part of the agreement a commitment has already been given that the aeronautical charges at the airport will decline by 25 per cent in real terms over the next five years. The Government has a responsibility to work closely with the new owners; it is a two way exercise.

Mr Ripper: Have they given a commitment about noise pollution in surrounding suburbs?

Mr COURT: Under the agreement the Federal Government has kept control over some matters. I will get the Minister for Transport to provide members with all of those details in a briefing.

LABOUR RELATIONS LEGISLATION AMENDMENT BILL - GOVERNMENT POLICY DOCUMENT

Election Promises

270. Mr KOBELKE to the Premier:

Apart from secret ballots, which provisions in the Labour Relations Legislation Amendment Bill were explicitly promised in the Government's 1996 labour relations policy that was released in December before the election? If the Premier has trouble remembering, he can borrow my copy of the Government's policy document.

Mr COURT replied:

Interestingly, the Government released policies at the last election. Our industrial relations policies in 1993 and 1996 make it clear they are designed to provide more choice and flexibility for people in the workplace. That covers all the things in that legislation.

[Interruption from the gallery.]

The SPEAKER: Order! I remind those in the Public Gallery that we like to see people here, but they are here without the opportunity to interfere in proceedings in this place.

LABOUR RELATIONS LEGISLATION AMENDMENT BILL - GOVERNMENT POLICY DOCUMENT

Mandate Claim

271. Mr KOBELKE to the Premier:

How can the Premier claim he has a mandate for the Government's industrial relations legislation when he cannot explain what is in his policy document? If the Premier is going to tell people that it is in his policy document, will he take the trouble to read it; or, like his Minister for Labour Relations, will he totally misrepresent the promises in his 1996 policy document for the Government's next term in office?

The SPEAKER: Order! Supplementary questions are at the discretion of the Speaker. A paper was circulated and members were asked not to include lots of argument and so on in their questions. I remind members of that. I will allow the member for Nollamara's question on this occasion.

Mr COURT replied:

The member opposite must have been asleep during the past four years because the Government introduced this policy in detail in legislation that was debated and passed in this House. It went to the Legislative Council. Not only was it all done, it was introduced and passed through this Parliament.

SHIPBUILDING - 5 PER CENT BOUNTY

Negotiations with Federal Government

272. Mrs van de KLASHORST to the Premier:

Will the Premier provide an update on the outcome of negotiations with the Federal Government on the future of the 5 per cent shipbuilding bounty?

Mr COURT replied:

I am sure all members of this House will be pleased that the Federal Government has made a decision, although belatedly, to extend the 5 per cent bounty.

Mr Marlborough: How does that affect the Indonesian contract for 14 vessels?

Mr COURT: I will explain some of the detail. The bounty will be extended to 30 June 1999 at 5 per cent. It will apply to commitments entered into by 31 December 1997, which will be defined as either final contracts or commitments reflected in the business or management plans of the companies concerned. Eligibility for the bounty will be assessed on the basis of eligible construction costs on all vessels. They must be at least 50 per cent completed by 30 June 1999, with payment on incomplete vessels to be at the pro rata rate above that level and the agreement by the industry to the cessation of the bounty in the event of an Organisation for Economic Cooperation and Development shipbuilding agreement and Australia's assent to the agreement coming into effect before 30 June 1999. Under the old arrangements orders had to be completed by 31 December this year to attract the bounty. Under these arrangements they can take orders until 31 December. They will then have 18 months to complete them. Beyond that is a phase-out period for the bounty. In effect this puts them in a similar competitive position to the European competitors, most of which have a 9 per cent bounty not a 5 per cent bounty.

Mr Marlborough: Italy has a 17.5 per cent bounty.

Mr COURT: That is right. I met the Prime Minister twice in the past fortnight on this issue and explained that his Government would be responsible for the death of this industry unless it moved quickly. I thank the Federal Government for its action. The Minister met in Tasmania today with Mr Clifford, of the large Tasmanian building company, and John Rothwell and John Farrell of the Western Australian industry. They said they were satisfied with the arrangements entered into.

It is a great industry that is a tremendous export success story. Equally as important, it is a major employer. It would have been a tragedy if that industry had been allowed to collapse as a result of not addressing that bounty issue. The matter has been resolved; it is now up to the companies to compete on equal terms to try to win more orders. I wish them every success.

POLICE - NUMBERS

Metropolitan Region

273. Mrs ROBERTS to the Minister for Police:

- (1) Is it true that the Police Service will have more than 180 fewer staff in the metropolitan region in 1997-98 than in 1996-97?
- (2) If so how can the Minister justify this against growing community demand for a better Police Service and the Liberal Party's election promises?

Mr DAY replied:

I am not aware of there being any plans for 180 fewer police personnel in the metropolitan region in 1997-98. I will seek further information from the WA Police Service. I find it highly unlikely because over the past two and a half

years we have added more than 800 police officers to the system. There has been a significant increase over the past two years in the metropolitan region and other areas of the State.

POLICE - NUMBERS

Budget Papers

274. Mrs ROBERTS to the Minister for Police:

Why is it then that the budget papers indicate at page 738 that the actual FTEs for the metropolitan region for 1996-97 are 2 425 and the estimated FTEs for 1997-98 are only 2 244.

The SPEAKER: It is an early question for the Estimates Committee.

Mr DAY replied:

Yes, Mr Speaker, it is an appropriate question for an Estimates Committee.

Mrs Roberts: Surely a Minister knows what staffing levels are shown in his budget papers.

Mr DAY: I have no doubt there is a good explanation for that and I will seek the information.

POLICE - WOMEN

Plans to Increase Numbers

275. Mrs HODSON-THOMAS to the Minister for Police:

What initiatives and programs are being developed to help increase the number of women in the Police Service and in emergency services agencies?

Mr DAY replied:

I am pleased to inform the House that positive moves have been taken by both the Fire and Rescue Service and the WA Police Service to encourage and increase the number of women in those services.

Mrs Roberts: We are the last State to appoint women, are we not?

Mr DAY: The member for Midland should listen to the rest of my answer. The Fire and Rescue Service is about to launch a wide ranging recruitment campaign designed to attract more women fire fighters to that agency. There is no doubt that a diverse work force is the key to the future of both the police and fire services. Currently no career women firefighters are employed by the Fire and Rescue Service, but I emphasise that there are more than 60 women volunteers. This has not been a deliberate policy by the Fire and Rescue Service in Western Australia; it is simply the case that the service has not been sold as a viable employment option for women. The management of the Fire and Rescue Service is keen to ensure this situation is changed as soon as possible. The campaign being launched that comes into effect on 17 May is designed to encourage not only women, but also Aborigines, Torres Strait Islanders and people from non-English speaking backgrounds to apply to join.

Mrs Roberts: The only difference is that women are not in a minority group.

Mr DAY: The Government is keen to ensure that women join the Fire and Rescue Service as operational firefighters.

With regard to the Police Service, I am pleased to advise the House that a new program, which has been launched by the Police Service recently, is designed to keep women police officers in the service or to attract them back into the service after they have had their families. This new pilot program was introduced this month to create part-time positions in operational areas. Eight operational police stations in the metropolitan area are taking part in the program, which is designed to provide a more flexible work environment for women police officers.

I am also pleased to advise the House that in the recent round of appointment of inspectors a woman police officer, Catherine Bullen, has been promoted to the position of inspector.

TRANSPORT - BUS

Concessional Fares - Dayrider

276. Mr CARPENTER to the Minister for Disability Services:

I refer to the Minister's claim in this place that concession card holders had been rorting the public transport Dayrider passes for some time. When challenged yesterday, the Minister could not say whether the alleged rorting was committed by aged, disabled or student concession card holders. Given his refusal to identify the alleged rorters and,

more importantly, his complete failure to provide any evidence for his claim, will he now apologise for the hurt he has caused by his insensitive remark?

Mr OMODEI replied:

That question was probably predictable. As the member will know, because he has followed the debate, 65 per cent of users of public transport are concession card holders. I was advised by the Department of Transport that the system had been abused, and I repeated that statement in this place. To be honest, I do not know whether that is the case, but the advice given to me is that the system has been abused and the Department of Transport and Minister for Transport are moving to close the loophole and spread the weight of transport costs across the spectrum. I have no qualms about trying to assist the Minister for Transport in his portfolio.

I said at the outset that 65 per cent of public transport users are concession card holders. It is well known that people have been avoiding paying fares in Western Australia for some time, and this Government has tightened up that area. I do not suggest for one minute that people with disabilities are rorting the system. I think the current Government has a fairly proud record in its treatment of people with disabilities. They are the facts given to me by the Department of Transport, which is the same department that advised the previous Government.

TRANSPORT - BUS

Concessional Fares - Dayrider

277. Mr CARPENTER to the Minister for Disability Services:

Given the Minister's admission that he does not know who, if anybody, has been rorting the system, is he now prepared to withdraw the remark and apologise for any hurt he may have caused?

The SPEAKER: Order! I will allow the supplementary question, but I am becoming annoyed with the argument creeping into these questions.

Mr OMODEI replied:

A week or so ago in debate on a matter of public importance, I said concession card holders had been rorting the system. I did not say pensioners had been rorting the system, as suggested by the member for Armadale who sought to spread fear among aged people in Western Australia. I did not say that people with disabilities were rorting the system as concession card holders. I repeat that 65 per cent of users of public transport in Western Australia are concession card holders. The advice given to me by the Department of Transport was that the system needed tightening up to close some of the loopholes. The Government has done that. The advice given to me by the department is the advice I related in the House.

ROADS - ALMADINE DRIVE-MARMION AVENUE, CARINE

Overpass

278. Mrs HODSON-THOMAS to the Minister representing the Minister for Transport:

Some notice of this question has been given. Further to the petition I presented to the House requesting an overpass be constructed on the corner of Almadine Drive and Marmion Avenue, Carine, what is the time frame for consideration of the overpass?

Mr OMODEI replied:

The Minister for Transport has supplied the following response -

I am told that there is already a very high standard of pedestrian facilities in the area with a dual use path on the eastern side of Marmion Avenue, and pedestrian phases included in the traffic signals at the Beach Road and North Beach Road intersections. The pedestrian facilities provided are free of conflict with vehicles, except at the double left turn from Marmion Avenue into North Beach Road where a pedestrian facility will be installed by June of this year.

In addition, this section of Marmion Avenue is dual carriageway which enables pedestrians to negotiate traffic only from one direction at a time. In view of this situation, Main Roads has no plan for the installation of a pedestrian overpass or underpass on Marmion Avenue between North Beach Road and Beach Road. The only feature on the western side of this section of Marmion Avenue is Star Swamp Reserve, and there is no formal dual use of path links through to the coastal development; therefore, no dual use path has been provided.

Finally, although the existing facilities are considered to adequately service the needs of pedestrians, Main Roads will monitor the area to ensure a high level of safety is maintained.

ENVIRONMENTAL PROTECTION AUTHORITY - ROLE

"Environmental Business" Article

279. Dr EDWARDS to the Minister for the Environment:

I refer to the latest issue of *Environmental Business* in which the Chairman of the Environmental Protection Authority, Dr Ray Steedman, said that the relationship between the EPA and the Department of Environmental Protection is "dysfunctional" and that "the EPA has no independence, and no power or funds".

- (1) How will the provision of four clerical staff and a service agreement resolve this debilitating conflict?
- (2) When will the Minister show leadership and properly fix the problem?

Mrs EDWARDES replied:

(1)-(2) The points reported in the state news are not new.

Dr Edwards: This was an article in *Environmental Business*. They are worse than ever.

Mrs EDWARDES: I am aware of the article, and it is not new information which has been published.

The provision of secretariat to the EPA is something the body has requested. Also, it has requested further services, and I have directed the Chief Executive Officer of the Department of Environmental Protection to provide those services under section 17A of the Act. That will be done and I will make the agreement public.

The concerns raised between the CEO of the department and the Chairman of the EPA are similar to concerns expressed prior to the previous Government changing the system whereby the CEO and the chairman became the same person; in those days following the change, he kept changing his hat and no-one knew which hat he was wearing when making comment. This is an initial change to accommodate the concerns raised by the Chairman of the EPA, and the Government will be working together with the department, as well as the EPA, to ensure that there is confidence in the environmental assessment process.

JOONDALUP CINEMA COMPLEX - CONSTRUCTION

Cost and Completion

280. Mr BAKER to the Minister for Lands:

My question is not about industrial relations, but about the proposed Joondalup cinema complex.

- (1) When will the construction of the complex commence?
- (2) What is the total estimated cost of construction?
- (3) What is the proposed completion date?
- (4) How many people will be directly and indirectly employed in the construction process?
- (5) How many people will the cinema complex employ after completion?
- (6) Who will manage and operate the cinema complex?
- (7) How will the cinema complex affect residents and business proprietors of the Joondalup district?
- (8) Will the new cinema complex include shops and the like, and if so, how many outlets?

Several members interjected.

The SPEAKER: Order! Before I give the call to the Minister for Lands I remind the member for Joondalup that he does have the opportunity to ask a second question with each question having four parts.

Mr SHAVE replied:

I thank the member for some notice of this question and thank God for that! This is an exciting project.

Mr Brown: Do you have to read that? It is really good stuff.

The SPEAKER: Order!

Several members interjected.

Mr SHAVE: Members should give me a break - I have eight questions to answer. If members keep going this way they will not be able to ask another question today because I will elaborate on the answer to this question.

- (1) Planning for the complex has been completed and initial tender processes are under way. The construction of the complex is expected to commence in July.
- (2) The project comprises a tunnel component - estimated to cost \$3m - and includes a six-plex cinema complex.
- (3) Construction is expected to be completed by mid-1998.
- (4)-(5) Construction will involve a work force in the order of 200 people and when operational an estimated 100 full time and part time employment opportunities will be created. I know members opposite will be pleased at the way this Government is looking after employment opportunities for people in this State, unlike when they were in government.
- (6) The complex is part of the Lakeside Joondalup Shopping City and will be managed by the joint venture owners, Armstrong Jones and LandCorp. Greater Union will be the cinema operators.
- (7) The cinema will add a further dimension to the array of attractions at Joondalup. Joondalup is planned as the strategic regional centre in the north west corridor and will cater for the full range of needs of people in that area.
- (8) Apart from a six-plex cinema complex, provision is being made for restaurant and cafe facilities. These will complement the existing range of hospitality options available within Joondalup.

The answer to question (9), which the member did not ask, is that I have received a lot of favourable reports on, and comments about, the new member in that area.

MINING - GOLD ROYALTY

Independent Inquiry - Premier's Opposition

281. Mr GRILL to the Premier:

I refer the Premier to an article published in *The West Australian* yesterday titled "WA warned on lag in infrastructure budget".

- (1) Is he aware of leading economist Dr Don Stammer's statement when launching the Western Australian Chamber of Minerals and Energy's annual report, that the Government could not have chosen a worse time to introduce a gold royalty?
- (2) In view of the fact that Precious Metals Australia Ltd is closing its Halls Creek mill, Consolidated Gold NL is closing its mill and Herald Resources Ltd and Croesus Mining NL are putting off employees, will he now reconsider his opposition to an independent inquiry into the gold royalty before it is introduced?

Mr COURT replied:

- (1)-(2) I am aware of the article about infrastructure requirements for the State. The Government has always believed energy, water, ports, and so on, are critical for that development and that is why the Government has a very exciting infrastructure program. In the last four years the Government has completed everything it said it would do in infrastructure development. In this term the Government is looking at some major infrastructure developments and is also looking at alternative ways of financing some of those developments.

The tradition has always been that Governments should own and operate things such as ports and pipelines. However, the Government is considering how it can attract the private sector to invest more in those infrastructure developments. The Federal Government's announcement today of the private sector buying and operating the airport is a classic example of that.

Mr Grill: The strong view was the Federal and State Governments were falling behind in this agreement.

Mr COURT: If we have been falling behind, we have been moving quickly. I am interested in the Labor Party's position because only a few years ago it was opposed to the private sector becoming involved in these sorts of developments. If the Labor Party fully supports the privatisation process -

Dr Gallop: When?

Mr COURT: Opposition members have fought this Government on privatisation for many years. The infrastructure that has been delayed includes projects such as the completion of the Ord River project, which has been held up by native title concerns for four years now. We hope we will be able to proceed with that.

Mr Brown: What about Jervois Bay?

Mr COURT: The Government is negotiating with the Federal Government on Jervois Bay. We intend to proceed with the final planning of that matter, and it is progressing and includes issues such as road relocation. A number of planning and environmental clearances are needed for that project which is critical to servicing the offshore oil and gas industry.

I have said on a number of occasions that there will never be a right time for the introduction of a gold royalty. The industry is under pressure from low gold prices, from the threat of limits on the diesel fuel rebate and, of course, facing uncertainty in native title. I cannot recall all the companies the member for Eyre mentioned, but one company he mentioned, Croesus Mining, is laying off people as a direct result of that company's inability to finalise negotiations on a native title claim. The owners of that company have spoken directly with me and have explained their frustration. It has gone out into the marketplace, has raised \$10m to build a new plant and has everything in place to proceed, but now faces a native title claim on the area it needs to build that plant. It has tried to negotiate a financial settlement with the parties involved, but has not been able to do that. Even with the amendments -

Mr Grill: Whatever the cause, it is not a good time to bring in the gold tax.

Mr COURT: The member for Eyre should let me finish. He has asked a question about a delay with Croesus Mining and I am providing an answer. Even if a workable native title framework is put in place, it will delay that investment for two years. That is the point the State Government has tried to make to federal Labor and coalition members. The longer the Federal Parliament delays a resolution to that issue, the longer it will stop those developments. The example the member gave had nothing to do with the gold royalty; it had everything to do with a native title claim.
