



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
FIRST SESSION
1997

LEGISLATIVE ASSEMBLY

Tuesday, 18 November 1997

Legislative Assembly

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THE SPEAKER (Mr Strickland) took the Chair at 2.00 pm, and read prayers.

PETITION - NURSING HOME CARE

DR GALLOP (Victoria Park - Leader of the Opposition) [2.02 pm]: I present the following petition -

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

We the undersigned petitioners believe that nursing home care should be equally available to all Australians on the basis of clinical need, irrespective of a person's capacity to pay for that care. Accordingly we call on the Federal Government to abolish the entry fee and the extra daily fees for those needing a nursing home bed.

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 89 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 110.]

PETITION - SUNDAY LIQUOR LICENCES

MR PENDAL (South Perth) [2.03 pm]: I present the following petition -

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

We, the undersigned wanted the right to purchase liquor from Licensed Liquor Stores on Sundays. We prefer buying liquor from Liquor Stores instead of Hotel Bottleshops and cannot do so on Sundays as Liquor Stores are not permitted to open on Sundays under the Liquor Licensing Act.

We are concerned at the inconvenience caused to consumers, the lack of consumer choice and the possibility of having to pay more for our purchases on Sundays because of the lack of competition which arises from liquor stores not being permitted to open on Sundays.

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 88 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 111.]

PETITION - BUSSELTON BUS STATION

MR MASTERS (Vasse) [2.05 pm]: I present the following petition -

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

We, the undersigned, being residents of and visitors to Busselton, believe that the townsite urgently needs an integrated bus station and that this facility must be located within or immediately adjoining the central business district of the Busselton townsite, being located within the bounds of Stanley Street, Adelaide Street, Cammilleri Street and Duchess Street. This would allow easy access for buses, coaches, taxis and other vehicles, with users of the bus station able to avail themselves of shops and other facilities within the townsite.

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 2 502 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 112.]

STATEMENT - MINISTER FOR PLANNING*Port Hedland Area*

MR KIERATH (Riverton - Minister for Planning) [2.10 pm]: Mr Speaker, my brief ministerial statement is about planning in the Port Hedland area. Investigations into the availability of land have shown that Port Hedland and South Hedland have enough vacant land to meet current and future housing needs. The Port Hedland land development program detailed what land was available for development.

Investment in mining and downstream processing in the Pilbara has been the catalyst for the current surge in land and housing development in Port Hedland. In particular, the BHP hot briquetted iron project and the Nelson Point upgrade have boosted activity. Land development and building activity are expected to increase in 1997-98 as these projects shift from the construction to the commissioning phase the following year.

The report states that 85 lots were created during 1996-97; and 69 of these were for residential use. Also, building licences were issued for 182 dwellings on 110 lots. The majority of development is expected to occur in South Hedland where 300 lots have conditional subdivision approval and there is capacity for a further 250 infill lots. Three additional areas will provide 35 hectares of residential land. This land includes two surplus high school sites and is expected to yield 300 lots after being cleared through the native title process, which is under way. A further 170 hectares in Koombana, South Hedland are zoned for residential development and will yield about 1 700 lots in the long term, following native title clearance.

However, the report recommends that the area south of the South Hedland town centre should be considered a priority development node when most of the current infill program is complete.

During 1997-98 around 200 lots will be created in South Hedland and these are likely to have housing built on them in the next 12 months. The Department of Land Administration is progressing native title clearance so that a further 200 lots can be developed at Pretty Pool.

The infill sewerage program in Port Hedland will provide some major redevelopment opportunities for the coastal area. There is sufficient infrastructure - water, sewerage and power - to service the majority of zoned land in South Hedland. Social infrastructure - health service and schools - can meet current needs. The Government is spending \$6m on a new school at Cooke Point to replace existing coastal schools.

The report recognised the impact of the resource projects' construction phase on rental housing when about 2 000 workers had to be housed. The Government may consider requiring a social impact assessment for both the construction and the operational phases of such projects under a state agreement Act so that any detrimental impact on regional towns can be avoided.

The report was part of the Western Australian Planning Commission's country land development program which monitors land supply and provides direction to government infrastructure agencies so that land development is coordinated across the State.

STATEMENT - MINISTER FOR LOCAL GOVERNMENT*Wanneroo City Council*

MR OMODEI (Warren-Blackwood - Minister for Local Government) [2.13 pm]: Mr Speaker, my brief ministerial statement is about the appointment of a three member panel to inquire into the suspension of the Wanneroo City Council and recommend either the council's reinstatement or its dismissal.

The inquiry is required by the Local Government Act which also requires that the panel consist of a chairman appointed by the Minister, a legal practitioner agreed between the Minister and the WA Municipal Association, and a member chosen by the Minister from three nominees put forward by WAMA.

The inquiry panel will be chaired by Mr Craig Lawrence who was Chairman of Commissioners of the Perth City Council and the Towns of Cambridge, Vincent and Victoria Park from 1993 to 1995 while the four local governments were being created out of the old Perth City Council. The legal representative on the panel will be Mr Gavin Fielding, a former magistrate who has been on the Western Australian Industrial Relations Commission since 1981 and is now senior commissioner. The WA Municipal Association nominee is Cr Linton Reynolds, a councillor of the City of Armadale, member of the WAMA executive, member of the WA Local Government Grants Commission, a senior commonwealth public servant with extensive management experience, and a representative on a wide variety of commonwealth, state and local government bodies.

The appointments have been approved by Cabinet. The panel will begin its work early in December and report by 9 February 1998. The panel will operate in accordance with the provisions of division 2 of part 8 of the Local

Government Act 1995. It will concern itself specifically with the three reports I cited in this House when suspending the Council last week -

the September 1997 report of the Royal Commission into the City of Wanneroo;

the Department of Local Government report dated 8 January 1997 concerning the amendment in 1995 to the contract of employment of the then town clerk; and

the departmental report dated 9 September 1997 into the council's handling of a development application for Lot 560 Manakoora Rise, Sorrento.

The panel will also inquire into any other matters which arise during the course of its work for the purpose of reporting on the extent to which there is failure to provide good government for the people of the City of Wanneroo.

Mr Speaker, I remind the House that the Minister can recommend that the Governor dismiss the council only if the inquiry recommends dismissal.

STATEMENT - MINISTER FOR LOCAL GOVERNMENT

Albany Town and Shire Councils - Amalgamation

MR OMODEI (Warren-Blackwood - Minister for Local Government) [2.15 pm]: I rise to make a brief ministerial statement on the proposed merger of the Albany Town and Shire Councils.

Members will recall that the Local Government Advisory Board, acting on my direction, was examining options for boundary change in the Albany region. However, on 18 September 1997 the Shire of Albany forwarded a formal proposal to the board for the complete amalgamation of the shire and town councils. Subsequently on 24 September 1997 the town resolved to support that proposal. At that point, the board suspended its inquiries into options and commenced formally assessing the proposal.

A six week submission period and public forums and meetings have been concluded and on 17 November 1997 the board advised me that it had resolved -

That the Town and Shire of Albany be abolished and a new district be created in their place.

The board has requested, and I have agreed, that its report be made public.

Under the Local Government Act 1995, and as a consequence of this decision, there is now a one month period for affected electors to petition for a poll. Notices will be given to the affected councils and published in local newspapers this week. If sufficient electors petition for a poll, it must be held at the expense of the relevant council and if more than 50 per cent of eligible electors vote and a majority opposes the board's recommendation it is vetoed and cannot proceed. Members will also be aware that both councils resolved to resign to facilitate preparation for amalgamation.

Last Sunday a majority of the town councillors resigned and the balance will go out of office on Friday when three commissioners are appointed. The commissioners will be former Main Roads Commissioner, Dr Ken Michael, who will be the chairperson, former Plantagenet Shire President and South Stirling farmer, Will McGowan, and Mrs Beverley Winterton, who is a partner with Judge Constable Chartered Accountants in Perth.

The shire councillors have resolved to resign under a similar process on 30 November and although some appear to be backing away, I hope the majority will honour their own resolution.

Although some issues are still to be resolved, notably the number of councillors and boundaries for each ward in the amalgamated council, considerable progress has been made. With both councils providing good leadership in having resolved to support amalgamation, and with the board's report clearly demonstrating the advantages, I hope a poll will not be held. If it is I hope that the electors will support the vision and leadership of the councils.

I wish to also record my appreciation of the board's work in preparing the report.

STATEMENT - MINISTER FOR POLICE

Prostitution Legislation

MR DAY (Darling Range - Minister for Police) [2.18 pm]: Earlier this year, in response to community concerns about the effects of prostitution in Western Australia, Cabinet appointed a ministerial working group to make recommendations on more effective control and regulation of prostitution. I am pleased to be able to inform the House that Cabinet has now approved the drafting of legislation based on recommendations provided by the ministerial working group.

In legislating to regulate and control prostitution in Western Australia, this Government in no way condones or supports the practice of prostitution as acceptable behaviour. Prostitution, if left unregulated, threatens to spread in a largely uncontrolled manner. Left without strict boundaries, prostitution represents a danger to the community through public health problems, potential criminal activity, exploitation of women and children and a public nuisance.

Prostitution itself is not illegal in Western Australia, but certain practices and behaviours connected with it are, such as the keeping of premises for the purpose of prostitution and living off the earnings of prostitution. According to police estimates, about 2 500 known prostitutes are operating in Western Australia.

Under the containment policy, eight brothels and three escort agencies in Perth and three brothels in Kalgoorlie are tolerated. This accounts for about 260 prostitutes who are included under containment. This indicates that more than 80 per cent of prostitutes work outside the containment policy. The present containment policy leaves the Police Service open to allegations of corruption. It also leaves police in the untenable position of policing an activity, aspects of which are not legal.

In effect, the great majority of escort agencies and massage parlours remain uncontrolled and there is increasing concern about criminal infiltration and financing of the prostitution industry. Recommendations by the ministerial working group include -

A prostitution control board to be established and to report to the Minister for Health. The board will be responsible for the licensing of premises, owners, managers and drivers and the registration of individual prostitutes.

Mandatory health checks for prostitutes.

A Prostitution Advisory Council - including representatives of the community, the Health Department, the Police Service and representatives of prostitutes - will be established to advise the Government.

Brothels will not be permitted in residential areas, and provision will be made for them to be located in light industrial and industrial zones.

The board and the Police Service will work in close liaison on breaches of the proposed Prostitution Control Act, and penalties for offences under the provisions of the Act will be increased substantially.

Introduction of controls on the advertising of prostitution.

This is the general framework of the Government's legislation. Further detail will obviously be contained in the Bill when drafted.

It is also important to note that a community panel chaired by Miss Beryl Grant and appointed by the previous Government recommended in 1991 that similar controls be put in place.

I thank my Cabinet colleagues who have assisted me as part of the ministerial working group, together with departmental and ministerial officers. I also acknowledge the role of the former Minister for Police, the member for Wagin, in dealing with the issue. I believe firmly that the proposals for legislation will provide the necessary boundaries and penalties required to control an activity which currently is operating outside any but the most flimsy, flexible and potentially corrupting rules.

I urge opposition and other non-government members to join the Government in approaching this issue in a bipartisan and constructive manner. Many Governments over the past century have considered this issue. The time is now here to finally provide strong legislation that will effectively control prostitution in Western Australia.

STATEMENT - MINISTER FOR MULTICULTURAL AND ETHNIC AFFAIRS

Valuing Diversity Guidelines

MR BOARD (Murdoch - Minister for Multicultural and Ethnic Affairs) [2.21 pm]: I inform the House today of an initiative, launched just last week, which will bring significant cultural and economic benefits to Western Australian government departments and the whole community. There is no greater issue in our State than positive community relations, and good government is very much about good community relations. Valuing our cultural diversity is therefore critical, not only in a cultural sense but also from an economic perspective.

Migrants have added much value to our State. They have created businesses, employed people and contributed wealth to our economy, which has benefited all Western Australians. They have also provided critical business links with many other countries with which we trade.

"Valuing Diversity" is a set of guidelines which aim to help government agencies promote the benefits of our diverse

population within their own customer markets and their individual workplace environments. The guidelines will assist agencies to: Respond equitably and efficiently to their culturally diverse clientele through the development and implementation of appropriate policies, programs and practices; and ensure their human resource practices are free from unlawful discrimination and respect the cultural, linguistic and religious diversity of their employees. The guidelines are not an additional imposition on current resources but are an outcome based approach to assist the public sector in resource allocation and management, service delivery performance, and reporting.

Many migrants from Western Australia's diverse cultural population have injected millions of dollars into this State's economy. Since the introduction of investment-linked migration visas in April 1995, business migrants have directly invested almost \$28m into WA, while a massive \$170m was expected to be transferred to Western Australia by all business migrants last financial year. This investment generates new business, new jobs and new trade opportunities with other countries. Research shows that within two years of arrival, 80 per cent of migrants are engaged in business, employ on average more than three people, and have an annual turnover of \$1m, or more. This is the real face of valuing our rich cultural diversity.

The "Valuing Diversity" guidelines were developed by the Office of Multicultural Interests after extensive consultation with 12 other public sector and community agencies. I thank those agencies and their representatives for the time and effort they have put into developing these guidelines. Through their efforts, these guidelines are now available to all government agencies to assist in implementing the principles of Western Australia's multicultural policy, "WA One".

I am confident the "Valuing Diversity" guidelines will be of great assistance in promoting the many benefits which our culturally diverse population can bring to Western Australia and I commend them to the House. I table a copy of the "Valuing Diversity" guidelines.

[See paper No 919.]

BILLS (3) - MESSAGES

Appropriations

Messages from the Lieutenant Governor received and read recommending appropriations for the purposes of the following Bills -

1. Acts Amendment (Franchise Fees) Bill.
2. Dampier to Bunbury Pipeline Bill.
3. Fuel Suppliers Licensing and Diesel Subsidies Bill.

[Questions without notice taken.]

STATUTES (REPEALS AND MINOR AMENDMENTS) BILL

Returned

Bill returned from the Council with an amendment.

MOTION

Commission on Government Recommendations

MR COURT (Nedlands - Premier) [3.02 pm]: Mr Speaker, I seek leave to move the motion in an amended form.

[Leave granted.]

Mr COURT: I move -

The Standing Orders and Procedure Committee be requested to consider and report to the House by 11 June 1998, on the following recommendations made by the Commission on Government -

- (a) Recommendation 2 - Evidence to Parliament;
- (b) Recommendation 31.2-31.5 - Improving Accountability to Parliament;
- (c) Recommendation 60 - Proceedings Subject to Privilege;
- (d) Recommendation 61 - Waiving Parliamentary Privilege;
- (e) Recommendation 62 - Privileges of the House of Commons;

- (f) Recommendation 63 - Abuse of Privilege;
- (g) Recommendation 110 - Parliamentary Committees;
- (h) Recommendation 113 - Managing Parliament's Time;
- (i) Recommendation 114 - Prorogation;
- (j) Recommendation 116 - Question Time;
- (k) Recommendation 117 - Reporting to the Houses;
- (l) Recommendation 118 - Provision of Information to Committees;
- (m) Recommendation 119 - Legislation Committees;
- (n) Recommendation 120 - Referral of Bills;
- (o) Recommendation 121 - Delegated Legislation;
- (p) Recommendation 159 - Code of Conduct for Members of Parliament;
- (q) Recommendation 173 - Accountability;
- (r) Recommendation 221 - Disclosure by Members of Parliament;
- (s) Recommendation 225 - Enforcement and Penalties;
- (t) Recommendation 112.1 - Information Needs of Members; and
- (u) Recommendation 122.4 - Advertising Tabling of Subordinate Legislation.

In considering these recommendations, the committee should have regard to the views and recommendations of relevant parliamentary committees.

I thank the House for its cooperation in this matter, and I will explain why the motion has been amended: Following advice from the Clerk, I understand it is now more appropriate that both those matters the subject of the amendment - recommendation 112.1, Information Needs of Members; and recommendation 122.4, Advertising Tabling of Subordinate Legislation - be referred to the Standing Orders and Procedure Committee for consideration. One matter was to go to the Joint Library Committee and one to the Joint Standing Committee on Delegated Legislation. It certainly simplifies the process if they are all put to the one committee. Similarly, the amendment to the date for reporting - that is, from 31 May 1998 to 11 June 1998 - basically reflects the parliamentary sitting dates which we are trying to put in place. We do not want it to conflict with the proposed budget estimate committee week in the Legislative Assembly.

I will give some background to this matter. When the Commission on Government reported, it came down with a number of recommendations. Prior to the election, the coalition came out with a document outlining what it proposed to do with the different recommendations that were put forward. A number of the recommendations related to issues such as parliamentary privilege, the code of conduct for members, disclosure by members, the management of the Parliament's time, the structure and role of parliamentary committees, and accountability. When we tabled that report about how we proposed to handle the recommendations, which we did on 31 October 1996, I stated that the Government was of the view that it was not appropriate for the Executive to decide this; it was appropriate that each House establish procedures to consider the matter.

A number of the recommendations of the Commission on Government relating to Parliament conflicted with recommendations made by the Select Committee on Procedure in its report which was tabled in this House on 27 June 1996. When the procedure committee presented its final report the Commission on Government had already delivered its first three reports containing 191 recommendations. The chairman of the Select Committee on Procedure, now the Speaker of the House, noted in the foreword to that report -

Although specific references to the Commission on Government recommendations which relate to the Committee's work do not occur on every occasion where the Procedure Committee's recommendations vary from that of the Commission on Government, the members were also cognisant of the Commission's views. Essentially the Procedure Committee has the benefit of inside knowledge on the workings of Parliament and has proposed practical reform to suit the existing circumstances.

The Select Committee on Procedure and the Commission on Government reached similar conclusions about the need for procedural and structural reforms to the committee system and the legislative process. The major difference in

opinion was about the Public Accounts and Expenditure Review Committee where the Commission on Government recommended that the committee be abolished and replaced with a Standing Committee on Estimates and Financial Operations. The Select Committee on Procedure has recommended that the Public Accounts and Expenditure Review Committee be retained as a part of a proposed system of standing committees. The Joint Standing Committee on the Commission on Government supported in principle the recommendations of the Commission on Government, but was of the opinion that consideration of proposals for a new parliamentary committee system should be addressed by Parliament in the light of other detailed reports on that matter. It is for those reasons that the Government feels it would be appropriate that the recommendations outlined in this motion be referred to the Standing Orders and Procedure Committee for consideration and report.

The Commission on Government made a number of other recommendations, some of which have to do with the Legislative Council - for example, the issue of Ministers in the Legislative Council. There is also one about the right of response, which will be addressed when this motion is completed. I will not go through the other recommendations. However, it is appropriate that we send these recommendations off to that committee so it can come back to this Parliament with a recommendation about how they should be addressed.

DR GALLOP (Victoria Park - Leader of the Opposition) [3.07 pm]: The Opposition supports the motion. We will take the opportunity to raise a number of issues about the Government's performance in connection with the Commission on Government. The Opposition intends to use this motion as a means to inform the House and the public of Western Australia about the Government's record on the Commission on Government and what it recommended for our State's constitutional arrangements, as interpreted in their broadest sense. It is fairly clear to us that the Government has been caught short in relation to the recommendations of the Commission on Government. As we approach the last two weeks of Parliament, the Government has decided that it must show at least some sign of momentum about one of the most important reports that has ever been brought down in Western Australia.

We must remember that in 1992 we had the report of the Royal Commission into Commercial Activities of Government and Other Matters. Part II of that report dealt with the way in which we should improve our system of government. Following that, the Commission on Government was set up. That Commission on Government added to the recommendations made by the royal commission about the way our system of government should be organised. In a sense, when taken together, those two reports can be seen to be a fundamental restatement about the way our Constitution should be organised.

The Constitution of Western Australia came into existence in the 1890s. One hundred years later, the royal commission and the Commission on Government received huge public input. There was huge public interest. In a sense it has recommended a reformation of our Constitution 100 years after it was created. Of course, by Constitution I mean the broad range of laws, conventions and procedures that make up the way the political system is governed. I am talking about a fundamental issue for the future of Western Australia, and the Government has made this belated attempt to show some momentum on this question. The Premier, in the last two parliamentary sitting weeks of the first 12 months since the December 1996 election, has moved a motion that the Standing Orders and Procedure Committee should be requested to consider a limited number of recommendations handed down by the Commission on Government.

Mr Court: Do you think they are appropriate recommendations to give to that committee?

Dr GALLOP: A committee of the Parliament was set up last year to look into these issues. I was a member of that committee and the member for Hillarys was chairman of that committee. That committee made recommendations on all these questions. The Government, through its own processes, could have set in train procedures to bring about change. The Opposition has done that in various ways, but the Government has referred this matter to yet another committee.

All members of the Opposition will use this debate to raise issues of concern about the way in which the Commission on Government has been handled in this Parliament. The first of these recommendations, set out in paragraphs (1)(a) to (f) of the motion, are contained in the first report of the Commission on Government released in August 1995. The last of the recommendations were included in the third report of the Commission on Government released in April 1996. If the Standing Orders and Procedure Committee reports to the House on 11 June 1998, as proposed by the motion, more than two years will have passed since the last of these recommendations was made by the Commission on Government. I remind the House that these recommendations the subject of the motion were not just made by the Commission on Government, but also were subject to scrutiny by the Joint Standing Committee on the Commission on Government which released its reports throughout 1995 and 1996. The Chairman of the Joint Standing Committee on the Commission on Government stated in the foreword to its eleventh report -

The Joint Standing Committee has produced Reports which have accorded the Commission on Government's recommendations the detailed consideration they merited.

It is unclear to the Opposition why those recommendations require further detailed consideration. The Opposition will not hold up the process, but the Government must explain to the House why this further detailed consideration is required. I suspect the answer is that the Government lacks the imagination to come up with a strategy to deal with the recommendations. It could have set up a working party within its own ranks and made recommendations to the Parliament one by one. Why is the Government, for all its rhetoric about accountability, still reluctant to take decisive action to improve Western Australia's government and parliamentary systems? The Opposition has made its commitment to implement these COG recommendations and it has shown, through its participation in the joint standing committee, its policy at the election, and its commitments in public debate in this community, that it will support change along the lines recommended by COG. Why does the Government not come to the Parliament with those changes for which it knows it will have the support of the Opposition? The Opposition has taken a forthright and decisive position that will lead to change, but the Government has referred the matter to another committee. I cite one simple example: The response to recommendation 2, which provides that -

The common law and custom of parliament should be codified by way of an amendment to the Parliamentary Privileges Act 1891 to provide that general statutory secrecy provisions do not limit the powers, privileges and immunities of the Houses of Parliament.

What was the Government's response to this straightforward recommendation? In its response to the Commission on Government in the report of the joint standing committee it said that this recommendation relates directly to the powers and privileges of Parliament. The Government considers that it is not appropriate for the Executive to decide these matters and therefore proposes that each House establish procedures to consider this recommendation and implement any necessary reform as soon as the new Parliament commences after the next general election.

Of course, this sort of response, or non-response, was given for all the other recommendations included in this motion. The Government prides itself on its do-nothing approach to these issues. Parliament is still sovereign and supreme, and it can modify any recommendation from the Government if it is not up to scratch. However, the Government has referred this to yet another committee for consideration. What is more, a motion before the Parliament in November 1997 is hardly "as soon as the new Parliament commences after the next general election". The Government was caught short. This is certainly not as soon as possible after the general election; it is 12 months after the general election of December 1996. In those 12 months, yet again, there have been wasted opportunities.

I remind members of the wasted opportunities in this Parliament. In 1993-94 one of the great wasted opportunities was in the recommendation to set up a proper anticorruption commission. Many of the issues raised in this Parliament in the years following could have been referred to a properly constituted anticorruption commission. As a result of the inaction of the Government in that area until 1996, this State did not have a properly constituted body to which members of Parliament and others could refer allegations of corruption. That was a huge waste of opportunity. Yet again, there is a wasted opportunity here in 1997 with reference to matters that parliamentarians should be easily able to deal with.

Parliament resumed in early March this year and there has been little action on this issue. This Government is almost through one-quarter of its parliamentary life and it has only now moved this motion requiring the committee to report by the middle of 1998. It can be compared to the suspension of the Wanneroo City Council. It looks as though the Government was jolted out of its torpor when it realised it should look as though it were doing something with the recommendation of the Commission on Government. In the fight against corruption, and implementation of the recommendations of the commission, the Government has been, at best, lukewarm and, at worst, hostile to some of the changes needed to bring about a proper system of government in Western Australia. The best that can be said of this Government is that it is lukewarm, and there has been hostility among government ranks towards some of the changes.

Only last week in the other place the Attorney General expressed his hostility to one of the recommendations of the Commission on Government; that is, the citizens' right of reply moved by the Opposition and to which a committee of this Parliament had agreed. I hope that later today or tomorrow the Opposition will be in a position to support the inclusion of that provision in our standing orders. The Attorney General has shown hostility to that concept which leads people in Western Australia to be sceptical about the seriousness of the Government in respect of these issues.

Who knows what further delays will follow while the Government considers the committee's recommendations? There is no doubt that this is a very poor response to this issue. It might be that the Government has a legitimate excuse for its non-performance. It might be because of a heavy legislative program in Western Australia in 1997. I pose the question: Has there been a heavy legislative program in Western Australia in 1997? Apart from guillotining the third wave legislation, the Government's legislative program has been so Spartan that Parliament had to rise early on one day and not sit the next when it came back after the winter recess. Obviously the Government was still in hibernation.

The Opposition has had to do the Government's job by filling in some of the space on Parliament's agenda to argue issues in order for Parliament not to be closed down. The Government has had a very weak legislative program. Therefore, any notion that the delay on this issue was because the Government has been preoccupied with major legislation does not stand the scrutiny of events in this Parliament. It is also somewhat artificial for the Government to claim that these recommendations are not for the Executive to decide, but Parliament. A number of the recommendations require legislative amendments, including the Parliamentary Privileges Act and the Constitution Act. Other recommendations, such as enhancing the committee system, require sufficient appropriation of funds. If the Government were serious about accountability, it would take a decisive and leading role on these matters and put forward the COG recommendations for proper consideration by Parliament. I repeat: Parliament is still sovereign; it is still supreme. It can amend the measures and it is in a good position, if it is given the chance, to consider all these matters.

The Government has been sitting on the fence for far too long on issues recommended by the Commission on Government. For far too long it has ignored the public's demand for a more accountable government and system of Parliament. Demands are being made for accountability, but it is being left to the Opposition, in the limited time available in private members' business, to put these matters before the House for debate; for example, the recommendations of many inquiries in Western Australia to consolidate our two Constitution Acts. The initiative for that has been taken up in the Legislative Council by Hon John Cowdell on behalf of the Labor Party. I will come to other issues about which the Opposition, with its limited time, has set the agenda and pushed forward issues on this matter.

We should remind ourselves of what the Royal Commission into Commercial Activities of Government and Other Matters and the Commission on Government wanted to see happen in Western Australia. We could summarise it under three different headings: First, it wanted changes in the system of government to provide more checks and balances to the Executive. It wanted to achieve that through electoral reform, particularly of the Legislative Council, to consolidate and extend the system of proportional representation. That check on the Executive that would be built into our system of government would come from the lower House of Parliament.

The Commission on Government recommended other checks on the way the Executive would be governed through the parliamentary process, some of which are dealt with in this very motion. It wanted to see the system of government improve as a result of better checks and balances being built into the system to guarantee better outcomes for the taxpayers and citizens of the State.

Secondly, the royal commission and the Commission on Government wanted to see new agencies of accountability established or, where these agencies existed, their independence further confirmed and consolidated in the political system. It is referring to the Electoral Commission, the Auditor General, the Ombudsman, the Commissioner for Public Sector Standards and now, most importantly, the Anti-Corruption Commission. Some of that has happened. However, as I said earlier, we have seen delays in establishing that external frame of reference - the Anti-Corruption Commission - within the political system. The Government was very indecisive about those issues.

Thirdly, and importantly - this is something with which the Government has not come to grips - the royal commission and COG wanted a new culture of politics, not just changes in the institutions within government or new institutions that would provide a counterbalance to the Government and the parliamentary process, but a new culture of politics in which there would be more openness and accountability in general terms for the way the Government process works. I suppose that was to be backed up by a much more radical freedom of information regime, and much more vigorous political debate and participation by the community.

A tremendous amount of work must be done before the constitutional resettlement of the 1990s has been achieved. It is of enormous disappointment to many people in our community that this great opportunity presented to a Government that won an election in 1993 and again in 1996 has not been grasped and a fundamental reorganisation of our system of government and politics has not occurred. The Government does not seem to realise that the first motion in private members' business was my motion calling for the Government to implement COG recommendation 263 dealing with a people's convention. The second motion, by the member for South Perth, deals with the establishment of a standing committee on privilege and the preparation of codes of conduct. The member for South Perth has also introduced a financial accountability Bill into this Parliament.

The Opposition was responsible for introducing the citizens' right of reply; the Scrutiny of Government Publicity Bill; the Public Scrutiny of Bills and Regulations Bill championed by the member for Bassendean; and more recently the Local Government (Political Donations and Electoral Expenditure) Amendment Bill. The Opposition has had limited time available to it, but it has brought some of the agenda items set by the Commission on Government into this Parliament for debate. I hope that very soon the citizens' right of reply will become established as part of the parliamentary process in Western Australia.

These are all mechanisms by which the levels of openness and accountability of Western Australia's elected representatives can be improved. On the Opposition's side, activity, movement, action. On the Government's side -

Mr Court: Can you tell us about freedom of information legislation?

Dr GALLOP: It was an initiative of the previous Labor Government.

Mr Court: No, my friend, it was not. You had 10 years in government and you talked about it, but you did not operate under it.

Dr GALLOP: It was our initiative. Who passed the Bill?

Mr Court: Who did not implement it? People like Bill Hassell drove that issue and in 10 years in government you did not implement the freedom of information legislation, so stop all this gobbledegook. You say one thing and do another.

Dr GALLOP: The freedom of information legislation passed through this Parliament in 1992 and the Premier knows it.

Mr Court: You conveniently did not proclaim it.

Dr GALLOP: The Premier can claim that until the cows come home. It went through the Parliament on the initiative of the Labor Party.

Mr Court: You hid for 10 years from that legislation.

Dr GALLOP: No-one is listening to the Premier; he has no credibility on openness and accountability. The Commission on Government recommended privacy legislation for government agencies, but as yet we have seen no sign of "a comprehensive options paper for public discussion in its next term". That quote comes from the Government's policy at the election. Meanwhile the Auditor General, in his November 1997 report on controls, compliance and accountability audits, found that risk remained in the way some agencies maintained the privacy of client data. As more and more government services come online, there will be even greater privacy risks. However, the Government is refusing to take action.

The Government says it agrees in principle that the administrative appeals process needs reform, but it is reluctant to translate its stated principle of support into action. It continues to equivocate about the establishment of an administrative appeals process despite a comprehensive report by Commissioner Gotjamanos and Mr Murton. I see that submissions on that review are being sought by 30 April 1998. I am sure that we will all be interested when they are eventually told about the Government's exact position on this issue. In one aspect of that issue - that is, town planning appeals - the Opposition came into this Parliament with a suggested amendment. We are pleased to see that the Minister for Planning has responded to that. We have yet to see the Minister's legislative response to our proposal. Again, the Opposition took the initiative of raising this issue and bringing it into the Parliament, and the Government was caught short by its lack of action and its indecisiveness on this issue.

The Government also failed to act on the recommendations about the State's secrecy laws and preferred to rely on the virtually unnoticed review of the Freedom of Information Act. Again, it was the member for Nollamara who took the initiative on freedom of information reform in this State. He brought the argument into the Parliament and went to the Commission on Government to raise these issues about freedom of information. The Government was found wanting on that issue.

The Commission on Government recommended that an independent archives authority be established. The Government claimed in October 1996 that Cabinet had approved the drafting of a public records Bill and amendments to the Library Board of Western Australia Act. We are still waiting for that, and that is another issue that we will raise in this debate.

The Commission on Government recommended various amendments to the Financial Administration and Audit Act and to the whole audit process. Those recommendations were not taken up by the Government. The Government failed to introduce any electoral reform as recommended by the Commission on Government, even though it accepted many of the commission's recommendations, at least in principle. The Government reserved its position but was reluctant to offer an alternative. As political commentator David Black said in a recent article, we are finding that the extremes between the smaller constituencies outside Perth and the larger constituencies inside Perth are now greater than they have ever been, and that is undermining the authority and credibility of our democracy, yet the Government is doing nothing.

That is interesting, because one can hardly say that the Labor Party is pushing that issue because it is in its own narrow political interests. One-vote-one-value is not in the immediate political interests of the Australian Labor Party. However, it is certainly in the interests of the wider community, and in the last two state elections it probably

would have been in the interests of the Liberal Party vis a vis the National Party. Therefore, our record on that issue stands as a shining light in the political community, and we have argued it very much as a point of principle.

It is a pretty poor record to report to the House that the Government is still waiting to deal with privacy legislation, administrative appeals, the Freedom of Information Act, the public records Bill, the Financial Administration and Audit Act and electoral reform, in a year when it has introduced virtually no serious legislative business apart from its attempt to undermine the power of trade unions in this State. The commitment of the Government as expressed by its action is very poor and does not stand the test of scrutiny.

We could continue with that list and come to the issues that are before us today, which rather than being treated on their merit are being referred for yet more investigation. It is pretty obvious that this is the only way that the Government can see of progressing this issue. We do not accept that there is any need for the recommendations to be examined by yet another committee. However, we will support this motion as a means of moving the recommendations towards being formally actioned.

It is clear that there is a need to reinvigorate the role of Parliament. This is the responsibility of members of Parliament, in this case of government members of Parliament, given that they have the majority in this Chamber. Thus far, they have failed to act on this issue.

I urge the Government to ensure that it acts promptly on the report of the Standing Orders and Procedure Committee when it is handed down next year. The Commission on Government recommendations were an important milestone in our system of government and we cannot afford to have them waste away into insignificance.

I return to the question that I asked in my opening comments. Will we accept the challenge that was laid down by the royal commission and the Commission on Government to have a fundamental constitutional resettlement in this State, a resettlement that will reform our system of government, that will create new and active independent agencies of accountability, and that will lead to a much more vigorous and democratic political culture, or will the traditions of secrecy and of executive power continue into the twenty-first century? The record of the Government has been that it is not committed with any passion to those sorts of changes. No better example can be found than the Government's referring of these relatively simple reforms that have been proposed by the Commission on Government to yet another committee for inquiry rather than making them the subject of direct and immediate debate in this Parliament so that we can change our practices to improve the system of government in Western Australia.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [3.36 pm]: On 23 October I placed on the Notice Paper the following question on notice addressed to the Premier -

- (1) Which recommendations of the Commission on Government does the Government claim to be implemented -
 - (a) fully;
 - (b) partially?
- (2) Which recommendations of the Commission on Government, not yet implemented, does the Government intend to implement?
- (3) For each such recommendation what is the timetable for implementation?
- (4) Which recommendations of the Commission on Government has the Government rejected?

It will not surprise members to know that I have not yet received an answer to that question, but last week the Government gave notice of a motion to refer 21 recommendations of the Commission on Government to the Standing Orders and Procedure Committee, so no doubt when the Government does get around to answering my question, it will claim to have undertaken some action on 21 more recommendations than would have been the case had that motion not been given notice of and had it not been supported by the House. However, it is not real action; it is simply referral to yet another committee of this Parliament, when a committee of this Parliament has already considered and endorsed most of the recommendations the subject of this motion.

Mr Johnson: Do you not agree that many of the recommendations will require a change to the standing orders and in that case they must go through the Standing Orders and Procedure Committee?

Mr RIPPER: The standing orders will need to be changed as a result of some of these recommendations, and they have been considered by a committee of this Parliament. The correct course of action is for the Government to come into the House with motions to implement those recommendations, because the Labor Party has stated its attitude in support of most of these recommendations, and the Parliament through its committee system has also stated its attitude.

Let us look at the timetable. Five years ago, in 1992, the Royal Commission into Commercial Activities of Government and Other Matters reported. It took two years for this Government to set up the Commission on Government following those royal commission recommendations. The Commission on Government was not set up until November 1994. The Commission on Government reported variously between August 1995 and July 1996. There has been a further passage of time since those Commission on Government reports. It has taken the Government half of last year and all of this year to get around to referring some of these recommendations to another parliamentary committee.

There will be a further waste of time. The referral occurs this month, November 1997, but the report of the Standing Orders and Procedure Committee will not be received until 11 June 1998. All these recommendations of the Commission on Government were presented to Parliament by April 1996. Therefore, we will see a further two year delay between when the recommendations were presented to Parliament and the report of the Standing Orders and Procedure Committee. No doubt there will be a further delay while we await the Government's response to the Standing Orders and Procedure Committee recommendations. After all, the Government has not responded to the recommendations of the Select Committee on Procedure which were tabled one year ago.

This is an abysmal record of delay, procrastination and disinterest. It reveals the attitude of the coalition parties to the Commission on Government. It appears to me that the attitude is that good people are in power; it was the fault of bad people that bad things happened; there was nothing essentially wrong with the system, and there is no need to take much notice of the royal commission or the Commission on Government recommendations to change the system. The public thinks differently. The public knows that human weakness is not confined to one side of politics. People know that both sides of politics have weaknesses. That would be one of the public's strongest views about politicians. The public knows there need to be checks and balances and accountability, and improvements in the system.

Let us not forget that the Royal Commission into Commercial Activities of Government and Other Matters said that Parliament should be the centrepiece of improvements to our accountability mechanisms. Here are some recommendations to improve the operation of Parliament in holding the Government accountable. It is five years since the royal commission handed down its report; it is more than 18 months since the last report of COG was presented in this House, and it will be a further six months or so before the Standing Orders and Procedure Committee reports. It might be a year or more after that before the Government responds to any recommendations of that committee.

Mr Johnson: Taking into account that when this House rises this year it will not sit again until March next year, it might be produced in a short time!

Mr RIPPER: That is correct, but the time does not need to be that long. Given that a parliamentary committee has already considered these recommendations, the time delay that has already occurred, and the fact that the Opposition has expressed its attitude to the recommendations, the Government should be taking the lead. It is not good enough to say that these recommendations relate directly to the powers and privileges of Parliament; the Government considers it is not appropriate for the Executive to decide these matters and, therefore, proposes that each House establish procedures to consider the recommendations and implement any necessary reform as soon as the new Parliament commences after the next general election. That was the Government's official response to the recommendations of COG before the last election. I thought then that it was an inadequate response because it indicated that the Government was not prepared to take any leadership when it came to parliamentary reform. However, it is even more a threadbare response viewed from this time, because the Government was promising to have the Parliament consider these matters as soon as it resumed after the election. This is the second last week of the parliamentary year and at last the Government has presented these matters to Parliament. It has not presented any definite plan of action; it simply wants the matters to be considered by a parliamentary committee. If the Government had a commitment to parliamentary reform and was prepared to demonstrate any leadership on that question it should have demonstrated its attitude to the recommendations and presented proposals to the House for change, and those proposals could have been debated.

It makes me wonder who drives the implementation of the recommendations of COG on the government side of politics. Which Minister has any commitment to the implementation of the recommendations? Is the Premier the responsible Minister?

Mr Court: Yes.

Mr RIPPER: That is a pity, because if it were another Minister he or she could be held accountable by the Premier. I do not know to whom the Premier is accountable for his lack of action and presentation of these matters. The Premier is not showing any energy, commitment or drive to have these matters implemented. As the Leader of the Opposition said, it is not as if the Government has had a crowded legislative timetable. The Leader of the House has

given up moving the weekly guillotine motion. There is no need because there is barely enough business to keep Parliament ticking over week after week. We have not had a huge program of legislation. We would have had plenty of time this year to consider motions moved by the Government to implement the recommendations of the Commission on Government.

I turn now to a number of specific recommendations. Many of the recommendations are not highly controversial, and that is indicated by the fact that they have been endorsed to a large extent by the Joint Standing Committee on the Commission on Government. Firstly, I comment on recommendations 31.2 to 31.5. Those recommendations propose replacing the Public Accounts and Expenditure Review Committee in the Legislative Assembly and the Legislative Council Estimates and Financial Operations Committee with two new committees - the Standing Committee on Finance and Audit in the Legislative Council and the Estimates and Financial Operations Committee in the Legislative Assembly.

The Select Committee on Procedure considered what we should do about a committee system in the Legislative Assembly, and came up with a different set of recommendations from those of the Commission on Government. Many recommendations of the Select Committee on Procedure are superior to the recommendations of COG - not that there is a huge difference in principle. Both COG and the Select Committee on Procedure recommend a system of standing committees in the Legislative Assembly, a comprehensive system which will cover all portfolio areas. Currently we have a very irrational and ad hoc system. We have a few standing committees, and from time to time select committees are established on the initiative of individual members if they can get the support of the Government.

We have had no progress since the report of the Select Committee on Procedure towards a more rational committee system in this House. The Government has not yet provided a response, although that committee reported a year ago. Instead, a new rash of select committees has been established. Those select committees are taking all the resources that would otherwise be available for the operation of a standing committee system. They are taking the financial resources, travel funding, and the time of members that would otherwise be available. I do not object to the work of select committees. Many of them do some very good work. However, the current ad hoc system of select committees is much inferior to what we would achieve with a rational standing committee system. A standing committee system provides members with an opportunity to build up expertise and information during the operation of the committee. Therefore they are a much better match for the bureaucrats and Ministers, should the time come to hold a Minister or public servant accountable, or for members of Parliament to take a different view from that adopted by the bureaucracy.

Mr Osborne interjected.

Mr RIPPER: The member should have more confidence in the capacity of his colleagues. As he knows his colleagues better than I, that comment will be taken as a judgment on his own side!

As a result of the establishment of many select committees this year, which in many cases will not report until next year, it will be a long time before anything like a rational standing committee system will operate in this place. If the Government had responded with alacrity to the Select Committee on Procedure report last year, we might have been able to establish a standing committee system before all these select committees were set up. As parliamentarians, we pay for the delay in which the Government has engaged as we do not have the effective committee system we deserve.

This motion will refer recommendations 60 to 63 of the Commission on Government to the Standing Orders and Procedure Committee. Those recommendations relate to privilege matters. Recommendation 60 suggests that amendment be made to the Parliamentary Privileges Act to define the parliamentary proceedings which are subject to privilege. Recommendation 61 opposes restrictions on parliamentary privilege. I quote the Commission on Government's justification for its attitude on this matter, as it is worth noting -

By their freedom to say what they feel they must, without fear of suit or retribution outside Parliament, its members defend all of our individual freedoms.

That attitude would be shared by members across Parliament, and it is surprising that, already having had the recommendation endorsed by the Joint Standing Committee on the Commission on Government, we need to refer it to another parliamentary committee for what no doubt will be another ringing endorsement of parliamentary privilege.

Recommendation 62 suggests that the Constitution Act should be amended to repeal its proviso in section 36 linking the privileges of Western Australian members of Parliament to the privileges enjoyed by members of the House of Commons. Again, that matter has already been endorsed by the joint standing committee. As we move gradually towards the separation from all constitutional linkages to the United Kingdom - and as we are perhaps about to move

to the final separation from that constitutional linkage - I cannot imagine any opposition to defining our parliamentary privilege in Western Australia rather than having it linked to a Parliament of a foreign country.

Mr Osborne: They are linked, firstly, to our standing orders, and secondly to the standing orders and precedents of the federal Parliament, and only then are they linked to the House of Commons.

Mr RIPPER: If the member is correct, that gives even more reason to repeal the proviso in section 36 of the Constitution Act.

Recommendation 63 deals with abuse of privilege, and suggests that each House establish a standing committee on privilege to prepare codes of conduct relating to members' use of privilege. The committees should recommend penalties when abuses of privilege occur. They might be, first, a retraction or apology, second, a suspension of up to 14 days from Parliament, and last, the forfeiture of the member's seat.

Those recommendations were made by the Commission on Government in August 1995, and it is now November 1997; nevertheless, the Government still cannot decide its attitude. It is still not moving to implement the recommendations, and it still wants the matter considered by another parliamentary committee. I do not regard these recommendations as controversial as they are rational and will contribute to the better standing of parliamentarians and improve the effectiveness of our work. Why does the Government want to put it off yet again and wait until June next year before reporting? Why will the Government no doubt then await a further period before it responds to that report? When that process is complete, it will be more than three years between the Commission on Government making its recommendations and the House doing anything constructive or practical about their implementation. This delay is indicative of the Government's lack of genuine interest in implementing the Commission on Government's recommendations.

Likewise, the Government should have made up its mind about recommendation 110, which deals with the establishment of an effective committee system in each House of Parliament. Also, it suggests that the Salaries and Allowances Tribunal should determine the remuneration of the chairs of these committees. Again, that matter will be referred to the Standing Orders and Procedure Committee even though it was previously considered by the Joint Standing Committee on the Commission on Government. Interestingly, although recommendation 110 will be referred to the Standing Orders and Procedure Committee, the Government does not intend to refer recommendation 111, which relates to the resources to be given to the committees in their staffing and management. I can see why the Government does not want a recommendation from the Standing Orders and Procedure Committee on those matters: No doubt, the committee will recommend a more effective resourcing of the committee system than the Government is prepared to support.

The motion is slightly bizarre as it relates to recommendation 116 of the Commission on Government regarding question time. It suggests that a one-minute limit should apply to the asking of each question, and that a limit of 10 questions plus supplementary questions apply to non-government members. I checked to see what the joint standing committee had recommended on this matter, and I was amazed to discover that it noted that the procedure in the recommendation is currently being observed by the Legislative Assembly. Therefore, the Government wants to refer a matter to the Standing Orders and Procedure Committee which the joint standing committee thought was already being undertaken by the Assembly. Regrettably, the joint standing committee was wrong; it is not the case that non-government members ask 10 questions plus supplementary questions every day. The Government is clearly reluctant to make changes in this area. The Select Committee on Procedure recommended modest improvements to question time, although not quite the same changes as those recommended by the Commission on Government, but the committee's recommendations, apart from those relating to supplementary questions, have not been implemented by the Government. Therefore, non-government members still are not secure in the knowledge that they can ask a minimum number of questions during question time, and the Government can filibuster, Ministers can give long answers, dorothea dixers can be introduced, and the Opposition can be restricted to half a dozen questions a day.

Under the current regime the number of questions the Opposition can ask has increased. The Opposition respects that small degree of reform the current Speaker has embarked on; however, it falls short of the recommendations of the Select Committee on Procedure. It certainly falls short of the recommendations of the Commission on Government. If the Government has its way, this time next year we will have the same regime governing question time. The Commission on Government and the Royal Commission into Commercial Activities of Government and Other Matters thought question time was an important mechanism for holding Governments accountable. It does not seem as though this Government has any enthusiasm for improving that mechanism and making it more effective. After its performance in question time today, I am not surprised the Government is not interested in improving the effectiveness of question time.

Mr Osborne: What was wrong with question time? The Government conducted it like a Swiss watch.

Mr RIPPER: It was a very good question time from the point of view of the Opposition. I would not expect the Government to want to make question time even more effective. That judgment of mine has been borne out by the way the Government has delayed on this recommendation and on so many others.

Recommendation 117 deals with the way information and documentation is provided to each House of Parliament. It suggests that the proposed estimates and financial operations committee should recommend on how documentation provided to the Houses could be improved. That is an important recommendation. The information systems for members of Parliament are way behind the state of the art systems found in other organisations. Only this year members started to receive consolidated copies of Acts of Parliament put through the word processor to assist them to understand the Bills that come before the House. There is a long way to go to make the provision of information on Bills more useful for members of Parliament. In many cases members must still consider amendments without having a consolidated clause before them that shows how the amendment will look in the legislation. It is remarkable that the progress that has been made this year, which is welcome, has taken so long to achieve. People in other organisations have much more modern methods of accessing information than members of Parliament do at the moment.

The Opposition supports this motion, albeit reluctantly, because it is at least some evidence of a very small amount of government movement towards implementation of the recommendations of the Commission on Government. However, we support it only reluctantly because it is such a small movement. It would have been much more effective for the Government to determine its own attitude to these matters when the recommendations first came down, or at the very least when the recommendations of the Joint Standing Committee on the Commission on Government first came down, and then to have come into this House with definite proposals for the implementation of the recommendations that could have been debated by the Parliament. The Government has a responsibility to demonstrate leadership in this issue. It cannot say that it is the Government and the Parliament is the Parliament, and the Government does not have any responsibility. The Government comprises a majority of members in this House. Of course the Government has a responsibility. It has the responsibility to take the lead in parliamentary reform. It has shirked that responsibility. What we have before us today is a pale imitation of the response we should have had from the Government.

MR THOMAS (Cockburn) [4.04 pm]: I am pleased to follow my colleague the Deputy Leader of the Opposition in this debate and highlight the inadequacy of the Government's response to the Commission on Government report. I wish to do it by referring to a matter that is not contained in the motion, by moving an amendment to the motion.

Amendment to Motion

Mr THOMAS: I move -

That the motion be amended by inserting after (u) the following -

- (v) Recommendation 150 - Scrutiny by Parliament of Commercial Activities of Government.

I move that motion because one of the most glaring aspects of the accountability recommendations of the Commission on Government that has been overlooked is commercial confidentiality and the commercial operations of government and the way they are related to each other, and the way government bodies are in some sense different from other bodies that might be engaged in commerce because they are publicly owned bodies and are answerable to Parliament. Recommendation 150 deals with scrutiny by the Parliament of the commercial activities of government. I am not sure how the Premier chose the matters he seeks to have referred to the Standing Orders and Procedure Committee; whether he thought of a number between one and 10 or whether he thought of matters that are relevant to Parliament, particularly to accountability and to the Government's role in ensuring accountability of the Executive.

The theme throughout almost all of the five COG reports is that the Executive must be answerable to the Parliament. If the Government were genuinely trying to deal with important matters that were raised by the Royal Commission into Commercial Activities of Government and Other Matters that led to the Commission on Government dealing with those matters, I thought recommendation 150 would have been one of the first matters to be referred to the Standing Orders and Procedure Committee - belated as that reference might be. However, it is not even on the list.

I can understand why the Government would not want to put such a reference before the Standing Orders and Procedure Committee of the Parliament and, ultimately, to gain a report back to the Parliament. It is because this Government has a deplorable record of accountability and scrutiny by the Executive when the Government is engaged in commerce. Although the Minister for Energy has not chosen to grace the Chamber on this occasion, he has the most deplorable and arrogant record of accountability for organs of government that are engaged in commerce. I refer members to recommendation 150 on page 3 of the Commission on Government report No 3. It states that in any of the commercial activities of Government, a duty should be placed on chief executives to keep their Ministers informed about matters materially relevant to the conduct and status of any commercial activity. It is absolutely

amazing that that matter should be referred to this Government. This Government has done nothing about it. Let us look at the record of this Government in this matter. We do not have to go back to ancient history, to the Ord River hydro debate, one of the Minister's earlier blunders. Let us consider the deal between Epic Energy -

Mr Court: What was the blunder about the Ord hydro system?

Mr THOMAS: The Premier will probably regret asking me that. That was an earlier venture by the Government into these areas. The consultant for the project was the treasurer or the chairman of the finance committee of the Liberal Party. He was squiring some people from a company around town. Those people went to see the Minister and he thought it was a pretty good idea. He gave them a resource base for a \$70m project without its going to tender. This matter was debated in this House on a number of occasions. At the time I said that the proposal should have gone to tender and in that way we may have had a better offer.

As it turns out - the Premier might like to check this out with any friends he has in Kununurra or Wyndham - the project is not working all that well. The power station is out all the time and the old diesel engines which were supposed to be retired are being brought back regularly as backups because the system is not working. I came into this House and I asked how many times there had been an outage in the West Kimberley Ord River hydro project. Given that Western Power, presumably, has to start up the old diesel engines, there must be some payment to compensate it for the cost of running the clapped out old diesels to back up the Ord River hydro scheme when it breaks down. In answer to my question, I was told that the information was commercially confidential and that I could not be told. I am not allowed to know, firstly, how many times the power station has not been working and, secondly, when it is not working, the amount of compensation being paid to Western Power by the operators of the Ord River hydro project.

Mr Court: I was there recently and people seemed to be happy with it.

Mr THOMAS: I am sure they are happy when it is working. I guess anything is preferable to what was there before. However, I suggest that had this matter gone to tender and been done properly, instead of a sleazy deal being done by the Minister and the treasurer of the finance committee of the Liberal Party, we might have had a better deal. As I was saying, there is no need -

Mr Barnett: You are a disgrace.

Mr THOMAS: I am a disgrace? If we want to talk about who is a disgrace, let us look at this Minister's record.

The DEPUTY SPEAKER: Order! Did I hear the member say that the Minister was a disgrace?

Points of Order

Mr JOHNSON: The member said the Minister did a sleazy deal.

Mr THOMAS: I said, "sleazy deal by the Minister".

Mr JOHNSON: In this case, it is an unparliamentary remark, and I suggest the member should withdraw it.

Mr THOMAS: Some minutes before that, the Minister accused me of being disgraceful. The words the Minister has used about me are many times worse than the word "sleazy".

The DEPUTY SPEAKER: Order! Although the word cannot be called defamatory or out of order, that is not the choicest word the member should use. I do not think it should receive a ruling from here; however, if the member feels he should withdraw that word, I ask him to do so.

Mr THOMAS: I do not think I should withdraw that because it is an accurate description of the way the Minister has behaved, reflected by the way -

Mr BARNETT: I am not offended, because an offence is relative to the calibre of the person making the comments. It would be very difficult for the member to offend me.

Mr THOMAS: I am very pleased about that because I would not like the Minister to be too offended. I would prefer that he take a little notice of what I am saying and perhaps act on that and also the recommendations of the Commission on Government.

Debate Resumed

Mr THOMAS: The Minister has just walked into this debate so he is probably not aware of what we are doing. We are debating a motion moved by the Premier to refer some COG recommendations to the Standing Orders and Procedure Committee.

Mr Johnson: I thought you had moved an amendment. That is what you should be talking to.

Mr THOMAS: That is what the House is debating, and I have moved an amendment. I am now speaking to my amendment. The amendment is to include recommendation 150. The Minister is probably not aware of the matters contained within that recommendation. It has to do with the scrutiny by Parliament of the commercial activities of the Government. I am suggesting that perhaps that matter, along with the others, should be referred to the Standing Orders and Procedure Committee to see whether that committee can come back with some procedures to give effect to recommendation 150. In my view, it certainly must be considered. Although some of the recommendations are very good in principle, they are probably not workable. If they were given scrutiny by the standing orders committee, which is more practised in this area -

Mr Barnett interjected.

Ms MacTiernan: Unfortunately, it doesn't have the time.

Mr Barnett: Haven't you got the time, precious?

Ms MacTiernan: Not to go through all the dodgy deals you have done.

Mr THOMAS: Recommendation 150, to the best of my knowledge, certainly has not been referred to the committee. Before I was diverted by the Premier's surprise about the ancient history of the Ord River hydro deal, I was about to cite a more recent deal, one which illustrates the merit of this recommendation by the Commission on Government. It refers to proposed legislation under which commercial activities are constituted - I can see the Minister is not prepared to stay in the Chamber - and suggests a duty should be placed on all departments to keep Ministers informed about all matters materially relevant to the conduct and status of any commercial activity. Recommendation 150 continues -

Similarly, the proposed Act should place a duty on all ministers to inform Parliament.

Mr Court: It is referring to the Commission on Government Act. We have already said that we are working on that issue. Why refer that to the standing orders committee?

Mr THOMAS: Because the Parliament must make a provision. Further on in the recommendation, there are provisions for the roles of parliamentary committees and the like.

Mr Court: The main thrust of the recommendations is the establishment of a commercial activities of government Act. We accept the concept of overarching legislation, setting down the principles.

Mr THOMAS: By the time the Government gets around to -

Mr Court: I am just saying that it does not fit in with this motion.

Mr THOMAS: It fits in perfectly. Paragraph 3 looks at parliamentary committees and their powers. That is the sort of matter that the procedure committee should look at. It should do it a little more expeditiously than the Government is doing, given that it has taken the Government five years since it has been in office to get to this stage. We are about to refer these important matters to the standing orders committee. I have served on the standing orders committee for six years. I know it takes a long time for matters to be dealt with by it. If we are to refer all these matters, it will take some time. I hope I am wrong, but I suspect that is the Government's wish. If I am wrong, the Government will be able to show that by resourcing the committee and supporting the amendment I have moved.

Let us look at the importance of this motion. An arm of government has been engaged in commercial activities and has a duty to inform the Minister on all matters materially relevant to the conduct and status of any commercial activity. I am referring to the Minister for Energy. Within his portfolio he has responsibility for AlintaGas and Western Power. It came out earlier this year that an arrangement was reached between AlintaGas and Epic Energy, which is known in the vernacular in the industry as the Alinta-Epic deal, by which AlintaGas would be paid \$340m or \$350m, if my memory serves me right, by Epic Energy. In return, if the deal was consummated, the money that was proposed to be paid by Epic Energy would be used by AlintaGas to upgrade the capacity of the Dampier to Bunbury natural gas pipeline and Epic Energy would have access to a prescribed capacity in that pipeline. That arrangement gave the agency the ability to make an offer to the proponents of the Kingstream Resources NL project on the supply of gas. Being the local member, you will be aware Mr Deputy Speaker, that there is a requirement under the agreement Act for gas supply and gas transmission proposals to be made to the Minister in his other capacity as Minister for Resources Development. If I were the Minister -

Mr Barnett: Thank goodness you are not.

Mr Johnson: It would be our worst nightmare.

Mr Barnett: We would go down the gurgler very quickly.

Mr THOMAS: Members opposite should get prepared for it because it is looming. The department did a deal involving \$370m and did not tell the Minister; he read about it in the newspaper. When we asked him some questions about the matter -

Mr Shave: Nothing has changed in the bureaucracy.

Mr THOMAS: That is right. There is a bloke going places; he might become the next Leader of the Opposition! He is a very perceptive person - nothing has changed! Bureaucracies have a tendency to keep information to themselves and Ministers tend to not want to be accountable to Parliament. That is the next leg of the argument. Ministers should not only be informed but also answer questions in Parliament. Every time this Minister answers one of my questions he says it is commercially confidential and he cannot tell us because he has signed an agreement with provisions that make it impossible for him to inform the Parliament. That is why the Commission on Government made that recommendation.

As the Minister who has just left the Chamber indicated, bureaucracies have a tendency on occasions, for their own reasons, to not keep their Ministers informed. Some Ministers - this Minister for Energy being the most flagrant example I can think of - have a tendency to not want to be informed. He says, "I do not know." When we ask him a question about an arrangement reached by the Government or a government authority -

Mr Barnett: In my portfolio I know the details of all agreements and arrangements reached by government.

Mr THOMAS: I am sorry; I did not hear the Minister.

Mr Barnett: I will not repeat it.

Ms MacTiernan: He knows it all, so when it all backfires he can hardly -

Mr THOMAS: It is about to backfire on him, so he probably hopes that tactic will work.

Mr Barnett: Is this your little strategy - a nice little corrupt deal?

Ms MacTiernan: Don't you have strategies? Don't play Pollyanna.

Mr Court: Are you going to give the speech twice today?

Mr Barnett: He has given it five times already.

Ms MacTiernan: He is trying to penetrate your thick skulls.

Mr THOMAS: I might make it three times, depending on how far we get in the debate. I am also alluding to matters that go beyond the Bill that will be debated later today.

The Commission on Government made a finding and recommendation. It said that Ministers should be informed - that they had a duty to be informed and that their departments had an obligation to inform them. In this case the Minister is ignorant. He makes a virtue of ignorance. When we ask him questions in this House about something he says, "I don't know; I don't read those things." It is only a deal that would bind the taxpayers of this State to the extent of \$370m! Any responsible Minister should satisfy himself about the prudence and probity of such a proposed deal. That is his job, although I acknowledge that the Minister is entitled to have his own methodology, and if it does not work, be it on his head. Our job, as members of Parliament, is to examine him and hold him accountable. However, we cannot do that -

Mr Barnett: By sleazy little deals and innuendo.

Mr THOMAS: The word "sleaze" is now allowed to be used on the other side of the Chamber.

The DEPUTY SPEAKER: That is why I did not call it unparliamentary.

Mr Barnett: If the Commission on Government were still in operation I think it would be fascinated at the conduct in which a member of Parliament engaged. It is a most extraordinary admission of improper parliamentary tactics and process. It is outrageous.

Mr THOMAS: I would have thought petty thievery was more the behaviour -

Mr Barnett: Do you support a deliberate misuse of Parliament?

Ms MacTiernan: That is not the policy reason for the decision.

The DEPUTY SPEAKER: The member for Cockburn has the floor; a cross-exchange between two members should not be occurring.

Mr THOMAS: Thank you, Mr Deputy Speaker, a pearl among swine!

Ms MacTiernan: Thanks; that is the last time I support you!

Mr THOMAS: Surely if the Commission on Government were established it might be more interested in the petty theft of some of the members opposite. The Minister, holding a document he obtained last week, a private letter from me to a member of the staff of the Leader of the Opposition -

Mr Barnett: You handed it around. Some people are dull, but you excel.

Mr THOMAS: The document was handed to a member of the staff.

Ms MacTiernan: He underestimated how low he would go.

Mr THOMAS: May I have the floor, Mr Deputy Speaker?

The DEPUTY SPEAKER: Yes.

Withdrawal of Remark

Mr BARNETT: The member for Gosnells accused me of intercepting confidential documents.

Mrs Roberts: There is no member for Gosnells.

Mr BARNETT: I mean the member for Armadale. As members know, this document was given to the attendant, who distributed it. I take great offence at any implication that in some way I improperly obtained this document. It was delivered and put on my desk.

Mr Graham: I take offence at you.

Mr BARNETT: Oh, shut up.

Ms MacTIERNAN: When I said "intercepting confidential documents" that objectively describes what happened. I am not necessarily implying that there was any intention of the Minister to do that. However, as a matter of objective -

Mr Shave: You know a lot about confidential documents, don't you?

Ms MacTIERNAN: I know a lot about confidential documents. As the member for Alfred Cove will find, I know much more about them than he might wish.

The DEPUTY SPEAKER: Order! The member for Alfred Cove will come to order.

Ms MacTIERNAN: Thank you, Mr Deputy Speaker. As a matter of objective fact, the Minister did intercept a confidential document. I am not suggesting that he did it deliberately or with any malice aforethought. However, that is in fact what happened.

The DEPUTY SPEAKER: Perhaps the way the member referred to the document warrants her withdrawal. It was tabled. The member received the document in the process of its being tabled.

Mr Thomas: He did not.

The DEPUTY SPEAKER: I ask the member to withdraw her remark.

Ms MacTIERNAN: The document was not tabled. In order to preserve the peace of the House I withdraw.

Debate Resumed

Mr THOMAS: To shed a bit of light on the matter, I gave a member of the staff of this House a confidential letter between me and a member of the staff of the Leader of the Opposition to be photocopied. I gather that the Minister saw him walking to the photocopier, presumed it was a copy of the motion I had just given the attendant and asked, quite properly -

Mr Barnett: That is not true.

Mr THOMAS: That is exactly the truth.

Mr Barnett: I'm sorry. It is not true. I did not ask for a copy.

Mr THOMAS: If the Minister would just shut up for a second I would tell him what happened.

Mr Barnett: I can tell you -

Mr THOMAS: No, I will tell the Minister what happened.

Mr Barnett: You're implying -

Mr THOMAS: I am not implying; I am accusing you of theft. You are a petty thief.

Withdrawal of Remark

Mr BARNETT: On a point of order, Mr Deputy Speaker -

The DEPUTY SPEAKER: Order! There is no need for a point of order. I ask the member for Cockburn to withdraw.

Mr THOMAS: May I speak to that point of order? I must have the right to speak to that point of order.

The DEPUTY SPEAKER: Order! Whether you wish to speak to it or not, under no circumstances can a member call another member a thief. I ask the member for Cockburn to withdraw.

Mr THOMAS: I withdraw.

Debate Resumed

Mr THOMAS: The document was given to a member of staff to be photocopied. The Minister at some stage asked -

Mr Barnett: I did not ask.

Mr THOMAS: Then, in that case, the Minister was given a copy of the document. It was brought back to me. I tore the motion away from the letter, as was my intention, and signed it and gave it to be entered into the record of the House.

The DEPUTY SPEAKER: Order! The House is dealing with the amendment.

Mr THOMAS: The document was never tabled in the House, as the Minister said in this place and in the media. The Minister inadvertently - I put the kindest interpretation on it - obtained a copy of a private letter.

When I went to Sunday school they taught me that if I went to the bank and found as I was walking away from the teller that I had £2, as it was those days, more than I was entitled to and I kept that money knowing that I was not entitled to it, I was a thief. That is a good analogy and they are the characteristics I attribute to the Minister.

The DEPUTY SPEAKER: Order! The member for Cockburn is discussing matters that have absolutely nothing to do with the amendment. I ask that he get back to his amendment.

Mr THOMAS: I think we should.

Mr Court: You're not taking this motion very seriously.

Mr THOMAS: I am taking this motion very seriously.

The Commission on Government was appointed by the Premier's Government in the wake, belatedly, of the Royal Commission into Commercial Activities of Government and Other Matters. Canvassed in the meetings of the Commission on Government were the occasions on which Ministers were not necessarily informed about what was going on in commercial areas and the occasions on which commercial activities were undertaken by Government improperly and about which it was not answerable to the Parliament. One of the most important matters arising from the events of the 1980s - or WA Inc, as they are known in the vernacular - is that commercial activities of Government should be subject to the scrutiny of Ministers and that the Ministers should be answerable to the Parliament. That subject was dealt with by the Commission on Government in recommendation 150.

I do not necessarily accept that all the detail of recommendation 150 is the way to deal with the matter. But it does say, for example, that on all matters materially relevant to the conduct and status of any commercial activity, the Minister should be informed. That should have been dealt with when a Minister read in the newspaper about undertakings totalling \$370m being made by one of his departments. However, he chooses not to be informed on these matters. Our job under the COG recommendations, which the Opposition accepts and takes seriously, is to hold the Minister accountable to the Parliament.

When the Opposition wants to know the details of commercial arrangements entered into by this Government, the

Opposition is told it is not allowed to know them because the matter is commercially confidential. When the Commission on Government in an earlier report considered the subject of commercial confidentiality, the person it cited as being the example of what not to do was the Minister for Energy. That had nothing to do with the Ord River hydro scheme or the Epic-AlintaGas energy deal; it was about another matter which I cannot remember now. I had asked a question about some arrangement with SECWA, as it was known then, and I was told that I could not be told the details of that arrangement because it was a commercially confidential matter. I thought that was outrageous and I said so at the time, and I have said so on a number of occasions since.

I was not the only one who said that. The Commission on Government also said that. A number of its recommendations detail what can be done when commercial confidentiality legitimately exists, such as when intellectual property is contained in documentation between the Government and people it is dealing with, either as the commercial operations of the Government itself or its supplier - and I acknowledge that. The Commission on Government deals with that matter by saying that where commercial confidentiality is claimed, the Auditor General should be notified. Then it says that a committee of the Parliament should have access to the information to make a decision about whether that matter is answerable to the Parliament.

I note that the Minister is laughing cynically, and well he might - nervously, I would suspect. But I am discussing the recommendation of the Commission on Government, which talks about parliamentary committees and matters this Parliament should provide for.

When I spoke on this matter when I first became the shadow Minister for Energy, I said that one of the problems with utilities is that they are not subject to the consolidated fund process. When members discuss the CF departments during the Estimates Committees, discussion can dwell on \$10 or \$20 items in the Budget. However, when we discuss trading enterprises, whose activities on occasions involve the expenditure of hundreds of millions, if not billions, of dollars, there is no scrutiny. Yet, the Parliament is responsible for them. I suggested to the Minister back in 1994, perhaps even earlier, that there should be a utilities committee - something that could undertake a similar function of oversight as the Estimates Committees carry out when dealing with the expenditure of the CF departments. The Minister's response to my suggestion was that he used to think so when he was in Opposition; indeed, he passionately argued for it when he was in Opposition. Now he does not see it quite the same way, because he does not want to be subject to the same scrutiny.

Not only am I, Bill Thomas, the member for Cockburn, the Commission on Government and the Royal Commission into Commercial Activities of Government and Other Matters saying this, but also the Burt Commission on Accountability is saying this. Sir Francis Burt, for the first time in this jurisdiction, looked into the matter and made consistent recommendations. This matter has been before the Parliament in one way or another for almost a decade. The Burt Commission on Accountability dates back to 1989, yet nothing has happened.

I admit that the Labor Party was in power for a significant part of that time; we cannot undo that. However, we can do something about it now. This is a simple amendment. It would refer the COG recommendation to the Standing Orders and Procedure Committee, which could then come back with recommendations about utilities committees that could undertake recommended functions. If the House is of the mind to take it up, it could do so. The Government should show its bona fides and accept this amendment.

MS MacTIERNAN (Armadale) [4.39 pm]: By way of interjection, the Premier said that he cannot understand how such a recommendation would fit in with the other aspects of the Commission on Government report that are being proposed to be referred to the Standing Orders and Procedure Standing Committee. I suggest the Premier look closely at the suggestions contained in recommendation 150 and he will see that two subrecommendations are germane to the operation of this Parliament and, indeed, are matters that must be taken up by the Standing Orders and Procedure Committee. The first, part 3, states -

Parliamentary committees should be able to call the chairpersons of boards of corporatised statutory authorities to give evidence, provide information and answer questions with or without the relevant minister present.

Part 5 states -

Where a minister or the Auditor General has received information claimed to be commercially confidential, a parliamentary committee can require the disclosure of that information at an in camera hearing of the parliamentary committee. The committee should determine whether the information should be disclosed in Parliament.

They are matters that must be deliberated upon by the Standing Orders and Procedure Committee. Those recommendations highlight very clear current shortcomings in the standing orders and in the powers of our committees.

I will raise two incidents that I have experienced in the past six months in respect of those shortcomings. The first relates to the power of committees to call upon chairpersons of boards of corporatised statutory authorities. This came to the fore during the last estimates committee hearings. The Premier will recall that we had some exchanges about the position of Westrail. Of course, Westrail is one of the large operators and spenders of taxpayers' funds in the Transport portfolio. Prior to the Transport estimates, the Opposition prepared a series of questions and sent them to the chief executive officer of Westrail to give the department time to prepare the answers and so that the hearing would be of some value. We were advised shortly before the hearing that Westrail would no longer be appearing - it did not consider itself to have any obligation to answer queries of members of Parliament. That was an extraordinary step. The agency has been taken off budget in a direct sense - it no longer appears as a separate agency subject to parliamentary scrutiny - and its entire operations have been concealed in a single line appearing in the Department of Transport budget. That single line simply and blandly states that \$112m has been allocated to Westrail. The Premier and the Minister for Transport are asking us to accept that \$112m can be handed over to a government agency and we in this Parliament have no entitlement to look behind that line through the estimates process. Westrail would not appear before the Estimates Committee!

What makes this even more puzzling is that Westrail is not a corporatised body. I asked the Premier, who was appearing as Treasurer, why Westrail was now off budget, and he replied that it was a corporatised agency. As far as I understand, it is not: It is a statutory body, but not a corporatised agency. That in itself was revealing about the level of probity and the way in which, even before Westrail has achieved corporatisation, the Government is dealing with it as though it had. None of the protections that are required have been put in place in relation to Westrail. However, for some reason the Premier was unable to explain why it has been taken off budget.

Even if Westrail were a corporatised entity, as the Commission on Government found, we in this Parliament must have the right to question in those estimates hearings just exactly on what this vast amount of taxpayers' money has been spent. We could ask innumerable questions about Westrail and its commercial dealings, its track maintenance contracts, the cost plus nature of those contracts, the contract that it has entered into with Chubb in respect of security guards and why the taxpayers must pick up the \$10 000 bill for training each of those guards. We could ask many questions about the \$52m in redundancy payments made by Westrail, yet labour hire firms are being engaged that are using the redundant staff and paying them three times the wages they were formerly paid to provide exactly the same services. There is no end to the questions that should be asked about the conduct of such authorities.

In this case it is truly amazing, because the agency has been taken off budget before it has been corporatised. However, having been corporatised, there are very big question marks about its commercial dealings and the way its budget is expended. Those details can simply be papered over and made totally inaccessible to members of Parliament.

The second issue of concern relates to the power of parliamentary committees to require disclosure of information where there has been a declaration by the Minister or the Auditor General that a document is commercially confidential. We came across this problem in relation to the bus contracts. Again, we are talking about in excess of \$100m of taxpayers' money going to private bus operators who are delivering the passenger transport service for Transperth. We probed and probed via the Auditor General to determine some of the provisions of those contracts, but we were unable to gain access to the documents. Notwithstanding the statements made by the Minister for Transport whenever he is confronted on radio or in public debate, when he says that he will provide all the documents, we have still been unable to sight the documents to establish the true nature of the contracts. From what we have gleaned and from the Auditor General's comments, we suspect they are fundamentally cost plus contracts. We know that virtually every line item is renegotiable annually and that the competitiveness that was supposedly built in at the tender stage has the capacity to disappear totally over the 13 or 14 year life of these contracts. It is of enormous importance that we have access to those documents and that we have the capacity to scrutinise them.

If the Premier does not support this amendment, as he has indicated he will not, can he tell the House when and how we will address Commission on Government recommendation 150, parts 3 and 5? Those recommendations go directly to the power of parliamentary committees and to the issue of this Parliament's having the capacity to scrutinise commercial activities. The recommendations have nothing to do with other Acts of Parliament or procedures that have been laid down that might have some difficulty coming within the purview of the Standing Orders and Procedure Committee. Can the Premier tell us how we will deal with recommendation 150, parts 3 and 5? Those subrecommendations are vitally important to this State at this time; they have never been more important.

Mr Court: We have agreed that overarching legislation is needed for the commercial activities of government legislation. That is being worked on. If the member wants to have that sent across to the Standing Orders and Procedure Committee, I do not feel that it will achieve anything.

Mr Thomas: Some aspects of that recommendation will require incorporation into the standing orders of the House.

Ms MacTIERNAN: That is right. We are pointing to subrecommendations 3 and 5 which require not a legislative framework but rather a determination by the Standing Orders and Procedure Committee. Does the Premier accept that?

Mr Court: That legislation is the main thrust of recommendation 150.

Ms MacTIERNAN: On what basis does the Premier say that?

Mr Thomas: The main basis of the recommendation is not that there should be a piece of legislation but the principles which underlie it. We can have separate Acts for each utility and still incorporate the same principles in each Act. We would still need to amend the standing orders of the House.

Mr Court: The recommendation refers to how the commercial activities of government legislation would operate and how there would be interaction with the CEOs of the different government agencies.

Ms MacTIERNAN: That is right. We do not resile from saying that this is part of it, nor do we resile in drafting this amendment from acknowledging that every aspect of recommendation 150 would be appropriately dealt with by the Standing Orders and Procedure Committee. However, two very clear subrecommendations of recommendation 150 need to be dealt with by the Standing Orders and Procedure Committee. I have set out in some detail for the Premier practical, real live examples that have occurred in this place in the past four months, which demonstrate the absolute need for us to have an opportunity to amend standing orders so that, first, we can ensure that we have scrutiny of corporatised entities and, second, we have the capacity through parliamentary committees to require commercially confidential documents to be tabled and examined. It is quite clear that the Commission on Government felt that this Government had engaged in an unacceptable level of secrecy. I do not resile from the fact that the previous Labor Administration would hide behind commercial confidentiality. The difference is that we have learnt from that experience and realised the great need for more accountability.

Mr Shave: Leopards never change their spots.

Ms MacTIERNAN: The member is probably right.

Mr Graham: Is the member saying he is still a member of the Labor Party?

Ms MacTIERNAN: We will do a swap; we will have the member back and give the Liberals Neil Bartholomaeus.

We recognise that commercial confidentiality should not become a veil behind which all manner of shonky, shady and perhaps improvident deals can be set up. It seems to us quite clear that both these subrecommendations are very important aspects for increasing that overall level of accountability to the Parliament. I urge the Government to support this amendment. In supporting the amendment we could acknowledge that we are talking about relevant subrecommendations and not all of them. I am mindful that the Premier seems to be implying that he has some legislation in the pipeline. However, we are not confident that that will see the light of day for some years. These other equally important recommendations can be acted upon immediately. There is absolutely no need for those two recommendations to wait for another two or three years before the Government may or may not introduce some legislation for those bodies.

I note within the context of the Commission on Government report that a submission was made by Ms Kerry Sanderson, the CEO of the Fremantle Port Authority. She argued that to release commercially confidential documents could create great difficulty for the operation of the port, which was having to compete with rival ports. Presumably she meant that if people had to disclose their business operations, they would send their goods to Darwin rather than Perth. I am not sure how true that is. It may well be that we can make a real distinction between self-funding government trading enterprises and those that rely heavily and substantially on taxpayers' money. I put before the House earlier in this debate precise examples of massive amounts of taxpayers' dollars being fed into government agencies and then on through those government agencies into private corporations. We simply have no access to tracking those funds. As I have said, it may well be that some distinction can be made for organisations which are operating in a truly commercial manner and which are self-funding and profit generating. However, it is completely unreasonable to expect this Parliament to continue to accept the claim of commercial confidentiality as a veil that conceals the path followed by hard earned taxpayers' dollars.

Debate adjourned, on motion by Mr Barnett (Leader of the House).

MOTION

Responses from Persons Adversely Referred to in the House

MR BARNETT (Cottesloe - Leader of the House) [4.56 pm]: I move -

That the following Standing Order be adopted -

Responses from persons adversely referred to in the House

165A. (1) Where a submission is made in writing to the Speaker by a person or corporation who has been referred to in the Legislative Assembly by name, or in such a way as to be readily identified -

- (a) claiming that the person or corporation has been adversely affected in reputation or in respect of dealings or associations with others, or injured in occupation, trade, office or financial credit, or that the person's privacy has been unreasonably invaded, by reason of that reference to the person or corporation; and
 - (b) requesting that the person be able to incorporate an appropriate response in *Hansard*, and the Speaker is satisfied -
 - (c) that the subject of the submission is not so obviously trivial or the submission so frivolous, vexatious or offensive in character as to make it inappropriate that it be considered by the Standing Orders and Procedure Committee ("the Committee"); and
 - (d) that it is practicable for the Committee to consider the submission under this resolution, the Speaker shall refer the submission to that Committee.
- (2) The Committee may decide not to consider a submission referred to it under this resolution if the Committee considers that the subject of the submission is not sufficiently serious or the submission is frivolous, vexatious or offensive in character, and such a decision shall be reported to the Legislative Assembly.
- (3) If the Committee decides to consider a submission under this resolution, the Committee may confer with the person who made the submission and any Member who referred in the Legislative Assembly to that person or corporation.
- (4) In considering a submission under this resolution, the Committee shall meet in private session.
- (5) The Committee shall not publish a submission referred to it under this resolution or its proceedings in relation to such a submission, but may present minutes of its proceedings and all or part of such submission to the Legislative Assembly.
- (6) In considering a submission under this resolution and reporting to the Legislative Assembly the Committee shall not consider or judge the truth of any statements made in the Legislative Assembly or the submission.
- (7) In its report to the Legislative Assembly on a submission under this resolution, the Committee may make either of the following recommendations -
- (a) that no further action be taken by the Committee or the Legislative Assembly in relation to the submission; or
 - (b) that a response by the person who made the submission, in terms specified in the report and agreed to by the person or corporation and the Committee, be incorporated in *Hansard*, and shall not make any other recommendations.
- (8) A document presented to the Legislative Assembly under paragraph (5) or (7) -
- (a) in the case of a response by a person or corporation who made a submission, shall be succinct and strictly relevant to the questions in issue and shall not contain anything offensive in character; and
 - (b) shall not contain any matter the publication of which would have the effect of -
 - (i) unreasonably adversely affecting or injuring a person or corporation, or unreasonably invading a person's privacy, in the manner referred to in paragraph (1); or
 - (ii) unreasonably adding to or aggravating any such adverse effect, injury or invasion of privacy suffered by a person.
- (9) A corporation making a submission under this resolution is required to make it under their common seal.

This motion follows recommendation 64 of the Commission on Government. The matter was raised by the Leader

of the Opposition and subsequently referred to the Standing Orders and Procedure Committee, which reported back to this Chamber. During that brief debate members on both sides of the House supported the recommendation of the Standing Orders and Procedure Committee.

I readily acknowledge the role the Leader of the Opposition has played in promoting this recommendation of the Commission on Government. The Government endorses the recommendation and has drafted the standing order to reflect what is a proper procedure. I commend the motion to the House. It is a significant reform that will satisfy the interests of people who feel that in some way they have been misrepresented in this House. It is a fair procedure. It is not something that should be abused or used in an excessive way, but it does provide a new form of redress for anyone who feels so wronged.

DR GALLOP (Victoria Park - Leader of the Opposition) [5.00 pm]: I am pleased that the Government has decided to move the motion seeking to incorporate a new standing order dealing with responses from people adversely referred to in the House. I was also pleased that the Standing Orders and Procedure Committee, to which my earlier motion had been referred, supported the recommendation subject to a minor change in the heading.

It is interesting, when we go back to the debate on 20 August when I first introduced this motion, that the Premier called the Opposition cowardly and hypocritical for moving the motion in the first place. We were told that it was all about damage control in the Labor Party because of the future tabling of the report into Wanneroo Inc, the tabling of which had to be delayed because of the forthcoming trial of the former Liberal member for Wanneroo, Mr Wayde Smith. Given his conviction and 18 month gaol sentence, the final findings of the report, and the subsequent suspension of the Wanneroo City Council, we now ask: Who is in greater damage control?

Nevertheless, all that is water under the bridge. We introduced this measure for the simple reason that it was a recommendation of the Commission on Government and it is an important issue that the public of Western Australia wants included on the Statute books. The reasons that the new standing order, commonly known as the citizens' right of reply, was needed was succinctly summarised in the committee's report, so I will not revisit those issues in any detail. However, it is worthwhile noting that the purpose of the right of reply was to redress the imbalance that many ordinary citizens feel when confronted with the enormous advantage that parliamentary privilege offers to politicians. This right does not diminish parliamentary privilege but offers some balance to individuals who feel they have been adversely referred to in this Chamber. It is another mechanism by which politicians can enhance the openness and accountability of our actions in Parliament and I hope it goes some way towards restoring Western Australians' trust in politicians and the institution of Parliament.

Members may be interested to know that since the time I first moved the motion to have the right of reply incorporated in the standing orders in August, another Parliament, this time the House of Representatives, has incorporated the right into its regulation. I look forward to this Chamber joining the House of Representatives, the Senate, and the New South Wales, Queensland and Australian Capital Territory Parliaments, in giving citizens the right of reply. I agree with the concerns expressed that the mechanism will be all but pointless if the procedure becomes too bureaucratic and unwieldy. It will be absolutely essential that the Standing Orders and Procedure Committee deals with any applications for redress in a prompt and fair manner. The old maxim "justice delayed is justice denied" is particularly apt for those circumstances.

Another concern was expressed by the member for Hillarys, who said it would be responsible for *The West Australian* to provide a prominent section of the newspaper for publication of a reply, because he considered that publication in *Hansard* would not give the applicants sufficient publicity. As I noted at the time, having the right of reply recorded in *Hansard* will tend to ignite public debate on the matter the subject of the response. For some respondents the issue is more local, and publicity in their local community newspapers could be more important to them than publication in *The West Australian*.

This was noted in the 1996 report by the Senate Committee on Privileges. It will be interesting to see whether the same situation applies in this State. In any event, as a matter of practice, I hope the media will be kept properly informed by the committee of the publication of any response. However, I do not agree with the Attorney General's comments to the effect that it is not being maligned in Parliament that causes damage, and that "the real cowards are those in the Press who take advantage of what is said in the House and publish it under privilege". This comment demonstrates a total lack of understanding about the institution of Parliament and its role in informing and educating the public.

Where would we draw the line about how public is public? If we took the Attorney General's comments to the logical conclusion, members of Parliament are at liberty to malign and say whatever they like about members of the public when there are only two people in the public gallery, but somehow the media is responsible for those comments as soon as they are published in a wider arena. Does this mean that the Press are less irresponsible if they publish the comments on page 15 rather than on page 1 of the newspaper? What if the comments are repeated on a late night

radio or television program rather than on the main evening news bulletin? The Attorney General's attempt to shift the blame is unfortunate.

I hope the Legislative Council is in a position to incorporate this change in its standing orders as soon as possible. I hope that the committee keeps all the media promptly informed about applications to have responses incorporated in *Hansard*, with the response allowing for public debate to develop on the matters raised. I support the motion. I thank the Government for its support today. I strongly believe that Western Australians are looking to this House to demonstrate real accountability in a way that benefits all of us and ensures that Western Australians are not denied rights that have been given throughout much of the rest of Australia. It is a simple but effective procedure and I urge all members to give it their full support.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [5.04 pm]: I support the motion moved by the Leader of the House and supported by the Leader of the Opposition. I am a member of the Standing Orders and Procedure Committee that recommended the adoption by the House of this standing order. This new standing order can be seen as a protection for members of the public who are criticised in Parliament under parliamentary privilege. I would like to argue that it is also a protection, ultimately, for members of Parliament and for parliamentary privilege. Parliamentary privilege, regrettably, is under attack. There are significant numbers of people in the community who think there should be restrictions on parliamentary privilege. Fortunately, the Commission on Government recommended against further restrictions on parliamentary privilege. That was only after hearing from people who were seeking some restriction on what members of Parliament can do with their privileges.

By adopting a motion like this, we make parliamentary privilege and the use of it the more defensible. It is much harder to argue against the existence of parliamentary privilege and the uses to which members might put it if someone who is unfairly accused or adversely reflected on under parliamentary privilege has a reasonable right of response by the inclusion of his or her account of the matter in the *Hansard*. This new standing order should be adopted in the interests of the public and of members of Parliament.

This afternoon we have been discussing the implementation of the recommendations of the Commission on Government. This motion before the House is an example of how the Government should have proceeded. The Government should have taken the lead on many of the recommendations of the Commission on Government and taken action to have them implemented. The Opposition took the lead in this matter. It relates to recommendation 64 of the Commission on Government which states -

Right of response

Citizens and organisations should have the following remedies available to them to respond to statements made under privilege:

. . . the response should be tabled in the house or before the relevant parliamentary committee, as the case may be, and should be protected by parliamentary privilege except where the response is motivated by malice or recklessly disregards the truth . . .

The standing order before us today does not precisely reflect the terms of the recommendation of the Commission on Government, but it is substantially in accord with the spirit of that recommendation. This recommendation of the Commission on Government is being implemented today well ahead of many other recommendations related to parliamentary matters because someone took the lead. That someone was the Leader of the Opposition. Had not the Leader of the Opposition come into this House and moved the adoption of substantially this standing order some months ago it would not be happening today.

The response of the Opposition to this recommendation is to be contrasted with the response of the Government to all of those other recommendations regarding reform of Parliament. The Government has not taken the lead or determined an attitude. It simply wishes to refer those matters to the Standing Orders and Procedure Committee for further review by another committee of Parliament. There is a contrast between the way in which the Government is approaching its responsibility to implement the Commission on Government recommendations, and the way in which the Opposition has approached this matter. If the Leader of the Opposition had not taken his initiative on this important recommendation 64 of the Commission on Government, it would have gone the same way as the other recommendations; that is, it would have been part of the earlier debate this afternoon and would have been referred to the Standing Orders and Procedure Committee. Some time next year something might perhaps be done about those matters referred to the Standing Orders and Procedure Committee. I ask the Government to take a leaf from the Opposition's book and approach the recommendations of the Commission on Government with the same enthusiasm, energy and commitment as the Opposition has approached those recommendations. I ask the Government to watch the actions of the Leader of the Opposition on this matter and to take similar action with the other recommendations.

I am surprised the debate has come on at precisely this time. When I left the Chamber a few minutes ago members

were debating the referral of 21 COG recommendations to the Standing Orders and Procedure Committee. All of a sudden, abruptly and arbitrarily, the Leader of the House adjourned that debate and brought on this motion.

Mr Graham: Ping went the dummy again.

Mr RIPPER: Exactly, ping went the dummy again and the Leader of the House brought on this motion. It could have been unfortunate because the Leader of the Opposition almost missed the opportunity to deliver a speech on his own initiative. It would have been very helpful and courteous if the Leader of the House had informed the Opposition that this was a likely development in his handling of parliamentary business this afternoon. I am pleased that we shall implement recommendation 64 of the Commission on Government. I hope that this House will get on with referring those other 21 recommendations to the Standing Orders and Procedure Committee.

Mr Barnett: Plenty of time later this week.

Mr RIPPER: Does the Leader of the House give a commitment that the motion dealing with the referral of the 21 recommendations will be dealt with this week?

Mr Barnett: I will certainly bring it on for debate this week.

Mr RIPPER: Will the Leader of the House allow sufficient time for it to be concluded before Parliament rises at the end of this week?

Mr Barnett: I do not know what you call sufficient. I will bring it on with plenty of time for debate.

Mr RIPPER: I am not entirely satisfied with that assurance. In any case, the referral of those 21 recommendations to the Standing Orders and Procedure Committee is a fraction of the effort the Government should have made in implementing those provisions. By courtesy of the Leader of the Opposition recommendation 64 will be implemented, and I thank the Government for its support.

MRS ROBERTS (Midland) [5.13 pm]: It is rather interesting, to put it as politely as possible, that the Leader of the House has determined to jump from government business notice of motion No 1 to No 2. It was done without any consultation with the Opposition and it could almost be seen as yet another abuse of the Government's power in this House by way of its numbers. That is not an adult or sensible way to operate. There are longstanding practices in this House whereby the Opposition is generally advised of the motions coming on for debate, if a debate is to be curtailed, and if progress will be made to another motion. The Leader of the House has set a new low standard in jumping from one to another.

Mr Barnett: You know perfectly well that we want to deal with government legislation and have reasonable debate. We will deal with government legislation, and then we will come back to these matters.

Mrs ROBERTS: Perhaps the Leader of the House could have shown some courtesy by discussing that with me or the Leader of the Opposition before he arbitrarily jumped in.

Mr Barnett: Not arbitrarily at all.

Mrs ROBERTS: Was it because the Leader of the House was peeved over the dummy spitting episode with the member for Cockburn?

Mr Barnett: No.

Mrs ROBERTS: Was it because he was peeved about the interjections from the member for Pilbara?

Mr Barnett: No. How many speakers did you have to speak on the previous motion?

Mrs ROBERTS: As many as wanted to speak.

Mr Barnett: If every one of your members wants to speak they will be given that opportunity, but we will get on with our legislation first.

Mrs ROBERTS: Every one of the Opposition's members represents a constituency. They have a right to speak in this debate. If the Leader of the House had any courtesy, he would have at least advised the Opposition that it was his intention to move from one motion to the next, rather than do it off the cuff in the way he did. Of course, the Leader of the House has no courtesy or consideration at all, and he has operated with the usual abuse that his Government uses when it has the numbers.

Mr Barnett: Had you taken a constructive approach to the issue, we might have concluded that debate. You wished to debate it at length and I am willing to accommodate that, but we need to deal with government legislation in the meantime. We will get back to it later in the week.

Mrs ROBERTS: In the previous debate constructive comments were made by the Leader of the Opposition and all other members who have spoken thus far. I am sure we shall continue to hear other constructive suggestions from those who speak further in the debate.

The motion before the House deals with responses from persons adversely referred to in the House. It was previously referred to the Standing Orders and Procedure Committee as a citizen's right of reply. That motion, which was very similar to another motion under the heading "A citizen's right of reply", was moved in this House by the member for Victoria Park and Leader of the Labor Party. It should be noted that it is as a result of his initiative that this proposal is being progressed ahead of many of the other COG recommendations. The progress of the matter to this stage is an indication of leadership on the part of the Labor Party. That leadership contrasts greatly with the total lack of leadership and the inaction of the Government on the COG recommendations.

It also contrasts with the response of the Attorney General in the other place, who does not think parliamentarians have any responsibility for what they say in Parliament and whom they adversely reflect upon, besmirch, denigrate or defame. He believes his rights should be unfettered, and that fetters should be placed on the media rather than on parliamentarians. I believe all members of Parliament have some responsibility to check the validity of what they say to the extent to which it is possible to do so. Members of Parliament, irrespective of this right of reply, should be mindful of the privilege they have when they address this House and when they make remarks about people or organisations that are not represented and do not have the same rights and privileges as members of Parliament. Members of Parliament have significant privileges. They also have significant responsibility to those they represent to conduct themselves in a responsible manner in this House. Unfortunately, on too many occasions, members do not conduct themselves in as responsible a manner as they could. I do not think this is necessarily an everyday occurrence for members of Parliament, but all members are aware of instances where the reflection on a person, group of people or organisation has been a little unfair. Sometimes people are able to redress the situation somewhat by, in the first instance, approaching the member whose comments have reflected on them.

I have asked questions about groups, individuals or organisations. I have certainly asked a lot of questions about companies that have won contracts from government, and on occasions representatives of those companies have contacted me, not because those questions reflected adversely upon them, but because I was asking questions about who was awarded a contract, and why, and they thought that perhaps I wanted to pursue some further issue or concern and they could try to head that off at the pass.

In some instances, people who are more familiar with the parliamentary processes and the way the House works take the opportunity early on of approaching the member who asked questions about them or made some adverse reflections upon them to clarify the matter. Most members take those comments seriously and pay due regard to the information that they have received when they ask further questions or make further comments in the House. In some circumstances, members may themselves make some comments to address that situation.

Another avenue of redress that is available to individuals who have been reflected upon adversely is to put their point of view to someone else within the Parliament, such as the leader of the party or someone whom they know within the party. Party leaders sometimes find themselves in the position of having people complain to them about comments that have been made by a member of their party. In some circumstances, people may feel that for one reason or another it is not appropriate to go to the party concerned and will seek to have their concerns addressed by either an Independent member or a member of the other major party, who can, if the opportunity arises, take up the issue within the Parliament and potentially with the member who made the adverse reflection in the first place.

That does not mean that from time to time members of Parliament should not be critical of individuals or organisations, and to be critical and to subject individuals, organisations, the public sector and the operations of government to close scrutiny is a significant part of what our job entails. I am sure that in some cases, the complaint about what has been said about a person or organisation in the Parliament is not valid or demonstrably true, or is frivolous or vexatious, and in those cases it may not be appropriate to have that person's reply incorporated in *Hansard*.

It is for that reason that the proposed standing order suggests a process for assessing the claim that a person or organisation has been adversely affected in reputation or in respect of dealings or associations with others, or injured in occupation, trade, office or financial credit, or that the person's privacy has been unreasonably invaded. The Standing Orders and Procedure Committee and the Speaker will then need to satisfy themselves, before a response by a member of the public can be incorporated in *Hansard*, that the subject of the submission is not so obviously trivial or the submission so frivolous, vexatious or offensive in character as to make it inappropriate that it be considered by the Standing Orders and Procedure Committee.

The standing order will not provide the opportunity for a person to take up an argument or a point of view that differs from the point of view or argument that a member has put in this House. It will enable people on occasion, and where

appropriate, to set the record straight. It is not proposed that people will be able to launch a personal attack on the individual who made the claim in the first place, in the same way as it is not permitted under our standing orders for any member of this House to launch a personal attack on another member of this House.

The Standing Orders and Procedure Committee, of which I am a member, looked at this matter in some detail. The proposed standing order is very much modelled on the standing orders in place in other Houses of Parliament, such as the New South Wales Parliament, where it is working effectively, and the Senate. We are expecting that its success and use will be similar to that in the New South Wales Parliament and the Senate. Other jurisdictions have found that this mechanism has not been over used. However, the Standing Orders and Procedure Committee will monitor the use of this mechanism over the next year to see how many people come forward who believe they have been referred to adversely in the House and what is the nature of their responses, and in the light of that assessment, it may be necessary to review this standing order in small part only, or perhaps not at all.

This is a positive move. It will give members of the public the opportunity not just to engage in a response via the media, when often the damage has already been done through that forum, but also, when no-one else will take up their case for them, or when they feel it is more appropriate, to put onto the parliamentary record - *Hansard* - their response to what has been said about them or their organisation in this House. I will examine this move closely, as a member of that committee, and I anticipate that it will be successful; but if some problems do become apparent, we can address those as and when they arise.

MR GRAHAM (Pilbara) [5.30 pm]: It never fails to intrigue me how the Leader of the House can use and abuse the systems in this place for his political ends. We were legitimately deliberating on the recommendations of the Commission on Government - a long overdue initiative that this Parliament could and should have addressed years ago, but has not. What stopped us from doing that? The first question to be asked is whether it is important business of this House, and of course it is. It has involved a \$30m royal commission, and the spending of tens of millions of dollars on the Commission on Government, and consideration by a joint House standing committee, with recommendations being made on how to fundamentally change our system of government. Could and should that matter be addressed by the House? Of course it should; and it should have been done years ago.

We started debate with the Premier sitting sanctimoniously and the Leader of the House sitting piously. We were debating the issues, then the Opposition had the temerity to commit the ultimate political crime - in the opinion of the leader. The Opposition took no notice of his desires, and moved an amendment that another matter be included in the recommendations for consideration. The piece to be included was a recommendation of the Royal Commission into Commercial Activities of Government and Other Matters and the Commission on Government that related directly to the Minister's portfolio.

The member for Cockburn made a series of points, not personal attacks on the Minister. However, whenever anyone raises a matter within that portfolio, we receive much vitriol because of the personal quirks of the Minister. He is incapable of taking serious criticism from anyone, but particularly from this side of the House. During question time he was asked a question but he spat the dummy and sat down. That is how this Minister deals with the House. That happened with the COG recommendations. The member for Cockburn was legitimately pursuing an issue that could and should have been part of the standing committee's considerations; that is, whether the Minister has control of his portfolio. If he does, what are his obligations and duties to report to the House? He does not do it. He chose not to. When in opposition, he argued exactly what we are arguing now. He argued that his current portfolio area should be subject to scrutiny by someone but not the Minister. When he became Minister he did a complete backflip. The only difference now is that no-one agrees with him. The royal commission did not agree; the Commission on Government does not agree, and a joint standing committee of this Parliament does not agree with him. So the debate was lost. There was no evidence on the government side of support for his point of view. He spat the dummy again. Twice today the big pink one has come out. He has spat the dummy and we are not allowed to debate or address those issues because he has been under attack -

Mr Barnett: We will do that later in the week. There may be debate later tonight.

Mr GRAHAM: When the Minister was asked when we would address these matters, he said that we would get back on to them but he would not waste the time of this House debating opposition motions at the expense of legislation. He made those remarks by way of interjection. Where is that legislation?

Mr Barnett: It is ready to go.

Mr GRAHAM: Then why the hell are we not debating it? If that is the reason debate was adjourned on the Commission on Government matters, why are we not debating that legislation? It is because the Minister spat the dummy, and the first thing he thought when he picked up the Notice Paper was, "What's next?"

Mr Barnett: According to the Leader of the Opposition, this debate was instigated by him; it has bipartisan support

and should be dealt with in half an hour or so. If you want to continue, that is fine, but the Government will deal with its legislation.

Mr GRAHAM: That is not what the Minister said. He thought of that when he sat there. He said that he would not sit there and have endless debate on COG matters at the expense of legislation. We are not dealing with legislation. We are dealing with a motion to change standing orders of which notice was given by the Leader of the House months ago.

Mr Barnett: That is something both sides agree with -

Mr GRAHAM: Why was it not done mid year when the leader sat us aside, because there was no business? We were sent home by this super manager, because there was no work. Why did we not do it then?

Mr Barnett: It was not on the Notice Paper then. Look at the date.

Mr GRAHAM: The Leader of the House sat us aside in the middle of the year because there was no business in the House! He said 10 minutes ago that he would not hold up the House at the expense of legislation, but we are not dealing with legislation.

Mr Barnett: If you sit down, we will deal with it.

Mr GRAHAM: Why not go on to legislation? It is quite simply that the Leader of the House saw the chance, and he thought he would catch us on the hop. There was no warning or discussion behind the Chair; debate was closed, and we would move on. The Minister thought he could catch us on the hop.

Mr Barnett: I did not.

Mr GRAHAM: The Leader of the House was wrong. As usual, we were prepared. I have said it before, and I will say it again before our careers are over: This is the worst Leader of the House I have ever seen, and I have been here longer than the leader -

Mr Barnett: And you will probably be here longer than I in future!

Mr GRAHAM: I do not think so, but one never knows. It is likely. I will go when I am 55.

Mr Barnett: I guarantee that I will not be here when I am 55!

Mr GRAHAM: I hope so! I will be happy to run a by-election, if the leader wants to slip in a letter now. It would improve the standing in both places.

Having sorted out that load of nonsense, I want to say exactly why we have moved onto this issue. We are here to address the question of changing the standing orders to allow responses by people adversely referred to in the House. It is getting pretty crowded on the moral high ground. We have listened to the Government's response to the Wanneroo report and seen the crocodile tears shed by members opposite about the poor people named as belonging to the Wanneroo Liberal Party during the proceedings of that royal commission and during the political and public processes that led to the formation of the royal commission. I sat here in absolute amazement observing the piousness of people opposite and the crocodile tears being shed over all those poor people.

I came to this Parliament prior to the so-called WA Inc royal commission. That was after the 1989 election which the Liberal Party was convinced it could not lose, but it did. I had to sit here, not having lived in the city for some 20 years, knowing very little about what happened. I listened to people being defamed, defiled, slagged - one can use whatever language one cares to use, but it probably would not touch the surface of the way people were treated by the Liberal Party.

The member for Cottesloe was not here then, but the key players in this place were Richard Lewis, the then member for Applecross; Richard Court, now the Premier; Barry MacKinnon, then the Leader of the Opposition, and Bill Hassell - I am not sure what he is now; the member for South Perth, who unfortunately is not here at the moment, and his cohorts in the other place, Hon Norman Moore and the late Hon Bob Pike, the grand inquisitor when people were hauled before committees, where they had the numbers in the upper House, and destroyed. Some of those people were destroyed personally and some were destroyed politically, but most of them were destroyed publicly.

Mr Barnett: Are you thinking of people such as Robin Greenburg?

Mr GRAHAM: No. I am thinking of Kay Hallahan, Carmen Lawrence's sister, and David Parker, who was demonstrably innocent of everything he was charged with. Not one apology has been forthcoming from the Minister's side of politics. A classic example is Dr Andrew Penman, who was in the Health Department in the north west for some time. He was a public bureaucrat who Peter Dowding thought was a Liberal Party stooge and, unfortunately

for him, his life was made difficult. However, when the Government changed, Hon Norman Moore thought he was a Labor Party operative, and so his career was finished - he has gone.

I will accept no criticism from members opposite about our behaviour in view of the way they have used the Houses of Parliament in the past 10 or 15 years. Anyone who sat in the back of a Legislative Council committee and saw how information was selectively leaked to the media would know that to be the case. Continually, people leaked the internal workings of committees, and the people who made front page stories in *The West Australian* were guilty by association simply because they served in the ministry of a Minister of the day. That was done by the Liberal Party in its entirety. The member for South Perth, who now cleverly has repositioned himself in politics as the keeper of integrity and honesty, was the grand inquisitor. He was an architect of the strategy aimed at destroying people's ability to do their job and maintain their public reputation.

It was amazing to hear that Hon Peter Foss said in the other place that people only suffer damage if the Press prints what is said about them in Parliament. That is an extraordinary position for a senior man in the Liberal Party to adopt, and even more so when he is the Attorney General. Word has yet to be heard from the leadership team about whether that is the official party position. Members understand that what one says in Parliament has absolute privilege, but what one does with that comment is one's own business. That is why we say many things which we circulate in many places; they need not necessarily appear in the Press to be effective.

The Opposition not only supports, but instigated, this change to the standing orders. Undoubtedly, the member for Victoria Park has been at the forefront of these issues for nearly all his political career, and certainly with great vigour since becoming the Leader of the Opposition. He has a long history and interest in these matters. The Government has been tardy in this political debate. Had the Leader of the Opposition not taken action, this matter would not be before the House. I suspect that Foss has accurately put the Government's position; that is, it does not consider this issue to be a priority as it will enable mere commoners to refute the Government's views.

Members opposite were, and always have been, the architects of the dirty side of politics. Members should bear in mind that I had an uncle in this place for 34 years who was at the receiving end of a lot of that behaviour. Therefore, I grew up hearing stories about how dirty and hard the Liberal Party plays politics. When compared to Liberal Party members, members on this side are rank amateurs. No matter what people have said about the member for Peel, he is a rank amateur -

Mr Barnett: I agree with that.

Mr GRAHAM: - when compared with the systemic way this Government and the Liberal Party generally have over the years set about destroying people's reputations. They are the past masters.

The interjection from the Leader of the House is typical of that bloke. He does not want to fight front to front with people who want to fight him. I am happy to take him on at any time on any issue, but he will not do it. He sits there making snide personal comments. He is infinitely worse when our female members are on their feet as he makes snide comments across the Chamber which are nothing more than personal barbs. He does not deal with the issues.

Mr Barnett: For example?

Mr GRAHAM: I will give an example: When I was having a go at the Governor, the Leader of the House did not respond to the issues -

Mr Barnett: You referred to comments I have made to female members of Parliament.

Mr GRAHAM: The Leader of the House asked me - I will answer.

Mr Barnett: You accused me.

Mr GRAHAM: The Leader of the House chose to say that the debate was about personalities; he said it was between me and the Governor, and that, as a person, he would rather support the Governor.

Mr Barnett: I would - every time.

Mr GRAHAM: Okay. That was not what the debate was about, and the Leader's comments were a personal attack. When the member for Cockburn was into the Leader of the House about his administration of his portfolios -

Mr Barnett: He just called me a petty thief; that's pretty good stuff, isn't it!

Mr GRAHAM: He did not.

Mr Barnett: He said that earlier this afternoon.

Mr GRAHAM: Did he? He may have been right.

Mr Barnett: The Speaker thought the word "petty" was unparliamentary!

Mr GRAHAM: I will pay that one. However, it indicates how the Leader of the House reverts to the personal attacks and does not deal with the issues involved. He said that the member for Cockburn is not the kind of person he takes any notice of. The member for Kalgoorlie was into the Leader of the House asking questions about Kalgoorlie a couple of weeks ago, and he went straight back into her saying she would not know; she does not get interested in those sorts of things. The Leader of the House should have some serious counselling as he has a serious personality problem in dealing with other people in this place. Other Ministers can take comments as political criticism, and they deal with it. The Leader of the House always attacks the messenger, and he will feature prominently in many of these matters to be handled in the processes outlined in the motion.

The Leader of the House said the member called him a petty thief, but he should cast back his mind to the Simcoa debate and remember the rhetoric he used against Hon Ian Taylor: "Grubby little back room deals" he said. "Crooked little deals which benefited one company at the expense of others" is another example of his rhetoric. Nevertheless, the Leader of the House did not overturn the deals when he assumed the portfolio. That is how he operates.

Mr Barnett: Some of those arrangements which the Labor Party got into weren't all that impressive.

Mr GRAHAM: The Simcoa one?

Mr Barnett: Yes.

Mr GRAHAM: Was it a grubby little deal? Does the Leader of the House still stand by that comment?

Mr Barnett: I will make my speeches when I choose to make them. I cannot remember the debate in detail, but a lot of things were wrong with some of those deals.

Mr GRAHAM: The Leader cannot remember the debate, but Ian Taylor can remember. The current Leader of the House called him for everything at the time. He was the Minister doing a job on advice, but the member opposite could not accept that advice. The member for Cockburn said that the current Minister does not seek advice, and he replied that it is a non-government body and so he would have nothing to do with it. That is nonsense.

Some risks are involved with this proposal, which the Opposition supports. I would like to hear exactly what the status of the response will be from someone who claims to be aggrieved. My understanding is that once the response is made, it will also attract the full privilege of the Houses. Members present for the taking of public evidence by committees understand that people often use that appearance and opportunity, even with written evidence, to use the privilege of House for their own ends. I do not know that that will necessarily aid and abet us.

MR BRIDGE (Kimberley) [5.49 pm]: The motion before the House is an attempt to provide an opportunity for those who are aggrieved by unfair comments made about them in the Parliament to have their response to those comments incorporated in *Hansard*. This is a significant introduction into the standing orders and it is a particularly good one. If we are able to do anything by our actions in this place that gives a greater account to the public at large and to individuals generally about their integrity, that process should be embraced strongly by us. It does not matter how we argue in this Parliament in pursuit of gaining ascendancy, a deterioration has occurred in the standards of parliamentary debate in our country. If members make genuine comparisons between the conduct of Parliaments in Australia today and what it was many years ago, they will find it is very different now. It is significantly different from what it was 18 years ago when I first came into this place. When I first came to this Parliament, a view was expressed that if members were prepared to make a comment in this place, they should be prepared to go outside this place and stand by what they said. I like that view.

Mr Barnett: I agree with that if it is a comment about a person. There may be occasions when members appropriately raise issues that might expose them to litigation corporately. If you are willing to say anything about a person, you should be willing to say it inside and outside; I agree with you.

Mr BRIDGE: That is the very point I make. There should be a golden rule for everyone in Parliament that if members make an allegation, particularly when the name of another person is included in that comment, they should be prepared to make the same comment outside this place. That is a reasonable rule. It is a safe rule because it ensures not only that the parliamentarian is a responsible person, but also that the person's integrity is preserved outside this Parliament. That is important. The use of names in debate in this place has been excessive. The motives of people using those names is beside the point. The fact is that individuals have been named in this Parliament who I believe have suffered damage as a consequence. If through this standing order members can restrict that practice and bring about a change to that course of action, it is a commendable proposal. It does not matter who introduces

this process because when all is said and done, if it is a good practice it will reflect on all of us. We all are beneficiaries of a system that is enhanced through a change in the standing orders in this place. I compliment the author of this process, whoever that author might be. It does not bother me from where he comes, so long as the motion serves the functions it is designed to serve.

This is an important motion because at times the standard of conduct in this place leaves a big question mark over our integrity. There are times when I, and I am sure many others, walk out of this place feeling saddened about what we have observed. For goodness sake, if we are the advocates for the public, that behaviour should not be a consideration. We should be able to come into this place and be frank, honest, sincere and definite in the words we express in this Chamber. If members want to be less than that, there is another place for that in their personal lives; however, it must not occur when we are acting as advocates for the people. As politicians we are assigned a responsibility. We represent the people. We are supposed to set an example. We are supposed to be the focus on which all of the right things in our society are based. Therefore, we should adhere to that in a most disciplined way.

I feel proud to be able to say that in that context I have tried hard in this place. On no occasion in my 18 years in Parliament have I taken advantage of parliamentary privilege either to attack an individual or to incite a debate that I thought I was not capable of carrying on outside the four walls of this Parliament. This new standing order will control debate in the future and place constraints on our preparedness to adhere to that requirement. Strategically, members are not here to feather their own nests. We may as individuals adopt that approach. However, as members of Parliament elected by the public, we have a duty to be the advocates of the people in the most precise, responsible way, beyond the four walls of this Parliament.

I am pleased to support the introduction of this new standing order. It is necessary. Sadly, it is brought about because of the conduct of politicians. Let us face it: If it were not for our conduct in this place, there would be no requirement for this new standing order. Members can take a bit of the blame. If at times the standing order corrects our wayward ways, so be it. I like the proposed standing order.

MR MCGOWAN (Rockingham) [5.58 pm]: First, I am pleased this matter has come before members today and that the Government has decided to agree with the Opposition to pursue this issue. Second, I note with my friend the member for Pilbara that the Leader of the Opposition has been instrumental in getting this matter before members today. If one speaks to him or watches him when he addresses these issues, one can see it is something in which he believes most forcefully and to which he is committed, as he is to all aspects of parliamentary reform and to reforms suggested by the Commission on Government.

I also make the observation that the member for Pilbara made about the way this matter has been brought on for debate today. I suggest to the Leader of the House, without necessarily the force the member for Pilbara used in his description, that the Leader of the House demeans himself when he brings on these matters for debate like this. I was in my office when I heard the Leader of the House move for the last debate to be adjourned. I was preparing my address on the recommendations of the Commission on Government. I was writing that, from my observations after a year in this place, Parliament must operate in a way that ensures that members know what time they are due to speak and that they have time to prepare their speeches.

Mr Barnett: Then support the sessional order on time management.

Mr MCGOWAN: We are not addressing that matter; we are addressing this motion. At that moment I was making a note along the lines that members must have time to prepare their speeches so they can canvass properly the issues to be debated. Members must be sure about what time matters will come on for debate so they are not sitting around in the Chamber wasting time when they could be working in their offices, making telephone calls or having meetings. It appears from today that we are not able to rely on assurances we receive that a matter will be debated for a certain period, which was my understanding.

Mr Barnett: You had no such assurance.

Mr MCGOWAN: Come on; be rational.

Mr Barnett: There was no assurance about the length of time for any debate. This is government time.

Mr MCGOWAN: The Leader of the House knows it was the understanding of the Opposition that members would debate the Commission on Government recommendations, which are just as important as, if not more important than, the motion we are addressing now.

Sitting suspended from 6.00 to 7.30 pm

Mr MCGOWAN: I will not continue with the point I was making before the dinner suspension, given that the Leader of the House has heard it from three or four members. This move to change the standing orders is a good one. It

shows a degree of decency by this Parliament for members of the public so they can feel there is some justice regarding what is said in the Parliament. There is among a large number of the population a lack of respect for those elected to Parliament, which is very unfortunate. Most people here do their job for noble reasons and a great many work hard at it. For there to be a view that many people in both Houses are contemptible is unfortunate for all of us. Some hold the view that we misuse this place. I think there have been some examples of that in the past.

Mr Barnett: Like being a petty thief.

Mr McGOWAN: The Minister is in a mad mood. Examples of such misuse occur all the time. The member for Cockburn could validly argue that the Minister obtained a document not by its tabling, as the Minister said was the case the other day. The document in question was not tabled; it was handed to the Minister by mistake by an attendant.

Mr Barnett: It was delivered to my room, as all motions are.

Mr McGOWAN: I am disappointed that the Minister used the document.

Mr Barnett: It is the most scurrilous document I have ever seen.

Mr McGOWAN: It came into the Minister's hands by a major mistake. I do not think the Minister should use a document in that circumstance.

Mr Barnett: It is scandalous. In presenting the argument, how can you allude to the suggestion that we should not use it?

Mr McGOWAN: The subject of this debate is not the document of the member for Cockburn; it is the response from persons adversely affected by comments made in the Parliament.

Mr Barnett: None of your colleagues is supporting you on the document of the member for Cockburn. None is defending you.

Mr McGOWAN: I thought the Minister was a bit more decent than that. I thought he had a bit more to him than to use documents that came into his hands by inappropriate means.

Mr Barnett: Have you read it? Can I read you a bit of it?

Mr McGOWAN: No. I think we are addressing the motion at hand.

Mr Barnett: You people never measure up.

Mr McGOWAN: What is wrong with the Minister today? There appears to be something majorly wrong with him.

Mr Barnett: Maybe I get a bit sensitive when I am called a petty thief.

Mr Pandal: Can the Independents get a copy of it? It sound very salacious to me.

Mr McGOWAN: Obviously something is wrong with the Leader of the House today. I will not address any remarks to him. He must have a virus.

Those in this place will be bound by this provision. We must consider it when we say things about members of the public. We also must be careful in what we say about each other. I am talking about the use of the truth. Sometimes it is not appropriate to say things that are true about members of Parliament. There is a long running convention in this place and in other Parliaments around this nation that we do not talk about the private lives of other members, and that is good. That is not the case in the House of Commons where the private lives of members are the subject of great debate by other members and the Press. Our marital status, our sexual preferences or personal habits should be not be discussed, even if what is said is true. Although it is not a part of this motion, we must be very careful with the use of the truth.

It does not happen too often that people are subject to what would be defamation, except for its being said in this House. We have a unique privilege in that we can say things inside this Chamber about people who are not in this place without any fear of repercussion. One recent exception is the case of the New South Wales upper House member, Franca Arena, who came close to being expelled from the Parliament for what she had to say. We are given a privilege which in many ways is unbridled and we must be very careful about what we do with it.

I note the comments in chapter 10 of the first report of the Commission on Government which suggested a number of guidelines about what we should do in this instance. It said that the approach to be adopted to people who are named in this place should be systematic and not piecemeal. It also mentioned that it would be the responsibility of the Presiding Officers to inform members of the public who are adversely referred to in this place. According to my

reading, that is not contained in these provisions, and I seek an explanation about that. I am not sure that it should be the responsibility of the Presiding Officers to write to all people who are adversely referred to in this place. The Commission on Government made a recommendation in this respect, and I am interested to know why that is not contained in the standing order we are debating.

The recommendation is that when people respond to remarks about them, their reply should be accepted and printed verbatim. There is a discretion in this standing order for the Standing Orders and Procedure Committee and the Speaker to decide whether something is frivolous, vexatious or malicious, and to act as a sieve to determine whether something should be admitted into *Hansard*, or not. This was not recommended by the Commission on Government. I wonder why the Parliament is adopting something which is different from what was recommended by the Commission on Government. The Commission on Government also recommended that people be given the right to address Parliament in some circumstances. According to my reading, this standing order does not contain that privilege to be given to a member of the public. I am interested to know why that is the case.

In conclusion, I am pleased to have spoken in support of this motion. It is a good development with which the people of Western Australia will be very pleased because they have the view that this policy is overdue and that we as parliamentarians have an obligation to hear them. This is a small step along that path.

MR CARPENTER (Willagee) [7.40 pm]: I firmly believe that the initiative to introduce citizens' right of reply to the parliamentary and political process in Western Australia is a very good one and should be supported. So should most, if not all, the other recommendations of the Commission on Government. I understand it is recommendation 64. I wonder why the Government took so long to decide whether it supported many of the other recommendations of the Commission on Government.

It is a pity that there appears to be a great reluctance by the Government and government parties to embrace many of the recommendations of the Commission on Government. Principal among those are the important recommendations on electoral reform. Those recommendations by the Commission on Government were contained in its Report No 1, so they are not exactly new. They have been around long enough for both sides of Parliament to digest and decide whether they support them. It appears obvious that at least the other side of the Parliament does not support them. That is a shame because, as the recommendations indicate, the Royal Commission into Commercial Activities of Government and Other Matters also spent a great deal of time referring to the importance of parliamentary elections and the necessity to get them right.

Surely, when starting a political system from scratch, the manner by which people are elected in that political system should be addressed first. Although I very much support the initiative of the right of reply for persons adversely referred to I would have liked to see other recommendations of the royal commission and the Commission on Government given higher priority. However, the essence of this debate is to address the pros and cons of the "responses from persons adversely referred to in the House" initiative.

This matter was first raised in the Parliament by the leader of the Labor Party.

Mr Cowan: That is absolute nonsense and you know it. It has been addressed by members of Parliament for many years.

Mr CARPENTER: It is because of that initiative that the motion is being adopted by the Parliament. It is probably not surprising that it took the leader of the Labor Party to tweak the conscience of government members to bring this matter before the attention of the Parliament and the people of Western Australia. Without his efforts, I bet London to a brick that this would not have happened.

Mr McGowan: You are right.

Mr CARPENTER: I heard the interjection from the Leader of the National Party that this matter had been discussed by members of Parliament for many a year. He has been in Parliament for a long time and I have not noticed any initiative from him along these lines in his 20-odd years in Parliament. Has he ever moved a motion to allow someone the right of reply?

Mr Cowan: Read *Hansard* and find out. It was not done directly by me, but it was done by my organisation, when it was a 10-member organisation, and seconded by me.

Mr Barnett: Are you going to apologise?

Mr CARPENTER: The Deputy Premier just said that he had not done it; yet he has had plenty of opportunity during his time in the National Party.

It took the leader of the Labor Party to stand in the Parliament and introduce this initiative into the political process.

As I just said, there is no doubt in my mind nor in anyone else's mind that if the leader of the Labor Party had not acted in the way he did, this initiative would not have been brought to Parliament.

Several members interjected.

Mr Cowan: You are a seven day wonder; you come into Parliament for a year and think you know everything.

Mr CARPENTER: I will not get into an argument with the Leader of the National Party. I will press on and come back to a point that I raised with him, in relation to unfair treatment of a member of the public by members of the Parliament, and ask him what he has done about it. I will give him time to gather his thoughts because he knows the matter about which I am talking.

Mr Cowan: Are you talking to me?

Mr CARPENTER: I am talking about the Leader of the National Party. I said I would come back to a matter which involves a slur on a member of the public by a member of Parliament, which I brought to his attention. I would like him to tell us what he has done about it as the Leader of the National Party.

Mr Cowan: Refresh my memory.

Mr CARPENTER: It would be the third time I have brought it to the attention of the Leader of the National Party.

The Opposition gives full support to this initiative because it stems from this side of the Parliament. Nevertheless, it is good that the Government has acted in this way and it deserves some credit for that. As is evidenced here I am sure the Government will be only too eager to accept credit for the initiative, however little credit is due.

The citizens' right of reply could well have been used on other occasions that have become quite infamous in the annals of recent Western Australian political history where members of the public have had what they and others consider to be a raw deal from members of Parliament speaking under the protection of parliamentary privilege. Nobody wanted to see the benefits to the democratic system accorded by parliamentary privilege diminished. This is one way of addressing some of the difficulties that arise through the exercise of parliamentary privilege. It is a very good way of doing it.

It is not an idea unique to Western Australia. I understand that it has already been introduced into several other Parliaments in Australia, notably the federal Parliament where I believe the Senate allows a right of reply, as does the Parliament of the Australian Capital Territory, and the Legislative Assemblies of Queensland and New South Wales. I do not know whether any others do; if they do not, they will probably fall into line within the very near future.

Members of the public and commentators of the political process will agree that it is an overdue and necessary reform to the parliamentary system. There has been much criticism of the performance and political morality of activities and remarks made by members of Parliament. This will help to redress some of the diminution of esteem which parliamentarians have latterly suffered.

In a relatively innocuous debate in this Parliament a few months ago involving the Turf Club Legislation Amendment Bill, which passed, as I recall, with bilateral support, a matter was raised by the member for Avon in which he asserted that the former Chairman of the Turf Club, Ray Warren, had acted in an unfortunate and improper way when he was a chairman of the Turf Club. According to the member for Avon he interfered with the nominations of a horse race so that his horse could be given a late admission to the race. I am very reliably informed that Ray Warren did not act in that way at any stage of his career at the Turf Club. The member for Avon was commenting during a debate in which the performance of the committee and Chairmen of the Turf Club were under criticism in this Parliament. The period extended to when Mr Warren was the chairman. Ray Warren is an honourable man and it could not be suggested he has done anything other than honourable things during his career at the Turf Club. While some people may disagree with some of the initiatives he tried to introduce in the Turf Club, there was never any suggestion that he tried to do anything improper, as was suggested by the member for Avon.

Immediately after I became aware that Mr Warren had not acted in the way asserted in the Parliament, I raised the matter with the Leader of the National Party. He agreed that the events raised in the Parliament did not involve Ray Warren. I also raised the matter with the member for Avon. Last week I again raised the matter with the Leader of the National Party after he had criticised opposition members for some of the things they had said about the public and about government members during the long debates of the Wanneroo Inc affair. I reminded the Leader of the National Party about Ray Warren and he again confirmed that I was right and that Mr Warren had never acted improperly, as was suggested in Parliament.

I would have thought that in the absence of an apology forthcoming from members of Parliament to Mr Warren -

who, for all I know, may not even know the remarks were made about him - the notion that a member of Parliament or one of the Presiding Officers would inform him of those allegations is very sound, because any member of the public who has had false allegations made against him, admittedly in this case of mistaken identity -

Mr Cowan: Have you spoken to Mr Warren about this?

Mr CARPENTER: I have not spoken to Mr Warren.

Mr Cowan: I recommend you do. You might find out something that would satisfy all your complaints.

Mr CARPENTER: I would have thought that as the remarks were made about him in a forum such as the Parliament, which remarks are in the *Hansard* for all to see and which, so far as I know, have not been corrected -

Mr Cowan: You have not even checked that?

Mr CARPENTER: Have they been corrected?

Mr Cowan: I don't know. I'm asking you.

Mr CARPENTER: The Leader of the National Party should check them. A member of his party made the comments.

Mr Cowan: You check it. You're the person making all the allegations now. Why don't you check it?

Mr CARPENTER: I would have thought that it was up to the Parliament or a member of Parliament to make sure that the correction or apology to Mr Warren was on the *Hansard* record.

If what the Leader of National Party is indicating is true, a private apology may have been extended to Mr Warren. However, I use this case as an example of a member of the public being falsely accused in this House and that false allegation being on the *Hansard* record with no correction being made on the *Hansard* record - that is, the public record.

Mr Cowan: You haven't checked, then?

Mr CARPENTER: We can check it together later on and then the Leader of the National Party can make a statement about it.

Mr Cowan: I'll let you do that.

Mr CARPENTER: I will do it for the Leader of the National Party.

Allowing a citizen to respond when he believes he has been unfairly or adversely referred to in the Parliament is a good initiative. The Parliament has been confronted not only in the more distant past, but also in the immediate past, with circumstances in which such a right of reply is warranted.

When this matter was debated in the upper House - and perhaps this goes to the point the Leader of National Party was making in his interjections - the Attorney General asserted that the problem lay not in what was said about a member of the public by a member of the Parliament, but in the reporting of those comments by the media. In other words, members of Parliament were at liberty to make any comments about anybody, but a problem arose when the media reported those comments and made them known to the public. Enough has been said about that already in public and parliamentary debate to underline the false notion the Attorney General seems to be labouring under.

It is simply not good enough for the Parliament to suggest that if remarks are made in this House or the other place, they can be considered defamatory only as long as they are not published and as long as a private apology is made. If the remarks about Ray Warren had been picked up, they could easily have been published and then his reputation would have been badly damaged. However, those remarks still require a public apology by the Parliament.

The initiative is a good one. The Leader of the Labor Party deserves to be congratulated. The Government deserves a pat on the head for running along in the wake of the Labor Party and for picking up on a good idea and bringing it to the Parliament, albeit late and reluctantly. I look forward to seeing the important recommendations made by the Commission on Government introduced in the parliamentary and political process of WA.

MR RIEBELING (Burrup) [7.57 pm]: I support the motion and in so doing I congratulate the Government for putting forward this motion which was developed by the Opposition.

Although the member for Willagee touched on a few matters I am concerned about, I would like the Leader of the House to explain a few matters. I understand that a person who is adversely referred to in this place would have recourse to write to the Speaker of the House, who would then direct that complaint or issue to the committee. If the committee considered that it should be published, then that would be the reply. However, I do not understand two

steps in getting to that point. If the Press does not pick up the adverse comments about a person, how will that person know what has been said unless someone rings him and tells him?

Mr Barnett: We'll tell him.

Mr RIEBELING: Will a process be put in place?

Mr Barnett: Commonsense would dictate that if you malign someone that person will find out, won't he?

Mr RIEBELING: Not necessarily. Does the Minister see a need for a process to advise someone who has been adversely impacted upon?

Mr Barnett: I don't.

Mr RIEBELING: I understand that the Commission on Government recommended that should happen.

Mr Barnett: Did he? That is fine; we will not do that.

Mr Osborne: Where did he say that?

Mr RIEBELING: People are not often adversely mentioned in this place. However, when it does occur, they should have the right of reply, and that is what the motion tries to achieve. It will put in place a process to create some fairness in allowing people to respond to what members of Parliament have said. If that process does not include telling people what has been said, the whole system is a little weak.

When the committee is considering the submission of a person who has somehow found out about adverse comments, it is not required to establish whether the statements are true or false. I wonder how a committee is to determine whether the statement of the person affected is to be published without putting its mind to whether there is any truth in the member's statement.

Recommendation 10.9.5, which is the recommendation of interest to the member for Bunbury -

Mr Osborne: I think you should look at it.

Mr RIEBELING: The member might well comment from his seat. Perhaps he will contribute to the debate so we can examine his vast knowledge of the topic.

It concerns me that part (6) of the motion does not allow the committee to enter into any debate about or consideration of whether the statements are true. The right of reply is especially important if the statements are not true. If the purpose behind the recommendation is to require members to take some responsibility for ensuring that what they say in this place is true, the committee set up to look at these issues should be compelled to make a determination or judgment as to whether the member's statements and the affected person's statements are true. Once that determination is made, the process that then flows makes some sense.

Despite his comments, I hope the Leader of the House will explain why he is reluctant to put in place a process to inform people of adverse comments. It is a simple process and one that would enhance the motion greatly.

Debate adjourned, on motion by Mr Osborne.

DAMPIER TO BUNBURY PIPELINE BILL

Second Reading

Resumed from 11 November.

MR THOMAS (Cockburn) [8.05 pm]: I am very pleased to have the opportunity to speak on this legislation on behalf of the Opposition. I make it very clear from the outset that the Opposition supports the sale of the Dampier to Bunbury natural gas pipeline and welcomes it; in fact, it is pleased to be associated with it. The public record will reveal that the members on this side advocated the sale of 100 per cent equity in the pipeline 12 months before the Government got around to doing so, and our support of the sale has been unequivocal since then. There must be a "but", and it is that that does not mean that members on this side are uncritical of the development of the legislation and the situation that affects the pipeline more generally.

As is his form, this Minister has brought what is basically a sound proposition to this House tainted by the process of its introduction.

Mr Barnett: You were doing so well until that point.

Mr THOMAS: As is often the case with this Minister, good ideas are put before him but he does not exhibit an eye

for detail nor does he give proper attention to process. As a result, when his propositions come before the House they are flawed, and that is true of this proposition.

Mr Johnson: He is streets ahead of you.

Mr THOMAS: I will be very interested to see whether that is the case. Perhaps we can review that statement in a couple of months.

As I said, the Opposition supports this proposition. However, I would like to put on record its support for the asset itself. The Dampier to Bunbury natural gas pipeline was built under a Labor Government. One of the first decisions that the incoming Government had to make in 1983 was whether to go ahead with the arrangements reached at that stage by the outgoing Government. That was a difficult decision because it meant the commitment of substantial amounts of money for both the construction of the pipeline and the undertaking of the take or pay contracts with the joint venture partners. That caused the incoming Government a great deal of concern, but it decided to go ahead and the pipeline was built.

We should place on record on an occasion such as this - when an asset is being transferred from public to private ownership - some of the people involved in making that decision. The original Minister responsible in the Labor Government was Deputy Premier Mal Bryce, and subsequently David Parker. I am sufficiently generous to acknowledge the earlier roles of people such as Sir Charles Court, Andrew Mensaros and Peter Jones. We should also acknowledge the vision of some of the officers involved in the formulation of the proposition that the State should enter into an undertaking the magnitude of which had not been seen until that time. The late Bruce Kirkwood, the Chairman of the State Energy Commission, and his deputy, Marwood Kingsmill, who were both involved in the project during its early stages, should also be acknowledged. It is sad when an asset has prospered in the way this pipeline has that both gentlemen are not here to see it. It is ironic that a long term apprentice of Bruce Kirkwood and Marwood Kingsmill - Phil Harvey - is now the CEO of AlintaGas and is presiding over the administration of that asset and others.

It may be said that both sides of politics in this State have supported this. At times that has been difficult because it has involved substantial financial commitments and on at least two occasions those commitments have had to be renegotiated. The State has had a significant amount of financial obligation as a consequence of the contracts, such as the take and pay contract, associated with the Dampier to Bunbury natural gas pipeline. Indeed, that take and pay contract gave Woodside the asset which enabled it to proceed to the export phase of the North West Shelf project. That has brought enormous economic benefits to this State and no doubt many more are to come. In those circumstances it is worthwhile to think of people like Bruce Kirkwood who had the vision. Although at times it appeared that the State was over-capitalised as a consequence of that expenditure, more recently it has turned out to be under-capitalised. The pipeline has had to be enhanced by compressors and will have to be further enhanced if one option at least is pursued by looping and the vision of supplying gas to the south west of the State is justified.

The penultimate stage in the evolution of this project was a statement by the Minister in August 1994. We went to the Parmelia Hilton and listened to the Minister heralding the deregulation of the energy industry in Western Australia. He referred particularly to the gas industry, the disaggregation of gas contracts, the breakup of the State Energy Commission of Western Australia into a gas corporation and an electricity corporation, as they are referred to in legislation, and the introduction of a competitive gas industry in this State. This is where we get to the problem. It would be nice to be able to have nothing but praise for the Government. However, sadly, because of the flawed process we have seen -

Mr Barnett: You do not look sad.

Mr THOMAS: Do I not? I feel sad. Unfortunately, the Minister's rhetoric is not matched by his performance. I take members back those three years and two months to August 1994 when the Minister made those enormous announcements. I walked back to the Parliament because, Mr Speaker, as you will no doubt be aware, for normal members of Parliament who are not Ministers parking is very difficult. I thought what a great day it was and what tremendous announcements had been made. It was announced that the gas industry would be deregulated and certain quanta of gas contestable. I went to my electorate office and phoned a significant gas consumer in my electorate to give him the good news. I did not even claim credit for it. I gave the Minister credit for it. I said, "What a great job this Government is doing."

Mr Barnett: This is the best speech you have made for years but I have a feeling it is about to turn sour.

Mr THOMAS: Yes. So that that business in my electorate would have a complete picture of what the Minister was doing, I indicated that the Minister was giving a report that had been commissioned by his predecessor, who is of course the now Leader of the Opposition. He commissioned the Energy Board of Review and the Sir Roderick Carnegie report. They made recommendations upon which the Minister was acting. That is the way of the world.

In a field such as this, there are long lead times and investments have to be amortised over a long period. Very often they tend to cross the times at which Governments change. For the most part we find a continuity from one Government to the next. That is illustrated by the fact that in 1983, after a substantial amount of heart-searching, the incoming Labor Government decided to go ahead and build the pipeline. It invested public money to do that. It is also illustrated by the fact that, in 1993 or shortly after, this Government effectively accepted the recommendations of a process that had been set in train by the now Leader of the Opposition when commissioning Sir Roderick Carnegie and the Energy Board of Review to bring forward their propositions. What the Minister was saying was simply in line with that.

However, over the past three years things have gone sour. I was feeling fairly optimistic because I wanted these things to occur. You may recall, Mr Speaker, that as a member of the Opposition one feels a dilemma. I feel that dilemma often because as a patriot I want the State to do well and to prosper. On the other hand, as an opposition member of Parliament, one needs to score points against the Government. I was walking back up the Terrace full of optimism.

Mr Barnett: How far up the Terrace did you get before this wave of optimism and euphoria left you?

Mr THOMAS: It persisted for months.

Mr Day: When he walked into the Caucus room it disappeared.

Mr THOMAS: No, the Government started to go sour on a few other projects. It happened gradually. The Minister's rhetoric does not always match his performance. I would like to quote from his second reading speech.

Mr Day: The performance is usually better.

Mr THOMAS: Let us measure it in this case. We have the rhetoric and the performance. The Minister's opening three paragraphs in the second reading speech set the tone in which the Minister was trying to set this particular Bill. It is wrong, not because of the content of the Bill but because of the circumstances under which it is taking place. He said -

As part of the ongoing reform of the Western Australian energy sector -

Point of Order

Mr OSBORNE: It appears that the member is quoting from an uncorrected transcript of *Hansard*.

Mr THOMAS: I am sorry, Mr Speaker, but it is a second reading speech, which I would have thought we might confidently expect not to need correcting.

The SPEAKER: Members should know that they do not quote from uncorrected copies of *Hansard*. However, it appears the member will correct the problem.

Debate Resumed

Mr THOMAS: The Minister said -

As part of the ongoing reform of the Western Australian energy sector, the Government has decided to sell 100 per cent of the Dampier to Bunbury natural gas pipeline or, as it is known in the gas business, the DBNGP.

It is usually known as the DBNG. He continues -

There will be a number of major benefits to the State arising from such a sale. Firstly, the sale proceeds are expected to be substantial and will allow the retirement of a significant amount of state debt. This will have major benefits for the State, helping to hold down interest costs on borrowings and freeing up scarce capital for other much needed social and industrial infrastructure.

We are all supportive of that. He then continues -

Secondly, separating the ownership and operation of the Dampier to Bunbury natural gas pipeline from the other business units of AlintaGas will foster a more competitive environment.

That refers to competition. To continue -

The separation of ownership of the pipeline from interests in trading in gas is consistent with the national access code for gas transmission systems which this Government will adopt for this pipeline on 1 January 2000.

We anticipate there will be legislation to give effect to that next year, although we have not seen it. The Minister continues -

Thirdly, the provision of a wider gas corridor will help to facilitate future gas transmission pipeline developments and lead to the greater availability of low cost and environmentally friendly natural gas. The sale of the pipeline will also keep Western Australia at the forefront of energy reform in Australia.

In the second and third paragraphs he made the point that the sale of the pipeline was an important part of the Government's continuing program of introducing competition in the energy industry. However, it is taking place under circumstances which, on the face of it, appear to the Opposition to be anticompetitive. We have raised that issue a number of times in this House. I am referring, of course, to the Alinta-Epic deal, which I will deal with in more detail further into my speech.

Mr Barnett: Will this be a different speech from the one you gave this afternoon?

Mr THOMAS: If the Minister sits and listens he will find out. It is not just the Opposition that thinks this process might be anticompetitive: The Australian Competition and Consumer Commission is also of the view that it might be anticompetitive.

Mr Barnett: On what authority do you base the statement that the ACCC has the view it is anticompetitive? Have you spoken to the ACCC?

Mr THOMAS: I telephoned the ACCC last week and asked whether it was investigating the Alinta-Epic deal. I was told it was. The Deputy Premier rightly corrected me when I made this assertion in the House that perhaps it was not being investigated but was being inquired into. The ACCC has sought documentation about this process and that is being examined. I asked the ACCC officer how long she thought this would take. I explained who I was, but even if I were an ordinary member of the public I would be entitled to know this. She said, "How long is a piece of string?" I then asked whether it was days, weeks, months or years. She indicated that she expected it to be over by Christmas; certainly the examination of the documents would be over by then. That is an interesting confluence of time lines.

Mr Barnett: To whom did you speak in the ACCC?

Mr THOMAS: I cannot remember the name of the lady. She has been quoted a number of times in the newspaper. I do not know whether her title is chief executive officer, manager, regional commissioner or whatever.

Mr Barnett: Did you explain you were a member of Parliament?

Mr THOMAS: Yes, and not only a member of Parliament but also the opposition spokesman on energy matters. It was reported in *The West Australian*. I did not have to be a detective to find out.

Mr Barnett: Did she choose to discuss this line of inquiry with you?

Mr THOMAS: She told me what I have just told the Minister, which seemed to be a fairly innocuous piece of knowledge. Indeed, it had been reported in *The West Australian*.

Mr Grill: Was it Lee Hollis?

Mr THOMAS: Yes, Hollis was her name.

Mr Barnett: So you discussed the duration of this inquiry?

Mr THOMAS: I asked her how long she thought the inquiry would take.

Mr Barnett: Did she express a view on that?

Mr THOMAS: In response, the expression she used was, "How long is a piece of string?" I think that was her phrase. Then I asked her whether AlintaGas had been cooperative. She said yes. I said that was good because I thought they were nice people. I know them and I would expect them to be cooperative when they are asked to provide documents.

Mr Barnett: Did you talk about anything else with her?

Mr THOMAS: No, that is about it. It has taken me longer to recount that conversation than it took. I would not ask her to divulge anything that she should not. No doubt, even if I did, she would not. I had never spoken to the woman in my life before or since, to the best of my knowledge. Nonetheless, we know that the ACCC exists to enforce trade practices laws. If anyone were to suggest that in some sense it is a bit strange for a person to suggest that the Alinta-Epic deal should be investigated by the ACCC I would tell them that the first person to suggest that the Alinta-Epic

deal should be investigated by the ACCC was the Minister for Energy. Then Mr Harvey said, "No, it will not be; it does not have to be." There was a difference of opinion between the Minister and Mr Harvey. Mr Harvey said that the ACCC would not need to look at this and the Minister said he thought it would. The Minister then went quiet on the subject and we did not hear a word from him on this subject for the best part of six months. That is according to my research through the Press clippings. Recently the Minister has gone back on the air again.

This has two things to do with the sale of the pipeline. First, the legislation provides that all rights attached to the owner of the pipeline and that other people might have against the owner of the pipeline will transfer with the sale. AlintaGas and Epic have a deal; however, the pipeline may be purchased in a couple of weeks' time by somebody other than Epic, and it might be AGL, PGT or whatever. One needs to be a bit of a detective to find this out, because they will not let us look at the documentation. The Minister cannot tell us reliably, because he has not read it himself. He does not know and he would be guessing too. It would appear that whoever purchases that pipeline will own whatever rights attach to what is known in the vernacular in the industry as the Alinta-Epic deal. Under that deal Epic Energy has agreed to pay \$340m to AlintaGas. In return AlintaGas will upgrade the capacity of the pipeline. That will then give Epic the capacity to transport 175 terajoules a day of gas. We have an arrangement where, without holding title, Epic Energy has effectively taken an equity in the pipeline.

Mr Barnett: No, they do not.

Mr THOMAS: The Minister explained it as an Alcoa-type arrangement.

Mr Barnett: They do not have any ownership of the pipeline.

Mr THOMAS: I know they do not have ownership.

Mr Barnett: Do not say that you know. When you make a mistake you need to hear the truth. Any enhancement of the pipeline will at all times be the property of Alinta.

Mr THOMAS: Epic will have rights over 175 TJ a day.

Mr Barnett: They will have rights to transport gas, as any other transporter does. There are dozens of transporters of gas.

Mr THOMAS: In the real world where people use normal language they would call that effective equity.

Mr Barnett: No-one would.

Mr THOMAS: The Minister would not, but I would. That means Epic has the same rights as if it owned 175 TJ.

Mr Barnett: Do you think Western Power has effective equity of the pipeline?

Mr THOMAS: I mean effective equity with a small "e".

Mr Barnett: Effective equity was your term. Can you define effective equity?

Mr THOMAS: It is the same right as Alcoa has; that is, the right to use the pipeline.

Mr Barnett: Western Power has the right to use the pipeline.

Mr THOMAS: I do not want to split hairs with the Minister.

Mr Barnett: No, the member for Cockburn has introduced a whole new concept of "effective equity". Western Power has a right to transport gas and the member is saying that it does not have effective equity. Can the member tell me why it does not and Epic will?

Mr THOMAS: The difference is that, like Alcoa, Epic Energy has paid in order to secure that right. It is financing the construction. It does not hold title or have ownership in that sense.

Mr Barnett: It is not equity, is it?

Mr THOMAS: It is not equity in a legal sense, but it has the same practical effect.

Mr Barnett: Let us drop that term.

Mr THOMAS: It is the practical effect that counts. At about the time that AlintaGas and Epic Energy were doing this deal, other people in Perth were trying to get a licence to build a pipeline to, among other things, service the Kingstream contract if that market became available.

Mr Barnett: Who were they?

Mr THOMAS: PGE. There may have been others. AlintaGas and Epic Energy had a deal and secured the Kingstream contract to the extent that it could be secured. If the project proceeds, they have the contract and the next increment of 175 terajoules a day in the gas transmission market. If someone were thinking of building a second pipeline, securing that first increment of 175 TJ a day would go a long way towards making the pipeline an economic proposition. For that reason it seems that AlintaGas and Epic Energy entered into what could be found to be anticompetitive practices.

Mr Bloffwitch: That is drawing a long bow.

Mr THOMAS: Fortunately, it is not up to either the member for Geraldton or me to make that decision.

Mr Bloffwitch: You are saying that if someone lost the tender it is anticompetitive. I have never heard such rot.

Mr THOMAS: Fortunately, the member for Geraldton is not in the Australian Competition and Consumer Commission, and neither am I. It is up to those people to decide. Given that others have the power to set in process procedures that will lead to a conclusion one way or another on that type of proposition, it would be prudent not to proceed with the sale until that occurs. Given that the ACCC is investigating a most important arrangement that relates to this pipeline, it seems to the Opposition that it is not appropriate for the sale to proceed at this time. There are a number of reasons for that.

First, if I were one of the bidders, other than Epic - there are five bidders - I would like to know the fate of those deliberations. Epic Energy was said to have agreed to pay \$340m to secure the arrangement with AlintaGas for the carriage of 175 TJ of gas a day. At about the time the deal was made, it became evident from statements made by Mr Harvey that it might not be a profitable arrangement and that AlintaGas had entered into an arrangement with Epic Energy whereby it would not obtain a market return, as required under its legislation, but presumably it would be profitable to Epic. One must ask why this public utility is prepared to enter into an arrangement at little or no profit to itself to enable a gas producer to supply gas to a market, when it will presumably be profitable to the producer. I do not know the answer, but we know Mr Harvey wrote to his chairman in words to the effect that they must do whatever they could to ensure that the monopoly of the pipeline was retained. If that is the case, and this action has been taken to facilitate that aim, it may well be that the contract is uncompetitive. It is not for me to know, but it is a bit odd. I would be surprised if Bloffwitch Ford in Geraldton would sell cars at little or no profit. Why would it bother?

Mr Bloffwitch: Believe it or not, we do. It is called meeting competition.

Mr THOMAS: The member for Geraldton must be careful about what he says because Toyota got into trouble for that sort of thing.

Mr Bloffwitch: It got into trouble for price fixing, not for selling them too cheaply.

Mr Barnett: Don't you like cheap prices?

Mr THOMAS: I love cheap prices but I also like propriety. AlintaGas disposed of a valuable asset; that is, the right to have a 175 TJ capacity added to the pipeline for a particular market. Epic Energy was prepared to pay \$340m for that. What if somebody else wanted it?

Mr Barnett: If someone walks in the door and wants another 175 TJ of gas capacity, they can do a deal and have that.

Mr THOMAS: If someone wanted to build a second pipeline, they could not do that.

Mr Barnett: Who said that?

Mr THOMAS: I would be most surprised if somebody else would want 175 TJ of capacity as well at a loss or low profit.

Mr Barnett: You get increasing returns. The more capacity you add the lower the cost of transporting the gas.

Mr THOMAS: At less than market rates. I suspect that is not the case; in fact, I am sure that is not the case. In addition, in terms of reasons the sale should not proceed at present, because Epic has been prepared to offer, say, \$300m for the right, and that arrangement has been successful in winning the contract from Kingstream for the supply of gas, it could be said it has enhanced the value of the asset. Whoever buys the asset will buy not only the existing pipe and the contracts that are working and flowing from it, but also the right to receive \$300m from Epic and carry that gas for it. If it is worth \$300m, say, to Epic Energy, presumably it is worth an amount of that magnitude to anyone else; therefore, it has enhanced the value of the asset by perhaps \$300m. When the bidders for this project enter the data rooms -

Mr Barnett: Except for one small detail. They must spend \$300m to expand the capacity and must add it on and take it off.

Mr THOMAS: It adds to the value of the asset.

Mr Barnett: It does not. I will not go back to the seven dwarfs, but that \$300m is a commitment to spend on construction and on expanding the capacity.

Mr THOMAS: I am aware of that.

Mr Barnett: Then why did you say it?

Mr THOMAS: If someone said to a person who was running a boarding house, "I will give you \$100 000 to build an extra three rooms on your boarding house, provided you let me live in it -

Mr Barnett: You have to actually do it, so it does not enhance the value.

Mr THOMAS: When that person sold that boarding house, it would be a more valuable house because it had those extra rooms. This pipeline will be an enhanced asset because it will be bigger, it will have greater capacity, and it will have contracted customers.

The purchasers of the asset will need to enter the data room and take a punt, because if the Alinta-Epic deal was overturned by the ACCC, the value of the pipeline would be markedly different. That situation would not be acceptable to most people who were bidding for a major project. If I were bidding for an asset, I would like to know, with as great a degree of certainty as was possible, what that asset entailed. It is an unfair imposition to require people to submit binding bids without knowing whether that arrangement will stand. In last Thursday's *The West Australian*, the Minister used the words that they would have to take a punt. We are talking about large sums of money. The Minister spoke on one occasion of making a profit of \$500 000. We are talking about as much as \$1.5b.

According to the briefings that we have received, data rooms have been set up, and data which is the equivalent of 100 000 pages of information on the pipeline will be made available to the five selected bidders, who will make as much as they can of that information and will then submit their binding bids. Obviously a lot of time and money has been spent by Alinta in preparing for this sale, and obviously the would-be purchasers are spending a lot of time and money. How can the State credibly offer its largest asset to the world market by saying, "Here is the asset, and we hope to get a good price for it, but we are not sure whether the deal that attaches to the arrangement is legal, and we are not sure what it is worth, because if the Alinta-Epic deal were to be set aside because of the ACCC, it would be open to someone else to submit an arrangement"? If someone were to come up with a competitive arrangement which could beat the Alinta-Epic deal and were to build a pipeline, some of the other customers would become contestable and the value of the pipeline would be diminished because it would cease to be a monopoly supplier in the transportation of gas from the Pilbara to the south west of the State.

Mr Barnett: Do you want the State to get a high price or a low price for the pipeline?

Mr THOMAS: What does the Minister want?

Mr Barnett: I want a high price.

Mr Grill: Why not bring some certainty to the deal now? There is no certainty now. You think it is a punt. Those were your words.

Mr THOMAS: It is interesting to hear the Minister say that he wants a high price.

Mr Barnett: I do.

Mr THOMAS: I am glad to hear that, because one of the questions that I was looking forward to asking the Minister -

Mr Barnett: We want to get top dollar for the pipeline for the people of Western Australia.

Mr THOMAS: That is interesting, because in Thursday's *The West Australian* the Minister said that price is a consideration, but not the only consideration.

Mr Barnett: The major one.

Mr THOMAS: If someone was able to offer a lower tariff, then that would be a consideration.

Mr Barnett: If you read the legislation, a lower tariff is locked in as part of the sale process from \$1.27 to \$1 by 1 January 2000.

Mr THOMAS: If someone said, "I will give you -

Mr Barnett: Skip over that. A 27 per cent cut in transportation costs is part of the sale process. That is not bad. Subject to that, we want the highest price that we can get.

Mr THOMAS: Well done. We support the legislation, but we are saying that it is taking place in circumstances which are flawed, in such a way that this important transition in the energy economy of this State is likely to occur under a cloud. That is most undesirable.

Mr Barnett: What would you do if you were in my position?

Mr THOMAS: I would never be in the position that the Minister is in now, that is for sure. The Minister discovered, I think by reading it in *The West Australian*, that his department had entered into a deal with Epic Energy for the supply of energy for the Kingstream project. He then said that it would have to go to the ACCC, and Mr Harvey came along and said -

Mr Barnett: Again you miss the point and the media misses the point. The whole arrangement between Alinta and Epic is subject to approval by the ACCC. That is part of the agreement. The agreement stands subject to approval by the ACCC.

Mr THOMAS: I intended to ask the Minister this question in question time tomorrow, but I will ask him now, and I ask him to be very careful with his words, because it is quite important. The Minister said in this House last week that because of the terms of the documentation of the Alinta-Epic deal, it had to go to the ACCC.

Mr Barnett: No, I did not.

Mr THOMAS: The Minister did say that.

Mr Barnett: I said it was subject to approval by the ACCC.

Mr THOMAS: That is right, and that occurred because of the terms of the documentation.

Mr Barnett: The advice I have from Alinta is that the deal is subject to approval by the ACCC.

Mr THOMAS: This is an interesting point, because the Minister is obfuscating. The Minister said in the House, in answer to a point that was made by my colleague the member for Eyre, at page 7521 of *Hansard* of 11 November - a significant date - that -

As I said to the member for Cockburn, the letter of intent between Epic and AlintaGas - the formal documentation - makes it clear that any arrangement must be subject to the approval of the ACCC.

Mr Barnett: That is what I said 10 seconds ago.

Mr THOMAS: It is contained in the documentation that it must go to the ACCC.

Mr Barnett: It is subject to the approval of the ACCC.

Mr THOMAS: It turns out that the ACCC denied that.

Mr Barnett: Because it is not in the loop; because when the agreement was reached, or the letter of indication, actually -

Mr THOMAS: I would be very careful, mate -

Mr Barnett: Do not call me mate. I am no mate of yours.

Mr THOMAS: Believe me; it is not a term of male bonding.

Mr Barnett: It certainly is not. I was a petty thief a few hours ago. I know exactly where you are coming from, my friend.

Mr THOMAS: The Minister is not my friend either.

Mr Barnett: The letter of indication is an arrangement, an understanding, an agreement, or along the way to reaching an agreement, between Alinta and Epic, and in its understanding, in its documentation, it states that the whole deal is subject to approval by the ACCC. In other words, if the ACCC objected or in some way said the deal was off, then all bets would be off. That is a fairly standard commercial arrangement in this sort of process.

Mr THOMAS: It turns out -

Mr Barnett: The Australian Competition and Consumer Commission would not be involved in that. However, there were a number of discussions along the way between AlintaGas - I am not sure whether Epic Energy was involved - and the ACCC about the nature of the arrangements. There were discussions with the ACCC, of which I was not a part. AlintaGas quite properly went through that process.

Mr THOMAS: I am pleased to hear that, because we did not know it before. It turns out that the ACCC is not part of the so-called loop -

Mr Barnett: Not at that stage, but the documentation makes it clear that if there is a problem -

Mr THOMAS: It has elbowed its way into the loop by calling for all documentation. I am told that it has been supplied with that documentation.

Mr Barnett: I told you that.

Mr THOMAS: That was confirmed. It was said that AlintaGas had been cooperative, it had been a model citizen. We are very pleased to hear, as patriotic Western Australians, that it complied with the law and provided documentation when asked. The point is that presumably it now has the documentation, because it asked for it. One of the documents would have been the one the Minister describes as a letter of indication or of intent -

Mr Barnett: It is different.

Mr THOMAS: The Minister said it was a letter of intent.

Mr Barnett: I am advised that the correct term is a letter of indication, which would lead to a letter of intent. I just want to make your speech better.

Mr THOMAS: I am pleased about that. The Minister is helping me. However, the point is that the ACCC in *The West Australian* last Thursday denied the fact.

Mr Barnett: I have just explained! The letter of indication says that all the deal is subject to ACCC approval. In other words, if the ACCC disapproves, all bets are off! It does not mean it gets a rubber stamp on it. It says that if there is a problem, if the ACCC objects, if anyone objects, and it is ruled out, then all bets are off. That is the nature of the agreement. For the fifteenth time, understand what it means!

Mr THOMAS: We may have to make it 16 or 17 times.

Mr Barnett: I am getting bored with this!

Mr THOMAS: The Minister may be, but he must sit and listen.

Mr Barnett: I have heard it 10 times before.

Mr THOMAS: The Minister will probably hear it a few more times. The Minister said that contained within the documentation is a requirement for ACCC approval. The ACCC now has the documentation but it denies that.

Mr Barnett: Of course! You are a bimbo. The agreement says this deal is subject to approval by the ACCC. If the ACCC disapproves, the deal is off. It is a fairly normal commercial arrangement. It is the nature of the deal.

Mr THOMAS: That is what the ACCC denied, and it has the documentation.

Mr Barnett: You told me that you had not discussed it with the ACCC -

Mr THOMAS: I did not. I put in a subscription to *The West Australian* about 20 years ago, and every day the newspaper is delivered to my house. Last Thursday the newspaper contained an article in which the regional director, Ms Hollis, said that that was not the case. It had the documentation. On Tuesday of last week in this place the Minister said he had not read it.

Mr Barnett: I haven't.

Mr THOMAS: The ACCC has it but says it is not there; the Minister has not read it, and he says it is there. What a Mickey Mouse outfit this is, which has the State's largest asset going out to the world markets. Nationally and internationally, the gas industry is watching this State. The Minister's rhetoric for the most part, particularly three or four years ago, was fantastic. He said he wanted to have a competitive gas industry - inter alia, a competitive gas transmission industry - and we were thrilled. As I told the Minister earlier, when I strode back up St Georges Terrace I felt pleased to live in this State and have a Minister who is bringing about a competitive gas industry in Western Australia, implementing the policies of the Australian Labor Party!

Consider this: Now we have the sale of an asset, and the Minister said that it is so urgent that it must happen this

month otherwise it will cost a lot of money. When I gave notice of a motion, the Minister accused me of being an economic vandal, and other things.

Mr Barnett: Your motion was to defer privatisation of the Dampier to Bunbury natural gas pipeline. You moved a motion to defer it, and now you say you will support this Bill! Will you still move the motion to defer the sale?

Mr THOMAS: We support this legislation. Under that legislation the Minister does not have to proceed with the sale immediately.

Mr Barnett: But I will. You will take the high and painless moral ground!

Mr THOMAS: No.

Mr Barnett: Will you try to implicate me?

Mr THOMAS: It is not up to me.

Mr Barnett: Will you allude to breaches of trade practices legislation, without actually accusing anyone? That was your strategy. It is totally improper conduct.

Mr THOMAS: It is an honourable thing to do.

Mr Barnett: Hang on! You think it is honourable to allude to breaches of the trade practices legislation and not accuse anyone, but you think the gas pipeline sales advisory committee -

Mr THOMAS: I am aware of the point the Minister is making.

Mr Barnett: If any impropriety is found there is a good chance we might link Barnett! What a fantastic strategy! This is the man who might play around with Cabinet records. It is amazing.

Several members interjected.

Mr Barnett: This man altered Cabinet records. Talk about propriety! I will not cop it from this guy! He was mentioned at the royal commission as altering Cabinet records. That is where he stands.

Mr THOMAS: Sit down and shut up!

Several members interjected.

Mr Barnett: He was mentioned in the royal commission documents as altering Cabinet records.

Mr THOMAS: The Minister does not understand what he is talking about. I have never had a finding against me such as that made against the Minister. Talk about altering records and secrecy! The Minister was cited by the Commission on Government as being an example of what a Minister should not do. When it comes to the question of alluding to breaches of the law rather than making accusations, it has always been my style to not accuse people unless those accusations can be proved. If there has been a breach of the law, it is not up to me to find; it is up to the ACCC. Nonetheless it is necessary for us to allude to the very important matters contained within the brief of the ACCC which are to maintain a competitive environment in the industry of this country.

Mr Barnett: The royal commission did not think much of you. It said that Mr Thomas' actions offend both objectives - those objectives being the propriety of Cabinet records. That is 8.19.41 of the conclusion of the royal commission.

Mr THOMAS: Has the Minister finished?

Mr Grill: This is petty stuff.

Mr Ripper: The Minister must be under pressure.

Mr Barnett: I will get to the member for Eyre later on too. Here we have the high and painless moral ground.

The SPEAKER: Order! The member for Cockburn has allowed interjections by remaining silent. Perhaps he will continue his speech.

Mr THOMAS: Thank you, Mr Speaker. Protect me from those people!

It has never been my style to accuse anyone of what they may have done, simply because the matters are being investigated. The Minister should ask his colleagues, some of whom have served with me on committees. I have supported the notion that under legislation it should not be possible for people to be accused of certain things simply because investigations are taking place. That is the reason I said in the letter - and I thought the Minister would

welcome it - we should not make accusations, because I do not believe in making unfounded accusations. I believe in raising matters when they need to be raised. It happens to be the case that the ACCC is investigating the Alinta-Epic Energy deal regarding matters presumably in breach of trade practices law. As shadow Minister for Energy, it is important for me to say that in this place at a time when the pipeline is being sold - and the vendor is a party to the deal, and one of the would-be purchasers is a party to it. Therefore, in the circumstances, we must raise matters in this House. However, I said specifically to my colleagues that we should not make accusations.

After a meeting this morning, I went for a walk down to West Perth. I spoke to someone I just came across in Hay Street who said that the rumour going around is that a very senior public servant will be in trouble as a consequence of the Australian Competition and Consumer Commission investigation. I could come in here and say, "Guess what I heard", and then make accusations. I could then say that if that is the case, maybe the Minister is in trouble. However, that is not the proper way for members of Parliament to behave, and I make no apologies for stating that we should allude to the subject matter, not make allegations against individuals. If the Minister could behave with similar grace, he may go somewhat further to protecting his dignity.

In my view, people from outside the State looking in would consider that we are very much in a Mickey Mouse operation: The largest asset of the State is to be moved into private hands; however, it is being disposed of in circumstances in which the national trade practices regulator in this country is investigating an arrangement which the vendor, AlintaGas, has entered into with one of the would-be purchasers. This is occurring at that time when it would appear to any objective observer - one need only be a reader of *The West Australian* - that the behaviour involved would suggest to an outsider that it may well be seeking to be anticompetitive. In such circumstances, it is not much of an ask to request that the process be deferred. If the Australian Competition and Consumer Commission inquiry will only take a couple of weeks, deferral presumably would be for only a couple of weeks.

The Minister talks about economic vandalism. What is the cost to the State of deferring the process for a couple of weeks? It has been in public ownership for 13 years, since 1984, and it has been operating well. It still is in public ownership. If the Minister had wanted to take my advice some time last year, when we said sell 100 per cent equity, it would already be sold and be operating in the private sector.

Mr Barnett: You failed to address the legitimate public interest issues; for example, ownership and access to the easement and priority rights to the utility.

Mr THOMAS: I was making a one-sentence statement, not writing an essay.

Mr Barnett: When you spoke before, you did not address those issues.

Mr THOMAS: I was making one-sentence statements, not writing an essay. If I had been writing an essay, I would certainly have addressed those matters.

The deferral would not be a great problem, as it would be only for a matter of weeks.

Mr Barnett: The member for Eyre tried to talk down the price of the pipeline by \$200m. The purpose of that is beyond me.

Mr THOMAS: I suggest that the Minister's behaviour may well do something to the price and the deal's integrity.

The Minister's opening paragraphs in the second reading speech alluded to the question of competition. This is part of a process to have a competitive gas transmission industry in this State. It is more important in Western Australia than probably anywhere else in the world to have a competitive gas transmission industry because of the huge distances between where the gas is produced and its market in the south west of the State. It is ironic that in those circumstances, this sale is taking place with a tainted process.

Mr Barnett: Has anyone complained to you that it is a "tainted process", to use your words?

Mr THOMAS: Yes.

Mr Barnett: Who?

Mr THOMAS: I had a meeting with some of my colleagues this morning, and -

Mr Barnett: Your colleagues complained to you, did they?

Mr THOMAS: No. After that meeting I felt like a walk down Hay Street, and someone came up to me -

Mr Barnett: And complained - just like that!

Mr THOMAS: Just like that. I was told what the person thought about what was going on. This person is involved

in the industry. The person told me the matters I alluded to earlier, and that it was a disgraceful situation. Academics -

Mr Barnett: Just off the street.

Mr THOMAS: It was down near the corner of Colin Street - there is an irony - and Hay Street.

Mr Barnett: Is that it? Is that the level of complaints you have had - a chap on the street?

Mr THOMAS: Not at all. I move in these circles a lot, although probably not as much as the Minister moves around the industry, and people I speak to in the industry think it is a disgrace that AlintaGas -

Mr Barnett: Has anyone formally written to the Labor Party complaining that it is a tainted process? So it is just people in the street; that's fine!

Mr THOMAS: People in the industry raise the matter with me. At a time when we are supposed to be moving towards a competitive industry, the national regulatory authority in this State is investigating the State's public gas utility in circumstances in which everything should be very clean.

Mr Barnett: Who is investigating the utility?

Mr THOMAS: It is inquiring and calling for documents. The Minister suggested that it would have to inquire, and in fact it is. If that process leads to a formal investigation, I predict that the sale process will have to stop. The Minister might like to respond to that suggestion. I hope it does not lead to a formal investigation, and I hope that everything is clean and the sale can proceed - I want that to happen. At the most, the process will be delayed a matter of weeks, which, in the overall scheme, is a matter of little consequence. This is a matter of enormous significance to the State, and probably the biggest deal with which any State Government has been involved. Therefore, it should not occur in circumstances which are tainted.

MR GRILL (Eyre) [9.07 pm]: As the previous speaker indicated, the Opposition supports this legislation. In fact, it was the Labor Party which came to the conclusion some time ago that 100 per cent of this pipeline should be sold. The Minister and the Government were much slower to reach that conclusion. Only fairly recently has the Minister been convinced that this pipeline should be sold in its entirety.

Mr Barnett: No. While you supported the 100 per cent sale, you did not address the significant public policy issues. Once I was able to find a resolution to those matters, I agreed to the 100 per cent sale. Typical of the Labor Party's performance in the 1980s, it did not give a damn about the public interest.

Mr GRILL: It demonstrates that the Minister was slow to come to the same conclusions which the Opposition reached some time ago.

Mr Barnett: What was your policy on easement and utility rights?

Mr GRILL: I will come to that shortly.

Mr Barnett: You did not have any; you're a joke! You stand up and talk down the price by \$200m, which was a disgrace for the people of Western Australia.

Mr GRILL: The Minister is very rattled tonight.

Mr Barnett: When dopey over here calls me a petty thief -

Withdrawal of Remark

Mr THOMAS: I think I heard the Minister use unparliamentary language, and he should withdraw.

The ACTING SPEAKER (Ms McHale): The member for Cockburn should be more specific.

Mr THOMAS: He called me dopey, and I resent it.

The ACTING SPEAKER: Minister.

Mr Barnett: I called him dopey, yes.

The ACTING SPEAKER: I would suggest that that is not language which befits a Minister speaking to one of his parliamentary colleagues. I ask the Minister to withdraw.

Mr BARNETT: I withdraw.

Debate Resumed

Mr GRILL: I repeat: The Minister was slow to come to the conclusion reached by the Opposition some months ago that this asset should be sold in its entirety. It is interesting that the Minister tonight agrees with the position put by the Labor Party some time ago. In fact, it is interesting to note that the commitment to the building of the pipeline in the first instance was made not by a conservative Government, but by the Burke Government. It was one of the first acts of the Burke Government. It was a big commitment made with some risk attached. However, people would appreciate that it was a commitment which has now paid off for the State. In many respects that is something of which we are proud. This Minister is proud of his record to date on deregulation. He has some reason to be proud of that record. The State is heading down a deregulatory path - a path commenced by the Labor Party, followed by this Government and currently supported by the Opposition. In respect of this sale - a sale that we support - it is clear that this Government has made some major errors in choosing the road it is travelling on. As I said when we debated this issue last week in a much briefer form, the first mistake this Government made was to allow its utility, AlintaGas, to strike government policy on a vital component that is an ancillary part of this sale. This Government incorrectly allowed AlintaGas to set government policy on a second competitive pipeline to the current Dampier to Bunbury pipeline.

Mr Barnett: You are absolutely incorrect. I set the policy.

Mr GRILL: Very clearly, that policy was set in writing by AlintaGas and at a very early date. Unfortunately this Minister just followed that along. He would like to rewrite history. However, we have AlintaGas in black and white clearly setting policy and this Minister unfortunately being dragged along by the nose - somewhat reluctantly on occasions, but nonetheless being dragged along.

Mr Barnett: The policy you allude to, if you want to call it a policy - it is a decision on the second pipeline - was set as part of the deregulation of the North West Shelf gas contract. That is the truth.

Mr GRILL: The policy on a second pipeline was set out clearly in writing by AlintaGas some months ago. This Minister followed on. It was improper that this Minister should allow AlintaGas to set policy in that area.

Mr Barnett: It didn't.

Mr GRILL: It should never have happened. It did happen, and it has been very much to the detriment of the State. Ultimately it will be very much to the detriment of this Minister. In pursuing that strategy, which it set out clearly in writing -

Mr Barnett: From whom to whom?

Mr GRILL: From the head of AlintaGas to the head of the gas pipeline sales committee.

Mr Barnett: Are you sure?

Mr GRILL: Yes, we have the letter.

Mr Barnett: From the chief executive to the chairman?

Mr GRILL: A strategy was set out in an endeavour to prevent a second pipeline. It is there in black and white. It has been alluded to in debate before. It is not something of which this Minister is not aware. The Minister is fully aware of that.

Mr Barnett: What the chief executive of AlintaGas might write to the chairman is a matter for AlintaGas. However, where do you make the nexus to government policy?

Mr GRILL: It became government policy by default because the Minister allowed AlintaGas to pursue that policy and he took no action, when urged to, to proceed with the second pipeline. The Minister is in writing - I do not have it with me at present - as having opposed a second pipeline, in the same terms as AlintaGas in its written strategy opposed that pipeline.

Mr Barnett: I am clearly on the public record as opposing a second pipeline until the process of deregulation and the North West Shelf gas contract reached conclusion, as I have been on the public record since 1995. That has been government policy.

Mr GRILL: That was the first mistake made by this Minister and this Government. The second mistake was allowing the joint venture between Epic Energy and AlintaGas to take place in furtherance of that policy to prevent a second pipeline. Part of AlintaGas' policy to prevent a second pipeline was to enter into an arrangement with Epic to loop the pipeline. That became de facto government policy. That joint venture was put in place -

Mr Barnett: What joint venture? There is no joint venture.

Mr GRILL: There is a joint venture all right. The Minister might call it just a letter of intent; however, a joint venture is in place and it has been in place for some time. It may not be fully formalised, but there is a joint venture.

Mr Barnett: There is no joint venture; you know that. There are letters of indication that may lead to contracts.

Mr GRILL: The Minister is playing semantics.

Mr Barnett: No, you used the term "joint venture", which has a specific meaning. There is no joint venture.

Mr GRILL: That joint venture was put in place in pursuance of the policy of preventing a second pipeline. That was the second mistake made by this Government. It is clear that in pursuing that objective - that is, that joint venture arrangement - this Minister was led by the nose by AlintaGas and by the chief executive of AlintaGas. It is a real problem. The problem is that it is now viewed as being anticompetitive. It may well be anticompetitive because that joint venture was put in place without those parties going to tender. What is more, the sale of the Dampier to Bunbury pipeline is now saddled with that joint venture and, more to the point, it is saddled with a commitment that the new purchaser of the pipeline must purchase that contract - that joint venture arrangement.

Mr Barnett: There is no joint venture and there is to my understanding no contract at this stage. There is a letter of indication.

Mr Thomas: That you have not read, but you know what is in it.

Mr Barnett: No, I have not, and I do not intend to. The purchasers, the five consortia bidding to purchase it, are going through due diligence and have full and equal access to all documentation on which they will make their bids. The final purchaser of the pipeline will then decide what it wants to do.

Mr GRILL: Two mistakes were made. Those mistakes have been well documented and are perfectly clear. The third mistake was that in setting up the joint venture between AlintaGas and Epic, the Government allowed information that was privileged to AlintaGas to somehow find its way to the rival bidders. As a result, there is an impression abroad in this State among a number of companies and within the industry that this Government and that agency cannot be trusted with confidential information.

Mr Barnett: Which information do you suggest went to whom?

Mr GRILL: I suggest that in respect of the Kingstream contract the bids that were supposed to be secret found their way back to the rival bidders in almost record time, giving rise to grave uncertainty among bidders about the propriety of the bidding system.

Mr Barnett: This is important: I want to clarify what you are saying. You are talking about the bids to Kingstream for the right to supply gas to that project?

Mr GRILL: That is right.

Mr Barnett: Are you suggesting that information was leaked by AlintaGas to other bidders?

Mr GRILL: I am suggesting that AlintaGas was in a situation in which it could be accused - and it has been accused - of allowing that information to get back to its joint venture partner.

Mr Barnett: How do you suggest that Epic, which bid for the Kingstream business, knew what were the bids of the other companies, given that the bid process was being conducted by Kingstream and not the Government? It was a private bid process.

Mr GRILL: If the Minister is suggesting there is more than one way that that information could have got back to Epic Energy or any other bidder, he is perfectly correct.

Mr Barnett: Whom are you accusing of improper behaviour?

Mr GRILL: Unfortunately, the perception at large is that that bid process was leaking.

Mr Barnett: Correct me if I am wrong but you just accused AlintaGas of leaking details of a private sector bid process where it was not involved. It was not a bidder to Kingstream. How would it have the information? How could it leak it? If it did not leak it, who did?

Mr GRILL: The Minister was not listening properly.

Mr Barnett: I was listening very carefully.

Mr GRILL: I did not accuse AlintaGas of anything. I was very careful not to.

Mr Barnett: It was not a government process; it was a Kingstream process. Whom are you accusing of improper conduct?

Mr GRILL: I am saying that the Minister allowed AlintaGas and Epic Energy to be placed in such a position where the perception could be that information was passed back. I am not accusing anyone of anything.

Mr Barnett: You just made wild accusations.

Mr GRILL: The Minister may accuse people; I am not.

Mr Barnett: I want to know whom you are accusing of leaking what information to whom.

Mr Marlborough: He is saying your processes are bad.

Mr Barnett: Hang on; it was not a government process. That was a Kingstream process for its project. The Government was not involved, nor should it be. Whose information has been leaked, and why, and by whom?

Mr GRILL: The Minister will tell me in a minute that it was not a government utility.

Mr Barnett: You raised the issue, and now you can't substantiate it. You can't even suggest what information it was. All you are doing is throwing mud at me and AlintaGas when it is not even its process. What are you talking about? Put up or shut up. Come on, pal; put up. Let's hear you.

The ACTING SPEAKER (Ms McHale): I suggest that the member for Eyre has taken the Minister's interjections, but he now wishes to get on with the rest of his speech. I suggest that the Minister might be wise to keep his comments for the speech he makes in reply.

Mr GRILL: The Minister is very touchy tonight. They are the three major mistakes I believe this Government has made with this contract. What have we seen as a result of those three errors? The Australian Competition and Consumer Commission has now moved in and called for all the papers and documentation about that arrangement between Epic and AlintaGas, and is now informally inquiring into the matter. It is doing so because of that relationship to which I referred just a few minutes ago and because of commitments that have been made, or will need to be made, by a bidder in respect of buying out Epic in that very unfortunate joint venture arrangement.

I suggest that there is every prospect that this informal inquiry by the ACCC could go a long way further. In fact, it is an agency with some discretion and it would not raise a question of the possible impropriety or illegality of the arrangement between AlintaGas and Epic unless there was some substance to it. We must bear in mind that it has thought about this inquiry and made no secret of it in a very delicate set of circumstances. It knows, as does everybody else, that that pipeline is now going out for tender. Bids have already been received. I suggest that it is most unlikely that the ACCC would commence an informal inquiry into this matter unless it thought there was some substance in the matters it has commenced to investigate.

This Minister and this Government now have on their plate a very substantial informal inquiry which could shortly become a full inquiry. Strangely enough, the Minister initially, when faced with the question that Epic and AlintaGas might enter into this arrangement without going to tender, said that he did not believe that that was possible; that this could be a transgression of the competitive situation; that the ACCC may inquire into this matter. That was the view of the Minister at that time. He thought it could be anticompetitive. He is not denying it. He is sitting there and accepting that point.

Mr Barnett: I looked at it and I took a direct interest and looked not at the detail of the arrangement, but at the process and the policy implications.

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

Mr GRILL: It is very interesting to hear that the Minister took some advice at that time. He was almost chastised in the Press by the head of AlintaGas at that stage on that matter; he told the Minister in no uncertain terms that the Minister was wrong. It would be interesting to know just what advice the Minister received on that occasion.

Mr Barnett: I did not say I received advice.

Mr GRILL: What did the Minister say? I thought he said he took advice.

Mr Barnett: No, I did not say that at all. I said that I looked at the policy implications of it.

Mr GRILL: Does that mean the Minister did not take any advice on it?

Mr Barnett: No, not particularly.

Mr GRILL: It is clear that at that stage the Minister and the chief executive officer of AlintaGas were at loggerheads in the Press over this issue and that this Minister subsequently appears to have bowed to the dictates of the chief executive officer. In due course, the Minister backed off. The policy I have outlined and the policy AlintaGas has put in writing - that is, the policy opposing a second pipeline - seemed to carry through. The joint venture arrangement between -

Mr Barnett: It flowed directly from the renegotiation and the disaggregation of the North West Shelf gas contracts on 1 January 1995.

Mr GRILL: Notwithstanding that, these strategies, set out in writing by AlintaGas, seem to have carried through the public display of antipathy and conflict over this issue between the chief executive officer of AlintaGas and the Minister. It appears to have been resolved in favour of the chief executive officer and the policies pursued by AlintaGas seem to have prevailed.

Mr Barnett: I had two concerns: First, that it was a proper process and, second, that the project was commercially sound for AlintaGas in terms of profitability. That is what I required to be satisfied about.

Mr GRILL: What about the Minister's first instinct that the matter was anticompetitive? How did he resolve that?

Mr Barnett: I do not deny that. I had a concern when the process became public. That is why, as a responsible Minister, I quizzed the chief executive officer of AlintaGas about the process and I considered the policy implications.

Mr GRILL: What were the elements of those concerns?

Mr Barnett: I had a concern.

Mr GRILL: I ask the Minister to tell me what were the elements of that concern.

Mr Barnett: I had a concern initially about whether it should have been a competitive process. I discussed those issues with AlintaGas and I was satisfied about the process being followed and also that Epic was in the position of a gas transporter.

Mr GRILL: Is the Minister now satisfied that AlintaGas and Epic have not transgressed the Trade Practices Act?

Mr Barnett: I am satisfied to the extent that any arrangement is subject to approval by the ACCC.

Mr GRILL: Has the Minister taken advice on it?

Mr Barnett: No, I have not.

Mr GRILL: Has the Minister taken legal advice on it?

Mr Barnett: No, I have not.

Mr GRILL: Has AlintaGas taken legal advice on it?

Mr Barnett: Treasury probably has looked at it.

Mr GRILL: Has AlintaGas taken legal advice on it?

Mr Barnett: I am sure AlintaGas has taken legal advice on the issue.

Mr GRILL: Has the Minister seen that legal advice?

Mr Barnett: Not to my recollection, but I have discussed the issue with both the chief executive officer and the Chairman of AlintaGas on several occasions and satisfied myself particularly about the commercial viability of the arrangement.

Mr GRILL: The Minister's first instinct was that it was anticompetitive and could fall foul of the Trade Practices Act?

Mr Barnett: My first instinct was of concern and therefore I did the responsible thing and discussed the issue with AlintaGas.

Mr GRILL: But the Minister took no legal advice himself. Has he seen the legal advice? Is he saying that he allowed its policy to steamroll him? That is the way it appears.

Mr Barnett: If I lived through the 1980s in Government like you did, I would take legal advice.

Mr GRILL: Now the Minister is rattled; he is getting stuck into the personal stuff.

Mr Barnett: I do not -

Dr Gallop: You just did. You tried to avoid the questions by the big smear technique.

Mr Barnett: I do not double check chief executive officers reporting to me on their legal advice. I make clear my expectations to the chief executive officers and board - AlintaGas has a talented and experienced board with access to legal opinions - on any commercial arrangement into which they enter. I do not double check all that. That is not what a Minister does; at least it is not what I do. They are directors liable under the Companies (Western Australia) Code for their actions. That is the check in the system.

Mr GRILL: Here we have a situation in which the Minister has admitted that he feared an action could transgress the Trade Practices Act and be anticompetitive.

Mr Barnett: I did; there is no doubt about it.

Mr GRILL: The chief executive officer publicly and vehemently chastised the Minister in the Press and then he was seen to roll over. On his own admission tonight, without looking at any legal advice independent of AlintaGas -

Mr Barnett: There were legal opinions floating around, but I did not seek any particular opinion.

Mr GRILL: It appears that he was steamrolled. The first point I made this evening was that he has made major errors on this contract by being dragged by the nose by AlintaGas' strategy. First he was dragged by the nose and then he was steamrolled. He has admitted here tonight that he took no independent advice and that he did not even bother to inquire whether AlintaGas had legal advice and if so to call for that advice and read it himself.

Mr Barnett: I did not say that.

Mr GRILL: He was clearly steamrolled.

Mr Barnett: That is your assertion.

Mr GRILL: Where are we left as a result of that? We are left with an Australian Competition and Consumer Commission inquiry.

Mr Barnett: No, you don't.

Mr GRILL: Yes, we do. The Minister might want to use the semantic argument by saying it is not an inquiry. It might be informal at this stage, but it is an inquiry.

Mr Barnett: Did you request the ACCC to inquire?

Mr GRILL: As a result of the Minister's transgressions and because he was led by the nose and was steamrolled by the chief executive officer of AlintaGas we are left with an ACCC inquiry. Where does that leave the State? It leaves it in a situation in which this sale is in a state of uncertainty. It could not be better expressed than in the way the Minister summed it up last week when in answer to a question by the member for Cockburn about how the bidders would react he said, "They can take a punt."

Mr Barnett: That is exactly right, and they will.

Mr GRILL: Here the Minister is selling one of the State's largest assets.

Mr Barnett: The largest.

Mr GRILL: It is not necessarily the largest, but it is a very large asset. It is the largest disposition of assets this State has ever seen and we are left in a situation of uncertainty about what is being purchased.

Dr Gallop: What is the significant feature of a punt? You do not quite know what is the outcome. He is saying they should gamble on it.

Mr Barnett: No, it is not.

Dr Gallop: Why did you use those words?

Mr Barnett: When they go through their due diligence they will value the pipeline and contracts, put a probability of risk on it and then take a punt on what they must bid to win the race.

Dr Gallop: He is changing history.

Mr Barnett: That is how the bidding process will go.

Mr GRILL: The truth about the situation is that these bidders do not know what they are bidding, what assets they are purchasing, what obligations they will inherit if they are successful, the nature of the contracts they might inherit further down the track, or where and how far the ACCC inquiry will go; and nor does this Government know that. The Government has been landed in this situation because of that succession of mistakes that I described at the beginning of my speech, and because this Minister has allowed himself to be ridden over by a very determined chief executive officer. He has been bulldozed by a very determined chief executive officer who took the Minister on in the Press and apparently browbeat him to such an extent that he backed off.

This disposition is in a state of uncertainty. A major shadow has been cast over the whole process and we cannot say for certain what will be the final price. We also have a further consequence; that is, while uncertainty remains over the sale or disposition of the pipeline, uncertainty exists about the arrangements that have been entered into - which may not have reached a contract yet - between Kingstream Resources NL on the one hand and Epic Energy Pty Ltd on the other concerning the transmission costs of supplying gas from the North West Shelf to Oakajee. Uncertainty will continue about that transaction as long as there is uncertainty about the sale of this pipeline. It will also continue for as long as, and perhaps longer than, the ACCC inquiry.

We have clear uncertainty over the disposition of the Bunbury to Dampier pipeline and because of that we have uncertainty over the Kingstream steel project - a project which this Minister has said is possibly the most important project this State has ever seen. Why do we have uncertainty about that project? The progenitors of that project, the directors, the people who need to find the finance for that project, are in the market today to find that money. The transmission price of gas is a very important part of any selling point of the project. Until they know with some certainty what will be the cost of gas, they cannot sell the project and cannot get the capital.

There are dire consequences from what I maintain to be major errors made by the Government about this project. However, the Opposition will not hold up this project.

MR BARNETT (Cottesloe - Leader of the House) [9.38 pm]: Normally I would thank the Opposition for its support of this legislation.

Mrs Roberts: But tonight you are in a bad mood.

Mr BARNETT: I am in a bad mood.

Dr Gallop: Have you ever heard the expression "You are a big sook"? That applies to you tonight.

Mr Thomas: Take a Bex and have a lie down.

Mr BARNETT: The Opposition Leader is soaring to great heights. The Labor Party says it supports this legislation. I want it clearly on the public record: Will it support the passage of this legislation in this House this week and in the upper House during this session of Parliament, prior to Christmas, so that the sale of the pipeline can go ahead?

Dr Gallop: Yes.

Mr BARNETT: I thank the Leader of the Opposition. That is good.

Dr Gallop: We told you that before.

Mr BARNETT: I am pleased the Leader of the Opposition has stated that. I take him at his word.

Mrs Roberts: We have not delayed this at all.

Mr BARNETT: The Opposition's spokesman on energy gave notice of a motion last week that the Government defer the privatisation of the Dampier to Bunbury natural gas pipeline. The Opposition may now understand why I am a little confused. It gave notice of a motion last week to defer the sale. Now I want to make sure that it is supporting the legislation and the sale.

Mrs Roberts: You're easily confused -

Mr BARNETT: I know I am not very bright, but when the Opposition gives notice of a motion with the concurrence of the Leader of the Opposition to defer the sale, I want to check that the Opposition will support the legislation to effect the sale.

Dr Gallop: You have discovered that.

Mr BARNETT: The Leader of the Opposition has confirmed the Opposition will support it in this House and I thank him for that. I assume, therefore, that this notice of motion will disappear into oblivion.

Mr Ripper: We have pointed out the difficulties associated with the ACCC on this matter. We have raised those concerns and it's really up to you to demonstrate that those concerns would not jeopardise the sale.

Mr BARNETT: Good.

Mr Ripper: I hope you are able to be a bit more convincing to the House than you have been so far.

Mr BARNETT: Absolutely. The member for Cockburn spoke about supporting the sale, and I will take him at his word. I hope that he has moved away from the previous strategy that he was to employ in this House, and I remind him of it. Point 3 of his strategy states -

If there is any impropriety found there is a good chance we might link Barnett as he has defended the deal and is required by statute to approve it.

Mrs Roberts: You're not going to bring this up again!

Mr BARNETT: I am just getting it on the public record. Point 4 states-

The gas pipeline sales advisory committee reports to Barnett not AlintaGas. We should take the high and painless moral ground of calling for deferral until the situation is clear.

Mrs Roberts: Don't talk to us about filibustering, because that is the third time you have had that paper out.

Mr BARNETT: I have only been going for two minutes. Point 5 states -

In presenting the argument as to why the sale should be deferred -

Mrs Roberts: This is more of the repetitive argument you accuse us of, when you repeat things in the House time after time.

Mr BARNETT: I have only been going for three minutes now. Point 5 states -

In presenting the argument as to why the sale should be deferred we can allude to breaches of trade practices legislation but not accuse anyone of that.

This was the position last week of the Labor Party, so the Leader of the Opposition should understand why I would want to double check that the Opposition supports the sale and that it will cooperate with the legislation going through both Houses before the end of the session.

Mr Marlborough: There seem to be more checks and balances in that statement than you have applied to your department since you have been trying to put this up for sale. If you'd done your job, you may not have had the ACCC inquiry.

Mr BARNETT: Is the member for Peel one of the Labor people who take the high and painless moral ground?

Mr Marlborough: On what?

Mr BARNETT: On Wanneroo, for example.

Mr Grill: You have inspired this matter, not us.

Mr BARNETT: I remind the member for Eyre of the tactics of last week and the debate being handled by the members for Cockburn and Eyre, presumably with the concurrence of the Leader of the Opposition. I remind the Opposition of its tactics.

Mr Thomas interjected.

The SPEAKER: Order! I remind the member for Cockburn that it is highly disorderly to speak out of his place. He should know better than that.

Mr BARNETT: I will put that to one side now, but it should not be lost on this House, on a day in which we have had debate about propriety in Parliament and conduct - the sort of conduct that the Labor Party was blatantly engaged in last week.

Mr Marlborough: You had a bit of luck. You had a bit of paper you shouldn't have got hold of. That is all you had. You want to write a novel about it! It is a two second wonder. Get on with your job.

Mr Baker: It discloses the truth again - it's all part of the game.

Mr BARNETT: It is just a game to the member for Eyre: "Just get on with it now because it's all a game. We can have disgraceful parliamentary tactics and it's all a game and we laugh it off, because who are we - we're the Australian Labor Party"! The ALP has not changed a bit from the 1980s.

Mr Thomas: You're a joke waving stolen goods. You are a petty thief.

Mr BARNETT: The member for Cockburn who altered Cabinet records -

Withdrawal of Remark

Mr OMODEI: The member for Cockburn's remarks are unparliamentary and I ask him to withdraw them.

Mr THOMAS: I withdraw.

Debate Resumed

Mr BARNETT: The member for Cockburn, the author of this gutter strategy -

Mr Thomas: This stolen document.

Mr BARNETT: It is a tabled stolen document. I will not pursue the point, but the sort of tactics followed by the Labor Party of Western Australia in this campaign are exactly the style of government we experienced at great cost to Western Australia in the 1980s. It is interesting that the two members, the members for Cockburn and Eyre, are the two current members of Parliament named in the royal commission, both in a fairly uncomplimentary manner - but we will go on.

The Leader of the Opposition has not shaken off the 1980s. It still haunts him because he concurred with this gutter strategy.

Dr Gallop: It doesn't haunt me at all.

Mr BARNETT: Will the Leader of the Opposition say he was not part of that strategy? He has a chance now. Was he a part of it? Did he concur with it?

Dr Gallop: Do you have a strategy meeting before you come into Parliament every morning?

Mr BARNETT: I do not.

Dr Gallop: You've never had a strategy meeting?

Mr BARNETT: No, we don't.

Dr Gallop: You don't discuss anything with anybody. You are better off than we are.

Mr BARNETT: Does the Leader of the Opposition concur with this strategy addressed to his office, to one Sean Walsh? I hope the *Hansard* record shows that the Leader of the Opposition failed to say whether he concurs or distances himself or rejects this strategy. It is on the public record clearly: He will not say whether he agrees or whether he rejects that strategy.

Mrs Roberts: You have behaved like a 12 year old.

Mr BARNETT: I will be quiet now for 10 seconds.

Dr Gallop: I will give you a hint. Did the member for Cockburn move that motion in Parliament last week?

Mr BARNETT: Yes.

Dr Gallop: Well then, you might deduce that the Opposition had something to do with the strategy, if you are smart enough. Work it out! No-one seems too upset about the actions of the member for Cockburn.

Mr BARNETT: It is straightforward.

Dr Gallop: Work it out.

Mr BARNETT: Did the Leader of the Opposition concur with that strategy?

Dr Gallop: Work it out. I'll set you a test. The member for Cockburn got up and moved the motion in the Parliament and we all turned around and said, "Well done, member for Cockburn". Do you think we concurred in the strategy?

Mr BARNETT: I the Opposition did.

Dr Gallop: That's about the smartest thing you have said tonight.

Mr BARNETT: So the Leader of the Opposition admits it! Effectively the Leader of the Opposition has indicated to the Parliament that he was involved; that he concurred with the strategy.

Dr Gallop: That's right - the strategy of raising an important matter of public interest, my friend, which the member for Cockburn has done very well, thank you very much.

Mr BARNETT: The Leader of the Opposition really ought to be ashamed of himself. I will give him credit for one thing: He is honest enough to admit he was part of the strategy.

Mr Ripper: You're good enough to blush; you're good enough to be embarrassed.

Mr BARNETT: I tell you what -

Several members interjected.

The SPEAKER: Order! The Minister has entertained a number of interjections, but now several members are interjecting at the same time, which is not conducive to the debate. Would members please cease the interjections or the Minister should indicate whether he will accept them.

Mr BARNETT: The Bill is largely a machinery Bill designed to sell the pipeline. It answers some of the important public issues. Members opposite have talked about selling 100 per cent or 50 per cent. That is true. The Labor Party advocated selling 100 per cent of the pipeline.

Mr Thomas: Before you.

Mr BARNETT: That is true. The original Cabinet decision last year was to sell 50 per cent or more of the pipeline. I made it clear that I favoured 50 per cent. The issue was to resolve some of the public interest matters and they were progressively resolved. Those public interest matters were: How we look after the interest of consumers in particular, whether they be commercial, residential or industrial; how we provide for future pipeline competition; and how we avoid a case of a private monopoly replacing a public one and taking advantage of market power.

All of those issues were complicated, not the least of which was the issue of how one sells the pipeline in the midst of an agreed process of deregulation following the breaking up the North West Shelf gas contracts. They were complicated issues and as the debate went on they were resolved. In fact, this Bill reflects the resolution of those issues. The easement stays in public ownership within the custody of the Department of Land Administration. It will be widened from 30 to 100 metres and proceeds of the sale will be used for that purpose.

In respect of fair and equal access, under the legislation the pipeline will come under the national access code. In the past few weeks, that code has been finally agreed and the timetable is laid out for that to happen.

There is also the question of transport costs. One of the major components of the effective price of gas in the south west of the State is the cost of transporting it. This pipeline legislation brings down the price of transport from \$1.27 to \$1 over the period to January 2000 - a 27 per cent reduction. All of those issues are of significant public interest.

One of my major concerns initially was to find a mechanism to protect the rights of ordinary Western Australians - the mums and dads - and the small business consumers to ensure that, given competing demand for capacity on the pipeline, AlintaGas, through gas sales to residential and small business customers, and Western Power in terms of electricity generation using gas, would have a capacity and a prior right of access to the pipeline to maintain basic essential services not for big business but for householders and small business. All of those are important issues of public interest and policy.

Once those issues were progressively resolved, as reflected in this Bill, Cabinet agreed to a 100 per cent sale. However, it did not agree until it was satisfied in respect of important public interest issues. That is why the process took place as it did.

The member for Eyre focused almost exclusively on the arrangement between Epic and Kingstream Resources and Epic and AlintaGas. I candidly admit that in going through a sale process the last thing I wanted was a complication such as this. What is the reality? The reality is that in the middle of the sale process, the Kingstream Resources project suddenly gained momentum and the relocation to the Oakajee site took place. It was a nice problem of a major energy consumer coming into the marketplace in the middle of a sale process. It complicated things greatly, but it is the sort of problem that one gets with economic development. We had to take that into account. I made public that I had concerns about the pace at which AlintaGas and Epic -

Mr Grill interjected.

Mr BARNETT: Certainly not from my pal the member for Eyre. My concern was -

Mrs Roberts: You did not want the member for Cockburn to call you "mate". Now you are calling the member for Eyre "pal".

Mr BARNETT: We are good friends. At least I have some respect for the member for Eyre.

The pace at which the arrangement was going ahead between AlintaGas and Epic caused me some concern. The pace of that arrangement was being driven by the demands of the Kingstream Resources project to get its gas contracts and supply arrangements in place. I clearly expressed concerns at the time. I had concerns and I do not back away from that. I therefore required through several meetings with Mr Phil Harvey, the CEO, and the chairman of AlintaGas in that capacity - not chairman of the gas sales steering committee - that the arrangements -

Mr Marlborough: Why, being so concerned, would you not take the next step and seek legal advice? You said that you were extremely concerned about the matter.

Mr BARNETT: My concerns were for the Kingstream Resources project. I had a quandary about that for a period; it was a difficult issue. Members of the Opposition were claiming at the time that AlintaGas should not be involved in any way in any arrangement with Epic or Kingstream Resources. I thought about that position. I could have used ministerial powers to prevent AlintaGas' pursuing any commercial arrangement. That would have denied AlintaGas or AlintaGas-Epic an opportunity of competing for the Kingstream Resources business. Why should we deny a publicly owned utility the right to compete for what is probably the biggest contract that might come along this decade? Where is the sense in denying it the opportunity to compete?

The more significant issue was why I, as Minister, should deny Kingstream Resources the opportunity of having the most competitive and full range of bids for its business. To have done that - to have denied AlintaGas or AlintaGas-Epic any right to compete and to have denied Kingstream Resources the right to receive all bids - would have been anticompetitive. It would not have been in the interests of the State as the owner of the pipeline and it would not have been in the interests of Kingstream Resources in getting the most competitive bid.

They were the significant policy issues with which I had to grapple. There was a certain amount of pressure; the thing was moving quickly - not by my design but by the desire for the Kingstream Resources project to be put in place and as a result of the competitive process that it had set up. I satisfied myself about that. AlintaGas-Epic has put in a bid for the Kingstream Resources business.

Epic is a gas transporter and has entered into a transport arrangement with AlintaGas that would see the expansion of transport capacity, which AlintaGas would own and Epic would have a right to use. As the member for Cockburn said, that is very similar to the arrangement Alcoa has. It is something that another gas transporter, if it had such a contract on offer, could also enter into. They can expand the pipeline again and again. This is not an exclusive, one-off deal. Arguably the pipeline capacity could increase to 1 000 or 1 500 terajoules a day. There is no limit.

Why would AlintaGas be so keen to be involved? First, it is business and its Act requires the board to maximise - Several members interjected.

Mr BARNETT: Madam Acting Speaker (Ms McHale), I wish you would be a little more diligent, as you were a few minutes ago.

The ACTING SPEAKER: Order! The member for Eyre.

Mr BARNETT: Under the legislation, the board of AlintaGas is charged with the responsibility of maximising the long term value of AlintaGas. Maximising the long term value includes the pipeline. Commercially the board behaved in a proper way. It presented me as Minister with some competing and conflicting policy issues with which to grapple. That is the reality. However, nothing improper occurred in what it did.

Representing the owners, my concern was to assure myself that this would not be a loss making exercise for AlintaGas, and there had been speculation in the media to that effect. Indeed, following some of the questioning, there was a rearrangement of the letters of indication. I was satisfied by the chief executive officer and the board members that it is a sound commercial arrangement. On that basis I was prepared to allow the arrangement to go ahead. However, again, the arrangement is a letter of indication: It is not a contract. It may well end up as a contract, but it is not one. It is a letter of indication subject to the approval of the ACCC.

Both parties recognised, because there was a public debate if nothing else, that there were potential conflicts. Therefore, they were conscious that the ACCC might take an interest. I am aware that AlintaGas had a number of discussions with the ACCC about the arrangement it was entering into. Knowing that that was taking place, I was happy for the board to continue to behave in a commercial way. I also knew that the board was covered by and under

the liability and responsibilities of directors, as any private sector director would be. It has a direct interest in behaving with propriety and in a financially prudent way. That is the check in it for me.

Treasury examined it while looking after the State's interests, as did the Crown Law Department. I did not seek any particular legal opinions. I am conscious that Alinta has a whole range of legal opinions. I am sure that Treasury and Crown Law had them also. However, I have confidence in the chief executives who report to me and in the boards, which I am willing to display. I questioned the arrangement and demanded explanations, of both the commercial side and the policy implications of the arrangement, and quite properly. The member for Eyre may think I made a wrong judgment but I made it in a fair and reasonable way.

I thought that the member for Eyre then got into the most bizarre set of comments. I understand he is a former partner of Mr Nick Zuks, who is a director of Kingstream. He therefore has some knowledge of the project in its early years. That is okay and I do not imply anything by it.

Mr Grill: You have in the past.

Mr BARNETT: I make the observation because it is a matter of public interest.

Mr Grill: Just tell the truth.

Mr BARNETT: The member chose not to declare it.

Mr Grill: You say, "Wait a moment" and that you will not make anything of it, but on other occasions you have.

Mr BARNETT: I have not accused the member of anything.

Mr Grill: Yes you have, about three or four months ago.

Mr BARNETT: It is a matter of public interest that the member for Eyre had an initial involvement in this project. That is on the public record, as it should be.

Mr Grill: I have never denied it.

Dr Gallop: We have not raised the relationships of the Government, but you come into this Parliament and make the point that the member for Eyre happens to have had a relationship in the past. Never once have we mentioned it and never once will we.

Mr BARNETT: I seem to remember, and perhaps the Premier does, the Opposition discussing one Mr Ken Court in here about 18 months ago.

Mr Court: I would say about every five months on average.

Dr Gallop: We have never mentioned it.

Mr BARNETT: Yes the Opposition has.

Mr Court: I think the member for Pilbara is getting nervous.

Mr BARNETT: The reason I drew attention to the member for Eyre's previous involvement is that his comments tonight were quite odd. He has started to back-track but I guess *Hansard* will tell us the truth at the end of the day.

Mr Grill: Because you won't!

Mr BARNETT: The member might have to make some rapid corrections. I interpreted the member for Eyre's comments to mean that he certainly implied that Alinta had passed on information to other bidders relating to the Kingstream deal.

Mr Grill: I said nothing of the sort.

Mr BARNETT: I hope the member did not because he made a most peculiar series of comments over a period of about 10 minutes. I will restate the point I made by way of interjection. The member for Eyre was referring to the competition for the Kingstream business. Kingstream, now An Feng Kingstream, is a private company. It undertook a private tender process to supply gas to its project. Epic Energy made a bid on the basis of the arrangement it had negotiated with Alinta. Alinta was not a party to the bid. Even if it were, which it was not, how would Alinta have details of other bids for the Kingstream business? How would Alinta therefore be in a position to divulge that? Yet the member opposite implied the leaking of information relating to the Kingstream bid.

Mr Grill: You know it leaked.

Mr BARNETT: I do not.

Mr Grill: Are you denying it leaked?

Mr BARNETT: I do not know anything about that.

Mr Grill: Of course you know it leaked. That is why you do not want to deny it. It leaked all right, like a sieve.

Mr BARNETT: That is why I referred to the member's previous association. Perhaps he knew information about the project that I did not.

Mr Grill interjected.

The ACTING SPEAKER (Ms McHale): Order! The Minister has accepted some interjections from the member for Eyre and not others, so it is probably a bit difficult for the member to know which the Minister is accepting. However, I ask the member for Eyre to be temperate in his interjections and when it is clear that the Minister is not accepting them to accept that message.

Mr BARNETT: I do not know whether information leaked about bids for the Kingstream business. I am prepared to accept what the member for Eyre says. For the sake of argument let us say that information did leak. The essential point was that that bid process was a private sector process and not a government process for which I was responsible in any way.

Mr Grill: The agreement Act put the parties in a situation where Alinta got privileged information.

Mr BARNETT: The member is about to say it again. Is he saying that Alinta had privileged information about other bids for the Kingstream business?

Mr Grill: I am saying that because of the particular situation set up in the agreement Act, the perception arose that that information could have been passed on by Alinta. I am not saying that Alinta did; I have never said that it did. I was careful today not to say that it did. You placed it in that situation because you were a party to that agreement.

Mr BARNETT: The agreement Act did not provide a vehicle for information to reach Alinta.

Mr Grill: It certainly did.

Mr BARNETT: It did not. The member is implying that information could somehow have gone from Kingstream, presumably to the Department of Resources Development, presumably to Alinta and presumably to other bidders. Is that the scenario the member is trying to suggest occurred?

Mr Grill: I am saying that a number of bidders believe that that is the way in which the information could have been leaked. I do not know how it was leaked but you and I know that information was leaked.

Mr BARNETT: The member wanders in here tonight and peddles that sort of garbage. He is a disgrace and has no credibility. This was a private sector bid process. The member is implying that senior government people have accessed information, which I do not think they did, and then passed it on and it has been leaked. That is scurrilous but it is what we expect from the Australian Labor Party of the 1990s, which is exactly the same as the Australian Labor Party of the 1980s. The member for Eyre cannot substantiate any of that. Information may have leaked. There was a lot of debate in a highly competitive process, but that leak did not come from the Department of Resources Development.

Mr Grill: I did not say it did.

Mr BARNETT: Alinta is not party to the agreement Act.

Mr Grill: Alinta received privileged information. You know that as well as I do.

Mr BARNETT: I am not aware of any privileged information that Alinta had about other bids. I reject in the strongest terms any suggestion that Alinta would have leaked information, had it had it, to other bidders. I find it disgraceful that the Opposition would imply that in this House. I bet the member will not say it outside and I bet he will not be able to substantiate it.

Mr Grill: I am not implying it.

Mr BARNETT: Why did the member raise it? He implied it in his speech.

This is an important machinery Bill. It is part of an ongoing and complex process of energy market deregulation. There is a wide debate in the community as to how fast one does that. There is an issue about whether one achieves best results by privatisation, a la Victoria and perhaps New South Wales. I do not have that philosophy. The

philosophy in this State has been that we want to attract private sector investment to grow the energy sector. I argue that we have been successful in that. We have seen substantial reductions in price - 50 per cent of gas in the Pilbara and 30 per cent of gas in the south west. We have seen about a 35 per cent expansion in generating capacity, two-thirds of it private sector. We have also seen a surge of industrial investment which this nation has not seen before. We have not ended up involved in major litigation. It has been a timed process. I have tried to manage every step to the best of my ability. I claim that it has been successful. I do not claim that it has been perfect, but the one thing I will not do is step away from undertakings given, whether written contractual undertakings or understandings reached in the processes of negotiation.

The whole issue about the so-called second pipeline is related not to what the member for Eyre may think is an agenda that AlintaGas may have, nor to the fact that he purports that Alinta has me by the nose; it is a process about orderly gas deregulation extending from the disaggregation of the North West Shelf gas contracts in 1995. The North West Shelf gas contracts in their collective form stood at that time as some of the longest term gas contracts in the world. In breaking up those contracts and allowing for competition and expansion, there was an apportionment of risk. That risk involved Alinta and Western Power taking their share of the take or pay contracts. The Government did not back away from that. I honoured, on behalf of those utilities, the take or pay commitment of the State. They have honoured that commitment. That was critical to disaggregation. Had I not made that commitment, we would not have had any disaggregation, there would not have been any competition, and we would be back where we were pre-1995. I will not back away from those sorts of arrangements. Not only did Alinta and Western Power take on the take or pay contracts; they also took on \$300m worth of gas which had been paid for by the people of Western Australia, but not used. The phased deregulation was to allow that gas to be used at something like the price that was paid. When we get to the end of that process, which we will by January 2000, we can have other pipelines and all sorts of things.

It is all very well for members opposite to jump up and down and get on the bandwagon of companies - mostly foreign companies - and say that we need new pipelines and we need to sell them cheaper, and to walk away from the take or pay contracts. This Government will not do that. It will not sell down Western Australian interests in that way. We will treat contracts with dignity and honour them. We will have phased deregulation. We will ensure that the mums and dads, the taxpayers of Western Australia, are not stung on the way through. We will ensure that their interests are looked after.

What do we get from the member for Eyre? He put out a crummy media release last week taking \$200m off the sale price of the pipeline. Is talking down the price by \$200m in the public interest? The Government could build a lot of schools and hospitals and help a lot of poor people with \$200m. The member for Eyre thinks it is a smart, cheap shot to talk down the price by \$200m. Members on this side of the House want to talk the price up \$200m. We want to maximise the return to Western Australians, and industry supports the Government. They support the Government's retiring \$900m of Alinta debt. If we can retire \$400m or \$500m of Treasury debt, and if we can spend money on things that need doing in this State like industrial infrastructure, and services in health and education, this Government is prepared to do it. However, the Opposition knocks it and sides with the interests of foreign companies. Members opposite want to tear the process apart to achieve short term political gain. When all that starts to fall apart they say publicly, "Sell it cheaper; let new competition in." Members opposite are talking down the asset. They are a disgrace. They are acting against the public interest of ordinary Western Australians.

Question put and passed.

Bill read a second time.

Committee

The Deputy Chairman of Committees (Mr Baker) in the Chair; Mr Barnett (Minister for Energy) in charge of the Bill.

Clauses 1 to 5 put and passed.

Clause 6: Disposal of DBNGP system -

Mr THOMAS: The key part of subclause (1) is that the function of the corporation is to dispose of the corporation's DBNGP system in whole or in part and to take steps to bring about that disposal and deal with incidental and related matters. Subclause (2) says that the Minister may give directions relating the performance in subclause (1) in writing and the directions take effect when given to the corporation. The effect of that is to confer upon the corporation a new function; that is, to dispose of this asset and also to give the Minister the capacity to call the shots in the sense that he can give directions to the corporation and they are then obliged to follow those directions. They take effect from the moment that those directions are given to the corporation.

The proposition I put to the Minister is that he, therefore, has a considerable degree of discretion in this regard. He could, for example, state that it would be prudent to wait for matters relating to the ACCC to be clarified before the sale proceeded. I argue that in the circumstances that would be a proper course of action. The Opposition indicated during the second reading debate that it felt it was not proper to proceed in the current circumstances, but I hope it will be in a short period - perhaps a matter of weeks. The Minister has discretion and if he proceeds, notwithstanding the current circumstances surrounding this matter, it is on his head. The Opposition has indicated it will support the legislation, notwithstanding its concerns. It is the responsibility of the Minister to decide when and if the disposal provided for in this legislation takes place. That being the case, I implore the Minister, even at this late stage, to have regard for the substantial matters raised in the second reading debate and to use the powers conferred on him by clause 6(2) to exercise discretion.

Mr BARNETT: This clause makes it clear that the Minister can effectively instruct the corporation to sell the pipeline. It is a strange clause, but the current legislation left in some doubt whether it was a proper function of the corporation. It therefore implies a discretion to defer it, but I have no intention of deferring the sale of this pipeline. Indeed, if the AlintaGas-Epic arrangement just debated raises concerns in some people's minds - as seems to be the case with members of the Opposition - the most prudent solution to those concerns is to sell the pipeline. It is an argument for proceeding forthwith with the sale, and the new owner can grapple with the information and how to handle it.

The suggestion was made that in some sense other bidders would not have information concerning this arrangement. I make it clear, particularly to the member for Eyre, that the bidders are going through a due diligence process. They have access to half a million pieces of paper - all contracts, arrangements, and correspondence. I make it clear on the public record that no bidder for the pipeline has any advantage. All information will be available to all bidders through the due diligence process over the next four or five weeks. They all have project teams in place going through that record. They are all on an equal basis.

Mr GRILL: On the question of timing, I ask the Minister what his direction might be to AlintaGas in the event that the current ACCC inquiry, which the Minister says is an informal inquiry, becomes a formal inquiry. Will the Minister give any direction to AlintaGas in those circumstances to delay the sale, or will he continue to give direction to AlintaGas to carry on with the sale and have it effected as soon as possible?

Mr BARNETT: Again, at this stage the ACCC has simply sought information which is being supplied. Should the ACCC form a view that the sale should not go ahead, it is open to the ACCC to take an injunction to stop the sale process. It would be most unfortunate and would cost the State substantially in terms of bids. All bidders are primed and preparing their final bids, and it would be a great cost to the State.

Mr Grill: You have thought about an injunction process?

Mr BARNETT: That is the process open to the ACCC. If it proceeded with a formal inquiry and approached me about the timing of the sale process, I would take that on its merits and discuss it with the ACCC at the time. It would be a bizarre outcome if the body charged with the responsibility of promoting competition and consumer interest slowed down a sale process and, therefore, deferred the benefits of competition, particularly in the form of lower prices. I would find it an unusual outcome. Even if the ACCC set up an inquiry, it would not necessarily follow that the two were related. The sale can go ahead and, if there is something wrong with the arrangement, the ACCC can pursue that. It can effectively strike out the arrangement between AlintaGas and Epic Energy. If it did so, it would be information to all bidders. They would be aware of that and adjust their bids accordingly. The sale process does not need to be held up, irrespective of which way the ACCC may go. The ACCC can pursue its inquiry even after the pipeline is sold.

Mr THOMAS: I find the statement by the Minister somewhat disturbing. During the second reading debate he was asked whether he felt the sale might need to be deferred if the ACCC moved to a formal investigation. The nomenclature we arrived at last week is that an inquiry is going on now, and an investigation might take place if the ACCC decided to take the matter further. I got the impression the Minister was suggesting that if it reached that stage he would feel the proceedings must be deferred, suspended or whatever, depending on the progress of the sale. Were the ACCC to move to a formal investigation - I hope the circumstances do not warrant that - it would be irresponsible for the matter to proceed given that the inquiry seems to relate to a matter that affects the asset itself, namely, the rights of the asset holder and other parties, particularly Epic. That is particularly the case, given that Epic is one of the bidders. I ask the Minister to respond to that because I regard it as critical to his attitude on how this matter will proceed over the next couple of weeks - interesting though it may be.

The second matter I ask the Minister to clarify is that I thought he said that the due diligence process is such that the potential purchasers have access to all information they could conceivably want and they are going through that process. I understand from the briefing that they will obtain access to the data rooms on 30 November and will have

access to them for four or five weeks. Will the Minister confirm that, because it has significant implications for the timetable of the process?

Mr BARNETT: The due diligence process is estimated to take four or five weeks. That information is being prepared and I reject any notion that any bidder has an enhanced position against the other. It should be on the public record that none of the bidders -

Mr Grill: Has it been alleged that any bidder has a better position than any other?

Mr BARNETT: Yes, during the debate tonight. I make it clear that no-one has preferred information. All information is available to all bidders on an equal basis.

Mr Grill: Who made that allegation?

Mr BARNETT: It certainly was made. The member should read *Hansard* and some of the comments that have been made.

Mr Grill: It was not made.

Mr BARNETT: I will accept that, but I will read *Hansard* with some interest. They will all have access to information on an equal basis and can pursue information during that process.

Mr Thomas: They have not been to the data rooms yet, have they?

Mr BARNETT: Not to my knowledge, but that process is about to start.

Mr Thomas: That is about 30 November?

Mr BARNETT: I do not know the details. That seems a reasonable date to me.

Mr Thomas: Can you seek advice?

Mr BARNETT: I do not see the significance of that. It is not any great secret. They are about to arrive and start the process, which is estimated to take four to five weeks. We expect their full and binding bids to be presented in early January, realistically. Some may put in a bid before Christmas, but I think it will be early January, and that is the most critical stage of the sale.

Mr GRILL: The Minister mentioned a large array of information that was to be supplied to the bidders by Alinta and said it would extend to many thousands of pieces of paper.

Mr Barnett: Half a million, I understand. It will be supplied by the gas sales steering committee, not Alinta. Alinta has no further role in this process.

Mr GRILL: The Minister will direct Alinta to sell, though, will he not?

Mr Barnett: Yes, that is the intention.

Mr GRILL: The sale will take place between Alinta and the successful bidder?

Mr Barnett: Yes, but the decisions from here on in will be made by the Minister and by Cabinet, on the advice of the gas sales steering committee, which no longer has any involvement of either Alinta board members or personnel.

Mr GRILL: I understand that the Minister's directions will be issued to Alinta on the advice of the gas sales steering committee.

Mr Barnett: Yes, with the approval of Cabinet.

Mr GRILL: But that means that Alinta must play a continuing role, because the Minister will be directing it.

Mr Barnett: Once the successful bidder is determined and the price and terms are negotiated, I will instruct it to sell according to that price and those conditions.

Mr GRILL: Will the Minister also be instructing it to make available certain information?

Mr Barnett: That information is all being collated by the gas sales steering committee and will be available.

Mr GRILL: The gas sales steering committee is an advisory committee, is it not? It is not taking any action itself. The Minister's directions will be on the advice of the gas sales steering committee, to Alinta, and it will be Alinta that will supply the information?

Mr Barnett: No. Alinta will have no dealings, and it has had very few to this point, with the short list bidders. The

relationship will be between the bidders and the gas sales steering committee. The gas sales steering committee does not include Alinta. Alinta is out of the process. The gas sales steering committee may well, at the request of bidders, seek further information from Alinta, but there will be no relationship between Alinta and bidders for the pipeline. Alinta is not in the process any more.

Mr GRILL: What is the corporation?

Mr Barnett: The corporation is Alinta - the Gas Corporation.

Mr GRILL: Yes. Clause 6 states that it is a function of the corporation to -

- (a) dispose of the corporation's DBNGP system in whole or in part; and
- (b) take steps to bring about that disposal and deal with incidental and related matters.

The Bill seems to contradict what the Minister is telling me.

Mr Barnett: No.

Mr GRILL: Is the Minister sure that he does not want to take some advice?

Mr Barnett: I do not. The gas sales steering committee is doing the sale. Once the sale is concluded, I will then be in a position, with the approval of Cabinet, to instruct Alinta to sell the pipeline according to those arrangements. That will be a mechanical process. Yes, there will be issues, but by that stage the deal will be done.

Mr GRILL: Surely there will be interim situations where the Minister will need to instruct Alinta?

Mr Barnett: No. Alinta will not be part of the process. The process now is the five bidders, and the gas sales steering committee will report to me and, therefore, to Cabinet.

Mr GRILL: That is not the way the Bill seems to read. Clause 6 states that the Minister may give directions to the corporation, which is Alinta.

Mr Barnett: The only direction that I will make, which will be required under the Bill, will be to sell. How that will be worded will obviously be a legal issue.

Mr GRILL: Clause 6(1)(a) refers to the steps to bring about the disposal.

Mr Barnett: Yes, because there will be a handing over of money, and a change of titles to assets. All those machinery matters will happen, but they will happen once the sale has been concluded. At that stage, Alinta will have to put into effect the sale, but that will be after the sale has been reached.

Mr GRILL: I may be wrong, but that is not my reading of that clause.

Mr Barnett: The policy point is that while we are going through this final process of bids, there is no involvement of Alinta; it is right out of it.

Mr GRILL: The Minister may say that. I do not think the Bill says it.

Mr Barnett: I assure the member for Eyre that Alinta has no role from here on until the sale is concluded. It will then have to effect the transaction.

Mr GRILL: In my view, there is a range of actions it can take on the Minister's direction.

Mr Barnett: It will not, and it is not in the process.

Mr THOMAS: I was not completely satisfied with the answer that I received from the Minister earlier. I asked two questions: Firstly, what would be the response in the event of matters before the ACCC proceeding further? The answer appeared to me to be quite equivocal. I thought that the least the Minister could do in the circumstances would be to say that should the matter proceed to a more serious stage, he would defer the proposal. The considerations of propriety would go some way towards being satisfied if that statement were forthcoming. Sadly, it has not been.

The Minister has made a mistake, although it is only a technical one, when he states that the sale cannot proceed without his direction, because subclause (1) states that it is a function of the corporation to dispose of the corporation's DBNGP system. Subclause (2) states that the Minister may give directions. The way I read it, the corporation could dispose of it if it were of a mind to do so. That is not a matter of any practical significance, but it could do so.

Mr Grill: Under that clause, it could be involved in a range of ancillary steps with regard to the sale.

Mr THOMAS: It has been so far, which is one of the reasons that those actions need to be retrospectively authorised by this legislation.

Subclause (3) states that without limiting subclause (2), a direction under that subclause may require the corporation to allow the whole or part of the function described in subclause (1) to be performed on its behalf by a committee of persons appointed by the Minister and given responsibility for the conduct of the disposal and other matters referred to in subclause (1). I gather that that is recognition of the gas pipeline sales steering committee - the committee that has hitherto existed with, as I recall, three members who are continuing, and three Alinta representatives. One of the more interesting things that has been occurring in the past six months has been the proceedings of this committee, because a series of leaks may have come from this committee.

Mr Barnett: Come from where?

Mr THOMAS: From this committee - the gas pipeline sales steering committee.

Mr Barnett: Really?

Mr THOMAS: We do not know where they came from -

Mr Barnett: But you just thought you would allude to that, in your usual style.

Mr THOMAS: I am not making any particular accusations -

Mr Barnett: You just did. You just alluded to a most respected group of senior public servants and board members of Alinta.

Mr THOMAS: Senior public servants have officers, and documents get passed around. I am not suggesting that one of the senior public servants leaked documents, but there has been a steady flow of -

Mr Barnett: I want to defend some of these people. What are you suggesting?

Mr THOMAS: I am not suggesting. I am stating that there has been a steady flow of information about this and other matters, which has come into the public arena. It has included, for example, the fact that the CEO of AlintaGas wrote to the chairman and said that he must take all possible steps to prevent a second pipeline being built.

Mr Barnett: That was not related to the gas sales steering committee which you just named. Give me an example of the leaked information from the gas sales steering committee.

Mr THOMAS: Then there was a leak that there was a suggestion from the committee to the Minister that he should put pressure on Kingstream to adopt the AlintaGas bid for the supply of gas, to enhance the value of the pipeline -

Mr Barnett: No-one ever suggested that to me!

Mr THOMAS: It was suggested that the Minister should - and I think it was suggested within the proceedings of that committee.

Mr Barnett: It did not happen.

Mr THOMAS: Tell me how it happened.

Mr Barnett: No-one suggested that I should put pressure on Kingstream.

Mr GRILL: Earlier I tried to put a question to the Minister regarding the information that will need to be supplied by AlintaGas to the respective bidders.

Mr Barnett: Any information will be supplied to the gas sales steering committee, not to the bidders. The committee would then pass it on to the bidders. There will be no relationship between the bidders and AlintaGas from now on, either directly or indirectly.

Mr GRILL: Is the Minister saying that the information would go from AlintaGas to the gas sales steering committee and it will have direct contact with the bidders?

Mr Barnett: Yes, and the information will be available to all bidders on an equal basis.

Mr GRILL: Perhaps we can both be right. It does not mean that AlintaGas will play no further role. It is just that its role will be related to the gas sales steering committee.

Mr Barnett: It would be expected to respond to requests for information from the gas steering committee.

Mr GRILL: We have some common ground. Whether it is supplied by AlintaGas initially - the Minister says it would be - what are the obligations that the bidders would be informed of, and that they would have to take on board in respect of the AlintaGas-Epic Energy arrangement with Kingstream?

Mr Barnett: They would be fully advised of all correspondence and arrangements; they would be required to make their commercial assessment of it.

Mr GRILL: That is a fine generic answer.

Mr Barnett: Nothing will be withheld from the bidders.

Mr GRILL: Can the Minister tell us what will be the major obligations?

Mr Barnett: No. I am not an expert on that arrangement.

Mr GRILL: What about the Minister's adviser?

Mr Barnett: He is not a party to the arrangement either. It is an arrangement between the AlintaGas board and Epic, but the full details of the arrangement are available to all bidders on an equal basis.

Mr GRILL: The Minister is saying that he does not know personally what obligations the bidders must pick up in respect of the Alinta-Epic-Kingstream arrangement.

Mr Barnett: I know the broad arrangement; it has been discussed in this place a number of times. The member discussed it this afternoon.

Mr GRILL: What is the broad arrangement?

Mr Barnett: The detail of that and the strength to which it locks in people, and to which there are let-outs in various scenarios, will be available. The bidders will make a commercial judgment. That is the process. They will make exactly the same sort of judgment on the Alcoa contracts and the LPG Wesfarmers -

Mr GRILL: Can the Minister outline the broad arrangements?

Mr BARNETT: Only to the extent that there is a broad arrangement. I do not know the details. Epic Energy has an arrangement with Kingstream to supply gas at a certain tariff by funding capital expansion of the Dampier to Bunbury natural gas pipeline. It is 175 terajoules over 20 years. I am sure it is a complex commercial arrangement. All the detail, all the documentation will go to all bidders. They can ask questions, they can assess it, and they can do what they want on an equal basis.

Mr GRILL: Under the sales agreement will the successful bidder have to pick up all the obligations?

Mr BARNETT: They will have to pick up the obligations as they stand. They will have to make a judgment on how binding the obligations are.

Mr Grill: Will they have to pay, and to whom, in respect of the obligations and benefits?

Mr BARNETT: They will have to pay a price to purchase the pipeline. It is a single transaction.

Mr THOMAS: Earlier I was making a point about the leaks relating to this matter. I do not have the cuttings with me, but I recollect that a leak was that someone had suggested that the Minister should place pressure on Kingstream to give business to AlintaGas to enhance the value of the pipeline.

Mr Barnett: No-one has ever suggested that.

Mr THOMAS: A suggestion was made that the Minister should. It may not have been made to the Minister, but it was made. It reached the public arena.

Mr Barnett: By whom? You cannot remember! Just throw the mud, without any substantiation. You have done it about 10 times today.

Mr THOMAS: I am not throwing mud. The second leak was the comment by Mr Langoulant about the prudence of the Alinta-Epic deal, in particular the second leg of it -

Mr Barnett: As I recall, there was correspondence from the Under Treasurer to the gas sales steering committee.

Mr THOMAS: There was one other which escapes me for the moment. I surmise that the leaks were coming from somewhere around the committee. I do not suggest it was any of the senior public servants who have been named. I have known a number of them longer than the Minister has known them, and I have a great degree of respect for

them. I would not dream of making such a suggestion. Nonetheless the leaks had that subject matter in common. I wonder whether the committee has hitherto been considering matters other than the sale of the pipeline, beyond its brief. For example, if it is considering the wisdom or otherwise of the Epic-Alinta deal, what was it doing at the gas sales steering committee? It appears to me that it was acting on the strategy and prudence of that, and it may have been involved in matters beyond its brief, which is preparing this asset for sale and looking at various associated matters. I am concerned that that may have been the case. I would like the Minister to tell us precisely, or with as much precision as he can, what has been the subject matter that this committee has been considering. We know that the committee has been reconstituted, and it will not have AlintaGas representatives on it. Its membership will be reduced to the Under Treasurer, and the CEOs of the Department of Resources Development and the Office of Energy. It will be a reduced group, but hitherto AlintaGas has had the numbers. I wonder whether this committee was engaged in consideration of matters such as maximising the value of the pipeline.

Mr Barnett: I hope so.

Mr THOMAS: If it believes that, it is its brief to maximise the pipeline by heading off possible competitors. At least one member expressed some views on the prudence or otherwise of the AlintaGas-Epic deal. All of that information came into the public arena only as a result of leaks. Whether it came from the committee or one of the departments is of no consequence in the overall scheme of things. I suppose the Minister would like to know where it came from because they were serious leaks and they have been sustained over six months. *The West Australian* has had an obvious conduit of information about what has been going on in the deliberations of that committee. That leads me to think that it might have had a wider brief than first appears to be the case.

Mr BARNETT: I find those comments extraordinary. The member started by asking whether the committee had a wider brief. Did it look at the arrangements with Epic and Kingstream? Of course it did; its brief was to prepare a memorandum of information. It produced an extremely complicated and large document that was available on a confidential basis subject to secrecy provisions and the like to those who expressed an interest. It detailed all the assets making up the pipeline and all the commercial arrangements, contracts, letters of indication and future prospects. That was its job; that is what it did. Of course it debated all those issues. It was charged with presenting a full and fair assessment of what makes up the AlintaGas pipeline to prospective bidders. Its objective was to maximise the price of the pipeline. We want to get as much as we can for it.

Mr Grill: So do we.

Mr BARNETT: Members opposite talked it down by \$200m. They threw out a press release to muddy the waters. That is a good Labor tactic. I just wish they had done a bit of research before they did that.

Mr Grill: Don't be so petulant, Colin; it does not become you.

The DEPUTY CHAIRMAN (Mr Baker): Order! It is inappropriate for the member to use the Minister's Christian name when addressing him.

Mr GRILL: What will Epic receive in the event that the sale goes through? Is there a set amount of money going to it? Is there some finalised amount pursuant to the agreement it has entered into with AlintaGas that it will receive in the event of a sale?

Mr BARNETT: I do not know to what the member is alluding.

Mr Grill: It is a simple question.

Mr BARNETT: The member asks the question and I answer. It is not a bad deal.

Mr Grill: Don't be so petulant.

Mr BARNETT: Epic will receive nothing.

Mr Grill: Are you sure?

Mr BARNETT: I have no knowledge of how Epic -

Mr Grill: Do you want to get advice before you go any further?

Mr BARNETT: I am happy to say that Epic will receive nothing.

Mr Grill: Do you want to get some advice?

Mr BARNETT: No, I do not. Epic has an arrangement to supply gas to Kingstream Resources. The buyer - and Epic is one of the bidders - buys the business -

Mr Grill: Are you certain of that?

Mr BARNETT: I have never heard any suggestion -

Mr Grill: Do you want to ask your adviser?

Mr BARNETT: No.

Mr Grill: Why not?

Mr BARNETT: I do not want to. I am not aware of any -

Mr Grill: If you do not know, why not ask?

Mr BARNETT: The member should suggest to me how he thinks Epic or anyone else will get money out of the sale of the pipeline. It has a letter of indication to supply Kingstream Resources - one of many "contractual" arrangements with various levels of binding on the parties. However, the purchaser, which could be one of five groups, simply purchases that obligation or opportunity.

Mr Grill: You are saying it will get nothing in the event of the sale going through?

Mr BARNETT: No cash, no.

Mr Grill: I find that extraordinary.

Mr BARNETT: No.

Mr Grill: It will not even get back the money it has invested to date. You had better be careful not to mislead us.

Mr THOMAS: I refer to the matters I was discussing earlier. I believe they are important and the Minister was dismissive. Certainly one would expect that the gas pipeline sales steering committee would have a concern in maximising the value of the pipeline.

Mr Barnett: Yes.

Mr THOMAS: If it turns out that one of the strategies undertaken to maximise the value of the pipeline has been to protect its monopoly position and to enter into an arrangement with Epic Energy in order to protect that position, and that strategy was discussed and canvassed in the proceedings of the gas pipeline sales steering committee and that they are the matters under investigation by the ACCC, I suspect the ACCC might well have an interest in the committee's proceedings thus far. So might we. To what extent has the Minister been briefed on the proceedings of the committee? To what extent has he been kept up to date with its proceedings? Is he able to assure the Committee that it has not been involved in activities to protect the value of the asset that might amount to anticompetitive conduct?

I refer to the Epic-AlintaGas deal. As we know, if it is consummated, it will give Epic the right to transport 175 terajoules of gas a day in return for \$300m, which it will contribute to the enhancement of the pipeline. Is that specific to supplying the Kingstream Resources contract? Is it conditional upon the Kingstream Resources project or is that right able to be used for some other purpose?

Mr BARNETT: The Opposition seems to have a very strange view of selling an asset. The member used the corny analogy of selling a house. If one is selling a house one generally paints the doors and windows, tidies the garden and puts the best possible spin on it. Part of the function of the committee is to put the best possible spin on the pipeline. For example, selling the pipeline with access to an easement and the ability to expand it is putting the best possible spin on it. The bidders will bid for the pipeline and for that expansion right. That is great stuff; that is what it is about. Subject to other considerations, we are trying to maximise the price of the pipeline.

Any business is interested in the price at which it sells its product - in this case gas transport - and its market share. The issue arises only if, in trying to increase its business and expand its share, AlintaGas does anything that is anticompetitive and in breach of the Trade Practices Act. That would be a matter for the Australian Competition and Consumer Commission if it chose to look at the matter. Given the calibre of the people involved at AlintaGas, I would be very surprised if anything were in breach of the Trade Practices Act. I would also be disappointed.

However, it has a legitimate role to get out and make the business grow by expanding its services and market share to maximise the business for shareholders, who happen to be the member for Cockburn, me and the people of Western Australia. That is what it is all about. They must understand that it provides all the information in a fair and equal way to all bidders, and that is a complicated process. The member concentrates on the AlintaGas-Epic process, which the member regards as good politics, but the bidders would find it as much a challenge to put a valuation on

some of the transport arrangements, for example, with Alcoa or the specifications put on gas quality. It is a difficult thing to quantify; it is a complicated asset.

However, we are talking about five bidders, all involved in large and sophisticated pipeline companies which are competent to make a judgment - my reference to the pun - about what bid to make on top of that amount to win the race. There is competition, and I want competition. I want the sale to go ahead while the market is excited about the asset and is ready to bid.

Regarding the situation of whether Epic has the right to transfer this to someone other than Kingstream, I do not know the peculiarities of the arrangement between Epic and Kingstream as they are private commercial arrangements.

Mr Thomas interjected.

Mr BARNETT: I am getting to the point. Epic is there as a gas transporter. Epic could say, "We want to expand that or change the volume as we are dealing with someone else." Another party could say that it also wants an arrangement for gas transport. There is no barrier to that. It is not the only expansion possible of the Dampier to Bunbury natural gas pipeline. It is the first major expansion, so in many senses it is the most expensive given the return it will produce for the volume of gas carried through the pipeline. Subsequent expansions will achieve increased returns to scale as a result of the peculiar physics of pipelines and the effects of volume. However, that is open to Epic, or any other gas transporter.

Anybody could walk in the door tomorrow and say that he has firm contracts to supply gas, and he wants to enter a firm gas arrangement. While Epic provides funding for the expansion of the equity, members should not forget that Epic will also pay a charge to transport the gas. This is the case with any other transporter, like Alcoa.

Mr Thomas: It will be discounted, presumably.

Mr BARNETT: The company has negotiated a transport arrangement which is a blend of capital contribution and transport charge. That is the commercial arrangement entered into - good luck to them.

Mr Thomas: You have not answered the question.

Mr BARNETT: I thought I did.

Mr GRILL: I return to the question I put to the Minister a few minutes ago as I want to make it clear: Is the Minister definitely saying that Epic will not receive anything from the proceeds of the sale of this pipeline?

Mr BARNETT: No. I have no knowledge of that.

Mr Grill: Is the Minister saying that he does not know now?

Mr BARNETT: I say that to the very best of my knowledge, it does not. If the member knows something I do not know, he should tell me about it rather than hinting and playing little games. Under the arrangement -

Mr Grill: The Minister's adviser is there; he should ask him.

Mr BARNETT: Hang on. AlintaGas has the capacity, if it wishes, to buy out the Epic arrangement. The new owner of the pipeline might choose to do whatever it likes as it depends on how it is valued; I do not know, as it is a commercial matter.

Mr Grill: It will affect the final price, will it not?

Mr BARNETT: Yes.

Mr Grill: If Epic is to receive some part of the proceeds, it will affect the final price.

Mr BARNETT: Epic will not receive part of the proceeds.

Mr Grill: Any part?

Mr BARNETT: It will not receive it. Let us say that a buyer comes in and takes it over with the obligations. It may decide that it does not like the arrangement, for whatever reason, and it can negotiate with Epic and can buy out the Epic deal. Who knows? That is a commercial matter for the new buyer, and it is not something which comes out of the purchase price.

Mr THOMAS: I asked the Minister a question earlier; namely, is Epic able to use the gas under the arrangement known as the Alinta-Epic deal for any purpose other than supplying the Kingstream project? The Minister then proceeded to give me a lecture about who is a transporter, who is a pipeline operator and so on. I was appreciative of that explanation, but it did not answer the question. For example, if another project were to start up in Geraldton,

would Epic be in a position to use the existing arrangement - I will not call them a contract as the Minister called them letters of indication - would Epic be able to call in those letters and say it has this arrangement and it wishes to use it for some purposes other than providing to Kingstream? Is it Kingstream-specific?

Mr BARNETT: I imagine -

Mr Thomas: Do not imagine; what is it? Will you answer my question?

Mr Barnett: Not if the member interrupts me before I get to my feet.

Clause put and passed.

Clause 7: Disposal not obligatory unless directed -

Mr THOMAS: I cite the question I just asked on the previous clause, and I promise not to say anything before the Minister gets to his feet. It is most important information.

Mr BARNETT: If Epic had a new customer to buy the gas, for example, Mt Gibson -

Mr Thomas: They have an interest in it.

Mr BARNETT: Let us say that Kingstream did not go ahead and Mt Gibson did, and Epic wanted to supply gas. I imagine that the terms and conditions of the arrangement would change. For obvious reasons, the timing and the rate at which the gas is to be delivered would change. Inevitably, a commercial renegotiation of the arrangement would be made. It would not be exactly the same negotiations as occurred with Kingstream; it would be an absolute fluke if the deals were identical. That is the reality. In principle, nothing would stop Epic from providing the gas to someone else. There is nothing exclusive about this deal. Any other transporter could come in and negotiate an arrangement to supply to anyone else. AlintaGas is a non-discriminatory supplier of gas, which is available to all players under equal access rules on a non-discriminatory basis.

Mr GRILL: I refer to the proposed joint venture, as the Minister prefers us to call it, between AlintaGas and Epic regarding the supply of gas to Kingstream. Is the Minister saying that a written obligation is contained within that agreement that the agreement is subject to the approval of the Australian Competition and Consumer Commission?

Mr BARNETT: My understanding from AlintaGas is that that was the case - I may be wrong in that, but it was certainly relayed to me on a number of occasions that the whole deal was subject to Australian Competition and Consumer Commission approval. What form that takes in a legal sense, I do not know. I will find an answer if the member likes, but it is the way I was advised.

Mr Grill: When?

Mr BARNETT: I will ask the question of Alinta.

Mr Grill: Will we get it back tomorrow?

Mr BARNETT: When Alinta provides the answer, if the member wants clarification on the exact form it takes.

Mr GRILL: In the event that there is such a clause in that joint venture agreement, does the Minister not consider it rather strange that the agreement has not been referred to the ACCC for some form of approval before now? Does he also not consider it strange that, according to a press release, Lee Hollis from the Australian Competition and Consumer Commission seems to know nothing about it? Does the Minister also consider it rather strange that Kingstream seems to know nothing about it, considering that Kingstream is relying upon that joint venture arrangement holding to ensure that its agreement with respect to transmission prices is stable?

Mr BARNETT: I do not find it strange at all. I have said I will get some information as to the exact form, but the advice I have received from Alinta on several occasions is that the arrangement is subject to Australian Competition and Consumer Commission approval. That does not necessarily mean that it has to provide it to the ACCC. If it objects it may mean that the whole deal is off. There have been a number of decisions to which I have not been party between Alinta and the ACCC at several stages. I do not find it fashionable or proper to discuss these matters with the ACCC. I have never as a Minister discussed the arrangements with the ACCC. I have expressed the view quite publicly that I hope the approval of the ACCC does not hold up the process. That would be a sad and expensive outcome.

Mr GRILL: We are not suggesting that the Minister discuss it with the ACCC but that he clarify for this House whether that provision is in the agreement. Previously in this House the Minister stated fairly definitively that the agreement was subject to that clause.

Mr Barnett: That has always been my understanding.

Mr GRILL: The Minister appears to have backed off from that and is now conceding that it may not be a provision of the agreement and that he may be wrong, to use his words. Just suppose that the Minister is right: Does it not mean that the agreement that Kingstream has in place for the transmission of gas down the Dampier to Bunbury pipeline as far as Oakajee is a very fragile arrangement in that it is subject to a clause in the joint venture agreement that the matter be subject to ACCC approval before it is valid?

Mr BARNETT: The member must think people in the commercial world are babes in the wood. If Kingstream negotiates an arrangement with Epic, I assume and I know that it is prudent enough to be aware of the arrangement. It operates under an agreement Act. It deals in large monetary contracts. It must be sophisticated enough to understand all the implications of what it is doing. It is not my job or role as Minister to worry about apportioning an evaluation of risk by parties to commercial agreements. I do not know why the member is so fascinated about private commercial arrangements between Epic and Kingstream. I am not fascinated at all because they are private matters.

Mr GRILL: Let me put it directly to the Minister: I am suggesting that in view of his admission that he may well be wrong about that provision -

Mr Barnett: I did not say that I may well be wrong at all.

Mr GRILL: In view of the fact that the ACCC knows nothing about it and one of the parties that are most interested in this matter, Kingstream, knows nothing about it, let me suggest very directly to the Minister that his assertion that that agreement is subject to ACCC approval is simply nothing more than a recent invention on his part.

Mr THOMAS: During the second reading debate I asked the Minister a similar question which he answered by way of interjection, which was that he had not read the documentation associated with it.

Mr Barnett: No, and I do not intend to. I can see why yours was such a hopeless Government. You got yourselves involved in commercial matters and you failed to look at the policy issues. I have no intention of reading the details of the contract, absolutely none, and I would not if it were in front of me on the Table.

Mr THOMAS: The Minister said, notwithstanding the fact that he has not read the document, that he knew or thought, I cannot remember which, that it contains a provision for it to be subject to ACCC approval. Is the Minister saying that he knows that or thinks it?

Mr BARNETT: This is really super spy, heavy stuff. Let me state for about the twentieth time that I have been advised on more than one occasion by Alinta that the whole arrangement between Alinta and Epic is subject to approval by the ACCC. I have always assumed it was a term of the agreement but the member questions it. I have not seen the agreement and I have not seen the words but that has always been the way I have interpreted it. I do not believe I am but I may be wrong because I have not sighted the agreement. However, that is what I have been consistently advised and how I have accepted it.

Mr GRILL: Who advised the Minister that the joint venture arrangement was subject to approval of the ACCC?

Mr Barnett: Mr Harvey.

Mr THOMAS: I am pleased that the Minister has clarified his position on the advice he received; that is, that he has been advised that it is a term of the agreement.

Mr Barnett: No, I was advised that it was subject to the approval of the ACCC, which I interpreted maybe wrongly, but I always understood it to be a term of the agreement.

Mr THOMAS: The Minister surmised it?

Mr Barnett: That is my understanding.

Mr THOMAS: I asked the question because it was written in *The West Australian* of Thursday last week that that was not the case.

Mr Barnett: That was said by whom?

Mr THOMAS: By the ACCC.

Mr Barnett: It has seen the agreement. You have had a lot of conversations with it.

Mr THOMAS: I have not; I have phoned the ACCC once. I am an avid reader of *The West Australian*, *The Australian Financial Review*, and *The Australian*. I read them every day and never miss one. It is funny what one

picks up when one reads newspapers. One of the things it pointed out was that the ACCC said its approval was not a term of the agreement. The ACCC called for documentation. One presumes the agreement would have been one of the documents it called for. When it said it was not a term of the agreement, one would assume it knew what it was talking about.

Mr Barnett: Big deal! I may be wrong in the way I interpreted the advice I have received.

Mr THOMAS: We all make mistakes.

Mr Barnett: I do not make mistakes; you make plenty.

Mr THOMAS: The Minister does not normally have a lot of grace but what little he has he is losing fast. The same article states that Mr Zuks, the CEO of Kingstream, thought that it was not in the agreement.

Mr Barnett: Good.

Mr THOMAS: Given that Mr Zuks has a back to back contract with Epic, one would presume that if there were a provision in the Epic deal about it going to the ACCC, it would in some sense have to be reflected in the arrangements between Kingstream and Epic. That again confirms the fact that there is probably not such an arrangement in the contract. What concerns me about the proceedings that occurred in Committee before the Minister sat down and closed the debate on that clause was the assumption that the ACCC would routinely assess this deal. If it passed muster as far as the ACCC was concerned, it would be all right. However, it appears on the balance of the information available that that is not the case. The ACCC, which called for documentation - so one would assume it had read the documents - has said it is not so. Mr Zuks of Kingstream, who would have a parallel set of information through being party to the contract with Epic, is also in a position to know, although he would not have seen the documentation unless someone wanted to show it to him.

It seems that safeguard was not there. This Committee has been exploring ways of protecting the monopoly position of the Dampier to Bunbury natural gas pipeline. The Minister is supposed to be highly committed to a competitive gas transmission industry in this State. He commenced his second reading speech by virtually saying this was a great step forward for the introduction of competitive gas transmission in Western Australia. However, I am concerned a group of AlintaGas operatives and others who have been appointed by the Minister may have planned a strategic position for the gas transmission industry in this State that is anticompetitive. That is something about which the Minister should be concerned. He should be concerned that there exists a deal between his utility, AlintaGas, and a private gas supplier that he has not read, that does not seem to contain the clauses he thought it did, and that may be anticompetitive.

Mr GRILL: When did the chief executive of AlintaGas inform the Minister that the joint venture arrangement between Epic Energy and AlintaGas was subject to the approval of the ACCC? What were the circumstances when that information was conveyed? Was it before or after the Minister and the chief executive officer became aware that an informal inquiry into that joint venture arrangement was being conducted by the ACCC?

Mr BARNETT: I do not have a mental diary. It was probably in the order of six weeks ago.

Mr Grill: What were the circumstances?

Mr BARNETT: Surprise, surprise! This really is secret spy stuff. I meet with chief executives in my portfolio on a two-weekly or monthly basis at the minimum. I meet regularly with Mr Harvey, the chief executive of AlintaGas. We discuss a range of issues. Consistently on that agenda over the past six months or so has been the Kingstream project.

Mr Grill: Were you aware then of an impending inquiry by the ACCC?

Mr BARNETT: The ACCC and any issue of trade practices has been a constant item of discussion.

Clause put and passed.

Clause 8: Sale proceeds -

Mr THOMAS: This clause is one of the most important in the Bill. It provides that, if the corporation has been consulted and the Treasurer concurs, a direction under proposed section 6(2) may require the corporation to pay a certain amount to the consolidated fund and to use some to retire debt and some to credit the DBNGP corridor trust account. During the second reading debate the Minister said the trust fund was being created with a view to, among other things, funding the expansion of the corridor. These are important matters. Does the Minister have an estimate of what costs will be involved in funding the expansion of the corridor? What proportion of those costs can be allocated to various categories that might arise in that area? What return is expected?

Earlier I used the term advisedly of "raising the value" rather than "raising the price" of the pipeline because circumstances may arise when it might be wiser for the overall benefit of the State for the Government to take a lower price and have a lower resultant tariff.

Mr Barnett: Or, even better, a higher price and a lower tariff, like we are doing.

Mr THOMAS: That is right. However, the Minister talked about \$1.5b - a substantial amount of money. The pipeline has debts of about \$900m and a book value of about \$1b. If the Minister's dreams were to come true and the pipeline were to realise \$1.5b, the Government would have a \$500m windfall profit, which any Government, particularly one that has a budgetary crisis, would welcome. Is the Minister in his capacity as Minister for Energy or for Resources Development concerned about projects that rely on energy as a major input cost? Has he considered whether it may be better to retire the debt for \$900m, put aside \$100m to build a railway line to Cockburn, and then reduce the price to perhaps only \$1b? If the purchasers had to service a debt of only \$1b rather than \$1.5b, instead of dropping the price to \$1 the Government might be able to drop it to 60¢ and future industrial development in the State would be cooking with gas, so to speak. If energy prices go down and projects become viable - for example, if aluminium smelters are built - it might be better to concentrate on lowering energy prices, after the Government has retired debt, rather than maximising the price.

I have sat in Cabinet, too. I know the budgetary pressures and how nice it would be to have \$600m to do all sorts of things, including building railway lines to my electorate and beyond; however, it might be better to lower the price. I do not have a fixed view on that. I would love to be in a position of having the final offers and being able to play with them. If the Government were able to reduce the gas transmission price to a seemingly fantastically low figure, how low would it be prepared to drop the price of the DBNGP? When the information comes back to the Minister, how will that decision be made?

Mr BARNETT: I bet the Opposition would love to have the final bids and start to play the deal. We saw it with Petrochemical Industries Co Ltd and with the Burswood Casino.

Mr Thomas: Answer the question.

Mr BARNETT: That is what members opposite are about. The Opposition wants to get the business and do these little deals. Nothing has been learnt by the Labor Party.

I have thoughts about the disbursement of the proceeds of the sale. I have my own ideas on how that money might be used. However, that is a matter for Cabinet to decide. I am sure there will be a debate. It is hoped the Government will get a high price for the sale. I will not comment on bids.

Mr Thomas: You have already.

Mr BARNETT: I will not comment on preliminary bids, nor on final bids. To do so would be improper. I hope the Government receives the maximum possible price, subject to the conditions of the sale, which happen to include a 27 per cent cut in transport charges. How those funds are disbursed after the retirement of AlintaGas debt is a matter for Cabinet and will involve some discussion with AlintaGas. It may be able to put a case to retain some of them.

Mr THOMAS: When the Minister gets past his intemperate abuse -

Mr Barnett: You bring out the best in me.

Mr THOMAS: It seems so. If I could learn how to deal with the Minister without doing that I would, because it is most unpleasant. These things are sent to try us.

Mr Barnett: You called me a petty thief.

The CHAIRMAN: I did ask for that to be withdrawn.

Mr THOMAS: When the Minister steals, that is what he will be called.

Withdrawal of Remark

Mr BARNETT: I ask for that to be withdrawn.

Mr THOMAS: I withdraw.

Committee Resumed

Mr THOMAS: I will not give the Minister another lesson in theology. However, when I went to Sunday school a long time ago I was told that if one walks away from the bank teller with £2 more than one is entitled to - that dates the time of the parable - and one keeps that money, although not entitled to it -

The CHAIRMAN: I do not think we need an example of stealing.

Mr THOMAS: - one is stealing, just as much as if one put one's fingers in the till and took the £2. This Minister received something he was not entitled to and he kept it. I call that theft. I make no further point.

The CHAIRMAN: You made a good point of it, and it was not proper.

Mr THOMAS: The Minister wants to be a petty tea-leaf.

The CHAIRMAN: Member for Cockburn, let us get back to clause 8.

Mr THOMAS: Does the Bill provide that the consideration will be maximisation of price rather than consideration of tariff? I cannot see anything in the Bill that says that, although I thought the Minister said during the second reading debate that the Statute would require that to be the case. When I read the Minister's statement in *The West Australian* last Thursday, the same one in which the ACCC corrected the Minister about the content of the documentation on the Alinta-Epic deal, the Minister seemed to say that he would balance a number of variables - as I expect the Minister would.

What I am asking as a citizen of Western Australia and an elected representative of many thousands of those citizens is, how will the decision be made? Will it be made by the advisory committee, by the Minister or by Cabinet and at what stage will it be made?

Mr BARNETT: As I have said several times today, price is by far the most important determinant in the sale process. The Bill and its associated regulations will stipulate a regime of falling transport charges. We are also interested in the capacity of the bidders to expand the pipeline and their willingness to market the pipeline, and all of those issues will be assessed by the gas sales steering committee. It will provide a recommendation to me which I will take to Cabinet and Cabinet will make the final decision. I expect Cabinet to make a decision on the advice of the gas sales steering committee.

Clause put and passed.

Clause 9: Auditor General may disclose information -

Mr THOMAS: This clause requires the Auditor General to disclose information for the purpose of facilitating the disposal. What information is envisaged that the Auditor General will have in his possession that will be made available in these circumstances?

Mr BARNETT: The Auditor General has conducted audits of Alinta and, preceding that, of the State Energy Commission of Western Australia. The bidders may seek information from the auditors about the performance of the pipeline, about assets or whatever else, and this authorises him to make information available.

Clause put and passed.

Clause 10: Offence of disclosing information -

Mr THOMAS: The first time I read this clause I was astounded. I have had feedback from the officers as to the motivation for it. However, I am still somewhat curious about a penalty of \$100 000 for the offence of disclosing information. That is a pretty stiff fine.

Mr Barnett: It is serious business.

Mr THOMAS: Yes. We have a flow of information from somewhere in the Minister's portfolio.

Mr Barnett: Given the member's previous analogy, is it theft for him to receive that information?

Mr THOMAS: I read the information in *The West Australian* and I might be reading material which is based on leaked information.

Mr Barnett: It is a fine line, given your Sunday school analogy.

Mr THOMAS: It is a broad line in that respect and I have not yet cancelled my subscription to *The West Australian*. There has been a continuous flow of information from somewhere in the Minister's portfolio, someone working for the Minister in an indirect sense presumably.

Mr Barnett: Or not working for me at all. The member is talking nonsense. We have had assertion and allusion.

Mr THOMAS: For example, someone leaked a letter from Mr Harvey to the chairman of the committee. It is a fair bet that the letter came from somewhere within the Minister's portfolio area, and someone leaked a letter from Mr Langoulant to the chairman of the committee. I do not care where it came from. There have been leaks and I suspect

they are coming from somewhere in the Minister's portfolio area and they are offences for which we are creating a penalty of \$100 000.

Mr Barnett: That is dead right. There is no mucking around on this sort of stuff.

Mr THOMAS: It is draconian. I would like the Minister to put on the record why that is the case. I have some concerns about the draconian penalties for people in the public sector, and perhaps some erosion of civil liberties of people in the public sector, through my membership of the Joint Standing Committee on Anti-Corruption Commission where a body has been created in this State with powers, in some circumstances, to waive civil liberties to require people to give evidence. We have been a party to that. That is happening in the circumstance where if someone steals as a servant and that person is working for a private employer he is subject to the Criminal Code and there are provisions to protect his rights. If he steals as a servant and he works for a public instrumentality in Western Australia the Anti-Corruption Commission can go after him and he can be required to give evidence and a whole lot of rights that attach to people's civil liberties elsewhere do not apply. I do not mind appropriate penalties to protect confidentiality where it is required in the circumstances; however, I am not aware of a penalty of anything like \$100 000 for the crime of leaking information. I wonder if this is in some sense atypical because of the nature of transaction going on. I presume there must be similar provisions in the private sector; if so, could the Minister advise of some equivalent circumstance where a penalty of this order of magnitude is considered to be justified?

Mr Barnett: The BankWest sale.

Mr THOMAS: It is a very significant matter.

Mr BARNETT: A situation of exactly the same magnitude was the BankWest sale. It had the same clause and the same penalty. There is a maximum penalty. I do not believe it would happen; however, I know people involved in the process. For example, in a process such as this, if someone in a position of confidence were to disclose rival bids to other bidders, when talking about an asset of \$1.5b or more, the corrupt behaviour would run into tens, if not hundreds, of millions of dollars. In that sense a penalty of \$100 000 would not be enough. There would be pursuit of that through Crown Law to the limit. Fortunately we have proper people who will handle a complex process. There are full details of gas sales - for example, the Alcoa contracts, which would have immense implications for other players in that sector and in the gas supply sector. That should be confidential. Everyone in this business understands the scale of the process and the obligations that go with it. I find it extraordinary that the member would even consider that as being too onerous.

Clause put and passed.

Clauses 11 and 12 put and passed.

Clause 13: Intention -

Mr GRILL: Maybe I should have put this to the briefing officers. I thank the Minister for arranging the briefing for us. Why do we need a whole clause for these assignments and transfers? Why could we not have just had a simple clause that provides that AlintaGas shall dispose of the assets as directed by the Minister? Is there a reason for having a whole clause to do just that?

Mr BARNETT: There is a lot of detail in this. My understanding is that in broad terms, if there seems to be excessive detail, it is to make it exactly clear that it is a government decision to sell the pipeline, and in following that instruction and everything that goes with it, there would be absolutely no exposure in any sense to the directors of AlintaGas. That explains much of the detail that appears.

Mr GRILL: I am just a little concerned to find that in appointing the Minister for Lands - I am not too sure which clause it is in; perhaps the Minister's adviser can tell me - we are creating another instrumentality which has a finger in the pie in making the decisions about pipelines. As the Minister knows, there is already quite a large array of authorities and Ministers who have obligations and duties for decisions concerning pipelines. Why do we need the Minister for Lands to have authority about the pipeline corridor? Given the fact that most of the decisions that will be made in relation to the pipeline corridor will emanate from the Minister for Resources Development or the Minister for Energy, why can the matter not be left totally under the authority of those Ministers? Will there be the potential further down the track for conflict between those two Ministers which would be obviated by one Minister simply having the final say over both matters?

Mr BARNETT: I think it is for practical good management. The Office of Energy is a small agency involved principally in policy issues, such as we are debating. The easement is complex. There is a whole series of different types of tenure relating to the easement, and a whole lot of different titles. It is logical for the Government to hold that administrative maze within the Lands portfolio. The policy decisions are with the Minister for Energy. The Minister for Lands will put into effect that corridor. It is exactly as happens under state agreement Acts where

commitments may relate to land which are triggered under the agreement Act. The Minister for Resources Development has the decision making role, but the acquisition or disposal of land is typically by LandCorp under its structure; otherwise it would involve setting up a whole administrative structure to hold the easement. There will be complicated issues with the easement, particularly its expansion, and that is properly handled by the Lands agency.

Mr Grill: Is it contemplated that there will be a mechanism to resolve any disputes between, say, the Minister for Energy and the Minister for Lands about the corridor?

Mr BARNETT: It distinguishes the role: The Minister for Energy has the decision making role and it is up to the Minister for Lands to implement it. If the Minister for Energy of the day wants something the Minister for Lands thinks is not proper or is in conflict with other things, and if they cannot sort it out, it gets sorted out in Cabinet.

Clause put and passed.

Clauses 14 to 52 put and passed.

Schedule 1: Access to, and pricing for, gas transmission capacity -

Mr BARNETT: I move -

Page 44, line 17 - To delete "operator" and substitute "owner".

It is a typographical error.

Amendment put and passed.

Schedule, as amended, put and passed.

Schedules 2 to 4 put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

MR BARNETT (Cottesloe - Minister for Energy) [11.51 pm]: I move -

That the Bill be now read a third time.

Point of Order

Mr THOMAS: I was under the impression that the third reading would take place tomorrow. The Minister moved an amendment and that would presumably require a clean copy of the Bill.

The DEPUTY CHAIRMAN (Mr Baker): I understand the suspension of standing orders permits the Minister to proceed to the third reading and, as such, there is no point of order.

Debate Resumed

Question put and passed.

Bill read a third time and transmitted to the Council.

House adjourned at 11.53 pm

QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

GOVERNMENT INSTRUMENTALITIES - ANNUAL REPORTS

Costs

1723. Mr BROWN to the Deputy Premier; Minister for Commerce and Trade; Regional Development; Small Business:

- (1) For each department or agency under the Deputy Premier's control, what was the cost of producing the 1995-96 annual report, including -
 - (a) artwork;
 - (b) publication;
 - (c) distribution?
- (2) How do the costs for the 1995-96 annual report compare with the costs associated with the 1994-95 annual report?
- (3) Was the 1995-96 annual report produced wholly within the department or agency?
- (4) If not -
 - (a) what services were provided by contractors;
 - (b) at what cost?
- (5) Who printed the 1995-96 annual report?
- (6) How many copies of the 1995-96 annual report were printed?
- (7) To whom was the 1995-96 annual report distributed?
- (8) Was environmentally-friendly or recycled material used in the production of the document?

Mr COWAN replied:

Department of Commerce and Trade

- (1)
 - (a) \$6,580.75
 - (b) \$6,042.00
 - (c) \$1,494.61

plus the value of incalculable staff inputs into other components such as research and writing.
- (2) 1994/95 annual report - \$11,489.05
1995/96 annual report - \$14,117.36
- (3) No.
- (4)
 - (a) Photography, design & typesetting, pre-press & printing, distribution.
 - (b) \$6,042
- (5) Scott Four Colour.
- (6) 1000
- (7) Leading stakeholders and clients.
- (8) No.

Centre for Application of Solar Energy

- (1)
 - (a)-(b) \$3855
 - (c) Approximately \$450. This is an approximate cost as the reports were posted out with the daily mail.
- (2) 1994/95 annual report - \$2,025
1995/96 annual report - \$4,305

- (3) No.
- (4) (a) Typesetting and printing.
(b) \$3855.00
- (5) ASAP Instant Print.
- (6) 500
- (7) Standard industry and government database.
- (8) Yes.

Technology and Industry Advisory Council

TIAC is not involved in the costing or publication of the annual report as their annual report is submitted to the Department of Commerce and Trade for inclusion into the department's report.

Small Business Development Corporation

- (1) (a) \$2,000
(b) \$4,607
(c) \$460
- (2) 1994/95 annual report - \$9,965
1995/96 annual report - \$7,067
- (3) No.
- (4) (a) Design, artwork, printing and editing services.
(b) \$6,607
- (5) Jam Design Studio.
- (6) 1,500
- (7) Business and industry associations, government agencies, media and tertiary institutions.
- (8) No.

Gascoyne Development Commission

- (1) (a) \$250
(b) \$1,500
(c) \$250
- (2) 1994/95 annual report - \$2,000
1995/96 annual report - \$2,000
- (3) No.
- (4) (a) artwork and layout.
(b) \$250
- (5) Type Foundry (now Touchstone DDI).
- (6) 300
- (7) Major stake holders.
- (8) Yes.

Goldfields-Esperance Development Commission

- (1) (a) Nil.
(b) \$3,570
(c) \$400
- (2) 1994 - \$2,200
1995 - \$3,970
- (3) No.
- (4) (a) Printing.
(b) \$3,970

- (5) Goldfields Printers.
- (6) 400
- (7) Government departments, local government agencies, Chamber of Commerce and Industries.
- (8) No.

Great Southern Development Commission

- (1) (a)-(b) \$2,655
(c) \$297.50
- (2) 1994/95 annual report - \$2,350
1995/96 annual report - \$2,655
- (3) No.
- (4) (a) The artwork involved in the production of the front cover and the printing of the report.
(b) \$2,655
- (5) Stirling Print.
- (6) 350
- (7) All interested parties concerned with development matters, local government authorities, State government agencies and members of Parliament.
- (8) Yes.

Kimberley Development Commission

- (1) (a) \$908
(b) \$3,103
(c) \$276
- (2) 1994/95 - \$4730
1995/96 - \$4287
- (3) No, the Commission produced the text and charts, however photographs and printing were produced externally.
- (4) (a) The photographic content and printing were produced externally.
(b) \$3,493
- (5) Lamb Print.
- (6) 600
- (7) All parties on the Commission's mailing list, which includes industry stakeholders, government departments, members of Parliament, local government and community groups.
- (8) No .

Mid West Development Commission

- (1) (a) Nil.
(b) \$900
(c) \$100
- (2) 1994/95 - Nil
1995/96 - \$1000
- (3) No.
- (4) (a) Printing.
(b) \$900
- (5) Sun City Print.
- (6) 130
- (7) Distributed to politicians, government agencies, shires and libraries.

- (8) The cover consisted of recycled paper.

Peel Development Commission

- (1) (a) \$3,290
(b) \$2,309
(c) \$375
- (2) 1994/95 annual report - \$7,924
1995/96 annual report - \$5,599
- (3) No.
- (4) (a) Design layout of cover, negative preparation, typesetting of pages, printing.
(b) \$5,599
- (5) Footprint - Mandurah.
- (6) 400
- (7) Government agencies, business and community representatives from the Commission's mailing list.
- (8) Yes, 50% consisted of recycled paper and 50% was chlorine free.

Pilbara Development Commission

- (1) (a) \$50.
(b) \$707
(c) \$103.75
- (2) 1994/95 annual report - \$860.75
1995/96 annual report - \$1,087.50
- (3) No.
- (4) (a) Local employment agency, "My Secretary" for the typing of main body of text for the report "TM Typographics" for the photocopying and binding of the report.
(b) The total cost for typing the main body of text was \$112, and the cost of photocopying and binding the report was \$595.
- (5) "TM Typographics" photocopied the report.
- (6) 120 copies were initially printed, the Commission has produced a further 100 copies for internal office use.
- (7) The Commission's clients, as well as all regional development commissions and government agencies were sent correspondence advising that the report was available on request.
- (8) No, due to the additional expense involved.

South West Development Commission

- (1) (a) \$2,000
(b) \$3,358.72
(c) \$200
- (2) 1994/95 annual report - \$2,403.17
1995/96 annual report - \$5,558.72
- (3) No.
- (4) (a) Design, printing, artwork and print management.
(b) \$5,358.72
- (5) Dynamic Print.
- (6) 350
- (7) Members of Parliament, government departments, local government, media, libraries, general public, other clients, business and community groups.
- (8) Yes.

Wheatbelt Development Commission

- (1) (a)-(b) \$5,585
(c) \$1,000
- (2) 1994-95 annual report - \$4,474
1995-96 annual report \$6,585
- (3) No.
- (4) (a) typesetting and printing.
(b) \$5,585
- (5) Frank Daniel's printing.
- (6) 1,000
- (7) State local governments, Wheatbelt Development Commission region clients and other interested parties.
- (8) No.

GOVERNMENT INSTRUMENTALITIES - CONTRACTS

Value and Terms

1825. Mr BROWN to the Minister for Resources Development; Energy; Education:

- (1) What functions or services has each department or government agency under the Minister's control contracted out since 1993, stating -
 - (a) the date;
 - (b) the amount;
 - (c) the recipient;
 - (d) whether the recipient was Western Australian, Australian or foreign; and
 - (e) the term of the contract,

for contracts worth the following amounts -

 - (i) more than \$100 000;
 - (ii) between \$50 000 and \$100 000;
 - (iii) between \$10 000 and \$50 000;
 - (iv) between \$1 000 and \$10 000?
- (2) What functions or services are being planned or intended to be contracted out by each department or government agency under the Minister's control during the current term of government, stating -
 - (a) the approximate date it will take place;
 - (b) the amount;
 - (c) the recipient;
 - (d) whether the recipient is Western Australian, Australian or foreign; and
 - (e) the term of the contract,

for contracts worth the following amounts -

 - (i) more than \$100 000;
 - (ii) between \$50 000 and \$100 000;
 - (iii) between \$10 000 and \$50 000;
 - (iv) between \$1 000 and \$10 000?

Mr BARNETT replied:

- (1) Procuring services from the private and not-for-profit sector is and has traditionally been part of the routine business of government. In 1995/96, public sector agencies spent an estimated \$2.3 billion on many thousands of contracts across an extremely diverse range of goods and services. Unfortunately, the information sought by the member for Bassendean is not readily available and would require considerable resources to collect. I would like to direct the member's attention to those public documents emanating from the State Supply Commission in regard to expenditure on goods and services. Furthermore, I will ensure that the member is provided with a copy of the report on the third annual survey of competitive tendering and contracting in the public sector, which sets out broad information on the level and nature of contract expenditure on services.

The Government is well aware of the potential benefits in the provision of information pertaining to contracts. These data are useful tools in assisting local businesses to identify opportunities to supply to

Government as well as providing relevant information to potential subcontractors and subsuppliers to Government contractors.

Work has already commenced on developing systems which will assist in the provision of information relating to the public sector's purchasing and contracting activities. Investigations are proceeding to identify effective ways of publishing such data in electronic form. These measures will also fulfill the Government's commitment to implement the Commission on Government's recommendation 11.

- (2) It is not possible to determine the extent of contracting out which will occur during the remainder of the Government's current term. The report on the third annual survey of competitive tendering and contracting referred to above, however, includes some information on agencies' contracting intentions and the type of services likely to be market tested. In line with the Government's competitive tendering and contracting policies, public sector agencies will continue to progressively review their activities in order to identify potential contracting opportunities with the aim of providing best value-for-money and quality services to the community.

GOVERNMENT INSTRUMENTALITIES - CONTRACTS

Value and Terms

1828. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

- (1) What functions or services has each department or government agency under the Minister's control contracted out since 1993, stating -
- (a) the date;
 - (b) the amount;
 - (c) the recipient;
 - (d) whether the recipient was Western Australian, Australian or foreign; and
 - (e) the term of the contract,

for contracts worth the following amounts -

- (i) more than \$100 000;
- (ii) between \$50 000 and \$100 000;
- (iii) between \$10 000 and \$50 000;
- (iv) between \$1 000 and \$10 000?

- (2) What functions or services are being planned or intended to be contracted out by each department or government agency under the Minister's control during the current term of government, stating -
- (a) the approximate date it will take place;
 - (b) the amount;
 - (c) the recipient;
 - (d) whether the recipient is Western Australian, Australian or foreign; and
 - (e) the term of the contract,

for contracts worth the following amounts -

- (i) more than \$100 000;
- (ii) between \$50 000 and \$100 000;
- (iii) between \$10 000 and \$50 000;
- (iv) between \$1 000 and \$10 000?

Mrs PARKER replied:

- (1) Procuring services from the private and not-for-profit sector is and has traditionally been part of the routine business of government. In 1995/96, public sector agencies spent an estimated \$2.3 billion on many thousands of contracts across an extremely diverse range of goods and services. Unfortunately, the information sought by the member for Bassendean is not readily available and would require considerable resources to collect. I would like to direct the member's attention to those public documents emanating from the State Supply Commission in regard to expenditure on goods and services. Furthermore, I will ensure that the member is provided with a copy of the report on the third annual survey of competitive tendering and contracting in the public sector, which sets out broad information on the level and nature of contract expenditure on services.

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PREMIER'S AWARD - JUDGING PANEL

Membership

1860. Mr GRAHAM to the Premier:

- (1) Who are the members of the judging panel of the Premier's Award?
- (2) For what period is each member appointed?
- (3) What qualifications are considered necessary for appointment to the panel?
- (4) What organisation or community group or sector does each member represent?
- (5) Who is the representative of the Pilbara region of the State?
- (6) Are members remunerated in any form for their participation?
- (7) If yes to (6) above -
 - (a) what form does the remuneration take; and
 - (b) how much did each member of the panel receive?

Mr COURT replied:

- (1) Vice Chancellor Millicent Poole; Mr Jim Snooks; Ms Carol Day OAM; Assoc. Prof. Simon Forrest; Mr Geoff Blackman; Mr Leigh Dyson and Mr Mal Fiahlo.
- (2) A new judging panel is convened each year.
- (3) The judging panel is comprised of members who represent a broad cross section of public sector agency customers as well as the interests of the public sector and the wider community.
- (4) The judging panel for the 1997 Premier's Award comprises representatives from regional Western Australia, academia, not-for-profit organisations, the private sector, local government, the Aboriginal community and the ethnic community. No public servant had a voting role on the judging panel.
- (5) The representative of the Pilbara Region of the State is Mr Geoff Blackman, who works with BHP Iron Ore; is the Deputy Mayor Port Hedland and the Deputy Chair of the Pilbara Development Commission.
- (6) No.
- (7) Not applicable.

FAMILY AND CHILDREN'S SERVICES - YOUNG PEOPLE IN CRISIS

Expenditure

1917. Ms ANWYL to the Minister for Family and Children's Services:

- (1) Is it correct that \$4.5 million a year is spent by the department on services for young people in crisis?
- (2) If so, can the Minister detail each funding recipient and the amount of funding received for the financial years ending -

- (a) 30 June 1994;
- (b) 30 June 1995;
- (c) 30 June 1996;
- (d) 30 June 1997?

Mrs PARKER replied:

- (1) Currently, the department has Service Agreements totalling \$7,781,686 with Non government organisations providing youth services. The services provided include services for young people in crisis.
- (2) (a)-(d) See paper No 916.

SCHOOLS - CRANBROOK SHIRE

Hub Schools - Closure

1945. Dr GALLOP to the Minister for Education:

- (1) Are any schools within the Shire of Cranbrook being considered as "Hub Schools" for the region?
- (2) If yes, which schools?
- (3) Are any schools within the Shire likely to face closure if "Hubs" are created?
- (4) If yes to (2) above, which schools?

Mr BARNETT replied:

- (1) When Local Area Education Planning is conducted in the Shire of Cranbrook, like all other areas of the State, it is anticipated that a number of options will be generated and considered by local communities. Until a plan is finalised, I have no indication of what the community recommendation might be.

With respect to hub schools, this is only one example which communities might consider in the development of options. The purpose of hub schools is to maintain the learning site while providing improved educational opportunities.

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

FAMILY AND CHILDREN'S SERVICES - HICKS REPORT

Availability

1957. Mr PENDAL to the Minister for Family and Children's Services:

- (1) Is it correct that the Child Welfare Department's "Hicks" report of 1953, inquired into Western Australian juvenile residential institutions?
- (2) If so, is this report available now to the public?
- (3) If yes to (2) above, what procedure is involved in obtaining access to the report?
- (4) If not to (2) above, why is the report access restricted?

Mrs PARKER replied:

- (1) The Hicks Report is believed to have covered the structure and operations of the then Child Welfare Department and included the Western Australian juvenile residential institutions.
- (2) No.
- (3) Not applicable.
- (4) A thorough search has been unable to locate any copies of the report. The recommendations made by Mr Hicks which are believed to form part of the report, are located on a departmental file and are available to the public through State Archives.

DRUGS - HEROIN

Trial - Cost and Success Rate

1986. Ms ANWYL to the Minister for Family and Children's Services:

- (1) I refer to your media statement dated 31 July 1997 and ask what is the basis for your claim that "a heroin trial will not achieve our goal to assist addicts to kick their habit"?
- (2) What amount of funds are currently spent on drug treatment programs, who are the service providers and what is the total amount provided for the financial years ending -
 - (a) 30 June 1993;
 - (b) 30 June 1994;
 - (c) 30 June 1995;
 - (d) 30 June 1996;
 - (e) 30 June 1997?
- (3) What is the basis of your assertion that the heroin trial is "a very expensive program with a very small parcel of participants ever becoming drug free"?
- (4) What is the cost of the trial?
- (5) What number of participants become drug free?
- (6) How many participants are expected to be involved in the trial?

Mrs PARKER replied:

- (1) The latest reports of the outcomes of the Swiss heroin trial indicate that only 7% of participants moved into drug free oriented treatment.
- (2)

(a)	1992-93	Alcohol and Drug Authority	\$7,173,473
		Non government organisations	3,427,117
		Sobering up centres	1,056,410
(b)	1993-94	Alcohol and Drug Authority	\$7,679,222
		Non government organisations	3,328,475
		Sobering up centres	1,030,303
(c)	1994-95	Alcohol and Drug Authority	\$7,060,200
		Non government organisations	3,232,096
		Sobering up centres	1,701,398
(d)	1995-96	Alcohol and Drug Authority	\$7,857,700
		Non government organisations	3,259,890
		Sobering up centres	1,814,674
(e)	1996-97	Alcohol and Drug Authority	\$8,594,400
		Non government organisations	3,426,480
		Sobering up centres	1,887,555
- (3) The heroin trial that was proposed for the Australian Capital Territory would have cost for Phase 1, \$880,000 for 40 participants, a cost of \$22,000 per participant. If the later phases of the full trial had gone ahead, the cost would have been reduced to some \$10,000 per client. This compares with an approximate per client cost for methadone treatment of around \$2,000. As indicated, the results of the Swiss trial indicated that only 7% of participants moved to Drug free treatment.
- (4) The cost of the proposed Australian Capital Territory heroin trial was estimated to be between \$5.5 million and \$10 million for the full trial.
- (5) See answers to (1)-(3).
- (6) None. The Commonwealth Government has indicated that it will not seek the necessary approvals for the Australian Capital Territory trial to proceed in methadone treatment.

FAMILY AND CHILDREN'S SERVICES - CHILDREN IN NEED OF CARE

Number

1996. Dr CONSTABLE to the Minister for Family and Children's Services:

In each of the last five years -

- (a) how many children were classified as in need of care;
- (b) what was the average length of time children waited for placement;
- (c) how many children were placed in care;
- (d) what was the average length of time children were in care for;
- (e) what was the total cost of providing care; and
- (f) how many carers were available to take children?

Mrs PARKER replied:

- (a) The number of children classified as in need of care:

AS IDENTIFIED BY CHILDREN UNDER GUARDIANSHIP ORDER

30/6/93	594
30/6/94	659
30/6/95	711
30/6/96	781
30/6/97	785

- (b) There are no waiting lists for placements.

- (c) The number of children who were placed in care:

DATE	CHILDREN IN PLACEMENT
30/6/93	1109
30/6/94	1142
30/6/95	1258
30/6/96	1333
30/6/97	1297

- (d) The average length of time children were in care:

DATE	AVERAGE DAYS IN PLACEMENT
30/6/93	Not available
30/6/94	Not available
30/6/95	457
30/6/96	456
30/6/97	412

- (e) The actual departmental expenditure for providing supported care was:

DATE	ACTUAL EXPENDED
30/6/93	\$25,914,247
30/6/94	\$25,696,698
30/6/95	\$28,399,901
30/6/96	\$31,991,529
30/6/97	\$34,947,032

- (f) The number of registered departmental carers available to take children is 760. It is not possible to provide retrospective figures on the number of carers who were available in previous years due to the change in their status.

FAMILY AND CHILDREN'S SERVICES - CHILDREN IN NEED OF CARE

Transition from Care Programs - Funding

1998. Dr CONSTABLE to the Minister for Family and Children's Services:

- (1) In each of the last five years and including 1997-98, what was the total amount spent on programs to facilitate the transition from care to family or independent living?
- (2) What is the allocated amount for 1997-98?

(3) What amount is required to provide adequate services in this area?

Mrs PARKER replied:

(1) Family and Children's Services fund a number of organisations who provide services to facilitate transition from care to families and independent living. Expenditure in each year reflects the allocated amount, although it can vary depending on individual agencies timeliness in completing accountability requirements. Funding allocated to these services:

1993/94	\$8,647,753
1994/95	\$8,876,641
1995/96	\$9,142,347
1996/97	\$9,827,982

(2) \$9,997,704.

(3) This will depend on community need.

FAMILY AND CHILDREN'S SERVICES - PARENTING EDUCATION CAMPAIGN

Cost and Effectiveness

2002. Dr CONSTABLE to the Minister for Family and Children's Services:

(1) Since its inception, what is the total amount spent on the community education campaign on parenting?

(2) What data is available on the effectiveness of the campaign?

(3) What amount is allocated in the 1997-98 Budget for the campaign?

Mrs PARKER replied:

(1) \$888,720 has been expended on the parenting advertising campaign since its inception.

(2) Evaluation reports have been prepared by independent market research companies. The results of the *Accentuate the positive* campaign have been very positive with seven out of ten parents indicating awareness of the campaign and one in four reporting a change in their behaviour after having seen the television advertisement.

(3) Current allocation is \$265,000.

FAMILY AND CHILDREN'S SERVICES - CHILD PROTECTION SERVICES REGISTER

Function

2004. Dr CONSTABLE to the Minister for Family and Children's Services:

In respect to the Child Protection Services Register -

(a) what is the function of the Register;

(b) what information is contained in the Register;

(c) what reciprocal policies exist between the Department of Family and Children's Services and other government agencies relating to child protection; and

(d) what, if any, reciprocal arrangements exist between the department and non-government agencies?

Mrs PARKER replied:

(a) The function of the Register is to improve cooperation and coordination of services between government agencies which have responsibility for protecting children from harm or maltreatment.

(b) The Register holds records of the names of children who have been assaulted or maltreated and the services provided to those children. In addition, there is provision for the Register to hold the names of persons who have been convicted on an assault against a child who is recorded on the Register. This provision is subject to amendments to the Child Welfare Act and consequential amendments to other Acts.

(c) The Reciprocal Child Protection Procedures outline the agreement between Family and Children's Services and other government agencies concerning the reporting and investigation of child maltreatment. The Protocols for the Child Protection Services Register outline the agreements between the Register and other

government agencies concerning the reporting of children who have been subject to maltreatment and the services provided to them.

- (d) There are no formalised reciprocal child protection arrangements between Family and Children's Services and non-government agencies.

EXHIBITIONS - INSURANCE COSTS

Indemnity Scheme

2107. Ms McHALE to the Premier:

- (1) I refer to your answer to my question on notice 1137 of 13 May 1997 and ask, has a decision on the proposal to establish an indemnity scheme to cover visiting exhibitions to Western Australia now been made?
- (2) If yes, what is that decision?
- (3) If not, why not?
- (4) If not, when is a decision going to be made?

Mr COURT replied:

- (1) Yes.
- (2) An indemnity and reinsurance arrangement has been established through RiskCover. Under the arrangement, the Art Gallery covers the first \$20 000 of any loss and the State provides an indemnity for the amounts between \$20 000 and \$20 million of any losses for major exhibitions. The exposure over \$20 million to a maximum of \$100 million is covered through insurance arrangements.
- (3)-(4) Not applicable.

FAMILY AND CHILDREN'S SERVICES - YOUTH ALLOWANCE

Introduction - Research

2110. Ms ANWYL to the Minister for Family and Children's Services:

- (1) Is the Department conducting any research with respect to the effect the introduction of the youth allowance from January 1998 will have?
- (2) If so, what is the nature of the study and the estimated effect of the youth allowance on the numbers of families and children seeking emergency financial assistance?

Mrs PARKER replied:

- (1) The department will monitor the effect.
- (2) Changes in trends in the number of families and children seeking financial assistance, the number of young people seeking the Homelessness Youth Allowance, and the number receiving support through the Supported Accommodation Assistance Program, will be monitored. The impact or effect cannot be estimated at this time.

ENVIRONMENT - STEPHENSON AND WARD INCINERATOR CO PTY LTD

Incinerator Site - Deslagging Process

2142. Dr EDWARDS to the Minister for the Environment:

- (1) Has the owner of the Stephenson and Ward Medi-Collect incinerator company provided the Department of Environmental Protection (DEP) with an undertaking "that he would inform the DEP and the Environmental Protection Authority (EPA) whenever he engaged in his emergency procedure (of de-slugging the incinerator)"?
- (2) If yes -
- (i) when was this undertaking given;
- (ii) how many notifications about de-slugging have the DEP received from the Stephenson and Ward Medi-Collect incinerator company since that date?

- (3) What materials, other than biomedical waste, is the Stephenson and Ward Medi-Collect incinerator company permitted to burn under its current licence?
- (4) Further to question on notice 1621 of 1996, what materials, other than biomedical waste, have been incinerated at the Stephenson and Ward Medi-Collect incinerator site since August 1996?
- (5) What was the specific source, quantity and nature of these materials?
- (6) Did the DEP advise the Stephenson and Ward Medi-Collect incinerator company to "operate with back hatch open and ajar with a rake in the incinerator"?
- (7) Is this in accordance with the conditions of their licence?
- (8) If not, why was this advice given in contrary to the obligations of the Department to administer the Environmental Protection Act 1986?

Mrs EDWARDES replied:

- (1) The licensee is required, by the terms of the site licence, to notify the Department of Environmental Protection of any non-standard operation and, under the Environmental Protection Act, to notify of any emergency incident which may cause a breach of licence condition. De-slugging of the incinerator is not regarded as either a non-standard operation or an emergency incident. The Department of Environmental Protection is not aware of any commitment by the owner of the Stephenson and Ward incinerator to notify the Department of Environmental Protection of de-slugging operations.
- (2) Not applicable.
- (3) The incinerator licence allows the burning of bio-medical waste. The licence does not specifically prohibit the burning of any type of waste, other than radioactive materials.
- (4) The incinerator has been used to destroy quantities of data tapes for security purposes and a small quantity of grease which was trialled as an alternative fuel.
- (5) I am advised that the Department does not have records of the exact quantity of these materials.
- (6) I have answered similar questions before on a number of occasions, and the status of this issue remains as I have previously informed the House. I am advised that the incinerator operates with a small hatch (approximately 300mm x 300mm) slightly ajar at the rear of the primary chamber. This hatch is left open to allow visual inspection of the hearth and raking of the ash bed to disturb accumulated slag. The operator is required to close the hatch before shutting the incinerator down. Under normal operating conditions, there is strong air draft into the incinerator chamber and so no gases can escape from the incinerator to the atmosphere.
- (7) Yes.
- (8) Not applicable.

EDUCATION - DEPARTMENT

Activ Foundation - Contract

2151. Mr CARPENTER to the Minister for Education:

- (1) Did Activ Foundation tender to supply indoor plants and outdoor gardening services to the Ministry of Education office in East Perth?
- (2) Can the Minister confirm that they were unsuccessful in their tender bid?
- (3) If yes, who was the successful bidder?
- (4) What was the price difference between the successful contract price and Activ Foundation's bid?

Mr BARNETT replied:

- (1)-(2) Yes.
- (3) Environmental Industries (outdoor), Rent-a-Plant (indoor).
- (4) \$6,520 per annum (outdoor), \$1,584 per annum (indoor).

GOVERNMENT INSTRUMENTALITIES - NORTH WEST

Employees and Programs

2187. Mr GRAHAM to the Minister for Family and Children's Services; Seniors; Women's Interests:

- (1) What departmental staff in departments under the Minister's control are located in the following towns -
 - (a) Port Hedland;
 - (b) South Hedland;
 - (c) Tom Price;
 - (d) Paraburdoo;
 - (e) Telfer;
 - (f) Marble Bar;
 - (g) Nullagine;
 - (h) Karratha;
 - (i) Halls Creek;
 - (j) Wiluna;
 - (k) Dampier;
 - (l) Roebourne;
 - (m) Wickham?
- (2) What are the classifications of those staff?
- (3) What programs are currently being funded in the towns listed in (1) above, in the departments under the Minister's control?

Mrs PARKER replied:

- (1)-(2) Family and Children's Services: [See paper No 917.]
Office of Seniors Interests: Not applicable.
Women's Interests: Not applicable.
- (3) Family and Children's Services: [See paper No 917.]
Office of Seniors Interests: Not applicable.
Women's Interests: Not applicable.

EDUCATION - ENGLISH AS A SECOND LANGUAGE

Primary Children

2281. Dr CONSTABLE Minister for Education:

- (1) What percentage of primary aged children have English as their second language?
- (2) What percentage of children referred to in (1) above are Aboriginal children?

Mr BARNETT replied:

- (1) 25%.
- (2) 6%.

GOVERNMENT INSTRUMENTALITIES - MEMBERS

Appointment and Remuneration

2288. Dr CONSTABLE to the Premier:

- (1) With reference to the Premier's answer to question on notice 26 of 1997, who are the current members and chairpersons of the following -
 - (a) Gold Corporation;
 - (b) Parliamentary Superannuation Board;
 - (c) Salaries and Allowances Tribunal; and
 - (d) The Western Australian Treasury Corporation?
- (2) When was each member appointed and for what period of time?
- (3) How much remuneration is each member paid?

Mr COURT replied:

Gold Corporation	Appointment	Expires	Remuneration
Mr Leslie McCarrey (Chair)	1.7.96	1.7.99	\$40,000 pa
Mr Peter Lalor	1.7.96	1.7.99	\$25,000 pa
Mr Peter Unsworth	1.7.96	1.7.99	\$25,000 pa
Mrs Martine Pop	1.7.96	1.7.99	\$25,000 pa
Mr John Langoulant	1.7.96	1.7.99	Nil
Mr Don Mackay-Coghill	1.7.96	1.7.99	Nil
Mr Brian Bath	1.7.96	1.7.99	Nil

Parliamentary Superannuation Board	Appointment	Expires	Remuneration
Hon Max Evans MLC (Chair)	Term of the current Government		Nil
Mr Alan Carpenter	Term of the current Government		Nil
Hon Bruce Donaldson MLC	Term of the current Government		Nil
Hon Mark Nevill MLC	Term of the current Government		Nil
Mr George Strickland MLA	Term of the current Government		Nil

Salaries and Allowances Tribunal	Appointment	Expires	Remuneration
Mr Digby Blight (Chair)	10.6.97	10.6.2000	\$22,300 pa
Mr Jeffrey Mews	29.11.96	28.11.99	\$14,500 pa
Mr Raymond Turner	12.10.96	11.10.99	\$14,500 pa

The Western Australian Treasury Corporation	Appointment	Expires	Remuneration
Mr Raymond Hughes (Chair)	No formal term of appointment		Nil
Mr D Butler	No formal term of appointment		Nil
Mr David Eiszele	No formal term of appointment		Nil
Mr William Heron	No formal term of appointment		Nil
Mr M Nunes	No formal term of appointment		Nil

EDUCATION - FIRST STEPS PROGRAM

Evaluation

2295. Dr CONSTABLE to the Minister for Education:

- (1) Since the answer to question on notice 1862 of 1994, have any further evaluations been made of First Steps?
- (2) If yes to (1) above -
 - (a) by whom;
 - (b) when; and
 - (c) are the evaluations publicly available?

Mr BARNETT replied:

- (1) Yes
- (2) See paper No 918.

GOVERNMENT INSTRUMENTALITIES - MARKETFORCE

Contracts - Number and Value

2339. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

- (1) Since February 1993, has the Minister and/or any department or agency under the Minister's control engaged the company Marketforce?
- (2) How many contracts has the company received?
- (3) What is the value of each contract?
- (4) When was each contract let?
- (5) What has been the total amount paid to the company each financial year since that time?

Mrs PARKER replied:

- (1)-(5) The member should be aware that it would require considerable resources to go back over five years of archives to obtain the information sought. It would be unreasonable to expect the resources to be committed but if the member has a specific question about any particular contract with Marketforce, I will consider providing the information.

TOURISM - AEROBICA - THE EVENT

Funding

2391. Mr BROWN to the Premier:

- (1) In relation to the Aerobica Event recently held in Perth, did you as the Minister for Tourism take a submission to Cabinet to provide financial support for this event?
- (2) If yes, did Cabinet approve funding for this event?
- (3) What was the amount Cabinet approved?

Mr COURT replied:

- (1) No, the submission was taken to Cabinet by the current Minister for Tourism, Hon Norman Moore, MLC.
- (2)-(3) Not applicable.

GOVERNMENT INSTRUMENTALITIES - McMILLAN SHAKESPEARE GROUP

Cost of Services

2474. Dr EDWARDS to the Premier:

- (1) How many Government departments use the services of McMillan Shakespeare?
- (2) Which departments are these?
- (3) What is the cost to departmental employees for these services?
- (4) How did McMillan Shakespeare obtain this work?
- (5) Were Western Australian companies considered to provide these services?
- (6) If yes, why was the work given to McMillan Shakespeare?

Mr COURT replied:

The following information has been supplied by the Department of Contract and Management Services (CAMS):

- (1)-(2) As at April 1997 the following agencies were utilising the services of McMillan Shakespeare -

Aboriginal Affairs
Commerce and Trade
Conservation and Land Management
Department of Training
Disability Services Commission
Department of Resources Development
Department of Land Administration
East Perth Redevelopment Authority
Family and Children's Services
Homeswest
Ministry of Premier and Cabinet
Office of Energy
Secondary Education Authority
Treasury

CAMS are unaware of any additional agencies without referring to McMillan Shakespeare.

- (3) \$270 per employee per annum, or \$170 per employee per annum earning less than \$50 000 who package GESS contributions only.
- (4) McMillan Shakespeare responded to a competitive Request for Tender and was awarded a contract under a "preferred supplier" arrangement. The contract is non mandatory which means agencies can source elsewhere.

- (5) Only 4 tender submissions received - one being from a Western Australian based Company.
- (6) McMillan Shakespeare provided:
- Lowest fees stages 1 & 3 plus a two tier rate ie. \$170 & \$270 for employees.
 - Met all the terms and conditions of the tender.
 - Have previous experience in providing these services.
 - Professional Indemnity insurance.

DRUGS - DRUG AWARE PUBLICATION

Mr Neville Blampey's Views

2507. Mr BROWN to the Premier:

- (1) Has the Premier received correspondence from Neville Blampey dated 19 September 1997 concerning the Government publication *Drug Aware*?
- (2) Would resources to produce the publication be better used if diverted into additional programs provided by non-Government working with young people, increasing the funding to the Methodone Program and by taking action to combat youth unemployment with its consequential loss of self-esteem and all of the problems that go with that, as suggested by Mr Blampey?
- (3) Is Government policy in accordance with the ideas of Mr Blampey?
- (4) If not, why not?

Mr COURT replied:

- (1) Yes.
- (2) The distribution of the *Drug Aware* Parent Booklet to all households is one strategy being undertaken in the Government's comprehensive program to combat drug abuse. It is essential that this issue is faced by families and it is an effective use of resources for the Government to assist families to deal with the issue of drugs.

With respect to the other issues you raise, the Government is also supporting non-government agencies who work with young people and their families, and has recently provided resources to enable them to increase their bed capacity and help prevent even short waiting lists developing. The methadone program has also been expanded considerably and its waiting list has been reduced from some six or more months to a normal period of a few days. Additionally, this Government is proud that Western Australia has the lowest rate of youth unemployment in the country.

- (3) Mr Blampey was evidently unaware that the distribution of the *Drug Aware* Parent Booklet was only one part of a comprehensive strategy and that the other strategies he suggested - such as the expansion of the methadone program, wider availability of the heroin antidote Narcan and parent drug education courses - are also features of the Government's comprehensive approach.
- (4) Not applicable.

EDUCATION - CULTURALLY DIVERSE BACKGROUNDS

Federal Government Funding Cuts - Impact Assessment

2546. Ms WARNOCK to the Minister for Education:

- (1) Have the Education Department of Western Australia undertaken an impact assessment study of the recent cut-backs by the Federal Government in funding for culturally and linguistically diverse background groups in the following areas -
- (a) interpreting services;
 - (b) implementation of the Joint Integrated State Settlement Plan;
 - (c) community consultation and co-ordination?
- (2) Will the Minister allocate extra funds to ensure that programs which depended on funding from the Federal Minister for Immigration and Multicultural Affairs are not cut-back or discontinued?

Mr BARNETT replied:

- (1) (a)-(c) No.

- (2) The Federal Minister for Immigration and Multicultural Affairs does not provide funds to the Education Department. No funding cuts from the Commonwealth to education are anticipated in this area of cultural and linguistically diverse background groups. In the event of funding cuts to this area, by the federal government, the state's position would be assessed.

SMALL BUSINESS DEVELOPMENT CORPORATION - COMMON LICENCE METHODOLOGY

Feasibility Study

2563. Mr BROWN to the Minister for Small Business:

- (1) Is the Minister aware of Recommendation 42 of the Bell Committee which recommended that Commonwealth, State and Territory Governments agree to pursue a common licence methodology along the lines of that being developed by the Queensland and Commonwealth Governments?
- (2) What action is being taken to implement that recommendation in Western Australia?

Mr COWAN replied:

- (1) Yes.
- (2) The Small Business Development Corporation (SBDC) is conducting a feasibility study on the development of a common licence methodology for Western Australia. The Queensland and Victorian models will be assessed as part of this process. The study will be completed in early 1998 and include a recommendation on the implementation of a common licence for Western Australia. If found feasible, the SBDC will proceed with implementation, linking the initiative to its current business information and licence system.

SCHOOLS - PHOTOGRAPHS

Tendering Process - Terms of Contract

2588. Mr RIPPER to the Minister for Education:

- (1) Is there a tendering process in place for the taking and production of school photographs in Western Australian Government schools?
- (2) If yes -
- (a) who was awarded this contract;
 - (b) what is the commercial nature of this contract;
 - (c) does the photographer receive any payment from the Education Department;
 - (d) what are the individual parents required to pay in relation to these photographs; and
 - (e) are there any limitations imposed as to what the photographer can charge the parents?
- (3) If no to (1) above, how are photographers appointed to take photographs in Western Australian Government schools?
- (4) Can individual schools make their own arrangements regarding school photographs?
- (5) If not, why not?
- (6) What provisions are in place to enable local photographers in country towns to take school photographs?

Mr BARNETT replied:

- (1) No.
- (2) Not applicable.
- (3)-(6) All Government schools arrange for and select photographers on a best value for money basis for their respective school requirements.

EDUCATION - MERREDIN

Occupational and Speech Therapists - Vacancy

2604. Dr GALLOP to the Minister for Education:

- (1) Can the Minister confirm that within the education district of Merredin, the position of occupational therapist has been vacant for twelve months?

- (2) Can the Minister also confirm that within the same district, the position of speech therapist has been vacant for three months?
- (3) What steps is the Minister taking to ensure these positions are filled?
- (4) When will these positions be filled?

Mr BARNETT replied:

- (1) Therapy services for students with disabilities provided in educational and home settings are the responsibility of the Disability Services Commission. I am able to inform you that the occupational therapist position in Merredin has been filled since July of this year.
- (2) The speech therapist's position in Merredin was vacant for two months as the previous incumbent went on maternity leave. This position has been filled since August of this year.
- (3)-(4) Not applicable.

SCHOOLS - COUNTRY

Acting Principals - Number

2627. Mr RIPPER to the Minister for Education:

How many Education Department country schools do not have a substantively appointed Principal and instead are administered by acting Principals?

Mr BARNETT replied:

28 country schools do not have a substantive principal appointed and are administered by acting principals.

EDUCATION - TEACHERS

Assaults - Central Record

2628. Mr RIPPER to the Minister for Education:

- (1) Does the Education Department maintain a central record of assaults against its staff in the workplace?
- (2) If not, why not?

Mr BARNETT replied:

- (1) No.
- (2) The responsibility of recording and dealing with assaults against staff resides with District Directors and Principals.

EDUCATION - DEPARTMENT

Restructuring - Abolition of Positions

2630. Mr RIPPER to the Minister for Education:

Which positions have been abolished and not replaced with equivalent positions in the current restructure of the head office of the Education Department of Western Australia?

Mr BARNETT replied:

During the current restructure of the Education Department's head office six positions have been abolished and not replaced with equivalent positions, as at 24 October 1997.

POSITIONS	LEVEL	DIRECTORATE
Supervisor	Level 2	Education Services
Curriculum Consultant	Education Officer Level 3	Education Services
Administrative Assistant	Level 2	Education Services
Clerical Officer	Level 1	Education Services
Clerical Officer	Level 1	Education Services
Policy Officer	Education Officer Level 3	Education Services

EDUCATION - GASCOYNE JUNCTION

School Age Population

2631. Dr GALLOP to the Minister for Education:

What is the school age population in Gascoyne Junction as of -

- (a) 1 January 1993;
- (b) 1 January 1994;
- (c) 1 January 1995;
- (d) 1 January 1996, and
- (e) 1 January 1997?

Mr BARNETT replied:

The question as it stands needs to be directed to the Australian Bureau of Statistics. Student numbers at Gascoyne Junction Primary School were 5 in 1993 and 5 in 1994 (2nd Semester). This school closed at the end of 1994.

EDUCATION - DEPARTMENT

Head Office Staff and Activities - Expenditure

2634. Mr RIPPER to the Minister for Education:

- (1) What was the total expenditure on Education Department head office staff and activities in 1996-97?
- (2) What is the projected annual expenditure on Education Department head office staff and activities following the completion of the present restructure?

Mr BARNETT replied:

- (1) 1996/97 \$82 641 073
- (2) The budget allocation for the Education Department head office is in the process of being adjusted to reflect the restructuring including the movement of responsibilities to District Offices. The budget allocation will be available when this task is completed.

EDUCATION - DEPARTMENT

District Office Staff and Activities - Expenditure

2635. Mr RIPPER to the Minister for Education:

- (1) What was the total expenditure on Education Department district office staff and activities in 1996-97?
- (2) What is the budget allocation for expenditure on Education Department district office staff and activities in 1997-98?

Mr BARNETT replied:

- (1) 1996/97 \$30 661 452
- (2) The budget allocations for Education Department district offices are in the process of being adjusted to reflect the movement of responsibilities from Head Office to Districts. The budget allocation will be available when this task is completed.

FAMILY AND CHILDREN'S SERVICES - DEPARTMENT

Solvent Sniffing Policy

2637. Ms MacTIERNAN to the Minister for Family and Children's Services:

What policy is followed by the Department of Family and Children's Services in enforcing the Child Welfare Act 1947 in cases where children are found intoxicated as a result of solvent sniffing?

Mrs PARKER replied:

The Child Welfare Act 1947 has no provision specifically relating to children intoxicated through drug use. However, under section 29 of the Child Welfare Act, departmental or police officers may apprehend any child

appearing to be in need of care and protection. Also, under section 138B(1), departmental or police officers are able to take children to the child's usual place of residence or school if the person believes that there is no immediate supervision for the child and the child is in physical or moral danger. In situations where it is alleged or it appears that a child is at risk of harm, officers of the department will undertake an assessment to determine risks of harm, and the needs of the child and family.

LAND - MARLSTON HEIGHTS, BUNBURY

Naming

2664. Mr PENDAL to the Minister for Lands:

Can the Minister advise details to the person after whom Marlston Heights in Bunbury was named?

Mr SHAVE replied:

John Septimus Roe, Surveyor General of Western Australia 1829-70, first visited this site in March 1830, but recorded no name in his report. The site was probably named after Marlston House Hermitage, currently (1997) the site of a Church of England Girls School, in Newbury, Berkshire, England. J S Roe was born near here in 1797 and lived the first ten years of his life in Newbury. His father, Reverend James Roe was the Rector of Newbury.

The name Marlston Hill is first shown on Original Plan Bunbury 24, from surveys by F T Gregory in June 1849. Bunbury Lighthouse was erected on this hill. Marlston Hill Rotary Lookout Tower on the summit, an Australian Bicentennial Project, was opened on 11 June 1988.

The Department of Land Administration maintains a database on the origin of Western Australia's place names and geographic features. This information can be accessed by the public by contacting the Department on (08) 9273 7049. Additionally, the origins of Perth's suburbs names are available on the DOLA Homepage at www.dola.wa.gov.au.

WORKSAFE WESTERN AUSTRALIA - FATALITIES

Investigations

2726. Mr KOBELKE to the Minister for Labour Relations:

- (1) Does WorkSafe WA complete a report on every workplace fatality in Western Australia?
- (2) If no to (1) above, then what are the policies or procedures by which it is determined as to whether or not the death of a worker will be investigated to the extent of WorkSafe producing a written report on the fatality?
- (3) Will the Minister table every fatal accident summary undertaken by WorkSafe relating to the death of a worker due to a workplace incident or accident in 1997?

Mr KIERATH replied:

- (1)-(2) WorkSafe Western Australia investigates all work-related fatalities in workplaces covered by the *Occupational Safety and Health Act 1984* with the exception of those resulting from motor vehicle accidents on public roads and plane crashes. These are investigated by the Police Service and the Bureau of Air Safety of the Commonwealth Government respectively.
- (3) Brief summaries of each of the 15 fatal accidents which have occurred to-date in 1997 and investigated by WorkSafe Western Australia are tabled as requested.

DESCRIPTIONS OF WORK RELATED FATALITIES 1997 YTD

13 January 1997	A 69 year old person was assisting his son-in-law setting up timber storage racks in a cabinet maker joinery shop. One of the shelving arms failed, causing sheets of chip board to slide off, crushing him.
20 February 1997	A 33 year old yard person was crushed when a 1 tonne feed box under fabrication toppled over as he was sliding out from underneath it.
3 March 1997	A 54 year old electrical contractor was electrocuted whilst pruning branches of a tree when one of the branches came in contact with a 12.7 KVA aerial power line.

- 6 March 1997 A 22 year old carpenter was electrocuted when he touched a 22 KVA power line with a metal tape measure whilst assisting in replacing metal roof sheeting on a shop.
- 6 March 1997 A 38 year old trade assistant drowned after falling in the ocean while working on a boat moored at a jetty.
- * 10 April 1997 A 56 year old fencing contractor was killed when the tractor he was driving down a steep embankment, rolled over and crushed him. The tractor was not fitted with ROPS or lateral restraints. *
- * 13 April 1997 A 47 year old machine plant officer was killed when an explosive charge was set off accidentally in the decline drive of a mine. *
- 24 April 1997 An 18 year old labourer/plant operator died when he was struck by a split rim of a wheel when he was attempting to refit the wheel to a low loader.
- * 9 June 1997 A 42 year old mine surveyor received fatal crush injuries in a rock fall in the shaft he was working in. *
- 16 June 1997 A 35 year old electrician was crushed when digging a trench next to a plinth supporting a 4580kg transformer. The plinth shifted causing the transformer to slip off, crushing the worker.
- * 26 June 1997 A 42 year old contract miner was killed in a rock fall. *
- * 10 July 1997 A 52 year old miner was killed in a rockfall in an underground mine. *
- 18 July 1997 A 63 year old farmer died whilst he was trying to jump start his light dozer in a farm paddock. The dozer was in gear and when it started, he was thrown forward off the tracks which then ran over him.
- 1 August 1997 A 46 year old forklift driver was killed when he accidentally drove a forklift off a loading dock at a wholesale warehouse. The forklift was on loan for testing prior to purchase.
- * 1 September 1997 A 27 year old underground miner died in a rock fall. Two miners died in this accident. *
- * 1 September 1997 A 30 year old underground miner died in a rock fall. Two miners died in this accident. *
- * 13 September 1997 A 46 year old truck driver was killed when the water truck he was driving down a steep incline crashed into the pit wall. *
- 17 September 1997 A 17 year old casual labourer died from injuries received when he was run over by a forklift driven by another employee. The deceased had been riding on the tines of the forklift.
- 25 September 1997 A 46 year old abalone diver drowned when his air line fouled in the propellor of his underwater scooter.
- 16 October 1997 A 42 year old tree feller died when he was struck by a falling tree felled by another worker.
- 19 October 1997 A 34 year old farm manager died when he fell off his tractor into the path of the grass slasher he was towing whilst cutting hay.
- 29 October 1997 A 48 year old Rigger was killed when he fell approximately 7 metres from a ladder whilst he was detaching chains from a liquid nitrogen tank. The tank was being moved to make way for a new, larger tank.
- 3 November 1997 A 39 year old refrigeration mechanic died after receiving an electric shock from a small flake ice machine. He had been working on the junction box of the ice machine. The actual cause of his death is currently unknown.

* Fatalities falling under the jurisdiction of the Department of Minerals and Energy.

MINISTERS OF THE CROWN - MINISTER FOR LABOUR RELATIONS

Employment of Mr Mark Smith

2751. Mr KOBELKE to the Minister for Labour Relations:

- (1) Through what organisation is Mr Mark Smith's contract of service to work with the Minister for Labour Relations organised?
- (2) What are the general duties or contract of work for which Mr Smith is engaged?

Mr KIERATH replied:

- (1) Signet Realty.
- (2) Provide advice to the Minister for Labour Relations on specific issues relating to trade unions in Western Australia, and to provide strategic advice and planning in relation to Government industrial relations policy and legislation.

MOTOR VEHICLES - PERSONAL INJURY CLAIMS

\$10 000 Threshold Categories - Savings

2753. Dr CONSTABLE to the Minister representing the Minister for Finance:

- (1) With reference to the Motor Vehicle (Third Party Insurance) Amendment Act 1994, what were the estimated savings related to the \$10 000 threshold at the time of introduction of the legislation?
- (2) With reference to the Minister's answer to question on notice 2276 of 1997, part (a) -
 - (a) what is the reason for the decline in claims arising from motor vehicle accidents since 1 July 1993;
 - (b) what are the estimated savings in each year since the above mentioned Act was introduced; and
 - (c) what is the reason for not keeping records relating to the separate categories?

Mr COURT replied:

The Minister for Finance has provided the following response:

- (1) On the matter of the \$10,000 threshold, statistical information relating to savings on claims as a result of the 1993 threshold legislation is not maintained by the Insurance Commission of Western Australia. For this type of information to be collated, a manual and subjective calculation of non-pecuniary loss on all 33,701 claims finalised since 1 July 1993 and the current 10,457 outstanding claims (excluding unreported claims to date) would be required. It would be a major and time-consuming exercise which is not cost effective, particularly as it is not a factor that needs to be calculated for the determination of premium rates under Section 3T of the Motor Vehicle (Third Party Insurance) Act 1943. Accordingly, the figure cannot be provided.
- (2) (a) The Motor Vehicle (Third Party Insurance) Amendment Act 1994 and Road Safety Initiatives have been contributing factors.
(b)-(c) Estimated savings not recorded - see reply to part (1).

OCCUPATIONAL HEALTH AND SAFETY - FATALITIES

Details

2758. Mr KOBELKE to the Minister for Labour Relations:

For each of the

- (a) 20 work-related fatalities in 1996-97;
- (b) 18 work-related fatalities in 1995-96;
- (c) 31 work-related fatalities in 1994-95,

what was -

- (i) the name of the worker killed;
- (ii) the cause of the fatality;
- (iii) the industry in which the employee was engaged;

- (iv) the date of the accident or event that caused the fatality;
- (v) the locality of the accident or event that caused the fatality?

Mr KIERATH replied:

Because of the obvious sensitivities involved in providing a listing of the names of people killed, the information requested by the member will be provided directly to him, under separate cover.

HERITAGE - REGISTER

Number of Places

2760. Ms McHALE to the Minister for Heritage:

- (1) How many places were entered in the Register of Heritage Places -
 - (a) on a permanent basis;
 - (b) on an interim basis at the end of the financial years -
 - (i) 1990-91;
 - (ii) 1991-92;
 - (iii) 1992-93;
 - (iv) 1993-94;
 - (v) 1994-95;
 - (vi) 1995-96;
 - (vii) 1996-97?
- (2) How many places in each of these categories for each of these years are -
 - (a) owned by the Commonwealth Government;
 - (b) owned by the State Government;
 - (c) owned by local government;
 - (d) privately owned?
- (3) What places have been removed from the Register of Heritage Places in each of these years, and what was the reason for the removal of each one?
- (4) How many local municipal councils have completed municipal inventories as required under section 45 of the Heritage of Western Australia Act 1990?
- (5) How many local municipal councils are currently undertaking their municipal inventories?
- (6) How many local municipal councils have not yet commenced preparation of the municipal inventories?
- (7) Which councils have not yet commenced preparation of their inventory and what are the reasons for non-compliance with the Act?
- (8) What action is the Heritage Council taking to review the municipal inventories with a view to assessing the places for inclusion in the Register of Heritage Places?
- (9) What other systematic survey has been completed, is currently underway, or is planned for the coming year?
- (10) Can the Minister, the Heritage Council, or its officers provide some estimate of the likely number of places that will be found to qualify for entry in the Register of Heritage Places?
- (11) Can the Minister, the Heritage Council or its officers give an estimate of when this number of entries in the Register might be achieved?
- (12) How many Heritage Agreements have been entered into?
- (13) To what places do these Heritage Agreements pertain?
- (14) Have there been any instances where an owner or occupier has sought to enter into an agreement but this has been declined by the Minister, the Heritage Council or its officers and, if so, what are the reasons for each one being declined?
- (15) How many conservation orders have been imposed since the Act was proclaimed?
- (16) To what places do these orders pertain?
- (17) Which of these conservation orders are or have been stop work orders?
- (18) What has happened to each of the places where a stop work order has been imposed?

- (19) How much money has been allocated for incentives in the Consolidated Revenue Funds component of the Heritage Council's budget for each of the years -
- (a) 1990-91;
 - (b) 1991-92;
 - (c) 1992-93;
 - (d) 1993-94;
 - (e) 1994-95;
 - (f) 1995-96;
 - (g) 1996-97?
- (20) How much money has actually been spent on incentives in each of these years?
- (21) How much money has been allocated to the National Trust of Western Australia in each of the years -
- (a) 1990-91;
 - (b) 1991-92;
 - (c) 1992-93;
 - (d) 1993-94;
 - (e) 1994-95;
 - (f) 1995-96;
 - (g) 1996-97,
- (i) from the budget of the Heritage Council;
 - (ii) from elsewhere in the State Budget;
 - (iii) what were these moneys for?

Mr KIERATH replied:

Although the information requested in the member's 21 part question is held by the Heritage Council of Western Australia and the National Trust of Western Australia, it will take considerable time to collate, and I am not prepared to allocate valuable departmental resources for this purpose. However, some of the information requested is readily available in the annual reports of those agencies.

QUESTIONS WITHOUT NOTICE

STATE BUDGET - PROJECTED DEFICIT

Size

802. Dr GALLOP to the Treasurer:

- (1) What is the size of the projected deficit for the 1997-98 Budget?
- (2) How does the Treasurer intend to meet the projected shortfall?
- (3) Is he considering increasing taxes and charges, reducing services or deficit financing?

Mr COURT replied:

- (1)-(3) It is far too early in the financial year to make a calculation on the end of year result. We are not yet halfway through this financial year.

Dr Gallop: Why do you have monthly statements?

Mr COURT: I will get to that. The Leader of the Opposition will be aware of the budget pressures we face. Firstly, we have deferred the introduction of the gold royalty, which was part of the Budget. Secondly, we have experienced a one-off shortfall as a result of the section 90 High Court decisions. The tobacco companies did not pay the tobacco excise surcharge of about \$275m, of which our share is about \$27m. The tobacco excise surcharge was not paid by the companies through bringing forward the movement of stock out of bond in the lead up to and on the day following the High Court decision. Negotiations are currently ongoing between the Federal Government and the tobacco companies to try to get the money back in one form or another.

Fuel is a timing issue and we will be affected to the tune of \$14m or \$15m. That is not money that has been lost; but it will not flow in during this financial year as a result of changes that took place. The pressure is always on. This year when the Budget was handed down, we were experiencing a decline in revenue. I do not run away from the fact

that it will be a difficult year for us. Over the next five or six weeks - beginning today - I will meet with Ministers and chief executive officers as part of our bilateral discussions on the Budget. That process will continue during January and February. We will work up further details and discuss both the current Budget and the next financial year.

To ensure that we come in on target, budgets by their nature must be flexible, and the Government must be flexible, to ensure that expenditures are cut to meet the funds available. We must always do that, and with a \$7b Budget it is not an easy exercise.

In relation to the monthly figures, the concept of the Niemeyer statements was released in the 1930s. It is a cash in cash out system. It does not provide an indication - one cannot compare one year to another year - because there can be abnormal payments in and out.

Dr Gallop: Surely it gives you a proper basis on which to discuss those matters?

Mr COURT: No, it does not. In effect, it is not a useful guide because it details only cash movements. As the member is aware, for some years the Government has been developing accrual accounting and it is hoped that by next July a monthly accrual reporting system will be in place. That will provide a much better comparison on a month by month basis and when comparing the situation year by year. It will not be until -

Ms MacTiernan: Why not give us the Niemeyer figures in the meantime?

Mr COURT: Those figures have been requested and have been provided today. It will not be until we have that proper accrual reporting - we are well on the way to having that implemented - that those figures will be available.

The other part of the question relates to how we will address it, whether we move into deficit and so on. It is this Government's intention to continue with a debt management strategy that has already seen the State's debt position reduced considerably. That can be done by controlling expenditure revenue and with asset sales. The sale of BankWest enabled a significant reduction in debt and, similarly, a successful sale of the Dampier to Bunbury gas pipeline will also have a significant effect on debt and the interest we pay. I hope members opposite take that into account when we debate the legislation for the sale of the pipeline. It is not the Government's intention to move down a debt path, which was the exact position that members opposite took for some years, even though -

Several members interjected.

Mr COURT: The Labor Party in government for 10 years went through a period of very strong revenue growth. However, it squandered that revenue growth with something like \$1.5b being lost on failed business deals. The Leader of the Opposition was the Minister assisting the Treasurer and, as members might recall, covered up the details of the huge losses of and problems within the State Government Insurance Commission. This Government does not go down that path; it has been open in respect of all those matters and has addressed all the serious debt problems. Members on this side are proud of the financial management we provide to this State.

RAILWAYS - AUSTRALIND

Upgrading

803. Mr BARRON-SULLIVAN to the Minister representing the Minister for Transport:

Some notice of this question has been given.

- (1) Is it intended to upgrade the *Australind* train and, if so, what will that upgrade entail?
- (2) Have efforts been made to improve the punctuality of the *Australind* and, if so, with what results?

Mr OMODEI replied:

The Minister for Transport has provided the following response -

- (1) The *Australind* railcars are currently undergoing a \$600 000 mechanical overhaul program, which commenced in March and will be completed in early December.
- (2) The *Australind* train services currently average an on-time performance of 85 per cent, which is within 10 minutes of the published timetable arrivals, against a target of 95 per cent. The below target performance results from the departure of the *Australind* from Bunbury being delayed because it is required to wait for connecting road coach services from Albany. The late running of the Albany to Bunbury road coach services is due to a significant increase in patronage on those services over the past six months as a result of increased tourism in the area. Timetable changes for the Albany-Bunbury road coach services, which

are to be introduced in February 1998, are designed to alleviate the current problems of the late running of the *Australind* services.

HEALTH - BUDGET

Deficit - Size

804. Mr McGINTY to the Minister for Health:

- (1) What is the size of the projected deficit for the 1997-98 Health budget?
- (2) Does the Minister intend to seek additional funding from Cabinet, reduce services or increase fees and charges to meet the projected shortfall?

Mr PRINCE replied:

- (1)-(2) The exact amount of the projected deficit has not been calculated at this moment. I have some information regarding metropolitan hospitals which has only just come to hand; this resulted from the establishment of the Metropolitan Health Service Board. The information is with the department for checking because some things can be done through the department which the board, which just deals with the hospitals, cannot do. Regarding hospitals throughout the rest of the State, I have information from a couple of hospitals indicating that they are over-budget and asking what we will do about it. However, I do not have information from all hospitals at the moment. As the Premier just said, he will commence this week a series of bilateral discussions with his Ministers, and I will meet the Premier later this week.

Dr Gallop: Come on - give us the figures!

Mr PRINCE: I expect to have the figures by then to take to the Premier. This is a matter of considerable concern to me and to the public. This problem is found not only in this State.

Dr Gallop: We happen to live in this State.

Mr PRINCE: I know. However, this situation is commonly found across the whole of Australia. I was looking at a survey conducted in all States by the Medical Benefit Fund of Australia, and in answer to the question of whether there is a state of crisis in health, 58 per cent of Western Australians answered that they thought there was a crisis. However, this was the lowest figure of any State in Australia.

Mr McGinty: Will you seek additional funding to meet this shortfall?

Mr PRINCE: It is a matter between me and the Premier, and it is certainly a matter I will raise. I also sit on the Cabinet budget subcommittee and I know the position with the State's finances. The fact of the matter is that one cannot spend what one does not have.

HOSPITALS - METROPOLITAN

Deficit

805. Mr McGINTY to the Minister for Health:

As a supplementary question, will the Minister advise the House of the figure he was given for the deficit for the metropolitan hospitals?

Mr PRINCE replied:

The Metropolitan Health Service Board has advised me of a figure in the vicinity of \$70m projected for the whole of the financial year.

Mr McGinty: For metropolitan hospitals?

Mr PRINCE: Yes. It is expected, as a result of looking at the Health Department as a totality, and not just taking account of hospitals, that the amount will be significantly less than that - probably something in the vicinity of \$50m.

Several members interjected.

The SPEAKER: Order! Have you finished, Minister?

Mr PRINCE: Not quite, Mr Speaker. This must be considered in the context of the total amount spent on public hospitals; that is, \$1 300m - it is a lot of money.

Mr McGinty: It is good sound financial management to be \$70m in the red at this time of the year!

Mr PRINCE: It is, because, as the member knows, it is a matter not of sound financial management, but of demand by the people because of the failure of parts of Medicare - that is causing the problem.

RESOURCES DEVELOPMENT - WAGERUP ALUMINA REFINERY

Expansion

Mr BRADSHAW to the Minister for Resources Development:

Will the Minister inform the House of the benefits to arise for the south west, particularly for local companies in the region, from the \$260m expansion of Alcoa's Wagerup alumina refinery announced this morning?

Mr BARNETT replied:

I thank the member for his question. The Wagerup refinery is in the member's electorate, and Alcoa's expansion decision has been long awaited. Alcoa will immediately start the expansion by some 25 per cent of the Wagerup refinery's capacity at a cost of some \$260m, and the work force on the project will peak at 750 jobs by mid-next year.

Following Worsley's recent decision for its \$850m expansion of its operation, and with the continuing work on the Collie power station, strong activity will be maintained in the south west. It is estimated at this stage that the Alcoa project will have 80 per cent local content. Through that local content policy and employment of staff in the south west I estimate a high proportion of the project will go to local firms and contractors in the south west. We have waited for 18 months for this decision by Alcoa, but it is part of a long term process of expansion. It is the first stage in what will eventually be a \$960m expansion of the Wagerup refinery.

POLICE - SERVICE

Projected Deficit - Size

806. Mrs ROBERTS to the Minister for Police:

- (1) What is the size of the projected deficit for the Police Service budget for 1997-98?
- (2) Does the Minister intend to seek additional funds from Cabinet, reduce services or increase fees and charges to meet the projected shortfall?

Several members interjected.

The SPEAKER: Order!

Mr DAY replied:

- (1)-(2) The Western Australia Police Service is doing everything it can to ensure that it operates within the funds allocated to it.

Several members interjected.

The SPEAKER: Order! The member for Midland.

ROADS - MITCHELL FREEWAY

Extension - Toll

807. Mr BAKER to the Minister representing the Minister for Transport:

I refer to the very public debate conducted during the week commencing 15 September of this year concerning a proposal to introduce tolls to fund freeways and roads in this State. Will the Minister categorically confirm that there is no such proposal in respect of -

- (a) the State Government's longstanding commitment to extend the Mitchell Freeway north from Ocean Reef Road to Burns Beach Road; and
- (b) any future additional extensions of the Mitchell Freeway?

Mr OMODEI replied:

The Minister for Transport has provided the following reply -

- (a)-(b) The state coalition Government is committed to extending the Mitchell Freeway from Ocean Reef Road to Hodges Drive. Tenders for this project will be called in early 1998 with the successful tenderer expected

to start construction in mid-1998. Tolls for either the Mitchell or Kwinana Freeways are not an option to accelerate construction.

As the member may recall, following a personal approach by the Premier to the Prime Minister late last year, the Commonwealth agreed to provide \$25m over a four year period for the extension of the freeway to Hodges Drive. Unlike many other important transport projects, the extension to Hodges Drive will not be affected by the recent High Court decision on the State's ability to collect revenue through the fuel franchise levy. However, the fact remains that an assessment of Western Australian road needs resulting from community demands for improved and safer roads has identified unfunded projects totalling more than \$2.5b. The recent High Court decision has frustrated the State's ability to fund further transport improvements, unless other sources of funding are identified.

The Minister for Transport, Hon Eric Charlton, will continue to vigorously pursue options for meeting the State's road infrastructure and transport needs, including further calls to the Federal Government to return more of the revenue it raises to roads. In the past 10 years, federal fuel excise has risen 10¢ per litre to nearly 37¢ a litre, bringing the total commonwealth revenue raised at the bowser to \$10b each year. Of this just \$1.6b is returned to the nation's roads, of which our State receives about \$160m. A greater commitment to road and transport infrastructure funding by the Commonwealth would greatly assist in achieving the benefits such investment returns to the community of a safer and more efficient road network, a commitment the state coalition Government is already meeting.

EDUCATION - DEPARTMENT

Budget - Projected Deficit

808. Mr RIPPER to the Minister for Education:

I hope the Minister's answer will be more open and accountable than the abysmal answer just given by the Minister for Police.

The SPEAKER: Order!

Mr RIPPER: I ask -

- (1) What is the size of the projected deficit for the 1997-98 Education Department budget?
- (2) Does the Minister intend to seek additional funding from Cabinet, reduce services or increase fees and charges to meet both the projected shortfall and new demands, such as the 2 500 extra students who will enrol in 1998 as a result of the Federal Government's abolition of the youth dole?

Mr BARNETT replied:

(1)-(2) I thank the member for the question, although about four unrelated points are raised in it.

Mr Ripper: They are all related to the budget shortfall.

Mr BARNETT: The member raised the youth allowance, which is another issue; therefore, I will not comment on that.

Mr Ripper: That is demand on the budget.

Mr BARNETT: Potentially, but that is still being negotiated with the Commonwealth. I do not mind: If the end result of that is that more children go to school and more children continue to the end of years 11 and 12, that is a desirable outcome. If that puts some strain on the budget, so be it.

The Education budget is over \$1 300m. In that context, on current trends the budget is probably heading for a deficit in the order of \$20m to \$30m. However, that is not unusual. I expect that to be corrected during the year.

Mr Marlborough: How are you correcting it?

Mr BARNETT: In the order of \$20m in a budget of \$1 327m is very modest.

Mr Ripper: Last year you sought additional funding for it.

Mr BARNETT: That is well within the management capacity. Members opposite should bear in mind that this year has seen the major expansion of the early childhood program, major expansions in computing, and other processes in education. There is no sense of panic about the Education budget. However, the great unknown is what the

outcome might be of wage negotiations with teachers and other employees. Of that huge Education budget, over 70 per cent, or \$900m, goes on salaries and wages.

Mr Ripper: Have you set aside anything for wage increases?

Mr BARNETT: Yes, there is a modest allowance for wage increases.

Mr Ripper: How much?

Mr BARNETT: I will invite the member for Belmont to the negotiating table. The teachers' union has made claims in the order of 22 per cent. That is clearly an outrageous suggestion. A modest increase can be accommodated; however, any increase will put a strain on the budget.

DEPARTMENT OF CONTRACT AND MANAGEMENT SERVICES - INTERNET SITE

Access

809. Mr OSBORNE to the Minister for Services:

I read with interest a recent article concerning the Department of Contract and Management Services' Internet site. The Minister has said a great deal in the past about supporting regional businesses. What will he do to continue to ensure businesses in my electorate have equitable opportunities to access this Internet site?

Mr BOARD replied:

The CAMS Internet site - on-line CAMS - has been a remarkable success since it was launched in August. In the order of 140 000 hits have already been made on the Internet site and nearly 3 000 small businesses have registered on that site. Small business has been able to download contract and tender information 24 hours a day, seven days a week. In particular, there seems to be a great access to that site on weekends and after hours, making it more equitable. Bearing in mind that many small businesses do not have access to the Internet, the department is extending that process to all CAMS sites and making them shopfront, with 14 regional offices throughout Western Australia. The department will extend signage and promotion into 42 telecentre sites throughout Western Australia. I am negotiating with the Library and Information Service of Western Australia, through the Minister for the Arts, for small businesses to access through its Internet sites contract and tender information for businesses. Through that process a few hundred sites throughout Western Australia, particularly in regional Western Australia, will be able to access that information. It augurs well for small business.

FUEL AND ENERGY - ELECTRICITY

Uniform Tariff - Termination

810. Dr GALLOP to the Minister for Energy:

- (1) Is the Minister continuing to press for an end to the uniform electricity tariff policy for some consumers off the main grid?
- (2) Is it not clear to the Minister that this will undermine regional development and cost jobs for Western Australians?

Mr BARNETT replied:

- (1)-(2) I really do thank the Leader of the Opposition for that question. Yes, I have a view about the uniform tariff policy. My view is that it should apply for the consumption of electricity up to 200 000 kilowatt hours a year. The implications of not having a more user pays basis beyond that is that the Government is giving subsidies in the order of \$0.5m to some of the largest businesses in this State. Members opposite should ask a small business group in a country town whether -

Dr Gallop: We have. We've asked 17 of them and they all agree with me.

Mr BARNETT: Dry up. Members opposite should ask them whether it is appropriate to subsidise national companies by \$100 000. I do not think it is. Potentially 85 large energy consumers, including mining operations, large national and international retail chains, and large international resorts should make a greater contribution to their electricity costs. Members opposite scoff and laugh.

Dr Gallop: You are costing jobs.

Mr BARNETT: The Leader of the Opposition fails to recognise that if one takes the politics out of it, most of those

larger businesses recognise that a slight shift towards user pays will support new infrastructure and expansion in those towns.

Dr Gallop: None of them is telling us that.

Mr BARNETT: No, they are not. They are saying to the Opposition -

Dr Gallop: Why do you say they are, then? Why do you try to mislead the Parliament?

Mr BARNETT: I am happy to answer the question, but I will not put up with this.

Mr Kobelke: Spit the dummy!

Mr BARNETT: If you ask a question you should listen to the answer.

Several members interjected.

The SPEAKER: Order! I have the option of calling off question time. It would be a first, but it is not impossible.

INDUSTRIAL RELATIONS - LABOUR FORCE STATISTICS

811. Mr MacLEAN to the Minister for Labour Relations:

Has the Minister received any information from the Department of Productivity and Labour Relations about labour force statistics? If so, do any figures vary considerably from the national averages?

Mr KIERATH replied:

I thank the member for some notice of this question. I have received advice from the Department of Productivity and Labour Relations on the latest labour force survey by the Australian Bureau of Statistics. It bears out the Government's pledge of more jobs for Western Australians. It casts further discredit on the gloomy predictions of members opposite about the impact of the Government's industrial relations reforms on employment, especially among our youth.

In October, Western Australia's unemployment rate of 6.5 per cent was the lowest in eight years. It continues the trend of Western Australia having the lowest unemployment rate in the country and a higher than average participation rate. The most important figure to this side of the House is the youth unemployment rate. It has been consistently 6 to 8 per cent below the national average. Last month Western Australia's youth unemployment rate was 15.3 per cent compared with the national figure of 25.2 per cent. It is lower by a factor of 10 per cent in Western Australia, and 40 per cent lower than the national rate. I am pleased that in *Business Review Weekly* this week Robert Gottlieb recognised Western Australia's performance in unemployment, particularly among our youth. This is another example of the Government creating jobs for our children and giving them a future which was lacking under Labor when it presided over the highest unemployment in the country. It is best summed up by one of Labor's federal leaders who said, "These employment statistics are a beautiful set of numbers." I agree that these figures are a beautiful set of numbers. I acknowledge that they can be improved, but they go to show that this Government is doing more than Labor to ensure that our young have the best possible employment opportunities. This is part of the social dividend that the coalition promised the State. These figures show that everyone will benefit. It is only those prophets of doom opposite who will find anything negative in a set of numbers like this. These figures show that the Government has delivered on its promises of more jobs and industrial relations reforms.

FUEL AND ENERGY - ELECTRICITY

Uniform Tariff - Undermining

812. Dr GALLOP to the Minister for Regional Development:

I refer to the plan of the Minister for Energy to undermine the uniform electricity tariff. Has the Minister written to regional interests expressing his opposition to the latest plan of the Minister for Energy and inviting correspondence on the matter?

Mr COWAN replied:

I have written to all of the local authorities that are in Western Power's non-interconnected grid area. I have invited them to present their opinion on Western Power's tariff policy. That is appropriate as I am the Minister for Regional Development.

Dr Gallop: Did you not express opposition to the Minister's plans in that letter?

Mr COWAN: I am trying to tell the Leader of the Opposition that I wrote to them and asked them for their opinion.

Dr Gallop: I think the Minister for Regional Development might have expressed his opposition to the tariff. Why does he not come clean to this Parliament?

Mr COWAN: I make no secret of the fact that I believe in fairness and equity being applied across the whole of regional Western Australia. I do not renege from that at all.

FUEL AND ENERGY - ELECTRICITY

Uniform Tariff - National Party's Policy

813. Dr GALLOP to the Minister for Regional Development:

Does the Minister still maintain, as he stated to regional interests last year, that the reinstatement of the uniform electricity tariff is a condition of coalition?

Mr COWAN replied:

I have always maintained that we need a uniform tariff policy. That matter is still being considered by Cabinet. The Minister for Energy will be presenting to the Cabinet at some time in the future a revised tariff policy. The matter will be dealt with in Cabinet.

Dr Gallop: The Minister for Regional Development misled those people before the election, just as he did on the gold royalties.

Mr COWAN: The Leader of the Opposition is pre-empting a Cabinet decision. I would prefer to wait for the Cabinet decision.

OCCUPATIONAL HEALTH AND SAFETY - AWARDS

Nature of Safety Programs

814. Mr JOHNSON to the Minister for Labour Relations:

The Occupational Health and Safety Week awards illustrate the continuing commitment of both the Government and business in promoting a safe workplace. Can the Minister inform the House of the sorts of safety programs used by companies which have won awards?

Mr KIERATH replied:

I want to inform the House of the great success of one company called Arrix Services, which won the Western Australian cleaning industry Cleansafe Award. Arrix's submission was for the elimination of hazardous chemicals in the workplace. Its safety initiatives included first aid, emergency procedures, accident reporting and investigation, hazard identification, risk assessment and control and a subcontractor safety policy.

The completed study by Arrix's safety manager established safety priorities including the elimination or substitution of hazardous chemicals, a reduction in the number of chemicals, and the implementation of colour coded MSDS sheets. Arrix implemented its safety program on 90 per cent of its work sites. As a result, it eliminated hazardous chemicals from 97 per cent of those sites and achieved absolutely outstanding injury/incidents results: A 50 per cent reduction in the percentage of incidents due to chemicals and a 40 per cent reduction in lost time due to chemical accidents, and it almost halved the percentage of lost time for all short term absences.

I congratulate the management and staff of Arrix for achieving that result. It shows that the Government and WorkSafe have been working towards a safer workplace for those people. It shows not only that safer workplaces will be more profitable but also, and most importantly, that fewer Western Australians will be killed or injured at work.

HOSPITALS - GERALDTON REGIONAL

Reduction of Expenditure

815. Mr MCGINTY to the Minister for Health:

Is the Minister aware that the Geraldton Health Service is considering five options to reduce expenditure to within 1997-98 budgeted levels including reducing the number of available beds by one-third from 89 down to 60, limiting access to the patient assisted travel scheme and the visiting specialist scheme, closing all non-emergency surgery for two weeks over Easter and reducing spending on patient services such as food, maintenance, drug costs, oxygen and continence services? How many other public hospitals are considering similar measures to cope with their funding shortfall?

Mr PRINCE replied:

I thank the member for the question. I am aware that the board and executive of the Geraldton hospital are looking at a number of options to contain this blowout as a result of demand over which they have no control. I was not aware of the details. I held brief discussions with the member for the area, who has acquainted me with the matter. I will look at the details in the next little while.

I am aware that there are problems in some other country hospitals. All those problems have been brought about by a demand which the States cannot meet because we do not have the means to deal with the demands on the public hospital system as a result of people dropping out of private cover and, as a result, having no means of obtaining medical treatment other than going into a public hospital. That is a commonwealth responsibility arising out of the commonwealth Medicare system which we are having to wear, and we are coping to the best of our ability.

Mr McGinty interjected.

Mr PRINCE: Of course I do. I accept responsibility, and there has never been any doubt about that. I have never said anything else. We have had an expanding budget - this year it is \$54m over last year's, which was \$60m over the year before, when it had an extra \$80m in that year. In three financial years, and less than two calendar years, we have had an injection of more than \$150m extra into the public hospital system in this State. Demand has increased at a rate with which no-one can cope. In the first six months of this year Fremantle Hospital experienced a 22 per cent increase in demand. No-one could predict that, and no-one could cope with it. I speak for all Health Ministers, irrespective of their political background, when I say that until the Commonwealth accepts the responsibility for growth in demand in public hospitals, as it does through the medical benefits schedule and the pharmaceutical benefits system, the public hospitals will have these problems everywhere across Australia.
