



WESTERN AUSTRALIA

# Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT  
FIRST SESSION  
1997

LEGISLATIVE COUNCIL

Tuesday, 25 November 1997

# Legislative Council

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**THE PRESIDENT** (Hon George Cash) took the Chair at 3.30 pm, and read prayers.

## **BILLS (4): ASSENT**

Messages from the Governor received and read notifying assent to the following Bills -

1. Western Australian Coastal Shipping Commission Amendment Bill
2. Loan Bill
3. Grain Marketing Amendment Bill
4. Reserves Bill

## **STATEMENT - LEADER OF THE HOUSE**

### *Prorogation of Parliament*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [3.34 pm] - by leave: I inform the House that Parliament will not be prorogued early next year before the 1998 parliamentary sittings are due to commence.

Most members will be aware that under this Government, Parliament has generally been prorogued by the Governor on advice from the Executive in late February, before the proposed official opening in early March. Successive State Governments have been advised that annual prorogation is required by section 4 of the Constitution Act 1889, which provides, in part, that there shall be a session of the Legislative Council and Legislative Assembly once at least in every year. The Government proposes to allow this, the first session of the thirty-fifth Parliament, to continue until the middle of 1998.

A number of factors have contributed to this decision. Over the past few years the budget cycle has been brought forward so that the appropriation Bills could be introduced and passed before the end of the financial year. This initiative has created added pressure on the legislative program in the first half of each year. If, as proposed, a session of Parliament were to continue over the summer period, the Address-in-Reply debate would be moved to August, freeing up those early sitting weeks to deal with legislation carried over from the previous year.

Members will still have the opportunity to speak in general debates on the appropriation Bills in the first half of the year and again in August in the Address-in-Reply debate. Parliamentary committees can also continue their important work during the summer months without the need to cease for the period between prorogation and recommencement, even though that period may be only a matter of a few days.

Another effect of this proposal is that all sessional orders will continue to apply from the commencement of next year, thus allowing the Standing Orders Committee sufficient time to deal with the issues raised by the review committee.

All motions and government and private members' Bills not dealt with by the end of this year will resume on the Notice Paper when the Parliament resumes next year.

The 1998 parliamentary sitting dates, circulated earlier this year, propose the official opening day on Thursday, 5 March 1998. As this opening may no longer be required, it is more than likely that Parliament will officially resume on Tuesday, 10 March 1998. However, the House will adjourn later this week to a date and time to be fixed by the President.

The Governor, acting on advice from the Executive, retains the power to prorogue Parliament at any time as set out in section 3 of the Constitution Act 1889. The Government sees a winter prorogation as being more suited to the budget cycle, improving the management and flow of business in both Houses and increasing the effectiveness of parliamentary committees.

## **PETITION - RAIL FREIGHT FACILITY, CANNING VALE**

Hon Simon O'Brien presented the following petition bearing the signatures of 6 persons -

To the President and Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We the undersigned residents of Western Australia oppose the establishment by Specialised Container Transport of a Rail Freight Facility on the proposed site in Canning Vale on the grounds of environmental concerns.

Your petitioners therefore humbly pray that the Legislative Council will give this matter urgent consideration.

And your petitioners, as in duty bound, will ever pray.

[See paper No 1093.]

#### **MOTION - STANDING ORDERS COMMITTEE**

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [3.40 pm]: I move -

- (1) The Standing Orders Committee table standing orders to -
  - (a) enable a member who is not a member of a particular committee to participate in that committee's deliberations in relation to a specified matter, by leave of the committee (Clause 7);
  - (b) enable the substitution of a member of a standing committee by another member who is not a member of that committee, by leave of the committee and on condition that:
    - (i) substitution be limited to a particular inquiry and that on the presentation of a report from the standing committee which finally disposes of that inquiry, or where the inquiry is discontinued for any reason, the substitution lapses;
    - (ii) substitution does not prevent the original (substituted) member from participating in any other inquiry being carried on contemporaneously with that for which substitution is made; and
    - (iii) any substitution, and its purpose, be reported to the House; (Clause 8);
  - (c) ensure that a member shall not vote on a question before a standing committee in which the member has a direct pecuniary or personal interest not held in common with the rest of the subjects of the Crown (Clause 12);
  - (d) give effect to the recommendations relating to the Constitutional Affairs and Statutes Revision Committee, with the exception that all petitions continue to be referred to that committee, which may then determine to refer any petition to another committee for consideration and report (clause 14);
  - (e) delete the requirement for notice of intention to table a report (Clause 18).
- (2) The Standing Orders Committee review the operation of sessional orders and make recommendations as to their continued operation and whether some or all of their provisions might be incorporated in standing orders.
- (3) The Leader of the House seek a response from the Premier indicating the Government's attitude and intentions towards -
  - (a) the introduction of legislation enabling either House to carry forward business from session to session (Clause 9);
  - (b) the provision of explanatory memoranda attached to Bills on introduction (Clause 10).
- (4) The House endorses the recommendations set out in clauses 11 and 13 and, subject to the usual budgetary process, the recommendations set out in clause 19.
- (5) Standing orders 305, 306, 307 and 308 are repealed (Clause 15).

As members will be aware, I have announced that the House will not be prorogued until the middle of next year, which means that when the House adjourns, presumably at the end of this week, and recommences in March, there will be no prorogation during that period. That will provide a very good opportunity for the Standing Orders Committee to deal with the questions and issues that have been raised by the committee that we set up to review the committee system in this House.

This motion outlines a number of recommendations and proposals to the Standing Orders Committee in respect of the matters raised in the review committee's report. I do not propose to go through all those points because the House has had an opportunity during Thursday's debate to consider the recommendations of that committee.

Paragraph (2) of the motion proposes that the Standing Orders Committee review the operations of our current

sessional orders and make recommendation as to whether some of them should be retained as standing orders and to take the necessary action to draft them in accordance with the decisions of the committee. The motion also seeks a response from the Premier indicating the Government's attitude towards a number of issues raised by the committee which would not normally be covered by the Standing Orders Committee. That involves the question of carrying business forward from session to session and the question of providing explanatory memoranda attached to Bills on introduction. Paragraph (4) endorses the recommendations in clauses 11 and 13 and, subject to the budgetary process, the recommendations in clause (19) of the report. Under paragraph (5) certain standing orders are repealed.

The purpose of this motion is quite simple: It is to have the Standing Orders Committee respond to the recommendations of the review committee of this House and to draft standing orders to cover the issues raised in that report and to have those standing orders brought back to the House for adoption or rejection, whichever the House decides, but to bring back to the House for its consideration standing orders based on the recommendations of the review committee.

In a sense it is a very appropriate time, having spent one year under the sessional orders and all members having had a chance to look at the committee's recommendations, for the matter now to go to the Standing Orders Committee for it to draft the necessary standing orders. The time between now and March is quite adequate for that process to take place and for the committee to return to the House at its resumption in March with some standing orders for us to make decisions about. Therefore I recommend the motion to the House and hope it will be passed this week and that the work of the Standing Orders Committee can commence on Christmas Eve. That probably would not go down very well with some members of the committee. However, the committee can commence work early next year and then hopefully be in a position to give us some solid recommendations to consider when the House resumes in March.

**HON J.A. COWDELL** (South West) [3.47 pm]: The official Opposition supports this motion. Members will be aware, as the Leader of the House has indicated, that most of these matters have been considered and debated to some degree in our discussions on the report of the committee on committees. With that in mind, we are supportive of the various elements indicated in the motion. The changing of standing orders is to widen participation in committee deliberations, not only participation directly by having non-voting participants but also with substitution; certainly to give effect to the pecuniary interest recommendations; to give effect to the recommendation pertaining to redistribution of committee responsibilities, particularly in respect of the Constitutional Affairs and Statutes Revision Committee and the Legislation Committee, although obviously not in exactly the same form here as contained in the recommendations of the committee; and to give effect to the proposal to the change in form of the requirement to give notice of intention to table a report. We are supportive of paragraph (2), which is that the Standing Orders Committee should review the operation of sessional orders and make recommendations on their continued operation and on whether some or all of their provisions might be incorporated in standing orders. This I believe will allow the Standing Orders Committee to look at the two concepts that have been put forward, one in the sessional orders in respect of the Bills classification committee and one in respect of the recommendation of the committee on committees, for a business management committee. It is appropriate that those two concepts be considered side by side to see which alternative is favoured or which hybrid emerges from that exercise.

The Opposition supports the term of reference set out in paragraph (3), although I would have preferred it in a different form. This has the Leader of the House seeking a response from the Premier indicating the Government's attitude and intentions towards the introduction of legislation enabling either House to carry forward business from session to session and the provision of explanatory memoranda attached to Bills on introduction. Many Ministers have already reached the standard that we would expect in this regard. These recommendations are mild enough. I certainly look forward to the Government's response, but I believe the House could at least have endorsed the two concepts under paragraph (4). It is with regret that we are only asking for the Government's view rather than expressing an opinion here.

Members will be aware that paragraph (3)(a) is a watering down of the committee's recommendation, such as it was. Nevertheless, we welcome the Government's response to it. That is a worthwhile exercise. Surely we could have endorsed these two concepts and then sought the Government's response, but we are willing to support the motion in this form.

We are prepared to support the proposal of the provision of extra resources for the parliamentary process. We would have been less than surprised had the Minister for Finance not put in the clause that it be subject to the usual budgetary processes, as is the wont of such people from time to time.

Hon N.F. Moore: All the time.

Hon J.A. COWDELL: That is right. The Opposition is supportive of the form changes in paragraph (5).

The Opposition supports the five parts of this motion, although it believes some parts of it could be improved. Some

aspects require investigation of the operation of the sessional order, while other matters require detailed investigation. In paragraph (1)(a) and (b) which relates to participation and substitution, the Standing Orders Committee could have promptly considered that matter either this evening or tomorrow, had it wanted to, and had two standing orders back to us to vote on by Thursday. I support this motion in the hope that that will happen. I realise that is a relatively simple exercise which will expedite the functioning of the committees over the next few months. As I say, the other areas require greater work, but those two are quite straightforward in giving effect to clauses 7 and 8. I support this motion and I express the hope that later this week we can deal with two amendments to the standing orders. By passing this motion, we will facilitate changing and repealing some of the standing orders. I hope two additional ones can be dealt with before the Parliament concludes at the end of this year.

**HON HELEN HODGSON** (North Metropolitan) [3.53 pm]: The Australian Democrats support this motion. As one who participated on the committee that gave rise to the matters being discussed in this motion, I believe it is a big step forward in making the matters of this House run smoothly. I agree with some comments made by Hon John Cowdell about a few issues that have not been addressed in this motion. I trust this House will get around to considering some of those matters, such as the business management committee, in the future. Inasmuch as this is a partial step down the road of ensuring the procedures in this place run smoothly, we support the motion.

**HON J.A. SCOTT** (South Metropolitan) [3.54 pm]: The Greens (WA) also support this motion. We also think it is a very good first step and we will be looking forward to the implementation of further changes as put forward by the committee. We are also starting to look at some of the other proposals which have been circulated many times in this place for changes to the standing orders, including things like an extension to question time. I support the motion.

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [3.55 pm]: I thank those members who have indicated their support for this motion. When considering changes to our standing orders I believe we should make haste slowly because the standing orders are the rules under which this House operates. We have made quite significant changes to our procedures over recent times. The sessional orders are quite a variation on the way in which this House operated in the past. There has been a general acceptance that the changes we have introduced so far have been beneficial. I am sure the Standing Orders Committee will make something very useful from the recommendations in this report of the review committee and that our standing orders will be modernised in a way that will make the House operate more effectively and more efficiently and which is beneficial to the interest of all members. Once again, I thank members for their support and look forward to the committee's report in due course.

Question put and passed.

## MOTION - GOVERNMENT INSTRUMENTALITIES

### *Privatisation*

Resumed from 19 November.

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [3.56 pm]: Item 8 in this motion deals with the extent to which initiatives have been introduced to prohibit the practice of private companies acting as cartels rather than competitors and thereby combining resources to tackle large scale projects. A cartel can be an informal association of manufacturers or suppliers who create a ring and get together to create a higher price. In other words, no member will undercut the others on the basis that they will all share the spoils of the tender or contract that is available.

Collusive tendering is prohibited under the Trade Practices Act, and the Australian Standard Code of Tendering AS4120 dated 1994 also prohibits collusive tendering. The document covering the State Government's ethical standards of government buying points out the risks to agencies of this practice and recommends that they make certain this does not happen, because collusive tendering can be very expensive to Governments. It occurs sometimes at auctions. A ring will occur and one person within that group will bid a low price and this will set the trend for other members of the group in their bids. The amount set by the ring at an auction can be either held down or forced up.

Collusion can also be beneficial in contracts. Often it is beneficial when three or four medium size companies come together to take on a contract from the Government which as individual companies they could not afford to do. That is a very good practice and the Government supports it because it is in the interests of all small businesses to improve their trade and operations. Tendering practices must be watched very carefully. Many years ago when I was in practice I had to go to the forests department to lodge a tender about five minutes before the tenders closed. There was always a worry about open disclosure and what had been submitted by earlier tenderers. Of course, the tender process must be completely aboveboard. What the Government has put in its recent publication is good. Western Australia has been free from collusion, and I believe it will stay that way.

Paragraph (9) of the motion refers to the processes, practices and mechanisms involved in tendering. The Government is tendering out work more and more. The most important part of this process is to have the tender documents drawn up by those who have experience in that area. If that does not happen, it could result in a problem at the end of the day which could give rise to disputes or legal claims. As I understand it, the Government is bringing in people with expertise in different areas to draw up various tender documents. Very often practical experience in these areas is more important than legal expertise. In other words, people who have had hands on experience in various business areas can provide invaluable advice in drawing up tender documentation.

The document entitled "Ethical Standards in Government Buying", jointly produced by the Public Sector Management Office and the State Supply Commission, also points out what should be done. In the tendering documents, the Government alerts buyers to the opportunities available. There is no point in calling for tenders just by advertising in the *Government Gazette* and *The West Australian*; the Government must let the public and the commercial world know what they are tendering for. That is to ensure that many tenders are submitted with the required quality and price controls. Identical information must be supplied to all bidders. This is essential; otherwise there could be disputes at the end of the day. All tenderers must have access to the same advice and information. Also in the selection criteria appropriate weightings and well defined evaluation models are used for decision making. Sometimes decision making might be based on metropolitan versus country suppliers, or rural versus eastern States or overseas suppliers. A weighting factor is introduced whereby the Government might be prepared to pay more for something manufactured in Western Australia than something manufactured in the eastern States or overseas.

Selection is also made on the basis of best value for money. That is obviously important because price may not be the best indicator of value for money, and the quality of material used in the product may be suspect. A question was asked in the House last week as to why the lowest tender had not been accepted. The decision in that case was made on the basis of best value for money, bearing in mind the quality of material used.

There must be an effective and impartial complaints procedure, because in any competitive business there are always winners and losers. The winners are glad to get the contract and want to get on with it, but the losers want to open up the process again, in an attempt to upset the other party and obtain the contract.

The State Supply Commission policy 1.3 requires public tenders to be invited for all requirements for goods and services with a value of more than \$50 000. As a minimum, public tenders must be advertised in the appropriate section of a newspaper with statewide circulation. The State Supply Commission keeps a close eye on the contracts called for. It must be sure that a certain number of large agencies have the power and authority to call tenders directly and not go through the State Supply Commission. From time to time the commission must continue to carry out checks to ensure that the set standards are complied with.

The grievance mechanism is available to suppliers. The government purchasing charter identifies a range of rights and responsibilities for suppliers, and provides the primary avenue for lodging complaints.

Another important factor is due diligence. In a contract worth, say, \$2m, one of the parties might roll over because that party did not have the financial resources to carry out the contract. That happened last year with a contract worth several million dollars when the contractor, for various reasons, ran out of money. The Government cannot afford to prepay for the work done to try to keep a contractor going, because at the end of the day it will rank as an unsecured creditor. I believe that on all big contracts the agencies involved should make sure - I hope this is done all the time - that the other party has the power and ability to complete the contract. In hard times in the construction industry some firms tender a low price, hoping to recover overheads to allow them to keep going, and with the expectation that their next contract will be at a higher price. Normally the prices get lower and lower until they eventually go out of business. Due diligence is another important part of the whole tendering business and the financial risk taken by the Government in any contract.

Item (10) of the motion refers to the extent to which appropriate checking mechanisms are in place to allow regular monitoring of the performance of contractors, and states that the Government should have in place a set of procedures to deal with breaches of contract.

Hon Ljiljanna Ravlich: Is there a set of procedures to deal with contract management? You do not know, do you? There is not.

The PRESIDENT: Order!

Hon MAX EVANS: A comprehensive set of checks and balances is in place and is detailed in publications readily available to members. I will obtain a copy for the member later. The Government's buying wisely policy clearly acknowledges the necessity for contracts to be actively managed in order to maximise benefits. This is obvious. It is probably more obvious in the private sector where people who are spending their own money make sure they get value for money. The Government's policy is that this should be done. People should say whether contracts are being

complied with. The quality of any contract must be managed and the Government has probably made some slip ups, as has anyone in business.

Not all contracts work out perfectly. At one stage I had probably one of the largest cleaning contracts in Perth for an airconditioned building in Murray Street. The foreman was advised three times of the shortcomings in the work being done. No improvement was made, and someone who was brought in complained that I had not been to him. I said I was trying to teach him a lesson in life. I told him he should employ the right foreman or forewoman on the job, and then he would not have any problems. I told him the foreman had let him down, and it was up to him to supervise his work otherwise he would lose the contract. He went on to do very well.

I brought Nationwide Food Service to Channel 7 in Western Australia. It was at Scotch College for a year or two, and was then sacked because its performance was not up to scratch. Two or three years later it was reappointed.

Hon Ljiljanna Ravlich: How many are not up to scratch and have not been sacked?

Hon MAX EVANS: I will not go through them all for the member, with the tens of thousands of contracts in existence.

Hon Ljiljanna Ravlich: It is not for me, it is for the Western Australian public.

The PRESIDENT: Order! We are talking about the referral of the matter to a committee.

Hon MAX EVANS: Contracting out is very interesting. I saw a television program the other day indicating that production of most of the parts for the Ford Motor Company is contracted out. I understand that much of the manufacturing work of Rolls-Royce in England is contracted out. Motor vehicle manufacturers around the world are contracting out. The Ford Motor Company contracts out much of its work, and it also does work for other manufacturers. It is the way the world is going. Companies go to people who are experts and specialists. If a Government thinks it can be an expert and specialist in every area, it is wrong. A previous Minister made a decision that none of the work of the former State Energy Commission would be contracted out. It built all its own equipment, and that was a waste of money. It could have been done better and more efficiently outside that organisation. This Government has reversed that procedure and it should benefit the taxpayers and the Western Australian public.

The State Supply Commission recently launched complementary best practice contract management guidelines which stress the fundamental requirement for the contractors' performance to be monitored and assessed throughout the contract period. As we all know, the Auditor General regularly audits contracts of the Government with regard to contract management, including the adequacy of performance monitoring systems. The Auditor General has two functions. The first is financial auditing, which is carried out at the end of June, the end of July or the end of December. He also makes reports on the financial management of organisations during the year and the state of finances at the year ending. The Auditor General must be very careful when carrying out the management audits because they are done with the benefit of hindsight, and many terms and conditions which change during the course of a contract were not apparent beforehand. For example, the currency market overseas has had a major effect. The Auditor General could advise organisations that they obtained the wrong price for gold, for example, or did not hedge their gold prices.

Hon Ljiljanna Ravlich: What has that to do with this?

Hon MAX EVANS: I am telling the member that the Auditor General cannot offer smart alec advice on the basis of what has happened after the event. The member opposite may think he can, but she has probably never made a contract decision in her life and does not know what is involved. People who are frightened of making a mistake will never do anything. Certain risks must be taken sometimes in order to achieve anything.

Hon E.J. Charlton: She is just a pretty face.

Hon MAX EVANS: I will not argue that point at this stage.

Hon Ljiljanna Ravlich: I will not buy that.

Hon E.J. Charlton: I did not think many others would either.

The PRESIDENT: Order! The Minister for Transport. Members, this is a serious motion. Debate on it has ranged over many days. I ask the Minister for Finance to continue without the help of those who are interjecting.

Hon MAX EVANS: Paragraph (11) refers to a set of criteria or conditions which would allow the Parliament to make judgment on what constitutes confidentiality when referring to government contracts. The Government has already introduced an open and accountable framework to ensure that government contracting practices are transparent and ethical. In addition to section 58C of the Financial Administration and Audit Act, which prohibits

a government agency from entering into any contract or agreement which would prevent or inhibit ministerial access to information, the Government has recently endorsed an implementation strategy for progressing the recommendations made by the Commission on Government in this area.

I recall that the Burt Commission on Accountability commented a number of times in its report that it could not get information about many contracts into which the previous Labor Government had entered because that information was not available to the public. I did a lot of work in those days investigating WA Inc, and it was a disgrace that we could not get access to information about contracts that were worth hundreds of millions of dollars. This Government has changed the criteria to ensure that that will not happen, and we believe that will be successful.

Paragraph (12) refers to the extent to which the competitive nature of contracting out has led to employees of contractors being paid below usual rates of pay and conditions, and paragraph (13) refers to the extent to which government departments and agencies are prejudiced in the contracting arrangements when private contractors are able to legally pay their employees lower wages and conditions. The Government will contract out big jobs and small jobs. It is not the job of the Opposition to worry about rates of pay. Some public servants have taken redundancy and are working for a private contractor at a lower rate of pay to obtain better long term employment prospects. The Government has enacted minimum conditions of employment legislation which provides a safety net to ensure that workers are not paid less than the minimum conditions. We have put those minimum conditions into place to protect workers at the lower end of the scale. It would be stupid for the Government to say that contractors would get a tender only if they paid their employees more than would be paid to government employees, as some members opposite might suggest, because they would soon go out of business.

Employees who transfer from the public to the private sector are looked after. Transfer to the private sector is voluntary; no employee is forced to transfer. Public sector redeployment is available to employees who do not wish to transfer.

Paragraph (14) refers to the extent to which the Government should specify certain minimum requirements of contracting, including the requirement, in paragraph (a), to pay to employees a wage not less than what a government employee doing comparable work might be paid. No employee is forced to transfer to the private sector, and we cannot make the private sector pay certain rates of pay. Minimum wages and conditions of employment are protected for all employees via awards and legislation.

Paragraph 14(b) refers to the requirement to subject the work under contract to the same level of public and parliamentary scrutiny as applies in the public sector. The contracts let to the private sector carry with them certain specifications that are well set out and agreed to by both parties and that are under scrutiny at all times. If the member thinks that parliamentary scrutiny can cover all those things she has another think coming. The Government spends about \$2b on large and small contracts during the year. Some of those contracts have been tendered out since the beginning of our term of office; others have been tendered out in recent times.

Paragraph 14(c) refers to the same level or nature of good corporate citizenship as that expected of government departments or agencies. The Government is responsible to the taxpayers for what it does, and this Government is very proud of the work it has done in changing the face of government. This Government has not reinvented the wheel; Governments all around the world have been contracting out.

It would be ridiculous to say that we will never make a mistake in contracting out. The contractor might go broke or use the wrong materials, or we might decide at the end of the contract that someone else could have done the job better and at a lower price. Those decisions must be made by the Government for the benefit of the taxpayers of Western Australia. We do not believe this motion is necessary.

**HON LJILJANNA RAVLICH** (East Metropolitan) [4.14 pm]: I have sat here for a number of days and listened to the arguments from the other side. This motion is about truth, transparency and accountability. Members opposite lay great claim to being all for truth, transparency and accountability, provided they are not asked to provide the truth or to ensure transparency and accountability. Members opposite are certainly not all for those things, because, if they were, they would provide some answers. The Minister for Finance would not say that he thinks it is okay for people to make mistakes and that not every contract is a winner. The bottom line is that most of these contracts are not winners, and we have no idea of the detail of most of these contracts. We again have a report from the Auditor General that indicates that there are some grave weaknesses in the system of contracting out.

This motion seeks to establish a benchmark to show where the Government stands with regard to the key issues of privatisation and contracting out. I thought this Government would be as interested as the Western Australian taxpayers in obtaining the answers to some of these key questions. However, the Government has clearly shirked its responsibility and is not interested. It does not want to know whether contracts are cost effective. It does not want to know whether contracts are going to Western Australian companies. It talks about the benefits that contracting



will deliver to regional businesses, but the bottom line is that it has no idea of whether regional businesses are doing any better as a result of privatisation and contracting out. Frankly, the Government is taking a head in the sand approach to this issue. There is nothing threatening about this motion. The Government would be threatened by this motion only if it had something to hide. We are still waiting to see the Minister for Transport's cost plus contracts. The Minister is still hiding behind the veil of commercial confidentiality. We now have a cost plus contract for the Joondalup Health Campus. I believe that the reason Ministers are not putting these major contracts on the table is that they are running scared. The Minister for Finance may laugh, but he knows that is the truth. The bottom line is that if there were nothing threatening about this motion, Ministers would support it, because they would be honouring -

The PRESIDENT: Order! The right of reply is an opportunity for the member to reply to the matters raised during the debate on the motion. The member should constrain herself to raising arguments on those matters.

Hon LJILJANNA RAVLICH: The Government's attitude to this matter is very disappointing. I will raise some of the key issues in this debate. I refer firstly to the contribution of the Leader of the Opposition, who spoke on Wednesday, 22 October. The focus of his argument was the extent to which government contracts or tenders have been awarded to regionally based businesses. He stressed the importance of accountability and argued that the Government should not be able to contract out its responsibilities. The thrust of his argument, nevertheless, was that regional businesses were not doing at all well under current arrangements and that although the Government had spent a lot of time telling regionally based businesses that they would be better off, the fact is that they were not better off.

Hon Tom Stephens: Since I spoke things have only got worse.

Hon LJILJANNA RAVLICH: The Leader of the Opposition also spoke about the problems with contracting out as identified by both the Ombudsman and the Auditor General. Both officers have produced an enormous amount of literature about this matter, and most of it points to the fact that something requires investigation. The sooner we address these fundamental issues the better off we will be as a State and the better off our citizens will be in general.

The Leader of the Opposition pointed out that the Auditor General's report indicates that the Department of Transport made payments to a contractor in advance of work being completed.

Hon E.J. Charlton: Do you know why?

Hon LJILJANNA RAVLICH: I am sure there is an excuse for everything. The bottom line is that these things are occurring. The Leader of the Opposition put it to the House that we are given too many excuses about why things go wrong. The Western Australian taxpayers deserve an investigation into some of these issues, and that is the only action called for in this motion. If this issue goes before the committee, the Minister will have ample opportunity to explain why that is the case.

The Leader of the Opposition spoke of the limited recourse for consumers when contracts go wrong. He outlined some of the key issues relating to who is responsible for bad workmanship, the quality controls and how we can protect consumers when contracts go wrong. Obviously we are a little light on in that area, because things have not been thought through and many consumers are left vulnerable and exposed.

The Leader of the Opposition also referred to this Government's election promise about more accountable government. We do not see accountable government and there is now more pressure on chief executive officers to contract out, yet we do not know whether contracting out is cost effective. More work must be done in that area.

The Leader of the Opposition also referred to economic rationalism having gone too far and to the need for cost savings to be balanced against the social cost of job losses and the maintenance of community service obligations. He stated that the areas that have been privatised should be subject to greater scrutiny to ensure that the benefits are real and that there is a need for the standing committee to investigate this issue.

I thank the Leader of the Opposition for his contribution, because I know that he went to great lengths to ensure that he covered the arguments about privatisation and contracting out. He did that more than adequately - I thought he gave a much better speech than I did.

We then come to the contribution from Hon Simon O'Brien. At first I decided not to bother making any comment because it was not warranted. The member stood and argued for some time about the length of this 15 point motion and said that it would take a month of Sundays to get through it. Thank goodness it was 15 points, because that was all he said. He read the 15 points and added two extra sentences.

Several members interjected.

Hon LJILJANNA RAVLICH: If the member has an opportunity to say something he should say it rather than simply

reread the motion, which was his only contribution to this debate. I cannot believe it, but he argued that the upper House gets in the way of government and that the Government should get on with governing without these checks and balances.

Hon Simon O'Brien interjected.

Hon LJILJANNA RAVLICH: That is contrary to the Commission on Government recommendations about this matter.

The PRESIDENT: Order! The honourable member has the floor. If she will direct her comments to me, we will make some progress.

Hon LJILJANNA RAVLICH: This is an absolutely fallacious argument. This House has a very direct responsibility to scrutinise the activities of government. This motion is about scrutiny of privatisation and contracting out, and that is exactly the task of some upper House committees. I could not understand Hon Simon O'Brien's point. He also argued that it would take years to complete this inquiry. I do not know how he can argue that, given that the Minister for Finance gave us the answers to the questions in a matter of one and a half hours. We have one member of the Government arguing that this is such a broad motion that it would chew up all the Government's resources and we should not do it because of the cost - it was a nonsense for us to ask the committee to investigate these matters - yet two days later the Minister for Finance popped up in this place and said that we should not worry because he had all the answers. Somewhere in between we will find the appropriate solution.

The member also argued that the Standing Committee on Public Administration can set its own workload and we should not direct work to it. He then proceeded to read out the motion.

Hon Bob Thomas spoke about the closure of the Midland Workshops and the need for fair tendering processes.

This matter clearly deserves a full investigation by the House. The motion is about transparency, openness and truth, and I commend it to members.

Question put and a division taken with the following result -

Ayes (15)

Hon Kim Chance  
Hon J.A. Cowdell  
Hon Cheryl Davenport  
Hon E.R.J. Dermer  
Hon John Halden

Hon Tom Helm  
Hon Helen Hodgson  
Hon Norm Kelly  
Hon Mark Nevill  
Hon Ljiljana Ravlich

Hon J.A. Scott  
Hon Christine Sharp  
Hon Tom Stephens  
Hon Giz Watson  
Hon Bob Thomas (*Teller*)

Noes (14)

Hon E.J. Charlton  
Hon B.K. Donaldson  
Hon Max Evans  
Hon Peter Foss  
Hon Ray Halligan

Hon Barry House  
Hon Murray Montgomery  
Hon N.F. Moore  
Hon M.D. Nixon  
Hon Simon O'Brien

Hon Greg Smith  
Hon W.N. Stretch  
Hon Derrick Tomlinson  
Hon Muriel Patterson (*Teller*)

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Pairs

Hon Ken Travers  
Hon N.D. Griffiths

Hon B.M. Scott  
Hon M.J. Criddle

Question thus passed.

**INTERPRETATION AMENDMENT BILL**

*Second Reading*

Resumed from 20 November.

**HON J.A. SCOTT** (South Metropolitan) [4.33 pm]: In my earlier brief introductory comments to this Bill I pointed out that this Bill came into being in an attempt to prevent the disallowance of regulations which prescribed fees that did not directly reflect the service provided. A motion of disallowance can be moved against such regulations when such fees are outside the powers given within the Act.

Hon Peter Foss: It would not stop you doing it; it would make it improper.

Hon J.A. SCOTT: The regulation would be open to challenge and would be likely to be challenged, because it would go before the Delegated Legislation Committee. Normally the committee handles such matters by first writing to the relevant Minister or department and talking about the issue. Often, the disallowance motion is used as a holding mechanism while that dialogue takes place.

Hon Peter Foss: You could still do that.

Hon J.A. SCOTT: Yes.

Hon Peter Foss: Any regulation can be challenged; it is a matter of whether it is appropriate.

Hon J.A. SCOTT: Yes. I hope Hon Peter Foss understands that clearly such regulations leave themselves open to disallowance, especially when the Government does not have control of both Houses.

The Delegated Legislation Committee's scrutiny role is to check that the Executive acts in accordance with the powers given to it by Parliament. It is a very important role, particularly as we find that most of these new regulations are written by public servants who may see a need to direct more funds into their organisations, and who may not properly consider whether the regulation is right.

The Delegated Legislation Committee of course is a creature of this House and is compelled to report such problems to the House. As I have already said, in some cases it has moved a motion of disallowance, as with the Road Traffic (Drivers' Licences) Amendment Regulations (No 2) and the Road Traffic (Licensing) Amendment Regulations (No 2). Therefore, the committee is merely doing its job in ensuring that the regulations are within legislative powers.

A problem which arises with the introduction of this Bill is that the very committee which had trouble with the Department of Transport has not been drawn into discussions with the Attorney General's Department in putting together this Bill. Such discussions would have been valuable. The second reading speech is quite insulting in places; it reads -

The parliamentary joint standing committee formed the view that the fees were ultra vires the regulation making power in the Act because, according to the committee, the relevant sections of the Act did not authorise the making of regulations which go beyond "fees for services" and the licence fees therefore amounted to the imposition of taxation.

The committee thought that, and so did the House. It continues -

This view would, in the event of its being further accepted by either House, herald a new approach by Parliament. It would mean that only the direct costs of issuing a licence to a person would be recoverable as a prescribed licence fee. All other costs of administering a licensing scheme would not be recoverable by licence fees. This view of the committee was not supported by the advice of crown counsel or of a leading Queen's Counsel not previously involved in the matter who advised that the approach taken by the committee suggested that an inappropriately narrow view had been taken of the ambit of the power to fix fees under the relevant sections of the Road Traffic Act.

That comment presupposes that committees do not seek their own legal advice, and are dismissive of such legal advice when obtained. It does not behove the Attorney General or his department to use such language. Such issues are looked at very seriously and considered deeply by people from both Houses of Parliament.

A number of people on those committees have vast experience in this area and they know, even without legal advice, when a regulation is outside power. That is not the case in every instance, but in an instance such as this it is.

The argument that the Minister put forward was based on a single case - the Marsh v the Shire of Serpentine-Jarrahdale case - in which no such reason for dismissing the committee's claims was given. It was found in that case that a licensing authority could use licence fees to recoup to some extent the administrative effort in considering the application and physically issuing the licence. The amendment in this Bill goes a lot further than that and it is extremely loosely worded. It is for that reason the Greens (WA) will oppose this Bill in its present form.

This Bill breaks new ground. It will have a considerable effect on the balance between the Executive and this Parliament, particularly this House of Parliament. It will make the scrutiny role of members of this House much more difficult. It will allow many unreasonable regulations to be put in place. Because of the workload of members of this House and because the committee will not have grounds on which to tell the House that it believes the regulations are out of power, it will be up to members to scrutinise the regulations more closely than they would have done in the past. Previously it was left largely to the committee to bring such matters to the attention of the House. I am interested to know how many members look at every regulation that comes before the Parliament. I do not believe every member of this House will scrutinise closely every regulation that comes before this place.

Some of the regulations appear reasonable on the surface. However, with closer scrutiny we find that is not always the case. New section 45A is the key to the amendments in the Interpretation Amendment Bill. It states that the power to impose a fee must take into account the expenditure that is "reasonably related" to the scheme or system under which such licences are issued. The meaning of both "reasonably" and "related" is wide ranging. What is reasonable to each member in this House will vary to some degree and in some cases it will differ widely. In some cases that difference does not come from political differences, but from experience in an issue. That in itself is a cause for alarm. To what sort of relationship does "related" refer? Very tenuous relationships could be looked at. For example, in the regulations that are currently in force, one could say that a vehicle licence could be used for some other transport purpose. Perhaps a better example would be that a fee for service on a train could be used to build roads. Both of those examples are transport oriented. The relationship exists, but I do not think that would be a reasonable proposition. "Related" is a wide term.

There is an area in which a great deal of play could be made by departmental heads who want to bring extra revenue into a department. This change to the Interpretation Act could mean that the citizens of this State will be subject to many taxes to which they have not been subjected before. This legislation will give away a taxing power which the Parliament has not approved, because the Parliament will probably not be aware that it has happened.

I refer members to part 5.2 of the report of the Joint Standing Committee on Delegated Legislation on the Road Traffic (Drivers' Licences) Amendment Regulations (No. 2) 1997 and the Road Traffic (Licensing) Amendment Regulations (No. 2) 1997. This is one of the matters that brought this change to the Interpretation Act to a head. It states -

The Department has advised the Committee that the NEVDIS initiative is a five-year program which has an estimated total cost of \$12.5 million. The increase of \$1.50 in the recording fee is on the basis that it will bring into the Consolidated Fund that \$12.5 million over the five-year period. Some efforts to breakdown how this revenue is to be spent over the five-year period have been made by the Department. The first phase of the project relates to purification of the existing data on the system and connection with the Eastern States server. This has been costed at \$724,874. This phase has already commenced and should be completed by early 1998.

There is no great problem with that. However, it continues -

The balance of the initiative appears not to have been fully costed and, although some very rough estimates of the breakdown of expenditure have been provided, the Department has not been able to quantify or detail these even though the Committee sought such information in an attempt to verify that the regulations were within power.

This Bill will give public servants the ability to make a rough estimate of some expenditure that may occur at some time in the future. There is no time limit on it at all. This Bill will enable those public servants to start taxing people for services they may never access. That is the key. Many of the people who will pay for this service may never get to access that service. For example, people who are coming to the end of their driving age must pay additional fees for a service they will never receive. These large taxes will pay for capital equipment. Surely that should be part of the normal budgetary requirements of government, not something that is imposed on the whim of public servants.

This will be a new direction of expenditure over which the Government will lose control. The Government needs to look at that point. If public servants can apply a tax through a regulation - a tax which will not provide anything immediately, but may provide something 15 or 20 years down the track - to gain funds for a major item of expenditure, the Government will start to lose control of its Budget. That is something that has definitely been forgotten in this case. Furthermore it is an area that will not be scrutinised by Parliament. If this tax is within the department's power the Delegated Legislation Committee will not be able to report on it. Therefore, each member will have to be on the lookout for these issues. The whole point of the Delegated Legislation Committee is to reduce that workload on members, and that will be lost.

This Bill provides departments with the ability to tax. It is the cutting edge of new legislation, because it is changing the relationship between the Parliament and the Executive in terms of scrutiny. This has been brought about by the Department of Transport. I must say, once again, that that department has real trouble in grasping the concept of the existing scope of regulations that it can put in place under its Act. It has always had trouble in understanding the principles that apply and even when such principles are explained to the department it does not wish to comply with the rulings that are made. Most members will be aware that the department ignored the ruling of this House to disallow a regulation and it continued to charge a fee that had been disallowed.

This Bill is an attempt to allow the department to continue along that path and, in effect, to show contempt for this House. Although, for the first time, this Bill will allow government departments to impose taxes that are not allowed

by an Act that has passed through this House, it will not provide an alternative to a non-tax fee for service. It fails to deliver a proper outcome.

Another first for this amendment Bill is that it does not require the necessary relationship between the fee and the benefit of the licence, and, as I have already said, we have a problem with time limitations.

The Bill will not allow the recovery of the merchant fee, which is 1.5 per cent. That constitutes a considerable amount of money and in this case it is the bulk of the money. In the case of the road traffic regulations the amount is \$831 000, which is a considerable amount.

Even if this Bill is passed we will still have a problem. I understand from the speech of Hon Nick Griffiths that the Australian Labor Party will support this Bill, and I am disappointed with that. I am concerned that both the major parties in this place are adopting a position which will curtail the ability of this House to properly scrutinise the Government. I disagree with Hon Peter Foss, who said we can still scrutinise it. That is not the case. I have pointed out that the Delegated Legislation Committee will not be able to scrutinise these matters because they will not now be within its purview.

The ability of the House to scrutinise the Executive is being reduced and the Australian Labor Party and the coalition are supporting this change. That may have something to do with the state of the polls at the moment and they feel they would like the Executive to ride roughshod over this House.

Hon Kim Chance: That is very ungenerous, James; that is not like you.

The PRESIDENT: Order!

Hon J.A. SCOTT: I am disappointed about that. Clearly this is not part of the change the community sought at the last election. The community clearly attempted to make the Government and its members truly accountable in this House and to increase the House's ability to scrutinise government.

**[Questions without notice taken.]**

Hon J.A. SCOTT: I was surprised that the Labor Party as part of the old guard in this House would support this Bill, which is contrary to the levels of scrutiny expected by the community at the last election in this State. I understand that there will be an amendment to the Bill, which does allay some of my concern. I hope that at that stage the Labor Party and the Government will support the amendment because then I would not have the same concern. Failing the acceptance of the proposed amendment, I would be opposed to this Bill because it would be a backward step for the ability of this House to carry out its scrutiny role. I do not propose ever to accept backward steps in that regard. Therefore, at this stage I do not support the Bill.

**HON HELEN HODGSON** (North Metropolitan) [5.34 pm]: The matters we are addressing in this Bill have come to the notice of this House a number of times in the past few years through reports of the Joint Standing Committee on Delegated Legislation and specifically in this session of Parliament through having to consider a couple of regulations under the Road Traffic Act. It has become clear that there have been some discrepancies in the extent to which authorities are imposing fees and whether they are allowable under the current law.

I would like to raise two basic issues: The first is what exactly we consider to be a tax and what is a fee for service. It is clear from case law, and particularly the Air Caledonie case in 1988, that if an amount is a fee for service, it is not a tax. On that basis most of the licence fees have been defended in the past. A fee for service is not a tax and, therefore, it can be properly imposed by an authority without having to go through the scrutiny procedures of this place. It is also clear that a fee for service requires the imposition of a definite amount for a service that is rendered. That is the problem that has been faced when it comes to the regulations for fees being previously disallowed in this place. It was found that the licence fee was probably ultra vires, going beyond what could properly be regarded as a fee for service. When that happens the fee is properly to be regarded as a tax and cannot be imposed by an authority.

The second aspect is probably the fundamental issue, which is the doctrine of the separation of powers and the way the doctrine should operate. Under the doctrine of the separation of powers, legislative, judicial and administrative powers should all be exercised separately. The judiciary decides the interpretation of laws which are made in this place. Departmental action should be confined to an administrative role. Administrative action should not include legislative functions. That is why we argue over what is a tax and what is a fee for service. It is obviously quite reasonable to say that it is acceptable for a fee for service to be imposed by a department, because it knows what the service is costing and is able to set the appropriate level of fees. However, once it goes beyond a fee for service and into the realm of a tax, it requires legislative authority, which is properly the function of the Parliament.

The intent of this change to the Interpretation Act is to make it easier to determine whether something is ultra vires.

It is also to allow certain costs to be taken into account when establishing charges, so that one can say that a fee for service has been established; for example, the cost of setting up the infrastructure and changes to a licensing system. This Bill will amend the Interpretation Act to ensure that those sorts of costs can be taken into consideration.

My problems with the drafting of this Bill relate to its imprecision and the fact that it allows a very broad consideration of what is included in expenditure. The reason it is so broad is that it is not limited in any way. We will be allowing the imposition of a fee which will take into account any expenditure, including future expenditure, with no limitations at all. It means basically that an authority can put up a case to say that an expenditure is related in some way to a licence. For example, there were recent suggestions that the Minister for Transport wanted to impose a \$50 charge on licences to go into funding road construction. It would be arguable that, because the expenditure and the licences are connected to the roads, the charge is validly part of the licensing system. That is drawing a long bow, and I hope the Government will never try to argue that; however, the possibility is there. We are all well aware that governments change and different issues come to the surface, with different departments at different times. These matters may bubble along happily for years and suddenly we find fees being imposed that are well beyond the intention of the Bill we are debating today. The drafting is very imprecise and as it stands, the Bill will allow authorities to impose fees in respect of many things simply by drawing them under a broad umbrella of what is, in effect, the licence.

What do I think should be taken into account in setting licence fees? First of all, expenditure is directly related to the fee and in that context we must ask what will be considered as expenditure. Will we say that things such as overheads, amortisation costs and depreciation on computer systems, are all validly connected to the administration of a licence fee? Will the future expenditure be limited in any way? We should be trying to limit future expenditure by saying that if a licence is for a three year period, in setting the fee for service, we should take into account expected costs within that three years. Otherwise it raises the potential for double dipping. A computer system could be acquired that will last for, say, 10 years; however, we are dealing with a system of two year licences, so the whole cost is recovered in two years, but the fees do not drop after that. How will we allocate future expenditure back to the licences in question; how will we say that the expenditure is reasonably related to the licence? It must have a direct connection to the administration of the licence in question.

I have come at this from a non-legal perspective, rather from that of an accountant. If I were to look at how to allocate expenditure and ask how a fee should be calculated, I believe many variables should be taken into account. The drafting of the Bill is very imprecise inasmuch as it does not give any guidance about what should, or should not, be taken into account. That is why I have foreshadowed an amendment which we will debate at the appropriate time. This amendment will address some of these issues; however, it does not go far enough. I found it impossible to come to grips with the definition of future expenditure in a satisfactory way. I wanted to address that in more detail in this amendment. However, I have looked at the basic issues: How we consider what expenditure is relevant; how we protect the public and the powers of Parliament to make sure that fees and taxes do come before it for appropriate scrutiny; and how we fulfil our responsibilities to the public.

**HON PETER FOSS** (East Metropolitan - Attorney General) [5.43 pm]: I thank members for their contribution to the debate. The intent of this Bill is to try to get away from what I believe has been a somewhat sterile argument that has raged in this Parliament for some years about whether the drafting of our legislation does, or does not, allow certain expenditure to be recovered. What is agreed by all authorities is that Parliament can determine the scope of what is permitted to be recovered by a fee. There is no doubt about that. It is a matter of what the words of a Statute say as to what is permitted. The problem has been - as I said, it has been a somewhat sterile argument - that there has been a dispute for some time about whether our legislation allows one kind of expenditure to be recovered, or another.

Hon N.D. Griffiths: It is not sterile, but it is proper. So let's get on with it.

Hon PETER FOSS: It is sterile if the argument continues without resolution.

Hon N.D. Griffiths: The word "sterile" is derogatory of those who carried out the argument. The proper thing is to get on with it, and to resolve it.

Hon PETER FOSS: We have a different view about what sterile is. That is exactly the point; Parliament should resolve it. Although Parliament has the capacity to do so, it is somewhat strange that we should be arguing about resolving it. We must take it out of the area where members of the public argue about it. As a Parliament we have an obligation to try to resolve it. I have seen this argument being taken from one extreme to the other. At one end, some say that the only thing that is recoverable in the cost of licence is the actual issuing of the licence; in other words, it is not the whole process, just that part where people hand over the money and receive the document. That is far too limited in its interpretation.

Then, at the other end, there is the difficulty to which Hon Helen Hodgson referred; that is, future expenditure. She is not the only one having trouble in coming to grips with that. The problem with that is that it is not enough to say that the period for which these licences can be issued is three years. We are talking about a whole series of three years. One licence issued today goes for three years from today. One issued tomorrow goes for three years from tomorrow. One issued next year, if there is no amendment to the regulation, will go for three years from then. If there is no change in the regulation for 20 years, and that is most unlikely, a licence issued for three years, 20 years from now, will deal with that period. We cannot talk about the period for which the licence is generally issued. This regulation must stand for many a year to come. That is the way it speaks until some change is made to it.

Dealing with future expenditure is probably beyond the wit of any draftsman. Because legislation always speaks prospectively, it is too difficult to write now something that will stand for all time. It is quite clear that it is desirable that a fee should enable things to happen. It should not always be in retrospect for things that are happening. It is important from the point of view of the service to be provided that there is a capacity to improve on the service and the way it is administered. A distinction should also be made between two different things: A licence which does no more than, as the words say, let one do something; and a licence which lets one use something. I will give an example. We may have a harbour. A person who is licensed to use it may not only be given a piece of paper to say that he or she may come in there, but will also be able to tie up against the wharf, to use the wharf, to wear out the wharf, and to do all the things that cost money. That licence is, in fact, like a licence in law where it says that the person may do this. It is a permitted occupancy in use, but it is not a lease in terms of an exclusive occupancy of use. The licence says that the holder may do certain things.

There is a difference between a driver's licence and a vehicle licence. A driver's licence does no more than say that people may drive a vehicle. As a consequence of that, it may follow that that will cause an impact elsewhere. A licence to put the vehicle on road quite plainly means people will use the road. The contemplation of that licence is that the road will be worn out. That applies to very large vehicles. I am sure Hon Jim Scott will agree that putting a very large truck on the road will have some impact on that road and may cause it to wear out.

Hon Derrick Tomlinson: It depends on the number of axles.

Hon PETER FOSS: There are different kinds of licences. The Government is seeking, primarily, to end the argument, firstly, by putting in the Interpretation Act a provision which will implant itself in every piece of legislation that presently exists, or will exist, in this Parliament.

Secondly, it does not exclude the possibility of either restricting or further widening that interpretation. The Interpretation Act does not override every other piece of legislation; it has the capacity to be implicitly partially repealed so far as any legislation is concerned. Parliament is setting its glossary, language and reference terms by passing this Bill. It is always open to Parliament to take some other point of view in any particular legislation. It may go further and allow other costs to be picked up. Hon Eric Charlton referred to other legislation with which he has a different problem. That relates to boat licences. This Bill will cater for the legislation dealing with transport licences. It will give certainty and the Parliament will retain the right to make any change. Most importantly, Parliament retains the right to disallow legislation anyway.

I admit that in this House, when dealing with a financial matter, members must think seriously about disallowing a budget measure if they do not also regard the matter as ultra vires. If it were not regarded as ultra vires, in this House they would be interfering with the ability of the Government to govern. As was pointed out, there are three elements in our community. Most importantly, the Government is elected to govern. It is formed on the basis of the majority in the lower House because if it does not have the capacity to put forward a Budget and initiate it, it is very difficult to govern. That is why the upper House, despite having power equal to that of the lower House with regard to financial measures, has always been reluctant to exercise it and, constitutionally, it should be. There must be some misbehaviour that would justify it.

I accept, from the point of view of the matter raised by Hon Jim Scott, that if we make this change and form the view that a budget measure is within power and has not been disallowed by the lower House, this House must be extremely reluctant to interfere unless it is thought to be ultra vires. Theoretically it has the power, in the same way that it has the power to deny Supply, but one would be extremely hesitant to exercise that power and defeat part of the Government's capacity to govern.

It is also important to try to help not just members in this place, but also the public, in their interpretation of legislation. It is most important for the Parliament to give certainty in its legislation. If it provides legislation which has already been seen to be productive of litigation, or introduces legislation that will be productive of litigation, it must be careful about what it does. It would be irresponsible of this Parliament to introduce a confusion that does not presently exist.

I summarise the amendments sought to be made. The first is to put to rest an argument that has continued for some time - certainly in this Parliament. Although I am not aware of its being hugely raised in the outside world, that does not mean it could not be. It is our duty to resolve it. This amendment seeks to resolve it in a positive and clear manner. I have discussed with Hon Helen Hodgson some of her reasons for the amendment, and I believe it adds to that certainty. Some of the matters she originally proposed would have led to enormous difficulties as to certainty, and that difficulty is shared by parliamentary counsel. It has been difficult legislation to draft. Even though the parliamentary process has taken place mainly behind the Chair, it has served the appropriate purpose of testing the words.

I thank members for their contribution to the debate and commend the Bill to the House.

Question put and passed.

Bill read a second time.

#### *Committee*

The Chairman of Committees (Hon J.A. Cowdell) in the Chair; Hon Peter Foss (Attorney General) in charge of the Bill.

**Clauses 1 and 2 put and passed.**

**Clause 3: Section 45A inserted -**

Hon HELEN HODGSON: I move -

Page 2, lines 11 to 14 - To delete all words after the word "that" and substitute the following -

will allow recovery of expenditure that is relevant to the scheme or system under which the licence is issued.

(2) Expenditure is not relevant for the purposes of subsection (1) unless it has been or is to be incurred -

(a) in the establishment or administration of the scheme or system under which the licence is issued; or

(b) in respect of matters to which the licence relates.

I have already addressed in the second reading debate the reasons I believe this amendment is necessary. It is important to define "expenditure" to give some guidance to those setting regulations and fees, so that they can identify a licence fee. It will assist the people drafting these fees in that process.

Hon PETER FOSS: I accept the amendment, and I should highlight why it solves the problem. First, it retains in the clause the provision dealing with expenditure and includes future expenditure. It keeps the idea that the expenditure is related to a scheme rather than a particular licence. That is important because it gets away from the argument that it must deal purely with the marginal cost of issuing a licence. Secondly, it deals with both aspects of a licence. The first element of a licence is purely permissive; that is, it is an act that does not necessarily involve any consumption of public assets or expenditure on the part of the public because of that usage. The second element is in respect of matters to which the licence relates. A licence may be issued for the use of a wharf and, quite reasonably, that licence can include the expenditure incurred as a result of the use of the wharf. It can relate to any other form of licence where an asset or something of the nature of a public property is consumed, used, damaged, worn or requires maintenance. That would be picked up as well, and that type of licence is better known in private transactions.

The amendment makes those two points. Almost every licence will be part of a scheme, and the administration of the scheme will be an important part of it. However, not all will necessarily have the second element, which is closer to the private contractual form of a licence. The wording in the amendment will more clearly express the provision than the original wording. It aims at the same idea but puts it more clearly before the Parliament and the people.

Hon J.A. SCOTT: I am happy the Minister has accepted this amendment, because it is a key issue. In the original wording the expenditure was required only to be reasonably related to the scheme or system under which the licences were issued, and it was far too wide. When this is tied to the expenditure incurred or that will be incurred, it will limit any extraneous use of funds for purposes for which the licence fees were not intended. This tightens up the provision. I still have some concern about proposed subsection 2(b) in respect of matters to which the licence relates. I support the amendment.



*Sitting suspended from 6.00 to 7.30 pm*

Hon N.D. GRIFFITHS: I am pleased that this amendment has been moved. It is an improvement on the amendment that was foreshadowed because it will not inhibit the processes of government to the extent that the previous words would have done. I trust that the interpretation of the remarks made by the Attorney General will be accurate.

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**Title put and passed.**

**Bill reported, with an amendment.**

By leave, Bill proceeded through remaining stages without debate and returned to the Assembly with an amendment.

### **PAY-ROLL TAX AMENDMENT BILL**

*Second Reading*

Resumed from 11 November.

**HON MARK NEVILL** (Mining and Pastoral) [7.34 pm]: The Australian Labor Party supports the Bill, which seeks to correct a relatively minor error in the Act. I would describe this error as an embarrassing oversight by the department, given that Bills are now on word processors and it had only to replace the rate of 6 per cent with the rate of 5.56 per cent. The Bill is retrospective to 1 July 1997, which is the date that the new rate scale took effect, and because the Bill will have no effect in practice, we will overlook the fact that it is retrospective.

**HON HELEN HODGSON** (North Metropolitan) [7.35 pm]: I acknowledge that the intention of this Bill is to rectify an inexplicable oversight. I trust that all of the points in question where the error needs to be corrected have been corrected in this Bill, and we support the Bill.

**HON J.A. SCOTT** (South Metropolitan) [7.36 pm]: I too support the Bill. My only query is how the Government could have let such a helpful slip up go by, because it would have not only widened the tax base but also increased the tax take. I wonder who picked up the error.

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [7.37 pm]: I have been trying for years to find out who is responsible when something like this goes wrong, and I never seem to get an answer. Although the legislation is complicated in a lot of other ways, this error should have been picked up at the proof reading stage; I do not know why it was not. If we had not made this Bill retrospective, we would have raised more money. I commend the Bill to the House and thank the Opposition for its support.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and passed.

### **MARITIME ARCHAEOLOGY AMENDMENT BILL**

*Second Reading*

Resumed from 28 August.

**HON KIM CHANCE** (Agricultural) [7.40 pm]: The Opposition is pleased to support this Bill. I will speak only briefly on this issue, although I have an attachment to it going back to 1992 and the Select Committee on Ancient Shipwrecks. The Bill sets out simply to include a schedule in the parent Act recognising those persons who made a contribution to the discovery of the wrecks and those who had both a primary and secondary interest in that discovery. The Opposition supports the Bill in letter and in spirit.

**HON NORM KELLY** (East Metropolitan) [7.41 pm]: The Australian Democrats also support this Bill. It accurately reflects on the work of the Select Committee on Ancient Shipwrecks. I understand there was some controversy about the names to be listed in the schedule as the primary and secondary discoverers of the four ships *Tryall*, *Batavia*, *Vergulde Draeck*, and *Zuytdorp*. That has been clarified by the further work of the committee.

**HON DERRICK TOMLINSON** (East Metropolitan) [7.42 pm]: I thank members for their support of this Bill. Hon Kim Chance made the point that its genesis was the work of the Select Committee on Ancient Shipwrecks. It would be remiss if the House did not acknowledge the work of Hon Phillip Pental, who moved for the establishment of the committee. It was his work that stimulated the interest that Hon Kim Chance and I developed in this matter.

Other shipwrecks were not acknowledged at the time the select committee reported. When he moved from this place

to another, Hon Phillip Pandal persisted with his interest. It is fitting that the acknowledgment of the discoverers of those wrecks should be recognised as very much his initiative. I thank the House for its support of the Bill.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and passed.

### **APPROPRIATION (CONSOLIDATED FUND) BILL (No 3)**

#### *Second Reading*

Resumed from 11 November.

**HON MARK NEVILL** (Mining and Pastoral) [7.44 pm]: In the past the appropriation for the Treasurer's Advance expenditure has been incorporated in the main budget Bills. Because it is necessary to wait until the end of the financial year to determine how much has been expended from the Treasurer's Advance, Bills normally known as No 3 and No 4 are not presented to the House until the end of the relevant financial year. Appropriation (Consolidated Fund) Bill (No 4) 1996 was presented to Parliament last year but had not proceeded beyond the second reading stage in the Legislative Assembly on 13 November. The Bill has now lapsed and has been presented as Appropriation (Consolidated Fund) Bill (No 3) 1997.

The Bill seeks to appropriate from the consolidated fund the sum of just over \$70m for capital payments made during the financial year ended 30 June 1996. The length of time taken to present this Bill raises some concern. We are asked to pass a Bill tonight which relates to expenditure not for last financial year but for the year before - 1995-96. The Government's inability to manage this piece of legislation effectively again raises questions about its ability to manage the legislative agenda of this Parliament in an efficient and effective manner.

As a general policy rule, the Treasurer's Advance Account should be used only for extraordinary and unforeseen cases. Where possible, funds should be allocated to agencies in the normal budgetary process to allow for full scrutiny of funds in the budgetary context. Given that the Treasurer's Advance Account is intended for extraordinary and unforeseen payments, the lack of information provided in the second reading speech makes it very difficult to assess whether the payments listed in schedule 1 of the Bill fit into the categories of "extraordinary" or "unforeseen". A comparison of some of the payments listed in schedule 1 against their original appropriation also shows that in some instances appropriations are greater than or similar in magnitude to the original appropriation. Further information should be provided on these items. In particular, we should have a justification for the payment of \$220 000 to the Office of Energy. That information is necessary to assess any real savings to the Government that have resulted from its enterprise reform program.

The justification for the additional funding for the Rottneest Island Authority should also be provided so that members can assess how it fits in with the Government's existing policy. I believe that \$3m has been allocated to the authority. Other payments in the schedule requiring further explanation include additional payments to the Department of Productivity and Labour Relations of \$10 848.52 and an allocation of \$52 979 648.31 to the State Services fleet services trust account.

Last week I was away from Parliament attending a Ngaanyatjarra council meeting in the central desert. I discussed a number of longstanding issues that I want to bring to the attention of the House. When visiting the area one gets the impression that the people there have gone backwards over the past six to eight months. That is due to changes in the by-laws. There has been a significant increase in petrol sniffing and alcohol being brought onto the central reserve.

I am a pragmatist: I like to see whatever is done work, and I am prepared to change my view if something does not work. Gaol certainly was a deterrent for petrol sniffing and bringing alcohol onto the reserves. People are gaol for two reasons: First, they are a threat to the community, which is the case in the western desert; and second, people have done something so bad that it warrants a gaol term. Petrol sniffers fall into the first category and, in that sense, I disagree with the Attorney General. Thirty petrol sniffers have died in the last 11 years in the central desert. When I was just outside Leonora in 1983, I heard about a head-on crash on the road to Mt Margaret in which 10 young people died. A year later, another bad accident killed six young people. Almost an entire generation of young people was wiped out in the central desert, and a gap exists in that age group.

Many people who survive petrol sniffing are brain damaged and on invalid pensions from an early age. Also, petrol sniffers are extremely promiscuous and many acquire sexually transmitted diseases which are a gateway to HIV. In gaol, these people are tested and screened, so some controls are applied. Petrol sniffers are often very violent when under the influence of that solvent, and I have seen a number of related violent incidents over the years in the central desert.

The problem has been minor for a number of years, but it has flared up again in the last six months when these young people realised that they will not go to gaol for petrol sniffing. It was a deterrent which worked. I agree to an extent with the Attorney General that substance abuse is a health problem. However, this Government took a very different view with heroin when it opposed the Australian Capital Territory heroin trial. It is convenient to say that petrol sniffing is a health problem in this case, but to adopt a different view about abuse of another substance. The change in the by-laws has not been helpful at all; it might be good in theory, but in practice the results are alarming.

The central desert communities are extremely well organised. I have mentioned in the House before that grant controllers operate in virtually every other community in the State, except for the 15 or 16 communities in the central desert. It shows the lack of effectiveness of the Aboriginal and Torres Strait Islander Commission. The desert communities have \$50m or \$60m worth of business assets outside the desert: They have a massive warehouse in Perth from which stores are distributed; they own the Ampol distributorship in Alice Springs; they own an airline which is not subsidised by the Government; and they own many other assets. In the last six months, I can see that these communities are starting to crumble because the Attorney General has a view about this issue which I hope he will reconsider.

I turn now to the reviewing of sentences by justices of the peace. Under our law, any sentence handed down by a JP is reviewed by a magistrate, and the matter is remanded to appear in a Magistrate's Court whenever one may be held. In many cases, particularly in my area, the people involved are Aborigines, and it helps if the magistrate knows the people concerned in order to achieve some continuity. It is a waste of time for visiting magistrates to Kalgoorlie to review sentences imposed by JPs as they do not know the people involved. Magistrates who are familiar with the Aboriginal people should review the decisions. There are three or four suitable magistrates, one of whom should be appointed full time in Perth to review JP sentences.

As part of their activities, such magistrates could also visit the JP courts in places like Mt Magnet to monitor the cases when sitting and to advise JPs. That would be a better system of review of JP sentences. Some matters are fairly cut and dried and a sentence applies for a certain offence. If a person pleads guilty, and no mitigating circumstances are involved - namely, someone attempted to run somebody over, and did not swerve or apply the brakes - the case need not be reviewed at all. I may fall foul of some of my colleagues with that suggestion.

The other area of concern in the central desert is land issues. I am critical of the way the Government has dealt with land issues in the central desert. Frankly, I hoped the Government would be successful in this regard. The Government set out a few years ago to try to handle land issues outside the Native Title Act, and did so unsuccessfully. About April 1996, the Government approached the Ngaanyatjarra people and initially promised them freehold land on the central desert reserve, which is a 99 year lease. The Government offered them a perpetual lease on the special 50 year lease with no control over access.

It appears that the Aboriginal people are happy with 99 year leases in the central desert. Underlying native title probably applies to the reserves as a result of their unique situation; that is, no pastoral leases and continuity of occupation and culture. The Ngaanyatjarra people came back with a request for freehold on all the land which would have extended to the perpetual leases. The Government balked at that suggestion, and now wants to return to the first position. People in the central desert are finding it very frustrating to know what the Government wants to do. It is not prepared to say that the people have the rights of a native title holder, and an absolute lack of direction is evident in the Government's actions - it does not know what it is doing.

The Government is awaiting the Wik decision. It hopes that if the Wik legislation passes in its current form, it can run a harder line, but I see no benefit in such an approach in the central desert. It will be more difficult for the Aboriginal people to take the Government to court if the amendments are passed. Under the Wik legislation, the pastoral leases will extinguish native title.

Frank Hann, the explorer, had some pastoral leases on the area between the Jameson and Warburton for one year in the 1890s. The Wik legislation will extinguish native title on that prime area where the indigenous people have lived, worked and operated during that period. That pastoral lease will impinge on native title to the degree to which it is inconsistent with the native title. No pastoral activities are presently undertaken in the area.

The second area in which the Wik legislation will affect the people there is compensation. Compensation under the Wik legislation will be capped at freehold. The freehold value of the land there is virtually nothing. It has no real economic return. I do not know how one values freehold land in the central desert, which is unquestionably of great significance to those people compared with its significance to urban Aborigines.

Hon Greg Smith: They will get a title for that.

Hon MARK NEVILL: The Government has been fiddling around for two years. I will have a little more to say on this matter. Hon Greg Smith will see why I am critical of the way the Government has dealt with it.

The other problem with the Wik legislation is the rules of evidence. The judge can rule that the rules of evidence do not apply in a particular court case. That will result in a lot of wasted time in court because the Government will oppose that and the evidence the Aboriginal people will have to be based on hearsay. I do not know how a claim will stand up to the rules of evidence in court. It will be much more difficult for them to get a native title claim out in that area. The Government hoped to mediate outside the Native Title Act. It had discussions with people at Tjuntjunjara, south of the Warburton area; however, it has been unable to come to an agreement with them.

The Queensland Government, which is probably more strongly opposed to the Native Title Act than this State Government is, has reached a settlement in the Cape York area known as the Hopevale settlement. That was the first consent to native title land and it was done within the Native Title Act. In certain circumstances there is sense in reaching an accommodation with those people. This Government has failed in that area.

Hon Greg Smith: Do they already have a 99 year lease?

Hon MARK NEVILL: Yes, part of the reserve is a 99 year lease and to the west of it is a special 50 year lease.

Hon Greg Smith: If an attempt were made under the current legislation to upgrade the 99 year lease, it could be subject to native title claims.

Hon MARK NEVILL: The whole lot can be subject to native title claims, including the massive Gibson Desert nature reserve. That claim and the Kiwirrkurra claim are probably walk-up starts. They would probably be the first major successful claims in the country.

The other area the Government is confused about in this land title matter is the Aboriginal Lands Trust. We had the debacle of Mardiwah Loop at Halls Creek, where sewerage works were required and it was found that the land was owned by the Aboriginal Lands Trust and it got the bill for the sewerage, much to the Government's shock and horror. A court case was decided in the Supreme Court in the Government's favour and against the Shire of Halls Creek. The judge said the Aboriginal Affairs Planning Authority Act did not bind the Crown. The Halls Creek Shire lost that case and the Aboriginal and Torres Strait Islander Commission ended up funding that sewerage scheme. When the case went through, the Government suddenly thought it had an obligation on ALT land and it set about divesting itself of the trust's land. It has a policy of divesting itself of 10 per cent of ALT land every year until 2004, when it will all be divested. However, shortly the Attorney General will grant a 20 000 hectare ALT lease over an area in the Clutterbuck Hills in the Gibson Desert nature reserve, near the Patjarr community in the Karilywara area. On the one hand the Government is divesting itself of ALT land; on the other hand the Attorney General is increasing an ALT reserve by 20 000 ha. It is good the Attorney General is granting that reserve; however, it would be nice for the Government to have a little cohesion in what it was doing. That land will be vested under the Aboriginal Lands Trust, yet there has been no consultation with the trust. That land will be vested under, I think, section 33 of the Land Act, but it will not be vested under the Aboriginal Affairs Planning Authority Act, which allows control on access. That is the permit system: Reserves must be vested in both Acts for the permit system to come into effect.

The central desert Aboriginal people are very progressive. They are not against mining in the central reserve. They have accommodated mining interests, but they want to ensure that their sites of significance are not disturbed. Members should be aware that virtually no complaints have been received from the mining industry about its dealings with central desert Aboriginal communities. As long as mining companies respect their area, there is not a problem for exploration and mining in that area. They are very accommodating. The central desert people have agreed to excise the road through the reserve from Laverton to Ayers Rock so people can travel through there without a permit. At least 300 kilometres of that road goes through the central desert reserve. The people there are very reasonable. However, the Government does not seem to know what it wants to grant these people. It made the initial approach; however, it has shifted forwards, backwards and sideways. It is confused.

It is interesting that the Minister for Aboriginal Affairs, Minister Hames, has nothing to do with these land issues in the central desert. I do not know whether he has been excluded from discussions, albeit that the land is the responsibility of the Aboriginal Lands Trust. I think he and the Attorney General should be responsible for that. The Premier's department has taken over the role of sorting out these matters. John Clarke and John Catlin seem to be running the show and representing all the government interests. However, nothing seems to be happening. Those two gentlemen are obviously more than preoccupied with the Federal Government's legislation.

What is needed in the central desert is for a senior Minister - I do not mind whether it is the Minister for Lands or the Attorney General - to get hold of this issue and to bring it to some resolution. People are getting fed up with the shifting positions, the moving targets. The people probably would be happy with 99 year leases. That does not seem to be the problem. Whether native title underlies that area is a different issue again. The Government prides itself on being able to sort out these matters outside of the Native Title Act, but it has shown an inability to resolve the matter, even when there is goodwill on the other side. I do not know whether the Government is trying to dream up

some sort of lease that has not been dreamt up previously. However, the solution does not appear to be as difficult as the Government is making it out to be.

As recently as 6 November a meeting was held at Walu. That was a plenary conference for the native title claims in that area. Sixty per cent of that land is vested in the Aboriginal Lands Trust, yet no member of the trust was present. At that meeting the Government's position again seemed to be changing. I wanted to bring members up to date with the mess out in the central desert which a senior Minister needs to sort out. The confusion is bewildering.

Recently I returned to Balgo, a community south of Halls Creek, with a Catholic priest who spent 20 years there. It was an interesting visit. As part of that visit we went to the cemetery. It is appalling to see the number of graves of Aboriginal people under 30. I suspect it is the same in many other Aboriginal communities in the Kimberley and the north west. Many of these young lives were wrecked through alcohol abuse or vehicle accidents. The stolen generation report that came out recently told us that the practices and policies of the 1960s were genocide. The people who wrote that report are the sort of people who strongly influence and control Aboriginal policy today. Thirty, 40 or 50 years ago it was conventional wisdom to separate Aboriginal and mixed race children from their parents. That policy had widespread public support, and not only in white society. Many people sent their part Aboriginal children to places like Beagle Bay simply because that was the only place they would get an education. There is absolutely no doubt that that policy and practice of separation caused great distress to many parents and children. On the other side of the ledger, that generation of Aboriginal people is the best educated and most articulate and literate group of Aboriginal people around.

The support for these policies was the same then as it is now in the city for today's policies. Those people who are criticising what were popular policies in the past are often the same people who support current policies which I believe are disastrous for Aboriginal people. I believe that in 30 years' time today's policies will be criticised very harshly. If the stolen generation policies resulted in genocide the present policies will result in something worse.

Last Saturday three Aboriginal people from the Balgo area were at my home. Two are in Perth for kidney dialysis treatment; the third was looking at giving a kidney to his brother. They were being taught how to make wreaths, of all things. I do not say that lightly. When I visited that cemetery in Balgo two Aboriginal women came up to me and asked me to get them some fixative to spray on bush flowers to make wreaths. They are buying big plastic wreaths from Broome which are very expensive plastic flowers encased in plastic. There is peer group pressure for everyone to have these. I organised for someone to teach those people how to make wreaths last Saturday. They wired wildflowers and sticks together and fixed them with a preservative. The demand for these wreaths indicates the number of funerals that people from Balgo and the surrounding communities attend. My view is that present day policies in Aboriginal affairs are a major contributor to that. In 30 years' time people will be much more harsh in their judgments of how we dealt with Aboriginal affairs today than we are with the stolen generation.

When I visit Aboriginal communities I see education levels falling - truancy rates in some cases are so high that going to school is voluntary; health standards are disgraceful; hygiene levels are poor; and children's health is appalling through many of these communities. When I taught at an Aboriginal school 30 years ago these kids came to school having had breakfast, a good night's sleep, and without the middle ear infections - or nowhere near to the degree they have now. They were clean and tidy and had no problems getting through the school day. One of the Catholic sisters at Balgo told me that the generation I taught in the mid-1960s is more literate than any subsequent generation. Of course, that group of the stolen generation were not at Balgo, because those people came from the desert. The last people came out of the desert when I was at Balgo.

It annoys me to see the money that was spent on the deaths in custody inquiry. I do not believe there was anything new in that inquiry. It annoys me to see the amount of money being spent on the stolen generation inquiry. We know about the excesses that occurred then. At this time there are inadequate funds to service these Aboriginal communities. Money is going on yuppy urban inspired inquiries and projects which at the end of the day do not deliver any benefits but do assuage the guilt industry, if I can use that cliché. There are no demands for hygiene, work or education standards. I do not believe there are any demands for personal responsibility for health today. The present policies are failing Aboriginal people hopelessly. One sees the results of that when one visits the cemeteries in these communities.

I refer now to today's news poll in *The Australian*, which usually gives an accurate indication of opinion in the run-up to elections. It shows that the Australian Labor Party now has a seven point lead over the coalition. It also shows that Kim Beazley has a three point lead over John Howard in the "Better Prime Minister" poll. The poll on the performance of the two leaders indicates 33 per cent of people are satisfied with John Howard's performance and 56 per cent are dissatisfied. That indicates the beginning of the end for the Prime Minister. He will probably be replaced within a year. I am concerned that the Treasurer will replace him; that would be a disaster for the country and the coalition.

Hon Tom Stephens: I prefer the Treasurer's brother.

Hon MARK NEVILL: He is not in Parliament so he has a bit of a problem.

Hon Norm Kelly: He should be.

Hon MARK NEVILL: The Treasurer has lurched from crisis to crisis. A few years ago he had a private conversation with Alan Greenspan, the United States Federal Reserve Chairman. Immediately after that he informed the whole world there would be a drop in interest rates. That was silly. He opens his mouth without thinking about what he should say. Recently, when the Thai currency collapsed he said that the Asian currency crisis would not have any impact on Australia. He was not very circumspect in those comments. Within about a day he had made very different statements and completely reversed his position.

The federal Treasurer bragged about the sale of the Australian gold reserves in July when the Australian gold price was vulnerable. That was a stupid thing for the Treasurer to do. The price was about \$US330 an ounce and as a result of his announcement it fell to \$US14 in New York. He pointed out that over the past five years a number of central banks had sold gold from their reserves. He said that most prominent were those in Austria, Belgium, Canada, The Netherlands, Portugal and South Africa. Four of those six countries sold gold because they had to meet the very strict financial criteria set by the Maastricht Treaty to go into the European common economic currency. That was why four of those countries sold their gold. It had nothing to do with gold as an international financial instrument. The commonwealth Treasurer showed his ignorance again in naming South Africa because, by law, every mining company there must sell its gold to the Reserve Bank within 30 days. The bank then sells it; it has always sold it. Four of the other five countries to which he referred were selling because they had to reduce their budget deficits to comply with the requirements of a common European currency. Canada has been selling gold for many years, but it has been selling it onto the market at a trickle which has not affected the price of gold.

Treasurer Costello also said that gold no longer played a role in the international financial system. Australia is the third biggest producer of gold and Western Australia produces 75 per cent of the world's gold. If one wanted to do some damage, stupid statements like that would be just what was required. The gold price dropped by 5 per cent the following day and, worse, it wiped off about 16 per cent of the value of gold stocks that day. I was burnt by that and I do not appreciate it. It was uncalled for and quite stupid. The man is an absolute danger as a potential Prime Minister. Probably 60 per cent of Australian gold mines now operate with an average production cost above the spot price and they survive only on the hedging they have included in their prices. In some ways I hope that John Howard improves in the polls a bit because the thought of the Treasurer taking over scares me.

Hon N.F. Moore: The last time a Treasurer took over from a Prime Minister it was pretty frightening.

Hon MARK NEVILL: I agree. I thought Keating was a brilliant Treasurer, much better than he was as a Prime Minister.

The DEPUTY PRESIDENT (Hon N.D. Griffiths): Order! Hon Mark Nevill has the floor.

Hon MARK NEVILL: During the recent parliamentary break I visited the United States and Canada where I examined gas and petroleum issues. I had the pleasure of visiting the Royal Tyrrel Museum of Palaeontology at Drumheller in Alberta. It is a magnificent museum, built 100 kilometres out of Calgary in the badlands, where dinosaurs are found. I visited there on Heritage Day, a national holiday in Canada. I picked the worst day of the year to go; it was so crowded I could hardly move. Nevertheless, it was an electrifying experience. It included interactive exhibits for kids, plus magnificent mounted fossils. The displays were incredible. They included one of the oldest forms of life in the world from South Australia, the Ediacara fauna. I thought they were microscopic, but they were huge jellyfish which predate life as we know it - and I had to go to Canada to see them.

Western Australia has one of the best mineral collections in the world which has not been on display. Mineralogist Simpson, as well as quite a few others, was a major contributor to that collection. When the Kalgoorlie Museum was opened I was successful in organising a vault to display some of Western Australia's gold collection. It is a great attraction.

Hon Peter Foss: We just shifted it out of the Department of Minerals and Energy to the museum.

Hon Tom Stephens: The Simpson collection?

Hon MARK NEVILL: That is good.

Hon Peter Foss: We arranged that transfer. It is now in the museum, combined with the museum display.

Hon MARK NEVILL: I hope it will be displayed. Obviously it is a large collection.

Several members interjected.

The DEPUTY PRESIDENT: Order! We do not want a collection of interjections.

Hon MARK NEVILL: The Drumheller Museum has around 400 000 visitors each year. It is a research establishment, and one display cleans the material from fossilised dinosaur bones. It is an educational establishment for children, and it is a massive tourist attraction.

Western Australia has some brilliant fossil collections. We have some of the best fossil fish in the world at Gogo. We have dinosaurs from Broome, and many more dinosaurs have been found in recent years. We also have the diprotodon and other fossil marsupials in the Pilbara. The diprotodon looks like a giant elephant, but it was wombat which stood two or three metres high and three or four metres long. We have all these fossils but they are not adequately displayed.

Hon Tom Stephens: We also have the coalition Cabinet, another group of fossils.

Hon MARK NEVILL: We will put them on display if the Government will allocate some money to establish a museum!

We should have a national museum of palaeontology and mineralogy in Western Australia. The eastern seaboard has the National Art Gallery, the National War Memorial, the National Ballet and the National Opera. On the west coast, we have either the crumbs or nothing. The Federal Government should provide some funding for a dedicated museum of this nature. I will be putting together a prospectus because, with some federal and state funding, we can create a major museum in this State. I am sure that the gas and oil companies will contribute to such a museum, because it will encompass palaeontology in which the gas industry works, and mineralogy in which mining companies work.

I have tried to think of good sites for the museum. Perhaps a greenfield site is best, but the wool stores at Fremantle could be considered because that is very close to major public transport. Perhaps the museum could be part of the Fremantle wharf on the other side of the railway station. I am not sure about that, but this is a good case for the Federal Government to invest some money in a national museum of this sort.

I urge any members who travel to Calgary in Alberta to take the trip to see the Drumheller Museum because it leaves any museum, even the Smithsonian, for dead. It is the best palaeontological museum in the world. It has an aquarium which has recreated the Devonian seas in which the fossil fish at Gogo lived. It is mind-blowing how realistic it is. All the major reptiles from North America are on display. We all know that kids love reptiles, and every shopping centre in America displays replicas of those reptiles. The children are drawn to the displays. The mining and petroleum industries are very important to this State, but it is also important that people grow to appreciate that part of our culture and our heritage.

I am aware that the Government is putting together a display - "The diamonds and the dinosaurs", or something like that - and that is a worthwhile project, but it is not on the scale that we should consider when putting together a national museum in Western Australia. It would be a good move if the Minister for the Arts visited Drumheller Museum and another in Los Angeles which is based on the tar pits where many fossils are found. It was one of the greatest pleasures of my life to visit the Drumheller Museum.

I support the Bill.

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [8.36 pm]: Whenever Hon Mark Nevill addresses the Chamber on any issue, we are all the better for it. He always manages to produce a range of suggestions that are worthy of close consideration and often support. Hon Mark Nevill will understand my use of the word "often" because at times I disagree with him.

Hon Mark Nevill: Absolutely!

Hon TOM STEPHENS: On this occasion, he has spoken about many issues that are resonant with the truth in relation to many issues of Aboriginal affairs and the suggestions he made. I hope that the Minister for the Arts has been listening closely to the suggestions, so that an allocation of resources can be made immediately to the projects identified, or at least to add some locations to his future itinerary which might consolidate the arguments Hon Mark Nevill has put to the House.

I want to talk about the Budget deficit referred to during debate on appropriations legislation, which has become evident from the information put before Parliament and the community, and which is dribbling out of the Government. It has become increasingly obvious that the Government is facing serious budgetary problems this financial year. The current projected budget deficit is between \$140m and \$240m. We have seen the impacts on the 1997-98 budget revenue by the delay in the introduction of the gold royalty. That impact is estimated to cost \$19m in 1997-98. We can expect a \$40m shortfall resulting from the High Court decision on the state franchise fees, and

an impact on the gambling revenue of the State due to the South East Asian monetary crisis.

The magnitude of that crisis and its impact on the Western Australian economy is not clear. These are just a few of the known revenue shortfalls with which the current State Budget is faced. The Government has yet to disclose all the possible revenue shortfalls which it either is aware of or suspects may occur this financial year. The Treasurer has claimed repeatedly that revenues are flat this year. However, he has provided no details of the full range of potential deficiencies in state revenue as a result of the flatness in the revenue profile for this State.

On the expenditure side, the scenario looks much worse. The Minister for Health has indicated that metropolitan hospitals will face a projected \$70m deficit this year, but he refuses to provide information on the projected shortfall for the entire Health budget. Despite the fact that the Treasurer met with the Minister for Health as recently as last week on the issue, the Minister for Health continues to be unable to disclose to the public presumably what he was able to disclose to the Treasurer; that is, whether that projected deficit of \$70m has expanded beyond that figure.

The Minister for Education has already been forthcoming with his assessment of the deficit in his budget of some \$20m to \$30m. So between the portfolio areas of education and metropolitan health, we see the Government faced with an expenditure of \$100m over and above that which was predicted.

Hon Ljiljanna Ravlich: It's \$145m.

Hon Derrick Tomlinson: Don't correct your leader!

Hon TOM STEPHENS: I am always subject to correction by everybody in the State Parliamentary Labor Party; but it is \$100m by adding only those two figures together. I presume that Hon Ljiljanna Ravlich was indicating that I have identified only health and education. If we combine that with the Police budget and the budgets in other portfolio areas where Ministers have not been as forthcoming or honest as the Education Minister has been -

Hon Norm Kelly: Transport.

Hon TOM STEPHENS: - let alone transport - \$140m would be a conservative assessment of the projected budget deficit for the current financial year. The Minister for Police has been extremely bashful in presenting to the Parliament and to the community details of the impact of his own department's operations on the Budget.

Hon W.N. Stretch interjected.

Hon TOM STEPHENS: The Government has been in office for four years now, so there is no point in throwing stones at the people from ancient history.

We have not heard from other Ministers about the impact of their departments' and agencies' operations upon the budget allocations in the current financial year. But given all of this, the reported budget blowout - Hon Ljiljanna Ravlich has used a conservative figure of \$140m - could easily increase to \$240m, as the Minister for Finance knows, if the Government does not quickly introduce a strategy aimed at addressing these budget blowout prospects in the departments and agencies. The Government has a number of options with which to tackle the projected deficit, but some of them are not palatable to the Western Australian community. The Government can choose to borrow, increase revenue or cut services. That is the reality facing the Government.

When asked how the projected deficit is to be tackled, the Premier and Treasurer said that to come in on target the Government must be flexible and ensure that expenditure is cut to meet the funds available. That clearly translates to a cut in services to the community. That comes from a Government that was elected so recently upon a pre-election policy of good management. It also promoted the strategy of "delivering the social dividend": At the end of all the pain the community was to get the gain.

Hon Bob Thomas: We were supposed to believe it.

Hon TOM STEPHENS: Regrettably too many in the community believed exactly that and re-elected this Government. As a result they are left with a Government that now has to introduce measures that the Treasurer describes as "flexible options", and that regrettably includes further cuts in government services.

What a social dividend this Government is delivering! The social dividend to the community of Western Australia has come in the form of higher charges and cuts in essential services. The 1997-98 Budget has brought increases in electricity tariffs for residential consumers and, subsequently, the dismembering of uniform tariffs for regional Western Australia, through changes introduced by the Minister for Energy, all despite the lame bleatings of his coalition partners - the members of the National Party - in remote and regional parts of Western Australia. Water and sewerage tariffs have increased, as have metropolitan public transport fares. We have seen spending on essential services, such as health, continually being cut to rein in the deficit.



Additionally, today during question time the dramatic information was revealed that fees are being charged for courses delivered in the supposedly free education system. We have discovered that school students at metropolitan schools are forced to pay fees, perhaps as high as \$1 500 or \$2 000, for ordinary courses undertaken for their TEE. Those dramatic statistics revealed during question time demonstrate the impact on Western Australians of the budgetary measures being employed by this Government.

Hon B.K. Donaldson: You sound like you're on a negative pathway.

Hon TOM STEPHENS: With a Government like this it is very difficult not to recognise that so much deserves to be roundly condemned and criticised. If that makes me seem negative it is simply a response to a Government that is having a devastating impact upon the people of Western Australia. It is all very well for members opposite, who ride home at night in their Silver Shadows -

Hon Max Evans: Silver Shadow II.

Hon TOM STEPHENS: The Minister for Finance would not know how savage his Government's policies are on the ordinary members of the Western Australian community.

Hon E.J. Charlton: He drives around in his own car; you drive around in a government car.

Hon TOM STEPHENS: I prefer my bicycle, even though I have fallen off it regularly. Regardless of the number of accidents I have been having on my way to and from work, it is my preferred method of transport. Nonetheless, I have not risen to the great heights of a Silver Shadow and, therefore, I have not been insulated from the heartless nature of the Government's policies inflicted upon the people of Western Australia. The Government's attitude is understandable, especially when some of its members are ensconced in the luxury and comfort that comes with Silver Shadows and comfortable and productive farms throughout the agricultural area and when in receipt of lucrative incomes available through various channels to coalition members. Coalition members are unaware of the savage impact the Government's various decisions have on so many sections of the Western Australian community.

I will make a point on the lack of accountability and honesty in the current Budget in terms of its assessment of budgetary and economic issues, and I refer to the statements of monthly transactions of the consolidated fund, otherwise known as the Niemeyer statements. Those statements give an indication of the progress of government revenue and expenditure. Even under the new cash management practices installed by the Government recently, these statements have become a useful tool in monitoring progress.

It is now late November. We are yet to receive the monthly summaries for August, September and October. In previous years those statements were released within a month of the previous month's end.

Hon Max Evans: The government accounting system has changed.

Hon TOM STEPHENS: The Government was doing too badly and stuffed it up. We are hearing from the Minister for Finance that there has been a change of practice.

Hon Max Evans interjected.

The PRESIDENT: Order! It is the second reading debate and the Minister for Finance will have an opportunity to speak later on. If the Leader of the Opposition addresses his comments to me, it will probably help the Minister for Finance not to interject.

Hon TOM STEPHENS: Absolutely, Mr President. The Minister for Finance confesses to the House that he has been responsible for this change of practice aimed at ensuring that the community of Western Australia will not be aware of the results at the end of each month, not even within a month's end. We are still awaiting results of the monthly summaries for August, September and October. We were told by the Minister for Finance today during question time that the release of the August report is imminent. No doubt we will have to wait until the end of the parliamentary sitting before that month's summary is forthcoming.

I will mention some of the misinformation that has been spread by this Government on key budgetary and economic issues. I am sure the Minister for Finance will well recall an interview with Peter Kennedy on Tuesday, 18 November. That date goes down as one of the damning dates in the calendar of this Minister for Finance. He went on air and put a very solid nail in his coffin as the Minister for Finance when he claimed that this Government had increased only two taxes since being in government. Does the Minister remember the two he identified?

Hon Max Evans: Tobacco and -

Hon TOM STEPHENS: Fuel is the other one. Did the Minister forget some?

Hon Max Evans: Which were the others?

Hon TOM STEPHENS: Does the Minister want me to tell him?

Hon Max Evans: Yes.

Hon TOM STEPHENS: It is extraordinary that the Minister for Finance in this State Government has between 18 November and today not had his memory refreshed about his bad behaviour as the Minister for Finance in the Court coalition Cabinet over the economic management of this State. We all know that the Minister also needs to be judged by the claim he made today in Parliament. The debits tax was doubled in the 1997-98 Budget.

Hon Max Evans: That is not increasing a tax, you fool!

The PRESIDENT: Order!

Hon TOM STEPHENS: The Minister doubled the tax associated with debits in the 1997-98 Budget. Overall the Government is facing very serious budgetary difficulties. Pressures arose very early on in the financial year, showing that the Government's 1997-98 budget strategy and its whole management strategy at best have been very poor indeed and at worst deserve to be condemned. This Minister for Finance has left a lot to be desired in his capacity of Minister responsible for managing the finances of this State in collaboration with his colleague, the Treasurer. To manage the budget deficit the Government is continuing to cut and is promising to cut further essential services to the community. Its promise of a social dividend remains just that - a promise which will quite clearly never be delivered by the coalition Government. The Government has not been accountable or honest in its approach to the whole affair of budget management. It has not responded directly to questions and has deliberately kept information until after parliamentary sittings in order to defuse the debate on these issues.

I do not intend to be very long in my handling of these issues tonight. We will have other opportunities before the House rises to go over these issues. I await the response of the Minister for Finance to my comments.

Hon Max Evans: I will get up now.

Hon TOM STEPHENS: Other members are ready to speak.

**HON E.R.J. DERMER** (North Metropolitan) [8.56 pm]: Tonight in the course of our deliberations on the Bill it is important that we give due consideration to the plight of the citizens of Wanneroo. Those almost quarter of a million people have suffered badly financially and in other ways from the maladministration in the City of Wanneroo. Holding the responsibility to represent those quarter of a million people in this House, I was taken aback by reading the report of the Royal Commission into the City of Wanneroo. I was most sad for the almost 1 000 people who work for the City of Wanneroo, 99 per cent of whom work hard with honest intent, including a number of councillors, officers and ordinary employees. It must have been very sad for that 99 per cent to see the reputation of the organisation sullied by a small number of people, unfortunately in senior positions. That much was evident from the royal commission.

The most disturbing findings of the royal commission were included in chapter 34, which is entitled "Factions & Electoral Practices". It is worth taking the time to look at the findings of this chapter and in particular the summary of the findings of chapter 34 of the royal commission report. Paragraph 34.8 is entitled "Summary of Findings". At paragraph 34.8.1(a) the royal commission found -

There was during the relevant period a faction on the Wanneroo Council led by Dr Bradshaw. The members of the faction were connected by friendship and a common "pro-development" ideology.

Hon N.D. Griffiths: Noel Crichton-Browne!

Hon E.R.J. DERMER: He is not referred to by the royal commission but I think Hon Nick Griffiths' interjection is soundly based. The report continues -

The members were either Liberal Party members or with Liberal Party sympathies. The members generally, but not always, voted the same way.

That is the first finding on the role of the mayor and those members of the Liberal Party. The next paragraph lists those people. It reads -

The core members of the faction led by Dr Bradshaw were Dr Bradshaw, Mr King, Mrs Waters, Mr Baddock, Mr Edwardes and . . . [the late] Mr Wayde Smith.

The words should be "and later Mr Wayde Smith". I must have made a political Freudian slip there. I am pleased to report that I understand Mr Wayde Smith is in good health, although I will not reflect on his character. Paragraph (c) of the summary of findings reads -

Members of the faction led by Dr Bradshaw attended "pre-meetings" prior to Council meetings in the mayor's office when they would formulate a joint approach to matters before Council. Dr Bradshaw used those meetings to attempt to influence the views of the other councillors within the faction.

To hear on the public record the variables in the minds of those councillors when making decisions on behalf of the good citizens of the City of Wanneroo, who had suspected it for some time, must have been very disturbing for them. Did the councillors have the good fortune and welfare of the citizens of Wanneroo at heart or was it their own narrow minded factional inclinations? Dr Bradshaw was central to that faction of the Liberal Party. Paragraph (g) of the summary of findings reads -

Dr Bradshaw actively supported candidates for election to Council, both financially and personally. His primary criteria for selecting candidates were that they had Liberal Party sympathies and would support him on Council.

I draw particular attention to that criterion, that they would support him on the council. A number of occasions have been reported when Dr Bradshaw put the interests of his Liberal Party faction ahead of those of the general Liberal Party. That was always based on their support for Dr Bradshaw. I will explain the basis of Dr Bradshaw's faction in the Liberal Party which took so much advantage of the good citizens of Wanneroo.

Hon Derrick Tomlinson: You didn't say it was a fact.

Hon E.R.J. DERMER: The recommendation continues -

Dr Bradshaw considered that candidates who were successful owed him allegiance.

The word "allegiance" has some interesting historical connotations, to which I will shortly refer. It continues -

- (h) Dr Bradshaw actively discouraged and worked against candidates for election to the Council who he considered unsuitable or those whose election campaign could adversely affect the prospects of one of his own candidates.

I remember the reference to Louis XII of France as the universal spider, a very adept and, if not sinister, certainly cynical, operative of that nation's politics. Louis the Spider is an historical reference that comes to mind every time I am reading about Dr Bradshaw and his operations on the Wanneroo council.

Hon Derrick Tomlinson: Tell us about Louis the Spider.

Hon B.M. Scott: Or Louie the Fly.

Hon E.R.J. DERMER: If I have sufficient time, I will be very happy to go into more detail about Louis the Spider. Paragraph (i) states -

The use of "runners" to attract preferential votes for a preferred candidate was common and widespread in Wanneroo over the relevant period. The practice, while strictly legal, was and is an abuse of the electoral process and diminished the capacity of that process to produce a truly democratic result.

In essence, the royal commission showed that this faction was taking full advantage in exploiting the people of Wanneroo for its own advantage. To achieve that, it needed to distort the democratic rule of the people of Wanneroo as reflected in council elections. The use of runners - false candidates - was one of the various strategies this faction used for this purpose. The basis of the operation of this faction of the Liberal Party was patronage. That was based on the allocation of corruptly solicited campaign donations.

The royal commission goes on to describe the basis on which those donations were solicited. It states -

- (j) Both Mr King and Dr Bradshaw had in place arrangements to conceal election donations. The concealment was effected by directing payments through a third party and by the third party issuing false documents to disguise the nature of the payment.
- (k) From the perspective of local government electoral practices the practice of providing false receipts for election donations, whether or not those receipts are used to claim taxation deductions, is highly improper.

One of the saddest aspects of this royal commission report is that each time we look at a finding, we can see further tangential ramifications, all of which warrant further investigation. I trust that the tax officers of this land are alert to their responsibilities and will take the appropriate steps to follow through on this evidence brought forward by the royal commission. It continues -

- (1) It is improper for a councillor to solicit an electoral donation while a prospective donor has a matter affecting its financial interests before Council. It is also improper for a councillor to solicit a donation from a prospective donor while an application affecting its financial interests is contemplated or has recently been approved.

Each of those findings illustrates the character and nature of the operation of the Bradshaw faction of the Liberal Party. They remind me of some of the more disturbing reports that we hear from time to time from Japanese politics. I hope it is not general to Japanese politics, but I have heard serious reports of where the factions in the parties in Japan are based not on any ideological or policy difference, but purely on patronage, on money being delivered to candidates within the factions of the parties. This provides the hierarchical glue that maintains those factions.

Hon Derrick Tomlinson interjected.

Hon E.R.J. DERMER: I do not wish to be distracted. I have an important point to relate to the House, and I will proceed. Japan is a good example of this money politics factional base. It is in keeping with the Bradshaw faction of the Liberal Party. The Bradshaw faction was not a political group based on a set of policy positions for the good of the community, or on people having confidence in the leadership of that group, the goodwill of that leader and the capacity of that leader to deliver good policies for the community. As evidenced in the royal commission report, the Bradshaw faction of the Liberal Party was based on achieving a political and financial advantage for some members of the faction under the thin guise of a political concern.

It used the people of Wanneroo. It used the council as an instrument for the exploitation of the people. I referred earlier to Louis XII, Louis the Spider. I will make an earlier historical reference and refer to the pre-Renaissance feudal system that existed in Europe. The notion was that feudal lords achieved political power according to the strength of the fiefdom, the turf, the area in which subjects worked to provide goods to support the knights and, in turn, the feudal lords. From one fiefdom to another, different degrees of benevolence or malevolence were shown by the feudal lords, with the good fortune or otherwise of the people depending on the feudal lord to whom they were subject.

There is a very strong analogy between a feudal fiefdom and the way in which the Bradshaw faction of the Liberal Party dealt with and used the Wanneroo council. Sadly the evidence is strong that that faction ran its fiefdom in a way that is reflected in one of the worst, rather than one of the best, medieval fiefdoms of Western Europe. There is a very clear example of how this faction, by the instrument of the Wanneroo council, used its position to exploit the people of Wanneroo. The findings of the royal commission to which I have just referred show how that was done. Campaign donations were solicited in a curious manner from people who had an interest in the outcome of decisions made by the council. Once again, that money was used to support the factional members, to act to the political disadvantage of factional opponents, and as a threat to withdraw factional support to achieve factional discipline. None of this was based on personal confidence or on adherence to a common policy; it was all based on crude patronage and exploitation. That evidence is set out clearly in royal commissioner Davis' findings.

How were the people of Wanneroo disadvantaged by this activity? The responsibility of a local government council is to make decisions for the benefit of the people of the municipality. Most often the dubious decisions which are evident in the report of the royal commission involved planning. Too often these decisions were not based on what was good for the city, or what made sense in balancing the conflicting needs and interests of commerce and residents in the City of Wanneroo. As evidenced before the royal commission, in almost all of these decisions - I am not aware of exactly how many, but I will not speak in the absolute - the questionable donations which were paid during the time Dr Bradshaw was Mayor of Wanneroo must have impacted on the planning decisions made by the council. The people of Wanneroo did not receive the benefits of wise and balanced judgments in planning decisions. In instances where the donations were made for the wrong purpose, all the judgments were biased, skewed, distorted by the payment of so-called political donations.

One does not have to use a great deal of imagination to recognise that a small or medium size business seeking planning approval for a business enterprise in the City of Wanneroo during the reign of Dr Bradshaw might decide to make an investment in a political donation to achieve that planning approval. Like any other investment, it is a reasonable and, sadly, valid supposition that the cost of those investments would be passed to the consumer. In most cases the consumers would be the poor citizens of Wanneroo. Not only were the council decisions skewed by these questionable political donations, but also in the long term the people in that area would have paid for those donations by way of the services from the companies that made those donations to obtain planning approvals to establish their enterprises in the City of Wanneroo.

It is painfully clear from the findings of the royal commission that the Bradshaw faction was a faction of the Liberal Party. That must be emphasised. The most senior member of that party in this House may laugh, but if it were my party I would not be laughing because I would be very concerned.

I now refer to other findings of the royal commission, which clearly reflect on the character and nature of the Bradshaw faction of the Liberal Party. At page 1041 of the royal commission report, the commissioner stated -

. . . the members of the Bradshaw faction displayed a group ethos consistent with the more specific, political, definition of the term faction to which I have referred. In the circumstances it is not surprising that Dr Bradshaw was perceived by others, both within Council and outside, to have the support of a sufficient number of councillors to wield significant, if not decisive, influence on matters before Council.

However questionable these donations may have been, it can be seen that Dr Bradshaw did not need at all times to be explicit. Again, in the tradition of Louis the Spider, there was a degree of subtlety in his approach in some instances, but I understand from the findings that he did not worry on all occasions about being subtle in his approach when soliciting for donations. The commissioner further stated -

. . . the perception that Dr Bradshaw could control the numbers on Council contributed to the corruption that did occur. Any member of the faction who voted on a matter in accordance with the wishes of Dr Bradshaw or any other member of the group and not according to his or her own view of the merits or allowed his or her judgment to be improperly influenced by Dr Bradshaw, or any other member of the group, because of friendship or faction loyalty was, however unwittingly, facilitating the corruption that was occurring.

Not only was the corruption pursued by those with active intent, but that corruption, as it so often does, impacted upon and compromised those around them. At page 1059 of the commission's report is the statement -

Dr Bradshaw actively supported candidates for election to Council, both financially and personally. His primary criteria for selecting candidates were that they had Liberal Party sympathies and would support him on Council. Dr Bradshaw considered that such candidates who were successful owed him allegiance.

There are two points in that statement. In each of these findings I have relayed from the report of the royal commission, it is apparent that the structure of the Bradshaw faction of the Liberal Party was based on money politics, the dubious solicitation of donations and the application of that financial resource to discipline his own faction and achieve its advancement and, therefore, influence at the expense of other participants in the Wanneroo City Council and the good people of Wanneroo. The word used often in the findings is "allegiance". Allegiance can be a fine and noble thing, but it reminds me of the essentially feudal nature of the fiefdom Dr Bradshaw and his faction endeavoured to operate at the expense of the people of Wanneroo. This concept has its origin in the relationship between feudal lords and their subjects. The Liberal Party must own up to its corporate responsibility for the operation of the Bradshaw faction.

Hon Derrick Tomlinson: It did.

Hon E.R.J. DERMER: At best, the sin of the Liberal Party is one of omission. Concern about the practices of the Wanneroo City Council percolated through the community. The response of the Labor Party was to pursue a full inquiry about what was going on and, more importantly, act on the results of that inquiry and address the problems that came forth from it. The Liberal Party, a major party with in part a proud history in this State and nation, sadly let down its own reputation by responding with attempts to obfuscate and cover up. The history of the Wanneroo council is one of Labor Party action and Liberal Party inaction. The Kyle inquiry, the first formal inquiry into the activities of the Wanneroo City Council, was initiated by a Labor Government in 1992. The concerns were brought by the people of Wanneroo to members of Parliament during the course of 1993. I cannot speak for the concerns brought to members of the coalition parties, but the response of Labor members to those concerns was sharp and incisive questions in the Houses of Parliament. They lived up to their responsibility to fiercely pursue the truth in an endeavour to remedy this serious problem being inflicted on the people of Wanneroo. As a result of this intensive and positive inquiry by the diligent Labor members of Parliament, the Government was dragged kicking and screaming to reinstate the Kyle inquiry. The Court Government was dragged, belatedly, into reconvening the Kyle inquiry into the goings on in Wanneroo.

By way of action in the Supreme Court, the Kyle inquiry was discontinued and it was March 1996 before the Davis royal commission was commissioned. Sadly, this royal commission was limited in its capacity to fully examine the scurrilous and sad goings on in the City of Wanneroo because by March 1996 much of the evidence and the trail of the procedures of Dr Bradshaw and his cronies was cold. Of course, the common practice of many enterprises in Western Australia is to maintain their financial records for only seven years. The worst period of Dr Bradshaw's reign had already passed seven years before March 1996, and it was difficult for the royal commission to fully pursue every facet of what Dr Bradshaw and his faction in the Liberal Party were up to in the City of Wanneroo. The royal commission continued and, sadly, its findings are bad enough. I shudder to think what the findings might have been if the royal commission had been commissioned earlier and had not faced the impediment of financial and other evidence having dissipated because of the practice of destroying documents after seven years.

The Premier received the report in September this year and it was tabled in the Parliament on 11 November, approximately six weeks later. I fully anticipated that this was a good thing, because it would give the Government an excellent opportunity to develop an appropriate response, act on the findings of the report, and immediately initiate steps to make sure this betrayal of the faith of the people of Wanneroo in their local council would not be repeated in Western Australia. Sadly, when the report was tabled on 11 November, there was no government plan and no evidence of government action.

When the report was tabled in the other place, the member for Victoria Park, the leader of the Labor Party, asked why the Government had not acted to suspend the council. The Government's response was to hurriedly convene a Cabinet meeting on the night of 11 November. It was only after the Leader of the Opposition had articulated that initiative that the Government acted to suspend the council.

The Local Government Act requires that a panel shall inquire into the Wanneroo council before that panel can recommend to the Minister that the council be dismissed. My concern is that I understand that the Minister may decide that the people of Wanneroo, through their rates and the resources of the council, shall pay for this panel. I implore the Government to have some mercy on the long suffering people of Wanneroo. It is not fair to require them to pay for the panel that will inquire into the maladministration of their council. It is not fair to require them to pay for the inquiry into what they have suffered.

The Labor Party does not propose to persecute the people of Wanneroo further. We propose a plan of positive action to address the concerns raised by the royal commissioner and to ensure that those concerns do not recur. Last week, Dr Gallop introduced in the Legislative Assembly an excellent Bill - the Local Government (Political Donations and Electoral Expenditure) Amendment Bill. That Bill is designed to address a need that was raised by the royal commissioner in his recommendations. Recommendation 34.7.7 states that -

- (a) Candidates and any person acting on their behalf should be required to keep clear records of the date of donation, amount, full details of donor (where known) and copies of all relevant documentation such as invoices and receipts.

That sounds like decent commonsense. It is required for good municipal administration in Western Australia, and it is clearly recommended by royal commissioner Davis. It continues -

- (b) There should be maintained a complete, publicly accessible, regularly updated register of all donations made to councillors for electoral purposes.
- (c) Council minutes should include a record of the way in which each councillor votes on every issue. I have already made a recommendation for this change in another context. It is a deceptively simple requirement but I believe it would make a great deal of difference to the accountability of councillors. Regulatory authorities would be able to monitor the voting patterns of councillors. I believe such an examination would have been most revealing for the Council of the City of Wanneroo between 1986 and 1992. Unfortunately the raw data was simply not kept.

That was again a limitation on the capacity of the royal commission to fully investigate the goings on in the City of Wanneroo. It continues -

- (d) There should be a statutory obligation on councillors to declare a conflict of interest when making a decision affecting a donor to the councillor's election campaign or to the campaign of a candidate promoted by that councillor.

Those recommendations are founded in decent commonsense and would, if adopted, go a long way towards ensuring that future municipal administration in Western Australia was vastly superior to that which was suffered by the good people of Wanneroo.

I recommend for the positive consideration of the Government the Local Government (Political Donations and Electoral Expenditure) Amendment Bill, and I will go further to challenge the coalition parties to do something positive, sadly in my view for the first time, by getting behind Dr Gallop's initiative. It is sadly remiss and long overdue, and it would be a very encouraging change to see some positive action from this Government. A royal commission is an expensive exercise. However, it can have a number of benefits. I hope that the first benefit will be that it encourages better behaviour by local councillors and public officers. The greatest benefit or return on the vast funds that have been invested in the royal commission will be positive action by the Government and the Parliament. I hope that this Government will further the positive action that Dr Gallop has initiated by supporting the Local Government (Political Donations and Electoral Expenditure) Amendment Bill. In that way, the Liberal Party, as the senior coalition party in the Government of Western Australia, will go some way towards living up to the responsibility that it should have exercised some time ago of taking control of the Bradshaw faction of the Liberal

Party and ending the destructive way in which that faction dominated the Wanneroo council for far too long.

I have every expectation that prosecutions will follow from the findings of the royal commission. It is possible that in the course of these prosecutions, a number of questions will be answered with regard to the Wanneroo council's procedures that were not addressed specifically by the royal commission. The royal commission's terms of reference would have been more effective had they allowed the royal commissioner to investigate more widely the proceedings of the council, but that is now history. We need to focus on the findings of the royal commission and the evidence in front of us. I expect that the prosecutions that will arise from the royal commission will answer many of these questions.

I need to restate the basic fact that the State Government has the constitutional responsibility to ensure good local government, because the evidence before us indicates, sadly, that it misunderstood and neglected that responsibility. The responsibility for cleaning up the Wanneroo mess is particularly acute for this State Government because a faction of the senior partner of this state coalition Government was found by the royal commission to bear the prime responsibility for the maladministration that occurred within Wanneroo council.

Hon N.F. Moore: It did not say that at all.

Hon E.R.J. DERMER: It is a solemn duty of this Government to address these problems. In closing, I implore the Ministers here this evening to take that message to their next Cabinet meeting and to do all that they can at this very late stage. Obviously action taken earlier would have been more effective, but it is not too late to take effective steps to improve the administration of municipal authorities in Western Australia, particularly that of the City of Wanneroo. Sadly, the need for that improvement is clearly evident from the findings of the royal commission.

Debate adjourned until a later stage of the sitting, on motion by Hon N.F. Moore (Leader of the House.)

[Continued on page 8445.]

[Resolved, that the House continue to sit until 11.00 pm.]

#### **MOTION - SELECT COMMITTEE**

##### *Immunisation and Vaccination Rates in Children - Establishment*

Resumed from 11 June.

**HON NORM KELLY** (East Metropolitan) [9.31 pm]: The Australian Democrats support the establishment of the select committee. Inevitably issues such as immunisation rates and how immunisation programs are implemented arouse a lot of publicity and debate in the wider community. In moving her motion on 11 June Hon Barbara Scott mentioned the possibility of compulsory vaccination of children. She suggested that the select committee consider making the presentation of an immunisation card a prerequisite for entry into child care centres and preprimary centres. Of course, that suggestion aroused much media attention, as these issues usually do.

We must look at the rights of the individual and balance them against the interests of the community. A number of health issues are involved in this balancing act, including immunisation. Although it is not specifically included in the terms of reference, it is covered.

Hon Barbara Scott also referred to compensation and the select committee's considering parents having access to compensation where there has been an adverse reaction to immunisation. Compensation would be essential if we were to introduce compulsory vaccination.

The rate of immunisation of children is about 50 per cent. However, we must first look at the voluntary methods and education programs to encourage parents to immunise their children before we consider the introduction of compulsory vaccination. This is a vexed issue for parents when they are putting their children into child care centres. There is a debate about the rights of each individual child as opposed to the rights of the other children in the centre. I appreciate the work Hon Barbara Scott has done on this issue and the expertise she has in this area. I am sure that a report generated by this select committee will be eagerly read and hopefully eagerly acted upon.

**HON GIZ WATSON** (North Metropolitan) [9.33 pm]: The Greens (WA) also support the establishment of this committee. I commend Hon Barbara Scott for having introduced this motion.

I note that the select committee is to have a number of terms of reference, but those stated are not limited. I will raise a couple of matters that I believe it would be useful for the committee to consider. I have already made mention of these to the honourable member.

It is important that the committee examine the effectiveness and risks associated with alternative methods of vaccination, including homeopathic methods. I welcome that consideration because there have been some interesting findings in the area of non-traditional vaccination.

The issue of vaccination is very complex and raises many emotions and concerns among everyone concerned, especially when we are talking about the health of babies. The information I have been given indicates that there are obviously dangers associated with vaccination. I would like the committee to take a very careful look at the various case studies of vaccination resulting in death and injury to babies.

We should not forget that vaccination is a medical procedure. That is often forgotten in the debate, which is primarily about encouraging people to have children vaccinated. However, we cannot forget the risks attendant upon any medical procedure. The Greens (WA) will continue to support a pro information approach to vaccination; that is, the parents must be provided with all the necessary information and be encouraged to make informed choices. The role of doctors is to give advice and parents should be encouraged to make their decision on that basis.

I request that the committee consider the link between vaccination and cot deaths. An article in *Natural Health* dated August-September 1991 entitled "Cot death & vaccination link" by Dr Viera Scheibner PhD and her husband Lief Karlson states -

Initially we did not know about the controversy surrounding vaccination. We merely observed that vaccination was the single greatest cause of stress in small babies, as indicated by the standard Cotwatch equipment, and also the single greatest factor preceding cot death in a large number of cases. We concluded that the timing of 80% of the cot deaths occurring between the second and sixth months is due to the cumulative effect of infections, timing of immunisations and some inherent specifics in the baby's early development.

I raise that because I would appreciate the committee's looking into the link, which certainly has been examined overseas.

**HON KEN TRAVERS** (North Metropolitan) [9.38 pm]: I do not wish to say too much tonight or to prejudge the deliberations of the committee. As the Labor Party's nominee, I hope to be able to serve on the committee. I do so on the basis that the issue of immunisation and vaccination is relevant to a large number of my constituents in the North Metropolitan Region. As members are aware, the outer areas of my electorate are home to a large number of very young children. This is a significant issue with which their parents must deal and on which they must make judgments.

If this committee is in a position to gain information to inform people to help them make decisions, it will be of great assistance. Paragraph 2(d) of the committee's terms of reference refers to the "cost of vaccines, vaccination, and cost-recovery". The effect that has on the level of immunisation in our community is a matter of great significance to young families facing many financial pressures, particularly those in the outer areas of the North Metropolitan Region.

In relation to Hon Giz Watson's comments, I realise that a range of conflicting evidence can be found, and that it will not be easy for the committee to bring together all that evidence. I do not intend to be totally flippant, but it is a shame there is not a vaccination for head lice - a matter of interest to me - as that subject almost fits into the terms of reference! However, it will not be the case.

I look forward to serving on the committee. I suspect that I will be its only male member, and it is a pity that we are assigned to issues on a gender basis. Nevertheless, I am sure that other members of the committee will give me advice on my first select committee of this House, if the motion and my nomination are successful. I support the motion and look forward to providing a report to the House at a later date.

**HON MURIEL PATTERSON** (South West) [9.42 pm]: Much of what has been said in this debate has been positive. After reading a number of case studies, I see the benefit of immunisation but there are some parents' concerns about side effects. As this is an ongoing and serious situation, the Government should look seriously for a suitable answer. I hope I will be a successful nominee and I look forward to working with the committee.

**HON KIM CHANCE** (Agricultural) [9.43 pm]: In keeping with other speakers, I will also be brief. Unlike most members, with a few exceptions, I am old enough to remember the outbreak of polio and diphtheria in this country in the 1950s. I was very young but I remember the concern expressed at the time. Once immunisation became available, it sparked a very large program to combat preventable diseases. I guess that the program of immunisation carried out once the vaccines became available was more important than the current program.

In introducing the matter, Hon Barbara Scott suggested that we may have become complacent as a society about the immunology available to us. Recently I heard on the radio that one area in which Aboriginal health in remote communities is far better than the WA average is in the area of immunisation rates. Perhaps this is due to the close control maintained over the communities and the regular visits made, where available, by primary health care workers. Those communities are setting an example to us all.



I speak on this motion to terms of reference 2(c), (d) and (e), and possibly (f). Paragraph (c) refers to the effectiveness of vaccines and the incidence of risk. Paragraph (d) refers to the cost of vaccines, vaccination and cost-recovery. I asked question without notice 1005 in this place on 12 November concerning the vaccine that we know as triple antigen, otherwise known as the acellular vaccine DTPa. This effectively replaces the old triple antigen DTPw, which is a cellular vaccine.

For members who, like me, rated football ahead of biology at high school, the difference between a cellular and an acellular vaccine can be illustrated by comparing a cell with an egg. In a cellular vaccine, one has the whole egg - the shell, the white and the yolk. In an acellular vaccine, one has the little part at the top of the yolk, which is the effective organism.

The side effects of DTPw, the old triple antigen, are essentially greater as a result of the whole cell influence. The difference between the two vaccines is effectively as great as the difference between chalk and cheese. In the third part of my question, I asked whether the use of DTPw is associated with higher levels of local swelling, soreness, irritability, fever, persistent crying, hyper-responsiveness and seizures than is DTPa. The answer from the Minister representing the Minister for Health was, "Yes, for all of those conditions."

Although DTPw is cheaper and reasonably effective, it carries with it a range of unpleasant side effects, including some very serious ones in a tiny proportion of those immunised in that way. DTPw has effectively been replaced by the much more expensive DTPa. Our financial arrangements with the Commonwealth have caused the State Government to limit the number of children immunised with DTPa. As a result of financial strictures, a number of babies will be immunised with the old vaccine which has some extremely unpleasant side effects.

Part (4) of my question was whether the State Government would make up the shortfall in the immunisation funding which has caused this repressive change to occur. I think the word should have been "regressive", but I did not correct my copy. The answer provided was no. That is a sad situation for all of us.

Acknowledging that a problem exists with commonwealth funding, I do not directly lay the issue at the door of the State Government. Indeed, the State Government went out of its way to make as much DTPa available as possible. Nevertheless, it is a serious state of affairs. We have a superior product with fewer side effects, but we are unable to make the vaccine available to babies, in particular, as a result of financial strictures, and that is setting aside the fact that DTPa is more effective than DTPw.

I hope that the committee can look at this issue closely. Again acknowledging the difficulty the State has in funding its Health budget, it is a mistake for us to continue to insist on the use of DTPw as it discourages people from having children immunised. Unless we provide the best available vaccines, it will provide another impediment to the immunisation of children.

**HON B.M. SCOTT** (South Metropolitan) [9.49 pm]: I thank members in the Chamber who have shown this evening that they support this move. That support is very much appreciated. From reading the headlines the past few months it would seem that we were living in the 1890s and not the 1990s. To apprise the House of some of those headlines and to remind members of the issues I raised on 11 June, I refer members to the following headlines from *The West Australian* and the *Sunday Times*: "Plague of whooping cough may worsen"; "Whooping cough epidemic marches west"; "Measles battle looms"; "New vaccine for whooping cough"; and "Death feared in slow vaccine take-up". A number of those issues have been covered by previous speakers; however, I will address briefly some of them.

Hon Norm Kelly raised the issue of compulsory vaccination and of compensation. Those are two issues the Government will not pre-empt prior to a select committee examining the issues, but they are issues we undertake to investigate.

Hon Giz Watson mentioned alternative methods that could be used and the importance of parents having that information. One of the terms of reference covers that concern she holds; that some parents believe in homeopathic resolutions. Her support that overrides all of that is that parents should be encouraged to vaccinate. Importantly, a link was made between vaccination and cot deaths and vaccination being a major cause of stress in newborn babies. All members would share that concern. It will be one of the responsibilities of the committee to investigate whether a link exists. I believe that sort of research would be one of the priorities of this committee.

Hon Ken Travers raised the issue of cost effectiveness and said North Metropolitan Region, which he represents, includes many babies and young children. I agree with his comments. South Metropolitan Region, which I represent, has the lowest rate of immunisation: 30 per cent of children in South Metropolitan Region are under-immunised.

I thank Hon Muriel Patterson for her support and I look forward to her being a member of this committee. Hon Kim Chance reminded us of the serious epidemics that were experienced in this State in 1948 and 1952. A brother and

a sister of mine came down with polio. That sister carries the lifelong legacy of polio. Hon Kim Chance mentioned that the rate of immunisation then was higher. Western Australia now has a 55 per cent rate of immunisation against whooping cough. The rate for immunisation against measles is better, but across Australia the rate is a low 53 per cent. I know from discussions with the Ministers for Health here and federally that the federal Minister was delighted that this Parliament proposed this select committee. Therefore, I am pleased to have support in the Chamber tonight.

Hon Kim Chance mentioned also the new acellular pertussis vaccine that is available for whooping cough. I am pleased to inform Hon Kim Chance and members of the House that the TVW Telethon Institute for Child Health Research in Western Australia, led by Dr Fiona Stanley, is conducting a research project on 150 children to ascertain the effectiveness of that new vaccine because no documented research indicates that the cost of that is substantiated.

As I have said in this Chamber a number of times, public policy should be directed by sound research. That is why we are fortunate in Western Australia to have Dr Stanley and the Institute for Child Health Research. I am pleased it is conducting that research because the fears that are raised by many parents about the side effects of the triple antigen have been that if there is a better alternative, we should look for that. The Health Department has given the Western Australian public a warning. There has been a death in Western Australia from whooping cough in recent weeks and there have been seven deaths across Australia. That is an alarming statistic. The health warning is clear: That figure will rise if the rate of vaccination is not increased. A warning that Australia faces a measles epidemic next year is of great concern. There are moves to identify areas where children are not vaccinated. Five hundred thousand Australian children are not vaccinated against measles. The Minister for Health made it clear that there will be a push to reverse that trend.

The terms of reference that have been spoken about cover most of the concerns members have raised and that parents have raised with me. If this select committee can investigate those terms of reference in detail and take advantage of local, interstate or overseas research, it will come up with a public policy that is acceptable for most and that will turn around an increase in the huge incidence of common early childhood diseases. Whooping cough is one of the most debilitating diseases from which babies can suffer and it sometimes ends in death.

The House must be reminded of the possible looming measles epidemic and the battle that will be required to fight that. Members are fully aware that measles, which can kill or cause permanent health defects such as deafness and intellectual retardation, is often more serious than other common early childhood diseases. An article in the *Sunday Times* headed "Measles battle looms" states -

Dr Wooldridge said a major measles epidemic would put 800 Australian children in hospital with pneumonia. At least 10 would suffer serious inflammation of the brain and about 25 would die.

I am pleased that tonight in the Chamber we have agreement from all sides. I look forward to taking a leading role in this committee. I thank members who have spoken this evening and members in the Chamber for their support. As a Parliament we have a responsibility to the whole of Western Australia and we will lead Australia in setting up this select committee. It is hoped our findings will lead to good resolutions and solutions to the problem that faces not only Western Australia, but Australia as a whole.

Question put and passed.

#### *Appointment*

On motion without notice by Hon B.M. Scott, resolved -

That Hon Muriel Patterson, Hon Ken Travers and the mover of the motion be appointed members of the Select Committee into Immunisation and Vaccination Rates in Children.

### **APPROPRIATION (CONSOLIDATED FUND) BILL (No 3)**

#### *Second Reading*

Resumed from an earlier stage of the sitting.

**HON KEN TRAVERS** (North Metropolitan) [10.00 pm]: I will continue in a similar vein to Hon Ed Dermer and comment on the City of Wanneroo and the report recently tabled in this House of the royal commission into that local government authority.

I first put on the record that in dealings with a number of the councillors in the City of Wanneroo in my time as a representative of the North Metropolitan Region I have found them to be good people whose intentions have been to serve the community interest. I recognise that those people are of various political persuasions. I feel that many of the people with whom I have had dealings have felt that they were attempting to operate in the best interests of the community.

I support the decision of the Opposition to call for the council to be sacked. It is a great shame that the Minister for Local Government did not take a recommendation to the Cabinet meeting two weeks ago to bring that about, and to bring forward the process which we all know is going on to split the city - most people in that area have realised that will happen regardless - rather than leave the decision in abeyance. The Royal Commission into the City of Wanneroo came about because of concerns raised by the Australian Labor Party over a number of years. Allegations were constantly being made about activities in the City of Wanneroo. Although evidence has not been found to support a number of those allegations, a significant number have been proved. The commission's report has confirmed that corruption existed. It was not systemic, but it involved a number of individuals.

Probably the most important issue in that report was that one of those people who was found to have acted improperly and corruptly was identified by the royal commission as heading a controlling faction on that council. It was a Liberal Party faction. The royal commission identified that person as being a person of influence. As Hon Ed Dermer has already brought to the attention of this House, that person had significant influence over the council. That person had that influence over that council because he controlled the Liberal Party faction on it. It is also interesting to consider the history of the councillors on the City of Wanneroo at that time and to note those who have since become members of the Western Australian Parliament or people who are close to members of the Western Australian Parliament: Hon Alan Carstairs, Mr Iain MacLean and Mr Rob Johnson, to name but a few. A significant number of councillors at that time sought preselection within the Liberal Party or ran as candidates on behalf of the Liberal Party for state seats. The report identified a significant number of those councillors who, if they did not run as Liberal Party candidates, ran as independent candidates supporting the Liberal Party. The term used was "runners" at the state election. Members need go no further than page 341 of volume 2 of the report which states -

In February 1989 Mrs Waters ran for election to the Legislative Assembly for the seat of Wanneroo as an independent. She did so at the request of Mr Cooper, who was the endorsed Liberal candidate for the seat, and with no realistic expectation of winning.

The report of the royal commission also details a number of systems that were put in place for hiding donations to members of the council. The report identifies money that went to support Liberal Party candidates and their running mates. Again I urge members to read volume 2, chapter 11, which is an interesting chapter of the royal commission report. I refer particularly to page 353 under the heading "Summary of findings", which states -

- (h) Payment of the \$15,000.00 was made to Dr Bradshaw through a clandestine route designed to disguise the true nature of the transaction. While Mr Ryan and Mr Fermanis may have been advised that Dr Bradshaw intended to use the money for the purposes of the Liberal Party, the payment was to Dr Bradshaw and not the Liberal Party.
- (i) Dr Bradshaw dealt with the money as his own but expended at least a portion to advance the cause of the Liberal Party. He has failed by a wide margin to account for the expenditure of the \$15,000.00.
- (j) The arrangement, payment and receipt of money referred to in findings (f), (g) and (h) above, were corrupt. The matter will be referred to the Director of Public Prosecutions.

Nowhere in the report is it clearer that corrupt money was received and was funnelled or channelled through to the Liberal Party. It is unfortunate that the terms of reference did not allow a full chase of the money trail. That is an issue that still needs to be brought to conclusion. It is one of the reasons that certain actions have not been taken with the speed they should have and other actions have not been taken to locate and identify the full money trail and how much of the corrupt payments received by councillors in the City of Wanneroo were funnelled through to the Liberal Party.

Members opposite may take this as gratuitous advice, but my advice to the Liberal Party and to the honest members opposite in whom I have faith is that they should apply pressure within their party system to ensure a proper inquiry into that issue, so their names can be cleared and they are not dragged into this mire. The more people try to hide, the more it will look as though they have something to hide. I know they do not, which is why in their own interests I urge them to ensure a proper inquiry is held into the money that was taken in that period.

Hon E.R.J. Dermer: Very sound advice.

Hon Derrick Tomlinson: Very good advice.

Hon KEN TRAVERS: The other issue that was made clear throughout the royal commission was that the Liberal faction to which I referred earlier, which controlled the council - the famous five, as we should refer to them -

Hon E.R.J. Dermer: The infamous five.

Hon KEN TRAVERS: Yes. The infamous five, who had a number of buddies coming along from time to time with support for them, did not operate in the interests of the residents of the City of Wanneroo. The fact that they acted

as a faction and met prior to council meetings to seek to get their own agenda up and to undermine the position of other councillors who were operating in what they thought were the best interests of the residents of Wanneroo is a damning indictment of those people. That is only a brief history of some pertinent points in the final report of the Wanneroo royal commission report that was tabled in this House.

I want to bring the issue up to date. To do that we need look no further than the addendum to the royal commission report. The last paragraph of the addendum on volume 1 states -

The observation that "the City of Wanneroo of the late 1980's and early 1990's is significantly removed from the present day operation of this progressive, responsive and responsible local government" is at odds with the evidence given to this Commission by council officers and I do not accept it as an answer to the criticisms levelled in this report.

I am still of the view that undesirable attitudes are so entrenched in the culture of the City of Wanneroo that external intervention on the matters referred to in this report and close supervision on ethics and accountability generally will be required, at least for some time yet.

In the paragraph immediately above that Commissioner Davis said -

What is required in the long term is an ability on the part of City of Wanneroo officials to accept criticism rather than rejecting it out of hand or asserting that the effluxion of time makes any criticism out of date and inapplicable in present circumstances.

An interesting article containing the comments of some councillors appears in today's *Wanneroo Times*. Although throughout my speech I will not name individual councillors I urge people to examine the article and note some of the comments made by the present councillors.

Hon Derrick Tomlinson: Suspended councillors.

Hon KEN TRAVERS: Hon Derrick Tomlinson is quite right. Some are supportive of the Government's move, but some adopt the attitude, to which the royal commissioner referred, of rejecting rather than accepting the criticism that has been put on the table. In going further, I ask members to consider whether recent events have any similarity to events of five years ago.

Hon Derrick Tomlinson: Under the commissioners.

Hon KEN TRAVERS: First, as Hon Ed Dermer pointed out, the member for Victoria Park in the other place introduced a Bill to provide accountability for election donations. He did that because no system is in place which enables accountability for election donations in local government. I wish I had some of the money to spend on state government election campaigns that was spent on the most recent by-election for the City of Wanneroo. A significant amount of money was spent on that election. However, I am not alleging that that money came from corrupt sources; I am only placing on the record the similarity between what happened five years ago and some of the trends still present in the City of Wanneroo.

The second point concerned the number of councillors now in the City of Wanneroo who sought preselection or ran as candidates for the Liberal Party or, for that matter, were running mates for members of the Liberal Party in federal and state elections in recent years. Some of the newspaper clippings covering the preselections in Wanneroo reveal the names of councillors who ran for council seats and the number who sought Liberal Party preselection.

I refer to another area which highlights major problems in the City of Wanneroo. Around 9 September I referred to an inquiry by the Department of Local Government into the granting of development approval for lot 560 Manakoora Rise, Sorrento. The actions are a very damning indictment of the practices and procedures of the City of Wanneroo. Although I acknowledge that the report found no evidence of corruption it said that the council has a reputation for factionalism and corruption and the history of the association of the council served to fuel the perception of corrupt or improper practices.

Although that inquiry did not find anything corrupt it found that gross incompetence occurred. I understand a committee of inquiry will be established by the Minister which will examine the council over the next three months. That is a very good thing and I hope it will examine a number of the allegations that are rife in the northern suburbs about the improper conduct that appears to continue in the City of Wanneroo.

A number of allegations have been made to me that a Liberal Party faction is still operating on the City of Wanneroo council that tends to vote as a block. Allegations have also been brought to my attention that after being elected, councillors have been heaved by fellow councillors because their council election campaigns were paid for by certain people to whom they therefore owed allegiance. Those allegations are still occurring in the northern suburbs.

Earlier this year, I think three nights in a row, a sitting councillor who sought re-election for the City of Wanneroo was stopped in his motor vehicle by the police for random breath testing. He was arrested, taken to the police station and charged with, I think, refusing to take a breathalyser test - I am not sure of the exact nature of the charges. A week later the charges were dropped. However, I understand from a report in the newspaper some time ago that a police officer at the Joondalup police station was placed on internal charges. I am not aware of the outcome of those charges, nor whether they have been concluded. However, they raise concerns about the link between that situation and the council elections at the time.

Hon Derrick Tomlinson: What was the nature of the charges?

Hon KEN TRAVERS: The charge was conduct unbecoming a police officer. I understand it was related directly to the arrest of the councillor.

Hon John Halden: The Liberal Party has a regular, well-known link with the Police Force.

Hon KEN TRAVERS: That is right; it is not the first time. It is a link similar to that which happened in the past in Wanneroo. I also understand from allegations in the northern suburbs that councillors on the City of Wanneroo had access to documents from the Royal Commission into the City of Wanneroo that they should not have had. That is probably the most serious allegation. I have no intention of naming people, but I hope that matter is being fully and properly investigated by the appropriate bodies. That is a very sad indictment of the situation. We can draw a number of parallels between when this narrow report was conducted into the City of Wanneroo and what is seen there even to this day.

I repeat my earlier comments about the unfortunate repercussions all this is having on those councillors who, in my experience, have been operating in the best interests of the residents of the City of Wanneroo. It is most unfortunate that a very solid Liberal faction appears to be operating on that council which, allegedly, actively sought to achieve positions on the council following the recent local government elections last May.

The situation today is similar to that in 1993 when allegations about the City of Wanneroo were brought to Parliament; that is, this Government seeks to delay, obstruct and avoid answering questions about the City of Wanneroo inquiry. A number of questions have been asked of the Minister representing the Minister for Local Government, which seek to reveal whether the five commissioners appointed to run the city must disclose any financial interests they or their companies have in matters placed before them. The questions seek to reveal whether the public can make submissions to the inquiry, and whether witnesses will be legally protected when giving evidence to the inquiry. How close to the powers of a royal commission will the powers of this inquiry be? Our questions have sought to reveal whether the City of Wanneroo has estimated its potential liability to pay compensation to people and businesses adversely affected by unfair and improper decisions of the council.

Hon John Halden: Did their insurers know?

Hon KEN TRAVERS: The insurers had to pay out on the Manakoora Rise deal as I understand it, so they are probably very concerned about their liability.

Hon John Halden: It will be interesting to see what the contract contains.

Hon KEN TRAVERS: We still have a Government which seeks to avoid, duck, dive, weave and hide from answering basic questions on the City of Wanneroo and the current inquiry. This Government is placing another burden on the ratepayers of the City of Wanneroo to the tune of \$100 000 for the appointment of the commissioners. I hope the commissioners are given the power, the terms of reference and the resources to properly investigate the City of Wanneroo and to discover whether it is still operating in a similar manner. Commissioner Davis said that he felt that was the case. I hope that members opposite will put pressure on their party to ensure that an inquiry is carried out into how much money was received by councillors identified as being corrupt during the early 1990s in the City of Wanneroo, how much of that money found its way into the Liberal Party coffers, where that money was spent and for what purpose. One need only turn to the newspaper clippings referring to the internal strife in the Liberal Party at the time to find out where some of the money could have been used.

It is unfortunate that the people of Wanneroo now have no confidence in their local government authority. That lack of confidence has increased over a number of years. I have no pleasure in saying that the City of Wanneroo must be dismissed. Unfortunately, I suspect that it must be split so that the residents in the area can have their confidence in local government restored; that they can be assured that the council will have boundaries that will ensure that when they elect councillors to represent their interests, they will do exactly that; that they will not form a Liberal Party faction and represent the interests of that faction, the members of the faction, and allow corruption to recur. I implore the Government to take the necessary action.

**HON JOHN HALDEN** (South Metropolitan) [10.24 pm]: I refer to the Government's stance on commonwealth-

state financial relations, and the Premier's lemming-like decision that a goods and services tax will be the reformer of all aspects of our taxation system. I understand that the Premier is a fairly simple soul, but it is about time he began to talk to the people of Western Australia about the facts surrounding a goods and services tax. Such a tax will not be the panacea to the State's difficulties pertaining to commonwealth-state financial relationships. Nothing implicit in what we have heard to date will bring any improvement in that area, if we have a GST. Members opposite tried a GST in 1994.

Hon Derrick Tomlinson: Paul Keating did it in 1993.

Hon JOHN HALDEN: He was not successful either. I was there, and I know how I voted.

Hon Kim Chance: He realised it was not possible.

Hon JOHN HALDEN: I understand the great difficulty of the 1994 proposition, and the great complication in how members opposite tried to sell the GST. If they think they can sell a simpler version this time, they are wrong. At the end of the day, a GST is a very simple tax. It will have certain beneficiaries, and it will also disadvantage some people. It is not accidental that the proponents of a GST are the rich and big business people in this nation, because the beneficiaries of such a tax will be them; it will be no-one else but them! It will not deliver a fairer taxation system and it will not deliver a more efficient taxation system. It will deliver a taxation system that will require small business throughout the nation to become tax collectors, and obviously it will pass to them the burdens of taxation.

What will be the impact on Western Australian and Australian citizens of a goods and services tax? If members thought the last campaign hit hard, this one will hit just as hard for the same reasons. Treasurer Costello proposes a 15 per cent GST. If we replace the GST with a wholesale tax, coupled with a 20 per cent reduction in income tax, what will be the impact on the average couple aged more than 65 years? The couple will pay 18 to 20 per cent more in tax. I invite members opposite to try to sell this proposition to those people. I invite them to take this proposition to the next federal election, because I know that when running a federal campaign I will be delighted to slaughter members opposite, as we did last time. The proposition is unsaleable.

What will be the impact of a GST on an average one parent household with dependent children? These are average Australians. The household will be \$15 a week worse off. Will there be any benefit to the average Australian family with two children and with both parents working? The evidence suggests there will be neither gain nor detriment to that family. Who will benefit most from this tax? High income earners will pay 10 per cent less tax overall.

A study conducted by the Australian Council of Social Services in 1994 deduced that the poorest 10 per cent of households in this nation paid 22.6 per cent of their income in indirect taxes, while the top 10 per cent paid 5.7 per cent. This tax will increase that burden. The poorest 10 per cent of families will pay more and the richest 10 per cent will pay less.

Hon Kim Chance: It's a con job.

Hon JOHN HALDEN: It is. I invite government members to take it to the electorate at the next election, because the result will be the same. It is nothing but a con job. A GST does not provide an efficient taxation collecting mechanism; in fact, the Government's allies, as it tells us so regularly, small businesses, will be appalled by it. They will hate the Government for this.

The Opposition will make sure that small business knows the implications of a GST and what it will be like to be a voluntary, unpaid tax collector. There is a litany of history in the British experience for them to consider. The Opposition will be delighted for the Government to explain those details to them and to rationalise the additional costs on small business to collect this iniquitous tax. Those opposite and their supporters, or perhaps those who are leading those opposite - the rich and high income earners of this nation - will promote the significant benefits of a GST taxation regime. They will tell us, as they did in Fightback, that it will do away with the black economy. In fact, taxation experts of any political persuasion are not confident at all that a GST will catch a significant level of revenue from those who want to avoid it. Those opposite, their supporters and those who lead them will tell us that a GST will significantly help to cure unemployment. What a load of nonsense! There is only one thing that will cure unemployment - economic growth, particularly in small business, and particularly in Western Australia, which is dominated by small business. Small business will be negatively impacted upon by this taxation regime. The Government should try selling it! It will be unsuccessful in selling it in Western Australia.

We may start with a 15 per cent GST, but how long will it remain at 15 per cent, given that with a 15 per cent GST and a 20 per cent cut in income tax, we will break even? The Government will have to compensate those at the very bottom. Whether the Government likes it or not, as happened in the issue of health care costs for the aged, it will have to change its policy, because it will be politically intolerable. The only two ways out for the Government is to reduce the cuts in income tax or increase the rate of the GST.

Increasing the rate of a GST is not something unheard of in OECD nations. In fact, it has been pointed out that 25 of the 27 OECD nations have a GST and that of those 25, 21 have increased their GST from the time they were initially introduced. Some, I admit, have increased their GSTs moderately over a long period, including the United Kingdom. Some on the other hand have made some significant increases. However, at the end of the day, it is a tax that only breaks even. It impacts upon the poorest and the Government will have to compensate them. The Government will have to make the decision: Which one of the two will be cut, or which services should be cut? I welcome the Government taking this approach, because it will end in its political suicide.

It is unfortunate that the Government has not come clean over what a GST is and whom it will affect most. People will pay more under a GST system. I know that many of the things to which a GST will apply do not mean a lot to some, but to many in our community, increasing the prices of basic commodities will result in their changing their minds about how they feel about the coalition Government. The best example is food. If the Government wants to increase the price of bread, milk and staples by 15 per cent, it should go ahead; it will not last an election. What about a GST on clothing, holidays, the movies, maintenance, building, haircuts, magazines, private school fees, fridges, stoves, washing machines and, above all else, the home? The Australian dream will be dearer. I wish the Government luck selling it, because it is not saleable. However, I hope it tries because it will come unstuck on a very sticky wicket.

There is a group in our community that is not opposed to a GST. It includes the people who have most to gain from a GST. They are the people who will pay a reduced portion of their current income in tax than they do currently - that is, big business and the rich of this nation. Those opposite, particularly their federal counterparts, have spoken with great gusto about how they want to help the battlers. I welcome them to the battlefield! Let us see who wins the battle this time.

Not one government member has questioned the words of our silly Premier, who runs around looking for simple solutions to particularly complex problems. Commonwealth-state financial relationships will not be solved by a GST. The GST is not a knight on a white horse coming to the rescue of the Australian taxation system. It is nothing more than a device, like all the other taxation devices. It brings with it certain advantages and disadvantages. Those whom it disadvantages most are clearly identified. I presume the people will not take kindly to the arrogance of the Government in ignoring their plight.

It is often difficult in the lead up to these matters, for the poor, disadvantaged and even those who are better off politically to counter the enormous resources of big business - the wealthy and the conservative political parties. However, rest assured, when it comes to an election, whatever resources we have, which will be less than the Government has, we will mount an attack to take away this iniquitous tax or remove the threat of this regressive taxation system.

There is nothing government members can say about the problems of this system, bearing in mind that it is cost neutral, that it is not proposed to be on a differential basis, that it only proposes a 20 per cent reduction in income tax, and that it does not stop the black market. It will be a highly expensive tax for small business and business per se to administer. There is no way that this tax can be justified to those people.

I will conclude my remarks by saying again that only one significant group in our society will benefit from a goods and services tax - the proponents of it. They support it out of nothing but self-interest and greed. Members opposite, who I occasionally think are politically smart, will fall for it again. However, they will not fall for it and be able to think that we will not take them on, because we will. I do not want to hear that we will be able to get rid of the payroll tax, which will be good because we will employ more people. That tax is an absolute misnomer. It is often difficult for people to come to the realisation that, yes, payroll tax is a disincentive to employment, but the reality is that any tax is a disincentive to employment. If people did not pay tax they would make more money and spend more and employ more people. We decided as a community to involve the Government somewhere in that equation and that it had to act for the common good. Any suggestion that payroll tax would be abandoned will not in any way assist employment. As I have said, employment will be assisted by economic growth. This tax will not assist that for the very reasons I have suggested.

I thought it appropriate to make those remarks on this appropriation Bill. I would be interested to hear the Minister for Finance's views on a GST and the support I have heard for it from the Premier. I would also be interested to hear him indicate to us whether his view is that he and his federal colleagues will take it into the next election. I invite him to do so and I invite him to then watch the demise of the Federal Liberal Government.

**HON KIM CHANCE** (Agricultural) [10.42 pm]: I, too, would like to touch briefly on the subject of a goods and services tax. It is entirely appropriate for me to do that in the context of a debate on this Bill. I need only be very brief because Hon John Halden has covered it comprehensively. With the GST is a very simple message which is relatively easy to sell to people because at the end of the day it is simple to understand. If we anticipate that the

outcome of a GST will be revenue neutral, it means that it will have the same outcome at the end of the day for Treasury receipts. That may or may not be the position, I quite understand, but it is easier to start the explanation from the point of revenue neutrality. We acknowledge that some people will win out of the GST proposition. From those people we get the message through almost a cargo cult belief that the GST is some kind of white knight come to rescue not only the taxpayers but also the Treasury of Australia. If there are winners, then it follows that there are losers in exactly the same proportion. However, we never hear about losers.

Hon Derrick Tomlinson: You will not hear about these particular losers, because losers will only contact you once they are losers.

Hon KIM CHANCE: Perhaps Hon Derrick Tomlinson listens to different people from those to whom I listen. I have run into a number of proponents of the concept of a GST. The one thing they seem to have in common is that they are in groups which I would identify as potentially the winners.

Hon Derrick Tomlinson: Yes, the proponents.

Hon KIM CHANCE: There are two groups of people: On one hand the proponents and the winners from the equation -

Hon Derrick Tomlinson: My proposition is this: If a GST were introduced, who would you expect to hear from - the winners or the losers?

Hon KIM CHANCE: I would expect that post facto one would hear from the losers and before the fact one would hear from the winners.

My history with a GST and its theory probably goes back almost as long as that of Paul Keating. I can remember it being a proposition driven out of the National Farmers Federation's economics division. The economist Gus Hooks drove it. He came to speak to the Western Australian affiliate of the NFF, which is the Western Australian Farmers Federation. He spoke to the economics committee, of which at the time I was chairperson. He gave a very convincing and appealing proposition to us as farmer representatives as to why the GST was an attractive proposition. When we sat down and worked our way through it, we found that farmers were winners but only at the margin. That margin quickly evaporated if the GST had the effect of raising the inflation rate and thus interest rates, because an interest rise at that time of about 0.5 points on the average Western Australian wheat growers' debt wiped out any material gain for them.

I am more concerned not with the specifics, although specifics are a very good thing and Hon John Halden has already spoken about them, but the generality. If the effect is revenue neutral then for every dollar won there will be a dollar lost. Who will be the losers? As Hon John Halden said, the losers will inevitably be the poor. That will always be so because of the new areas that would be taxed under a GST which are not taxed under the wholesale tax system. Those will be the people for whom food, currently untaxed in the main, forms a large part of their expendable budget, and those who rent their houses. They will lose, and lose in large lumps. It is argued that one can adjust that out by making changes on the margins in the income tax system. A lot of those people either do not pay income tax or pay income tax at such a low level that it is irrelevant.

Hon Derrick Tomlinson: Like farmers!

Hon KIM CHANCE: To be fair to my former colleagues in that occupation, I do not think there are many not paying a great deal of tax at the moment, particularly among grain growers. Certainly wool producers and some beef producers are having a battle in the pastoral zone.

Hon Murray Montgomery: Not only in the pastoral zone.

Hon KIM CHANCE: Quite. The message from Hon John Halden needs to be understood very clearly. I have no objection to the concept of a GST being part of the broader discussions on tax reform. We need to look at tax reform. Any member of the State Parliament who does not accept the need to address some of the problems, particularly those which exist in the commonwealth and state financial arrangements, needs to open his or her eyes a bit because we have a very severe problem.

Hon Derrick Tomlinson: The real problem is not the levy but the redistribution.

Hon KIM CHANCE: That is the same with any form of tax. My only message is that while I am quite happy for the goods and services tax to remain on the table and be discussed fairly, it should be discussed next time without the politics and with a full understanding of what it means. It will never be a white knight. Those who present the GST as the answer to our problems are fostering a cargo cult mentality that the GST can provide something that it simply cannot. No reasonable explanation of the GST can include that possibility.



Very briefly I will turn to the report from the Auditor General of Western Australia entitled "Private Care for Public Patients: The Joondalup Health Campus", tabled in the House today. It is report No 9, dated November 1997. Some disturbing information regarding the proposed Joondalup Health Campus is contained in this report. It is no news to members opposite that this proposition has not been favoured by the Australian Labor Party. At the time of its introduction some of us warned the Government to have a good look at the most comparable activities in other States for some guidance as to what might happen here. We pointed to the Port Macquarie hospital with which New South Wales taxpayers will be saddled for the next 20 years, a hospital which has an operating cost excess of 20 per cent over that of public hospitals. I also ask members opposite to look at a newer proposition, the Modbury Hospital Board of Management in the Adelaide suburb of Elizabeth where a very similar proposition to that in Joondalup was put forward. The Modbury hospital created tremendous problems for the South Australian Government in terms of its capital base and its ongoing funding.

The Joondalup Health Campus is an innovative proposition, but in the context of the privatisation motion moved by Hon Ljiljanna Ravlich, it is one we should have looked at much more closely before we adopted it. The key benefits I can see from the Joondalup proposition come from two areas: First, there is obviously a saving in capital expenditure because it was put in by the developers. Since it is a collocated hospital - that is, it combines both the private and public hospital care facilities in one unit - there are some clear advantages in terms of capital costs. The second advantage for the public is that in 20 years the private component of the hospital will become publicly owned; the ownership will revert to the State. Already the second of those two benefits has been largely watered down because the 20 years time frame has been expanded to 40 years. Most people with any experience in commercial structures will know that a 40 year old building could not be considered an asset; indeed from about year 15 onwards, it starts to become a liability.

In the short amount of time available to me in this debate, I will draw the attention of the House to some comments made by the Auditor General. Members should go through his report in their own time. In the third paragraph on page 2 the Auditor General advises about the model involving the public sector and the way in which the model was used to test against the private sector. It states -

It was not tested against the models involving the private sector through a competitive bid developed by the public sector.

Surely, one of the first things we should do, before launching into a commitment of this scale - this is a huge commitment; the total cumulative, nominal value of this contract is \$300m; it represents one-fifth of the Health budget for one year averaged on the total period of the contract - is to test it against the benchmarks which could be established by the private sector. That was not done. I have already said that the post facto testing of the Port Macquarie hospital's operating capacity and cost was higher than that for the publicly owned hospitals in New South Wales. In the second paragraph on page 3 of the report, the Auditor General states -

However, the planning phase of the project has provided only limited assurance that the contract provides the best benefits to the State as the Department only subjected the two Models to competitive bids and treated one of these as the preferred Model.

The Department's submissions -

That is, the Health Department of Western Australia -

- setting out the case for proceeding with the project did not include comprehensive evaluations of the benefits, costs and risks involved.

In other words, we went into this blind. In terms of those two key areas, the Auditor General says that we sailed in blind and made a \$300m commitment. The second last paragraph on page 3 of the report states -

It is possible that private sector costs could be significantly lower than traditional public sector design and building costs, but the size of this difference raises doubts about the validity of the benchmarking exercise.

Now another of the major underpinning factors - benchmarking - is falling over. The next paragraph states -

While there may be savings in the capital component relative to the public sector alternative -

I have already referred to that when I talked about the collocation. To continue -

- the benchmarking figure used by the Department to estimate the capital savings has a number of limitations so that there is no reliable estimate of the extent of any savings.

In the next paragraph, on page 4, the Auditor General states -

The contract does not provide any direct savings in service prices.

He then goes on to list a series of six additional risks, which include reduced flexibility; lack of competition; limited contractual control over the quality of services; a fixed availability charge with limited control over service quantity; a guaranteed offer to purchase a minimum quantity of services, although the minimum quantity can be gradually reduced; financial incentives for the operator to influence admission, treatment and discharge patterns; and potential overpayments because of incorrect coding of treatments.

When we devolve a public role of this nature we do not get rid of this responsibility; we retain a residual responsibility for a public entity. It remains our responsibility to provide adequate health care services in that area. What happens if for some reason, as happened at the Port Macquarie hospital, the service provider begins to fall down on the job?

We probably have three choices. The first is to allow the health care standard for Joondalup people to fall. We need only look at the Geraldton Health Service to see whether that is a serious option. It is most certainly happening there. Secondly, we can prop up the operators by funding their shortfalls, their losses or, thirdly, we can cancel the contract with the private sector operator. I must know just where we come out of this situation as a winner. I can see the capital advantages in that we do not have to put up the money immediately to build a very large structure. However, I have always wondered, and it seems as though the Auditor General is pretty unsure about it as well, whether at the end of the day we will come out ahead of the game by adopting this proposition.

**HON GIZ WATSON** (North Metropolitan) [11.00 pm]: I support the Bill, and in doing so I raise a matter of great concern regarding the proposed developments in the Kimberley region.

Debate adjourned, pursuant to standing orders.

## **WORKERS' COMPENSATION AND REHABILITATION AMENDMENT BILL**

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by Hon Max Evans (Minister for Finance), read a first time.

### *Second Reading*

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [11.01 pm]: I move -

That the Bill be now read a second time.

Members will appreciate that the legislative reforms to workers' compensation introduced by this Government in 1993 have resulted in a fairer and more cost efficient system. For example, since the introduction of these amendments there has been a significant average reduction of 35.5 per cent in recommended premium rates.

My colleague in the other place, the Minister for Labour Relations, recently introduced the 1997 amendment Bill which replaces and consolidates the major changes contained in the 1996 amendment Bill. That Bill was introduced, but not debated, in the 1996 spring session of Parliament. This Bill honours the Government's election commitments to reduce potential legal costs for injured workers where an employer appeals the decision of a review officer and to provide an option for permanently but partially incapacitated workers to redeem future weekly earnings. The Bill also contains minor adjustments to reflect developments in workers' compensation since the 1996 Bill was drafted.

The consolidated Bill streamlines and refines our workers' compensation scheme for the benefit of workers, employers and the community. The Bill benefits workers by -

providing that costs cannot be awarded against a worker by a compensation magistrate in cases where an appeal by the employer against a review officer's decision succeeds;

providing for automatic indexing of a number of key compensation entitlements including funeral expenses, wheelchairs, meals, board and lodging; and

allowing certain workers with a permanent partial incapacity to redeem their claim - this will enable workers who will not benefit by staying on workers' compensation to exit the system.

Employers will benefit from the Bill by -

increased protection through awareness of the fundamental obligation to hold a policy for workers' compensation insurance and by promoting equitable contribution to the premium pool through targeting the areas of recovery of avoided premiums, inspectors' powers and fines and penalties;

enabling working directors who have a beneficial interest in a company to elect whether to be included under a workers' compensation policy of insurance; and

extending the period for employers to appeal against the classification of industry or amount of premium assessed by their insurer.

The Bill also amends the Act to restore the original intent of Parliament. This will benefit the community by reducing unnecessary legal debate and therefore costs to the system and the parties to a dispute. This will be achieved by -

making greater allowances for a worker's capacity for work to be the major consideration if payments are reviewed, by emphasising his or her capacity for work instead of recovery from a disability;

empowering a medical assessment panel to determine a worker's capacity for work, thereby assisting in the resolution of disputes regarding a worker's medical condition by providing the flexibility to refer any or all medical questions to the medical assessment panel;

clarifying that the pecuniary loss threshold for entry to common law is based on the worker's future loss of earnings, consistent with the Government's original intent - this rectifies a problem arising from court interpretations that future pecuniary loss includes such items as health care costs, which were never intended to form part of this calculation; and

clarifying the original intent of the legislation by excluding from coverage sportspersons who perform promotional activities required as part of their sporting contract.

The Bill also makes a number of miscellaneous and technical amendments which correct drafting irregularities and references to sections of the Act which have been renumbered or repealed.

In summary, this Bill reflects the key role played by the major stakeholders through the Workers' Compensation and Rehabilitation Commission in the development of the reforms contained in it. Many aspects of the Western Australian workers' compensation system have been recognised by the heads of workers' compensation authorities as exemplifying national best practice. The Government will continue the process of consultation to ensure that the Act, when amended, will continue to provide a responsive workers' compensation system, best suited to the needs of the Western Australian community. I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

### **STATUTES (REPEALS AND MINOR AMENDMENTS) BILL (No 2)**

#### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by Hon N.F. Moore (Leader of the House), read a first time.

#### *Second Reading*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [11.06 pm]: I move -

That the Bill be now read a second time.

This is the third Bill introduced by this Government to revise Statute law by repealing spent, unnecessary or superseded Acts, and by making miscellaneous minor amendments to various Acts. Its aim is to make Parliament more efficient by reducing the number of amending Bills dealing with relatively minor legislative amendments and repeals. Amendments and repeals included in the Bill are required to be short and non-controversial. In addition, they must not impose or increase any obligation or adversely affect any existing rights.

The Bill contains amendments and repeals initiated by Ministers and also contains recommendations by the Parliamentary Counsel's Office for miscellaneous clerical corrections and amendments discovered when drafting other Bills or compiling reprints of Acts.

It is proposed to refer the Bill to the Standing Committee on Constitutional Affairs and Statutes Revision for detailed consideration.

Some of the specific provisions of the Bills are as follows: Clause 3 repeals the Albany Woollen Mills Ltd Agreement Act 1976. This Act ratified an agreement between the State of Western Australia and Albany Woollen Mills Ltd for the purpose of further development of Albany Woollen Mills Ltd in a decentralised location and for cognate purposes. Under the agreement, the obligations of Albany Woollen Mills Ltd ceased on 30 June 1983 while the obligations of the State ceased on 30 September 1982. The purpose of the Act has been fulfilled and the Act now serves no purpose.

Clauses 4 to 10 repeal various commonwealth and state housing agreement Acts. These Acts ratified and approved housing agreements made by the Commonwealth and the State of Western Australia between 1945 and 1981. The agreements have been superseded by later housing agreements.

Clause 11 repeals the Imperial Acts (Masters and Apprentices) Adopting Act 1873 which applies the common law of England as at January 1873 in relation to matters concerning masters and apprentices. Section 28 of the Industrial Training Act 1975 overrode the operation of that Act to the extent of any inconsistency. The relevant section of the Industrial Training Act 1975 will be repealed when part 7 of the Vocational Education and Training Act 1996 comes into operation. Therefore, it is intended to repeal the Imperial Acts (Masters and Apprentices) Adopting Act with effect from the day that the Industrial Training Act is repealed.

Clause 17 amends the Anatomy Act 1930 to provide that the Minister rather than the Governor may authorise schools of anatomy. The existing system has been found to be unwieldy and expensive to administer. The expanding role of health education and the number of other professions that have the study of anatomy prescribed as part of their curriculum make it appropriate that a more flexible administrative structure be adopted.

Clause 20 amends the Bush Fires Act 1954 to enable the Bureau of Meteorology to issue separate morning and afternoon fire danger forecasts to take into account the considerable variation of the fire danger index that may occur during a particular day, especially in an area such as the Perth metropolitan hills.

In order to assist members in their consideration of the Bill, explanatory notes on each clause repealing and amending a Statute have been prepared. These notes will be made available on request. I commend the Bill to the House.

Debate adjourned, on motion by Hon Bob Thomas.

**COMMERCIAL ARBITRATION AMENDMENT BILL**

*Returned*

Bill returned from the Assembly without amendment.

*House adjourned at 11.09 pm*

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### QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

#### EDUCATION - ABORIGINAL LANGUAGES AND CULTURE

##### *Teaching Programs*

839. Hon TOM STEPHENS to the Leader of the House representing the Minister for Education:

- (1) Does the Education Department have any teaching programs in -
  - (a) Aboriginal languages; and
  - (b) Aboriginal culture?
- (2) If so, in respect of Aboriginal languages -
  - (a) which language is taught;
  - (b) at which schools is it taught; and
  - (c) are the teachers -
    - (i) accredited teachers;
    - (ii) voluntary participants; or
    - (iii) teachers' aides?
- (3) In respect of Aboriginal culture -
  - (a) which Aboriginal culture is taught;
  - (b) at which schools is it taught; and
  - (c) are teachers -
    - (i) accredited teachers;
    - (ii) voluntary participants; or
    - (iii) teachers' aides?
- (4) Is there any training programme to teach relevant Aboriginal languages to non-Aboriginal language speaking teachers who are going to teach in schools with high proportions of Aboriginal language speaking students?
- (5) What is the budget allocated to Aboriginal language teaching?
- (6) What is the budget allocated to Aboriginal culture teaching?

Hon N.F. MOORE replied:

**The answer was tabled.** [See paper No 1098.]

#### HEALTH - ALCOHOL AND DRUG AUTHORITY

##### *Derby - Regional Coordinator*

857. Hon TOM STEPHENS to the Minister for Transport representing the Minister for Family and Children's Services:

- (1) What was the State Government's 1996/97 Budget allocation towards the cost of providing the services of a Regional co-ordinator and community development officer through the Alcohol and Drug Authority in Derby?
- (2) Will the Minister for Family and Children's Services provide a breakdown of all the costs involved, detailing -
  - (a) wage and salary costs;
  - (b) staff accommodation costs;
  - (c) costs of leasing, operating and maintaining vehicles;
  - (d) office accommodation;
  - (e) office equipment, supplies and consumables;
  - (f) communications;
  - (g) secretarial support costs;
  - (h) staff on-costs - i.e. superannuation, sick leave, annual leave, overtime, Fringe Benefits Tax, annual air fares, etc;

- (i) other travel or transport costs;
  - (j) professional development costs and in-service training;
  - (k) advertising, promotions, and regional programs;
  - (l) cost of central servicing and administration of the Kimberley regional office;
  - (m) any other costs?
- (3) Did any other Government department or agency (eg the Health Department) carry costs associated with the operation or servicing of the Alcohol & Drug Authority regional office in the Kimberley Region?
  - (4) If so, which department and what costs were covered?
  - (5) What was the classification for the Regional Co-ordinator's position for -
    - (a) 1996/97; and
    - (b) 1997/98?
  - (6) Does the proposal to classify the co-ordinator's position as an L7 SACS award at \$40 947-\$43 123 represent a drop in classification?
  - (7) If yes, how much is saved in total by this re-classification?
  - (8) What is the reason for the re-classification?
  - (9) Does the proposed allocation of \$238 750 to a future "community drug service team" in the Kimberley region represent a net increase or decrease in the State Government's budgetary allocation towards combating alcohol and drug problems within that region?
  - (10) What other funds will the State Government be making available to tackle the alcohol and drug problems of the Kimberley region in the current financial year?
  - (11) Is there yet available a funding program for communities seeking Government financial support to help purchase-in a targeted service to respond to the problems of alcohol, drug and substance abuse?

Hon E.J. CHARLTON replied:

- (1) \$214,100 (which includes \$57,500 of Central Office costs).
- (2)
  - (a) \$85,200
  - (b) \$14,000
  - (c) \$19,800
  - (d) Nil
  - (e) \$3,600
  - (f) \$2,500
  - (g) \$18,500
  - (h) \$9,700
  - (i) \$21,000
  - (j) \$300
  - (k) \$500
  - (l) \$39,000
  - (m) Nil
- (3) No.
- (4) Not applicable.
- (5)
  - (a) Level 5 Public Service Award.
  - (b) Level 5 Public Service Award.
- (6) Yes.
- (7) Approximately \$3,000.
- (8) The fixed price budget for the Community Drug Service Teams is based on indicative wage levels for staff which are based on the Social and Community Services Award.
- (9) Net increase.
- (10) The Kimberley will benefit from all the Statewide programs that form part of the WA Strategy Against Drug Abuse, including for example, the School Drug Education Project, the Drug Aware public education campaign, support for other human service providers to tackle alcohol and drug issues, support for community action and law enforcement.

- (11) The approach of Government to the funding of services is to determine priorities based on need and to advertise those services for tender if they are provided directly to Government.

STATE FINANCE - ECONOMIC REVIEW COMMITTEE

*Meeting*

941. Hon KIM CHANCE to the Minister for Finance representing the Treasurer:

- (1) Will the Treasurer advise if there was a meeting of the Economic Review Committee on Monday, November 2, 1992?
- (2) If so, who was present at that meeting and where was it convened?

Hon MAX EVANS replied:

- (1)-(2) A thorough check of Treasury records has been made. However, there is no reference or record of a meeting of the Economic Review Committee on Monday, 2 November 1992.

HEALTH - ATTENTION DEFICIT DISORDER

*Adults - Recognition and Research Funding*

988. Hon NORM KELLY to the Minister for Finance representing the Minister for Health:

- (1) How long has adult Attention Deficit Disorder ("ADD") been recognised as a condition by the Health Department?
- (2) How many people are estimated to suffer from adult ADD in Western Australia?
- (3) What amount of funding has the Health Department provided, both by itself, or in conjunction with other bodies, for research into this condition?
- (4) Does the Health Department currently provide education and support services for adult sufferers of ADD?

Hon MAX EVANS replied:

- (1) After 1992 adults could legally be prescribed stimulants for the treatment of Adult Attention Deficit Disorder. Prior to this, whilst the Health Department loosely recognised the condition, stimulants could not be prescribed.
- (2) It is difficult to quantify accurately as some psychiatrists treat both children and adults and we do not have patients ages available to differentiate the two. The estimate is that there are about 1,000 adults being treated with stimulant medication, based on Pharmaceutical Services, Environmental Health Branch records of prescriptions for these drugs.

The Government had established a technical working party on Attention Deficit Disorder to report to a Cabinet sub committee set up to examine the issue. A draft was presented and released for public comment. This consultation phase ended on the 31 December 1996.

Whilst the technical working party report concentrated on Attention Deficit Disorder in children, one of the issues identified in a subsequent consultation phase was incidence of the condition in adults.

- (3) The final report has been presented. The Government is considering how to progress the many issues associated with this condition.
- (4) Yes. Adult sufferers of Adult Attention Deficit Disorder have access to the range of mental health services provided by the Health Department.

GOVERNMENT INSTRUMENTALITIES - SICKNESS ABSENCE

*Failure to Provide Data*

1000. Hon LJILJANNA RAVLICH to the Leader of the House representing the Premier:

I refer to the Auditor General's report on the Management of Sickness Absence in the Western Australian Public Sector and the statement that it is of serious concern that, despite advance warning given by the Public Sector Management Office, many agencies were unable to provide accurate data on basic personal issues and ask: Will the Premier require his Ministers to explain why no returns were made for the second six months of 1996 by the

Department of Education and Family and Children's Services as well as by MetroBus and others, which collectively account for approximately one-third of the Government workforce?

Hon N.F. MOORE replied:

No. The Premier is aware of the reasons why the Education Department, Family and Children's Services, MetroBus and others were unable to provide information for the second six months of 1996. These agencies were unable to provide this information due to difficulties associated with the implementation of new human resource and payroll information systems and are working closely with the Public Sector Management Office to provide the requested information for future reports.

#### EDUCATION - LITERACY

##### *Comparisons within Western Australia*

1061. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Education:

With regard to levels of literacy amongst Western Australian students -

- (1) Have studies shown any significant difference between student performance in different areas of the State?
- (2) If yes, in which areas is performance below the State average?

Hon N.F. MOORE replied:

- (1)-(2) A study entitled *A comparison of student performance in metropolitan, rural and remote Western Australian government schools* was conducted using 1992 Monitoring Standards in Education data, and was published as Appendix A of the report *Schooling in Rural Western Australia* (1994). A sophisticated analysis using Hierarchical Linear Modelling found that student factors such as socioeconomic status, accounted for most of the variance in student performance, whereas location of the school was not significant. However, if the variables are considered independently, the mean performance in some areas is statistically significant from that in other areas, as follows -

Mathematics Year 3: Metropolitan higher than Remote  
 Mathematics Year 7: Metropolitan higher than Remote  
 Mathematics Year 10: Metropolitan higher than Remote

Reading Year 3: No significant differences  
 Reading Year 7: No significant differences  
 Reading Year 10: No significant differences

Writing Year 3: Rural higher than Metropolitan  
 Writing Year 7: Rural higher than Metropolitan  
 Writing Year 10: Metropolitan higher than Rural and Remote

#### EDUCATION - LITERACY

##### *Country Schools - Resources*

1062. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Education:

In regard to literacy levels in non-metropolitan schools in Western Australia -

- (1) Is the Minister for Education concerned that students in some of these schools are functioning with low literacy rates?
- (2) If yes, is the Government satisfied with the resources that are currently available to country teachers to combat this problem?

Hon N.F. MOORE replied:

- (1) Yes. The Monitoring Standards in Education (MSE) testing program in literacy has indicated that approximately 10% of our students across the State experience some difficulties with literacy. While 10% is a relatively small group of students, the Government recognises that specific strategies must be maintained or further developed to address the needs of these students. Improving literacy standards of Western Australian students is a priority for the Coalition Government.
- (2) Although a significant sum of money is already committed to improving literacy outcomes for all students



through the education budget, a further \$2.6m has been allocated by the Government to this area over the next four years. The Government is continually seeking additional funding for this priority area.

#### HEALTH - DENTAL HEALTH CARE

##### *Mullan Community*

1182. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Health:

Given the poor dental condition of the Mullan Community at Lake Gregory, I ask -

- (1) Is the Minister for Health aware of the difficulties of the residents of Lake Gregory in receiving appropriate dental health care?
- (2) What programs are currently in place to give these residents appropriate health care?
- (3) How many people from the Mullan Community have received treatment in 1996/97?
- (4) Where were they treated?
- (5) How were they transported?

Hon MAX EVANS replied:

- (1) No.
- (2) The Dental Officer based at Fitzroy Crossing travels to the Balgo Community on a yearly basis. The Mullan Community is able to access care while the Dental Officer is at Balgo (a distance of approximately 35 kilometres). The community are also able to access care at the Halls Creek and Fitzroy Crossing dental clinics.
- (3) Not available.
- (4) Unknown.
- (5) Unknown. Transport is usually arranged by the individual or through the Community.

#### HOSPITALS - MANDURAH

##### *Dialysis Unit*

1190. Hon J.A. COWDELL to the Minister for Finance representing the Minister for Health:

- (1) When will a dialysis unit be installed in the new Mandurah hospital?
- (2) When will this unit be available for use by patients who currently travel to hospitals in Fremantle and Perth?

Hon MAX EVANS replied:

- (1) The Health Services Agreement with Health Solutions specifies that renal dialysis services will be provided to non-admitted patients from the date of commissioning. It is anticipated that the Peel Health Campus will be commissioned in the last half of 1998.
- (2) It is anticipated that the renal unit will be available for use by patients post commissioning in 1998.

#### BUNBURY SILOS - SALE

##### *Terms of Payment*

1192. Hon J.A. COWDELL to the Leader of the House representing the Minister for Regional Development:

In relation to the proposed sale of the Government owned Bunbury wheat silos and 1.4 hectares of prime waterfront land to a local consortium for \$900 000 -

- (1) What was the amount of deposit the consortium agreed to pay the South West Development Corporation on the land?
- (2) What are the terms of payment of the remaining amount?

Hon N.F. MOORE replied:

- (1) \$45,000, with \$10,000 to be payable within 7 days of acceptance of the offer and an amount of \$35,000 to be paid within 6 months of acceptance of the offer.

- (2) Provided the City of Bunbury and the Minister for Planning approve the rezoning and use of the land requested by the purchaser, the balance of \$855,000 is payable within 21 days of zoning application approval or 22 months from the date of acceptance whichever is the later.

ABORIGINES - THE 1994 SUMMIT ON ALCOHOL ABUSE PUBLICATION

*Cost and Distribution*

1195. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Health:

I refer to the publication entitled *The 1994 Summit on Alcohol Abuse (Perth) and Regional Alcohol Workshops for Aboriginal Western Australians* -

- (1) What was the cost of producing this document?
- (2) How many copies of the document were produced?
- (3) How many copies of the document were distributed?
- (4) To which groups or individuals was this document distributed?
- (5) What companies were involved in the preparation and printing of this document?

Hon MAX EVANS replied:

- (1) \$13,990.00.
- (2) 1000.
- (3) Approximately 978.
- (4) Western Australian Aboriginal Community Controlled Organisations and other non-government organisations, interested individuals and government agencies and departments.
- (5) The document was edited by a journalist, Ms Cathy O'Leary and printed by Mooreprint.

SPORT AND RECREATION - BROOME BOWLING CLUB

*Repair and Restoration of Greens*

1207. Hon TOM STEPHENS to the Minister for Sport and Recreation:

- (1) Will the Minister favourably consider an application for financial assistance for the Broome Bowling Club to repair and restore the club's bowling greens in advance of the 1998 mid-year round of funding applications?
- (2) If not, why not?

Hon N.F. MOORE replied:

- (1) I will consider the application along with all the others that have come in for 1998/99.
- (2) Not applicable.

HEALTH - CERVICAL CYTOLOGY REGISTRY

*Implementation*

1220. Hon CHERYL DAVENPORT to the Minister for Finance representing the Minister for Health:

- (1) Has the Cervical Cytology Registry yet been implemented?
- (2) If not, why not?
- (3) Will the reminder system be part of the registry?
- (4) What planning has taken place to ensure regular statistical analysis is carried out and reported to the community?

Hon MAX EVANS replied:

- (1) Yes.

- (2) Not applicable.
- (3) Yes. Reminder letters have been sent since 1996.
- (4) Quality assurance reports are provided annually to laboratories. Data is provided on request to general practitioners, staff members in the regional areas of the Health Department, laboratories and Commonwealth. A statistical report for 1996 is being finalised and will be distributed early in January. This statistical report will then be produced and distributed annually.

#### HEALTH - WOMEN'S HEALTH SERVICES

##### *Female Genital Mutilation - Program Implementation*

1221. Hon CHERYL DAVENPORT to the Minister for Finance representing the Minister for Health:

- (1) In complying with the "Government's Two Year Plan for Women" has the Health Department implemented a program to reduce the incidence and associated psycho-social harm of female genital mutilation?
- (2) If not, when will such a program commence operation?
- (3) How many regions will need the program?

Hon MAX EVANS replied:

- (1) In association with the National Education Program on Female Genital Mutilation, the Health Department has implemented a Statewide Program to address the incidence and associated psychosocial harm caused by female genital mutilation.
- (2) Not applicable.
- (3) The Program Coordinator is currently holding sensitive consultations with relevant communities across the State in an effort to identify specific education and support needs for at risk and affected women and girls.

#### ABORIGINES - MEDICAL AND HEALTH SERVICES

##### *Cervical Screening Services*

1222. Hon CHERYL DAVENPORT to the Minister for Finance representing the Minister for Health:

- (1) Has the Health Department of Western Australia been successful in purchasing culturally sensitive cervical screening services for Aboriginal women from appropriate Aboriginal medical and health services throughout the State?
- (2) If not, why not?
- (3) If so, will the Minister for Health advise in what regions in the State this has happened?

Hon MAX EVANS replied:

- (1) Yes.
- (2) Not applicable.
- (3) Kimberley, Goldfields, West and East Pilbara, South West, Murchison, Eastern Wheatbelt, Gascoyne, Great Southern and Western Health Regions.

#### HOSPITALS - KING EDWARD MEMORIAL

##### *Establishment of Psychiatrist's Position*

1223. Hon CHERYL DAVENPORT to the Minister for Finance representing the Minister for Health:

- (1) Has the Government established a psychiatrist position at King Edward Memorial Hospital as proposed on page 20 of the "Government's Two Year Plan for Women"?
- (2) If not, why not?
- (3) If so, on what date was the position filled?

Hon MAX EVANS replied:

- (1) A full-time psychiatric position has been established at King Edward Memorial Hospital.

- (2) Not applicable.
- (3) This position was officially filled in early 1997.

HEALTH - WOMEN'S HEALTH SERVICES

*Performance Indicators and Monitoring*

1224. Hon CHERYL DAVENPORT to the Minister for Finance representing the Minister for Health:

In regard to page 19 of the "Government's Two Year Plan for Women" under the section headed Actions 1996-1998 -

- (1) What steps have been taken by the Health Department to develop indicators which meet the needs of consumers, Governments and service providers?
- (2) Will the Minister for Health table a report on any developments on the proposed needs indicators to date?
- (3) If not, why not?

Hon MAX EVANS replied:

- (1) In June 1997, the Health Department published, in consultation with women's health service providers, the *Women's Health Services Contract Development Project Discussion Paper*, with the aim to improve performance indicators, monitoring and evaluation mechanisms.

The proposed new contract framework has subsequently been utilised in negotiating the 1996/97 service agreements with women's health providers and other community-based primary care providers.

- (2) Yes, I hereby table the *Women's Health Services Contract Development Project Discussion Paper*.  
[See paper No 1097.]
- (3) Not applicable.

QUESTIONS WITHOUT NOTICE

STATE FINANCE - CONSOLIDATED FUND

*Transactions*

1100. Hon TOM STEPHENS to the Minister for Finance:

In the absence of monthly transactions of the consolidated fund for August, September and October 1997, I ask -

- (1) What is the level of cash financing transactions for the consolidated fund and departmental operating trust accounts for July, August, September and October 1997?
- (2) Is the source of these financing transactions borrowings or changes in cash balances?
- (3) When will the Government release the August, September and October transactions of the consolidated fund and operating trust accounts?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1)	July	August	September	October
Cash financing transactions:	\$412m	\$172m	\$16m	\$263m
Operating trust account balances:	\$268m	\$301m	\$263m	\$343m

- (2) Changes in cash balances.
- (3) The issuing of the August report is imminent. It is expected that the timing of these reports will return to normal by December 1997.

It is difficult to ascertain through questions what this matter is all about. The Government would be happy

to provide a briefing on the matter to the journalist on whose behalf the Leader of the Opposition asked the question.

Hon Tom Stephens: It was my question.

INDUSTRIAL AND COMMERCIAL EMPLOYEES HOUSING AUTHORITY - SALE OF PROPERTIES

*Legal Advice*

**1101. Hon TOM STEPHENS to the Minister representing the Minister for Housing:**

In respect of the 38 Industrial and Commercial Employees Housing Authority properties which the Auditor General reported were sold without a written agreement with the selling agent -

- (1) Will the Minister table documents which show that the Industrial and Commercial Employees Housing Authority board authorised each sale?
- (2) When was legal advice tendered on the irregularities concerning the selling arrangements first obtained?
- (3) Has any attempt been made by ICEHA to recover the commission paid to the agent, given that the Real Estate and Business Agents Act provides that the agent is not entitled to commission?
- (4) If not, why not?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) The board documents relating to each sale are being pursued by the department. The Minister for Housing undertakes to present the information to the member as soon as it is available.
- (2) 23 May 1996.
- (3) Yes.
- (4) Not applicable.

SCHOOLS - FEES

*Departmental Policy*

**1102. Hon JOHN HALDEN to the Leader of the House representing the Minister for Education:**

- (1) Has the Education Department set down guidelines for the recovery of school fees; if so, when?
- (2) If there is a policy, does it exclude such sanctions being imposed on students as -
  - (a) exclusion from graduation ceremonies;
  - (b) withholding of students' reports;
  - (c) referral of such debts to a collection agency by a principal?
- (3) What action would the department or Minister take if a principal of a school breached such a policy?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Yes, a memorandum signed by the Director General of Education on 3 November 1997 was sent to school principals and district directors to clarify the Education Department's interim position and to provide guidelines on the recovery of school fees and charges. A reference group has been convened to address issues raised concerning the setting and collecting of school fees and charges. A policy and guidelines document will be formed from the recommendations of the reference group. I have a copy of the memorandum, which I seek leave to table.

Leave granted. [See paper Nos 1094, 1096.]

- (2) The memorandum informs schools that it is not permissible to -
  - (a) exclude students from graduation ceremonies;

- (b) withhold students' reports; or
- (c) refer debts to credit reference agencies.

Only after every reasonable effort to obtain payment has been made should debt collectors be engaged. Principals have been informed that only the Minister for Education has the authority to recover school charges through the court.

- (3) Should the directives of the memorandum be breached, the department would clarify the departmental position with the school, counsel the principal and ensure that the breach was rectified and the sanction overturned by the school.

#### HOMESWEST - ADVERTISING

##### *Criticism by Ombudsman - Review*

#### **1103. Hon NORM KELLY to the Minister representing the Minister for Housing:**

Given that the Ombudsman expressed serious concern in the last two Homeswest annual reports about its advertising methods -

- (1) Has the Minister reviewed the advertising practices criticised by the Ombudsman in his 1996-97 report?
- (2) If so, what type of review has been undertaken, and what problems have been identified?
- (3) Have the Good Start brochures been reviewed for accuracy and potentially misleading advertising?

#### **Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1)-(2) No. Homeswest has reviewed the procedures and implemented a checking system. In addition, all existing brochures have been double checked.
- (3) Yes. All brochures were checked by a senior Homeswest officer and a contracted legal firm.

#### SWAN RIVER ESTUARINE FOUNDATION - FUNDING AND ACHIEVEMENTS

#### **1104. Hon TOM STEPHENS to the Leader of the House representing the Premier:**

- (1) What money has the Swan River Estuarine Foundation received from the Government since its formation?
- (2) Will the Leader of the House table the report from the foundation to the Government?
- (3) What are the achievements of the foundation to date?
- (4) To which Minister does the foundation report?

#### **Hon N.F. MOORE replied:**

I thank the member for some notice of this question. I ask that the question be placed on notice.

#### SPORT AND RECREATION - THOMSONS LAKE SPORTING COMPLEX

##### *Funding*

#### **1105. Hon J.A. SCOTT to the Leader of the House representing the Premier:**

- (1) Is the Premier aware of plans to develop a city centre near Yangebup Lake, called Thomsons Lake City Centre?
- (2) If yes, does this city centre plan feature a large sporting complex including a soccer stadium, an Australian football stadium and a covered sporting stadium?
- (3) Has funding for the sporting complex been sought from the State Government?
- (4) If so -
  - (a) which persons or organisations will provide such funding;
  - (b) will the Government provide funding for the complex; and
  - (c) if so, how much?

(5) When will this development take place?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) The Premier has been advised that there is a proposal to develop a regional shopping complex and associated uses including sporting facilities at the junction of Kwinana Freeway and Beeliar Drive, commonly known as the Thomsons Lake Shopping Centre.
- (2) Yes.
- (3) No. Concepts have been proposed and the City of Cockburn has requested that the site be considered in the needs assessment for a multipurpose stadium for soccer, rugby and athletics.
- (4) Not applicable.
- (5) This is unknown. Any subsequent development with any contribution by the State Government will proceed only when the need is confirmed, the feasibility is demonstrated and capital funding contributions have been determined.

**BUNBURY SILOS - SALE**

*Contract and Valuations - Tabling*

**1106. Hon J.A. COWDELL to the Leader of the House representing the Minister for Regional Development:**

With regard to the sales contract the Government has signed for the sale of the Bunbury silos to a local business consortium, I ask -

- (1) On what were the land zonings on which the valuations were obtained by the South West Development Commission based?
- (2) Is the deposit paid on this property refundable?
- (3) Will the Minister table the contract and copies of the three valuations obtained by the SWDC?
- (4) If not, why not?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Valuations were based on the zoning "Special Use - Bunbury Harbour City".
- (2) The deposit of \$45 000 comprises \$10 000 paid within seven days of acceptance which is not refundable. The balance is payable within six months of acceptance and is refundable if any application is rejected.
- (3) Yes. I seek leave to table copies of the contract and valuations of the Valuer General, Lee-Steere and Associates and Christie Whyte Moore.

Leave granted. [See paper No 1095.]

- (4) Not applicable.

**PORTS AND HARBOURS - OAKAJEE**

*Crayfishing Industry Concerns - Meeting with Department of Resources Development*

**1107. Hon GIZ WATSON to the Leader of the House representing the Minister for Resources Development:**

- (1) Did an officer of the Department of Resources Development, Mr Noel Ashcroft, have conversations with Mr Rod Dransfield, Mr Bruce Ayling and Mr Peter Burton at the Ocean Centre Hotel in Geraldton on Friday, 21 November 1997?
- (2) Did Mr Ashcroft ask Mr Dransfield, Mr Ayling and Mr Burton what offer from the department it would take for the crayfishing industry to drop its concerns over the port development at Oakajee?
- (3) If so, what were the terms offered by Mr Ashcroft to the three men?

- (4) Did Mr Ashcroft have ministerial approval to make this offer?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Mr Noel Ashcroft and Mr Peter Goodall of the Department of Resources Development did meet with the three men in question, but on the evening of Thursday, 20 November 1997, not on the following day as proposed.
- (2) The question implies that negotiation was being undertaken. This was not the case. The meeting was arranged so that the concerns of the professional fishermen at Oakajee could be more fully understood in the context of proposed developments. The fishermen raised the possibility that, should the Oakajee port proposal proceed, there could be benefit in using the facilities for moorings for the crayfishing industry. As this possibility had not been previously raised, the question was whether the fishermen could see any other benefits if the port development was to proceed.
- (3) No offer was made.
- (4) See (3).

MINING - REGULATIONS

*Disallowance Motion - Government's Refusal to Debate*

**1108. Hon B.K. DONALDSON to the Minister for Mines:**

Is the Minister aware of the Opposition's claim that the Government is refusing to debate the disallowance motion on the Mining Act regulations; and if so, is it correct?

**Hon N.F. MOORE replied:**

Earlier this afternoon Hon Mark Nevill gave notice that he would move a disallowance motion relating to certain Mining Act regulations. I can only assume that those Mining Act regulations relate to gold royalties. Subsequently I was advised by the media that the Government was refusing to debate the disallowance motion!

Hon Tom Stephens: Are you?

Hon N.F. MOORE: Hon Mark Nevill gave notice of the disallowance motion today. He knows very well that the House is due to rise at the end of the week; he knows very well that the matter could have been raised in this House weeks ago. It was raised in the other House weeks ago, and was defeated. The member knows full well that the gold royalty will not take effect until 1 July next year; that the Parliament will resume well ahead of that date; that the matter can be debated when the House resumes in March; and that the end result will be no different from the result we would get if we debated it now.

It is not good enough at the end of a session for members of the Opposition to seek to score political points. If members opposite genuinely wished to debate the matter they would approach me and say that they want to debate the matter, and we could come back next week and do that. When that proposition is put to me we will consider it. However, I emphasise that the end result would make no difference to the gold royalty because the gold royalty will not take effect until 1 July 1998. Whether that regulation is disallowed today, next Monday, Christmas Eve, New Year's Day or on 10 March or whenever the House is due to return, will make no difference to whether the gold industry pays a royalty. Therefore, I wish to make clear to the member who raised the matter with the media, that playing these funny games puts pressure on everyone to make a decision about whether the business of the House will be concluded this week or next week.

SCHOOLS - FEES

*Failure to Pay - Termination of Enrolments in Vocational Courses*

**1109. Hon JOHN HALDEN to the Leader of the House representing the Minister for Education:**

- (1) Does the Government have a policy which condones schools terminating the enrolment of year 12 students from vocational courses if their parents do not pay outstanding school fees?
- (2) What is the average or range of costs charged for vocational courses in senior high schools in Western Australia?
- (3) Is it normal for such courses to cost between \$375 and \$450 per student per course?



**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) A memorandum signed by the Director General of Education on 3 November 1997 was sent to school principals and district directors to clarify the Education Department's interim position and to provide guidelines on the recovery of school fees and charges. A reference group has been convened to address issues that have been raised in relation to the setting and collecting of school fees and charges. A policy and guidelines document will be formed from the recommendations of the reference group.

The memorandum informed schools that students are not to be excluded from educational programs in which they are already enrolled for the non-payment of school charges. A copy of the memorandum is attached, and I seek leave to table it.

Leave granted. [See paper No 1094].

Hon N.F. MOORE: To continue -

- (2) The information is not immediately available at a centralised level. A district review will be conducted to provide the average cost or range of costs charged for vocational courses in senior high schools in Western Australia.
- (3) This information will be available from the district review recommended in (2).

#### HOSPITALS - BOARDS

##### *Contracts - Legal Status*

**1110. Hon KIM CHANCE to the Minister representing the Minister for Health:**

- (1) Are contracts which are drawn up between the Commissioner of Health and hospital, district and MPS boards treated as commercial contracts?
- (2) Are such contracts regarded as being enforceable at law?
- (3) Does the limited indemnity provided for board members in the Health Act extend to indemnity from action for a breach of contract?

The PRESIDENT: Order! The second paragraph of the question seeks a legal opinion as to whether something is enforceable.

##### *Point of Order*

Hon KIM CHANCE: The second part of the question reads "Are such contracts regarded as being enforceable".

The PRESIDENT: It is still seeking an opinion. I am sure the Minister for Finance will deal with it properly.

##### *Questions Without Notice Resumed*

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) The operations division of the Health Department draws up documents, termed "contracts", between the Commissioner of Health on behalf of the Minister for Health, and public hospital boards, some of which are MPS entities, documenting the procurement of health services. These so-called contracts are in effect budget allocation tools. My understanding is that the documents are expressed to be non-binding.
- (2) Contracts in the nature of budget allocation tools are not enforceable at law.
- (3) I assume that the reference to the "limited indemnity provided for board members in the Health Act" is intended to be a reference to the indemnity set out in section 35A of the Hospitals and Health Services Act 1927. Section 35A provides that no liability attaches to a member of a board of a public hospital "for any act or omission by him or her in good faith and in the exercise or purported exercise of his or her powers or functions or in the discharge or purported discharge, of his or her duties under this Act".

In addition to the section 35A indemnity, prior to 1 July 1997 board members were protected by the Cabinet

endorsed indemnity policy in favour of government officers. Since 1 July 1997 members of public hospital boards have been able to take out directors' and officers' cover to protect against liability, including breach of contract liability.

ALINTAGAS - EMPLOYEES

*North West Gas Pipeline Sale - Entitlements*

**1111. Hon HELEN HODGSON to the Leader of the House representing the Minister for Resources Development; Energy:**

- (1) Has the Minister finalised the proposed employment arrangements for the AlintaGas employees affected by the sale of the Dampier to Bunbury gas pipeline?
- (2) If so, what are the arrangements that have been made in respect of employee superannuation entitlements?
- (3) Will the Minister table full details of the proposed employee arrangements?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) The employment arrangements for these employees have been finalised.
- (2) AlintaGas transmission employees who are members of the Government Employees Superannuation Board's Gold State superannuation scheme who would otherwise be disadvantaged by moving from AlintaGas will be paid a lump sum amount directly to their new superannuation fund.

The lump sum is the amount calculated to be required to make employees no worse off than if they continued as a contributory member of the GESB. This amount has been calculated using a model and assumptions developed by an actuary specialising in superannuation and has been verified by a second independent actuary.

Employees in the West State scheme will retain their existing entitlements on withdrawal from the scheme.

- (3) No.

ROADS - GREAT SOUTHERN AND SOUTH WEST HIGHWAYS

*Maintenance Contract - Tenders*

**1112. Hon BOB THOMAS to the Minister for Transport:**

In respect of the Great Southern and South West Highways term maintenance contract advertised approximately 20 months ago -

- (1) Did Main Roads initially deem BGC not suitable for tender prequalifications?
- (2) Did the Minister or any of his staff make representations to Main Roads to allow BGC to tender notwithstanding that it did not achieve prequalification?
- (3) If so, what was the nature of the prequalification?
- (4) Which companies were determined to have prequalified?
- (5) Was any other company which had not prequalified allowed to tender?

**Hon E.J. CHARLTON replied:**

- (1) No.
- (2)-(3) Not applicable.
- (4) MacMahon Contractors (WA) Pty Ltd  
Transfield Maintenance  
CSR Limited  
Ertech Pty Ltd  
Boral Contracting Pty Ltd  
BGC Contracting

- (5) Highway Construction and Triad Contractors were invited to tender for contract No 120/95 following the receipt of a further submission in support of their application for preregistration status.

NATIVE TITLE - CLAIMS

*Ministry of the Premier and Cabinet - Number of People Employed*

**1113. Hon TOM STEPHENS to the Leader of the House representing the Premier:**

- (1) How many FTEs employed within the Ministry of the Premier and Cabinet are specifically employed in progressing native title claims in this State?
- (2) At what level are these people employed?
- (3) How many people were employed in this capacity in -
- (a) 1994-95;
  - (b) 1995-96; and
  - (c) 1996-97?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) There are 4 FTEs in the Premier's department.
- (2) One Special 4; two Level 8; one Level 5.
- (3) (a) 2.  
(b) 4.  
(c) 4.

MINING - WOMA (AUSTRALIA) LTD

*Messrs George Petrie and Christopher Niblett - Letters*

**1114. Hon GIZ WATSON to the Minister for Mines:**

- (1) Will the Minister table copies of letters from Alcoa and WOMA (Australia) Pty Ltd to the Department of Minerals and Energy's district inspector, Mr Andrew Extract, in respect of the reasons they provided for Mr George Petrie and Mr Christopher Niblett leaving their jobs with WOMA? If not, why not?
- (2) Has any other correspondence passed between Alcoa, WOMA and the Department of Minerals and Energy or Mr Andrew Extract in relation to Mr George Petrie and Mr Chris Niblett?
- (3) If yes, will the Minister table copies; if not, why not?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question. I ask that the question be placed on notice to enable sufficient time for the third parties to be consulted.

HOSPITALS - ARMADALE-KELMSCOTT MEMORIAL

*Complaints*

**1115. Hon LJILJANNA RAVLICH to the Minister representing the Minister for Health:**

- (1) How many complaints have been received about the Armadale Hospital by the Office of Health Review in the past 12 months?
- (2) Have complaints been received by the Office of Health Review during the same period from the Nurses Federation in relation to doctors or any individual doctors at Armadale hospital?
- (3) Has the Office of Health Review received complaints from Mrs Leadbetter in relation to Armadale hospital?
- (4) If so, what was the nature of that complaint?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) Complaints against Armadale-Kelmscott Health Service total six to date.

- (2)-(4) The Health Services (Conciliation and Review) Act 1995 prohibits the release of information relating to specific complaints or inquiries from individual health users.

PLANNING - PEEL REGION STRUCTURE PLAN

*Release*

**1116. Hon J.A. COWDELL to the Attorney General representing the Minister for Planning:**

Some notice of this question has been given.

- (1) When will the final inner Peel region structure plan be released?
- (2) Does the Government endorse the comments of Parliamentary Secretary Arthur Marshall in reassuring defenders of the Creery wetlands that they will be satisfied with the final Peel plan?
- (3) Will the Minister assure kennel owners in the vicinity of the Murrayfield Air Park that their livelihoods will be secure as a result of appropriate zoning through the inner Peel region structure plan?

**Hon PETER FOSS replied:**

- (1) In early December 1997.
- (2)-(3) Submissions received relating to the Creery wetlands and the Murrayfield Air Park have been carefully considered and the outcomes will be known once the plan is released in December.

NATIVE TITLE - CROWN SOLICITOR'S ADVICE

*Tabling*

**1117. Hon TOM STEPHENS to the Attorney General:**

- (1) On what occasions has the Crown Solicitor provided advice to the Government on native title issues?
- (2) What was the nature of that advice?
- (3) Will the Attorney General table the advice? If not, why not?

**Hon PETER FOSS replied:**

I thank the member for some notice of this question.

- (1) The Crown Solicitor's Office frequently provides advice to the Government on native title matters.
- (2)-(3) Questions seeking the advice of the law officers of the Crown are out of order.

PORT KENNEDY - VERMIN PROOF FENCE

*Complaint*

**1118. Hon J.A. SCOTT to the Minister representing the Minister for the Environment:**

- (1) Has the vermin proof fence at Port Kennedy been completed yet? If yes, when was it completed? If not, why not?
- (2) What was the cost of this vermin proof fence and what is its total length?
- (3) Which agencies and organisations paid for the vermin proof fence?
- (4) Has the fence been built to Department of Conservation and Land Management approved standards?
- (5) Has the Port Kennedy scientific park been gazetted yet? If not, why not? If yes, when was it gazetted?
- (6) Which agency or agencies are responsible for the management of Rockingham Lake and Port Kennedy scientific parks?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) No. The contract that is currently under way will complete the majority of the northern and the entire southern and eastern boundaries.

- (2) The cost of the contract is \$185 000. When the current contract is complete, the fence will be approximately 7 kilometres long.
- (3) The Ministry for Planning paid for fencing on the Lark Hill West land that passed to CALM for inclusion in the scientific park. The remaining funds were drawn from money paid to the State for the management of the scientific park by the developers of the Port Kennedy project.
- (4) The initial 1 km vermin proof fence was built by the developer and does not comply with CALM standards. It will be replaced in due course. The subsequent 6 km fence currently under construction is built to CALM standards. To date 4.2 km of fencing has been completed, with 1.8 km remaining on the current contract.
- (5) Port Kennedy scientific park was gazetted as an A class nature reserve and vested in the National Parks and Nature Conservation Authority for the purposes of conservation of flora and fauna on 5 August 1997.
- (6) CALM is responsible for the management of Port Kennedy scientific park and the Ministry of Planning is responsible for the management of the Rockingham Lakes.

#### HOUSING - GOOD START SCHEME

##### *Number of Loans*

**1119. Hon NORM KELLY to the Minister representing the Minister for Housing:**

Some notice of this question has been given.

- (1) How many tenants have registered their interest in the Good Start scheme?
- (2) How many loans have been granted?
- (3) Of these, how many were for housing in non-metropolitan areas?
- (4) What was the expected number of loans to be granted in 1997-98?
- (5) What is the publicity and advertising budget for the Good Start scheme?

**Hon MAX EVANS replied:**

As it will take some time to compile the information, will the member please put the question on notice.

#### PLANNING - KEMERTON INDUSTRIAL PARK

##### *Deep Sea Port - Establishment*

**1120. Hon KIM CHANCE to the Leader of the House representing the Minister for Resources Development:**

Some notice of this question has been given. I refer to comments by Hon Colin Barnett to the Assembly Estimates Committee on 22 May 1997 relating to the proposed expansion of the Kemerton Industrial Park. In those comments Mr Barnett stated that one of Kemerton's limitations is that it does not have a deep sea port directly adjacent to it and that he would like to see something done about a sea port. He also said that the long term future was in that direction and that if Kemerton could be given direct sea-going access, it would be much more attractive for investment. I ask: Why has the forthcoming draft Kemerton expansion study report focused principally on the development of a transport corridor between Kemerton and the Bunbury port when the Government's real desire is the development of a deep sea port?

**Hon N.F. MOORE replied:**

In looking at the broad scale of strategic industrial development, it is more attractive to investment that industrial land be located near a port for the importation of bulky process materials and for the exportation of products. This is possible at Kwinana, which has been very successful but which now has limited land available, and also at Oakajee. Preliminary studies have examined several conceptual options for a port near Kemerton. However, the Government has not supported a Kemerton port option, as Bunbury has expansion potential to handle cargoes for the foreseeable future. Thus, the emphasis in the forthcoming planning document is on identifying an adequate transport corridor between Kemerton and the Bunbury port together with port access arrangements.

#### GOVERNMENT CONTRACTS - VALUE AND CONTRACT PERIOD

**1121. Hon LJILJANNA RAVLICH to the Minister representing the Minister for Works:**

- (1) What is the value of the following whole of government contracts and what is the contract period for each -
  - (a) portable notebook computers;

- (b) gas liquid petroleum in bulk and in cylinders; and
  - (c) personal computers through purchases or lease arrangement?
- (2) Are any of these contracts cost plus; if so, which ones?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) (a) Approximately \$2m per annum - open ended.
  - (b) Approximately \$3m per annum - 60 month period.
  - (c) Approximately \$10m per annum - open ended.
- (2) No.

## MINING - BEENUP MINERAL SANDS MINE

*Acid Run-off***1122. Hon GIZ WATSON to the Minister representing the Minister for the Environment:**

- (1) Is the Minister aware that BHP has encountered acid sulfate soils in its Beenup mineral sands mine near Augusta?
- (2) Is the Minister aware that acid sulfate soils can produce large quantities of sulfuric acid when exposed to air and water?
- (3) Is the Minister aware that one creek near the Beenup mine has already turned acidic due to the BHP mining operations?
- (4) Is the Minister aware that acid run-off from this mine could devastate the aquatic wildlife in the Scott River National Park?
- (5) Does the Minister intend to take any action to prevent further acid run-off from the Beenup mineral sands mine? If yes, what action? If no, why not?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1)-(2) Yes.
- (3) A monitoring point in proximity to a former trial mining area indicated elevated acid levels in the creek. Further monitoring downstream of this location did not indicate any unusual levels, indicating that it was a very isolated event. No acid water has reached the Scott River. This finding is not associated with the current mining operations, and the area of trial mining affected is scheduled for re-mining in year 3 of the project, which will allow for remediation measures to be implemented.  
  
BHP Titanium Minerals Pty Ltd identified this monitoring result in its July 1996-June 1997 report to government.
- (4) Ministerial conditions are set on the proposal to ensure that there is no release of unacceptable quality water.
- (5) There is currently no discharge of water from the minesite. BHP is required to meet reporting and monitoring obligations in regard to a state agreement Act, Department of Environmental Protection licence conditions, environmental conditions set by the Minister for the Environment and mining lease conditions administered by the Department of Minerals and Energy.

## ROADS - WOODIE WOODIE ROAD

*BGC Group of Companies - Allocation of Work***1123. Hon TOM STEPHENS to the Minister for Transport:**

- (1) Has the BGC Group of Companies performed any preparation or construction work on the Woodie Woodie-Ripon Hills Road?
- (2) Was this work allocated pursuant to tender?

- (3) If so, when was the tender called and let?

**Hon E.J. CHARLTON replied:**

I thank the member for some notice of this question.

- (1) Yes. This involved the hire of a D9 dozer for site testing work.
- (2) No. The D9 dozer was required at short notice and all known local suppliers were contracted out elsewhere. BGC was the only company able to supply a machine of the required size within the time frame required for the testing work.
- (3) Not applicable.

It is marvellous that BGC could provide the service to help out the State.

MAIN ROADS WESTERN AUSTRALIA - BUNBURY

*Number of Employees*

**1124. Hon BOB THOMAS to the Minister for Transport:**

- (1) How many Main Roads employees are based in Bunbury?
- (2) Will the Minister confirm that an announcement concerning a major reduction in this work force is imminent?
- (3) If not, is the Minister prepared to give an assurance to these workers that their future employment with the department is not in jeopardy?

**Hon E.J. CHARLTON replied:**

I thank the member for some notice of this question.

- (1) Main Roads has 140 employees based in Bunbury.
- (2)-(3) The Acting Commissioner of Main Roads, Mr Ross Drabble, took up his appointment in September 1997 and since that time has implemented a redefinition of the Best Roads blueprint planning document, which was put in place in December 1995. The outcomes of this redefinition will be finalised shortly. I can assure the member that any decisions made as a result of the redefinition will be aimed at maximising Main Roads' allocation of resources to the delivery and maintenance of the road network for the benefit of all Western Australians.
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