



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
SECOND SESSION
1998

LEGISLATIVE COUNCIL

Tuesday, 15 September 1998

Legislative Council

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

STANDING COMMITTEE ON CONSTITUTIONAL AFFAIRS

Report on the Government Railways (Access) Bill

Hon M.D. Nixon presented the twenty-sixth report of the Standing Committee on Constitutional Affairs on the Government Railways (Access) Bill, and on his motion it was resolved -

That the report do lie upon the Table and be printed.

[See paper No 160.]

MEAT PROCESSING INDUSTRY

Urgency Motion

THE PRESIDENT (Hon George Cash): I have received the following letter addressed to me and dated 15 September 1998 -

Dear Mr President

At today's sitting it is my intention to move under SO72 that the House at its rising adjourn until 9am on 25 December 1998 in order to draw the attention of the House to the critical state of the meat processing industry, and the illogical outcome of the recently announced \$5.7m subsidy to the Fletcher Group to establish a new abattoir in an industry already suffering from surplus capacity in current market conditions.

Yours sincerely

Hon Kim Chance MLC
Member for Agricultural Region

In order to discuss this matter, it will be necessary for at least four members to indicate their support by rising in their places.

[At least four members rose in their places.]

HON KIM CHANCE (Agricultural) [3.34 pm]: I move -

That the House at its rising adjourn until 9.00 am on Friday, 25 December.

Until recently, most of us thought the days of Governments having links with big business and Governments picking winners were over. Whatever may be the public's view of that activity, I must say from the outset that I am not averse to Governments lending a hand to investors. However, this should be done only under a set of criteria. I wish to make clear five criteria from the outset, although other criteria may be important. I believe that before taxpayers' money is risked in any enterprise, Governments must be able to show that -

- (1) Their intervention will make something happen that would not have happened without government help.
- (2) Their assistance to one investor will not disadvantage other businesses which are already in the market or are about to enter the market; in other words, they cannot pick and chose.
- (3) It is a responsible use of taxpayers' money.
- (4) There is a genuine need for the facility that will be put in place by the assistance.
- (5) The assistance will result in new jobs and new economic activity.

The Government has committed \$5.7m to assist the Fletcher group of companies to build and operate an abattoir at Narrikup in the Minister for Primary Industry's electorate, at a time when the meat processing industry is in dire straits. The meat processing industry is suffering from insufficient livestock and from surplus capacity. I will show later that the industry is operating at only about 60 per cent of its nominal capacity. Mr Roger Fletcher, the Fletcher group's managing director, has a reported personal wealth of some \$45m. The Fletcher group is one of the largest meat processors in Australia. The Government has just committed \$5.7m to increase capacity in an industry that is suffering from surplus capacity. That is the "illogical outcome" to which the motion refers. This huge largesse of taxpayers' money does not adequately meet any of the five criteria that I have outlined.

The assistance was not approved by Cabinet until 27 January 1998. That was after the facility had been built. Therefore,

it cannot be argued that the assistance was needed to get the facility off the ground, because the assistance did not come through until after it had been constructed, unless some undertaking had previously been given by members of the Government to the effect that taxpayer assistance might be given to the Fletcher group if it did certain things.

The second point is that other meat processing companies in Western Australia are suffering from the effect of surplus capacity. It is true that those companies were in trouble before the Fletcher group even started. However, they are now also facing increased competition, to which the taxpayers have given an impetus. This deal comprehensively fails any test of fair competition.

I will take members to the opinion of the National Meat Association of Australia, which wrote to me in a letter dated 14 September from Mr R. A. Heaperman, the Executive Director WA, which states -

In the export area capacity utilisation would be in the order of 60%. We have export abattoirs at Katanning, Linley Valley, Waroona and Harvey with smaller exporters at Beaufort River, Tammin, Geraldton, Carnarvon and another at Narrogin, which has been built to export standards.

Katanning, which employs 350 persons, has now been closed for 16 weeks even after a \$600 000.00 upgrade. Linley Valley approximately 300 employees have been operating on a casual basis for the past 10 weeks.

Waroona has been operating only every 2nd day for the past 5 months and management announced to staff on Friday (200 persons) unless there were real radical changes in regard to processing operations their jobs were at extreme risk.

That fact has been confirmed to me by my contact with the Australasian Meat Industry Employees Union.

The National Meat Association's letter went on to say -

This will decrease through puts and as a consequence increase the overhead processing costs per unit which in turn will lead to reduced returns for producers in a depressed export market.

It is not a case of 400 more jobs or \$100m worth of additional exports, but a reduction. Mr Heaperman went on to underline my earlier point about livestock numbers. He outlined that livestock numbers in this State have decreased substantially from approximately 42m in 1987 to 34.1m in 1992, with 28m in 1997, and the current estimate being in the order of 26m sheep. I do not know how more clearly I can demonstrate that the very resource on which the abattoir industry relies is running down. At this stage, taxpayers' money is being poured into additional capacity.

I give a couple more examples of how people have been treated in this matter. V & V Walsh Abattoirs, for example, spent \$5m between 1994 and 1997 upgrading the former Globe meatworks at Bunbury. It employed more than 300 people, yet it received no assistance from the Government to carry out that work. Contrary to some of the statements I have heard the Minister for Primary Industry make, that company sought assistance on stamp duty. However, it was refused, and the company has sought and received no assistance since then. It was reported in the *Countryman* of 8 May 1987 that Hillside Meats of Narrogin was in the process of spending \$3.6m in upgrading for accreditation purposes. It also sought assistance for capital works and water headworks. Hillside was told that helping private enterprise was not government policy.

In the *Farmers Weekly* of 15 May 1997, the Minister for Primary Industry is quoted as saying, "We have not done anything more for Mr Fletcher than we would have done for anyone else." That statement was made in the context more of a reported \$2m to \$3m in capital infrastructure provision by the Great Southern Development Commission and the Department of Transport to assist the Narrikup abattoir - this was over and above the \$5.7m under discussion here. Therefore, we are talking about \$7.7m to \$8.7m in handouts. The minister's statement was published only seven days before Fletchers made formal application for assistance. In the week prior, the same minister was reported in the *Countryman* of 8 May 1997 as denying that Fletcher International received any more help than any other small business. Again, that was only two weeks before formal application for the assistance was made on 22 May 1997. Was the minister aware that the application was due in the near future - only two weeks away? Was he aware of the nature of the application? That knowledge at least seems likely, because formal discussions had commenced two months before that stage. The minister must have been aware, as discussions began in March 1997. Did the minister provide assistance on the construction of the application? Had an informal agreement already been reached and a deal stitched together? If the answer to those questions is yes, why did the minister lead people to believe that Fletchers would not be dealt with any differently from the treatment of other processors when the opposite was clearly the case?

This assistance is irresponsible use of taxpayers' money. We cannot adequately fund our hospitals, and we must charge the aged and disabled for home and community care services. We cannot assist local businesses to upgrade their meat processing works to create jobs. Nevertheless, we can find \$5.7m for a huge New South Wales based company to build and operate an abattoir that we do not need. There is no genuine need for the abattoir to be funded at all. I believe that I have demonstrated that to be the case through the extension of those livestock numbers. The biggest mystery of all is how this investment will create the \$100m in new exports and the 400 new jobs, as claimed by the Minister for Primary Industry.

The crisis in the meat processing industry is fundamentally as a result of a shortage of livestock to be processed. Every sheep killed and every job created at Narrikup must be drawn from somewhere else in regional Western Australia. No new jobs can be created - they can only come from somebody else's business.

Some ugly rumours about this deal have been doing the rounds for some time. I have not believed them - I did not want to believe them. I sought answers when I first heard them last year. I was assured that no special deal was done for Fletchers, and I accepted that assurance at face value. When I asked last Tuesday a question, through the Leader of the House, of the Minister for Commerce and Trade about whether any undertakings had been given to the proponents that assistance might be granted if they located in Western Australia, I gave the minister an opportunity to finally lay the rumours flat on the ground. I would have accepted that assurance on face value. However, not only did the Minister for Commerce and Trade not take that opportunity, he gave me an answer, via the Leader of the House, such as I have never before seen in this place: He said that the Department of Commerce and Trade is unable to give such undertakings. Had I wanted to know what the department could or could not do, I would have rung it and asked it directly. I wanted to know whether the minister had given such undertakings to induce Fletchers to locate in WA. The minister avoided the question. Why did he do that, and pass up the opportunity to refute the suggestion that Fletchers was induced to locate in Western Australia by the promise of financial assistance which has not been available to Western Australian companies, and which had not been authorised at that stage by Cabinet and other due processes? Let us ask that question in another way. I received at 2.28 pm today by fax -

Hon John Halden: Fortuitously.

Hon KIM CHANCE: Indeed. I received a fax of the political declarations of donations from companies. What did I find? Outlined was a declared donation from Fletcher International Export Pty Ltd to the coalition of \$5 000.

Hon Ljiljanna Ravlich: Not a bad investment.

Hon Simon O'Brien: To whom?

Hon KIM CHANCE: My listing simply said to "the coalition".

Hon Simon O'Brien: There is no such entity.

Hon Ljiljanna Ravlich: You call yourselves the coalition.

Hon KIM CHANCE: It is a breakdown; it certainly did not come to us!

As a result of a company search on Fletcher International Export Pty Ltd, I discovered that the directors of that company are Gail Fletcher and Roger James Fletcher of 53 Crown St, Dubbo, New South Wales. That is the very same Roger Fletcher who is the managing director of the Narrikup works.

Hon Ljiljanna Ravlich: It does not look good.

Hon KIM CHANCE: Those donation figures end in 1996-97, and I have no knowledge of what happened since that time. We need to know what arrangements, formal or otherwise, were made between which ministers of this Government and Fletchers regarding that company's location in Western Australia. When were those arrangements made? Were undertakings given with or without the authority of Cabinet for taxpayers' assistance to be made available? What conditions were attached to those undertakings? Why was assistance refused to WA companies, but made available to Fletchers for essentially the same purpose?

This is a matter of urgency. The meat industry is currently enduring some very difficult circumstances. The Ministers for Commerce and Trade and Primary Industry must clear up this matter. If they do not, it will be impossible for them to adequately refute the conclusions drawn by the industry and the public. Make no mistake: The processors, the producers - as represented by the WA Farmers Federation - and the union are unanimous on this deal. The Government has not done the right thing. At the very least, the public is entitled to a frank disclosure of the facts of this matter. In that way, Parliament can assess whether a formal inquiry is needed.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [3.49 pm]: I remind members of the old days when Robb Jetty abattoirs was closed in December 1993 following a poor throughput of sheep and cattle. Robb Jetty incurred operating losses of \$20m at that closure. The Albany operation also was closed down. Both the Labor Party and the Western Australian Farmers Federation at that stage were consistent in that not enough slaughter capacity existed in the State. Combined with the deregulation of the domestic lamb market on 1 July 1994, the closure of Robb Jetty led to the upgrading of local abattoirs and increased throughput. For example, in 1994-95 811 000 lambs were slaughtered, and in 1997-98 1.037m lambs were slaughtered. The closure of Robb Jetty also provided the impetus to fulfil a further government commitment: The attraction to Western Australia of a world-competitive, high-tech export abattoir facility. That point is crucial in this discussion.

The Government's commitment to attracting a new export facility ensured competition with live exports. That point is

missed. About 4.5m sheep are exported from this State, and we have an opportunity to put them through the abattoir, to the great benefit of people in this State. That applies to jobs and to opportunities that I will explain. We hear continual calls to cut out the export trade and put the sheep through abattoirs. Obviously, there is competition with other abattoirs around the State for that export market. A new facility would also ensure that more jobs were kept in Western Australia. I reiterate that those jobs were lost from the Albany area. The Katanning Metro abattoir was in the market long before that facility was built, and that is one issue in the export abattoir market at present. If that abattoir were to have difficulties, we really would have a problem in the mutton export market. The Fletcher group, of course, exports to 72 countries, so it is a very large export company and it certainly takes advantage of that export market.

Producers have been forgotten in the argument. I am concerned that Hon Kim Chance, who represents the Agricultural Region, does not recognise the opportunity to reduce the number of export sheep and to put sheep through the abattoirs. Also, that market is expanding overseas. There is a decline in demand for those sheep overseas. We have an opportunity to put those sheep back into the market as slaughtered animals, either chilled or frozen. That would assist animal liberationists, for example, who continually argue that live sheep exports should be discontinued. It would also assist unions. There will be 400 jobs in that abattoir in the long term, and there are about 150 jobs there at present. The abattoir is developing that opportunity. Metro, Fletcher and the live sheep trade are actually maximising the return to growers and giving us a modern facility. There was some discussion about people not wanting to work there. In fact, there is a line-up of people who want to work there, and about 80 per cent of applicants have had to be rejected due to numbers. There is no argument about the conditions in the agreements that have been reached with people working in those abattoirs. That group is happy to bring sheep from anywhere in the State, and that attitude is well recognised. It is a high-class facility.

I now refer to the economic benefits of the facility that will go into the area. Total turnover for this year is expected to be \$49.5m, and that is expected to rise to \$108.35m in 2000-01. A direct employment benefit will result; that is, 200 jobs in 1998-99, increasing to 400 in 1999-2000. Direct salaries per annum will be \$6m in 1998-99, rising to \$13.3m in 2002-03. Payroll tax - obviously, that will come down - will be \$3.3m for the five years from 1998-99, but if we have a change of government tax policy there will be an adjustment. Direct road freight is expected to be \$3.1m in 1998-99, increasing to \$6.4m in 2002-03. Indirect employment is estimated to cover approximately 2 500 people. That will be a fillip for the area, and I am sure that members from that region will regard that as a great benefit. There are indirect salaries of \$70m and indirect payroll tax of \$4.2m, and livestock purchases of \$15.4m, increasing to \$52m in 2000-01.

I now refer to the benefits for producers. In 1995 - I am comparing mutton score 2s with the other States - New South Wales was getting about 71¢ per kg dressed weight; Victoria 81.9¢; South Australia 91¢; and in Western Australia it was down to just under 58¢. That is a marked difference. In 1996, the figures were 60.3¢, 70¢ and 37¢ - a very big disadvantage. In 1997-98, when it was known that the group would start, the figure went from 68¢ in New South Wales, 69¢ in Victoria and 81¢ in South Australia, and Western Australia made the major jump to 74¢. That was a significant increase for people in the agricultural area, and they will benefit tremendously from those figures.

The \$5.7m package is based on certain performance conditions relating to capital expenditure. The grant of \$2.7m is based on 75 per cent of the infrastructure establishment costs for power, water, effluent and gas and is subject to the completion of \$3.6m expenditure on infrastructure. That component is based on the regional headworks development scheme, which provides assistance in the form of loans and grants for commercial and industrial projects, which will benefit the local, regional and state economies. Of course, that scheme is open to all. There is also a component of \$2.5m which will convert to a grant, subject to the company completing capital expenditure of \$46m over the five years, including \$7.5m on the new industry. Any shortfall between the loan amount and the state revenue collected from the operation will not be converted and must be repaid. Security for the loan component is in the form of a bank guarantee for \$2.5m provided by the company's bank - that is, the Australia and New Zealand Banking Group Ltd - to the Government of Western Australia. The terms and conditions of assistance are detailed in a legal agreement between the Treasurer and the company, and they contain a number of clauses relating to reporting requirements and default.

The project provides considerable direct and indirect benefits to the State Government, including a large investment in value-adding activities in regional Western Australia to support primary industry; the introduction of innovative processing technology, such as warm boning processing and mechanical boning not otherwise available in the State; substantial employment in a relatively high unemployment area of regional Western Australia; an increased market opportunity for primary producers; and the presence in the State of FIE, a well-established, well-run organisation. It is absolutely crucial to have well-run organisations in this State.

HON J.A. SCOTT (South Metropolitan) [4.00 pm]: The Greens (WA) are on record as supporting a greater use of the processing of meats in Western Australia, particularly to counteract the live sheep trade, which is a great problem to this State because it is exporting a range of jobs and opportunities. However, we are concerned about the proposal to put \$5.7m towards the Fletcher group without a proper inquiry into the industry. I do not think a real inquiry has been undertaken of this industry to look at its overall problems. For instance, in this State each type of meat that is processed is competing with each other; sometimes it is the same farmer's sheep competing with his pigs in terms of -

Hon M.J. Criddle: This is an export abattoir.

Hon J.A. SCOTT: I am pleased that it is an export abattoir, but I am talking about the industry in general. One of our concerns is that a focused look is not being taken at the possibility of bringing together the different types of meats.

Hon M.J. Criddle: Don't you agree that it would be really good to export those sheep slaughtered rather than on a sheep carrier?

Hon J.A. SCOTT: Absolutely, and it is good that it is in a country area because I want to see the decentralisation of this industry to country areas. The problem is that the minister has not taken a close enough look at what he is doing. We have problems with seasonality and this competition between the different meats. When a chance occurs to obtain high prices for spring lambs, the eastern states market comes in and takes the cream off that market. It is a very ad hoc situation.

Hon M.J. Criddle: I have just explained to you that since this operation commenced the prices have gone up by a considerable amount.

Hon Ljiljana Ravlich: Why this one?

Hon M.J. Criddle: Tell me of another one.

Hon J.A. SCOTT: I do not believe that this should have occurred before a more comprehensive inquiry was undertaken into the industry. I am not saying that we do not need to do something to stop the live sheep trade, because it is crazy to be exporting jobs and we do not get the extra money for processing, from the value added to the product along the way. We are yet to see whether that cost will be increased by a GST.

I also feel that not enough is being done to develop new markets overseas.

Hon M.J. Criddle: I have already said this bloke exports to 72 countries around the world.

Hon J.A. SCOTT: That may be so, but we also have many people here who are running abattoirs right now. For instance, Katanning has an abattoir that could be helped in this way to get it running and into those markets, rather than the Government importing someone to do it. We must look at the industry as a whole, rather than just looking at helping a person come in at the expense of other exporters and other sections of the market.

Hon Ray Halligan: What happens when these other businesses, companies and abattoirs have neither the expertise nor the inclination?

Hon J.A. SCOTT: We have a struggling industry in which low profitability has led to a lack of investment, and this will fix that, but it is about picking a winner. This is something I understood the Liberal Party would not do. It criticised previous Governments about picking winners, rather than dealing fairly across the range of people who could get into export markets.

Fletcher's Dubbo factory can do things more cheaply than some of our local people because it has looked at some of the uses that it can make of the offcuts etc of its meats. That is something that the Government could be looking through an inquiry into how it might boost export markets and improve the efficiencies of the abattoirs that already exist in this State, some of which have little hope for the future. We have a great opportunity to look at downstream processing such as in the biomedical area that was looked at for Robb Jetty. The Greens (WA) have been investigating the setting up of that sort of downstream industry attached to rural abattoirs for quite a while, and have also been looking at the specialised markets. For example, Japan and Europe have markets for things such as cruelty-free meats and clean meats. These are real niche markets that produce higher prices and give the smaller abattoirs some opportunity to open up their market potential. At the moment the Government is picking a winner, which has a record that shows it is more efficient than many other abattoirs, but I do not think we should be selling out the other abattoirs in the State in this way.

We should be conducting an inquiry to look at the range of issues surrounding the problems of the meat industry in this State, not just this one area, and look at the lack of investment that has occurred over recent years in the processing industry. That applies not only for equipment, but also for training for the people who work in those areas. The fact that our local consumption has been declining is a problem too - it may not be a problem, in that it is probably healthy for the community not to overindulge in meats, but we should be doing a lot more in the marketing area to assist the industry in this State; very little has been done to date. Rather than risking state money in this way, we should be looking at how we can help the industry as a whole, not just Fletcher. If Fletcher prevents much of the live sheep going overseas in the cruel way in which it is exported, and in a way that is wasteful of jobs, that will be good, but we can do much better than doing it in this ad hoc way.

HON MURRAY MONTGOMERY (South West) [4.10 pm]: In refuting some of the arguments of Hon Kim Chance, and taking a different point of view from him, I will take him back some four or five years to the announcement of the closure of Metro Meats in Albany, which belonged to China International Trust and Investment Corporation and had been bought from previous owners. It was always CITIC's intention to close that abattoir because it wanted to operate only in Katanning.

A rally was held in Albany in the Alison Hartman Gardens which Hon Bob Thomas attended - I cannot remember the other opposition members who attended that rally. Glenn Ferguson, Hon Hedy Cowan, the leader of the National Party and Deputy Premier, and the then mayor of the town, Annette Knight, attended and they addressed the rally attended by 300 or 400 people - more may have attended, but that is my recollection.

The Government was criticised for allowing the Albany abattoir to close; the rally said that it should maintain and keep open that abattoir. CITIC had said that it did not want to keep it open because it was an old and antiquated abattoir. It had been built in the 1930s or 1940s and additions had been made to it at several stages until 10 years ago when one of the chains was refurbished. The abattoir was a shell that had been added to and upgraded - as has happened, and is continuing to happen, to other abattoirs around the State. The situation was unfortunate because it was an opportunity for the Government to find someone - as it was asked to do - who would operate another abattoir. That was stated when the Albany abattoir was closed. Robb Jetty abattoir had closed, Albany was closing, there was a lack of space for kill and there was a need for it.

A three or four-year planning period ensued, because construction of the abattoir at Narrikup commenced in early 1997. The construction for the sheep kill was not completed until June this year. I was at the abattoir at the end of May, about one week or 10 days before it thought it would be able to put through its first lot of kill of a few hundred sheep. At that stage it was able to get the floor into a state in which it would be able to operate.

The new technology is obvious when one sees the abattoir, as was mentioned by Hon Murray Criddle. Although I have not seen it in operation, I am told that the new technology puts it in the forefront and will cut costs and the labour used in the abattoir. If a new abattoir is cost effective and uses that new technology, we can compete in overseas markets at a rate that provides a return to the abattoir operator and also increases the price to the producer. If an abattoir can receive an extra 20¢ or 25¢ for a sheep and the operator of the abattoir is allowed to go into the marketplace to buy the live sheep that are now being shipped out of the country, we can hold onto jobs. We have achieved something that has not been achieved for a number of years.

If my recollection is correct, the Katanning abattoir, which was one of the last sheep kill abattoirs to be constructed as a new abattoir, was constructed during the 1960s as a major export works for this State. There has been a 35-year gap in the construction of a major works that will kill sheep. Hon Kim Chance will no doubt recollect some of the new technology which has been experimented with in New Zealand and in the eastern States in the construction of new abattoirs. We have not been able to incorporate that technology into our abattoirs because they are old and are not constructed in a way that will allow new technology to be used. An abattoir cannot be efficient if new technology is put into the shell of an old abattoir. Fletcher International Export Pty Ltd has shown foresight in locating a greenfield site, starting construction of an abattoir and saying, "We can cut costs." That is of huge benefit to people involved in the abattoir industry.

A \$2.7m headworks grant was made available to the Fletcher group. It is available to anyone who applies for it and fits the criteria. Concerning the \$2.5m, some criticism has been directed at the Government in the sense that it is a loan which can be converted to a grant for the use of that new technology. That is available to any industry which can provide the Government with details that will allow it to assess whether it is new technology. If an industry does not apply for such a grant, it will not receive it. If it does not apply, no-one will be able to say, "That is what it says in the application and that is why you were knocked back." If it is not done that way, it is therefore not available. Some of the people who are a little miffed about not receiving a grant have not applied for one; they have inquired about one, but not applied. That is unfortunate because some of those people who have industries which are putting in new technology would probably find that if they applied they they would receive a grant; if not, at least they would be given good reasons for being knocked back.

HON KIM CHANCE (Agricultural) [4.19 pm]: I appreciate members allowing me the courtesy to reply. It is true that the Opposition, I and the Western Australian Farmers Federation were disturbed by the apparent lack of competition which would have arisen in the field of export works for sheep after Robb Jetty was shut down. I quite happily concede the point made by Hon Murray Criddle. Indeed, he could have gone further because I said a number of things at that time concerning my worries about how the Western Australian industry would be able to cope, particularly with the spring flush of lamb.

Those comments were made in 1994 in the knowledge of the industry as it operated at the time. Two factors have occurred since then which have radically changed the situation. The first of those two factors is that despite what people thought at the time, there was a continuing, rapid rundown in sheep numbers in Western Australia. Everyone thought in 1994 that it had bottomed out. In fact, they could not have been more wrong, and the sheep numbers have fallen something like six million in the period between then and now. The other important thing that happened is that the local works in this State upgraded their facilities at great cost in order to meet the expected demand. I have given those details, and I will not repeat them. I have not read the record of debate in 1993-94, but I believe it was predicted in the second reading debate that local works, such as Hillside, for example, would gear up with more modern technology and would take up the slack left by the closure of Robb Jetty.

I acknowledge the point made by Hon Murray Montgomery that the Fletcher group is an efficient operator. I have never questioned that fact. It is efficient; it is a new entrant. However, all of that makes no sense at all unless one takes into account that those people who took the Government at their word and upgraded their works at great cost - for example, at

Hillside in my electorate, by some \$3.6m - have been cut off by the Government and left out on a limb. They have been marooned by the coalition. They followed the policy line set out by the Government and now must face competition. However, they are not complaining about just competition. These are tough businessmen, and they face competition every day. They must face taxpayer-funded competition. That brings me back to my first question: Why must they do that?

I return to the first criterion I canvassed: Would this facility have been built if there were no taxpayer funding? Would it not have happened otherwise? The answer very clearly is that of course it would have. In fact it was built and, as Hon Murray Montgomery told me, its first kill went through before the funds were approved by Cabinet. Therefore, it is nonsense to say it would not have been there, unless, of course, somebody gave an undertaking that it might be funded and said to them, "You will be right. Put your application in. You will get your money."

Hon N.F. Moore: And pay \$5 000 to the campaign fund.

Hon KIM CHANCE: We can find \$5 000. I would be interested to know if there is any more.

Hon N.F. Moore: Whose campaign fund and which one?

Hon KIM CHANCE: It is just listed as coalition in my list.

Hon N.F. Moore: Where? Is it federal or state?

Hon KIM CHANCE: I do not know. It refers to a coalition payment in 1992-93 of \$5 000.

Hon N.F. Moore: Just go through the finance report tabled in this House.

Hon KIM CHANCE: There is a reference to Fletcher International Export Pty Ltd.

Hon N.F. Moore: To whom - federal or state?

Hon KIM CHANCE: I have already said it is coalition. I do not know whether it is federal or state. I am happy to provide a copy of it.

Point of Order

Hon BARRY HOUSE: I request that Hon Kim Chance table that document.

The PRESIDENT: Hon Kim Chance is required to identify the document from which he has been quoting.

Hon KIM CHANCE: The document is a photocopy of a single page of a spiral bound document. The only header on it is "Includes Donations to Free Enterprise Foundation". I do not know its source. It arrived on the fax machine today.

Debate Resumed

Hon N.F. Moore interjected.

Hon KIM CHANCE: No, this is made in 1992-93, so I do not think Hon Norman Moore will find it in 1997.

Hon N.F. Moore: That is six years ago.

Hon KIM CHANCE: Funnily enough, it was an election year. Is that not strange? We have already been told by the Leader of the House, representing the Minister for Commerce and Trade, that informal discussions began with the Fletcher group in 1992. Is it not strange? That was in answer to a question I asked last week.

Motion lapsed, pursuant to standing orders.

WORKSAFE WA

Standing Committee on Public Administration Inquiry - Motion

Resumed from 10 September on the following motion -

That the House direct the Standing Committee on Public Administration to inquire into and report upon -

- (1) The degree to which and the methods by which WorkSafe WA applies and seeks to ensure compliance with the Occupational Safety and Health Act 1984.
- (2) The extent to which compliance with the Occupational Safety and Health Act 1984 has been impacted upon by privatisation and contracting out.
- (3) The degree to which legislative changes since 1993 have impacted on the safety of Western Australian workers, with particular reference to the Industrial Relations Legislation Amendment and Repeal Act 1995 and the Labour Relations Legislation Amendment Act 1997.

- (4) The extent to which WorkSafe WA complies with safety standards enforcement in demolition and other high-risk industries.
- (5) The extent to which a declaration by the WorkSafe WA Commissioner not to respond to safety complaints by unions had an effect on the administration of the Occupational Safety and Health Act 1984.
- (6) The extent to which the construction branch of WorkSafe WA meets compliance with the Occupational Safety and Health Act 1984.
- (7) The extent to which reporting of occupational injuries and diseases as per the requirements of the Occupational Safety and Health Act 1984 truly reflects the extent and rate of occupational injuries and diseases in Western Australian workplaces.
- (8) The extent to which existing penalties for breaches of occupational health and safety standards adequately reflect the pain and suffering of victims.
- (9) Any other matters relating to WorkSafe WA and its operations that the committee deems necessary in conducting its inquiry.

HON LJILJANNA RAVLICH (East Metropolitan) [4.26 pm]: I first indicate how sad I am that I have only four minutes in which to make some comments! The last time I spoke on this issue I focused on recent events. I wish to take this House through some of the terms of reference and explain why there is cause for the Standing Committee on Public Administration to inquire into these matters in more detail. Statistics indicate that 27 deaths, on average, and in the vicinity of 30 000 accidents, some minor, some major, occur in Western Australian workplaces annually. This rate of deaths and injuries is far too high. To take a personal example when considering these matters, what if it was my brother or my sister -

Hon Derrick Tomlinson: Or even you.

Hon LJILJANNA RAVLICH: Or even me.

Hon Derrick Tomlinson: We would all mourn.

Hon LJILJANNA RAVLICH: It is totally unacceptable, and the Australian Labor Party will not sit back and watch this continue. Therefore, the operations of WorkSafe WA are brought into question. The first term of reference states -

The degree to which and the methods by which WorkSafe WA applies and seeks to ensure compliance with the Occupational Safety and Health Act 1984.

A thorough analysis of this fundamental issue is needed. Certainly evidence suggests non-compliance with the Occupational Safety and Health Act. I make that remark based on a couple of matters, and I will not dwell on the point. Firstly, when Commissioner Bartholomaeus made the decision in June last year not to deal with unions, in fact he never had that decision ratified by the commission. That commission consists of the commissioner and 12 members, and it has a very important role. That decision was never ratified, and the commission moved a motion that communications should resume between WorkSafe WA and the union movement in order to get back on track in the best interests of Western Australian workers. The commissioner refused to agree to that resolution, which was supported by the other 12 members of that committee. That must bring into question whether WorkSafe WA complied with the Occupational Safety and Health Act.

There are many examples of matters that should be investigated by the Standing Committee. Under section 14(1)(d) of the Occupational Safety and Health Act, the commission is to provide advice to, and cooperate with, government departments, public authorities, trade unions, employer organisations and other interested people in relation to occupational health and safety. There must be some analysis of whether WorkSafe, the commission or Commissioner Bartholomaeus have acted properly. Much more can be said about whether there has been compliance with the Occupational Safety and Health Act. People in industry are more than willing to give examples of non-compliance. One need only speak to members of the community for examples of non-compliance. I think it is beholden on this House to support an investigation which will lay some of these allegations to rest, an investigation which I hope will get down to the particulars.

If an organisation is not acting in accordance with the Act, there should be a thorough investigation which would, firstly, outline the problems and, secondly and most importantly, come up with strategies that might provide answers as to how things could be better dealt with. The degree to which and the methods by which WorkSafe ensures compliance with the Occupational Safety and Health Act would be fundamental to the inquiry and be a great starting point for members of the committee.

Debate adjourned, pursuant to standing orders.

ADDRESS-IN-REPLY

Amendment to Motion

Resumed from 10 September, after the following amendment had been moved -

To add after the word "Parliament" at the end of the motion the following words -

That the Legislative Council regrets to inform His Excellency that the Court-Cowan Government continues to fail to properly support the administration of justice, and in particular notes -

- (1) the crisis in legal aid;
- (2) the treatment of justices of the peace;
- (3) difficulties in the prison system including prison planning and deaths in custody; and
- (4) issues of public safety generally.

HON MURIEL PATTERSON (South West) [4.31 pm]: Prior to the conclusion of Parliament last week, I was talking about the successful time we on this side have enjoyed in government. I spoke with some concern about the negative reaction of opposition members to just about everything we do. It is not good for their health to be so negative. For example, at one time, day after day, the Opposition questioned the Leader of the House, on what it considered to be the Government's foolishness in employing Elle Macpherson to promote Western Australia as a tourist destination.

Hon Ljiljana Ravlich: How does he get his statistics?

Hon MURIEL PATTERSON: No members opposite said that they did not understand, or wished the Leader of the House well and hoped the project went well for Western Australia. An article appears in today's *The West Australian* under the nice headline "Elle ads credited with \$7m boost".

Hon Ljiljana Ravlich: How did he come up with those statistics?

Hon MURIEL PATTERSON: It states -

ELLE MACPHERSON'S television commercials drew nearly 6000 people from London who boosted the State's income by more than \$7 million, the WA Tourism Commission said today.

It goes on -

The London launch of Ms Macpherson's six commercials last September and the resulting campaign directly accounted for 5886 bookings to WA, injecting \$7.3 million into the local economy, it said.

It continues -

The Macpherson advertisements directly attracted 4 000 visitors from Singapore. But more than 2000 bookings were taken from Malaysia where the ads were not shown.

The commercials in Sydney and Melbourne increased awareness of WA as a holiday destination from 10 per cent to 14 per cent, the commission said.

It said 61 per cent of 1997 international visitors were on their second trip to WA, compared to 48 per cent in Victoria, 42 per cent in New South Wales and 36 per cent in Queensland.

For the first time WA had 100,000 visitors from one country - Britain - who had put \$180 million into the economy.

WA got 7300 new tourism jobs in accommodation, cafes and restaurants in the year to May, the commission said.

That is a remarkable result and very likely more than the Government expected at the time.

The Government has also done another very good thing, especially for those in the country electorates. We often hear Hon Kim Chance speak of the inadequacies of nurses' facilities and medical services in the State. An article in the *Albany Advertiser* on 10 September states -

A LIBERAL election promise was made to spend an extra \$50 million over four years on retention payments to country doctors has been welcomed by the Rural Doctors Association of Australia.

RDA State president David Mildenhall said the payments were a recognition of the difficult job country doctors did and the need to stem the exodus of doctors from rural and remote areas.

"Rural doctors often work long hours with little relief and are paid at the same rate as city general practitioners," he said.

"This is the first time Government has recognised that country GPs should be rewarded in a tangible way."

That is another extremely good program this Government has undertaken.

I also find various community projects have been encouraged. One that bears mentioning is a project targeting home violence. Just recently in Albany a seminar on domestic violence was attended by over 100 people. I wonder whether members realise that the most common form of assault in Australia today comes is domestic violence. That is frightening. The Minister for Police attended the seminar. An article in the *Albany Advertiser* of 8 September states -

THE Great Southern has the best programs to combat domestic violence in Australia, Police Minister Kevin Prince said . . .

Mr Prince told a crowd of about 100 people who attended the Great Southern Regional Domestic Violence Intervention Program launch at Pymont House in Albany on Friday the region was leading the way in its response to domestic violence.

It should be said that not too many years ago child abuse and domestic violence were not spoken about because no-one wanted to know about them or to face them. Albany is leading the way and is working extremely well with the cooperation of all government departments and social welfare groups. Various sectors of the community have combined to provide some of the best programs and interaction that are possible in this area. The assistance is not given by way of criticism, but with the strategy of helping people in this situation. The article continues -

"There is still in our society a shroud of secrecy and of shame that surrounds domestic violence and in many, many cases goes undetected, unreported and unsuspected.

A recent WA survey also showed that only 19 per cent of women who were physically assaulted and 15 per cent of women who were sexually assaulted reported the incidents to police.

Mr Prince said these were frightening facts and statistics which highlighted the importance of developing new preventative measures.

At the seminar the Minister went on to praise the Great Southern community for the networking between the departments and the community. The article continued -

Services provided throughout the region which formed part of the project include -

- . A pilot men's domestic violence crisis service at the Albany police station,
- . A victims counselling service offered by Kinway (a division of Anglicare),
- . A perpetrator counselling service offered by Kinway,
- . Women's accommodation services at Albany and Katanning, and
- . The Katanning Domestic Violence Advocacy and Support Service.

It goes on -

"It is an excellent program which should go a long way towards reducing the incidence of domestic violence . . .

At this seminar, which I attended, it was pleasing to see Aboriginal people; members of the police; people from Katanning, Gnowangerup, Denmark, Mt Barker and Albany; social workers; community workers; and representatives of groups from various shires, all of whom were interested and willing to do something about this serious problem. I believe we are making very good headway with it.

I will tell members about some of the community work that goes on in this country town - perhaps I should say city - of Albany. During the previous weekend it was my was pleasure to attend the opening of the new premises of the Albany Bridge Club, which comprises approximately 120 members. For many years through their membership fee of \$10 and payment of \$3 for a game of bridge, they have raised \$92 000, enough to commence building the clubrooms at an approximate cost of \$200 000.

As I looked around I saw many faces that I had seen over the years working in the community on a number of projects that those very people initiated.. It struck me that over the years Governments have been very supportive of health and welfare projects, law and order and education, and have often overlooked our worthy older citizens. I guess it is partly because they are usually self-reliant and ask for very little. I suspect that they are of a generation that does not rely on Governments. They have learnt to work together and to do for themselves. If only we could return a little to that self-reliance and working together for what we want.

Something that concerns me greatly is that so often over the years I have heard people ask me what the Government will do about it. In the long term those people will lose because when Governments get involved in many of these situations, there is a greater cost and a lack of harmonious and good community spirit. The community recognised what these good people were doing. They received some very generous donations from the community. One donation was from the Albany Woollen

Mills, which carpeted the floor of the building. I thought it was a lovely gesture, especially as the woollen mills fought for and lost the land on which the club building was built. It was still gracious enough to carpet the club building. Another lovely thought came from the St John Ambulance committee, which donated a very nice black recliner chair and stool. The committee said that as some of the people were older and they would have days when they did not feel so well, it would like to think that they felt comfortable.

While I am speaking of community unity, Mr President, I will tell you what happened recently in Tambellup, which has had a nursing post for many years. The community, the nursing post and the health service worked together with a vision of improving the health service for this country town. The old Bank of New South Wales building has been standing in Tambellup for some time. It was bought and refitted for both living quarters and nursing requirements, offering services for emergencies, visiting doctors and elderly citizens, of which there are quite a number now in Tambellup. As in a number of towns, when farmers retire, instead of moving to the city they move into town so they can still keep an eye on their farms and be with their friends. Some country towns are seeing people from the city making their homes with them. They have always been made very welcome. After leaving Tambellup 30 years ago, I was given the honour of opening the redeveloped Tambellup health centre. I felt very proud to be identified as one of the locals. A large number of people from all over the district attended because country people do value health services and they wanted to be part of the celebration.

Another very interesting occasion was celebrated by the Apex club. Our Governor, Major General Michael Jeffrey, unveiled a plaque commemorating the building 40 years ago of Apex Drive, as it is known. The road extends from Marine Drive to Mt Clarence where the war memorial is situated. One must see the terrain to appreciate what the Apexians did. Without modern equipment, with no big bulldozers or chain saws, they cleared the drive up a very steep incline. I do not know how many men were involved, but I do know that they were scheduled to work for 12 hours every second week for six months. All of the work was voluntary. The truck drivers then had pretty small trucks in comparison with those we are used to seeing today. They would not take petrol money because they saw the project as something they wanted to do for their community. I have no doubt whatsoever that without the work that those Apexians did, that magnificent war memorial would never be on the top of Mt Clarence. It stands there in all of its glory - I mean all of its glory - looking out over the harbour where the last of our soldiers left Australian shores. It is a wonderful memorial. I get quite emotional when I imagine all of those young men leaving for the unknown to fight for Australia. Albany was their last port of call. Later in the afternoon a local author and citizen of Albany by the name of David Bird launched his book on the history of this club. Included in the book were the names of all the men who were lost during the war. This was really appreciated by members of their families and many of the citizens. Although there are plaques on the trees, over the years some have become not as easily read. It was a very nice gesture to have their names recorded in a book so that people could read them.

Not long before the last recess the Attorney General mentioned the work going on at Walpole. I was very interested in the work to which he referred. Although Walpole is part of my electorate, I was not very familiar with the work. We hear so much criticism of our prison system, to a great extent with good reason; but it is very opportune to talk about the success of some of the projects in our prison system. I have spoken before in this place about Pardelup Prison Farm. The work done there is extremely worthwhile and very helpful to the inmates and community alike.

Hon Tom Stephens: Did a group of inmates from Pardelup do the work on the Bibbulmun track?

Hon MURIEL PATTERSON: Yes.

Hon Peter Foss: It was one of the groups.

Hon MURIEL PATTERSON: A group was chosen from Pardelup prisoners. There are usually only eight prisoners at a time. They are taken to Walpole. The community of Walpole approved of their presence and welcomed them. They stayed in a Main Roads camp which is just out of town. It was a quite old dump of a place. The prisoners have painted it, and it is now very attractive. They have very nice rooms. I was met in Walpole by the assistant superintendent, Jim Bolen. I believe that he is in charge of the substance abuse program. He is justifiably proud of the project. We travelled to the Walpole work camp. The bedrooms, kitchen and living areas were a credit to the prisoners. I was introduced to each of the eight prisoners and invited to speak to them and ask any questions I liked. This was a very open approach. The assistant superintendent did not seem to be the least concerned about what questions I might ask. He told the prisoners to feel free to answer any questions that I might have and to say anything that they liked, which they did. The men were very welcoming and very happy to talk to me. I asked questions. One of the prisoners told me that he enjoyed the privilege of the extended time he had in which to talk to his family on the telephone, because at Pardelup he was allowed only a short phone call. Because Walpole was further away, prisoners were able to have an extended time on the telephone talking to their families, which meant quite a lot to them.

Another said he was using his time to come to terms with a substance abuse habit. I asked whether his control would last only during his time in prison or whether it would continue when he came out. He said that he knew it would be much harder when he got out but that he was serious about wanting to continue to control it. When I asked him why he was trying to control it he said that it was because it had ruined his life. He said that every crime he had committed reflected his behaviour during substance abuse. Another prisoner said that he enjoyed the physical work, being in the open air, learning to use a

chainsaw and finding out that he had a few muscles he did not know he had. Others enjoyed the community involvement and freedom. One of the most gratifying answers came from a chap who said that he got job satisfaction because he loved being physically active and seeing something completed at the end of the day.

Although this project involved working on the Bibbulmun track, the prisoners undertook many other projects. Another chap said he appreciated the trust placed in him and the others by being allowed out in the bush. The eight men were under the control of one officer who was not relieved of duty until the end of the week. At night the men slept in the old Main Roads camp. The supervising officer's sleeping quarters was a caravan under a shed. The prisoners were not locked in and were free to go out if they desired. They accepted that as a form of trust which, if they broke it, would cause severe consequences. The supervising officer, Glen Henry, said that he was very proud of the men and had great trust in them, but if they broke the trust the punishment would be to return to Pardelup Prison with many more restrictions. Officer Glen Henry's working experience was in the Army and as a police officer. They are both very good qualifications for a man in his position. He is relieved every second week by Paul Alkes, whom I did not meet until I was in Albany a week later.

The discipline imposed on the men is largely self-discipline and they help each other. The main impact of this program is the effect each person has on everyone else if he breaks the rules. That reflects what happens in society. No-one can commit a crime that does not affect others in the community. I was surprised when they said that at the Walpole camp they were allowed to have vegemite. When, in my ignorance, I asked why they were otherwise not allowed to have vegemite I was told that prisoners inject vegemite into their veins and experience a bit of a "high", or use the yeast content for making brews. I guess one learns something every day.

Hon Derrick Tomlinson interjected.

Hon MURIEL PATTERSON: I thought he could add this to his recipes.

A prisoner who stole a jar of vegemite and took it to Pardelup was punished more by the hurt he caused his fellow prisoners. Even though the other prisoners had nothing to do with his stealing, for the next month the prisoners at Walpole were not allowed to have vegemite. That is a lesson on how crime affects everybody.

A local Walpole committee which works with this program has indicated that it would like to see more community projects undertaken. One of the first things the prisoners did was clean up the Walpole cemetery of which they did a great job. I used the remaining four photographs in my camera to capture them on film because they were very good projects. They also landscaped a playground and assembled the equipment for children, which turned out very well. They cleared part of the Bibbulmun track, which included building a solid bridge. I would like members to look at these photographs afterwards. They also painted the communications post. A future project is to paint the community hall. I have a picture here which shows how dilapidated it looks. It is difficult for the State Government and local governments to continually maintain these buildings. I am sure the committee will manage to find the paint to do the job and Walpole will benefit by having a much better hall.

One of the important aspects of this program was the fact that the men were allowed into the community and to walk along the streets, although they were restricted. Unlike other young men, they could not go out or have any entertainment at night. They knew what they were missing, but they were not so isolated from the outside world that they would find it very difficult to return to it.

I congratulate the Ministry of Justice for the work being done on this project. I sincerely hope the results are so good that it will continue. It is a great opportunity for prisoners who want to better themselves while helping the community. I am sure the general public is pleased to see something positive being done rather than seeing men spending time idly in prison.

Last Sunday I attended the official opening of the Albany end of the Bibbulmun track.

Hon Tom Stephens: Did you walk along the track or just go to lunch afterwards?

Hon MURIEL PATTERSON: I took a little walk with enthusiastic intentions of doing a bigger one.

Hon Tom Stephens: How far did you walk; to the lunch tent?

Hon MURIEL PATTERSON: I walked a bit further.

During the opening celebrations, which a good crowd attended, each prisoner who contributed to the development of the track was awarded a certificate which I understand will go on their resume as an indication that they have made adjustments and learnt new skills. The Department of Conservation and Land Management is working very well with them and offering much support. It is good to see two government departments, the Ministry of Justice and CALM, working so well together.

Hon Tom Stephens: It is an absolute rarity for two state government departments to be working so well together under this Government.

Hon MURIEL PATTERSON: Hon Tom Stephens has the wrong attitude. I am trying to tell him to refrain from being so negative.

Hon N.D. Griffiths: He is being positive.

The PRESIDENT: Order! Members are interrupting my listening.

Hon MURIEL PATTERSON: So many good things are happening; yet we do not hear enough about them. They may not always be world shattering and may often affect only a few people, but those few people matter.

Hon Tom Stephens: One of the best things happening is the poll results in today's *The West Australian* which shows that the coalition ratings are dropping.

The PRESIDENT: Order, the Leader of the Opposition!

Hon MURIEL PATTERSON: Last Saturday I attended the opening of the upgrading of the Kalgan Community Progress Hall. That project was a remarkable achievement by local tradesmen enhancing a delightful hall used extensively in this very small community. It took my mind back when the awards were given to so many people who had served the community tirelessly for 20, 30 or 40 years without a break whether it was in the bush fire brigade or otherwise. It made me feel very proud of the Australian community.

Too often we hear of poor behaviour among young children. Anyone who was there would have been immensely heartened at the sight of 18 young children, from four years of age upwards, entertaining the crowd with a string orchestra. Some played on violins smaller than I had seen. It was a delightful scene which I am sure every person would have found heart-warming.

[Continued below.]

[Questions without notice taken.]

HON MAX EVANS

Festival of Perth - Personal Explanation

HON MAX EVANS (North Metropolitan - Minister for Finance) [5.32 pm]: I refer to questions asked today by the Leader of the Opposition. The comment made about the last Festival of Perth that more functions were held on Saturday mornings than on Sunday mornings is based on the fact that some years ago bingo meetings could be held only at night. I had to change legislation because people prefer to play bingo during the day. They find it easier to attend because more transport is available and they do not like going out at night. The same applies to the Festival of Perth. A lot of older people attending performances prefer to go during the day when more services are available and it is a lot easier to walk down the street to the local station. My comment had nothing to do with rotten transport and people not trusting the Western Australian transport system.

The PRESIDENT: Order! We do not want to bring debatable material into such statements.

ADDRESS-IN-REPLY

Amendment to Motion

Resumed from an earlier stage.

HON MURIEL PATTERSON (South West) [5.33 pm]: As members will have gathered, I want to highlight the importance of community involvement with governments and community self-help organisations and how it is still occurring in country areas. I will refer to the pressure blamed for youth suicide. This is something about which all members in this House have a deep concern; that is, our high rate of suicide among teenagers. It reflects the growing pressure on young people to grow up too fast and face adult problems before they are ready. Albany teachers and parents have stated that. The point was raised during a depression and youth suicide forum at the Albany Senior High School. Dave Powell, a teacher, said that young people were under intense pressure from parents and other adults to do well at school and in other fields of achievement. Although it is important for parents to encourage their children, I support the view that some parents place pressure on children beyond their capacity or maturity. I urge parents to watch for this and perhaps let children take a little longer to develop. Dave Powell also said that we have almost robbed children of their teenage years with what we expect of them; they are not allowed to be teenagers any more. Another teacher said that many adolescents she came into contact with thought it was normal to be unhappy. Community mental health worker Bronwyn Williams said that suicide rates among young Australians had risen steadily from 1982, with children as young as 12 committing suicide. She said that it was important parents realise suicide attempts were a cry for help rather than merely attention-seeking behaviour. So one could go on about this subject.

It behoves each of us, as parents or grandparents, to support our young children and teach them to smell the flowers, look

up into the skies and see pictures among the clouds, to take them for walks, and to spend time with them and take pressure off them. We have all lived long enough to know that people who have multiple university degrees and no work satisfaction, have not necessarily been happy and have not gained personal skills. We should be looking at a happy medium which is for our youngsters to learn to live with each other, as well as to achieve academically. It is important that we realise that not everyone matures at the same age and at the same rate. Children do not come from the same background and should be allowed to have more flexibility in this area. This will take some of the pressure off our children and will not send them into terms of depression. I was horrified to think that youngsters become depressed. It is something we attribute to only adults. Sadly, that is not the case.

I applaud the Government of the New South Wales Premier, Bob Carr, which is prepared to support the victims of crime. I have not heard one person who has not said that it is a very good thing. We, in Western Australia, can protect ourselves in our own homes. However, I request our Government to legislate as New South Wales has done to protect the victim and give them clear permission so they are not on the defensive with the law. If only the word "reasonable" were taken out of our law for protection, it would solve many problems. What is reasonable to one person is not reasonable to another. The civil liberties group has said that it is terrible to attack anyone who invades a home. It is criminal for someone to invade a person's home uninvited, unasked; a place which we all call our castle and in which we feel safe. If anyone attempts to break into our homes, we should have every right to defend ourselves in any way that is suitable to us. I have no doubt that each of us would have different methods of doing it. However, we should not have to answer to the law how we should do it.

I do not agree with Hon Helen Hodgson who said last week that she considered it was not correct when people say that some seniors are compelled to lock themselves in their homes at night. I have met with many people and a number of my friends who say that they are frightened to go out at night. There is a fear for older people, especially those who live on their own. One of our members had to leave this House today because his wife was attacked. It is time that people were allowed to defend themselves in any way they see fit.

Rather than knock the Government for everything it does, and rather than try to prove that everything the Government does is wrong, I suggest that we look at the achievements of this Government in protecting people and in helping people in social and economic areas, and in the areas of business and transport. I urge all members to look more positively at the marvellous country in which we live. I have travelled enough to know that Australia must be the best country in the world, and that even the poorest person in Australia has warm clothes, food, shelter and health care. I urge all members to be glad and grateful for what we have.

HON KIM CHANCE (Agricultural) [5. 41 pm]: I will speak briefly to this amendment. I do not often speak on justice matters -

Hon Peter Foss: You will speak on anything at any time!

Hon KIM CHANCE: I anticipated the odd interjection of that nature! We certainly all have a vested interest in justice matters, even those of us for whom the courts are quite foreign places. My interest stems from the fact that the city of Geraldton is part of my electorate. Geraldton has had, rightly or wrongly, a considerable focus on this issue for some time. That is justified in part because over some years, a number of quite nasty and unfortunately unsolved and very serious crimes - murders and abductions - have occurred in Geraldton, and that has tended to make people feel uneasy.

By way of interjection at an earlier stage in this debate the Leader of the House made a comment that one of the real tragedies that flows from personal violence is not only the violence itself but also the perception of violence, where a person feels that he is caged in his own home; in other words, he creates a prison for himself. The perception of violence and of crime is a problem; and we cannot deal with that problem in isolation from the reality of violence in society.

Hon N.F. Moore: I think that was said by Hon Helen Hodgson; namely, the perception of crime is sometimes greater than the reality of crime.

Hon KIM CHANCE: Yes. The Leader of the House may have been agreeing with what Hon Helen Hodgson said.

Hon Peter Foss: A short visit to New York would change the perception of a lot of people!

Hon KIM CHANCE: I think it would. I am struck at times when I am doorknocking in Geraldton and in Merredin on virtually consecutive days at the different approach that is taken to personal security in those two communities.

Hon Peter Foss: People are noticing a change in Geraldton, with a major drop in the number of burglaries.

Hon KIM CHANCE: Geraldton has had a major drop in most violent crimes.

Hon Peter Foss: Has the perception changed?

Hon KIM CHANCE: I hope it will change, but it is not reasonable to expect it to change immediately, because it took a long time to develop. However, the situation is definitely starting to improve. I had a brief discussion with Superintendent Garry

Power just the other day about this matter. It is encouraging to see the improvement in crime rates in Geraldton. I hope that will result in a gradual improvement in the perception of security in Geraldton. However, it is unreasonable to expect that to happen quickly. The difference between those two rural communities with regard to the perception of crime is that when one is doorknocking in Geraldton, it is inevitable that one will speak to people through a security door; and if one is unlucky, one will speak through the security door and also the main door.

Hon Peter Foss: That is an old situation. I can remember that being the situation when Bob Bloffwitch became the member for Geraldton.

Hon KIM CHANCE: It predates that, because the first of those very nasty events was the Zanetti murder in the late sixties, and although that occurred a long time ago, there has always been another murder to remind Geraldton people of that terrible occasion. We then had the Greenough murders, the culprit of which was found, and that just made the situation even worse. We then had the drug-related killings that occurred more recently.

Hon Peter Foss: I remember the Cooke murders in Perth, which changed people's whole lifestyle.

Hon KIM CHANCE: Yes. They had the same effect. The prisoner mentality that most people in Geraldton have can be contrasted with the situation in Merredin, where on weekends one would be doorknocking and more often than not one would knock on an open door, not a closed door, and someone within the bowels of the house would yell out "Come in!" That is the difference between the perceptions in those two communities. The crime statistics of those two towns are virtually no different. Merredin, being on the main highway, probably has a higher rate of serious crimes than Geraldton. One would expect the rate of drug-related crimes in Geraldton to be a little higher, but I do not think it is noticeably higher than in Merredin, although I stand to be corrected on that. I suspect that the reason for that difference in perceptions is not a vast difference in the crime rates but a concentration on very serious but unsolved crimes in Geraldton, some of which occurred 30 years ago.

Hon Peter Foss: It may be that the news media concentrated on those things.

Hon KIM CHANCE: It is unfortunate that it was partly encouraged by a former mayor of the City of Geraldton, and was partly the result of an aggressive media. I do not want to put down the Geraldton media, but they have been more than willing to report some of the bad news things that have happened in Geraldton, particularly in respect of the crime wave. Those two factors, and probably dozens of others, which unfairly I will not mention, have added to people's perception that that kind of crime is prevalent.

About two and a half years ago, at the height of a so-called crime wave in Geraldton which was concentrated on the more minor incidents of bag snatching, shoplifting and vandalism, I took a walk down the mall in Geraldton. The first thing I noticed was a shoe store with a very narrow frontage, which had on display in the store and on the footpath of the mall pairs of \$300 joggers - the most prized item in a shoplifter's itinerary - and about 50 feet away at the other end of this long shopfront was a 15-year-old shop assistant who was taking no notice at all of what was happening with those shoes that were effectively on the sidewalk. I observed that for some time and noted that that display was not alone in being a free and quite defensively open display of goods, and it struck me that perhaps shoplifting was not prevalent to the extent that people were making out. I felt uplifted to see that, and I did not think it was silly, because shopkeepers should have the right to display their goods freely. We should all be able to be as trusting of other people as was that shopkeeper.

Hon Peter Foss: Society has changed in that respect and has gone through a cycle over the years, where at times it has been possible to do that and at other times it has not been possible to do that. In Victorian times it was definitely not possible.

Hon KIM CHANCE: Absolutely. Sometimes we put ourselves down when talking about quality of life issues relating to crime and violence. Certainly, we are not comfortable with the current situation. However, much worse times were experienced in the past. One would find that the "good old days" were nowhere near as safe as today's society. We have the view that, for example, crime did not exist during the comfortable 1950s. I do not know where that idea came from. People speak about the days in which they did not need to lock their homes. When I first came to this place, we did not lock the doors on my house in Doodlakine as it had no locks. I lost nothing from that house. I operated a farm 60 miles away from where I lived. On that farm were tools, fuel, vehicles, machines and occasionally money. I do not think I lost a single thing. The only time I found something unusual was when I walked into camp on the new land property and found two \$10 notes next to the salt and pepper shakers. A nearby note read "I ran out of fuel and pinched a couple of litres. I hope it is all right." This was in the 1990s! Sometimes we oversell the extent of crime in our community.

Notwithstanding that, our citizens, particularly those past, or have not reached, the age of adequately protecting themselves from attack must feel secure in their homes. I agree with everything Hon Muriel Patterson said. We have a duty to ensure that people are provided with means to be defended. People must be able to rely on society's defences. One of the greatest breakdowns, which has attempted to be corrected through Neighbourhood Watch and other programs, has resulted not from inadequate police numbers or resourcing, but from the fact that we no longer know our neighbours. My father, who lives alone, made the point recently that his next door neighbour over the past 18 years lives closer to him than the wash house

was located on the farm, yet he does not know that person or his surname. That is a tragedy. I live in unit 115 in a large block of flats. I do not know my neighbours who are the width of one brick away from me. That is a major difference when comparing modern society with that of the past. Even in suburban Perth, people in the 1950s expected to know their neighbours. Happily, people in the country even in 1998 still know their neighbours well: They know their habits and when they are home. People look after neighbours' dogs. It is known that people are away for the weekend as they care for the dog. Society itself needs to address that point.

Having been diverted slightly, I return to the amendment before the Chair. I was told recently - I have no way of knowing whether this is right, and the Attorney General may be able to direct me - that 95 per cent of persons in prison will be back in the community in five years' time.

Hon Peter Foss: Yes, provided they are not back in gaol again. It might be better to say that they will spend some time in the community.

Hon KIM CHANCE: Yes. If that statement is remotely correct, any thought that our justice system should be aligned primarily to punishment rather than reform can be seen to be absurd. If 95 per cent of people currently in prison will be sharing our streets and community in five years' time, any thought that the justice system should punish rather than reform as its primary agenda is absurd. If we will share our streets in five years with persons currently in our gaols, we should make certain that we do not brutalise those persons while in gaol.

Hon Peter Foss: Punishment is not necessarily brutalising.

Hon KIM CHANCE: Maybe I put that point badly. The Attorney knows what I meant by punishment.

Hon Derrick Tomlinson: Why do you assume that because they have served time for a crime, when people come out they are still criminals?

Hon KIM CHANCE: I do not.

Hon Derrick Tomlinson: That is implied in the question.

Hon KIM CHANCE: Bear with me.

Hon Peter Foss: Deprivation of liberty is punishment, but it does not necessarily brutalise

Hon KIM CHANCE: No. My point is that we must ensure that our system, which can easily brutalise, does not brutalise.

Hon Peter Foss: I agree with that.

Hon KIM CHANCE: If at all possible - I refer to Hon Derrick Tomlinson's interjection - we should ensure that when former prisoners re-enter society, they do so as better people than they were when they left society.

Hon Peter Foss: Even people who spend 20 years or the rest of their lives in prison should not be brutalised.

Hon KIM CHANCE: Right. Given our crowded, if not overcrowded, gaols and their current condition, I sometimes despair at the amount of rehabilitation we can offer inhabitants. We have a system, if not overcrowded, which is certainly under maximum stress regarding the physical and human resources we can devote to prisoner rehabilitation.

Hon Peter Foss: Hon Muriel Patterson gave a good example of a program which has had a positive effect on prisoners and on the community into which they return.

Hon KIM CHANCE: Absolutely. We all encourage such programs. Despite the best efforts of prison management, prison officers and social workers, it is more likely that our prisons are more criminal higher learning institutions than forces for reform.

Hon Peter Foss: There is a theory - I think it is referred to in the parole report - called nothing works; that is, no matter what is done with wonderful programs, they do not work. In other words, if one were busy working towards worthwhile outcomes, in the end they would not make any impact when compared with doing nothing at all. There is some evidence that you can make a difference. However, many people argue that nothing is changed no matter what is done.

Hon KIM CHANCE: I totally reject the nothing-works principle.

Hon Peter Foss: They said so because studies looked at people who went through these programs, and compared them with those who did not undertake the programs, and it was discovered that it was hard to detect a statistical difference between them.

Hon KIM CHANCE: I assume that the author of that study is a criminologist or took a great deal of advice from a criminologist. Whichever is the case, the author is bound to know more about the subject than I do. Nevertheless, I make a judgment on what I observe - which is a tiny slice of that part of society - and on what I am told by people who are close

to the system. I spoke not long ago to a person who had worked in the Los Angeles parole system, and he had exactly the opposite point of view to that outlined by the Attorney.

Hon Peter Foss: There are studies to the opposite view - as always.

Hon KIM CHANCE: The role of a parole officer in the United States is not dissimilar to that of an officer in Australia. However, some States in America tend to have slightly earlier release of prisoners because of massive overcrowding. Drug offenders are released early and much of the sentence is served in the parole system. Therefore, the parole officer has an extremely important role in the administration of Californian justice.

Sitting suspended from 6.00 to 7.30 pm

Hon KIM CHANCE: Before the suspension, I had made the point that it was extremely important that, as far as possible within the resources of the system, our prisons should act as a force for reform rather than as a force for retribution. It may even have seemed superfluous to make that point in a place such as this, particularly given the Attorney General's ready agreement with it, but I made that point because it is not superfluous in terms of the general community. Other members of Parliament and I still meet elements in the community who belong to what we in the Labor Party call the "hang 'em and flog 'em brigade". I am not sure what the conservative parties call them.

Hon Peter Foss: Rednecks.

Hon KIM CHANCE: Rednecks. The "hang 'em and flog 'em brigade" is still around. I remember sitting in a meeting in Geraldton discussing the spate of shoplifting and bag snatching to which I referred earlier and it was seriously proposed by an apparently otherwise sane person that we should introduce the fundamental Islamic practice of removing an offender's hand. With an entirely straight face, I said to him, "Don't you think that's a bit severe?" His only response was, "Well, he wouldn't do it again," and I said, "Well, at least not with that hand." I thought that he was joking. As the day wore on, I found that he really believed that that was an appropriate settlement for a nine-year-old boy.

Hon Peter Foss: Of course, sitting in an armchair, it is an appropriate sentence. If he had to sit here or had to carry it out, it might be a different proposition.

Hon KIM CHANCE: It is an armchair or bar-room solution, and that is about as far as it goes. Every now and again we see people in our electorates who maintain that attitude.

Hon M.J. Criddle: You should not say "in our electorates".

Hon KIM CHANCE: I thank Hon Murray Criddle for that.

Hon M.J. Criddle: Not all electorates are like that.

Hon KIM CHANCE: I meant the electorate generically, not Hon Murray Criddle's electorate or my electorate. Notwithstanding my comments, we see certain members of Parliament - one who comes to mind very quickly is the federal member for Moore - who try to pick up the odd redneck vote on the issue of corporal punishment. Over the past few weeks, for example, Mr Filing has been happy to speak publicly on reintroducing birching. If such people stopped to think even for a moment about the attitude that is created in a soon-to-be-released prisoner - most prisoners are soon-to-be-released - by a system based on brutality, they might realise that the interests of society are not served by treating prisoners in that way and that it is absurd to expect that, immediately upon their release, people who have been brutalised in the prison system will become solid citizens.

Hon Derrick Tomlinson: Most of the brutalising is done by the prisoners themselves.

Hon Peter Foss: Or before they get there.

Hon KIM CHANCE: Unfortunately, that is true. Indeed, when we hear some comments by people who are involved in running our prisons and, sadly, people in the Police Force as well, the threat is often held over young people who are facing a possible prison sentence that it is not the brutality of the system that they need to be frightened of, it is the brutality of fellow prisoners.

Hon Derrick Tomlinson: The real question is who runs the prisons. I think that they are probably run by a collusive group of thugs and cooperative prison warders. I am under privilege when I say that.

Hon KIM CHANCE: Of course. I could not possibly say that about the fine people who make up the prison officer service.

Hon Peter Foss: There is a small number of people running a large number of people. It is said that a prison should be opened gradually so that the officers outnumber the prisoners when they move in initially; they build up an understanding of how the place is to be run, and then rely on the prisoners to enforce it once the rest move in.

Hon KIM CHANCE: Quite. Prisoners tend to run themselves.

Hon Peter Foss: They have to.

Hon KIM CHANCE: It is probably true that we cannot expect to run prisons by managing the system and prisoners will always play an important part. Indeed, those of which I have a little knowledge are, in effect, multi-racial prisons, and I suppose most fall into that category. A clearly established hierarchical system exists based largely upon race, with tribal and far northern Aboriginals forming one group, part-Aboriginals forming the second group, and largely non-Aboriginals forming the third group. The system seems to run well in Greenough, at least, where I have heard reports on how the prison operates.

We have only ourselves to blame for the overcrowding of prisons. From this point on, I speak personally and express my own view.

Hon Derrick Tomlinson: You should say "we" collectively, because we the Parliament made the decision in 1993. Clearly, the Attorney General of the day demonstrated the need, but we all coalesced, I suppose, in allowing the decision not to be made.

Hon KIM CHANCE: Absolutely. I do not take issue on that. In fact, when I say "we have only ourselves to blame", I mean we as a society. I used an even broader term than "the Parliament".

Hon Derrick Tomlinson: I was talking about one Hon Joseph Berinson.

Hon KIM CHANCE: Ultimately, members of Parliament make the decisions on the form of legislation. Members of Parliament in particular are very responsive to community attitudes on the matter, and anybody who believes that we are not simply needs to ask a judge about the way in which community attitudes are applied as a pressure point to that part of the judicial system. I know a few people who have been in gaol. Most of them were in prison for the usual range of offences which carry short sentences. Not one of those people - it is not an extensive list; it is perhaps six or eight people - would have chosen to go to gaol if an alternative had been offered, and certainly not one of those people wants to go back to gaol. We have failed because we have not offered an alternative. Given a chance, most of them would have said, "No, I would rather not go to gaol." Certainly, if they had been given a choice, after a couple of weeks inside the system they would have preferred an alternative. We send people to gaol for a range of offences that in my view should never result in incarceration. We send fine defaulters to gaol.

Hon Peter Foss: Not in the numbers that we used to.

Hon KIM CHANCE: No, and I recognise the Government's initiative in that regard. We send court order defaulters to gaol; we send people to gaol for such heinous crimes as contempt of court. In my own portfolio area, Fisheries, people can be gaoled for six months just for being on board a fishing boat in contravention of an order under section 225 of the Fisheries Resources Management Act. Under section 271 of the Act people can be gaoled for six months for using explosives or noxious substances to take fish; people can be gaoled for six months for obstructing the use of fishing nets; people can be gaoled for interfering with fishing gear, the property of another person.

Hon Peter Foss: In terms of what can be done to people, the Fisheries Resources Management Act leaves others for dead.

Hon KIM CHANCE: People can be gaoled for 12 months for buying or selling fish taken in contravention of the Act; people can be gaoled for two years for using a foreign boat for fishing without proper authorisation.

Hon Derrick Tomlinson: How is a "foreign boat" defined?

Hon KIM CHANCE: One which is not an Australian boat.

Hon Peter Foss: One that doesn't speak English!

Hon KIM CHANCE: People can be gaoled for two years for possessing a foreign boat equipped with fishing gear; it is all right to possess a foreign boat, but not a foreign boat with fishing gear on it.

Hon Peter Foss: I think most Indonesian fishermen are caught outside the three-mile boundary and are penalised under the federal law.

Hon Derrick Tomlinson: What about a Kawasaki outboard?

Hon KIM CHANCE: I do not think that is deemed to be fishing gear; that is probably motive power. People can also be gaoled for six months for making a false statement to a fisheries inspector.

I am sure this kind of absurdity exists in all pieces of legislation. Indeed, the Labor Party has some ownership of this piece of legislation because it is such a recent Act - it was initially passed in 1994. It is an Act which I have said publicly and

privately in the past month is very good in that it sets out to protect the fishery and prescribes some very good mechanisms for doing that.

Hon Peter Foss: In terms of what it delivers to the protection of the fishery, it has been very effective.

Hon KIM CHANCE: Yes, it is a good Act looked at from its fundamental function of safeguarding the fisheries; it is an excellent Act for that purpose and everybody supports it. However, looked at from the eyes of somebody with an interest in justice, one has to wonder why on earth anybody would want to send any of these people to gaol. The courts probably would not do it and we all understand the principles of the Sentencing Act. A more effective range of penalties is available that might be applied. It is true that these people are, or might be, dishonest people, even greedy and exploitive people, but they are people who are no more likely to assault our elderly or abduct our young than a person who always obeys the Fish Resources Management Act. That is the point. Is this person who has committed this greedy, exploitive, senseless and selfish offence of stealing rock lobsters from somebody else's pot any more likely to pose a danger to public happiness and health than a person who would not steal a rock lobster? I do not think he is.

Hon Peter Foss: What about the people who insist severe penalties be in place? It has a lot of support, such as for that man who was gaoled for purposely dumping heavy-metal waste into a drain. What he was doing was no different from a person exploiting a fishery. He is spoiling everybody else's environment and their right to live.

Hon KIM CHANCE: By my judgment, it is a far more serious crime to discharge heavy-metal waste into the environment. However, I cannot see why somebody would want to put that person into gaol.

Hon Peter Foss: Why do you think people are gaoled?

Hon KIM CHANCE: I think people are gaoled for two fundamental purposes but the primary purpose is to remove them from society for a time, to give society a break from their presence for a time because they are a threat to society. That is what I would want to do with a person who goes around assaulting people. They are also gaoled in an effort to reform them.

Hon Peter Foss: What about Alan Bond?

Hon KIM CHANCE: That is a very good question because I was coming to the issue of fraud. I appreciate that 90 per cent of the community will probably not agree with my point of view, but I think gaoling a person such as Alan Bond or any other swindler is a waste of time, money, talent and resources.

Hon Peter Foss: How do you dissuade people from taking vast amounts of money?

Hon KIM CHANCE: Very effective penalties could have been applied against a person who committed offences such as those Alan Bond committed.

Hon Peter Foss: Such as what?

Hon KIM CHANCE: A community work order system is in place for blue collar crimes; why cannot we have one for white collar criminals? Why cannot a person of Alan Bond's undoubted talent be put in charge of fundraising for the Cancer Foundation of WA for 20 years?

Hon Peter Foss: There is a very good reason.

Hon KIM CHANCE: He would probably be the most effective fundraiser the Cancer Foundation ever had. The likelihood of him ever offending again would be so small as to be hardly worth considering.

Hon Peter Foss: I might mention another person; I will not mention his name because he has another role in life now. He is a person who took money from the Diabetes Research Foundation of WA. You surely would not suggest we send him back to raise money.

Hon KIM CHANCE: No. The Attorney General - this is the profession of the Attorney General, not mine - must tailor penalties to suit the crime.

Hon Derrick Tomlinson: What would you do with Bill Clinton?

Hon KIM CHANCE: I hope he continues to be the most successful American President since Jack Kennedy.

Hon Derrick Tomlinson: The important thing is that he has lied and committed perjury.

Hon KIM CHANCE: They are allegations and I am not proposing to comment on allegations in another jurisdiction, particularly a foreign jurisdiction. I am sure that the President would not allow me to under the rules of subjudice.

Hon Peter Foss: There is another one in the standing orders about referring to foreign heads of state.

Hon KIM CHANCE: Yes, I believe there is. I do not think a person who offends against the Fish Resources Management

Act is any more likely to pose a serious threat to society's happiness than a person who does not offend against the Act. Why would we want to gaoil a person whose crime was to fish? A range of adequate penalties are in place for those crimes under the Fish Resources Management Act. They are serious crimes and they should attract a substantial penalty. We have a fine structure in fisheries. Virtually no other resource protection legislation, including the Environmental Protection Act, has the fine for a first offence of taking and selling something like 100 kilograms of abalone, which would be valued in the order of \$1m or \$2m. The fine is worked out on the basis of 10 times the commercial value of the commodity. If the value of the commodity is \$100 a gram, the fine can be a very large sum of money. Forfeiture is also available because often the crime of stealing fish or acting in an illegal manner in a fishery involves substantial hardware infrastructure, such as four-wheel-drive vehicles, freezers, boats, trailers and so on. There is also the possibility of work orders.

I still hold the view that a person committing a crime in this area should be given the option of completing a work order. That work order could well be something to do with maintaining and improving the fishery against which the crime has been committed. All those options, and probably a dozen others, are available and I am happy with the deterrent potential in each of them. However, it is stupid to send someone to gaol for a crime of that nature. There should be no incarceration penalties for offences of that nature. Every time a person is gaoled for a non-violent crime, not only is there a risk of that person emerging from gaol as a more dangerous person, which is an obvious downside, but quite scarce rehabilitation services are denied to other more serious offenders. Those are personal views. They are certainly not the views of the broad spectrum of the Australian Labor Party.

Non-violent offences that should carry an incarceration penalty include drug offences and certain weapons offences. That will be discussed in this place in the near future. There are probably others. I am certainly not one of those who believe people should not be gaoled for non-violent crimes, because a person smuggling in a couple of kilograms of crack does not deserve a place in our society other than within the prison system.

Hon Peter Foss: What about indirect violence? The net result is the same.

Hon KIM CHANCE: I suppose it is.

Hon Peter Foss: You still kill people.

Hon KIM CHANCE: I do not think of it as a non-violent crime, but some people might. For that reason, there are violent crimes and associated crimes which should carry severe incarceration penalties. However, outside of those, gaoiling people for fishing or not paying fines is dumb. I think members in this place agree more or less; it is a matter of the degree to which we might disagree. Where is the line drawn? I draw the line fairly liberally. However, many people in gaol should not be there. Members recognise that as a group, although they might disagree on the quantum. However, once those people are in gaol, they should be regarded as a resource from which society can benefit if the right things are done while they are there.

I will talk very briefly on how to keep people out of gaol, which is a much more important aspect. I was told about an early intervention program which was run in Geraldton about six years ago. The program was run in part by the then Department for Community Services, along with probably the Ministry of Justice. It involved the rehabilitation of repeat car theft offenders, most of whom had at least six convictions for car theft. The program was backed by the State Government Insurance Office, which donated a damaged late model Holden Commodore. The program was based around the rebuilding and ultimate sale of that Commodore. Six or seven offenders participated in the program, and in six months they rebuilt the Commodore and sold it, recovering about 90 per cent of the cost of the program. During the six months that the program ran, not one of those offenders reoffended. Two years later only one of them had subsequently reoffended.

Each of those people was a regular repeat offender. The program was conducted at very low cost, and the results were absolutely spectacular. I wonder why much more of that cannot be done. Admittedly, that was a pilot program. The results were so good that when I was told about them I could scarcely believe the outcomes. I asked the person who ran the program, who was still in Geraldton at that time, to show me the details of the program. It had achieved everything he had claimed. However, as a pilot program, it was dropped, and as far as I am aware it has not been reinstated. We should be putting a lot more effort into programs such as that, because they can keep kids from going to gaol in the first place.

I have spoken rather longer than I intended to.

Hon Peter Foss: You always do.

Hon KIM CHANCE: I do not intend to. However, to be fair, it was the Attorney General's speech as well as mine. I commend the amendment.

Debate adjourned, on motion by Hon Peter Foss (Attorney General).

COMMERCIAL TENANCY (RETAIL SHOPS) AGREEMENTS AMENDMENT BILL

Second Reading

Resumed from 10 September.

HON MAX EVANS (North Metropolitan - Minister for Finance) [7.57 pm]: I thank all parties for their strong support for the legislation as it stands. I have some comments on their thoughts and possible changes to the legislation. Hon Bob Thomas said it is probably one of the most important pieces of legislation this House will debate between now and the end of the year. I do not disagree with him. It has been a long time coming; in fact too long. There are many vested interests in this issue and the Bill is designed primarily to protect small and growing businesses, rather than big public companies and monopolies, and to bring fairness to the system.

The Government was obliged to carry out a statutory review of the Act and has honoured its commitment. The 1997 amendment Bill before the Council contains all the reforms decided upon as a result of the Green Bill. The Green Bill was in the community for consideration before the last election and this Government promised to introduce it as soon as possible, with any amendments that had been requested by the industry. The Bill addresses many imbalances in leasehold dealings between lessors and lessees, of which we are all aware.

Many good examples were given during the debate of the problems that exist. There are many examples of injustice, but tens of thousands of owners of shops in this State have no problems. We are all aware of the real problems and we know that many arise because a landlord wants to increase the rent and, by removing tenants, he can revalue the whole shopping centre. Revaluing the asset looks good on the balance sheet. That is quite simple. It could also be that tenants are not compatible with other tenants or the landlord wants someone to pay a higher rent, depending on the product being sold.

The consultation demonstrated that the interests involved with property retail leasing agreements should not be stereotyped as big business landlords because they are all different. There are as many small business landlords as there are big business landlords. Obviously they do not have the same leasehold floor areas. Hon Ray Halligan said that small landlords work hard to keep their tenants happy and maintain turnover as it is in their joint interests that the businesses do well, because then the landlord has a full tenancy and tenants can afford to pay the rent.

The Green Bill was in the community for public assessment before the last election and it has been the subject of much debate. In every case there are winners and losers. A big win to the tenant may be a loss to the landlord, and vice versa. No-one wants to give away their patch, and both sides fight for self-preservation.

In recent times, I introduced a Bill to reduce the rate of land tax. The threshold moved from \$200 000 to \$600 000 to pick up many of the small tenancies and properties along the streets and so on. The land tax in many cases was passed on to the tenants, and the landlord was not paying it. That applied also to residential tenancies. The self-funded retirees who own a small shop or house have experienced a large drop in the rates of land tax.

The proposed legislation uses a balance between increased regulation to overcome weaknesses in the existing Act without unduly interfering with the ability of the parties to negotiate a commercial contract. There are problems. This legislation will be not perfect, but we must get it working, which we must do with other legislation from time to time. If we try to make it perfect, it will never be brought in - particularly legislation like this in which landlords and lessees have self-interests.

Unconscionability is embodied in the federal Liberal Government's new Trade Practices Act provisions to assist small business. The Government has commenced a process of examining introducing complementary legislation in Western Australia in accordance with election commitments. The Government's thinking is that the Fair Trading Act could be amended to bring in these matters. We will have full and free discussions with all parties in the industry; that is, landlords, lessees and the professional groups which look after them. The Opposition has signalled some 13 amendments previously raised and debated and not accepted in the lower House. By recycling these proposals, the Opposition is limiting the scope for debate by focusing on stereotypes and giving examples originating from certain dissatisfied stakeholders. There will always be some dissatisfied stakeholders. If we try to make every amendment to keep everyone happy, we will have a Bill that is too thick or we will have nothing at all.

Hon Ken Travers: Did the minister not say that he was attempting to do what we were doing in the Fair Trading Act anyway?

Hon MAX EVANS: Unconscionability has been looked at in what has been brought up by the Federal Government's Trade Practices Act. That will be looked at separately by a full review.

Hon Ken Travers: That is to bring fair trading into the State.

Hon Kim Chance: Would that not mean that the cases would have to be resolved in a court rather than the Commercial Tribunal?

The PRESIDENT: Order, members!

Hon MAX EVANS: That is what we are looking at and it will be taken to a full review. If a decision is reached about where they will bring it in, how they will bring it in and what they will bring in will follow on from what the Commonwealth Government is doing. The debate in the other place demonstrated that the Opposition's proposals were a significant departure from the Green Bill. Most importantly, reforms were not legitimised without broad consultation from industry

stakeholders. Any changes to these will also need broad approval by all parties before the Government will accept them as amendments. The retrospective applications of the proposals are largely unfair and inappropriate for the existing contracts. They will also impact unduly upon market conditions and parties' commercial freedom to negotiate mutually acceptable terms in new lease agreements. Sometimes we have brought in retrospectivity on some stamp duty matters in which schemes have been set up and it was announced that they would be brought in. Cases in which people have gone to commercial agreements to make them retrospective is a great risk because it will have a large financial impact on one party or the other.

A contrast to these changes to the content of the amendment Bill, which has been legitimised by the industry consultants, is valid and identifies benefits to local stakeholders and has been supported by all speakers but has been delayed by the Opposition. The Government has addressed these principles in the amendment Bill. The minister, Hon Doug Shave, has indicated that further changes may arise from ongoing meetings of state and commonwealth officials in discussing the harmonisation of lease issues nationwide. The Government has arrived at a position that is clear and balanced. In contrast, the Opposition supports the Bill and wants to upset the balance with these proposals. The Government will not accept proposals that have not been validated by local industry with wide consultation. To adopt the Opposition's proposals would be inappropriate and would devalue the consultation process. The Opposition's proposals are inappropriate in terms of the principle, application or drafting; they are unworkable. There will be strong reaction including objection by certain industry stakeholders if the Bill is returned to the Assembly carrying the changes proposed in the second reading debate.

Members have been listening to vested interests in the community and putting forward their points. This has been done by the Green Bill and all the consultation has tried to arrive at a happy medium accepted by both parties. These changes will no doubt change the balance and, in most cases, to the benefit of the lessees against the lessors. That will be seen by some as unfair when they decide to set in place a whole set of rules. The Opposition is delaying identified benefits, particularly to small business retailers.

Many new businesses are awaiting the passage of the legislation. The Opposition proposes to do the small business people a disservice. The Government will have to reconsider the future of the legislation as those fundamentals of the Bill are compromised or conjoined with the Opposition's ill-considered and last-minute proposals.

I was impressed with the wide range of experience Hon Ray Halligan brought to the debate on lessees and lessors and the problems they have had, why these problems have been created and how they have been solved. Hon Bob Thomas said that was probably the most important issue and he is right. Hon Tom Stephens, in an hour and a half, was trying to start a new debate. He put one case for the landlords and another for the tenants and was not trying to do one or the other. He wanted me to enter a complete debate on all the points raised. I cannot see any point in that. It was raised long before this in the Green Bill. Nothing will be improved by the debate tonight.

There have been many cases of bad landlords and not good tenants - probably tens of thousands; there are probably far more good ones than bad ones. However, the legislation will help not the big public companies, but the ordinary tenants on up to 1 000 square metres - that is one quarter of an acre - as against those on up to 2 000 square metres - or half an acre - and how it should be looked after. It is legislation that has been a long time in the making. It is very important and we ask the Opposition to look at those amendments and ask themselves whether we really need them at this stage and who we are looking after. The Government wants to put this legislation in place quickly so everyone can benefit from it. We cannot have retrospective amounts and we cannot change major things in it. If it has to go back to the industry for consultation, it will hold up the legislation.

I 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 Max Evans (Minister for Finance) in charge of the Bill.

Clause 1: Short title -

Hon TOM STEPHENS: I am disappointed in the general tenor of the minister's response to the second reading debate, the contributions made by my colleagues and certainly to my contribution. Nonetheless, I accept that during this committee debate, the most important response of the House will be the amendments that will come before the committee that are on the Supplementary Notice Paper. They deal with some of the major issues the Opposition has pointed out to the Government and to this Chamber as being areas that must be adjusted and amended to respond to the circumstances that exist in the commercial retail sector, in commercial tenancy situations where the scales have not been appropriately balanced in the view of not only the Opposition, but also the advocates for those tenants.

On page 25 of today's *The Australian Financial Review* is an intriguing article entitled "A shaky ceasefire in shopping centres", which details that across this nation in recent years, certainly in recent months, warfare has been going on between

the landlord organisations, the shopping centre owners and the retailers association; that there has been widespread media publication of details of the imbalance that exists. It is intriguing to read in this article the efforts being made by the property owning groups, which have led to the appointment of Ms Anna Booth, the former vice-president of the Australian Council of Trade Unions. She has been appointed as the spokesperson for the group. The article states -

. . . the group represents the interests of the biggest shopping centre owners in Australia including: AMP, Lend Lease, Westfield, Schroders, Centro, Bivan and Queensland Investment Corporation.

Ms Booth seems to have had an impact.

That refers to the developing rapport between the retailers association and the shopping centre owners. It continues -

"I am not bold enough to claim victory at this point and I don't think we can say we have changed that negative image yet," she said. "But the quieting down of the media coverage is definitely a positive."

I find that intriguing. If it is just a massaging of the media on the part of those organisations representing the landlords and the shopping centre owners, that is one thing. However, there is another thing - to get the law right; to make sure the law provides the opportunities for access to justice and to equity between the players in this field. Ms Booth goes on to say that a new working relationship has been established and that her job is to improve that relationship over the long term now that trust has been restored.

[Quorum formed.]

Hon TOM STEPHENS: Ms Booth goes on to say that her goals are to establish a series of round table talks between tenants and landlords, and to identify potential community uses for shopping infrastructure and the like. That is all very good and interesting; however, as state legislators, our task is to tackle the legislative framework to make sure there is a more level playing field. In this article Mr Phil Naylor, the chief of the Australian Retailers Association, said that he was cautiously optimistic about the progress that was made. He went on to say that in the past, shopping centre owners have promoted an old-fashioned master and servant relationship, but now they seem to be recognising the need for change and for legislation to put landlords and tenants on an even footing.

Those are the circumstances I tried to describe to the Minister for Finance, who has responsibility for this legislation in this place, when I spoke of two food halls that are operating in the metropolitan area of Perth. We have what appears to be a relationship best described as that of master and servant between landlord and tenant, where the tenancy is developing like a sweatshop, where the tenants in this food hall - it is made up of small restaurateurs - are working endless hours and handing over a disproportionate amount of their income to a landlord who is basically waging a reign of terror in the way the business is done in those food halls. The activities on display in this file, which was presented to me on this issue, looked as though unconscionable behaviour was well and truly on display in the relationship between the tenants and the landlords. That is one reason I commend to the Government and to the Chamber favourable consideration of the amendments that will soon come before us on the Supplementary Notice Paper. There is an opportunity to improve this legislation. My colleagues Hon Bob Thomas and Hon Ken Travers will seek to introduce amendments to this legislation, as will the Australian Democrats. For my part - we have not had the chance to hear all the arguments in support of these amendments - one amendment immediately lends itself to the support of the Chamber.

I do not have the responsibility for the carriage of this Bill; however, the first amendment that stands in the name of Hon Norm Kelly takes up recommendations by the Attorney General, which this Government has had before it both while in Opposition and since it has been in government. The amendment urges that legislation not just be left in the hands of the Government for proclamation, but rather that we create the obligation on the part of the Government to ensure this legislation does not come into effect by virtue of its discretion, but by the decision of this place and that the Government be given a certain number of days - I think the amendment suggests 90 - in which to act.

That type of amendment has been recommended to this Chamber and this Government by no less a personage, one of no less importance to this place, than Hon Peter Foss. We all know how important he considers himself to be. In those circumstances, that is almost sufficient argument, in itself, for the Government to take his advice and to look favourably upon that aspect of the Supplementary Notice Paper that would bring forward the amendment. I hope the minister will show more openness to the amendments before us than the display he put on during his response to the second reading debate in this Chamber. Quite clearly we all support this legislation. We must make sure the legislation does finally tackle some of these questions of balance that will produce more equity and a greater opportunity for justice than what otherwise would be the case in the absence of some of these very commendable amendments.

Hon MAX EVANS: I mention a couple of points which I did not bring up before. The Old Shanghai food hall has been operating very well for the past seven years. It is only in recent months that civil war has broken out there. That matter is in the hands of the Commercial Tribunal of WA. The Leader of the Opposition asked about that last night. To try to debate every case ad infinitum will not achieve anything. I have given the Government's views.

Hon BOB THOMAS: I was disappointed to hear that the Government has not considered all of those issues that we raised during the second reading speech. A number of issues are very important to the Opposition. We indicated that this issue is extremely important to small business. We place great store in the value of small business to our economy. Small business generates 50 per cent of employment in Australia, a large proportion of which comprises retailers in large shopping centres. Blind Freddy knows that a large proportion of those small retailers in large shopping centres are hurting badly. One of the reasons that they are hurting badly is the huge disparity in the bargaining power between the lessor or property owner and the lessee. The legislation does not provide sufficient support for the small lessees in negotiations with the larger lessors. We believe that it is incumbent upon this Parliament to make laws which even up the disparity.

The Opposition is not trying to say that we will prescribe the outcome of every negotiation. We are an interventionist party but we do not believe that we should go so far as prescribing an outcome for every negotiation. We are saying that the Act as it stands and the proposed amendments in this Bill do not go far enough. They do not provide sufficient support for a vital sector of our economy - small business. We were pretty keen for the Government to listen to our arguments and come back and tell us how far it could go towards our point of view. We wanted to know what it could do for small business. We know that the Property Council of Australia is a major supporter of Liberal Governments across Australia. One has only to look at the break up of the Perth City Council. That was done at the behest of the Building Owners and Managers Association, which was the forerunner to the Property Council of Australia. It appears to us that the property owners call the tune and Liberal Governments jump as high as they are required to do. That is not good enough for small business.

The Government has failed to recognise the sorts of pressures that are on small business. I was quite saddened to hear some of the comments by Hon Ray Halligan who I thought gave a valuable contribution in outlining many of the pitfalls that prospective small business people encounter when they consider purchasing or setting up a business and negotiating leases. His contribution was very thorough. He showed he had a very good knowledge of those issues. However, he tended to say that most small businesses are in trouble because the small business people had the skills to assess the viability of the business they were purchasing or setting up. He indicated that he felt that many of them did not have the skills to be able to negotiate a better deal over leases. One of the interjections from one of the members near him indicated that the member felt that the problems of poor viability of small business were caused solely by small business people. It indicated to me that members on the other side do not appreciate the problems that small business is experiencing in the local economy. Small business will obviously have a number of pressures on it which will determine its viability. Obviously the state of the economy is a major factor. When a downturn occurs and people have less discretion in spending, naturally they will pay for rent, power and groceries and other essentials and cut back on non-essentials. Small business tends to provide the luxury, non-essential goods, such as haircuts, shoes and entertainment.

Hon Ken Travers: Which will be subject to a goods and services tax.

Hon BOB THOMAS: That is right. Non-essentials are the life-line of small business. Economic factors such as a downturn will affect the viability of small business. Australia has not had the sort of planning controls that it needs to ensure that the number of shopping centres is managed properly. Some councils are quite happy to attract a large shopping centre to their locality because they believe it will generate employment and economic activities. In effect, competition between a lot of regional shopping centres undermines the viability of many small businesses. Statistics prove that. Australia has an average of 2 square metres of retail space per person. America has an average of 1.8 square metres of retail space per person.

Hon Max Evans: That is not very much.

Hon BOB THOMAS: It is 10 per cent higher. One would expect that in Australia, where there is more competition because more retail space is available per capita, the average retail rents in shopping centres would be lower, but they are not. In Australia the average rent is three times higher than in America. That causes a major problem for retailers because it has a major impact on their viability. I spoke to a retailer in one of the shopping centres in my electorate some time ago. We were talking about industrial relations and Peter Reith's comments about deregulating the labour market, which is basically code for reducing wages. The retailer said to me that it does not make much difference because it is a change at the margin. A fast food outlet spends about 15 per cent of its turnover on wages, some businesses spend 6 per cent and others may be 30 per cent. However, most small businesses spend about 15 per cent. That figure is fairly accurate.

He said that in his shopping centre, which is quite a large shopping centre by country town standards, 50 per cent of his turnover is paid in rent. He said that increases in rent have been far more significant than the growth in wages and that wages are not a problem; it is the voracious appetite of shopping centre owners for rent increases. One need only read the literature to see he is not an orphan.

This Bill does nothing to ensure that horrific increases in rents do not continue. The Labor Party is concerned that the Government has not heard what we have been saying. It is concerned that the Government is not listening to small business, which it says is its constituency. We have heard the Premier talk about it often. When push comes to shove and a Bill like this comes before the Parliament, the Government seems to be siding with large business rather than small business. Small business is looking for some real assistance. We can assist small business by helping stem the increase in rents.

The Labor Party has proposed a number of amendments. I was hoping that the minister would give us some indication of how the Government will treat them. Although I was interrupted a couple of times while listening to the minister's summation, it appears that he addressed some of the issues raised by members opposite, but he did not speak about the Government's attitude to our amendments. I had hoped that the committee stage would enable us to use the collective wisdom of this place to provide a workable solution to this problem.

The Opposition put its amendments on the Table and indicated the issues that were particularly important to it. The Government has had the best part of a week to examine them and say how it views the issues and whether we can negotiate. I have not heard a word. That will detract from this committee process.

The Labor Party understands that it must give a bit to get a bit. Its members therefore will not obstinately expect to get their way on all the amendments. We understand that two sides are involved in this process. We were prepared to negotiate, but it appears that the Government has heard neither small business nor the Opposition and is not prepared to negotiate.

Hon Ljiljana Ravlich: Typical of this lot.

Hon BOB THOMAS: Yes. It kicks off this process on the wrong foot. Nonetheless, we will see how things proceed in the debate.

Hon NORM KELLY: As the Democrats said extensively during the second reading stage, this legislation is about finding a balance between landlords and tenants. Although the various sectors have been consulted widely in the preparation of this Bill certain sectors have been given more weight than others. I am also concerned that the Government is putting forward its most favoured option in the form of this Bill and may be unwilling to consider options from other sides. If that is its intention it will not achieve much; it will drag out debate and prolong the introduction of this much needed Bill.

The Government must appreciate that there is imbalance in the Bill. A number of amendments are on the Table. From my side of politics, our amendments combined with the ALP amendments, the majority of which I support, amount to ideal legislation. However, I am a realist and do not expect everything to be passed. By the same token, the Government should be prepared to negotiate a much fairer balance than the Bill reflects.

I refer members to the Senate committee report released last year titled "Finding a balance", the commonly cited Reid report. On an issue which is probably at the heart of the angst of tenants in this State - that is, security of tenure of leases - the report recommends that -

- (a) for minimum lease terms of five years;
- (b) for sitting tenants to have the option of lease renewal for a further five year term;
- (c) for sitting tenants to have a right of first refusal of the lease for subsequent five year periods;
- (d) for the option of casual leasing in clearly defined circumstances but only at the request of the lessee.

The committee further recommends that parts (b), (c) and (d) of the recommendation relating to renewals or take-up of options, should extend to tenants under existing leases.

This is the report of a coalition dominated committee which extensively consulted sectors. Therefore, it is not as though leanings of the committee are in any doubt. It approached the task of finding a balance in a realistic way and that is one of the recommendations it proposed. It is essential for this Government to take on board the recommendations of the Reid report. However, I have not yet seen an example of that.

I hold out some hope and look forward to the debate in committee to argue out the changes whereby if the Government does not agree, it should provide very good reasons for that.

I am concerned about the influence the Property Council of Australia has with this Government and the council's position on this legislation.

I refer to an article headed "Fee changes to hide rent: Lenzo" to which I referred briefly in the second reading debate. Joe Lenzo is the executive director of the Property Council. It reads -

Landlords will increasingly charge tenants gross rentals, which include management fees and outgoings, if the proposed amendments to the Commercial Tenancy (Retail Shops) Agreements Act are adopted, according to the Property Council.

Clearly despite the changes to the Act the Property Council fully intends to ensure that landlords recover management fees. The Government must make it clear that if it is to abolish the payment of management fees the legislation will be strictly enforced. On one side, property owners and landlords are showing that they intend to fly in the face of proposed legislation and recover management fees.

Then the Government is saying, "We will get rid of management fees for new leases." So, there is that conflict. The minister should be able to state how the Government intends to ensure that the market rent is not an inflated rent which includes an amount which was previously a management fee. Clearly, it can be seen from earlier debate on the first amendments that the intention of this Government is not only to get this legislation through Parliament but also to ensure that it is enacted as law despite whatever form the transitional clauses take in the final formulation of the Bill; that is, whether they apply to only new leases or to new and existing leases. It is interesting to see how committed this Government is in getting the Bill into law to ensure that tenants in this State get the fairer balance for which they have been waiting for many years.

Hon KEN TRAVERS: I too join my leader, Hon Bob Thomas and Hon Norm Kelly in expressing disappointment about some of the minister's comments so far. I was concerned to hear his comments about attempting to rerun amendments that were rejected in the lower House and that the Government will consider withdrawing the Bill if we are successful in this Chamber. That is a general precis of his comments. That threat is unfortunate and does nothing for the progress of this Bill. After the lengthy time it has taken for the Bill to get to this stage, about 10 years, that would be a great shame. Our amendments are moderate. They are about trying to adjust the balance at the margins. They are not radical, gung ho proposals but rather a touch-up at the edges because we on this side, feel that the correct balance has not been struck. We do not want to make any great changes on the linear scale but only a few notches on the side of small business.

It would be a great shame if the natural tendency and bias of the coalition were to show itself on this matter. I accept that on this issue government members have come a fair way towards our position. Their normal bias tends to be towards big business whereas we tend to have a slight bias towards the trade union movement. In this debate our slight bias is towards small business. I accept that the Government has come a long way, but it is a great shame, and it detracts from the overall debate, to hear the minister say that, despite all the good work that has occurred, if we try to make a little adjustment at the edge, the legislation will be withdrawn. Our amendments are reasonable.

Hon Bob Thomas proposed an amendment to deal with unconscionable conduct. I propose a more prescriptive amendment. Members can work out what would happen if the Hon Bob Thomas' amendment is successful. However, that also says to members that we are not trying to move dramatically. My preference would be to support my amendment, obviously. However, I will reconsider that if we can get an amendment on unconscionable conduct.

Hon Bob Thomas: We are just offering choice.

Hon KEN TRAVERS: Yes; more choice than one gets with a workplace agreement. However, I will not go down that path.

The point is that it would be a great shame to lose all the good work down the drain. It also goes back to the issue of unconscionable conduct. The Government's own briefings and the minister's comments tonight suggest that the Government is considering going down the path of proposing a general unconscionable conduct clause in the Fair Trading Act. There is such a provision to a degree under the federal Trade Practices Act but it does not have sufficient influence in the state jurisdiction. Let us put it in this Bill today and if we get down the track to the point where it is overridden by provisions in the Fair Trading Act, we can move at that time to delete it from this Act.

Hon J.A. Scott interjected.

Hon KEN TRAVERS: I would like to keep the legislation neat and tidy. We can delete it at that point. However, it is not a valid argument to say that because we might do something down the track we should not do it tonight in this piece of legislation. To a degree I support all of the amendments, but it comes down to the clauses.

The clause relating to unconscionable conduct deals with security of tenure and goes to the very heart of the comments I made in my contribution to the second reading debate. We need to provide security of tenure for tenants. I note in brief comments by speakers, particularly Hon Ray Halligan, that Hon Bob Thomas was looking at five-year leases with five-year options to provide security of tenure -

Hon Bob Thomas: First right of refusal.

Hon KEN TRAVERS: Yes, first right of refusal. That shows where one of the problems lies because some of the tenants I have spoken to say they do not have a five-year lease with a five-year option. I made the assumption when I first entered this debate that commercial leases have a five-year lease with a five-year option and often followed by two five-year options. I thought that was the norm. As I understand it, it is the norm but it is becoming more prevalent now, particularly in some of the large shopping centres, for small business operators to be given just a five-year lease - that is it, no options. That some speakers did not acknowledge that in the second reading debate shows how they missed the point about some actions occurring out there.

I accept the minister's comments that the vast majority of tenancies work well and there is a good relationship between the parties. Most legislation is enacted to pick up where things go wrong; to pick up unconscionable conduct and rip-off merchants. Every piece of legislation we deal with does that, whether it be the Criminal Code or whatever; it is to deal with the few who transgress rather than the majority who cause no problem. In most areas in which we legislate the majority do the right thing; we are about picking up a minority.

I was disappointed not to hear any comments on why the Government believes that if the security of tenure is adequately addressed within its proposals, it will not be enhanced or improved with our proposed amendments. If we are successful with these amendments I urge the minister to accept them and not attempt to knock off the whole legislation just because we have made a slight move in the balance in favour of small business at the expense of large business.

Finally, Hon Bob Thomas said that there are far too many shopping centres in Western Australia. We have had a problem with an oversupply of shopping centres in the northern suburbs. It is depressing to go into some of those areas which are now basically ghost towns. I accept that this issue should be dealt with by planning legislation; however, obviously it has a flow-on effect, as Hon Bob Thomas showed, into this legislation. There is a real oversupply of shopping centres, and some planning decisions that are continuing to be made in the northern suburbs place great stress and strain on businesses in relation to the rents they are paying and are locked into when they find a new shopping centre is built down the road with all the razzamatazz.

I remember the debate prior to the last state election about whether the Whitford shopping centre should be allowed to be expanded to include a department store and the effect that that would have on the regional centre of Joondalup. In my first speech I used a quote from the then Minister for Planning, Hon Graham Kierath, who showed his bias. He is probably more biased than many other government members; he tends to show his biases to a greater degree and has far stronger biases. He indicated to a Property Council of Australia meeting that when it was a choice between the CBD within Perth or another area, he would favour the CBD. The argument was put that the Government would capitulate and support a second department store.

Hon LJILJANNA RAVLICH: I will make some general observations about certain members of the Government, particularly senior members, who have a mind set that they still control this place and that they can use emotional blackmail to get the outcomes they want. It is an appalling state of affairs that we have a minister who says that if we rerun the amendments the Government will withdraw the Bill. I do not think one can get any lower than that. The minister must recognise that the Opposition will not cop that nonsense.

The issues the Opposition believes are fundamental to small business and shopping centre tenants have been included in the amendments put forward by Hon Bob Thomas and Hon Ken Travers. If the minister is saying that the Government's position is not negotiable and that it will not entertain any amendments, I am saddened that he has so little understanding of the new arrangements in this place. There is real potential for amendments to be moved and passed. If the minister is telling small business in Western Australia that he is prepared to allow this Bill to lapse because he cannot get everything he wants for his big business mates, so be it. The Opposition will not continually cop the emotional blackmail imposed on it by this Government, which says, "Do what we say or the Bill will falter."

The Government has had plenty of opportunity to consult, but obviously it has not consulted with the key parties. Some people are aggrieved because they believe the legislation is deficient in certain parts. This Government promised all sorts of good things for small business. What has it delivered? Zip! Its contracting out agenda involves all the work going to big business. Small business is a victim under this Government and it has achieved very little. We have here an opportunity for this Government finally to do something for small business and it has said that this critical piece of legislation will lapse if it does not get the amendments it wants for large business and landlords at the expense of small business. That is not good enough. If that is this minister's and this Government's attitude - it is on the record - members opposite should be hanging their heads in shame.

The Australian Labor Party does not want to see winners and losers. I am not a great expert on this legislation, and I do not mind putting that on record. However, from what little I have heard, it appears that this Government is about creating winners and losers. That is not in anyone's interests in the long term. This Government should be creating winners and winners. The focus of this legislation, which is on landlords, does the former: It creates winners and losers rather than winners and winners. The Opposition wants to see that balance struck, but clearly the Government has its own agenda.

I repeat: This is now a House of Review. If the minister chooses to throw out this legislation purely because he does not like the amendments proposed or passed, so be it. The Government will be required to explain why it could not be more reasonable. It is intent on complicating the legislative process because many of the amendments put forward could have been easily dealt with if it were prepared to give a little.

Clearly, this Government will not listen to the calls of a wide range of people. It has a mind set about certain things and it will not compromise at any point. I find that particularly disappointing. The Government's attitude in relation to small business is also disappointing. Its attitude towards the operation of this place and its resort to bullyboy tactics, which it has historically relied upon, are also disappointing. Members opposite should grow up and realise that "the times they are a'changing". I direct that comment to the minister at the Table.

I assure the Committee that irrespective of what the Government does, these amendments will be put forward and will be supported by members of the Australian Labor Party and, hopefully, by members of the minor parties. If the Government does not like them, it will have to cop it sweet and explain its arrogant attitude and why it has let this legislation lapse.

Hon KEN TRAVERS: I will briefly conclude my comments. I referred to a proposal for a massive expansion of the Whitford shopping centre which would be approved as part of a deal and which would also see a new department store located in the Premier's beloved CBD, which is his focus in this State. He would happily see a massive expansion of floor space in a shopping centre that would have a dramatic effect on small tenants in the northern suburbs just to get a department store in the city. I ask the minister how he sees this legislation improving security of tenure and why the Labor Party's amendment is so wrong in trying to achieve that security of tenure. That is the key.

Hon J.A. SCOTT: It appears that there is considerable agreement on the Bill on both sides of the Chamber. It would be a shame if it were to lapse because, if passed, it would make considerable improvements to the position of people renting commercial space in this State. In most cases that is small business, but sometimes it is medium business. I am concerned that we are building battlelines in this issue. Probably by listening carefully to each other we could come through this with a better Bill. I hope that the Government is prepared to listen to some of the changes that are suggested. I have considered most of the amendments and in most cases the arguments put in the other place against those amendments were not of total disagreement, but of degree and balance. If both sides of this argument listen to each other and bear in mind what is best for the retailers and the need to develop more retail space and so on, we can improve the Bill for everybody.

I do not like to hear the comment from the Government that the Bill will not be passed. The Government said, in relation to another Bill that was referred to a standing committee, that if all its changes were not accepted it would not proclaim the legislation. That has been done at great cost to a number of companies in this State involved in insurance. It is a silly attitude. Where legislation can be improved we should go for it. Even though we may not agree on everything, the intention is to improve the Bill, so there can always be amendments and finetuning later. It would be a shame if this Bill did not see the light of day because there were some areas in which there was simply a degree of difference and not opposition. I will listen carefully to both sides of the debate and I hope that we can improve the Bill that came from the other place, and that the Government will accept the improved Bill.

Hon BOB THOMAS: I want to associate myself with the remarks of Hon Jim Scott on this issue. Hon Jim Scott has been in this House for five years now, and he makes a lot of sense on many issues. I agree with him on many issues, especially on this Bill. We do not want to see the Government engage in what has been referred to as emotional blackmail. We do not want the Government to threaten to withdraw this Bill if it does not get what it wants. We want the Government to realise that many views must be represented here - those of property owners as well as those of lessees. We want the Government to listen to the views that we are putting forward. It appears that the Opposition plus the two minor parties are putting forward a view which supports the interests of small business. We want the Government to listen to them.

As Hon Ljiljana Ravlich said, this place has the opportunity to perform its role of reviewing legislation, and if the three non-government parties vote together they can make amendments to the Bill. It appears that we are talking to the same players in the industry, and we have put forward the views they have put to us. We want the Government to listen to those views, take them into account and find some way to accommodate them in the legislation. I know that not all of the players in the industry agree on every aspect of the Bill or the proposed amendments, and I would not expect that to occur because of their disparate interests. However, there is some common ground.

We want the Government, with all its resources and with the assistance of the parliamentary counsel, to consider these amendments and to find out how they can be accommodated in this legislation. I had hoped that the Government would have done that in the past week or two. I was not aware that Hon Norm Kelly had considerable difficulty getting drafting assistance for his amendments, so I must apologise to the minister for being too demanding because I did not realise his problems and I can understand why the minister has not considered that before today. However, we want the Government to accept that this is what the people want and to accommodate the various interest groups by changing the wording of the legislation.

We understand that the Bill deals with people's property rights. That is a particularly important issue, and I am one of those people who believe that we should interfere with people's property rights only as a last resort. I have argued that case on plenty of occasions in my electorate when the Government has wanted to resume land. I have argued that it should be a last resort and when it occurs people should be properly compensated. Consistent with those views is the need to ensure that we respect the rights of property owners. Nonetheless we need to remember that this Parliament has the final say in how those property rights will be enjoyed. As a Parliament we can make legislation which determines what those property rights are. As an Opposition we are not rushing into this with some sort of cheap political opportunistic view. We are not trying to cash in on the anxiety of small business. We are trying to make this legislation work for both sides. We want the Government to make this legislation work properly and to come back and tell us how we can do that.

The other point I wanted to raise related to the changing nature of political allegiances. One need look only at the loss of some of the traditional blue collar support for the Labor Party to see the trend to move to parties of the right. Whereas 20 years ago one would have expected that the majority of blue collar workers would support the Labor Party as a matter of course, we now find that a growing number of small business people are supporting the Labor Party because they see that the Labor Party represents their interests.

The CHAIRMAN: I am sure the member will relate this to the clause.

Hon BOB THOMAS: Yes. There has been a drift of small business people towards the Labor Party. I can name a dozen small business people, and probably a lot more, who are members of our branches in the south west. I can see a role for Hon Ljiljanna Ravlich when she leaves politics -

Hon Max Evans: How soon? Next week?

Hon Ken Travers: I understand the Leader of the House will leave if she moves one more motion!

Hon BOB THOMAS: In 20 years when Hon Ljiljanna Ravlich has retired, after a long and distinguished career on the front bench on that side of the House, and possibly as the first woman Leader of the House, she will form a small business union; and given her strident remarks in support of small business, I can see its becoming a powerful affiliated member of the Labor Party, led by Hon Ljiljanna Ravlich.

The CHAIRMAN (Hon J.A. Cowdell): I think the member was closer to the clauses before I drew his attention to the fact that he was straying!

Hon BOB THOMAS: I knew that, Mr Chairman, and I thought I would take a bit of licence.

One issue that we have not addressed so far is the introduction of a tenant guide. We support that amendment, because it will go some way towards providing prospective tenants with the information they need to make competent decisions about whether to enter into leases for the properties at which they are looking. However, we are keen to see the tenant guide complemented by a standard lease which is written in plain English. That is the case for residential tenancies, and we cannot see why it should not be the case for commercial tenancies. That is very important, because the lease is probably the most symbolic form of disparity in bargaining power between the tenant and the property owner. The tenant usually negotiates with a lawyer employed or retained by the shopping centre management, who has at his disposal six years of university legal training, and probably years of practice, and is able to present the lease in such a form that the lessee has no idea what it is about. A major problem for people when they enter into leases is that they have no idea about what they are signing. We understand the notion of buyer beware, and that many small business people should pay more attention to what they are signing, but we know that in practice that does not happen. We want to legislate for a form of lease that will ensure that tenants enter into these arrangements with their eyes open. It is very important that people have things laid out clearly for them so that they know what the lease is about and what are their responsibilities and rights. The tenant guide is a marvellous step forward. However, it falls short in not providing for a standard lease which is in plain English. That is a basic tool for reducing the disparity between the two players.

Hon MAX EVANS: The comments that I made earlier were not a threat and were probably misinterpreted. The Government and the Minister for Fair Trading have worked very hard for a long time - I think most members would agree for probably too long a time - to try to achieve a balance. They have been dealing with the Retail Traders Association, the Western Australian Council of Retail Traders, the Real Estate Institute of Western Australia, the Property Council of Australia, the Law Society, etc, and also with many of the individuals who have made submissions. They have reached agreement to this stage and have tried to achieve a balance. We have tried to tread a careful path through all of the major problems. Hon Ray Halligan summed up very well the different problems that have arisen over time.

Hon Bob Thomas talked about a standard lease for residential tenancies. However, in the case of retail tenancies, there are about five different types of lease, depending on whether it is a single shop, two or three shops in a small shopping centre, or a large number of shops in a large shopping centre. They all have different rules and regulations. A person would need to have the wisdom of Job to put those five standard leases into one lease.

Hon J.A. Scott: Why should they be different?

Hon MAX EVANS: Firstly, each shopping centre has a standard lease for its tenants. A standard lease might include the hours, the number of square feet, and all the other bits and pieces -

Hon Ken Travers: Hours will go out under these proposals.

Hon MAX EVANS: The reality is that most shopping centres have a standard lease. The other concern is that each State used to have different company laws and different memorandums and articles of association, and if national companies tried to have the same agreements in each State, it created a few headaches. It must be noted also that a standard lease may be varied by either party to a lease by the making of appropriate deletions or additions. Therefore, if we did have a standard lease, it would not stay standard for very long, because people would vary it according to their different requirements. A retail lease is different from a lease for an office building.

Hon Ken Travers: However, people would then be aware that they were opting out of the standard lease, because the additions or deletions would be clearly identified, and that would help the buyer to be aware.

Hon MAX EVANS: Even if we had a standard lease, people would need to be able to amend it, otherwise it would create problems.

The tenant guide is probably years overdue. During my years as a chartered accountant, long before the big multinational companies came to this city, I probably had more to do with small business people than has anyone in this place, and I am well aware of the problems that they experience in trying to survive. The tenant guide will help prospective retail tenants and will talk them through their rights and obligations as a party to commercial leasing agreements. That is important. We all know that the Small Business Development Corporation has done a lot of work in recent years to help people going into business. It has helped them to carry out bank reconciliations and weekly and monthly profit and loss reports. I do not understand why it was not done before as it was necessary. This guide is produced in plain language. When it comes to the Old Shanghai food hall, maybe it should be in seven languages! The format will include prudent steps to be taken before committing to the contract, such as obtaining expert opinion, acquiring knowledge of the provisions and remedies of the Act, and developing an understanding of the elements to be included in the lease. The guide will be in a prescribed form, under regulation, and attached to the front page of the lease agreement. It will be enforceable under the Act. An industry reference group will, with all relevant stakeholders, participate in the development of the guide.

Property interests hold the view that failure of many small retail businesses directly relates to the lack of business expertise, including a lack of understanding of the nature of commercial property leases. From my commercial property experience as a chartered accountant, often a client would be sent to us so we could investigate a business. It may have been a small manufacturing, retail or squash court business. One would point out how dangerous the business was, but that was the last thing the person wanted to hear as his mind was set. Many times these people never came back, but one found out that they bought the businesses and had problems down the track. People are often hard to protect from themselves.

This is a guide which in future must be attached to the lease agreement. Therefore, a person cannot sign the lease agreement until he has read it.

Hon Ljiljanna Ravlich: How do you know he will read it? What if he says he has read it, when he has not?

Hon MAX EVANS: I think he would need to initial it; I would make him do so. It is like an offer and acceptance on a house, which people can read or simply put a figure on it and sign at the bottom; that is where people have problems. One cannot guarantee anything. However, it is a start. From nothing, we will have the guide attached to the lease. The person will have the responsibility to read it before signing the lease and cannot later back out. The amendment gives the tenant the prior opportunity to obtain detailed facts from the current disclosure statement and through the tenant guide confirm an understanding of the contract provision in plain language before signing the formal lease agreement. The tenant guide will be a practical and relatively simple regulatory measure to provide prospective tenants with signposts and suggestions to help make informed decisions about the nature of the proposed commercial agreement. Also, it will serve as an improved disclosure measure for landlords to communicate the rights and obligations of the parties to the lease.

A problem for small tenants is that landlords say, "You did not ask the questions or seek the figures." Landlords often have dealt with dozens of tenants before, while it might be the first time for the tenant. The plain language guide will be developed in concert with relevant industry stakeholders as a partnership measure.

I have seen some of my lotto agents meet problems in shopping centres; that is, they are moved around to suit the landlord. Hon Bob Thomas said yesterday that landlords can be ruthless. They can move somebody to a poorer site to move a friend into that better business site to help him out.

An agreement applies regarding disclosure in the retail shop leases. Where a retail shop lease is entered into and the tenant has not, at least seven days before entering into the lease, been given a disclosure statement in accordance with subsection (4) of the disclosure statement, or is given false or misleading information, the tenant may, in addition to exercising any other right, do either or both of the following: First, within 60 days after the lease was entered into, give to the landlord written notice of termination of the lease; second, apply in writing to the tribunal for an order that the landlord pay compensation to the tenant for pecuniary loss suffered by the tenant as a result of the omission by the landlord to give a disclosure statement in accordance with subsection (4), or of giving false and misleading information by the landlord in the disclosure statement. Also, where the tenant under a retail shop lease gives to the landlord a notice of termination under section (1), the lease terminates upon the expiry of a period of 14 days after the notice was given. It is rather like the Door to Door Trading Act as one has seven days to revoke a contract. It provides a legal let-out for an unwary party. Someone may want to get out for a number of reasons and that loophole will be available.

Comments were made on rent increases. In recent years, not much increase has been evident in the value of property trusts, which reflect rents. Rents generally increase according to traffic with businesses. The landlord may decide to increase rents, and people may move out because they are set too high. Undoubtedly, the big shopping centres are getting bigger. The small shopping centres will eventually die out. It is a little like the movie theatres which years ago became bowling alleys. The small and medium sized centres will not hold small tenants, who will want to be where the traffic is found. Unless the landlord of the small shopping centre can attract people, they will not survive. Unfortunately, there is nothing deader than a dead shopping centre. I was on a property group in the northern suburbs where a shopping centre was put in ahead of the population. People would not drive out to the shopping centre.

Hon Ken Travers: Everybody drives south to do their shopping.

Hon MAX EVANS: Yes. Some cases were tragedies; people went into places without the necessary traffic to support the business. It was originally predicted that the bus port would have traffic of 20 000 people a day, but it is now up to only 7 000 people a day. People with shops there tried to get redress. I do not know what claims were submitted. However, those people would have had a better chance under this legislation.

Hon Norm Kelly: They got some redress, but nowhere near what they wanted.

Hon MAX EVANS: Reference was made to leases of five years, plus five and five. These are found more in office situations where one knows one will be in the location for a long time, and huge costs are involved in fitting them out. To a large extent, people are not game to take a long lease in retail tenancies as people are not certain whether they will make money.

Hon Ken Travers: That is the five plus five.

Hon MAX EVANS: It is still dangerous. If after two years people are not making money, they will want to get out of the lease.

Hon Ljiljana Ravlich: What if you are making money and you want certainty of client base and everything that goes with it?

Hon MAX EVANS: That is the other side. If one took a five-year lease, with an option for a further five years, the landlord would be only too pleased. We have the guarantee of the assignee and the assignor.

Hon Ken Travers: Some people prefer to have shorter leases to begin with than the five years. The problem in many shopping centres is that they do not allow the five-year option. If things go well, one does not get the security. In five years, one may be out the door.

Hon Norm Kelly: That is the reason for the three by three-year lease.

Hon MAX EVANS: Three years plus three years is more prevalent in retail situations these days. Offices seek longer leases because of large setting up costs.

I assure members that the Minister for Fair Trading and his staff have listened to people from all walks of life on this measure. They have had plenty to say. It is life and death for some people. The unconscionable conduct provisions are comprehensive. To try to put all things wanted into the legislation would have been a drawn out process. More work would be needed to put these matters, say, into the Fair Trading Act.

The rental review controls are a feature of the Bill; I refer, for example, to the removal of the ratchet clauses. Also, either party can initiate a rent review. Market rent could fall, and valuers can assess the information by avoiding the lease clause and preventing the clause to retain market rent. We have tried to iron out all the problems which are fairly clear. Before the owner had the best of all conditions, and the tenant had the worst of them. It was unfair. This legislation can be held up by both parties as fair.

The Government has included a provision on prohibited management fees, which has not been welcomed by the Property Council of Australia. People could put fees into rents, but that would depend on the commercial rent they can obtain for the property. It comes back to land tax. Leases have been based on land tax being paid by the tenant. I have kept good control on land tax rates in recent years, except for larger shopping centres, which have increased terrifically in commercial value through expansions.

Hon Norm Kelly: It is in the Bill.

Hon MAX EVANS: That is a problem. Years ago, land tax was like residential tax; it was not passed on to the tenant. It came in later, but has always been a problem. We had a case in town recently in which complaints were made about the land tax. There was a problem in King Street in which it went from about \$27 000 down to \$12 000 in three years. It then crept up again to \$31 000. The lessee had this huge benefit going down and if the landlord had fixed it he would have received all of that benefit. A well-known local suburban mayor was getting upset about this land tax. He told me that he had a property in Barrack Street. I knew exactly where it would be because Sports Locker had some problems. I told him, "I will guarantee that you are paying less land tax than you were five years ago." I wrote him a letter but he never answered it. The problem with Sports Locker was that the owner had come in just as the land tax started creeping up again. It was not as high as it was five years earlier, but he came in at the bottom and it went up again. It was not too bad but the other person was still paying a lot less.

The Bill deals with retailers entering into property negotiations. It is not a total business survival kit. Some of us are trying to do that and I can see why. If we start designing a survival kit, only so many clauses can handle the cases we have put forward tonight. I was watching a program on television the other day about the old mining industry in which everyone had

to make a profit. If shopping centres are to continue being built, the property developer must take a calculated risk whether he will fill it. Members have seen many shopping centres which have been empty for years. It is very sad for the first tenants who go in; they are sucked in and are lonely. The owner of the building is even more lonely because he is usually highly geared. Warren Anderson, who was well-known years ago, came in at the right time. He built one shopping centre after another, kept them for 12 months and then sold them fully let. Those days are gone and it is very difficult to receive good rentals on new properties. The big shopping centres like Karrinyup and Garden City expand and people go there because the traffic is there. There are many cases of people being caught by offering to pay a rental far above what should be paid. The Small Business Development Corporation prepares a budget. It works out what a venture must sell every month, what is the gross margin and what is the gross profit and then what the costs will be. If those are worked out, most of the time goods will be discounted, become obsolete or will be stolen. It might think it will receive 20 per cent, but it will be lucky to receive 15 per cent gross. That makes a lot of difference between profit and loss at the end of the day.

Hon Bob Thomas referred to wages of 15 per cent. That seemed a bit low. That would be a fairly high-priced affair with low staffing.

Hon Bob Thomas: That is a chicken take-away.

Hon MAX EVANS: I will go along with that. It is a low-priced start, usually under \$21 000 and is churning over quite a lot of dollars. However, for ordinary retailers the figures are higher than that.

Hon Bob Thomas: I doubt very much that they would be much higher.

Hon MAX EVANS: Hon Bob Thomas is like me. Last week Hon Norm Kelly had many one-line amendments. I received them at lunchtime today. There is a little bit of uncertainty, as Hon Bob Thomas has said. What has been suggested is this: Let us do the first two amendments, then I will report progress and we can discuss Hon Norm Kelly's amendments. I would like to discuss how far we can go with some of those issues; that is really what it is all about. This is what we are trying to say. Some of those issues can create more problems than they will prevent. I point that out and we will do it that way.

Hon NORM KELLY: Some members see the amendments as a business survival kit for people getting into the retailing game. Quite clearly, that is not what they are all about. Members will agree that a certain number of people who go into small business should not be there. They might be forced into it because they have been retrenched, have received a payout and have no viable opportunities for employment. Taking on a business is their only way of receiving an income. In an ideal world, it should be compulsory that they train in small business. The basics of establishing a business plan before they take on a retail business would be a good way to go. I said last week that the number of businesses that fail is far less among people who have done some sort of TAFE or SBDC short course to set themselves up to commence trading.

I mentioned the problems of drafting last week. Unfortunately the draftsman to whom we have access has conflicting priorities and is very busy drafting native title legislation for the Government and that caused the delay. I have tried to provide the minister's officers with as much information as I could as I have gone along. They know, through previous briefings and information I supplied last week, the intent of my amendments. I faxed the amendments to the member for Bassendean's office last night. However, he probably did not receive them until this morning.

Hon N.D. Griffiths: What time did you fax them?

Hon NORM KELLY: It was before 6.00 pm. I still had a few hours of work left.

Hon MAX EVANS: I am glad Hon Norm Kelly mentioned training. I come across three big groups of people who are largely superannuants who have a lot of money. They buy either lotto agencies, TABs or liquor stores. All buyers have a lump sum and see this as a good sort of business. Because they have bought lottery tickets or liquor, they think they can just go in and make money. It was the same many years ago when people thought if they had a hotel they would make money. These days, they will get a headache. These people often do not have the right personality. They might have been bankers, blue collar workers or manufacturers and have a lot of money. If people buy a lotto agency, they pay a lot; they buy a rising income and proper goodwill. When people buy a TAB agency, they pay quite a bit and are buying an annuity which guarantees an income which will not rise very rapidly. The lottery agents receive a better commission rate which probably rises faster. Liquor stores have been the biggest headache. The people who buy these stores have big borrowings. They have a few hundred thousand dollars worth of stock and might carry stock that will never be sold. Every salesman sells them more stock and that is a big problem. They must then start undertaking the education. Hon Norm Kelly is right; they should all be educated before then. Most of them have not done a budget to find out what they might have. They might have a \$200 000 overdraft in the liquor store to carry the extra stock and think that they will make 15 or 20 per cent profit, but they do not. There are breakages and stealing and the stock is marked down.

Hon N.D. Griffiths: That is insulting to these people. Most of these people are very good business people and you are being very tough on them. You are telling them that most of them do not understand a budget.

Hon MAX EVANS: I am not. Many of them end up a lot better off. With lotteries, it does not matter; one is making cash

every day. However, a liquor store must have a large sum tied up in a huge store with a big stock. Liquor stores often give credit to party groups and so on. The failure rate of liquor stores is fairly high. That is why we are considering introducing other legislation. With lotteries and the TAB the failure rate is much lower. There is a guaranteed revenue, and both lotteries and the TAB have had big increases.

Hon BOB THOMAS: I found a bit of an irony when the minister talked about the types of people who go into many small retailing enterprises. He said that they were taking their superannuation payouts or redundancy pay, but many of them are superannuants who retire at 55 and who have five good years ahead of them before they want to retire and go around Australia. They use their superannuation and often lose the lot because they go into an industry in which they have no experience and are unaware of many of the pitfalls. It is ironic that many of them made much money from their superannuation investments. Superannuation companies actually make their money by investing in shopping centres. MLC, Lend Lease, AMP and so on actually make their profit through shopping centres. In many cases, those guys are going from being the exploiter to the exploited.

I agree with the minister; sometimes the wrong people take on liquor stores. They are often highly geared, as the minister said, and they carry a huge stock. We often see the bargain barrels when they sell to the next owner. I saw such an example just recently in my electorate. A bloke had taken over a liquor store and he had one of those big bargain barrels in which there were dozens of 1995 Koonunga Hill at \$8. One cannot buy a carton of that wine at \$9 per bottle. That bloke has either attracted many future loyal customers or he has blown much of his profit.

I take issue with the minister's comment that many people who go into such businesses are ill-equipped to be retailers and that they cause many of their own problems. Hon Ray Halligan made several references to that matter. I had the impression that he felt that the major cause, if not the sole cause, is that people were their own worst enemies, that they had not done their homework, that they were ill-prepared for a retailing career, that they were over-geared, that they mortgaged their home and that they were causing problems for themselves. That might be the case for some people but it is not the case for the majority of small business people who get into trouble.

I shall give an example of a very competent business person in a town within my electorate. That person had a textile business - that is, making curtains and so on - in a major shopping centre. It was a very profitable business but it was only part of his business enterprise. I walked into the shopping centre one day and noticed that his business had closed. There was a sign stating "Closed due to a 85 per cent increase in rent". That guy is a very competent business person and he has created many employment opportunities. He has also created great tourist potential because he has some beautiful tourist villas within my electorate. As I have said, he is a very good business person, but nobody can cope with an 85 per cent increase in rent in one fell swoop.

Hon Max Evans: Was the rent based on market or turnover? Obviously, the lease had run out and he was caught with the wrong sort of rental.

Hon BOB THOMAS: The lease was up and they renegotiated it. I did not speak to him about the formula - that is, whether it was market or turnover; I assumed that it was market. However, the shop was vacant for a long time.

Hon Max Evans: It would not be market rent at 85 per cent and up. That is the market price that someone else would pay to go in there. I would say it would have been on another basis. If he did very good business, it might be related to turnover or profit.

Hon BOB THOMAS: It was possibly because part of the lease arrangement was a requirement that he disclose his turnover. Management knew how much he could afford to pay because it was aware of his turnover, so it hit him for it. It forced him to move into his own freehold property further down the road, and he is going great guns.

Hon Max Evans: He was lucky.

Hon BOB THOMAS: Yes. He is a good businessman.

Hon Max Evans: Turnover can work against someone. In fact, there might be a bit of a rent holiday to start with. It might have been hard to rent beforehand, but he built it up and the landlord thought he could make a profit out of him.

Hon BOB THOMAS: That is right. One reason for our amendments is that not all but many property managers capriciously set the market rent so that they can go to the next person who is in a weaker position and say, "You have to pay the market rent, boyo." As the minister has said, they establish the market rent and it flows on through the chain. Another bloke whose product might not be as popular or who might not be as good a businessman is still hit with that excessive rent increase because the landlord was privy to that person's turnover and knew his capacity to pay. Our amendment would stop that.

I was remiss when I talked about Hon Ljiljana Ravlich's future career after politics. I was remiss in not relating that to the Bill. If I had been quick enough, I would have realised that it related to an amendment on the Notice Paper.

The CHAIRMAN: The member was correct the first time; he was remiss.

Hon BOB THOMAS: It relates directly to the free association of tenants. It is important that tenants have the opportunity to form associations so that they can have input into some of the decisions that are made in shopping centres. Tenants are forking out money hand over fist. They are shelling out money for a range of reasons in their shopping centres, including promotions and other outgoings that are to their direct benefit. However, they have no say in how that money is spent. In some cases the money is being spent to their detriment. I will give an example. Under the existing Act, it is not possible for a manager to include capital costs in the variable outgoings. In some shopping centres, quite often the property manager or centre manager will spend money on maintenance of faulty equipment when his tenants would have been better served by his replacing that equipment. In some shopping centres, small retailers are being asked to throw good money after bad on faulty airconditioning equipment and so on when that equipment has long passed its economic life and should be replaced. The cost of that equipment had been amortised over its life probably a couple of times. However, because it suits the management to charge the retailer for the maintenance rather than spend the money on capital equipment, it will continue to do that.

We want some form of consultation with the retailers so they can have a say on these decisions and other things such as how the promotional levies are spent and the tenancy mix - tenancy mix is vital for so many small business people who buy a viable business. They move into the shopping centre and then find that the property manager brings in a couple more competitors and undermines their viability and their ability to continue.

Progress reported.

ADJOURNMENT OF THE HOUSE

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [9.55 pm]: I move -

That the House do now adjourn.

Fletcher International Export Pty Ltd - Adjournment Debate

HON MURRAY MONTGOMERY (South West) [9.55 pm]: I refer to the comment made earlier in the day relating to \$5 000 that was given to the coalition as a donation by Fletcher International Export Pty Ltd.

Hon J.A. Scott interjected.

Hon MURRAY MONTGOMERY: It might be too small for the member, but it still makes up a lot of funding when a number of people give that amount of money and I am sure the Greens (WA) would know about that.

Hon Derrick Tomlinson: It was 50 per cent of the National Party's campaign fund.

Hon MURRAY MONTGOMERY: I raise this issue because it was said that the amount that was given to the coalition was revealed on a piece of paper. I have received a further copy of it. It is in Gerritsen's report, volume 2, June 1997. It reports on funding disclosures by major political parties for the years 1992-93 to 1995-96. It is from the faculty of management at the Australian National University of Canberra. That indicates that it would have been given to the federal coalition. The donations are illustrated on this page, and it indicates the donations that were given to the Labor Party by other businesses around Australia.

I will outline a timetable that might interest members. That donation was given to the federal coalition in 1992-93. A federal election was held on 13 March 1993.

Hon N.D. Griffiths: We won.

Hon MURRAY MONTGOMERY: No; that was the one before that. The interesting thing is that this State's Minister for Primary Industry met with Roger Fletcher, the owner of Fletcher International, in May 1993. One can make an assumption that a \$5 000 donation given to the federal coalition did not bear any relationship to that meeting.

An interesting piece of information given to me is that during 1992-93, Fletcher International was given a federal grant for its Dubbo plant for a hot-boning and training facility. Which party formed that Federal Government? The Australian Labor Party.

Hon Derrick Tomlinson: What was the amount it gave away?

Hon MURRAY MONTGOMERY: An amount of \$5m.

Hon Derrick Tomlinson: That's disgusting!

Hon MURRAY MONTGOMERY: As I pointed out during the debate earlier today, at the time the decision was made for the construction of that abattoir, there was a need for it - we did not have surplus capacity - and the member who made the claim would have agreed to its construction, because the union representatives, the town and the Western Australian Farmers Federation all agreed that a need existed for a new abattoir to be built in this State because the Robb Jetty and Albany abattoirs had been closed.

There was a need to investigate whether that abattoir should be constructed. It is interesting that Roger Fletcher recognised that federal money could be obtained for grants, no matter which party was in power in which sphere. The Labor Party was prepared to give him that grant for his Dubbo abattoir, and this Government has been willing to provide some assistance for an abattoir in Western Australia.

Opposition Questions - Adjournment Debate

HON LJILJANNA RAVLICH (East Metropolitan) [10.01 pm]: I raise a matter which occurred at question time today. I asked a reasonable question about a number of persons registered as assessors for certificates of competency under regulation 6.6 of the Occupational Safety and Health Regulations. I asked whether five individuals, upon registration, had paid a fee of \$660, as required under the regulation. The minister said it was not possible to provide the answer in the time available, and I was requested to place the question on notice.

The question was submitted at 10 o'clock in the morning, and I have a schedule which clearly identifies the people involved who are on the list of assessors registered to undertake this assessment work in Western Australia. The relevant agency faxed me the names of those individuals within a matter of minutes the other day. It was no big deal to identify those five individuals and to obtain that information from the agency responsible for their registration. Follow-up information was required on whether they had paid \$660 as part of their registration fee, and that needed to be verified. The minister and the department had from 10 o'clock this morning until five o'clock this afternoon to obtain information with that level of detail. That would not take seven hours. I did not ask for major detail or any information that required thorough research. It was necessary for the organisation only to check its records, see when they were registered and whether receipts had been issued for those fees. It was no big deal, but the minister could not provide the information.

It seems to me that it happens all too frequently these days. Ministers are not prepared to commit the resources or to go to the effort to provide answers sought by the Opposition. I am concerned because I sometimes think ministers may not like the questions they are asked, and it is easy for them to put off opposition members by saying they are not prepared to commit the time and resources required to provide the answers. It is not good enough. Ministers should make every effort to ensure that they and their departments provide the information sought by the Opposition.

I place on the record that I will not let this matter stop there. I have been personally fobbed off, as have my colleagues on numerous occasions, in relation to a variety of issues. Members must call into question the effectiveness of the Westminster system, given that ministers will not provide simple information and neither will their departments. I have said on many occasions that part of the problem is that so many public servants have been lost to government agencies that no-one is available to do the work, and the ministers are responsible. Given our Westminster system of government, it is not good enough for ministers to say that they have not had the time to find the answers and that members should put the questions on notice. We all know that when members are asked to put questions on notice, it means the information will not be provided to enable them to deal with it as they wish. It means they may not see an answer for another three months.

Hon John Halden: You may not see it until promulgation and then you do not see it at all.

Hon LJILJANNA RAVLICH: Exactly. I had put many questions on notice that were not returned to me. Therefore, I must go to the effort of tracking down those questions. It is not good enough. If ministers are not prepared to do a better job, they should not be in those positions. I have had a gutful. I go to a lot of effort to prepare the questions. They are reasonable questions which require reasonable answers within a reasonable time frame. When a government agency cannot provide information on five individuals, who are already listed on a schedule, and cannot provide evidence of payment for registration as assessors within seven hours, there is a real problem. It goes to the heart of this system of government, and what this Government claims it is about. It continually crows about accountability, but when opposition members ask for simple information, the Government is not accountable. I place on the record that I am getting really tired of it and I will not cop it. It is totally unacceptable that this should happen time and again. I recognise that on occasions it might be difficult to provide the relevant answers within a certain time frame, but it is happening all too often. I think it is done intentionally by ministers as a strategy to fob off opposition members who have legitimate questions to which they want legitimate answers.

Eddystone Avenue Bridge - Adjournment Debate

HON KEN TRAVERS (North Metropolitan) [10.07 pm]: I briefly comment on remarks made by the Minister for Local Government last week. The member for Joondalup raised an issue last week relating to the construction of the extension of the Mitchell Freeway from Ocean Reef Road to Hodges Drive. The member for Joondalup is keen for the Eddystone Avenue bridge to be constructed at the same time. I agree with him. It is a sensible proposal that the bridge over the freeway to connect the two ends of Eddystone Avenue be constructed at the same time as the extension. The Minister for Transport is aware of my interest in this, and I have asked questions on this issue.

I was concerned about the comments of the Minister for Local Government, who indicated that in his view the City of Joondalup could contribute towards the construction of this bridge. It is an amazing transference of responsibility from the

State Government to a local government. I hope the commissioners at the City of Joondalup dismiss the suggestion by the Minister for Local Government and treat it with the contempt it deserves. This Government continually complains about the actions of the Federal Government in transferring costs to the State Government, and it is absolute hypocrisy for it to suggest that a bridge over a freeway be part funded by the local government. I know it is not a suggestion by the Minister for Transport because I asked him about it last week and he knew nothing about it. The Minister for Local Government, of all people, should defend local government against such imposts by Cabinet, but he is leading the charge and calling for a transference of responsibility from the State Government to a local government. Unfortunately, this is happening all too often under this hypocritical State Government.

Hon J.A. Scott interjected.

Hon KEN TRAVERS: One of my concerns is that the commissioners are answerable to the people who appointed them - the State Government - not to the people. Had the commissioners been elected councillors and been made aware of the comments made by the Minister for Local Government last week, they would have been up in arms and leading the charge to the barricades to tell this minister where he can go and jump. It is unfortunate that the commissioners are not prepared to be that courageous in attacking the Government. I can understand why that is so, but I also think that is why they should be appointed for the shortest time possible to get the job done. However, that is an issue for another day.

The member for Joondalup must also accept some responsibility in all of this. He wrote to the *Wanneroo Times* in June to extol the virtues of how rates-rich the new City of Joondalup would be. He said that it would be doing a lot better than the Shire of Wanneroo and would be one of the most rates-rich councils in Western Australia. I will dispel that myth because the member for Joondalup was wrong about that. The new Shire of Wanneroo is the poor cousin in the northern suburbs. The City of Joondalup is not a wealthy council. It has a large number of major infrastructure issues that must be addressed. The City of Joondalup still has a whole range of dry parks. If we go through the City of Stirling, we will not see any dry parks. A lot of capital costs and infrastructure costs still must be dealt with. Many areas still lack proper community facilities. The City of Joondalup will not be rates-rich. The member for Joondalup was wrong in that regard.

Hon Ray Halligan: What evidence do you have to prove that?

Hon KEN TRAVERS: Is the member arguing that the City of Joondalup is wealthy?

Hon Ray Halligan: You are the one making the statement.

Hon KEN TRAVERS: I am making the comment. Surely, a fellow member for the North Metropolitan Region should be arguing that many facilities are still required in the City of Joondalup.

Hon Ray Halligan: You said that the City of Joondalup was not rates-rich. What documentary evidence do you have?

Hon Ljiljanna Ravlich: What evidence do you have that it is? It is a view. He is allowed a view.

Hon Ray Halligan: He made a statement.

Hon KEN TRAVERS: If the member is telling me that the City of Joondalup is rates-rich and has lots of money to spend, I would like to hear about it.

Hon Ray Halligan: You just don't understand ordinary questions.

Hon KEN TRAVERS: Hon Ray Halligan is making the same mistake many members do. No local members I know worth their salt would tell the Government that there is a cash cow to be milked in their local area, that the Government should not worry about sending money out their way, that they have enough, that the local area is rates-rich.

Hon N.D. Griffiths: Maybe they learnt from Hon Ray Halligan.

Hon KEN TRAVERS: He would probably tell the Government not to worry about sending any funding down his way, and that the City of Joondalup had enough.

Several members interjected.

The PRESIDENT: Order! I ask the member to address his comments to the Chair. He is being drowned out by members on his own side.

Hon KEN TRAVERS: As I was saying, the member will probably tell the Government not to worry about sending any funding to the City of Joondalup, that it has enough, that it has no facilities that need to be fixed. I will bet Hon Muriel Patterson and Hon Bob Thomas will not say that about the City of Albany. They would be asking for more funding. I am amazed Hon Ray Halligan has fallen for this trick.

Hon Kim Chance: We are pretty poor in the Shire of Merredin.

Hon KEN TRAVERS: What local member would say that there are not many more things to be done in his area, that it is

wealthy, and that it has an overabundance of funds? The City of Joondalup has a great demand on all of the rates its receives. It does not have a surplus with which to pick up all the costs and the broken election promises that members of this State Government are ignoring.

One election promise was about extending a freeway. A bridge must be built across it. People in the northern suburbs expected to get a proper freeway. The next thing we will hear from members opposite is that the freeway will be extended, but it will have no traffic lights because that was not part of the election promise; or the railway line will be extended to Merriwa, but no trains will be provided to run on it because that also was not a part of the election promise. The promise was that the freeway would be extended to Hodges Drive. From day one, part of the freeway project that has been on the books included a bridge over the road at Eddystone Avenue. This State Government should get off its backside and find the funding to complete this promise. It should not worry about building second bridges over the Narrows, but rather pay for the freeway to be completed. It should meet the commitments it gave at the last election. It should not toss its responsibilities onto local government authorities, such as the City of Joondalup. The Minister for Local Government should be absolutely condemned for leading the charge for this cost transference. As I say, the member for Joondalup has much to answer for in encouraging this Government to see his local authority as a cash cow that can be milked.

Fletcher International Export Pty Ltd - Adjournment Debate

HON KIM CHANCE (Agricultural) [10.15 pm]: I missed part of what Hon Murray Montgomery had to say initially. I conferred with my colleague Hon Nick Griffiths because it seemed that Hon Murray Montgomery had missed the point somewhat. Having conferred with Hon Nick Griffiths, who told me what Hon Murray Montgomery had said, I decided my first view was entirely correct. Hon Murray Montgomery seems to believe that, because a Labor Federal Government gave \$5m to the Dubbo works of Fletcher International Export Pty Ltd, somehow that makes everything else all right. The point is this: There are five key criteria, at least, that Governments must satisfy before this kind of assistance can be deemed to be reasonable.

Hon M.J. Criddle: Except if they go to Cabinet.

Hon KIM CHANCE: Even Cabinet must make these assessments. I will not go through the five criteria now. When the uncorrected proof of *Hansard* comes out tomorrow, the minister will be able to read them, although I am happy to photocopy them for him. Essentially they are the guidelines used for the regional employment development initiatives scheme. It must be established that unless this money is forthcoming from government, the initiative will not occur; that by helping one person, we do not hurt another; that if we make this investment, jobs and economic growth will flow from that. My contention is not that assisting a particular industry is wrong. I said quite early in my speech that sometimes it is a good thing to do. From my point of view, we should do more, not less, of it. However, it must satisfy those five criteria. I do not believe we have been shown in sufficient detail that the assistance for the Narrikup abattoir did satisfy any one of those five criteria.

Hon John Halden: Except Cabinet, of course.

Hon KIM CHANCE: Cabinet is almost irrelevant in this. It is either right, or it is not right. It does not matter whether Cabinet has approved it or not. That becomes a piece of administrative machinery that the arrangement must go through.

Hon Dexter Davies: The issue you suggested was that the fantastic donation on the paper that you were waving around was very important.

Hon KIM CHANCE: I think it is important.

Hon John Halden: He never said "fantastic", anyway.

Hon KIM CHANCE: It is important. I did not allege some kind of impropriety, as the Leader of the House suggested.

Hon M.J. Criddle: You did so.

Hon KIM CHANCE: I referred to that matter because it raises this question that must be answered: Why at that strategic time -

Hon M.J. Criddle: That is why you made the insinuation, and you know why you made it.

Hon KIM CHANCE: The minister can call it an insinuation or anything he likes. I simply revealed a fact.

Hon N.F. Moore: How much did you get from him?

Hon KIM CHANCE: That is a matter of record - we got nothing.

Hon N.F. Moore: I don't know about that. Let's have a look.

The PRESIDENT: Order! Hon Kim Chance has the floor. All other members will get a chance to speak later.

Hon KIM CHANCE: The \$5m donation raises important questions as to the propriety of the deal. It is for the Government to satisfy these questions. Does the Leader of the House think it raises important questions about the propriety of the deal?

Hon N.F. Moore: You are outraged about the fact that the federal coalition had the information before you knew the people this was going to.

Hon KIM CHANCE: Does the Leader of the House think this is quite all right? Is it quite all right to take a donation from a private developer?

Hon N.F. Moore: You should withdraw and apologise.

Hon KIM CHANCE: I am asking the Leader of the House these questions: Does he think it is all right? Is this an appropriate thing to do?

Hon N.F. Moore: Just read out the rest of the list that you tabled today.

Hon KIM CHANCE: I am not at all sure that this is an appropriate thing to do. It is now for the Government to produce evidence that everything that was done was proper.

Hon N.F. Moore: You produce evidence that it was improper, instead of making an insinuation.

Hon KIM CHANCE: I simply raise this question: Does the Leader of the House think it is a fair thing?

Hon N.F. Moore: It is fair for people to make money.

Hon KIM CHANCE: I do not know whether it is fair. I just want to see the facts.

Hon N.F. Moore: Read the list of donations.

Hon KIM CHANCE: I have asked questions about this matter and have not received appropriate answers.

Hon N.F. Moore: You made an insinuation which is disgusting, and coming from you, I am disappointed.

Hon KIM CHANCE: I have asked questions, through the Leader of the House, of the Deputy Premier about when these decisions were made.

What answer did the Leader of the House give me? It was that the Department of Commerce and Trade cannot make such forward commitment. I did not want to know what the Department of Commerce and Trade could do. I wanted to know what the minister did.

Hon N.F. Moore: You have made unsubstantiated allegations today and you should withdraw them.

Hon KIM CHANCE: The Leader of the House should not worry too much about that. He will have an opportunity in his own time to refute what I have said.

Hon N.F. Moore: Coming from you it is out of order.

Hon KIM CHANCE: The Leader of the House can come into this place and say that the coalition did not get a donation from Fletcher International Export Pty Ltd and that I am wrong.

Hon N.F. Moore: There is a big list of people who gave money to you. I could go through that.

Hon KIM CHANCE: That is all right. I do not think the Leader of the House will find Fletcher International Export Pty Ltd among that list of donors to the Australian Labor Party.

Hon N.F. Moore: I think that we may find it.

Hon KIM CHANCE: As far as I am concerned it is entirely irrelevant. The point raised by Hon Murray Montgomery is that because the Labor Party gave \$5m to the Dubbo works everything else is all right. As far as I know, all five of those criteria could well have been met in the Dubbo case. I do not know because I was not part of the federal Labor Cabinet that made those decisions. The Leader of the House could also - I am surprised he has not already - raise the money that the Labor Party gave to the Katanning works. If he looked a little further he would have found that Southern Meat Packers, which was the original proprietor of Katanning, was funded by the Tonkin Labor Government. Let us look at the circumstances of SMP when that money was raised. SMP was a cooperative of local farmers who needed to raise that money in order to address an oversupply of livestock at the time. The key condition was met. The works were needed because there was an oversupply of livestock and an undersupply of capacity. The cooperative of local farmers had a legitimate reason and could not have built the works without assistance. Two of the five criteria were absolutely satisfied.

I will be interested to see what is forthcoming from the coalition on this issue. I will also be interested to see whether there is any further information regarding assistance which the coalition has received from Fletcher International Export Pty Ltd. I have stated it as simply a matter of record. I do not even know which party received the \$5 000. It is there on the record.

Hon John Halden interjected.

Hon KIM CHANCE: It seems to have struck a sensitive spot. The issue could easily be allowed to become a sideshow if we concentrate too much on the matter of political donations. Far more important is the justification for the money being paid in the first place.

I want to come back to the point I started with right at the very beginning. We have an industry suffering, bleeding to death from overcapacity. The Government has poured not \$5.7m but between \$7.7m and \$8.7m into increasing the capacity of that industry suffering from overcapacity. The industry is currently running at 60 per cent of its nominal capacity. Why would the Government want to contribute taxpayers' dollars to further increase it? That question needs to be answered.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.25 pm]: I want very quickly to respond to the comments of Hon Kim Chance. This afternoon during the urgency debate the member raised what he considers to be an important issue, which is fair enough. It is whether the Government should supply support to this abattoir at Narrikup and whether there is an oversupply of capacity. Those are legitimate, proper issues which should be debated.

However, in the middle of the debate, after he had described the way in which this Government had made funds available to this company, he waved a sheet of paper around saying that it showed a donation made by Fletcher International Export Pty Ltd to the coalition. That is all he said. He left it hanging in the air like a rotten smell. The insinuation is obvious. The innuendo was clear to me that somehow or other the coalition had taken \$5 000 from Mr Fletcher in exchange for support for this abattoir. That was the intent of raising the issue in the first place. There is no other reason. The member knows that as well as I do. I asked him by way of interjection when the donation was made. I was told that it was 1992-93. I asked him whether it was made to the federal coalition, the state coalition, the state Liberal Party or the state National Party. He did not know. He had a sheet of paper which had only this name on it. It turns out that it was made available to the federal coalition, not to Monty House, Hendy Cowan or the National Party of Western Australia.

Hon Kim Chance: How do you know that?

Hon N.F. MOORE: We have been able to ascertain that information.

Hon Ken Travers: The donations you do not want us to know about you hide.

Hon N.F. MOORE: With all due respect to the member, the clod, donations are listed every time there is an election. People do not get away with it. Look at the same list and the money the Labor Party got. It is all public information.

Hon Ken Travers interjected.

The PRESIDENT: Order! Hon Ken Travers has had his say. He does not get another say tonight, so he should cease interjecting.

Hon N.F. MOORE: There is no way these days that anybody can donate money to a party and expect it to be kept secret. The member said that for some reason, for \$5 000, the Government gave someone a \$5m grant. For goodness sake! How stupid to suggest that that might even be contemplated by anybody. The facts of the matter are that the donation was disclosed just like every donation above \$1 500 - or whatever amount the law is.

Hon John Halden: What about the free enterprise group that you run? It donates to that and it donates to you.

Hon N.F. MOORE: The \$5 000 donation is listed.

Hon John Halden interjected.

The PRESIDENT: Order! Hon John Halden will come to order.

Hon John Halden interjected.

The PRESIDENT: Order! The member may have his chance in a moment.

Hon John Halden: I cannot; he is closing the debate.

The PRESIDENT: The member certainly cannot have his chance by way of interjection.

Hon N.F. MOORE: I got up to speak because I think this is beneath Hon Kim Chance. I am disappointed and surprised that he should make the suggestion that somehow or other, for a \$5 000 donation, this Government would give \$5m of support to an abattoir.

Hon Kim Chance: You are making the suggestion.

Hon N.F. MOORE: The member raised it and he knows why he raised it. Had he no intention of raising it as an issue, he would never have mentioned it in the House at all. He knows why he did it. It is disappointing indeed that Hon Kim Chance

should raise today the imputation against, I presume, Monty House or Hendy Cowan, that somehow or other they would give a grant to a company for a \$5 000 donation. That is absolutely outrageous.

The fact of the matter is that the Minister for Primary Industry, who has been involved with this abattoir, had not met Mr Fletcher until well after that donation had been made. That point was made tonight by Hon Murray Montgomery but the member did not listen. As has also been said, the member's federal Labor colleagues made money available to the Dubbo abattoir of the same company. We will do a bit of research to see whether the company gave the Labor Party some money, so that I can make the innuendo that one of his federal colleagues took a bribe.

Hon Kim Chance: I am sure that would not be true.

Hon N.F. MOORE: That is exactly right. I have no intention of doing it because the member knows that it is not true in this case either.

Hon Kim Chance: I know nothing of the sort.

Hon N.F. MOORE: It is disgraceful that he should do it. I am disappointed that the member chose to do it today.

Hon Kim Chance: You should look at the record.

Hon N.F. MOORE: The record is simple.

Hon Kim Chance: It is \$5 000 from Fletcher.

Hon N.F. MOORE: That is exactly right. If I had the tabled paper, I could read out the names of the companies that donated to the Labor Party. The other day a document was tabled of a long list of people who had donated to the Labor Party. No-one suggested in any way that the Labor Party took a bribe from these people and gave them something in exchange for the money, but that is what the member did today. It does not raise questions at all except in his dirty mind on this occasion. I am disappointed in Hon Kim Chance because he does not usually get into the gutter, which is where he is today.

Hon Kim Chance: You are dragging this into the gutter. I am amazed that you are reacting in this way.

Hon John Halden interjected.

The PRESIDENT: Order!

Hon N.F. MOORE: I am not over-reacting; I am taking issue because Hon Kim Chance brought into this House an issue that is worth debating and then put up in the air as a rotten smell a \$5 000 contribution in exchange for \$5m. He knows it is not true and he should withdraw it.

Question put and passed.

House adjourned at 10.30 pm

QUESTIONS ON NOTICE

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

MINISTRY OF THE PREMIER AND CABINET

Employment of Mr Brendan Cooper

1. Hon MARK NEVILL to the Leader of the House representing the Premier:
 - (1) Did Mr Brendan Cooper take up a position with the Office of the Premier following the 1996 State election?
 - (2) What are Mr Cooper's duties and remuneration?
 - (3) During Mr Cooper's previous employment with Federal Government's Members' Secretariat did he visit or attend any offices of the Premier or his Ministers?
 - (4) If so, when and why?
 - (5) What facilities, office or desk space or other resources were provided to Mr Cooper during those visits or attendances?
 - (6) Has Mr Cooper travelled by air intrastate or interstate since his appointment to the Premier's office?

Hon N.F. MOORE replied:

- (1)-(2) Mr Brendan Cooper was employed as a Principal Policy Officer in the Premier's Office from 6 October 1997 to 19 May 1998. He received a salary of \$55,425 per annum and was allocated a government vehicle for commuting purposes.
- (3)-(5) If Mr Cooper visited the Premier's Office or any other Minister's Office prior to his employment with the Premier's Office, he did so outside of any administrative arrangements being provided by the Ministry of the Premier and Cabinet, or in his own time.
- (6) Mr Cooper accompanied the Premier for a regional Cabinet meeting to Broome and Kununurra on Sunday 26 October, returning on Monday 27 October 1997.

FISHERIES

Patricia II

50. Hon KIM CHANCE to the Minister for Transport representing the Minister for Fisheries:

Regarding the entry of the vessel *Patricia II*, B130, into the Northern Demersal Interim Managed Fishery -

- (1) How many days of total fishing time -
 - (a) by line; and
 - (b) by trap,did B130 record in 1994 and 1995?
- (2) In which months were these days of fishing recorded?
- (3) From which month of which year was B130 legally entitled to fish by -
 - (a) trap; and
 - (b) line?
- (4) Was B130 ejected from the fishery in 1995?
- (5) If so, in which month was B130 ejected?
- (6) How and why was B130 permitted to re-enter the fishery prior to August 1995, apparently without a proper endorsement?

Hon M.J. CRIDDLE replied:

The Northern Demersal Interim Managed Fishery came into effect on 1 January 1998. These questions are answered in relation to the management arrangements which were in place before this time.

- (1)-(2) The release of activity and catch data for this vessel would be contrary to Section 250 of the *Fish Resources Management Act 1994* which, under Subsection 4, only allows such data to be released which could not reasonably be expected to lead to the identification of any person to whom it relates.
- (3) B130 was entitled to fish by trap between December 1991 and April 1995. As a Western Australian Licensed Fishing Boat, B130 was entitled to operate in the line fishery within 12nm of the Kimberley coast prior to 3 February 1995. From 3 February 1995 until September 1995, B130, along with all other Western Australian Licensed Fishing Boats, could operate in the line fishery from the Kimberley coast out to the Australian Fishing Zone. B130 has retained access to the line fishery since September 1995 in accordance with the interim management arrangements.
- (4) Yes.
- (5) B130 left the Kimberley Trap Fishery on 30 April 1995.
- (6) See answer (3) above.

FISHERIES

Kobus II

54. Hon KIM CHANCE to the Minister for Transport representing the Minister for Fisheries:

- (1) Did the WA Fisheries Department, or any present officer of the Fisheries WA, support the issue of a Commonwealth Line Licence or Permit to enable the vessel *Kobus II* to fish in the Kimberley area at a time when the area had recently been subject to a 50 per cent reduction in licences in order to reduce fishing effort?
- (2) If Fisheries WA did support the entry of the *Kobus II*, what were the grounds for that support?
- (3) If Fisheries WA did not support the entry of the *Kobus II*, what did the agency do to resist its entry, either under the Offshore Constitutional Settlement provisions or under the *Fisheries Act*?
- (4) By granting permission to *Kobus II* to enter the fishery have the effect of deliberately increasing pressure on a fish resource in the Kimberley that was known to be under threat?

Hon M.J. CRIDDLE replied:

- (1)-(2) No.
- (3) FDWA obtained an undertaking from AFMA that no further permits would be issued in the waters east of 120 degrees East under Commonwealth jurisdiction prior to the finalisation of the Offshore Constitutional Settlement arrangements in 1995.
- (4) The issue of a permit by AFMA to the *Kobus II* did have the potential to increase fishing effort on the northern demersal scalefish resource. However, the *Kobus II* did not meet the access criteria for entry to the current Northern Demersal Scalefish Interim Managed Fishery, and has been excluded from the fishery since its establishment in 1998.

AUSTRALIAN BARLEY BOARD

55. Hon KIM CHANCE to the Minister for Transport representing the Minister for Primary Industry:

- (1) Is the Minister for Primary Industry aware of the proposal of the Victorian and South Australian Government's to extend the single-desk operations (or the export monopoly) of the Australian Barley Board to at least June 2000?
- (2) Is the Minister also aware of approaches being made by some barley growers to the Federal Treasurer, Mr Peter Costello, who are lobbying to have the Federal Government override the proposed South Australian and Victorian legislation using the powers the Federal Treasurer has under Section 51 of the *Trade Practices Act (Cwlth)*?
- (3) What are the implications for the Grain Pool of WA's marketing arrangements?
- (4) If so, what action does the Minister propose to take on the status of the Grain Pool of WA?

Hon M.J. CRIDDLE replied:

- (1)-(2) Yes.

- (3)-(4) The Grain Pool is currently operating with the view that its actions must comply with the Trade Practices Act. The Grain Marketing Act will be undergoing its Competition Policy Review in 1998/99.

COMMITTEES AND BOARDS

Meetings and Code of Conduct

192. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

In relation to appointments to the governing boards of the Subiaco Redevelopment Authority and the East Perth Redevelopment Authority -

- (1) What is the attendance record at meetings of the board of each member in the last financial year?
- (2) How frequently is the board required to meet?
- (3) How frequently did the board meet in the last financial year?
- (4) What procedures govern the conduct of the business of the board?
- (5) Are these procedures in written form?
- (6) Are minutes taken of each board meeting?
- (7) To whom are those minutes distributed?
- (8) Has the board a "code of conduct" or "code of ethics" to govern the conduct of either members of the board or staff of the organisation?
- (9) Has the board a register or record of the directorships or other positions held by members which the board uses to determine likely conflicts of interest between members and the organisation?
- (10) Has any member of the board declared any conflict of interest or pecuniary interest during the last financial year?
- (11) What procedures apply if a member of the board declared such an interest or if the board determines a member has such an interest?
- (12) What induction or other procedures exist to acquaint incoming board members with their statutory obligations and other duties as board members?
- (13) Are these induction or other procedures contained in any document or manual?
- (14) If yes, will the Minister for Planning table the relevant document?

Hon PETER FOSS replied:

Subiaco Redevelopment Authority

- (1) 11 meetings were held in the last financial year and were attended as follows:

R Doubikin	attended 9 meetings
C Whitaker	attended 10 meetings
W Griffiths	attended 10 meetings
S Potter	attended 9 meetings
L White	attended 10 meetings
- (2) Schedule 2 of the Subiaco Redevelopment Act 1994 provides "... meetings are to be held at the times and places that the Authority determines". The Board normally meets monthly.
- (3) Monthly.
- (4)-(5) The Subiaco Redevelopment Authority Act 1994 and agreed Board procedures set by Board.
- (6) Yes.
- (7) Minister for Planning, Board Members and Chief Executive Officer.
- (8) Yes.
- (9)-(10) No.
- (11) Clause 13 of the Subiaco Redevelopment Act 1994.
- (12) Briefings by Chairman, Chief Executive Officer and Executive Officer.

- (13) No.
 (14) Not applicable.

East Perth Redevelopment Authority

- (1) 15 meetings were held in the last financial year and were attended as follows:
- | | |
|----------------------|-------------|
| Hon Richard Lewis JP | attended 14 |
| Mr Allan Skinner | attended 12 |
| Mr Steven Yovich | attended 13 |
| Dr Peter Nattrass | attended 13 |
| Dr Ken Michael | attended 13 |

The following members were only required to attend 7 meetings and attendance was as follows:

Mrs Kareena Ballard	attended 6
Cr Jim Leahy	attended 7

- (2) Schedule 2, Clause 5 of the East Perth Redevelopment Act specifies "meeting shall be held at such times and places as the Authority determines". The Board normally meets monthly.
- (3) Monthly with three special meetings in 1997/98.
- (4)-(5) Schedule 2 of the East Perth Redevelopment Act and Board endorsed procedures.
- (6) Yes.
- (7) Board Members and key staff.
- (8) Yes.
- (9) No.
- (10) Yes.
- (11) Clause 13 of the East Perth Redevelopment Act 1991.
- (12) Briefings by Chairman and Chief Executive Officer.
- (13)-(14) Not applicable.

COMMITTEES AND BOARDS

Membership

193. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

In relation to appointments to the governing boards of the Subiaco Redevelopment Authority and the East Perth Redevelopment Authority -

- (1) What are the criteria for appointments?
- (2) Who is responsible for appointments?
- (3) What are the full names and ages of the current members?
- (4) When was each member appointed?
- (5) What are the educational or professional qualifications of each member?
- (6) When does the term of each member expire?
- (7) To what fees or other payments are board members entitled for performing their roles on the board?

Hon PETER FOSS replied:

- (1)-(2) As set down in Part 2 Clause 7 of the Subiaco Redevelopment Authority Act 1994.
- (3)
- | | |
|-----------------------------|----------|
| Ronald Arnold Doubikin | 21/10/46 |
| Christopher Robert Whitaker | 7/6/47 |
| William Patrick Griffiths | 3/10/39 |
| Stephen Edward Potter | 16/2/53 |
| Loren Ranward White | 3/5/49 |

- | | | |
|-----|--|---|
| (4) | Ronald Arnold Doubikin
Christopher Robert Whitaker
William Patrick Griffiths
Stephen Edward Potter
Loren Ranward White | 1/7/98
1/7/97
17/6/97
1/7/98
1/7/97 |
| (5) | Ronald Arnold Doubikin

Christopher Robert Whitaker

William Patrick Griffiths

Stephen Edward Potter

Loren Ranward White | Fellow of the Australian Institute of Company Directors
Member of the Institute of Project Managers
Director of several companies

PhD in Desert Geomorphology
Director General of Transport

Bachelor of Arts (Economics) UWA
Member of Urban Development Institute of Australia
Land and Housing Development Consultant

Business Planner

Bachelor of Science (Hons) UWA
Diploma of Education (UWA)
Master of Applied Science (Curtin)
Teacher |
| (6) | Ronald Arnold Doubikin
Christopher Robert Whitaker
William Patrick Griffiths
Stephen Edward Potter
Loren Ranward White | 30/6/2001
30/6/2000
30/6/2000
30/6/2000
30/6/1999 |
| (7) | Ronald Arnold Doubikin
Christopher Robert Whitaker
William Patrick Griffiths
Stephen Edward Potter
Loren Ranward White | \$18 000 per annum
-
\$4,800 per annum
-
- |

East Perth Redevelopment Authority

(1)-(2) As set down in Clause 7 of the East Perth Redevelopment Act.

- | | | |
|-----|--|---|
| (3) | Hon Kennon Richard Lewis JP
Cr James Michael Leahy
Mrs Kareena Eileen Ballard
The Rt Hon The Lord Mayor
Dr Peter Christopher Roland Natrass
Mr Allan Skinner
Mr Steven Yovich
Dr Kenneth Comminos Michael | 4/9/39
28/6/31
22/7/47

15/10/41
18/11/46
20/2/58
14/4/48 |
| (4) | Hon Kennon Richard Lewis JP
Cr James Michael Leahy
Mrs Kareena Eileen Ballard
The Rt Hon The Lord Mayor
Dr Peter Christopher Roland Natrass
Mr Allan Skinner
Mr Steven Yovich
Dr Kenneth Comminos Michael | December 1997
December 1997
December 1997

December 1997
December 1997
December 1997
December 1997 |
| (5) | Hon Kennon Richard Lewis JP

Cr James Michael Leahy
Mrs Kareena Eileen Ballard

Dr Peter Christopher Roland Natrass
Mr Allan Skinner

Mr Steven Yovich | Diploma in Cartography
Diploma in Engineering Surveying
Certificate in Surveying
Licensed Surveyor

Business, Council, Financial Planning

Certificate in Real Estate Management
Real Estate Licence
Triennial Certificate

MBBS, MRCOG, FRACOG

Diploma Public Administration, Postgraduate
Diploma Business Administration (WAIT), FAIM

Bachelor Engineering
Masters Business Administration
Graduate Diploma Accounting |

	Dr Kenneth Comminos Michael	Engineering Graduate UWA Doctor of Philosophy Diploma of Imperial College
(6)	Hon Kennon Richard Lewis JP	31/12/2000
	Cr James Michael Leahy	Length of current Council term
	Mrs Kareena Eileen Ballard	31/12/1998
	Dr Peter Christopher Roland Natrass	Length of current Council term
	Mr Allan Skinner	31/12/1998
	Mr Steven Yovich	31/12/1999
	Dr Kenneth Comminos Michael	31/12/1999
(7)	Hon Kennon Richard Lewis JP	\$24 000
	Cr James Michael Leahy	\$4 800
	Mrs Kareena Eileen Ballard	\$4 800
	Dr Peter Christopher Roland Natrass	\$4 800
	Mr Allan Skinner	-
	Mr Steven Yovich	\$4 800
	Dr Kenneth Comminos Michael	\$4 800

COMMITTEES AND BOARDS

Insurance Policies for Members

194. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

In relation to appointments to the governing boards of the Subiaco Redevelopment Authority and the East Perth Redevelopment Authority -

- (1) Are members of the board the subject of any policies of insurance arranged by the board including indemnity insurance?
- (2) If yes -
 - (a) what is the nature of the policy and the liabilities covered by the policy;
 - (b) who is the insurer;
 - (c) what is the maximum liability of the insurer under the policy;
 - (d) what is the annual premium for the policy;
 - (e) who is responsible for disclosing any material matters to the insurer which might affect the obligations of the insurer to meet its liability under the policy; and
 - (f) has the board or any of its members made any such disclosures during the currency of any insurance policy?
- (3) Has the Government or the board provided any of its members with any indemnity other than through a policy of insurance?
- (4) If yes, when was the indemnity provided and why?
- (5) Who are the board's solicitors?
- (6) How does the board choose its solicitors?
- (7) What payment for legal advice and representation were made by the board in the last financial year?
- (8) Is the board or organisation required to publish an annual report?
- (9) When was its last report due?
- (10) When was its last report published?
- (11) When will its next report be published?

Hon PETER FOSS replied:

Subiaco Redevelopment Authority

- (1) Yes.

- (2) (a) Directors' and Officers' Liability Insurance - provides protection for liabilities under the Statutory Corporations (Liability of Directors) Act 1996 for which insurance is allowed to be effected.
- (b) GIO Insurance Ltd.
- (c) \$10 million.
- (d) \$9 025.
- (e) Members of the Board and officers of the Authority would advise the Chief Executive officer who in turn would advise the insurer.
- (f) No.
- (3) No.
- (4) Not applicable.
- (5) Hammond Worthington Prevost
Freehill Hollingdale and Page
- (6) Selected on relevant experience and value for money following a competitive process.
- (7) \$45 130.
- (8) Yes.
- (9)-(10) 1997.
- (11) 1998.

East Perth Redevelopment Authority

- (1) Yes.
- (2) (a) (i) Directors and Officers Liability - covers proven negligence in statutory matters.
(ii) Professional Indemnity - covers negligence in giving advice
(iii) Public Liability - covers negligence towards members of the public.
- (b) Risk Cover - Insurance Commission of WA.
- (c) (i) \$5 million.
(ii) \$200 million.
(iii) \$200 million.
- (d) (i) \$9 504.
(ii) \$1 998.
(iii) \$6 440.
- (e) Manager, Finance and Administration - statements for Directors and Officers Liability are based on written responses from Board members.
- (f) No.
- (3) No.
- (4) Not applicable.
- (5) Hammond Worthington Prevost.
- (6) Expressions of interest and criteria based on experience and value for money.
- (7) \$44 000.
- (8) Yes.
- (9) By 21 December 1997.
- (10) 17 December 1997.
- (11) By 21 December 1997.

COMMITTEES AND BOARDS

Stakeholders

195. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:

In relation to appointments to the governing boards of the Subiaco Redevelopment Authority and the East Perth Redevelopment Authority -

- (1) Has the organisation determined who its stakeholders are?
- (2) If yes, who are they?

Hon PETER FOSS replied:

Subiaco Redevelopment Authority

(1)-(2) The Board is appointed on the basis of expertise and City of Subiaco nominations.

East Perth Redevelopment Authority

(1)-(2) The Board is appointed on the basis of expertise and City of Perth nominations.

GAMING MACHINES IN HOTELS

309. Hon TOM STEPHENS to the Minister for Racing and Gaming:

- (1) Is the Minister aware of any agreement between the Hotels Association, the Burswood Casino and/or the Gaming Commission that would enable the Burswood Casino to utilise its gaming licence so as to position poker machines in hotels?
- (2) If so, what steps is the Minister taking to ensure hotels are not bypassing the Government's policy against gaming machines in hotels?

Hon MAX EVANS replied:

- (1) No.
- (2) Not applicable.

QUESTIONS WITHOUT NOTICE

TAX PACKAGE - PRIME MINISTER'S PROMISE TO STATES

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

I refer to the Treasury analysis which states that the Premier received a personal undertaking from the Prime Minister that no State would be worse off under the Howard tax package and ask -

- (1) When was that personal undertaking given?
- (2) Was that undertaking given in writing?
- (3) If yes, will the Premier table the written undertaking?

Hon N.F. MOORE replied:

- (1) The Prime Minister gave the undertaking when he briefed the Premiers on the tax package.
- (2) No.
- (3) Not applicable.

CAT BUSES REMOVED FROM SERVICE

184. Hon TOM STEPHENS to the Minister for Transport:

I refer to the removal of 13 of the 16 CAT buses from service and the statement by Transperth Director Brett Inchley that it will take two to three weeks to complete repairs and ask -

- (1) Why will it take two to three weeks to complete what is said to be a relatively minor suspension fault?

- (2) What is the cause of the fault and what would be the effect if the fault were not rectified?
- (3) What will be the cost of rectifying the fault?
- (4) Is the problem a design fault?
- (5) If not, why do more than 80 per cent of the buses all have the problem at the same time?
- (6) Why did this fault not come to light during the years the buses were operated by MetroBus?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1)-(6) Scania has arranged to repair the buses to a design supplied by the Scania factory in Europe, and the first bus will be back on the road by Wednesday evening, 16 September. One bus a day will be completed thereafter. It is anticipated that the repair program will be completed by 2 October 1998.

The suspension fault was referred to as minor in the sense that it was not serious enough to give rise to safety concerns. Additionally, if the buses were taken out of service when the early signs of failure were first observed, substantial damage could be avoided.

The repair process is lengthy because, in order to gain access to the suspension fault in need of repair, the complex task of removing the rear must first be undertaken. A special tool has been manufactured to increase the speed of power pack removal.

The failure has been caused by set-screws, which are tapped into the body structure, working loose and being sheared off. If the fault were to be left unattended, it would cause further damage to the bus chassis, which would be significantly more difficult to repair.

The cost of this repair will be the subject of discussion with the bus manufacturer, Scania Australia. The buses are under manufacturer's warranty until August 1999.

GOODS AND SERVICES TAX - RACING AND GAMING INDUSTRY

185. Hon N.D. GRIFFITHS to the Minister for Racing and Gaming:

- (1) Can the minister assure the House that the Government will fully off-set the effect of any goods and services tax on the racing and gaming industry?
- (2) If so, will he explain how this will be done?

Hon MAX EVANS replied:

- (1)-(2) The member did not clarify to which side he was referring; however, I will talk about the first side. A GST will be paid on profits from gambling on lotteries, the Totalisator Agency Board and the Burswood Casino. The profit from the TAB is roughly \$36m to the Government and \$41m to the co-agents, a total of \$77m. One eleventh of that, \$7m, is the amount of GST to be paid by the TAB on gambling profits. As the Government sees it, the loss of revenue on \$77m from gambling would include that \$7m.

There will be other formulas for GST to be paid on training fees, equipment and so on which can be reclaimed if the business is registered. If the co-agent has winnings of \$10 000, 10 per cent for GST is added on, totalling \$11 000. The \$1 000 for GST will be offset against what has been paid already, which may produce a plus or minus as with any other business.

The main aspect that the member is worried about is what will the TAB do. In that regard, the Government intends to protect the industries and pick up the loss elsewhere.

PRISONERS REMANDED IN CUSTODY

186. Hon HELEN HODGSON to the Attorney General:

- (1) During the three years to 30 June 1998, how many prisoners were remanded in custody until trial?
- (2) How many of these prisoners were subsequently acquitted?
- (3) What was the longest period of time during which a person who was subsequently acquitted was remanded in custody, and with what offence was the person charged?
- (4) What was the average period of time during which a person who was subsequently acquitted was remanded in custody?

- (5) Is the minister aware of any claims against the State by any person remanded in custody who was subsequently acquitted, and if so -
- (a) how many?
 - (b) what is the potential liability to the State?

Hon PETER FOSS replied:

I thank the member for some notice of this question. Given the amount of time and resources that the compilation of this answer is likely to require, I ask that the member place this question on notice. I go further than that and ask the member to reconsider whether she wishes to ask the question, because the amount of resources required will be considerable because it will involve -

Hon Giz Watson: You should not have got rid of the public servants.

Hon PETER FOSS: Unfortunately, that is exactly how we must extract the information, by a public servant and not by a computer. If we had got rid of the public servant and got a computer, we might have the answer immediately. The fact is it will require a considerable amount of research. The amount of research required is sufficient that we may have to see whether it is sensible to do so.

I am not aware of any claim by any person nor am I aware of any legal basis for such a claim. There is no potential liability on the State because no person has the right to recover compensation by reason of having been kept in custody. However, on some occasions we do consider ex gratia payments, but particular rules govern those payments.

WESTERN POWER TARIFF PROCEDURES

187. Hon MURIEL PATTERSON to the Leader of the House representing the Minister for Energy:

- (1) Can the minister explain whether it is normal procedure for Western Power to charge two separate tariffs on a single domestic account operating off a single meter which is not linked to a SmartPower unit?
- (2) If not, why are up to 400 Albany residents being charged in this way?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) Yes. The B1 meter is a meter essentially for the customer's hot water system consumption and was offered before the implementation of SmartPower. It is a lower tariff charged at 6.5¢ a kilowatt hour between the hours of 11.00 pm and 6.00 am every day of the year.

Western Power had a recent promotion at Albany and some customers opted to purchase a SmartPower meter for the benefit of saving money on electricity for the whole house, instead of just on hot water.

- (2) Not applicable.

TOWN OF COTTESLOE ASSESSMENT

188. Hon J.A. SCOTT to the minister representing the Minister for Local Government:

Further to my question without notice of 5 September, I ask -

- (1) Who is the Director General of Local Government and when did he direct that an assessment be made of the Town of Cottesloe?
- (2) Who is the inspector who has been briefed by the Department of Local Government regarding the Town of Cottesloe?
- (3) Will the minister table a copy of that brief and any accompanying information or instructions given to the inspector as part of his assessment duties?
- (4) Has the member for Cottesloe had any discussion or correspondence with the Minister for Local Government relating to the assessment or investigation of the Town of Cottesloe?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1) The Executive Director of the Department of Local Government is Mr John Lynch. The executive director

recommended to the Minister for Local Government that an assessment be undertaken of the Town of Cottesloe in response to the resignation of four elected members and the absence of another on sick leave. On 17 August 1998, the minister asked the executive director to provide him "with a report assessing the functioning of the council, at both officer and elected member level".

- (2) Mr Robert Smillie.
- (3) The brief was a request for an assessment of the situation and advice as to "what further action, if any, is needed to assist the council and whether ongoing monitoring is required".
- (4) The minister, quite properly, has briefed the member for Cottesloe on the nature of the action being undertaken.

BUS CONTRACTORS - FINES FOR MISSED OR LATE SERVICES

189. Hon JOHN HALDEN to the Minister for Transport:

- (1) How many fines have been issued to Swan Coastal Transit and Perth Bus Company for late or missed bus services in both July and August 1998?
- (2) How was the information on late and missed services obtained by the Department of Transport?
- (3) What was the value of those fines and have they been paid?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1) During the months of July and August 1998, Swan Transit was issued 14 fines with regard to late, missed or early bus services. Southern Coast Transit was issued 30 fines, Perth Bus 10 and Path Transit 26 fines respectively.
- (2) The information on late, early and missed trips relating to the issued fines, was obtained directly by the Department of Transport as a result of service performance checks that it carried out. Transperth service performance staff routinely undertook comprehensive service performance audits and issued fines as a result.
- (3) The value of the fines was \$15 000. The July fines have been paid and the August fines are in the process of being settled now.

KARNET PRISON FARM - ESCAPEES

190. Hon NORM KELLY to the Minister for Justice:

- (1) How many prisoners have escaped from the Karnet Prison Farm for each of the past five years?
- (2) Is the minister aware of a proposal to establish a recreational rifle range two kilometres from Karnet?
- (3) Will the minister oppose such a proposal?

Hon PETER FOSS replied:

I thank the member for some notice of this question. We have dealt with escapes from prisons -

Hon Ljiljanna Ravlich: You have been through this previously.

Hon PETER FOSS: As Hon Ljiljanna Ravlich said, I have been through this before, but I will put it on the record again. In some States, when prisoners leave establishments such as Karnet Prison Farm it is counted not as an escape but as being absent without leave. Those held at Karnet are not constrained; there is nothing locking them in. It is a minimum security prison at which the prisoners stay because they are about to complete their sentence. The ability to keep them there is based on the fact that when caught they will be placed in a more secure prison and with a longer sentence.

Hon Tom Stephens: On what charge - being absent without leave?

Hon PETER FOSS: In other States it is regarded as being absent without leave. In this State it is regarded as escaping because we do not distinguish between the two.

Prisoners most frequently absent themselves not because they are desperate to leave but because they get a telephone call from home indicating some domestic problem. Most of those messages are along the line that there is a new uncle in the house or their partner does not want them back. That generally has a disturbing effect on the prisoners. The real skill in managing a minimum security prison is in ensuring that those alarming messages are discovered so that the prisoners concerned can be moved to Casuarina before they absent themselves.

Hon Derrick Tomlinson interjected.

Hon PETER FOSS: They are normally heading for home at high speed.

(1) The number of prisoners who have escaped from Karnet Prison Farm for each of the past five years is -

1993-94	7
1994-95	14
1995-96	7
1996-97	18
1997-98	13

(2) Yes.

(3) No.

FLETCHER INTERNATIONAL EXPORT PTY LTD

Commitment by Minister for Primary Industry

191. Hon KIM CHANCE to the minister representing the Minister for Primary Industry:

Some notice of this question has been given.

(1) Has the Minister for Primary Industry made any commitment to Fletcher International Export Pty Ltd regarding the ability to purchase and slaughter Western Australian lambs for export?

(2) If so, what were those commitments and when were they made?

(3) What is the minister's intention in regard to the Marketing of Meat Act 1971 and specifically what is his intention regarding the single desk export status currently held by the WA Meat Marketing Corporation?

(4) Is it the minister's intention to remove the single desk authority from the WAMMC or otherwise to reduce its powers?

(5) Is it the minister's intention to close the WAMMC?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

(1) No.

(2) Not applicable.

(3)-(5) Meetings and discussions with regard to these matters have been taking place for some time and continue to occur.

EDDYSTONE AVENUE BRIDGE

192. Hon KEN TRAVERS to the Minister for Transport:

(1) Has Main Roads conducted any analysis into the difference in estimated costs of building the Eddystone Avenue bridge in conjunction with the extension of the Mitchell Freeway compared to building it as a stand-alone project in five years?

(2) If yes, will the minister table the analysis?

(3) If no to (1), why not?

(4) What are the current traffic movements for Hodges Drive?

(5) What are the estimated traffic movements on Hodges Drive after the freeway extension?

(6) Is the Eddystone Avenue bridge listed in Main Roads' 10-year plan or the Transform WA program?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

(1) Yes.

(2) I seek leave to table a copy of advice from G.B. Hill Consulting Engineers.

Traffic studies indicate that a bridge over the freeway at Eddystone Avenue may be required in five to eight years. It is intended that the bridge will be constructed in conjunction with the extension of the freeway north of Hodges Drive scheduled to commence in 2004. As current project funding is fully committed, it would not be possible to bring forward construction of the bridge without delaying high priority works.

- (3) Not applicable.
- (4) The average weekday traffic volume on Hodges Drive either side of the freeway reserve is currently about 12 200 vehicles per day.
- (5) The estimated traffic volume on Hodges Drive following the extension of the freeway is 25 000 vehicles per day west of the freeway and 31 000 vehicles per day east of the freeway. Hodges Drive is currently being upgraded to accommodate future traffic demands. By comparison, the current traffic volume on Ocean Reef Road west of the freeway is 22 000 vehicles per day and 40 000 vehicles per day east of the freeway. With the extension of the freeway to Hodges Drive, volumes on Ocean Reef Road are expected to reduce to 15 000 and 30 000 respectively. Similar reductions can be expected in the future at Hodges Drive when the freeway is extended to Shenton Avenue.
- (6) Yes. It is included in Main Roads' 10-year program.

[See paper No 161.]

NORTHBRIDGE TUNNEL - COST VARIATION CLAIMS

193. Hon TOM STEPHENS to the Minister for Transport:

- (1) Is the \$25m contract variation being sought by Boulderstone Clough for the construction of the Northbridge tunnel included in the 1998-99 budget figure of \$406.867m or is it an additional cost?
- (2) What are the reasons for these variations claims?
- (3) Are any other increases not recorded in the 1998-99 budget estimates?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1)-(2) There are claims totalling around \$25m from the Boulderstone Clough joint venture, many of which have not yet been agreed or resolved. Main Roads, as is normal practice, will assess the claim and negotiate with the contractor. The claims relate to additional works funded by others, works associated with other approved Main Roads' projects, improvements to the current project, an allowance for inflation and some design changes. Main Roads' assessment of the value of these claims has been included in the 1998-99 budget for the Graham Farmer Freeway project.
- (3) An additional \$5m of associated projects for other agencies has been required for inclusion within the project. These works have been added since the compilation of the 1998-99 budget estimates and will be funded by these other agencies.

WORKSAFE WA - WILLIAMSTOWN ASBESTOS SAMPLES

194. Hon GIZ WATSON to the Attorney General representing the Minister for Labour Relations:

- (1) Has the WorkSafe WA inspection officer Peter Green from the construction and engineering branch recently visited Williamstown?
- (2) If yes, did Mr Green take from the area supposedly cleared of asbestos samples of material believed to be asbestos?
- (3) If yes, was all the material tested to establish whether it was asbestos?
- (4) If no, why not?
- (5) If yes, was chrysotile or crocidolite identified as being present in the samples?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) Yes. Between 18 and 21 August 1998.
- (2)-(3) Yes.
- (4) Not applicable.
- (5) Chrysotile and amosite were found to be present but no trace of crocidolite was found.

BUS SERVICES - SETTLING-IN PERIOD

195. Hon CHERYL DAVENPORT to the Minister for Transport:

I refer to statements by Transperth director Brett Inchley that there has been a settling-in phase with private bus services and that "it can't happen overnight" and ask -

- (1) How long has this settling-in period taken to date and how much longer is it expected to last?
- (2) Is there a similar settling-in period for Ministers for Transport?

Hon M.J. CRIDDLE replied:

(1)-(2) Part (2) of the question seeks an opinion.

I certainly will not put a time on the settling-in period. Obviously the public has that perception, because we continually hear people criticising Transperth about the way the buses are run. However, the information that I receive from people who travel on the bus system is that it is a very good system. Most of the criticism I receive is from people who do not use the bus system.

Hon Bob Thomas: Because the buses do not turn up.

Hon M.J. CRIDDLE: That is a silly remark to make.

Hon Bob Thomas: The minister should read the newspapers; it is happening.

Hon M.J. CRIDDLE: There are very few claims like that. I would be interested to know whether Hon Bob Thomas has travelled on a Transperth bus in recent times. It would be informative if members opposite were to view some of that information in the near future, because there will be an acceptance of the way the buses are run and that will continue to improve as time goes by.

Hon Ljiljanna Ravlich: It could not get any worse.

Hon M.J. CRIDDLE: There will obviously be a settling-in period.

ASSESSORS FOR CERTIFICATES OF COMPETENCY

196. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Labour Relations:

- (1) Are Mohamed Abdullah, Mohamed Ahmad, Madi Araham, Rustam Lockman and Hiow Cheng Ping registered as assessors for certificates of competency under regulation 6.6 of the Occupational Safety and Health Regulations, and in accordance with clause 5.18 of the national occupational health and safety certification standards for users and operators of industrial equipment?
- (2) When were they first registered as assessors for certificates of competency under regulation 6.6 of the Occupational Safety and Health Regulations?
- (3) Did each of these assessors upon initial registration pay the \$660 application fee to be registered as an assessor as per the requirements of regulation 6.6(2)?
- (4) If so, will the minister table the evidence of payments?

Hon PETER FOSS replied:

I thank the member for some notice of this question. Providing the information in the time required is not possible and I request that the member place the question on notice.

I do hope that this is not one of those racist questions that we had trouble with earlier in this year.

Hon Ljiljanna Ravlich: How about giving some answers.

HEALTH DEPARTMENT FINANCIAL AND SUPPLY SYSTEM

197. Hon E.R.J. DERMER to the minister representing the Minister for Health:

- (1) Will the minister confirm that the Health Department is currently implementing the Oracle Financials 10.7 financial and supply system?
- (2) Will the system perform the financial and supply functions for all metropolitan Health Department services?
- (3) What will be the total cost of purchasing, customising and implementing the system?

- (4) When is it anticipated the system will be commissioned?
- (5) What is the anticipated duration of the system's commission?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1)-(2) Yes.
- (3) \$7 448 000.
- (4) Initial implementation will be at the end of September 1998, with progressive deployment during October and November.
- (5) Approximately 10 years.

OFFENDER MANAGEMENT DIVISION INQUIRIES

198. Hon HELEN HODGSON to the Attorney General:

- (1) Are there currently any private consultants examining or conducting an inquiry into the offender management division of the Ministry of Justice; and, if so who are these consultants and what was the date of the initial briefings?
- (2) What are the terms of reference of the inquiries?
- (3) Has a preliminary report been made to the minister or the ministry by the consultant; and, if so, was it a written report or a verbal briefing?
- (4) Will a written report of the consultants' findings be made and what is the final reporting date imposed for the inquiry?
- (5) When the report has been completed and considered by Cabinet will the minister table the report; and, if not, why not?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) No private consultants are examining or conducting an inquiry into the offender management division. However, the offender management division has a number of ongoing projects aimed at improving management practices and service delivery. The significant projects at the moment include review of the emergency support group and a prisons improvement program. Those projects are being undertaken by ministry employees, officers seconded from other agencies - including interstate - and consultants.
- (2)-(5) Not applicable.

MAIN ROADS WA - INQUIRY INTO LEAKED DOCUMENTS

199. Hon N.D. GRIFFITHS to the Attorney General:

- (1) Is the Attorney General aware that edited documents obtained under the Freedom of Information Act show considerable involvement by the Crown Solicitor's Office in providing advice on the Main Roads WA leaked documents investigation?
- (2) On what matters did the Crown Solicitors's Office give advice?
- (3) What was the cost to the Crown Solicitor's Office in providing that advice?
- (4) Did the Crown Solicitor's Office charge Main Roads for the provision of that advice?
- (5) If so, what was the sum charged?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) No. Usually the Crown Solicitor's Office deals with clients directly and I am not advised. I understand it to be the case from what I have heard.

- (2) It is not usual to discuss legal advice of the law officers of the Crown.
- (3) The profit cost calculation is \$2 450.50.
- (4) Yes.
- (5) \$1 584.00.

MAIN ROADS WA - INQUIRY INTO LEAKED DOCUMENTS

200. Hon JOHN HALDEN to the Minister for Transport:

I refer to the claim that law firm Michell Sillar McPhee provided legal advice to Main Roads WA through a letter dated 27 February 1998.

- (1) What was the nature of the legal advice sought?
- (2) How much has been paid to this firm for its services?
- (3) Given that the firm is also acting for International Investigation Agency, did Main Roads consider the issue of a conflict of interest before obtaining the firm's advice?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1)-(3) As I have previously indicated, I have asked the Premier to arrange for the Ministry of the Premier and Cabinet to review the processes which led to the decision within Main Roads to investigate the unauthorised release of an internal memorandum to parties external to Main Roads, and the process undertaken in all consequent actions.

FESTIVAL OF PERTH - COMMENT BY MINISTER FOR FINANCE

201. Hon TOM STEPHENS to the Minister for Finance:

Is it correct that last Thursday at the launch of the 1999 Festival of Perth the Minister for Finance suggested that there should be more daytime festival events because public transport in Perth at night was so rotten?

Hon MAX EVANS replied:

No.

TRANSPORT SERVICE CRITICISMS

202. Hon TOM STEPHENS to the Minister for Transport:

Following the launch of the Festival of Perth last week at which the Minister for Finance was quoted as saying that public transport in Perth was so rotten that he would encourage the festival organisers to put on more events during the day, has the Minister for Transport inquired whether some of the complaints about transport at night that have been reported in the Press would justify his rearranging the Transport portfolio allocations to ensure that the transport service is improved?

Hon MAX EVANS: Can I comment on this issue?

The PRESIDENT: The Minister for Finance can make a personal explanation at the end of question time.

Hon M.J. CRIDDLE replied:

No. I do not have full knowledge of what the minister has said and I would need full confirmation of that if it is a reported quote.

SHIRE OF SERPENTINE-JARRAHDAL - RECREATIONAL RIFLE RANGE

203. Hon NORM KELLY to the Minister for Finance representing the Minister for the Environment:

In regard to the proposal to locate a recreational rifle range in the Shire of Serpentine-Jarrahdale

- (1) What are the current locations being considered?
- (2) What is the minister's preferred location?
- (3) When is a decision expected to be made on the site?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

Only one site is formally being considered as a location of the Sporting Shooters Association's complex. This is the site known as Farina Road near the townsite of Jarrahdale. The proposal for this site has been considered by the Environmental Protection Authority and an appeal on the level of assessment is currently before the Minister for the Environment. In reaching a decision on the appeal, the Minister for the Environment asked the Sporting Shooters Association, the Department of Conservation and Land Management and the Water and Rivers Commission to investigate and advise on any alternative sites which may impact less on community values. A number of sites were identified to the south of Jarrahdale in areas outside harnessed water catchments. However, only an area to the north of Kingsbury Drive warranted such further investigation. Representatives of the Sporting Shooters Association, government agencies and the office of the Minister for the Environment have been consulting with landholders and the Serpentine-Jarrahdale Shire Council with respect to this site. However, no formal proposal has been submitted. The Minister for the Environment will make a determination on the level of assessment of the Farina Road site in the near future.
