WESTERN AUSTRALIA

Parliamentary Debates
(HANSARD)

THIRTY-FIFTH PARLIAMENT
SECOND SESSION
1999

LEGISLATIVE ASSEMBLY

Thursday, 1 July 1999

THE SPEAKER (Mr Strickland) took the Chair at 9.00 am, and read prayers.

EXECUTIVE DIRECTOR OF NURSING AND MIDWIFERY SERVICES, PRINCESS MARGARET HOSPITAL FOR CHILDREN AND KING EDWARD MEMORIAL HOSPITAL FOR WOMEN

Petition

Dr Constable presented the following petition bearing the signatures of 27 persons -

> To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.
>
> We, the undersigned wish to express our opposition to decision taken by the Metropolitan Health Services Board to abolish the position of Executive Director of Nursing and Midwifery Services at Princess Margaret and King Edward Memorial Hospitals. The loss of this leadership role at executive level is seen as detrimental to the profession of nursing and midwifery in Western Australia. We ask that this decision be reviewed and that the position is reinstated at Princess Margaret and King Edward Memorial Hospitals forthwith.
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

[See petition No 252.]

HIGH LEVEL NUCLEAR WASTE REPOSITORY

Petition

Mr Kobelke presented the following petition bearing the signatures of eight persons -

> To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.
>
> We, the undersigned residents of Western Australia are totally opposed to the Pangea proposal to locate a high level nuclear waste dump in Western Australia.
>
> Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

[See petition No 253.]

GNANGARA LAND USE AND WATER MANAGEMENT STRATEGY

Statement by Minister for Planning

MR KIERATH (Riverton - Minister for Planning) [9.04 am]: I will make a ministerial statement that is of particular importance to all people living in the metropolitan area. The State Government is putting in place measures that will protect the quality of the Gnangara water mound. The water mound is a vital source of drinking water for the metropolitan area.

Together with the Minister for Water Resources, Hon Kim Hames, I have released for public comment the Gnangara Land Use and Water Management Strategy to guide land use over the area and prevent ground water pollution.

The Gnangara mound is the biggest, most important source of fresh ground water in the metropolitan region. It contains a substantial amount of water and the Water Corporation draws upon it to provide about 45 per cent of our current water supplies. The Gnangara mound is estimated to hold 19 500 million cubic metres of water and will play an important part in our planning for future public water demands. As such, it is imperative that this crucial part of Perth's water supply be safeguarded for the future against pollution and depletion. This protection can be gained only through careful management and the balancing of demands for use and environmental protection.

The Gnangara Land Use and Water Management Strategy covers the underground water pollution control areas of the Gnangara mound in the Cities of Joondalup and Wanneroo and the Shires of Swan, Gingin and Chittering. The strategy examines existing land uses and the impacts on water quality and potential risks of contamination. It has recommendations on the types of land uses and zonings that are appropriate in the area. In many ways it mirrors the Jandakot ground water protection policy which protects ground water and the associated wetlands over this important southern drinking resource.

The implementation of the strategy will involve an amendment to the metropolitan region scheme to include a water catchment reservation over priority 1 source protection areas and a rural water protection zone over priority 2 source protection areas. The proposed future metropolitan region scheme amendment will involve consultation with affected individual landowners, a formal public advertising period and a formal public submission period, with approval by the Minister for Planning and both Houses of Parliament. The strategy will rely on local governments to incorporate ground water protection areas and appropriate land use controls in local town planning schemes.

The Ministry for Planning, in conjunction with the Water and Rivers Commission, is seeking public comment on the strategy

for a three-month period, beginning today. Once public submissions have been received and considered, a final strategy will be prepared and released. I table the documents.

[See papers Nos 1095A and 1095B.]

REPORT ON VISIT TO SWEDEN, SWITZERLAND AND ITALY

Statement by Minister for Family and Children's Services

MRS PARKER (Ballajura - Minister for Family and Children's Services) [9.06 am]: As members are aware, I have recently visited Sweden, Switzerland and Italy to explore different drug policy directions and alcohol and drug treatment services in those countries. I am pleased to present to Parliament today a report on my visit. From reading the report, members will find that the Swedish experience is indeed impressive.

The background to Sweden's drug policy is characterised by a dramatic turnaround 30 years ago after a period in the 1960s when most illicit drugs were relatively freely available on prescription. Since then Sweden has progressively implemented one of the most restrictive drug policies in the world, combined with an impressive treatment framework for addicts. The vision of the Swedish Government 30 years ago, when it decided to work towards a society free of drugs, is benefiting the Swedish community and Swedish families today.

The State Government shares the view on the need for a positive vision, indicating the overall direction of our drug policy, while at the same time recognising that there is a place for well-targeted and quarantined harm reduction measures within that framework. This is the basis of our policy framework introduced in June 1997 in "Together Against Drugs" - first and foremost opposition to drug abuse and, second, harm reduction.

Previously I have referred to the United Nations 1997 *World Drug Report*, in which Sweden is listed with a lifetime prevalence of drug use of 9 per cent in 16-29 year olds, while in Australia the comparative figure for 14-25 year olds is 52 per cent. In Sweden, use in the previous year in the same age bracket is 2 per cent, whereas in Australia it is 33 per cent.

In Switzerland, after visiting a heroin prescription clinic and speaking to Professor Uchtenhagen, who was responsible for the scientific design of the Swiss trial, the Zurich Police Chief Operations and Planning, and a World Health Organisation official, my concerns about a heroin trial have been further strengthened. Dr Suzuki from the World Health Organisation advised that it does not recommend heroin on prescription as a treatment option to its 192 member States, as the findings of the Swiss heroin trial are not conclusive.

Members will read in the report that the often quoted target group of hard-core addicts, for whom every other treatment has failed, does not appear to be effectively reached. Up to 80 per cent of addicts eligible for the program and presenting for the initial interview do not proceed onto the program. There is also a further 10 per cent drop-out after commencement.

Although Professor Uchtenhagen, who was responsible for the design of the Swiss trial, stated that heroin should not replace methadone as a treatment option, we were told at the heroin clinic that a number of addicts come in for methadone during the week and for heroin on the weekend. Broadly, entry criteria have already been relaxed and there is discussion to relax it even further.

The Zurich Police Chief Operations and Planning advised that the heroin trial had not had any impact on overall crime levels in Zurich and that the reduction in heroin deaths was 95 per cent due to the closure of the open drug scene and better coordination across relevant government agencies.

The State Government is committed to further strengthen our comprehensive, multifaceted and compassionate strategy against drug abuse while finalising our next "Together Against Drugs" action plan.

Several members interjected.

The SPEAKER: Order!

Dr Gallop interjected.

The SPEAKER: Order! I call the Leader of the Opposition to order.

Dr Gallop interjected.

The SPEAKER: Order! The Leader of the Opposition did not see me stand up and perhaps I can forgive him for that. Has the minister finished her brief ministerial statement?

Mrs PARKER: I have one more sentence. Our response in the areas of education, health, community support services, law enforcement and community action will be further developed looking at all the information available to us from our visit overseas. I have pleasure in tabling the report.

[See papers Nos 1093A and 1093B.]

Several members interjected.

The SPEAKER: Order! Perhaps we can now continue with the program.

KALGOORLIE-BOULDER, DEDICATED DRUG AND ALCOHOL DETOXIFICATION AND REHABILITATION FACILITY

Grievance

MS ANWYL (Kalgoorlie) [9.10 am]: I have a grievance to the minister for Family and Children's Services. The minister has had plenty of notice of this grievance and I hope to get some answers about why Kalgoorlie-Boulder does not have a dedicated drug and alcohol detoxification and rehabilitation facility. There is plenty of evidence that as an electorate Kalgoorlie has special needs. It has a high population of young people and there is clear evidence of illicit drug usage rates four and a half times the state average. I am referring in particular to the fact that needles and syringes are distributed in my electorate at a rate four and a half times the state average. That amounts to about 100 000 needle and syringe kits each year. That is a staggering statistic for a city of 31 000 people. There have been fatal overdoses in Kalgoorlie-Boulder and there has been an increase in the number of armed robberies. Against the state trend, there has been an increase in the number of violent crimes.

The minister should forget about swanning around Europe and delivering flimsy statements in this place and start concentrating on Western Australia and how she can do something constructive. There is a wealth of evidence of what can be done in this State. The minister's Government commissioned, as a political exercise, a task force into social issues in Kalgoorlie-Boulder. Three years ago that report recommended as a key action -

> that the Government, in association with service providers, consider ways of establishing a dedicated detoxification centre for Kalgoorlie Boulder.

At one time Kalgoorlie-Boulder had a dedicated facility - back in the good old days of a Labor State Government - but it was shut down in 1993. The Government has privatised the delivery of drug and alcohol services in Western Australia. The minister has lots of rhetoric about how to improve the level of service delivery but that has not been translated into a reduction in the levels of illicit drug usage in my electorate. There is an extra full-time person working in the drug and alcohol service but we have lost Holyoake - it has left Kalgoorlie-Boulder. We have seen a narrowing of service delivery since the Alcohol and Drug Authority office was closed. The reports I receive indicate that this is not working as a service delivery model. The people who work at CentreCare do their best in a difficult job but we need some clear strategies to address the issues in Kalgoorlie-Boulder.

Almost a year ago, a report from the Select Committee into the Misuse of Drugs Act 1981 was presented in this place. That committee spent 250 hours researching this matter and hearing evidence from a variety of sources about the best ways to tackle the illicit drug problem in this State. The Premier is on the record as saying there is no problem, that his Government will spend any dollar which needs to be spent to fight this scourge of heroin abuse. However, that has not translated into action in my electorate. That report was presented to the Parliament 11 months ago and at that time the minister said the Government accepted 35 of the 38 recommendations. The problem is we are still waiting for those recommendations to be implemented. Eleven months is not good enough. Armed robberies are increasing; there are significant problems associated with the much higher than state average drug use. What have we received by way of a response? Nothing. I have been trying to receive a briefing from the Drug Abuse Strategy Office about the recommended feasibility study. That study may well have been carried out. Why should I know? I am only the local member of Parliament. Why should I be kept informed about these things? I only sat for more than a year on the committee which recommended these things. I think I may finally be able to receive that briefing from the person in charge of the Drug Abuse Strategy Office today but it is not good enough.

To return to the issue of alcohol rehabilitation, huge pressure is being placed on the Kalgoorlie Regional Hospital. There is a shortage of general practitioners and none of the general practitioners in Kalgoorlie-Boulder will prescribe methadone. Up to 150 patient bed days are being devoted to alcohol and other drug detoxification each year. There is evidence that up to 170 referrals were made previously from the hospital to the alcohol rehabilitation facility. This is not good enough; clearly we need some action. The minister has had plenty of notice of my grievance and I look forward to her providing some details of what the Government will do on this issue. I do not want to hear the minister's tired rhetoric about the Government improving service delivery for drug and alcohol services in Kalgoorlie-Boulder because the statistics show that is not the case. The minister has had 11 months to act on the recommendations of the select committee of which I was a member. The committee was chaired by a member of the minister's party. In fact, the majority of committee members were members of the minister's party. That was a useless exercise if, 11 months later, this Government will still not be accountable for those recommendations. We need a dedicated form of drug and alcohol detoxification and rehabilitation facility. The Kalgoorlie Regional Hospital is under huge pressure and it should not be required to cope with the number of patients with those problems that it currently copes with.

MRS PARKER (Ballajura - Minister for Family and Children's Services) [9.18 am]: I thank the member for Kalgoorlie for raising this important issue. I understand she has an appointment with Mr Terry Murphy from the WA Drug Abuse Strategy Office about the feasibility study which is in draft form. I also understand the member for Kalgoorlie will receive a copy of that draft report this afternoon. I would like to clarify a criticism made by the member for Kalgoorlie about this appointment. There has been no reluctance. An appointment was set for 4 May which Mr Murphy had to cancel because he was called to Canberra for talks. He rang and advised the member that that meeting needed to be cancelled. It was understood that the member for Kalgoorlie's office would reschedule the meeting and that has been done for this afternoon. I trust that the information from the feasibility study and a draft copy of the study will be useful to the member. That draft feasibility study has been released to the key informants for their consideration and I will spend some time explaining who those informants are. It has been a comprehensive feasibility study into the important issue of a detoxification and residential rehabilitation unit in Kalgoorlie, which has been raised a number of times by the member for Kalgoorlie.

Some of the key informants for the feasibility study were the community drug service team; the Northern Goldfields Health Services; the Kalgoorlie Regional Hospital, which the member mentioned in her grievance; the public health unit; the drug and alcohol policy and planning unit of the Health Department; the mental health services of the goldfields region; the Ministry of Justice; and the division of general practice - it is important to involve the doctors. We have had difficulty in maintaining a general practitioner in Kalgoorlie who will take responsibility for the methadone program. In all of this we must understand that Kalgoorlie has a unique environment that requires a specific response. Further informants were the Chairman of the Safer WA Committee, the Police Service, and important local services, such as the Golden Mile Youth Hostel, the Graham Street Youth Hostel, the Bega Garnbirringu Health Services, and Prospect Lodge. In conducting a feasibility study we must consult with the key service providers and stakeholders to ascertain exactly what is the view of both the professionals and the community members.

The first key finding of the study was that the health and community service providers did not support the establishment of a dedicated detoxification unit and that the continuing availability of detoxification at the hospital was favoured, as was the extension of home-based detoxification. Secondly, service providers did not support the establishment of a residential rehabilitation service. That option was considered to be very expensive and limited in the number of people likely to be attracted to it. As I said, the report is now in final draft stage and among the key informants for final consideration. I am advised that we can expect it to be released in the next few weeks. The member for Kalgoorlie will receive a copy of the draft this afternoon at her appointment.

It is important to understand that the Government acknowledges there is a high rate of syringe and needle use in Kalgoorlie. As I said, there is a unique environment in Kalgoorlie and the group of users in Kalgoorlie are unique in themselves. They are largely in the 20 to 30-year-old age group and they have a high level of disposable income. They tend not to be permanent or long-time residents. It has been assessed that in seeking residential treatment it would be highly likely they would return to Perth to do so. The view of the health professionals, the professionals in the field and the people running the services was that this group of drug users would be most likely to seek outpatient care and would respond to education and information services.

We have a tremendous working partnership with pharmacies in Kalgoorlie, many of which are involved in this community issue, and we have received information through the workplace.

Methadone treatment has been maintained since the establishment of the counselling-based methadone program from a central clinic in Perth, through the suburbs of Perth, trained general practitioners and supporting pharmacists. It is also now reaching regional areas. The provision of methadone has been problematic since the sole providing general practitioner left Kalgoorlie in late 1998. We have given much support and encouragement to doctors to become involved. A number of general practitioners have left Kalgoorlie in recent months and that has left a general workload problem for the remaining GPs. However, I understand that Dr Henry Clarke will be taking up the responsibility for prescribing methadone from July. That transition is being managed by the "next step" specialist service of the Health Department. We will continue to encourage general practitioners in Kalgoorlie to be involved in that program.

Although the member for Kalgoorlie is categorically of the view that Kalgoorlie must have a specialised detoxification and residential rehabilitation centre, that view is not shared by the health service professionals there. She will be able to see that information in the draft feasibility report that she will receive this afternoon.

DONGARA SCHOOL

Grievance

MR MINSON (Greenough) [9.25 am]: I wish to raise some issues with the Minister for Education, who is aware of the subject of my grievance. To a certain extent, events that occurred overnight have caught up; nonetheless, I would like to put some issues on the record, seek the minister's comment and perhaps give him a firmer basis for his imminent visit to Dongara.

The Dongara school was built in 1972. Reflecting on that school now, 27 years later, leads me to believe that the Education Department needs to plan a little differently and perhaps in a more targeted way. I get the impression that from time to time blanket growth figures are applied to some of our schools when communities throughout Western Australia, particularly coastal communities, are growing somewhat faster than the average community and certainly much faster than authorities and planners expected.

When the Dongara school was built in 1972 it comprised 10 permanent classrooms. Twenty-seven years later six temporary classrooms have been added to it, plus two transportable preprimary classrooms on the site associated with it, so that almost half of the school's classrooms are now temporary or transportable and the kindergarten is off site. It also has a raft of special facilities, of which I am sure the minister is aware. Many of those have been converted from their original purpose into other facilities. The art and craft room and the music room are two examples of that.

Three issues need to be addressed at the school. One is the permanency of classrooms in a school that is part of a rapidly growing shire. The school is far larger than it was expected to grow over that period.

Mr Barnett: You might comment on why the growth exists.

Mr MINSON: I will get to that if I have time. Despite that growth the toilet facilities have remained unchanged. I understand the school is first in line in the district for upgrade. I need the minister's assurance that that upgrade will occur and that it will not remain simply as first priority on the list.

Mr Osborne: They are changeable lists.

Mr MINSON: They can be somewhat flexible, particularly if one is in opposition. The administrative facilities at the school also remain almost unchanged. Over the years the school has managed to cover in a verandah and pinch a cupboard from somewhere. However, generally the administrative area remains the same even though it changed from being a primary school to a secondary school. The next phase of the school must be considered.

With respect to the minister's interjection concerning the reason the school is in this state, a decade ago Dongara was the fastest growing shire in Western Australia, not in absolute numbers, but pro rata. It is interesting that this year, I understand, Busselton's growth rate is sitting on 11 per cent and it is the fastest growing shire in Australia. In the same vein, the figures I received from the Irwin Shire yesterday indicate that 90 single residential dwellings have been approved in Dongara/Denison this year. Based on the usual figure of three inhabitants per dwelling, that equates to an increase in permanent population of 270, which is about a 9 per cent increase.

Once again, it is right up there at the top of growth in Western Australia partly because it is a retirement centre - not that that accounts for people attending the school - and is a very pleasant place to retire. In addition, there has been a huge growth in local industries. One new industry called Nufab Industries Pty Ltd fabricates grain cleaners, tree planters and that type of thing which are now marketed around Australia. The company is even looking at having some of its equipment built under contract in the eastern States because it simply cannot keep up with demand. Two lime projects have started there in the past few years. Westlime (WA) Ltd and Cockburn Cement Ltd have both started substantial factories there. In the pipeline, if you will excuse that expression, Amalgamated Scottish Oil and the Australian Research Council are looking at revamping the Dongara oil field and possibly 25 full-time staff may be located at Dongara over the next year or so. Therefore, in addition to the growth I have talked about, the Irwin area is becoming very busy in every sense of the word with its agriculture and fishing industries going well. Incidentally, I am hoping that the diversification and broadening of the economic and industrial bases in Dongara, which has resulted in it becoming a thriving local economy, will occur in the Geraldton area also.

To return to the school, at this stage with 514 students we could well be considering an upper secondary school. We may have to re-examine that in the light of the creation of Geraldton Secondary College and the existence of some top private schools serving the area. However, it is time to consider redeveloping that campus substantially, not just adding to it, and considering the establishment of an off-site facility to cater for marine studies. I point out to the minister that buses which bus people up to Geraldton to attend secondary schools can also bring people the other way to attend secondary studies in the marine area on an off-site campus. I look forward to the minister's reply.

MR BARNETT (Cottesloe - Minister for Education) [9.31 am]: I also look forward to visiting Dongara, having been enticed there by the offer of crayfish!

Ms MacTiernan: What are we going to have to give you to get you out to Armadale?

Mr BARNETT: I have been to Armadale but no-one liked my visit.

It is interesting that the overall figures for student population in the government school system across the State are growing at about 1 per cent a year and in non-government schools at about 3 per cent a year. We are consistently seeing growth on the urban fringe. The northern suburbs, down through Rockingham and the Peel area seem to have almost exponential rates of growth. Typically, the enrolment of a new primary school when it is opened is planned to be 250 to 300 students. However, invariably the population of that school increases very quickly to 400 to 500 students and reaches 600 to 700 students within a couple of years. I am somewhat sceptical of the statisticians' figures for some of the regional areas - Esperance, parts of Bunbury, Broome and now Dongara - as it is almost impossible for the new school building rate to keep up with the population growth. I do not know whether there has been a demographic change and people are having larger families again or whether the baby boomers are getting married for the second time. However, there are enormous pressures on schools.

In 1996, there were 365 students at the Dongara school. That is a fair number of students. In 1997, the year that kindergarten was introduced, there were 441 students. There were 474 students at the school in 1998 and there are 499 students at the school this year. The member is right in saying that the school is growing by 30 to 40 students a year. The department's projection for the school is 511 students in 2000; 509 in 2001; and 528 in 2002. Nevertheless, I take the member's comments on board about employment growth in the area, and clearly it will continue to grow. Obviously, the facilities need re-examination. The last capital works of significance performed at the school were carried out in 1991-92 when a library was built at a cost of $250 000 and a covered assembly and sports store were built also at a cost of $250 000. The most urgent need at the school is additional toilets, particularly for female students . Clearly, the existing toilets are inadequate. The school has also been classified first priority for an administration upgrade and additional permanent classroom facilities are also needed. I cannot promise those facilities currently; however, I will be visiting Dongara with the member in the next couple of weeks and I look forward to seeing that school. Although it presents the Government with a problem and therefore requires increased government spending, I believe it is good that this State's school system, and particularly the government school system, is growing. It means we have to continually build new schools and upgrade others. It means also that in some cases we will combine schools, and in other cases, such as the Carey Park Primary School in Bunbury, completely redevelop an existing school.

Occasionally I hear comments about problems in our education system and the like. However, this State is a prosperous State and, unlike other States in Australia, the Government is progressively rebuilding and modernising the school system. I therefore look forward to my visit to the Dongara school and other schools in the area to the south of Geraldton to Carnarvon; and I look forward to the crayfish.

MORTGAGE INVESTMENT SCHEMES, MR JIM BARWICK

Grievance

MS MacTIERNAN (Armadale) [9.37 am]: It grieves me to have to grieve yet again on the issue of the victims of various pooled mortgage investment schemes arranged by Western Australian licensed finance brokers. I must do this because the Government, although it now admits there is a problem, is still not acting with the urgency that this situation requires. The Government has been dragged screaming to accept that it has a role to play in this regard, but has failed to act with any expedition. I understand that as late as last night, still no supervisor had been appointed to wind up the trust funds of the two finance brokers that are in liquidation. In these organisations investors' money is now frozen and for which no liquidation is proceeding because there is no money.

The SPEAKER: I take it that the member for Armadale is grieving to the Minister for Fair Trading.

Ms MacTIERNAN: I am grieving to the Minister for Fair Trading again.

Mr Shave: And to the gallery.

Ms MacTIERNAN: That is right, because I want the gallery to see the minister who is the man responsible for these delays.

Some 3 000 investors will be affected by these problematic mortgage schemes in WA. The schemes may hold up to something like $300m worth of investors' funds. The failure to act in a decent time frame is having a very real impact on many of these self-funded retirees. For example, Mr Jim Barwick who is 75 years of age has received no income whatsoever since 13 April. In the month prior to that, he received the princely sum of $403. On 15 June, he was desperate and his daughter went with him to Centrelink. They were told there that he was not eligible for an age pension because the assets which had been frozen were too great for him to pass the asset test. His daughter pointed out that although he may have equity, all his funds were frozen and they did not know whether it would be months or years before any moneys would be released, or whether he would obtain any income for the remainder of the year. All the Centrelink officer could tell the daughter was that there was no policy in place for that type of situation and there was nothing she could do. She said she would ring head office but no help has been forthcoming.

Jim Barwick is a 75 year old World War II veteran who is now struggling. He has been unable to get any assistance from this Government or from the Federal Government. One of our federal colleagues, Wayne Swan, is now pushing this point in the federal Parliament. The Government has now agreed that it will appoint a supervisor. However, what has actually happened?

This matter came to the Government's attention in September 1998. By February 1999 it was a matter of public awareness that we had a major problem that was not being solved. Finally, on 12 May, the Government agreed to the appointment of a supervisor. The Finance Brokers Supervisory Board finally said that it would appoint a supervisor so this stalemate could be dealt with. When the Opposition asked what had taken the board so long time to make that decision the board said, "It's not our fault; we were waiting for advice from the ministry." When we asked the minister about the delays he said, "It's not my fault, it's the Finance Brokers Supervisory Board which has the responsibility." We have seen an enormous degree of buck-passing between the Finance Brokers Supervisory Board and the Ministry of Fair Trading. The Minister for Fair Trading is responsible for both agencies. The minister cannot get out of this by playing off one agency against the other agency. Having finally made the decision on 12 May to appoint a supervisor, it was not until 31 May that the application went before the court in relation to the Global Finance Group Pty Ltd and 2 June in relation to Grubb Finance. The court approved the appointment of a supervisor in early June. The Finance Brokers Supervisory Board met in June, and said, "It's a bit early to do that; we must dot the i's and the cross the t's, so we will put this off until the next meeting before we make a decision on who we will appoint."

The Finance Brokers Supervisory Board is overseeing a crisis in finance broking in this State and it is meeting only monthly. I received a letter from one of the members of the board complaining about the Opposition's criticism and excusing the board's actions by saying that the board meets only once a month for four to five hours. It is time the Finance Brokers Supervisory Board realised that hundreds of people have suffered at the hands of the incompetence of the board, and time it got on with the job and did more than meet four to five hours a month when there is a crisis. The minister should get these people working.

I also bring up today the matter of the audit reports. The Finance Brokers Supervisory Board is supposed to check what is going on with audits. When the minister finally tabled the audits of Grubb Finance and Global Finance we found that the last three audits of Global Finance had been qualified and the auditor had been urging the ministry to look into the situation, and urging the Finance Brokers Supervisory Board to obtain a legal opinion about the conduct of Global Finance. Not only did nothing result from the auditor's report, but also the figures that were produced to the board show that many of the accounts were in deficit and the trust funds were clearly being improperly operated. We also find in relation to Grubb Finance, when all these complaints started coming in, that the board asked for a special audit. What did the board do? It appointed the person who had been responsible for auditing Grubb Finance for the past three years; a person who is a partner of a company that is a major borrower with the finance broker that she will audit. This is an absolute disgrace and the people in this gallery have a right to demand that minister act with some expedition in this regard.

MR SHAVE (Alfred Cove - Minister for Fair Trading) [9.43 am]: A lot of what the member for Armadale covered in her comments has been debated in this place before. I do not have time to go through all of these audit reports because I only have six and a half minutes in which to respond and it would take longer to go through each of the audit reports and to discuss the decisions that were made and the qualifications on the audit reports. In her usual form the member for Armadale

this morning has attacked the Finance Brokers Supervisory Board and misquoted the position. I will outline the actions of the board, so that the people who may have been misled by the comments of the member and her colleagues will understand what the board has done, and is doing.

The member for Armadale painted the picture that the Government does not care about these people and is not concerned about their plight. The member for Armadale is fully aware that members on this side of the House, including me, have elderly relatives who have been exposed to these finance brokers.

Ms MacTiernan: You certainly did not act.

Mr SHAVE: That is an untruth. The member for Armadale has said that I have not been acting in the past month. She knew prior to last month that relatives of mine are in the same position as some of the people in the public gallery at the moment. I will outline exactly what has happened, so that people who are in the gallery are aware that the Government is concerned. The Government will take whatever action it can to resolve the issue. I do not think the Government will resolve all the issues, because when people commit illegal acts there will be victims.

Ms MacTiernan interjected.

Mr SHAVE: Normally I respond to the member's interjections, but she has had her say. I will outline the true situation. On 12 May, as the member for Armadale pointed out, the Finance Brokers Supervisory Board considered the appointment of supervisors to Global Finance and Grubb Finance and resolved to use a section of the Finance Brokers Control Act to apply to the court for the appointment of a supervisor. I have at all times urged the board to move as quickly as it can, and to hold meetings as often as it deemed necessary in addition to its normal meetings.

On 25 May the board convened an extraordinary meeting during which the processes of the appointment of a supervisor were discussed. On 27 May ministry staff met officers of the State Supply Commission to discuss the process and the options available under the Act to appoint the supervisor. On 1 June and 3 June documents were lodged with the District Court. After obtaining the necessary evidence and affidavits and preparation of a draft court order, the ministry also requested special consideration for an urgent hearing date in relation to the appointment of that supervisor. On 8 June the ministry sought advice from the Crown Solicitor's Office on the duties of the supervisor as intended under the Act. That opinion was provided on 22 June. On 9 June, at a scheduled meeting of the board, information was provided to the board members on progress to date and future issues to be addressed. On 11 June the court conducted a hearing and authorised the appointment of the supervisors to both brokers. On 16 June the Finance Brokers Supervisory Board held an extraordinary meeting during which members were informed of the outcome of the court hearing and updated on the processes. The duties of supervisor needed to be clearly defined because of the potential overlap between the duties of a liquidator and a supervisor, even though they are separate.

It is ironic that the member for Armadale, a lawyer sitting in this place, tells me that lawyers should move a bit quicker. Knowing very well how hypocritical she is -

Point of Order

Ms ANWYL: The minister accused the member for Armadale of being hypocritical; that is unparliamentary.

The SPEAKER: If a person is labelled "a hypocrite", in certain circumstances that is considered by me to be unparliamentary. However, if someone's actions are described as hypocritical, I do not believe that is unparliamentary. It is one of those fine lines. Often interjections are made across the Chamber which indicate that actions are hypocritical, but that does not impugn the member.

Debate Resumed

Mr SHAVE: On 22 June ministry staff met with an independent legal practitioner and requested specialist legal advice. On 28 June the opinion was received from the independent legal adviser. On 21 June ministry staff met with an independent accountant with a view to engaging that person, firstly, to inspect the records and trust accounts of both businesses and, secondly, to provide the board with a scope of the role of the supervisors, the extent of the issues affecting that role, and a reasonable industry rate of remuneration, and to advise on a number of issues to ensure accountability. On 22 June ministry staff met with the State Supply Commission. This meeting resulted in an approved temporary increase to the ministry's budget and spending capacity.

On 28 June ministry staff met with the independent legal adviser, at which time his legal opinion was provided. On 29 June ministry staff met again with the independent legal adviser. On 29 June the accountant was provided with the legal opinions. Depending on the information, the board will convene an extraordinary meeting to evaluate all the information, and will then put forward a proposal to the Government. I anticipate that during the weekend of 9 July a submission for funding will be lodged with the minister. When I receive that submission, I will lodge it forthwith with the Treasurer and I will support it.

It does not do any of the people involved in this issue - and that includes some people close to me - any good for the member to suggest that these people are not prepared to support them and do their job, because they are.

GERALDTON WATER SUPPLY

Grievance

MR BLOFFWITCH (Geraldton) [9.52 am]: My grievance is directed to the Minister for Water Resources, and it relates to tomato growing which is an important industry in my area. Also, roses and other produce are being grown in the area.

In the past three months two local market gardeners have moved to Carnarvon. When I asked them why, I was told that the price of water in Carnarvon is so much cheaper than the price of water in Geraldton, that it is almost unviable for these growers to operate in Geraldton. I will give some examples. The installation cost of a 25 millimetre meter is $489. For the first 300 kilolitres each year the grower pays 67.6¢ a kilolitre, and for each kilolitre above 300 kilolitres - tomatoes need a lot of water so growers move into this range - the price is $1.27 a kilolitre. I made some inquiries about the price of water in Carnarvon, and I was told it is currently around 27¢ a kilolitre. Also, there are plans to allocate pumps and equipment to growers, which they will eventually own, and they will run their own show. I am told that the price will go down to 21¢ a kilolitre. With that type of competition, how can someone in Geraldton, who must pay $1.27 a kilolitre, try to make a quid? Is it any wonder they are leaving Geraldton?

My grievance is not that water is cheaper in one area than in another; it relates to the source of the water. In both areas it comes from the ground. There are huge spears going into the ground, yet in Geraldton the Water Corporation charges $1.27 a kilolitre and the people in that area must try to compete with growers in Carnarvon, where the price is 21¢ a kilolitre. Under the national competition policy all people are supposed to be working on a level footing, but with that difference in the cost of water no-one could expect the growers in my area to survive financially. I have asked rose growers if they are planning to expand their operations, and have been told that because of the cost of water they are thinking of moving to Carnarvon also. The major cost for growers of tomatoes, vegetables, rockmelons and other produce in the Geraldton area is water. A water cost of 21¢ a kilolitre gives them a much better bottom line than a water cost of $1.27 a kilolitre, and it is madness for them to stay in the Geraldton area.

Ten years ago Geraldton was the major producer of tomatoes in this State. I wonder why it has gone backwards in the past few years. It is because the growers have been priced out of the market because of the cost of water. I also add that several other tomato growers, a little further north of the town, have their own bores in the ground, for which they pay a licence fee. They do well and they will not shift to Carnarvon because they already have cheap water. However, people living around the airport road, the Mullewa road and other areas must take the scheme water, even though it is financial suicide when trying to run a business. Years ago Geraldton was famous for its tomatoes and produced more than any other area in WA. However, when people are priced out of the market by the Water Corporation, it is little wonder that the whole system starts to fall apart. Geraldton can grow some of the best wildflowers in early spring after the rains. Members who visit that area will see some of the most glorious flora ever seen. Of course, Geraldton wax is a fine example, and tonnes of it could be grown. Why is it grown so much in Carnarvon and not Geraldton? Why is it grown so much in Israel? It is because it has huge dams and a supply of cheap water. It is little wonder that industries are drying up, because of the high price of water, and are not making any dollars.

I do not know whether to refer this to the National Competition Council and ask whether it is discriminatory, bearing in mind that all the water is pumped from the ground. Why should people pay such different prices when it comes from the same water table? Geraldton has massive amounts of underground water; it is not as though it is in short supply.

Also, I should grieve about the water restrictions. Just because the metropolitan area has water restrictions, restrictions are applied in Geraldton which has more water than it knows what to do with. It is time to consider water supplies on a regional basis. Geraldton wants to be competitive with other growing areas in the State, and I urge the minister to take some action on this matter.

DR HAMES (Yokine - Minister for Water Resources) [9.59 am]: Unfortunately, if we were to do as the member for Geraldton suggested, and deal with water supplies on a regional basis, the price of water in Geraldton would increase. If he went to the National Competition Council and asked it to make an assessment, the price of water in Geraldton would probably also increase. The member for Geraldton, who does not come from an apple growing region, is not comparing apples with apples or tomatoes with tomatoes.

The member is trying to compare his area with areas with irrigation systems. The Ord, Carnarvon and Preston Valley in the south west all have irrigation systems. Some come from dams and some come from a combination of the river and underground systems.

Mr Bloffwitch interjected.

Dr HAMES: Is the member on my side? If the member's growers had a great deal of water underground, and did not need the Water Corporation to do anything, the growers would be free to put down bores; therefore, with no charge except a licence fee, they could extract water and survive. That is what some of the member's growers do in areas with water. The problem growers have in Geraldton is that such water is not available where the growers want to operate. No underground water can be tapped into.

Mr Bloffwitch: Why does it cost so much more?

Dr HAMES: I will explain that if the member will pause for a second and be patient. Geraldton does not have two water systems. It does not pump out one system to provide water to the member's colleagues and friends in Geraldton as pure and clean drinking quality water, and have a separate system just to supply the tomato growers. That is the difference. The tomato growers are using pure, drinking quality water. Do they pay the same price as other residents in town with pure drinking water? No. The growers receive a subsidy from the Government. The same subsidy applies all over the State. It applies equally to horticulturists in Perth who use water in broadacre operations and to growers in Geraldton and everywhere else. I do not know from where the member obtained his figures.

Mr Bloffwitch: It was from the water authority in Geraldton.

Dr HAMES: I have figures from the water authority which compare the two schemes. In Carnarvon, an annual rate of $351 per hectare applies to a maximum of six hectares. Therefore, they pay an annual rate of $1 800 before paying for water. It is nearly two grand. For consumption up to allocation, whatever the allocation may be, the charge is 22.5¢ per kilolitre. For consumption of 200 kilolitres beyond allocation, the charge is 86¢ a kilolitre. For consumption of 200 to 1 000 kilolitres beyond allocation, the charge is 246¢ a kilolitre. For consumption of more than 1 000 kilolitres beyond allocation, the fee is 349¢ per kilolitre.

Geraldton market gardens generally have a quota of 1 000 kilolitres per annum; that is, one thousand, thousand litres. Consumption to quota in Geraldton has a charge of 42.2¢ per kilolitre, not the $1.05 to which the member referred. For consumption over quota, it is 124¢ per kilolitre. Remember the difference is that Carnarvon and other such regions involve broadacre farming on up to six hectares. The member is talking about much smaller plots of land with intensive horticulture. It is similar to the situation in Wanneroo, where growers cannot operate six hectares for tomatoes in competition with the member's growers.

Take a farmer in Carnarvon and one in Geraldton with exactly the same land area, and for which only 1 000 kilolitres of water is used. The difference is that a cost of $4 200 a year applies for the Geraldton farmer and $2 200 a year applies for the Carnarvon farmer. That is a $2 000 difference, which is tax deductible. It is not a big cost when compared with any other reasonable business. Presumably, these operations make income in the order of $50 000 to $100 000 - I do not know. No-one will run a business if earning less than fifty grand a year. A small difference of $2 000 per annum applies for up to 1 000 litres consumption in the different regions.

Carnarvon people have the disadvantage of distance and transport cost. One could go to Wiluna and start a tomato market garden. The desert gold orange groves are in Wiluna, which has massive amounts of underground water. As much free water as one likes is available at Wiluna. However, one then must transport the product from Wiluna to the market. People decide where they will go, based not only on the cost of water, but also a range of factors, such as lifestyle and facilities available in a town like Geraldton. The water might cost more in Geraldton, but the transport might be less. People make judgments not on one small component of the cost, but the entire cost. People may want to move to Carnarvon, as the local member will no doubt agree, because the lifestyle is good with fish to catch. The transport cost is higher than other areas, being a little further from Perth, but water is cheaper and one can operate larger tracts of land. The member for Geraldton must compare apples with apples. Sufficient water is available at not too great a cost of $4 000 a year - I do not regard it as excessive - to enjoy the benefits of a wonderful place like Geraldton.

The ACTING SPEAKER (Ms McHale): Grievances noted.

STANDING COMMITTEE ON UNIFORM LEGISLATION AND INTERGOVERNMENTAL AGREEMENTS

Twenty-Fourth Report

MR MINSON (Greenough) [10.07 am]: I present the twenty-fourth report of the Standing Committee on Uniform Legislation and Intergovernmental Agreements titled "Competition Policy and Reforms in the Public Utility Sector." I move -

That the report be printed.

[See paper No 1094.]

Mr MINSON: It is with some pleasure that I present for tabling the twenty-fourth report of the standing committee. Members may have followed the work of the committee will some interest. If the two Independent members for Churchlands and South Perth were here, they would be interested and realise that this is the second time the committee has brought down a report dealing with competition policy. The report is not exhaustive in dealing with all aspects of competition policy. Rather, it is in two parts: One deals with a description of competition policy as it has affected Western Australia; that is, it outlines what is happening. The other deals with the results of submissions received, both written and oral, by the committee. As a result of the many submissions received, as well as its own observations, the committee made a number of findings which have led to a substantial number of recommendations.

It struck me that competition policy is a fairly complex issue, and one that appears to be not well understood by many people and organisations I thought would understand it. Although competition policy is perhaps responsible for many changes - I will cover that shortly - it is true to say that it is unfairly blamed for many things for which it is not necessarily responsible. We found in the community a great deal of misunderstanding about what competition policy is and what it requires.

Competition policy, from our point of view as a Government, is trying to ensure that government service provision and other areas are as efficient as possible. The provision of service sector, as much as possible, must be opened up to competition to ensure that consumers receive the best value for their money. There is also a lot of misunderstanding about the requirement under competition policy to sell and outsource. We found very often the opinion that competition policy meant that a Government had to sell everything and outsource everything and could not necessarily remain in the business of providing a service, whereas in fact even a cursory examination of competition policy shows that is a fallacy. There is a belief flowing on from what I have said that all sales of government enterprises and assets have been driven by competition policy. To a certain extent I suspect that is the fault of the Government, because we have at times said that because of competition policy we are doing so and so. The motivation for selling a government asset or for outsourcing the provision of a service is multifaceted. Very often a Government, with justification, sells an asset because it believes that in realising the asset it can discharge government debt and consequently make savings in interest payments as well as making the interest payments and loan repayments a much lower percentage of our gross state product, thus regaining a higher credit rating.

That means we pay less interest on the outstanding moneys. That has a cascading effect, because not only are we paying interest on a smaller amount of money but also the rate we are charged is lower.

Very often we found that people in the community, and well-educated people, sometimes near the top of business organisations, made the assumption that competition policy dictated that Governments must sell and outsource, when in fact that is not the case at all. Although Governments will sell and outsource for many reasons, all of which are valid, the Government perhaps needs to consider an education program to let people know what competition policy is all about and what it has achieved. I have found when talking to other members of Parliament and people in the public sector that they do not understand what competition policy is about, why it came into being and what a tool it can be for Governments to achieve efficiencies on behalf of taxpayers.

Mr Barnett: There are real benefits with competition policy but they have been grossly exaggerated. It has been applied in a number of marginal areas where there are almost no benefits to be made.

Mr MINSON: I am pleased the Leader of the House said that. We found those sorts of results in the submissions we received and from talking to people all over the place, particularly New Zealand, where we heard some interesting stories.

Another misconception about competition policy is that people have the impression, rightly or wrongly - I say that advisedly - that competition policy is an excuse for a Government to duck its community service obligations by saying that everything must be opened up to competition and we cannot have cross-subsidisation. That is not true either; in fact, what competition policy should do for us in that situation is not allow a Government to duck its community service obligations but rather to make the community service obligation provision transparent. I see the Minister for Energy leaving the Chamber, but I will refer to common tariffs in electricity. I do not think it matters which service one looks at, but if one is looking at the provision of energy, water or garbage services -

Mr Bloffwitch: Water is very relevant to me.

Mr MINSON: That is okay. I do not find anybody having a problem with the concept of community service obligations, but it is much better - and the committee agrees, and it is therefore a unanimous recommendation - that when a community service obligation is picked up by the Government that it be transparent and be reflected in the budget papers. In the event that the Government buys a service on behalf of the community and chooses to cross-subsidise it, it should make it very clear that it is cross-subsidising and have a line item in the budget, so that people know exactly how much they are paying as taxpayers to support another area of the community. It is very valid for a Government to make the decision to support a particular section of the community; it is also very valid for all the taxpayers to know exactly how much they are cross-subsidising and where those cross-subsidies are going.

Mr Trenorden: I agree with you totally. No State in Australia is doing that.

Mr MINSON: I know, and I believe they should be. We have referred a number of issues to the member's public accounts committee which we would like it to examine. I cannot go into them right now.

Mr Trenorden: We would be happy to take them up.

Mr MINSON: I can assure the member he will have a very busy year 2000 because we have referred a number of issues to the committee.

We also found a considerable change in the social and economic infrastructure in rural and remote communities, partly as a result of competition policy. It is interesting as one travels about and listens particularly to shire councils and sometimes larger government providers in rural areas that they often blame the squeeze they are feeling on competition policy, whereas in fact not always is competition policy to blame but perhaps the way in which a Government has chosen to deliver a particular service. As I mentioned before, Governments sell and outsource many services. Competition policy itself does not demand that it be done in any particular way.

A finding of the committee is that there is a fear in the community that with the outsourcing of many services there is a drop in quality of service and that people who experience that drop in quality have no redress. Sometimes the perception does not reflect reality but nevertheless it exists. Once again I come back to the fact that the Government should do itself justice when it does outsource something by following through and putting out education material about exactly what is happening and the results, because people in the community are blaming competition policy, whereas in fact competition policy in many cases has been responsible for delivering more and better services. The perception out there is that that is not the case. The Government has some work to do in that area.

When a service has been privatised or outsourced the Government needs to continue to monitor it to make sure that it is indeed better from an economic point of view. There must be some consideration of the social cost as well as the economic saving. We get the impression, although it is pretty difficult to quantify, that sometimes there might have been an economic saving but there have been social costs associated with it which cost more to fix and address than the economic benefits that can be seen to flow through.

I refer again to some rural and remote communities in which government must take note of the fact that if it makes a decision to provide a service in a different way, and in doing so it saves a given amount of money, that is okay. However, it must also remember that if, as a result, half a dozen families leave a town in which there may be only 150 families, that may lead to that cascading effect with which so many of us are familiar; that is, when a school drops below 50 students, it goes from three teachers to two. Therefore, not only are there people lost as a result of the outsourcing per se, but a teacher is also lost, and so it goes on. When one bears in mind the economic cost of fixing something that has created a social problem brought

about by an economic saving, the Government should perhaps think a little more carefully before embarking on that sort of program. There is a growing realisation within Governments around Australia about that matter.

The committee has made a number of recommendations. I do not have time to go through them in detail. However, among them we have addressed the question of public education. That is an important recommendation. We have also recommended that when a Government decides to sell or privatise a substantial government enterprise, there should be a public comment period. In using the words "comment period", I think one should put in brackets "education period", so that the general public has a good idea of what will be done and, more importantly, why it will be done. To follow on from that, if the enterprise is of considerable size, it is sensible and well accepted that that particular asset or service should be privatised by way of public float and to do so in such a way that Western Australians get first bite of the cherry. I am pleased to see in the proposal to sell AlintaGas that it will indeed be done by public float. I have not read the information that the minister provided a day or two ago, but I hope that in that process Western Australians will have a good opportunity to buy a large slice of it. Of course, we cannot guarantee that ownership will remain within Western Australia. If someone comes from the eastern States or overseas and offers a price which is far in excess of what the buyer paid, obviously shares will change hands rapidly and control will be lost. However, that is just an economic fact of life, and I do not have any particular problem with that.

The committee made recommendations on the difficulty confronted by people who receive a service which is now provided by a private sector provider but which was previously provided by the Government. We made a number of recommendations in this area, including whether or not in the provision of that service some form of freedom of information should be extended to the service users so that in the event there is a problem, the users have the same access to freedom of information in getting redress from the private sector for what they see as a poor service or their having been hard done by as they now have with a service provider which is wholly publicly owned.

We have made reference to a regulator general in the area of, in particular, electricity. If energy provision is privatised and there are a number of providers, we believe there needs to be a regulator general. It was interesting to talk to the New Zealanders on that matter.

My voice is beginning to give out and I do not wish to continue. I commend this report to the House because it deals with competition policy as it is perceived by the public of Western Australia. Therefore, members in this place can learn a great deal from what is contained in this report. We have made a number of recommendations, some of which are far-reaching in terms of the power of the Auditor General, the Ombudsman and the question of freedom of information as it might apply to a private company. Nevertheless, they are matters that the Government would be wise to address at this stage, rather than to allow them to go on and cause further problems within the community.

I want to thank very sincerely Melina Newnan, the research officer and the author of this report. Melina has been with the committee, I think, since its inception and I have sung her praises on a number of previous occasions. There cannot be too many people in Australia at her level who understand competition policy, uniform legislation, intergovernmental agreements and constitutional matters as they apply to uniform legislation and so on as well as she does. I thank Melina for the work she does. I also thank Peter Frantom, the very able clerk of the committee, as well as all those people who type, collate and do all those things that they must do in the Legislative Assembly annexe.

MR CUNNINGHAM (Girrawheen) [10.27 am]: I have much pleasure in supporting the report of this committee. It was an exceptionally hard-working committee. I pay my respects particularly to Melina Newnan, who has done a really -

Mr Johnson: Don't forget the chairman.

Mr CUNNINGHAM: The Chairman naturally is a hard worker. However, Melina Newnan did an exceptional job, as did the Clerk of the Committee, Peter Frantom, and the secretary, Pat Roach.

The member for Greenough was spot on when he said that the committee found much confusion about what national competition policy represents because of the complication of a raft of reforms, such as competition, tendering, benchmarks, contracting out, commercialisation, privatisation and public utility services.

There are three important findings of the committee: First, that with corporatisation, public utilities have been removed from the scrutiny of the Parliament and are now subject to corporate governance. They operate to increase profits and dividends without necessarily considering the public interest. Another finding of the committee was that there were doubts in the community about the economic and social benefits of outsourcing and privatising some services which are traditionally provided by the public sector. Thirdly, the standing committee found that the pace of reforms has not been matched by a similar rate of change in the public's perception about the delivery of essential services.

All in all, the committee is to be congratulated for its work. The staff of the committee also should be congratulated. Each night before members go to bed, it is a must that they spend quarter of an hour reading this wonderful report. It will be of great benefit to members of this House.

MR McNEE (Moore - Parliamentary Secretary) [10.30 am]: I wish to make some comments in support of the member for Greenough, the chairman of the committee. When we look at the confusion and the perceptions that appear to me to surround national competition policy, probably from a bureaucrat's eye, or perhaps from the rarefied atmosphere of some university, it represents a panacea for all the problems that surround the questions covered by national competition. However, in reality that is not the fact. These matters must be approached with a great deal of caution. As the chairman has said, the supply of government services has been inefficient, and improvements have been made, but that does not absolve us from the responsibility to cover rural areas, and probably also some metropolitan areas, to some degree by

community service orders. We have a responsibility to ensure that the public receives the best service that it can, at an affordable price. However, sometimes certain conditions preclude that from happening. In the past 15 to 20 years, tremendous strides have been made in the transport industry in rural areas, and in most parts of inner rural Western Australia, it is possible, for example, to have parts supplied overnight.

Mr Bloffwitch: It is very easy.

Mr McNEE: That is right. For a person who is in Mukinbudin, that probably comes at a price, but that price must be related to the need. Of course, it is frustrating that in today's Western Australia, many of the major companies keep their parts in Melbourne. Perhaps under the national competition policy we can look at that matter. In general terms, while national competition policy can mean a lot and can achieve a lot, I do not believe today's system of accountability, freedom of information and all those things will really help private companies to provide anything, because they may well act in a detrimental fashion. The spirit of competition is picked up in the end by the consumer; if the consumer does not like what he is getting at the price for which he is getting it, he should move to the next supplier. I support the comments of the member for Greenough - I only came into this committee at a late stage - and certainly his remarks about the committee staff, Melina Newnan and Peter Frantom, who to my knowledge have put in a lot of work and have provided a lot of valuable information to the committee.

Question put and passed.

MOTION

Passage of Bills

On motion by Mr Barnett (Leader of the House), resolved -

> That for the remainder of the present session, so much of the standing orders be suspended as is necessary to enable Bills to be introduced without notice and to proceed through all stages in one day and to enable messages from the Legislative Council to be taken into consideration on the day on which they are received.

SELECT COMMITTEE ON CRIME PREVENTION

Extension of Time

On motion by Mr Barnett (Leader of the House), resolved -

> That
>
> (a) the date for the presentation of the report of the Select Committee on Crime Prevention be extended to 31 August 1999; and
>
> (b) the select committee be empowered to present to the Clerk of the Legislative Assembly, while the House is not sitting and prior to the prorogation of the present session, the final report of the select committee which shall be deemed to be laid on the Table of the House and the Clerk shall take such steps as are necessary and appropriate to publish the report.

YEAR 2000 INFORMATION DISCLOSURE BILL 1999

Second Reading

MR COWAN (Merredin - Minister for Commerce and Trade) [10.35 am]: I move -

> That the Bill be now read a second time.

Introduction: The purpose of the Bill is to encourage the voluntary disclosure and exchange of information about year 2000 date problems, remediation efforts and readiness. The Bill is concerned essentially with providing limited protection from civil liability arising from year 2000 disclosure statements, and so encouraging information being passed from one organisation to another, whether large businesses, small businesses or government organisations. To assist the House in understanding the reasons for and the importance of the Bill, I will provide some background to the year 2000 date problem before discussing the provisions of the Bill.

Background: Given the enormous exposure of our society to date-reliant technology, the year 2000 problem, or "millennium bug" as it is commonly known, has the potential to cause significant disruption across the entire economy unless it is addressed in a comprehensive and timely fashion. The year 2000 problem has the potential to cause malfunctions not only in computer-based operations, but also in some of the embedded chips in equipment and machinery used by businesses, government and the wider community. This flows into the communication interfaces between organisations and their supply chains. For many smaller organisations, supply chain issues will be their main source of concern and the main point of impact, because while many organisations are well advanced in their own remediation activities, they remain uncertain of their position in relation to the suppliers on which they rely. Clearly, customers and suppliers want some comfort that services will continue and that equipment and machinery will continue to function; and producers want some comfort that potential supply chain problems will be properly managed. However, in the current environment lawyers are hesitant to advise clients to be open. Many individuals and organisations are therefore unwilling to share detailed information regarding their preparedness for the year 2000 for fear of litigation if, in future, the statements they make prove to be erroneous despite their best efforts. Inadequate remediation of year 2000 problems could cause a very broad range of services to fail. Also, and more relevant to the purpose of the Bill, insufficient information concerning the extent of any risk could cause the

community to overreact and undertake unnecessary and costly contingency measures with detrimental economic and social effects.

This is a truly worldwide problem. There is no blueprint and only limited experience on which to draw. The Government takes the view that while no guarantees can or should be given, the potential for service disruption can be minimised by appropriate management in advance. An important part of that overall management response is the establishment of a legislative framework designed to overcome the understandable reluctance of organisations to disclose year 2000 information. Underpinning the Bill is the imperative that knowledge concerning year 2000 preparedness be shared. Currently the perceived threat of legal liability discourages private and public organisations from such knowledge sharing. This can add significantly to the cost of developing appropriate contingency plans and can be expected to adversely affect consumer confidence. Western Australia is not alone in this regard. Business and government activities cross state boundaries and it is accepted that there should be consistency across Australia in the protection afforded to people or organisations wishing to make year 2000 disclosure statements. As a result, all jurisdictions are pursuing similar legislation.

Provisions of the Bill: The Bill will result in the provision of greater information to the Western Australian community, as it encourages the voluntary, open and frank disclosure of year 2000 preparedness by giving limited protection from civil liability for year 2000 disclosure statements made in good faith.

The Bill has five key features. First, it will protect a person making a year 2000 disclosure statement from civil liability arising from the making of the statement. Examples include negligent misstatement, and liability under trade practices and fair trading legislation, subject to certain exemptions. Secondly, the Bill provides that a year 2000 disclosure statement will not be admissible against a person who made it. For example, the disclosure statement will not be able to be used in evidence of the failure of goods and services due to year 2000 problems. Thirdly, the Bill provides that the exchange of year 2000 information will not give rise to liability under section 45 of the commonwealth Trade Practices Act, which prohibits certain anti-competitive contracts, arrangements or understandings. Fourthly, the Bill provides that a year 2000 disclosure statement does not amend a contract unless the parties otherwise agree. Finally, the Bill offers protections for year 2000 disclosure statements made from 27 February 1999 and before 1 July 2001.

Importantly, in order to gain protection under the legislation, a year 2000 disclosure statement must satisfy certain criteria. In particular, it must be clearly identified; it must be in writing, or an equivalent electronic form; it must relate solely to year 2000 processing issues as defined in the Bill; and it must identify the authoriser of the statement. Protection will also be offered to republished statements, whether in written or oral form. Protection under the Bill is not universal. In this regard, the Bill does not provide protection if a year 2000 disclosure statement is known by the maker to be materially false or misleading; is made recklessly; is made in connection with the formation of a contract and the person is part of a civil action that relates to the contract; is made in fulfilment of an obligation under a contract or under a law; is made for the sole or dominant purpose of inducing persons to acquire goods or services; relates to restraining injunctions or applications for declaratory relief; relates to civil actions undertaken by regulatory bodies; or relates to civil actions relating to the infringement of intellectual property, including copyright, trade mark, design or patent. The Bill complements the commonwealth Year 2000 Information Disclosure Act 1999, which received royal assent on 26 February 1999, and which covers any year 2000 disclosure statements made from 27 February 1999 and before 1 July 2001. The Bill differs from the commonwealth legislation in a minor but important respect. Specifically, the Western Australian Bill will come into effect from the date of assent and will cover any year 2000 information disclosures made from 27 February 1999 and before 1 July 2001. This will ensure that rights, including any that are the subject of deliberation by a court, are only altered from the day of assent.

Conclusion: The Western Australian Government has been working since 1996 to minimise the prospect of disruptions to the delivery of services to the public due to the year 2000 problem, and has also been campaigning to have the private sector undertake remedial action. The Bill forms part of a coordinated response by the Government to the year 2000 problem - other aspects of which include awareness campaigns in the private and public sectors and imposing reporting requirements upon state government agencies. The Government is leading by example and is publicly reporting the state of preparedness of individual government agencies. Anybody can obtain this information by visiting the "Government Report Card" section of the Government's year 2000 website at http://www.y2k.wa.gov.au.

The Bill will help overcome impediments to communications concerning year 2000 matters by removing much of the fear of litigation associated with making year 2000 disclosure statements. As such it can be expected that it will help to increase business confidence, and improve consumer certainty. This is a non-contentious Bill, having the sole aim of assisting the broader Western Australian community by facilitating an appropriate environment for the sharing of information about year 2000 matters, and so to assist in minimising the impact of the year 2000 date problem. I commend the Bill to the House.

Debate adjourned until a later stage of the sitting.

[Continued on page 9957.]

GAS CORPORATION (BUSINESS DISPOSAL) BILL 1999

Second Reading

MR BARNETT (Cottesloe - Minister for Energy) [10.45 am]: I move -

That the Bill be now read a second time.

I have pleasure in introducing the Gas Corporation (Business Disposal) Bill which provides for the sale of AlintaGas by way of a cornerstone initial public offering.

The sale of AlintaGas - consisting of its distribution and retail trading businesses - is the next logical step in the reform of the gas sector that began in 1994 with the disaggregation of the North West Shelf domestic gas contracts. Since then this Government has progressed a range of reforms in the energy sector, which have reduced energy prices, benefited consumers, increased the availability of gas supply and led to the further economic development of the State.

The Bill includes provisions that establish the basis for the disposal of AlintaGas; enable and facilitate a convenient transfer of the business of AlintaGas from the corporation to the new owner; empower the Governor to make regulations for purposes related to the sale, including to provide for a tariff path to 2002 and a capped tariff thereafter; and amend, or modify, a substantial number of other Acts to ensure a suitable industry structure is in place - including safety and consumer protection measures - in the context of a privately-owned AlintaGas.

On 23 December 1998, I advised the House of the Government's intention to sell 100 per cent of the state-owned gas corporation, AlintaGas. As I advised the House at that time, there is no logical reason that the Government should retain ownership of AlintaGas in the fully deregulated market that will apply from 1 July 2002.

At the same time, I announced the establishment of the AlintaGas Sale Steering Committee. The steering committee was to investigate, evaluate and recommend to me, by the second quarter of 1999, a sale structure, method and timing for the sale of AlintaGas which would achieve an optimal sale price while protecting the strategic interests of the State. The committee, chaired by Dr Des Kelly, and comprising the chief executive officers of Treasury, the Office of Energy and AlintaGas, completed and submitted to me its report in early June.

This Bill sets the scene for the sale of AlintaGas - an essential step in the ongoing reform of the energy sector in Western Australia. The list of benefits to the State arising from this sale is long, including minimising Government's exposure to the business risks of competition, as the gas market becomes fully deregulated by 1 July 2002; maximising the value of the AlintaGas business to the people of this State; releasing state capital for other purposes; providing an opportunity for share ownership to all Western Australians; delivering lower gas prices to consumers; facilitating more consumer choice through increased competition; clearly separating the Government's policy and regulatory function from its participation in the gas market; providing for efficiency gains through access to business acumen and technical competencies of potential owners of similar businesses and providing greater access to capital to grow the AlintaGas business; and opening up market opportunities for the business such as electricity trading, appliance sales and even liquified natural gas distribution to regional areas, which may not eventuate under government ownership.

The objectives for the sale of AlintaGas have been set within the context of the Government's broad objectives for the energy sector and its commitment to the creation of a more competitive energy market in Western Australia, with continual improvement in services to customers, reduced energy prices and increased economic development throughout the State.

The Government is determined to conduct the sale through a process that is fair and equitable to all stakeholders, in a way that brings maximum overall benefits to the people of Western Australia.

The cornerstone IPO sale of AlintaGas will achieve the optimum balance amongst a number of objectives, the most important of which are to provide an opportunity for the Western Australian public to own shares in AlintaGas; maximise the value derived from the sale of AlintaGas; recognise the legitimate interests of gas suppliers and gas consumers alike; ensure safety and reliability of gas supply; ensure fair and equitable treatment of AlintaGas staff; provide safeguards on gas tariffs to protect the most vulnerable customer groups while ensuring businesses, large and small, can operate in a more competitive market to promote development; enhance the operating efficiency and utilisation of the AlintaGas distribution network; ensure Western Australia remains prime beneficiary of the sale; and that AlintaGas remains headquartered in Western Australia and with its focus on doing business in this State.

To achieve those objectives in the best possible way, this Bill is fundamentally important as it provides for -

conducting the sale of AlintaGas by way of a cornerstone IPO, or public float;

the cornerstone shareholder to be offered a maximum of 49 per cent of the shares and prohibited from buying or selling shares in AlintaGas for a period of two years after the sale;

individual shareholdings other than that of the cornerstone shareholder to be limited to 5 per cent for a period of two years after the sale;

AlintaGas to be sold as a stapled business, with appropriate ring-fencing of its constituent businesses in place;

AlintaGas when sold to be required to locate its headquarters and to have a majority of its directors and the CEO ordinarily resident in Western Australia;

including as a condition of sale a nil tariff increase in the next two years and no more than the consumer price index in the third year leading up to competition at the retail level; and

achieving a level playing field by preventing Western Power from selling gas into certain markets for a period of up to five years.

As I said at the beginning of this speech, the sale of AlintaGas is the next logical step in the process of energy reform in Western Australia pursued by this Government. It is a reform process which has so far produced outcomes consistent with the Government's energy policy and its major objectives are -

to reduce energy prices in the State;

to ensure community safety and protection with respect to gas and electricity;

to ensure the availability and reliability of energy supply;

to develop and promote a competitive energy industry by, among other things, providing access to government-owned infrastructure;

to encourage further private sector involvement in the energy industry;

to foster secondary processing and economic development by exploiting and developing synergies between energy and other industries;

to promote the efficient use of energy;

to optimise industrial growth while responsibly addressing greenhouse gas abatement in its global context; and

to pursue improved value from the energy sector in its contribution to the Government's community, regional and economic objectives.

I will recount the most notable government initiatives in this sector since 1994 to illustrate this consistent and forthright implementation of public policy. On 1 January 1995 the Government split the State Energy Commission of Western Australia and formed AlintaGas and Western Power, which provided direct competition between gas and electricity in the most populated areas of this State.

At the same time, staged access to the then state-owned Dampier to Bunbury natural gas pipeline introduced third-party competition for large gas consumers in the south west, which subsequently led to substantial reductions in gas contract prices. In addition, the North West Shelf domestic gas contract was disaggregated and the Pilbara gas market and the new industrial loads of the eastern goldfields served by the goldfields gas pipeline were totally deregulated, with almost immediate benefits to energy users in those regions.

The Government has continued to introduce reform at a pace which balances the needs of consumers with the debt and take-or-pay liabilities of the state-owned corporations, and which ensures no disruptive price impacts on the community. Subsequent reforms include bringing forward gas and electricity access thresholds, the sale of the Dampier to Bunbury natural gas pipeline, and the implementation of a national access code to regulate third-party access to major gas pipelines in this State.

Third-party access to the AlintaGas distribution system is provided through regulation and is available now for customers who consume more than 250 terajoules per year. This will decline to 100 terajoules per year on 1 January 2000, 1 terajoule per year on 1 January 2002 and to completely open access from 1 July 2002. The AlintaGas distribution system is to be covered by an access arrangement under the national access code from 1 January 2000, with the proposed arrangement about to be placed before the independent regulator for consideration.

The ability of this Government to time its reform initiatives to best serve the people of the State was indisputably demonstrated by its conduct of the successful sale of the Dampier to Bunbury natural gas pipeline. The services of that pipeline are integral to the gas supply of households and businesses in the mid west and the south west of the State. In March 1998 the pipeline was sold to Epic Energy for a sum of $2.407b. The sale included the non-exclusive right for the new owner to expand the pipeline, and, on purchasing the pipeline, Epic Energy committed to effectively double the capacity of the DBNGP by 2007. The privatisation of that pipeline has yielded steady benefits to the new owner, its customers and the State.

The DBNGP sale legislation ensured that a transitional access regime applies to that pipeline until an access arrangement is approved for the pipeline under the national access code. A proposed access arrangement must be submitted to the regulator by early November this year. In the meantime, the transitional regime provides for negotiability of tariffs and declining capped reference tariffs. Firm full-haul tariff at 100 per cent load factor has fallen from $1.19 per gigajoule, to $1.09 per gigajoule and will fall again to $1.00 per gigajoule by 2000 in the lead up to the tariffs determined by the independent regulator.

In addition to the above initiatives, all commercial restrictions on the sale of liquified petroleum gas in the Perth metropolitan area were removed from 1 January 1998. This now allows LPG suppliers to compete directly with AlintaGas, with the benefits from this competition flowing on to small to medium businesses.

It was a major step for the State to implement the national access code and the Gas Pipelines Access Law in Western Australia, and at the same time to establish the Western Australian Independent Gas Pipelines Access Regulator. This was tackled in a collaborative manner with other jurisdictions across Australia, but was implemented in a manner that best suited the circumstances in Western Australia. The regulator is entirely independent from government in performing his functions under the code, including the approval of reference tariffs for pipeline services. Through the regulation of pipeline transportation tariffs, the code, with its principles, is aimed at ensuring that pipeline owners, including distribution system owners, cannot abuse their natural monopoly position. A prime function of the independent regulator is to apply the code principles in approving reference tariffs. The distribution system owned by AlintaGas is subject to the code and must be effectively ring-fenced from AlintaGas' other businesses in order to have its distribution tariffs approved by the regulator. As I said, access arrangements under the code are to be submitted to the regulator by AlintaGas shortly, and effective ring-fencing by the creation of a wholly-owned subsidiary for the distribution business is to occur.

AlintaGas will be sold as a "stapled business". The Government is focused on structuring a sale, based on real economic

conditions, that will provide the maximum sustainable benefits to all Western Australians. The Government's approach to "ring-fence" effectively the two businesses, but to sell them as one "stapled" entity will ensure that competitive forces prevail, and that consumers will continue to benefit from a commercially viable Western Australian gas company.

Although AlintaGas is less than five years old, its service is vitally important for the wellbeing of the people of Western Australia. Clean, efficient, reliable and competitively-priced natural gas is increasingly becoming our preferred energy source.

Only 28 years ago, on 1 December 1971, the first residential customer in Perth was connected to gas, which came from the Dongara natural gas field in the Perth basin more than 400 kilometres away. Around 13 years later, on 16 August 1984, North West Shelf gas reached the homes of Perth metropolitan customers.

Today, AlintaGas retails gas to about 400 000 residential, business and industrial customers throughout Western Australia via more than 10 000 kilometres of distribution pipelines. Residential customers account for 98 per cent of all AlintaGas customers, and 95 per cent of AlintaGas tariff, residential and business customers are located in Perth. AlintaGas adds more than 16 000 new retail customers to its business each year. It employs around 400 people and is estimated to record an operating profit of $42m before abnormals and tax on gas sales of $317m in the 1998-99 financial year.

There is no convincing reason why AlintaGas should now remain in government ownership. The decision to sell AlintaGas is in harmony with the complete liberalisation of the gas market, adoption of the national access code and the establishment of the Independent Gas Pipelines Access Regulator. It is based on sound economic grounds and is a sensible recognition of the expected need for this utility business to perform in a fully liberalised market where monopoly elements are robustly regulated to safeguard consumers. AlintaGas in private hands will continue its development, with the sale creating an environment of increased competition and innovation in gas service.

The sale will open up new market opportunities for the AlintaGas business; opportunities which might not eventuate under government ownership. Competing as a private company it is expected to be increasingly innovative and have a preparedness to invest in new technologies that will produce benefits that can be passed on to consumers. Competition between private sector firms is a powerful recipe, more likely to bring an extension of natural gas reticulation to other areas in the State.

As previously mentioned, the Government has put in place staged access to the Western Australian gas market to full contestability by 1 July 2002. If AlintaGas were not privatised, the Western Australian taxpayers would bear the commercial risk of a publicly-owned gas industry in competition with the private sector companies. As a consequence of consistent government policy in the south west, AlintaGas is already in competition with other gas sellers for larger customers. A sale is the most appropriate way to resolve the dilemma which would then face the Government as owner of a business in open and broad competition with the private sector while at the same time being responsible for regulation and public policy impacts on that sector.

Now is the right time, before access levels have reached the smaller end of the market, for the Government to maximise the value of the AlintaGas business to the State and to enable a properly structured and commercially capable AlintaGas to emerge under private ownership, committed to doing business in the State in the long term. Members should also note that, among other things, the sale will reduce the burden on government resources in managing and developing the asset to meet growing gas demand while also enabling a further reduction of public sector debt and the reinvestment of some of the proceeds into other infrastructure of worth to the community.

I now return to the method of sale selected by the Government; that is, a cornerstone IPO. This method involves selling, by a competitive tender, a significant ownership in the business to a trade purchaser, followed immediately by the State undertaking an initial public offering, or float, of the remaining ownership interest in the equity portion of the business by way of a prospectus which identifies the cornerstone shareholder. A cornerstone IPO will provide an early opportunity for the people of Western Australia to purchase shares. The initial public offering process will commence as soon as the cornerstone shareholder is selected. The cornerstone shareholder will be limited at commencement to a maximum of 49 per cent of the shares and will be prohibited from buying or selling shares in AlintaGas for two years after the sale. Individual shareholdings by the public will be limited to 5 per cent two years after the sale.

The new regulatory framework - a combination of the Energy Coordination Amendment Bill, soon to become effective, and this Bill - will ensure the necessary consumer safeguards can be implemented. This will include price protection, safety and reliability of supply, and best practice service standards.

It is worth noting that natural gas residential customers have had no price change since the 2.75 per cent average rise in July 1997. Taking into account inflation, the average household has received a total saving of $150 in real terms on its gas account over the past five years. This equates to a 9.5 per cent decrease in residential prices in real terms over the period. Gas tariffs for small businesses have also not increased since July 1997. Small businesses, on average, have received a total saving of approximately $1 000 in real terms on their gas accounts over the past five years, which equates to a 10 per cent decrease in gas prices in real terms over the period. To reiterate, when the Government sold the AlintaGas transmission system, the Dampier to Bunbury natural gas pipeline, it ensured that the lowest feasible tariffs applied during the transitional period until tariffs were developed and approved under the National Access Code and independent regulation. Through the powers contained in this Bill, government will now ensure the lowest feasible retail prices. In addition, retail tariffs and services to small customers can be effectively regulated when necessary. This would apply to tariffs to non-contestable customers, before full contestability of the market is reached in mid-2002. It would also apply to retail tariffs to residential customers once full market contestability has been achieved by the capping of increases in standard tariffs.

However, the extent of any government intervention in the market is to decline as the sale is expected to result in greater consumer choice through increased competition and thus delivery of the lowest available prices to gas customers. AlintaGas is now the only significant gas business in Australia remaining in government ownership. There has not been any evidence that private ownership across Australia translates into higher prices to customers or any reduction in the availability of gas to meet customer needs. Importantly, this Bill enables government to safeguard the supply of gas to residential and small business customers within the operating area of AlintaGas. The Bill will enable us to say confidently that safety will still come first in all circumstances.

I now turn to the provisions of the Bill. Part 1 of the Bill deals with the preliminary matters such as when the Act comes into effect, definitions used in the Act and a statement that the Act binds the Crown. Part 2 of the Bill deals with the disposal of AlintaGas through provisions which authorise the disposal of a business carried on by, and anything else belonging to, AlintaGas, utilising the intermediary of a corporate vehicle. The corporate vehicle may be created by the Under Treasurer and shares in it may be acquired and disposed of by the Minister for Energy and AlintaGas for the purposes of effecting the disposal to the new owners.

Provisions in part 2 authorise the minister to make an order, or orders, for the disposal by the State of AlintaGas, which order may specify the means of disposal and deal with incidental and supplementary matters. The disposal order must ensure that a specified percentage, between 40 and 49 per cent, of the shares in the corporate vehicle are offered to a cornerstone investor through a tender process approved by the minister in the disposal order. The disposal order must also ensure that the balance of the shares in the corporate vehicle are offered to the public for application or subscription and allocation by a process also approved by the minister in the disposal order. The minister is authorised to give directions to AlintaGas for the purpose of bringing about a disposal of AlintaGas, with which AlintaGas must comply.

Part 2 also prescribes certain matters which must be included in the constitution of the corporate vehicle. These matters include requirements that the corporate vehicle be incorporated in Western Australia; the head office of the corporate vehicle be located in Western Australia; and a majority of the board of directors and the chief executive officer be ordinarily resident in Western Australia. There is also a prohibition against the alteration of anything in the constitution that is required by these prescriptions. Provisions in Part 2 prevent a cornerstone shareholder dealing in shares for two years post-sale and prevent a non-cornerstone shareholder-minority shareholder from acquiring more than 5 per cent of the shares in the corporate vehicle for a period of two years post-sale.

I draw to the notice of members that it is intended that the corporate vehicle be listed on the Australian Stock Exchange Limited. The listing rules of the Australian Stock Exchange Limited require an approval of a majority of shareholders in general meeting before the main undertaking of a listed entity can be sold. Taken together with the required features of the constitution of the new company, this creates a very solid basis for AlintaGas remaining firmly focused on operating in the Western Australian marketplace.

Part 3 of the Bill deals with steps to implement the disposal of AlintaGas. It contains provisions which authorise the minister to make transfer orders for the purpose of doing anything in preparation for or giving effect to disposal ordered by the minister, to specify the consequences of such orders and to rectify errors in such orders should these occur. The minister and AlintaGas are to take all practicable steps to secure the effect sought to be achieved by a transfer order, in the event that a transfer order cannot have the desired effect, to any extent.

Part 3 also assists in the smooth transition of the sale in that it specifies that contracts between internal parts of AlintaGas's business before the sale are to be treated after the sale as if they were contracts between two separate legal entities. Provisions also require the registration of documents necessary to record the effect of a transfer order, and authorise the Treasurer to give state indemnities and guarantees.

Part 3 of the Bill also contains ancillary matters including the applicability to the corporate vehicle of chapter 7 of the Corporations Law dealing with registration of a prospectus, the assignability of assets and the benefit of easements, the disclosure of information, the movement of tariff customers to be customers of the corporate vehicle at the time of the sale, requiring the disposition of sale proceeds to be directed as specified, authorising the Treasurer to take over an obligation of AlintaGas or the corporate vehicle, authorising the Treasurer to give to directors of the corporate vehicle and to certain other officers indemnities against liability arising as a result of the sale, and authorising regulations to be made.

Part 4 of the Bill contains transitional provisions "to enable and facilitate a convenient transition" of the transfer of the business of AlintaGas from the corporation to the new owner. The provisions allow regulations to be made which modify other written laws so far as these relate to a subsidiary of AlintaGas taking an effective role in the transition.

Part 5 of the Bill headed "Miscellaneous" contains provisions permitting the Governor to make regulations for giving effect to the purposes of the Act. Also contained in part 5 is a provision requiring the Auditor General to examine and report to each House of Parliament in relation to the disposal of AlintaGas within 60 days of the day the disposal being completed on any obligations, duties or liabilities taken over by or imposed on the State; any indemnities or guarantees given by the State; and any other matter which arises out of or is connected with these matters.

Part 6 of the Bill contains amendments to, or modifications of, a substantial number of other Acts. The amendments are specified to take effect either commencing on the date on which the Bill receives Royal Assent, or immediately before the corporation is licensed under the Energy Coordination Act 1994, or on completion of the disposal, or on such other time as specified.

The most significant amendments can be summarised as follows -

a provision is to be inserted in the Electricity Corporation Act 1994 under which the Governor can direct Western Power not to sell gas to particular parts of the gas market;

the requirement under the Gas Pipelines Access (Western Australia) Act 1998 for the distribution business of AlintaGas to be ring-fenced from the retail and trading businesses by 1 July 2002 is to be accelerated to a date on or before the disposal of AlintaGas;

a provision is to be inserted in the Energy Coordination Act 1994 allowing the Coordinator of Energy to impose obligations to supply as a condition of a trading licence issued under that Act;

the provisions for supply system emergencies in relation to the gas distribution system are removed from the Energy Corporations (Powers) Act 1979 and are inserted into the Energy Coordination Act 1994;

expanding the powers and functions of inspectors under the Energy Coordination Amendment Act 1994;

the Gas Undertakings Act 1974 is repealed; and

the Gas Corporations Act 1994 is repealed and there is a requirement on the minister to wind up the affairs of the former Gas Corporation on completion of disposal.

In addition, the Bill provides for a regulation making power to be inserted in the Energy Coordination Act 1994 enabling regulations to be made, which regulations will provide for tariffs for those customers presently under the AlintaGas Tariff Orders, up until 1 July 2002 - full contestability. The regulation making power will also enable regulations to be made which provide for a cap on tariff increases for residential customers post contestability, to prevent tariff shock if effective competition does not emerge in the residential market in the short term.

In conclusion, I reiterate that with the introduction of this Bill the Government is taking another important step in its ongoing reform of the energy sector in Western Australia. The Bill, providing for the sale of AlintaGas, complements this Government's initiatives aimed at increasing competition in the gas and electricity markets leading to greater customer choice, lower energy prices, increased reliability and better service. As Western Australia moves towards a competitive market in gas, there are no sound reasons for the State to retain ownership of a gas distribution and retail company.

Point of Order

Ms MacTIERNAN: Mr Acting Speaker (Mr Barron-Sullivan), I am having difficulty hearing the minister over a great deal of noise coming from the Chamber.

The ACTING SPEAKER: I give members a gentle reminder that members are trying to listen to the minister and to keep the noise down, please.

Debate Resumed

Mr BARNETT: Following the successful sale of the Dampier to Bunbury natural gas pipeline, I am confident that the sale of AlintaGas can be conducted under the provisions of this Bill so as to benefit the whole of the Western Australian community. The Government is committed to continue energy sector reform for the benefit of both the energy industry and its customers. The process of energy reform has already proved delivery on these objectives. The ultimate gains of Western Australian energy reform are reflected in enhanced economic growth and improved quality of life for all Western Australians.

The Bill fulfils this Government's commitment to ensure the Western Australian public can participate directly by buying shares in AlintaGas. This will lead to many consumers becoming shareholders and having a direct stake in the success of their gas business which will have, as a consequence of this and other measures in the Bill, a clear Western Australian focus to its future under private ownership.

I add that with the sale of AlintaGas and by mid-2002 there will be a complete deregulation and privatisation of the Western Australian gas industry. I also thank the members of the AlintaGas sales steering committee and the staff of AlintaGas and the Office of Energy for the extraordinary amount of work that has been achieved to this point. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

MIDLAND REDEVELOPMENT BILL 1999

Second Reading

MR KIERATH (Riverton - Minister for Planning) [11.15 am]: I move -

That the Bill be now read a second time.

The Bill provides for the establishment of the Midland Redevelopment Authority with planning, development control and other functions to undertake the redevelopment of parts of Midland.

In the history of Western Australia, Midland has long filled a strategic role as a transport centre and gateway to the agricultural areas to the north and east and the mining and pastoral areas beyond. With improvements in technology and work methods a number of traditional industries, including the meat works and Midland Workshops, closed. This had an impact on Midland and adjoining areas.

Out of adversity comes opportunity and this Government, the Shire of Swan and the Midland Districts Chamber of Commerce and Industry have worked together to promote opportunities in the Midland area. The Midland revitalisation charrette developed in 1997 identified a number of opportunities including -

> redevelopment of the Midland Workshops as a vibrant mixed use development strongly complementing the town centre;
>
> redevelopment of Tuohy Gardens;
>
> a number of major changes to highways and streets and in particular to change the one-way pair of the Great Eastern Highway and Victoria Street into two-way two-lane streets with parallel parking and street trees;
>
> connection of the town centre to the Swan River via the proposed "Woodbridge Landing".

The charrette recognised the need to focus on these opportunities to create employment, particularly employment for young people, and to increase the residential population that utilises Midland as a retail and service centre. The Shire of Swan and Midland Districts Chamber of Commerce and Industry view a redevelopment authority as the way of implementing these opportunities. This is supported by Government.

This Bill will operate in the same way as the East Perth and Subiaco Redevelopment Acts, which have an established and successful record in redeveloping outworn areas of urban development. It will create a Midland Redevelopment Authority with responsibility for planning and development within the redevelopment area defined in schedule 1 of the Bill and which will include those parts of Midland identified as where the most immediate development opportunities occur.

The priority for the new authority will be the redevelopment of the Midland Workshops site including pedestrian and road linkages to the Midland town centre. This will facilitate the relocation of the Western Australian Police Service support services to this site. The Midland Workshops site will be transferred to the authority. The redevelopment of Tuohy Gardens is also a priority. The "Woodbridge Landing" proposal requires detailed planning and environmental studies as part of determining its feasibility and is of lesser priority. The Authority will facilitate development by preparing a redevelopment scheme, the provision of essential infrastructure, undertaking subdivisions, marketing and selling land and buildings, and promoting the establishment of business.

Particular features of the Bill include -

> a board of five members (section 7) comprising two members nominated by the Shire of Swan and three members to be appointed by the minister with expertise in one or more fields of urban planning, business management, property development, financial management, engineering, transport, housing and community affairs;
>
> part 4 provides for the preparation of a redevelopment scheme following public consultation and consultation with the Shire of Swan. The redevelopment scheme replaces the town planning scheme and the metropolitan regional scheme;
>
> part 5 enables the authority to undertake the development control function for proposed developments within the scheme area. Where the authority is the applicant, owner, or has a financial interest, the development application is determined by the minister. Building licences will continue to be the responsibility of the Shire of Swan.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

RIGHTS IN WATER AND IRRIGATION AMENDMENT BILL 1999

Second Reading

DR HAMES (Yokine - Minister for Water Resources) [11.17 am]: I move -

> That the Bill be now read a second time.

The Bill I introduce today modernises our water resource management laws, giving Western Australians the opportunity to be more productive and innovative in the way we use our rivers and groundwater systems. Western Australia will be better able to protect these precious resources and the environment that depends upon them, as well as ensuring they are used productively.

The changes build on the lessons learned about water resource management, both in Western Australia and from other places. They have been designed to develop slowly, so that the reforms will not disrupt the ordinary business of water users. The current systems will be maintained and the new options contained in the reforms can be implemented as they become useful. The reforms will clarify many confusing or ambiguous laws, giving greater certainty and security to all water users. The current water allocation processes, which safeguard environmental needs through planning and licensing, will be maintained and enhanced by the reforms. The changes will update and specify the licensing and environmental protection processes to be followed by the Water and Rivers Commission, as well as the commission's power in relation to private drainage, water collection and flood control activity. The amendments to the Rights in Water and Irrigation Act 1914 provide a process for local community involvement in managing water resources with the capacity to match management action to local needs.

The Bill will require the Water and Rivers Commission and communities to work in partnership to develop plans and strategies to deal with existing and emerging issues. It will do this in a way that protects the water resource, individual rights,

and the public interest. An important feature of the legislation is that it will allow - but not force - people with a licensed water allocation to sell or lease their licence. This is being done now because we are facing an increasing number of areas of full water allocation - areas such as Carnarvon, Wanneroo and Jindong - where irrigators cannot develop their businesses because no more water is available. In these areas the transfer of licences between water users opens up opportunities for restructure of the irrigation industry, allowing the most profitable and productive uses to grow and others to be phased out without any burden on the taxpayer. It is the only fair way of allowing people with development aspirations to gain access to water.

This Bill also recognises Western Australia's wider obligations. We are a signatory to the very important Council of Australian Governments Water Reform Framework Agreement. That agreement, signed by the Premier on behalf of Western Australia, gives the State a double benefit: A modern plan for its water resource management systems and substantial payments to the State. The agreement has been incorporated into the COAG National Competition Policy Agreement of April 1995, and is a prerequisite for special competition payments and linking financial assistance grants to population growth. The Water and Rivers Commission has, since 1996, carefully developed a proposal for implementing the COAG agreement in a way that suits the legal systems and needs of Western Australia.

A wide-ranging and comprehensive public consultation program began in August 1997 and the Bill I present to the House is the result of that effort.

Objectives: The Bill establishes objectives for managing water. It sets out the scope of water resource management, the types of resource use that should be fostered and an obligation for the Water and Rivers Commission to work with the community. The objectives of the Bill are to manage water resources sustainably; protect environmental values; encourage the efficient use of water; and actively engage local communities in management.

Community partnership: This Bill allows the Water and Rivers Commission and the community to operate in partnership to address the problems that we face in managing and using our precious water resources. The legislation provides for the establishment of water resources committees, and ensures that the plans and by-laws that govern water use in an area are subject to public review. It is proposed to establish committees that will take an active role in developing local policy and rules and arbitrating over disputes. This is an evolution of the existing advisory committee system that has served us so well for many years. The Bill gives the commission and water resources committees the flexibility to control what needs to be controlled and leave other matters in the hands of the landowner.

Rights to water: The Bill consolidates and clarifies the rights to control and use water. The current balance of crown and private rights is maintained. Riparian rights are the rights of property owners to take water from a waterway on their property. Conflicts over riparian rights regularly arise between neighbours during times of low flow, and existing operators can be disadvantaged by new developments. Under current arrangements, these conflicts cannot be resolved because there is no requirement in the Act for any riparian user to share the water with any other user. The current basic riparian rights are to be retained intact but, in times of shortage, local by-laws may be developed to ration flows. Presently, people building dams on proclaimed watercourses require the approval of the Water and Rivers Commission. Generally the approval is readily given but restrictions may be needed when the dam will seriously reduce the flow to downstream users. The overriding principle is that of preserving equity for users of the system.

A simple system of managing dams built on watercourses can be introduced without unnecessary red tape through a set of local by-laws or licences. Under the current Act, dams built outside watercourses are subject to control only if they affect the flow of a proclaimed watercourse. The control of so-called farm dams has quite unnecessarily concerned farmers during the consultation over the reforms. I am talking about those dams or tanks that are so common in Western Australia; where a farmer or pastoralist harvests stock water from the flow over his or her land. The Government has no intention, and never had any intention, of controlling or licensing these small farm dams - they are the lifeblood of the farming community. The legislation does not and will not restrict the building of dams that do not have a significant impact on water flow in watercourses. In fact the Bill amends the Act so that it cannot interfere with a farmer's right to harvest reasonable quantities of water from his land for stock supplies.

During the consultation period, many people expressed a concern over the inability to tackle the problems resulting from the use of springs. Of course, springs are jealously guarded by the landowner and any form of control must be carefully considered and properly justified. The Bill proposes that by-laws can be made to control the use of springs on private property if, and only if, the use will have a significant impact on other water resources. To ensure that proper consideration is given to the landowner's rights, controls can be introduced only when the water resources committee, the commission and the minister all agree that they are needed.

Allocation planning: Providing water for the environment is a highly controversial issue in many parts of Australia. But Western Australia has an enviable record in this regard. The Bill further develops and formalises our leading edge approach in meeting environmental water needs through a system of allocation planning at the regional, subregional and local levels.

Licences: The proposed reforms will increase the scope and flexibility of licensing and ensure that licensing is introduced only where it is needed. The reforms will allow local by-laws to be used as an alternative to licensing. The commission will have discretion with respect to the grant, transfer and terms of licences. The commission and water resources committees will deal with licence applications. They will be guided by the Act's objectives and consider matters that are relevant to management of water resources in that area. The commission may advertise the application to seek submissions from the community. The process will be open and the reasons for decisions will be communicated to those who are affected. Where the commission is considering a refusal or imposing limits on an approval, the commission must allow the applicant a right of reply before a decision is made.

Trading: Licences are, and will remain, the primary means of specifying commercial entitlements to use water. Under the reforms a licence will become a negotiable asset that the holder can trade solely at his or her discretion, provided this causes no environmental harm or other problems. Trading will give water users the opportunity to manage their supply of water, and match it to their needs. This new opportunity for agri-business will allow irrigators to increase their commercial returns and their security. Markets are already operating in South Australia, New South Wales, Victoria and among Western Australian farmers in the South-West Irrigation Cooperative. Trading will be introduced to an area only when the commission and the water resources committee agree it is ready and wants the trading.

The approval of the Water and Rivers Commission or the water resources committee will be required for the transfer of a licence and local by-laws may be made to prohibit or govern the transfer. The introduction of licence trading, if not properly controlled, could create conditions favourable to speculation. To manage this, controls will be placed on who can hold a licence.

Compensation: The Bill increases the provisions for compensation for water users, where appropriate. The Bill allows water users to be compensated for a forced reduction in their level of use resulting from the grant of an increase to others. The water user who benefits from the change will pay the compensation. If the change is made in the public interest, such as to increase the flow of a river for tourism or to resume water for town water supply or major public development, the compensation will be paid by the State. No right to compensation will be created simply because of a conflict between people with established but competing rights or for changes that are necessary to reduce excessive use to sustainable levels.

Penalties: The penalties under the existing Act are very old and are to be increased to maintain their value as a deterrent to individuals and to corporations. For example, under the reforms, the individual penalty for taking water contrary to the Act will increase from $2 000 to $10 000. Under the Sentencing Act 1995, these penalties are deemed to be five times higher for corporations.

In conclusion, I believe the water management system Western Australia first adopted in 1914 has served Western Australia as well as we had a right to expect. It is now time to bring our water laws in line with modern water resource management principles. With the proposed reforms, we will have one of the best water allocation and management systems in Australia, one that fosters commercial opportunity and allows us to protect our wealth and environment without jeopardising our future.

In order to assist the members, I am tabling clause notes for the Bill and a blue paper of the Act indicating which clauses are to be removed and the clauses that are to be inserted.

[See papers Nos 1096 and 1097.]

Dr HAMES: In concluding the second reading speech, I thank members of the Water and Rivers Commission who have worked so hard to bring this Bill to its conclusion. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

PRISONS AMENDMENT BILL

Committee

Resumed from 29 June. The Deputy Chairman of Committees (Mr Barron-Sullivan) in the Chair; Mrs van de Klashorst (Parliamentary Secretary) in charge of the Bill.

Progress was reported after clause 7 had been agreed to.

New clause 8 -

Mr BROWN: I move -

Page 25, after line 23 - To insert after clause 7 the following new clause to stand as clause 8 -

8. Section 9 amended

Section 9 is amended by inserting a new subclause (4) as follows -

" (4) Before any superintendent or other suitably qualified person seeks information or directs any question to a person, that person shall inform the person that any information or answer provided by the person may be used in evidence against the person, unless the person has been directed to provide that information or answer that question. ".

Section 9 of the Prisons Act provides that a chief executive officer may set up an inquiry. The body of that section gives the chief executive officer the power. The chief executive officer may or shall at the request of the minister establish an inquiry to inquire into and to report to him or her any matter, incident or occurrence concerning the security or good order of a prison, or concerning a prisoner or prisoners. The inquiry has quite significant powers, including the power under the following subsections of Section 9, which read -

> (4) Where under subsection (2) a person is required to give any information or answer any question, the reporting officer shall inform that person that he is required under this Act to give the information or answer the question as the case may be.

(5) Where a person is required under this Act to give any information or answer any question, he shall not refuse to comply with that requirement on the ground that the information or answer may tend to incriminate him or render him liable to any penalty, but the information or answer given by him shall not be admissible in evidence in any proceedings against him (including proceedings under Part X) other than proceedings under section 10(1) or 10(2).

The existing provisions of the Act set up the power of the CEO to establish an inquiry. It has very broad powers, including enabling the reporting officer to compel people to answer questions. A protection is set out in subsection (5) of the Act where a witness or a person required to give evidence is required to provide certain information or answer certain questions that tend to incriminate that person. The protection is that the evidence may not be used against the person who has given it. In proceedings in a court, from memory some 18 months to two years ago, the question of what evidence was or was not protected by subclause (5) was tested. The court held that where a person is called before such an inquiry and asked questions, the mere asking of those questions did not place a requirement on the person to answer them. Therefore, any answer given by a person called before an inquiry was admissible.

Mr CUNNINGHAM: I am extremely impressed by the member for Bassendean. I would like to hear some more.

Mr BROWN: So there was an understanding, albeit a false understanding, prior to those proceedings that if anybody gave any evidence to a section 9 inquiry, that evidence could not be used against him. The court held that that was not the case. It held that there were two types of evidence that could be given to a section 9 inquiry; one type where a person was simply asked questions and volunteered information and another type where a person was required to answer questions and that was an obligation placed specifically by the reporting officer on the witness or the person called before the inquiry. In those circumstances the person must provide the answer or must provide the information and, if the person fails to do so, a penalty would be imposed. In those circumstances the court held that such information could not be used against that person. So there was a distinction between the two types of evidence or information that a person may be required to provide. The amendment that I moved seeks to overcome a situation where a person is not informed of his complete rights prior to such questions being directed to him.

This amendment seeks to ensure that people are informed at the outset that if they volunteer information, that information can be used against them in a court of law, but if they are compelled to answer questions under pain of the penalties provided for in the Act, those answers cannot be used against them. I have talked to the Parliamentary Secretary about this matter behind the Chair, and I understand that she will move an amendment that will achieve the objectives of my amendment but put in language that is more elegant and has been drafted by people more skilled than I in the crafting of the language to appear in the Act.

Mrs van de KLASHORST: We have discussed this matter with parliamentary counsel and come up with a set of words that will achieve the intent of the amendment moved by the member for Bassendean, which is to protect the worker by requiring the investigator to inform the person in advance that any information and answers provided by that person may be used in evidence against that person unless the person has been directed to provide information or answers.

Mr BROWN: On that basis, I seek leave to withdraw my amendment.

New clause, by leave, withdrawn.

New clause 8 -

Mrs van de KLASHORST: I move -

Page 25, after line 23 -To insert after clause 7 the following new clause to stand as clause 8 -

8. Section 9 amended

Section 9 is amended by inserting new subclauses (4) and (5) as follows -

" (4) Before an investigator requests a person to give information or asks a person a question for the purposes of an inquiry the investigator must advise the person -

(a) that the person does not have to give the information or answer the question unless the investigator requires the person to do so;

(b) that if the person gives the information or answers the question on the request of the investigator but without having been required by the investigator to do so, the information or answer may be admissible in evidence against the person in any proceedings;

(c) of the effect of giving the information or answering the question in response to a requirement of the investigator to do so, and

(d) of the offences and the penalty as mentioned.

(5) A requirement of an investigator to give information or answer a question for the purposes of an inquiry must be clearly distinguishable from a request to give the information or answer the question. ".

Mr BROWN: The new clause that I had sought to move was taken from a similar clause that I moved with regard to the Court Security and Custodial Services Bill, which we debated recently. The distinction between the investigative provisions

in that Bill and this Bill is that in that Bill it is an investigator who makes the inquiries, and in this Bill it is the reporting officer. Therefore, the word "investigator" should be deleted wherever it appears and the words "reporting officer" should be inserted, because under section 9 of the Prisons Act, the only person who can deal with these investigations is the reporting officer.

Mr Prince: It is a person who is carrying out an investigation; therefore, he is an investigator. There is no particular definition of an officer who carries that label. It is simply a person who is carrying out the investigation; hence it is the investigator.

Mr BROWN: Section 9(2) of the Prisons Act states -

> For the purposes of carrying out an inquiry under this section, a reporting officer may require any officer or prisoner -
>
> (a) to give him such information as he requires;
>
> (b) to answer any question put to him,
>
> in relation to any matter, incident or occurrence that is the subject of the inquiry.

Mrs van de KLASHORST: The member is correct. I move -

> That the new clause be amended by substituting the words "reporting officer" wherever the words "an investigator" occur.

Amendment put and passed.

Mr BROWN: I will go through the clause because I am keen to ensure that everyone is on the same wavelength and understands what this means. The proposed section now reads -

> Before a reporting officer requests a person to give information or asks a person a question for the purposes of an inquiry . . .

The words "requests" and "requires" appear in this clause. For the purposes of the opening sentence, I will clarify what is meant by "requests". As I understand it, the intent of those words is that when a reporting officer commences an inquiry and calls in a person or goes to see a person, before the reporting officer commences asking that person questions or to provide information, he must go through these procedures.

Mrs van de Klashorst: That is correct.

Mr BROWN: The term "requests", which is used in the first line, is to be interpreted in an ordinary sense to say, "I am requesting you to give me information or answer questions in a general sense."

Mrs van de Klashorst: That is right.

Mr BROWN: It will then read -

> Before a reporting officer requests a person to give information or asks a person a question for the purposes of an inquiry the reporting officer must advise the person -
>
> (a) that the person does not have to give the information or answer the question unless the reporting officer requires the person to do so;

The word "requires" is taken directly -

Mrs van de Klashorst: That means he is directing them.

Mr BROWN: He is directing them to do so. As I see it, it is using the exact word that is currently referred to in section 9 (2) of the Act.

Mrs van de Klashorst: Yes, that is the intent.

Mr BROWN: Paragraphs (a) to (d) of the proposed amendment are clear and pick up the intent. I want to clarify the intent of the last subsection of that amendment which states -

> A requirement of a reporting officer to give information or answer a question for the purposes of an inquiry must be clearly distinguishable from a request to give the information or answer the question.

Mrs van de Klashorst: It is a safeguard.

Mr BROWN: I can see that now. The intent of that is the record should show that, in relation to an investigation, where it is a request, that is clear and where it is a requirement, that is clear.

Mrs van de Klashorst: This is to safeguard the person. Where it is a request, it is definitely clear and where it is a requirement, it is definitely clear. That is the intent - as a safeguard.

Mr BROWN: If all of those things come to pass, and there is no reason that they should not, parliamentary counsel has done a good job with this clause, and I will say a bit about parliamentary counsel and other clauses later. I support the amendment.

New clause, as amended, put and passed.

Progress reported and leave granted to sit again.

RAIL FREIGHT SYSTEM BILL 1999

Committee

Resumed from 30 June. The Deputy Chairman of Committees (Mr Barron-Sullivan) in the Chair; Mr Cowan (Deputy Premier) in charge of the Bill.

Progress was reported after clause 73 had been agreed to.

Clause 74: Section 23 amended -

Ms MacTIERNAN: This clause highlights some imbalance concerning the regulator. I am curious about why we are now inserting this provision and why it was not dealt with in the original Government Railways (Access) Bill. The Government has been telling us that this part of the Rail Freight System Bill simply seeks to change the Act to effectively substitute a private operator for the Government Railways Commission so that these access regimes can apply to a private operator. I am somewhat surprised that we now need to change the substance of section 23 and, for the first time, add this significant penalty to be paid by the regulator in case that person breaches the confidentiality of these agreements.

The minister has rejected previous amendments raised by the Opposition on the basis they have nothing to do with the thrust of the Bill because they were in the Act. What has changed now about this legislation that makes it necessary to impose such a hefty fine on the regulator? Is the reality that we are once again bending over backwards to provide protection for a private operator? This penalty must be seen in the context of a debate we had on the previous clause. In that clause the onus of establishing that documents are not the subject of legal professional privilege is put on the regulator seeking to obtain them. We now have in this legislation bizarre circumstances in which a regulator can be denied access to any documents that he might need to use in order to do all the magic things this Government thinks a rail access regime will do. The regulator merely must declare those documents subject to legal professional privilege, no matter how bizarre and outlandish the claim may be.

Mr Cowan: We dealt with that clause.

Ms MacTIERNAN: One clause must be dealt with in context with another. We cannot look at each section in isolation, as the minister has often pointed out when we have raised queries about a clause and he has referred us to another.

Mr Cowan: I can answer your question.

Ms MacTIERNAN: Good; I will finish making these points. We have a situation in which the regulator has been severely hamstrung in his capacity to get access to these documents. Access to these documents is vital if this access regime is to have any chance of working. It is necessary to ensure that we are not engaging in transfer pricing between the rail management aspects and the above-line aspects of the operation. The minister has told us about ring-fencing and how separate accounts will be kept. Without access to those documents there is no way of doing that. That is why we must examine that clause to understand what it means. It is yet another impediment being put on the regulator to make it more difficult for him to access documentation.

Mr COWAN: This clause introduces a penalty of $20 000. As the member for Armadale will be aware, one of the reasons the Government Railways (Access) Act did not contain a penalty is that the regulator is the Director General of Transport. It was hardly likely that a government agency would seek to impose a penalty on another government agency. We are not sure we would have the money to pay the fine anyway! As the private sector could be brought into the system under this legislation it was felt appropriate this penalty should be included.

Clause put and passed.

Clauses 75 to 98 put and passed.

New clause 99 -

Mr COWAN: I move -

Page 46, after line 17 - To insert after clause 98 the following new clause to stand as clause 99 -

Division 5 - *Land Tax Assessment Act 1976*

99. Schedule Part 1 clause 1 amended

Clause 1 of Part I of the Schedule to the *Land Tax Assessment Act 1976* is amended as follows:

(a) in paragraph (b) by inserting before "Where" the subparagraph designation "(i)";

(b) by inserting the following subparagraph -

" (ii) Subparagraph (i) does not apply to or in respect of a person who, under paragraph (b) or (c) of the interpretation of "owner" in section 5, is an owner of corridor land as

defined in section 3 of the *Rail Freight System Act 1999* by reason of holding an interest granted under section 42(1)(a) of that Act. ".

[* *Reprinted as at 30 July 1996.*
For subsequent amendments see 1998 Index to Legislation of Western Australia, Table 1, pp. 137-8.]

Ms MacTIERNAN: I do not have the National Rail Corporation Agreement Act before me, and the clause notes are not particularly helpful in this regard. In what way will this amendment impact upon the National Rail Corporation Agreement Act?

Mr COWAN: The amendment deletes the word "Government" from section 5B(2)(a) of the Act in order to refer to the Railways (Access) Act rather than the Government Railways (Access) Act, because it may not necessarily be the Government that operates that railway.

Ms MacTIERNAN: What is the current problem with the National Rail Corporation Agreement Act.

Mr Cowan: Clause 62 changed the title of the Act, so we now have this consequential amendment.

New clause put and passed.

Clauses 99 to 101 put and passed.

Title -

Ms MacTIERNAN: Earlier the Opposition wanted to raise an issue about clause 50. Rather than seeking to recommit this clause I seek the indulgence of the Chair to raise this matter. As was pointed out in clauses 48 and 49 one of the extraordinary provisions of the Bill is that the power of the minister, among other things, to implement and police regulations can be delegated to the railway owner. The Bill will give the Rail Corridor Minister power to supervise the new rail operator, but the minister can delegate that authority to the rail owner. It is truly extraordinary. In clause 50 one of the powers that may be delegated to the private rail owner is the provision to make temporary closures or restrictions on the use of a public thoroughfare, bridge or other structure on or adjacent to corridor land for maintenance or in other circumstances. That is extraordinarily broad. For example, this will allow a private rail operator to close the Great Eastern Highway at Northam at the point the rail track traverses that highway. The private operator would be able to close Western Australia's major link to the eastern States in any circumstance. It would appear that the private owner would not even have to establish that it was for maintenance. No limit is placed on the circumstances. In theory, the other circumstance might be that it wants to frustrate its competition on the road. It is as broad as that. It is absolutely amazing that we could have a provision like this. Why bother with a provision that seeks in one way to restrict these closures by saying they can be done for maintenance, and then to add "or in other circumstances". What sort of drafting is that, and what sort of circumstances are contemplated?

If this power resided in the Rail Corridor Minister the Opposition would not have a problem. We know that the Rail Corridor Minister would be subject to the political process and made accountable in that way. We are concerned about this because the Bill bizarrely gives the Rail Corridor Minister power to delegate those powers to the private rail operator who then has carte blanche to close highways and thoroughfares as he sees fit.

Mr COWAN: Nothing in the operation of the rail system would become the responsibility of the new owner unless it already exists with Westrail. No additional rights are being conferred on the operator than already exist with Westrail. Nothing would ever be utilised within this legislation that would be any more than giving authority to the operator to manage the day-to-day operations of the rail service as efficiently as possible. The legislation is about management of the operation of rail in an efficient manner so that decisions can be made about those operations. It does not confer upon the operator any more powers than are already conferred upon the existing operator, Westrail.

Ms MacTIERNAN: That displays the intellectual shortcomings of the Government's privatisation agenda: The minister cannot see the difference between powers given to Westrail and powers given to a private operator. Westrail is a government agency that is subject and answerable to a minister who in turn is answerable to this place and to the people of Western Australia. There is a mechanism of control and political accountability with Westrail. It may be appropriate for Westrail to have those powers, but it is not appropriate to hand over those powers to a private operator who is answerable only to a group of wealthy shareholders living in the United States of America, and to give them the power to close off public thoroughfares such as Great Eastern Highway as it may suit their business without any regard to the circumstances of the community in which they live.

The Deputy Premier's answer is very illuminating. It shows that this Government does not understand some of the major issues associated with privatisation; that is, the loss of control by the public over vital services, with many of our services handed over to the private sector for which the only motive is profit.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

MR COWAN (Merredin - Deputy Premier) [12.42 pm]: I move -

That the Bill be now read a third time.

I was asked for some information by the member for Armadale which I said I would provide at the third reading stage. Is it in order for me to make that information provided by the Minister for Transport available for the member now?

The ACTING SPEAKER (Mr Sweetman): The Deputy Premier could table the information.

Mr COWAN: I table the information.

[See paper No 1098.]

MS MacTIERNAN (Armadale) [12.44 pm]: I recap the debate over the last two weeks on this legislation. It is appropriate that we make a stand on the third reading as it is proposed to dispose of an asset which has been with the State since 1902. The Government proposes to dispose of it in such a way that will not only jeopardise the future of many regional communities, but also the future of our rail system and interstate rail transactions. We will see freight which should be moved by rail carted by road.

First, it is important to understand that the proposal is not simply a sale of the freight business, as the Government likes to present it. It is much more. It is handing over to the purchaser of the freight system on a 49-year lease, the entire rail freight infrastructure, including the track network, the rolling stock and terminal. It is basically handing over the entire rail system, with the exception of the urban passenger service, to a company which undoubtedly will be a large American company. One need only look around Australia and New Zealand to see that only big American companies are winning those tenders. The Government made it clear that it wants to go offshore. It will prohibit from tendering any consortium which has as a party a government rail operator. This exclusion indicates the sell-off is about more than just providing a rail freight system, but also includes the ethics of privatisation. The Government has a bias towards the private sector, and cannot tolerate the notion that a public sector organisation could compete head to head with the private sector organisation. It is ruling out the involvement of any of the Queensland or New South Wales public corporations, which, in conjunction with large private infrastructure and transport companies, want to tender for the Westrail system. We are condemned to a foreign takeover.

Rural community branch lines will inevitably close. The guarantees the Government has given are that the lines will remain open until only 2005. Anyone who has looked at it in any detail knows cross-subsidisation operates within the grain freight network. Some lines are more marginal than others. A private operator, whose commitment is to the protection and enhancement of shareholder value, will not be able to keep all the branch lines open. Its commitment will not be to regional development or ensuring that we do not see a cost shift onto local government which must maintain roads ripped up by road trains at the rate of knots. Its commitment will not be to ensuring the amenity of country and provincial towns and the safety of people in regional communities who will traverse roads with an ever increasing burden of road trains. No-one in the country believes that substantial "rationalisation" will not occur with those lines.

Every likelihood is that a similar fate will befall the Kalgoorlie-Esperance line. The Government states it will include a clause as a protection to require the private operator to spend upwards of $30m to restore that line if Koolyanobbing Iron Pty Ltd continues to move freight out of Esperance.

Mr Cowan: If the freight task warrants it was the term.

Ms MacTIERNAN: Right. That will have an opposite impact. It will provide a great incentive for the private operator to offer a discount to companies like Koolyanobbing Iron Pty Ltd to move their materials on the Kalgoorlie-Kwinana line. If it can get that freight off the Kalgoorlie-Esperance line onto the Kalgoorlie-Kwinana line, it will save something in the order of $32m. Ironically, the very provision that has been introduced supposedly to give some assurance that this line will remain open will ensure that the opposite happens.

The Opposition has also given a cogent analysis of why vertical integration is not the way to go, particularly in relation to those four lines over which it is acknowledged that we can and should have competition. It has set out at length the fallacy in the Government's argument and pointed out that vertical integration and competition are polar opposites, and that if there is to be a proper rail access regime, the very advantages that are claimed for vertical integration - that is, that there are cost benefits in the economies of scale and less administrative work through an integrated process - will be compromised. The Government is setting up vertical integration on the basis that it is more effective and more efficient because there is a streamlining between the two aspects of business - the track management and the above-line operation. Then it says that it will put in a rail access regime that will protect third party competitors. How does a rail access regime work? A rail access regime supposedly works by ensuring the ring fencing of the above-line operation from the track management operation. Therefore, if the Government had - I doubt that it will - an effective rail access regime in which there was proper segregation of the two aspects of the business of a vertically integrated company, then it loses the very benefits of vertical integration that it has been trying to sell to the Opposition all along. Quite simply, it is a nonsense to talk about vertical integration and a rail access regime.

The minister has been unable to point out a single instance in which a track manager which is an above-line operator has provided successfully for competition on that line. Many of the cases that the Government cited are monopolies and were set up as monopolies. We know that is the case in New Zealand; we know it is the case in Victoria with V/Line Freight; and we know it is the case in South Australia and Tasmania. The other cases that the Government likes to quote are in the United Kingdom. The UK's rail access regimes have vertical separation.

The minister has been quoted of late as saying that he does not know, on the other hand, of any cases in which segregation has produced benefits. We have read in this place documentation from the Rail Access Corporation showing the exact opposite, and that after disaggregation of the rail system there was a 25 per cent cut in coal prices, a 20 per cent cut in freight

costs across the board, a substantial increase in the amount of freight moved and the listing of six new operators which have come into the system as a result of the disaggregation. Disaggregation is not the solution everywhere. However, in this situation in which we have lines on which we want competition, it is the only way to go. We must retain those lines. Our important rail infrastructure must be maintained in the hands of the State, and let us encourage as many private operators as possible to operate across those lines with a proper, effective rail access regime.

No commentary would be complete without also reflecting on the fate of the workers who have for so many years serviced Westrail. The Government concedes that the blue collar work force of Westrail has taken cut after cut. These people are now working complex and difficult shifts. They have really made every move they can to ensure that Westrail is made a productive organisation.

Mr Cowan: They have done it.

Ms MacTIERNAN: Now their reward is to be thrown on the scrap heap. Obviously some of them will get jobs with the private operator.

However, to look at the examples that the minister has quoted to us that the rail task force says are the jurisdictions we want to follow, such as New Zealand, Tasmania and South Australia, where they laud the changes that have been made by those American companies that have come in, what do we see? We see massive retrenchments, and on the Federal Government's own research, 44 per cent of those people who took redundancies remain unemployed 13 months afterwards. There is a real problem here.

We acknowledge that Westrail needs to change. We are not arguing for the status quo. There must be a revitalisation and a commercialisation of Westrail. We have set out in some detail what our proposals would be. However, fundamental to our proposals would be that the track infrastructure must remain in the hands of the State of Western Australia, just as the State has retained ownership of the roads and ports around this State.

I hope that our colleagues in the upper House, following their investigation of this matter and the hearing of public submissions, will listen not only to what the Opposition is saying, but also to what the private rail operators are saying, what the major users of the rail network are saying, and indeed what experienced rail track operators are saying about the Government's plans. They know that it is a nonsense; they know that these rail access schemes will not deliver the competition, and that what we will have is effectively a handover of this important infrastructure into the hands of a foreign company.

MS ANWYL (Kalgoorlie) [12.37 pm]: I wish to make only a few brief comments because all of the issues relating to the Opposition's stance in not supporting this legislation have been traversed at some length in this Parliament. The member for Armadale, as Labor's spokeswoman on Transport, has enunciated a number of significant concerns. I do not think any of those concerns have been allayed, notwithstanding the fact that we have spent some six days in consideration of this matter in committee.

I have a significant ongoing concern that the method of sale and leasing of track for 49 years will not guarantee the future upgrading of the Leonora to Esperance railway line. The economic viability of the goldfields-Esperance region depends on a functional and operative Leonora to Esperance line. I was interested to read in the *Kalgoorlie Miner* today that the Esperance port has just had a record year in terms of the tonnes of freight that have been moved through that port. For the financial year 1998-99, almost 3.2 million tonnes of trade went through that port. That is a significant amount because it represents an increase on the previous record in 1996-97.

The fact is that there has been a downturn in imports, particularly fuel imports. However, a significant amount of grain is being handled. The other main freight being shifted through that port is iron ore exports. Iron ore exports have also dropped.

Mr Cowan: Most of the grain going into Esperance is brought in by road.

Ms ANWYL: Yes, but there is obviously a potential for extra grain freight to be carried by rail, and the Deputy Premier in his second reading speech and during the committee stage expressed a desire to see that potential realised. If this rail line is not upgraded and maintained into the future, there will be no possibility of that occurring. Very clearly, the past financial year has been a record year for the Esperance port and I want to see that continue. There is a reason for that. Kalgoorlie-Boulder is experiencing some difficult economic times as a result of the commodity price downturn. It is very clear that a healthy regional centre has some sort of diversity in industry and trade. While many potential opportunities exist for that to occur in Kalgoorlie, especially in tourism, some attempts are also being made to attract heavy industry and some changing forms of nickel processing are occurring, which will take us beyond the traditional mining and removal of that metal. In addition, the Kalgoorlie nickel smelter has been processing nickel in the region. I was referring then to the three new laterite nickel mines that have been developed.

It is clear that many people are concerned about the future of that rail line. I congratulate Hon Mark Vaile on his appointment as the Deputy Leader of the National Party. Let us hope that he can bring his previous knowledge of the difficulties with the Esperance-Leonora line to bear fruit in his promoted position within the Federal Parliament. It was made very clear in a letter from Hon Mark Vaile MP to the chairman of the Esperance Port Authority that the National Party - I should say the coalition Federal Government - had some ideas about how that line might be brought into the federally-owned Australian Rail Track Corporation and thereby there could be some potential for that line in terms of the national freight network. My understanding of this legislation is that there would be no possibility of that being pursued. If I am wrong, I am sure that the deputy -

Mr Cowan: This legislation will not make any difference.

Ms ANWYL: That remains to be seen in terms of the leasing of the infrastructure and the ability of the -

Mr Cowan: The Federal Government's approach has always been to put funds into the interstate lines.

Ms MacTiernan: We have letters which say that whether it puts in federal funds will depend on whether Westrail is privatised. It is in some of that correspondence from the federal minister.

The ACTING SPEAKER (Mr Sweetman): Member for Armadale, you are interjecting while out of your seat.

Ms ANWYL: I am obliged for the interjection of the member for Armadale because this very issue illustrates the lack of cohesive and cogent answers being provided by the Deputy Premier while representing the Minister for Transport. It is absolutely contemptuous that people with concerns about this legislation are not able to have those concerns answered.

Another issue of which we will wait to see the outcome is freight prices. I have not been convinced by any evidence that prices will fall; that is a variable that nobody can be sure about. I share with the Deputy Premier a desire that more and more freight be shifted by rail; it is the obvious alternative. I often drive the road between Kalgoorlie and Esperance. From the point of view of a private motorist, the fewer trucks that are on the road, the better; there is no doubt about that. In the same letter that I quoted from previously about the possibility of the Leonora-Esperance line being managed by the federally-owned Australian Rail Track Corporation, Hon Mark Vaile MP wrote -

> Developments with the proposed sale of Westrail currently preclude me from committing any funding to the rail upgrade until the status of the Kalgoorlie-Perth interstate rail line has been determined.

Mr Cowan: That is right.

Ms ANWYL: I and a significant number of people in my electorate would like to have some answers. One such person, who does not live in my electorate but has a very keen interest in the future of rail in Western Australia, is Mr L.N. Inglis from Albany, Western Australia. He said -

Mr Cowan: Have you met that gentleman?

Ms ANWYL: I have not had the pleasure, but the Deputy Premier obviously has.

Mr Cowan: I know him.

Ms ANWYL: In any event, he is a very frequent letter writer to the *Kalgoorlie Miner* and he always writes about trains. He clearly has a very passionate interest in the future of rail transport in Western Australia. He wrote -

> Reading the letter from the project director of Westrail Rail Freight Sale Task Force, . . . it is very clear that either Westrail or a private owner would view stopping operations on the Esperance standard gauge line from Kalgoorlie at the drop of a hat.
>
> One does not need to be Albert Einstein to read between the lines of the last two paragraphs.
>
> What would then be the import and export point for mining centres north of Kalgoorlie?
>
> All goods should be coming in, and going out via the Port of Esperance now.
>
> It is the most logical place.

In conclusion, he wrote -

> Privatising these leaves the people of the State with nothing on the farm.

That is the general view of people I discuss these matters with in the community. They are concerned that everything will be sold off and not much will be left on the farm at all. The cliche of selling a house to pay the mortgage is, if one considers the sum total of things being sold in this State, absolutely accurate. Having said that, a forum will be held shortly in the goldfields and I believe the Deputy Premier may well be, if not a participant, a supporter of that forum in terms of the future of this track. I hope the Minister for Transport or at least his senior advisers might be able to attend that forum. During the debate we also raised the treatment of workers, who currently have an uncertain future. I ask that that be given some priority in the way that this legislation is handled. Workers in my own electorate have been told that unless they support this sell off, their jobs will wither on the vine anyway and they will have no choice. Having said that, I believe the issues have been traversed. I again urge members opposite to stop to think about the effect that this sale may have on regional development in my area and the whole of Western Australia.

MR COWAN (Merredin - Deputy Premier) [12.48 pm]: I make the point that at least the Opposition is consistent. It has indicated its opposition to this for ideological reasons; no rational reason has been behind it. The fact of the matter is that this decision must be made. The action must be taken if we are to compete with a very competitive and efficient road system. One of the reasons that the one road system is very efficient is because it is in the hands of the private sector.

Ms MacTiernan: Who owns the roads?

Mr COWAN: I said one of the reasons. There are a range of others as well, but the efficiency of the operators themselves is based entirely on the efficiency of the private sector. One thing that the Opposition said was that Westrail has gone as far as it can go under its present regime. We all acknowledge that. This is the only logical step that can be taken. I encourage members to support the third reading of this Bill.

Question put and a division taken with the following result -

Ayes (26)

Mr Ainsworth	Mr Court	Mr Marshall	Mr Prince
Mr Baker	Mr Cowan	Mr Masters	Mr Tubby
Mr Barron-Sullivan	Dr Hames	Mr Minson	Dr Turnbull
Mr Bloffwitch	Mrs Hodson-Thomas	Mr Nicholls	Mrs van de Klashorst
Mr Board	Mr House	Mrs Parker	Mr Wiese
Mr Bradshaw	Mr Johnson	Mr Pendal	Mr Osborne *(Teller)*
Dr Constable	Mr Kierath		

Noes (14)

Ms Anwyl	Dr Gallop	Mr McGinty	Mr Ripper
Mr Brown	Mr Graham	Mr McGowan	Ms Warnock
Mr Carpenter	Mr Kobelke	Ms McHale	Mr Cunningham *(Teller)*
Dr Edwards	Ms MacTiernan		

Pairs

Mr Barnett	Mrs Roberts
Mr Day	Mr Riebeling
Mrs Edwardes	Mr Grill
Mr Omodei	Mr Marlborough
Mrs Holmes	Mr Thomas

Question thus passed

Bill read a third time and transmitted to the Council.

INNER CITY POLICING

Statement by Member for Perth

MS WARNOCK (Perth) [12.53 pm]: Something is wrong with the policing of the inner city and it is largely a question of a lack of resources and the Government's inability to put a dent in Perth's very evident drug problem. At a Northbridge City Safe meeting yesterday, traders told of their anger at: Drunks pouring out of nightclubs in the early morning and intimidating early workers with their belligerence; drugs being openly sold on the street; customers being threatened by groups of youths high on something; daylight attacks on traders by someone demanding money while wielding an apparently blood-filled syringe; and taxi drivers double-parked in the late hours in Northbridge preventing those same early workers going about their business. Clearly some liquor sellers are not responsible servers, despite protestations to the contrary, and the Government needs to act. Clearly some people are behaving in very antisocial ways in our streets and the Government needs to do something about that. Clearly some people have large drug problems and are victimising others because of it and the Government certainly needs to do something about that. I know the police are trying hard to cover the ground, but it is obvious they cannot do it with the resources they have and the Government needs to do something about that. Given the additional problems with prostitution in Northbridge, it adds up to a lot of dissatisfaction among people who live and work in the inner city and the Government must do something about that!

REGIONAL FOREST AGREEMENT, FUNDING FOR RESTRUCTURING

Statement by Member for Vasse

MR MASTERS (Vasse) [12.55 pm]: As the call to protect old-growth forests continues, no-one appears to be attempting to genuinely understand the implications for the timber industry, its 6 000 direct employees and affected south west communities should this call be heeded. The Regional Forest Agreement has provided some $52m of federal and state government money to allow for industry restructuring and the creation of new employment opportunities for the 500 employees who would otherwise have been adversely affected by the reduction in timber yields from our forests. If all remaining old-growth forests were protected from logging, timber yields would be reduced by approximately half and 3 000 people directly employed in the industry would be affected. In general terms, this would require a restructuring package of about $300m, or six times the amount provided under the RFA. Therefore, I am calling for the environmental movement, the National Party and all people opposed to the logging of old-growth forests to support the introduction of an environmental levy as a preferred way of raising this $300m. I propose that for the next 10 years a levy of $500 a year be imposed on the owners of urban or residential blocks, the unimproved capital value of which is greater than $150 000. This is likely to impact on some 60 000 lot owners throughout Western Australia, including some in my own electorate, and raise $30m a year. An environmental levy such as this will allow the people who are calling most loudly for an end to old-growth logging to make a worthwhile contribution to resolving the severe problems which will result if their demands are met and at the same time allow them to understand the economic consequence of their demands.

ROCKINGHAM RENAL DIALYSIS UNIT

Statement by Member for Rockingham

MR McGOWAN (Rockingham) [12.56 pm]: I plead for the Government to establish a renal dialysis unit in Rockingham.

I raise this issue because a large number of people in the Rockingham-Kwinana area currently suffer from kidney-related diseases. These people must spend between four and five hours on dialysis three times a week in the renal dialysis unit in either Mandurah or Fremantle and often wait for long periods. I would like to see a renal dialysis unit established in the Rockingham area, preferably near the city but certainly in the central Rockingham area. The Government has established similar units in Kalgoorlie, Joondalup and various other parts of the State, including Armadale and Geraldton. This unit would cater for at least 20 patients, which I am told would be higher usage than the unit in Joondalup. It would certainly make life a lot easier for people with this debilitating illness. Many of them are currently waiting for transplants and having such a unit close by would not only improve their quality of life but would also be equitable in that the Government is establishing these units in the regional and metropolitan areas; and we need one.

EVERINGHAM STREET, CARINE

Statement by Member for Carine

MRS HODSON-THOMAS (Carine) [12.58 pm]: As a result of a recent public meeting held to discuss the connection of Everingham Street north in Carine to the impending Reid Highway extension, I gave an undertaking to conduct a survey of west Carine residents. The survey was distributed on 10 June to residents in the western cell of Carine in an endeavour to assess community opinion on this matter. The reply date of 30 June has now passed and the result of the survey has been the following information which I present to the Minister for Transport and the City of Stirling for their information and attention. Of the 1 570 people in the survey group, a total of 29.9 per cent responded. Of these responses, 15.5 per cent responded in the affirmative - that is, to keep open Everingham Street north and connect it to the Reid Highway extension - and 14.4 per cent responded in the negative. The results confirm that there is no clear majority to support the closure of Everingham Street. Similarly, there was a lack of consensus for the continuation of the closure when the City of Stirling trialled it. In summary, some criticism has been levelled at the veracity of my survey and both groups, the affirmative and the negative, have stated I have shown a bias. As both groups have accused me of bias, I can only assume that the information I provided was void of any emotive argument and was in fact impartial.

ROBB, MR PAUL

Statement by member for Armadale

MS MacTIERNAN (Armadale) [1.00 pm]: I raise what appears to be a serious abuse of process by both federal and state police acting on political instructions. In September 1998 a community activist, Mr Paul Robb, attempted to place in a Geraldton newspaper an advertisement which proclaimed in the way of political campaigns, "Vote One for Tuckey - Vote One for Uranium". I understand it then said something along the lines that Wilson Tuckey would allow uranium waste through the Oakajee port. The management of the paper said it would not run the advertisement as it did not believe it to be true. Mr Robb told them that he could play a tape of the interview that he had with Wilson Tuckey to prove it. Rather than ringing the Electoral Commission, the management of the paper apparently rang Tuckey, tipped him off and told him about the tape.

The next thing Mr Robb knew was he received a visit from the federal police, apparently investigating a complaint by Mr Tuckey supposedly about unauthorised election posters. The federal police demanded entry, although they had no warrant, and said they wanted the tape that Mr Robb had of the Tuckey interview. Mr Robb refused but documents were seized. After the election, when Mr Robb indicated an intention to take the matter further, the officer said, "You know they never wanted you." It is clear that the search was just harassment designed to silence a political opponent.

In the meantime the federal police had been tipped off by the state police that there were cannabis seedlings on the premises. These were seized but no charges were laid until eight months later, the day Mr Robb stood for local government. The police officer who had previously told him he would not be charged said he had received instructions "from upstairs" to prosecute him. These circumstances suggest that, once again, Mr Robb was on the receiving end of a political conspiracy and these allegations must be thoroughly investigated.

IMPEDIMENT TO SMALL BUSINESS

Statement by member for Joondalup

MR BAKER (Joondalup) [1.02 pm]: One of the biggest impediments to the expansion of the small business sector is not payroll tax, not wholesale sales tax, not fringe benefits tax, not workers compensation insurance premiums, not a goods and services tax, but big business. Is it any wonder that big business and the eastern states-based giant retail chains are lobbying for the substantial deregulation of retail trading hours?

The market research group, Ibecon Pty Ltd, predicts that such a deregulation will have devastating social and economic consequences, such as a net loss of 3 000 jobs in the Perth metropolitan area; an excessive market share by the giant retail chains; the further redirection of Western Australian sourced profits to the eastern States and overseas; higher prices for groceries and dairy products; reduced competition; the winding up of scores of local small businesses; and reduced employment growth.

Data collected by ACNielsen Corporation and Retail World indicates that the market share of major supermarkets in Australia has increased from 40 per cent to 80 per cent during the past 13 years, and is still increasing, while the number of small locally owned supermarkets and other small shopkeepers is declining by equivalent amounts. The open slather deregulation of trading hours will exacerbate this problem and kill off more Western Australian small businesses.

Sitting suspended from 1.03 to 2.00 pm

STUBBY HOLDERS

Statement by Speaker

THE SPEAKER (Mr Strickland): Before we proceed with question time, I have a matter of some seriousness to bring before the House. I am compelled to bring this matter to the attention of the House because this morning in this House there was an object hanging over a microphone where the Minister for Police sits. It had me baffled for a short time, but I have had discussions with the Minister for Police and there are two outcomes. First, let us deal with the positives. The object was a stubby holder which on one side has the inscription: I wet my pants during cyclone "Vance". It is an inscription with a pig wearing a police hat, and carries the date 22 March. On the other side is "Exmouth police caught the big one" and there is a picture of a marlin and a prawn. I charge the Minister for Police with the duty of congratulating the Exmouth police on their humour, and if necessary returning the stubby holder to them.

Secondly, there is a technical problem that has also come to attention with the practice, because it has created the possibility of baffling the sound in the microphone permanently. I rule that the practice of placing stubby holders of any description on microphones is unparliamentary, as the microphones must remain unbaffled.

MR PRINCE (Albany - Minister for Police) [2.03 pm]: The stubby holders are available from the Exmouth Police Station at a modest fee of $8.00, and I get no commission. I apologise for baffling the recording of any words in any speech I made; in future I will stick to baffling members of the Opposition.

[Questions without notice taken.]

NEW STANDING ORDERS, TRIAL

Statement by Speaker

THE SPEAKER (Mr Strickland): I take the opportunity of wishing the member for Midland well on what we all hope will be a joyous occasion. As the chairman of the Standing Orders and Procedure Committee, I can say that members have been grateful for her input. The committee members were also pleased to hear the Leader of the House indicate that the House will consider trialling the new standing orders in the new Parliament should they pass successfully through Cabinet. Most members of the House will look forward to that.

[Interruption from the gallery.]

The SPEAKER: Order! We like to see people come and observe the Parliament and its procedures. Some people do not get here that often. However, there are rules and they indicate that while people can come - and we like to see them - they cannot interfere with the proceedings. I will overlook those indiscretions because they were probably committed in ignorance. If the offenders reflect on this, they will realise that they have had a chance to make their point in any event.

[Interruption from the gallery.]

The SPEAKER: Order! I request that the attendants find out who those people are. They are banned from the gallery for the day.

AUDITOR GENERAL'S REPORT ON LEASING OF OFFICE AND OTHER EQUIPMENT

Standing Orders Suspension

MR RIPPER (Belmont - Deputy Leader of the Opposition) [2.43 pm]: I move -

> That so much of standing orders be suspended as is necessary to allow me to move a motion concerning the Auditor General's Report on the Leasing of Office and Other Equipment.

The Opposition considers this matter to be urgent as the Auditor General's report was tabled only yesterday. It reveals a surprising degree of incompetence in the management of leasing arrangements in the public sector. This is the last day of the autumn sittings before a long break. The Parliament needs a response from the Minister for Works and Services to the very important issues raised by the Auditor General. I understand the Government has agreed to allow a suspension of standing orders. When I discussed this matter with the Leader of the House before the lunch break, he indicated that we could take a hour for this debate. I do not think an hour is necessary to canvass this issue, but I would appreciate confirmation from the Government that it intends to supports this suspension of standing orders.

MR COWAN (Merredin - Deputy Premier) [2.44 pm]: Acting on instructions, I can confirm that the Government is prepared to accept the motion to suspend standing orders for the purpose of this debate provided that no more than one hour is taken, and we look forward to that time being reduced.

Question put and passed with an absolute majority.

Motion

MR RIPPER (Belmont - Deputy Leader of the Opposition) [2.45 pm]: I move -

> That this House notes with concern that the Auditor General's Report on the Leasing of Office and Other Equipment indicates a level of mismanagement and wastage of taxpayers' money that cannot be allowed to continue and calls on the Minister for Works to -
>
> (1) accept responsibility for this mismanagement, and

(2) immediately take up the recommendations made in this report.

Many people in our community have a great deal of trouble understanding why this Government is facing budgetary problems. Many members of the public do not understand why this Government has a deficit of $640m in the general government sector. Since this Government came to power, there has been enormous revenue growth and a significant level of asset sales and contracting out. This Government assured us that these privatisation and contracting out measures would produce more efficiencies in the public sector. Many people are asking where the money has gone. Why, with all this revenue growth and these alleged efficiency measures, does this Government have a budgetary problem? We begin to see an answer to that question in this report from the Auditor General tabled in this House yesterday. The report is titled "Lease Now - pay later? The Leasing of Office and Other Equipment." The Opposition has moved this motion because the Parliament has not yet received a response from the Minister for Works and Services to the very significant problems revealed in the report. It is worth noting that it has taken the Auditor General to look at this issue. It is part of the minister's portfolio; he should have been looking at the whole question of leasing. It appears that he has not been watching the advertisements on television, that he has fallen asleep at the wheel and has not exercised the sort of supervision which should be exercised over leasing.

What problems did the Auditor General reveal? He has revealed three significant issues with the leasing of principally office equipment by public sector agencies: First, a lack of analysis of the financial benefits and costs of leasing compared with purchasing options; second, a lack of competitive tendering process in the acceptance of many leases; and, third, the acceptance of unfair and unwise terms in the lease contracts entered into by public sector agencies.

Let us first turn to the question of lack of analysis of the merits of leasing compared with the merits of purchase. The Auditor General looked at 39 leases as a sample. He states on page 9 of the report -

> Very few of the 39 leases were subjected to a thorough financial evaluation prior to execution.

The Auditor General examined 17 of those 39 leases to see whether better value would have been achieved if the equipment had been purchased rather than leased. I quote from page 9 the most succinct explanation of what he did -

> A reliable financial evaluation of lease and purchase alternatives could only be undertaken for the 17 leases that had supporting competitive purchase price data.

In other words, 22 of the 39 leases could not be subjected to the type of investigation that the Auditor General should apply because there was not sufficient data available from the agencies to allow the evaluation to be conducted. However, the Auditor General went ahead and looked at the 17 leases for which there was some data. The results are frightening. In 10 of those 17 cases, additional costs were incurred ranging from 2 to 16 per cent. When I read that, I hoped that in the other seven cases there might have been some cost advantages in leasing; however, no, those other seven cases were merely cost neutral. In 17 leasing examples studied by the Auditor General, 10 were more expensive than the purchase option and seven were cost neutral. There were 22 that could not be investigated because the agencies had not gathered sufficient data to allow the Auditor General to conduct the evaluation. These are frightening findings by the Auditor General and this is only a sample of leases. There must be hundreds of leases throughout the public sector which could have been investigated. We know that leasing is a growing activity. The Education Department, for example, now has a total annual expenditure on leasing of $27m, with $10m of new leasing arrangements having been entered into in the calendar year 1998. Therefore, leasing is a growing activity and the Auditor General's finding on the financial evaluations conducted by agencies before they enter into these arrangements should cause members of this House grave misgivings.

It is no coincidence that leasing is growing in popularity with public sector agencies. It is no coincidence that even when it is a more expensive option, the agencies still enter into these types of arrangements. I quote from page 2 of the Auditor General's report -

> Adding to this concern was the comment by some agencies that while they acknowledged the importance of undertaking more rigorous financial evaluations, in practice, limited funds available for purchase could still result in them using more costly lease finance.

Those agencies are saying that the Government has not given them enough money to make the purchase in the year when they need the equipment, despite the fact that during the term of the lease that option would be the more cost effective; therefore, lacking that finance, they have gone ahead and entered into the more expensive option.

I move now to the second issue of competitive tendering. The Auditor General's report shows that in 12 of the 39 cases that he examined the agency dealt with only one lessor. How can a public sector agency get value for money when it deals with only one supplier? That is a basic breach of the principles which should apply to procurement in the public sector; and it seems to be a continuing problem. Agencies have a basic understanding under this Government that when they are procuring goods, they should be engaging in competitive supply arrangements. However, when it comes to the procurement of services, the engagement of consultants, they often fail to abide by guidelines. Now we see when it comes to leasing arrangements they often fail to abide by these principles. Therefore, it seems that under the administration of this Government, whenever agencies have to move away from anything basic, such as the purchase of a good, and move into anything a little more complicated, they often fail to abide by the principles of competitive tendering.

The Auditor General reinforces our understanding of the importance of competitive tendering by saying on page 14 of his report -

> Seeking competitive bids is usually the best way to assure value for money, as well as being a more transparent procedure.

We do get bizarre results if we do not engage in competitive tendering. A frightening example is quoted in the report, which considers an example on the financial evaluation of leasing photocopying equipment. I will not go through the whole example; however, I will quote from one part of that evaluation. The Auditor General refers to the possibility of a claim by the lessor's agent being successfully pursued. He concludes on page 12 -

> If this claim is successfully pursued, the agency will pay an estimated 60 per cent annual rate of interest for the duration of its current lease.

Members should think about that. The effect of this leasing arrangement could be that the agency will be paying effectively an annual rate of interest of 60 per cent. That is clearly a totally unsatisfactory arrangement. The Minister for Works and for Services is responsible for the Government's performance across government in this area. The Auditor General's report reveals a lack of supervision, a lack of recommendation and a lack of advice to agencies. The minister really should respond and explain what he intends to do about it.

The third area where the Auditor General was critical was on lease contract terms. It appears that many agencies have been naive in the way in which they have entered into leasing arrangements. It appears that many lessors' standard form contracts are not fair to the customer. The public sector agencies involved have nevertheless accepted those unfair contracts. There is a list on page 15 of the report of some of the unfair aspects of those standard contracts. This is one that should worry members in this House -

> "If the lessor's costs in connection with the lease increase, the lessor may vary its charges accordingly" . . .

Signing a contract like that is like signing a blank cheque. The lessor can increase the price and the taxpayer must simply come up with the extra money. This is another unfair aspect from the report -

> "The lease is automatically rolled over beyond its expiry date, at the existing payment rate, unless the lessee advises otherwise by a specified notification date" . . .

That is a very risky thing to agree to. That means that if an agency is not vigilant, it will find itself entering into another period of leasing equipment and that it will forego the principal advantage of a lease, which is access to modern, up-to-date equipment, and will continue to pay the leasing price for old equipment. The next unfair aspect in the report reads -

> "The lessee is to return equipment at lessee's expense to lessor's place of business or anywhere nominated at termination of contract" . . .

If the lessor's place of business happens to be in Sydney, the Western Australian public sector agency might have to freight the photocopiers back to Sydney; or if the lessors decided that they would like to establish a branch in Vietnam and the old equipment were to be leased out to a Vietnamese agency, the Western Australian public sector agency could be required to freight the equipment to Ho Chi Minh City. The Auditor General points out additional examples: The contract agreement is governed by the laws of another State. If there is a dispute and a public sector agency has signed that sort of lease, it cannot even be resolved according to Western Australian law. How embarrassing.

This is a particularly unfair clause: The lessee will continue to pay rent notwithstanding any defect or seizure of the equipment. Mr Deputy Speaker, you would not agree, in your business, to that sort of condition in a leasing contract. However, public sector agencies in Western Australia have agreed to that sort of contract condition.

The last clause I will quote is the most bizarre: The lessee irrevocably authorises the lessor to fill in blank spaces. What a great contract! A government agency signs on the bottom line, and if there are a few blank spaces, which the other party can fill in the blank spaces however they wish. That is not the sort of contract that a public sector agency should enter into. The problem is that public sector agencies in Western Australia have been entering into contracts with these unfair terms. The Auditor General revealed three serious problems: Lack of financial evaluation, lack of competitive tendering and unfair contract terms.

The Auditor General looked at a sample of only 39 contracts. We must not forget that he could not investigate properly whether the public sector had got value for money in 22 of those contracts; or that 10 of the 17 that he investigated were worse value for money than the purchase option, and seven were merely cost neutral. That is a pretty significant problem with leasing in the public sector.

I commend the Auditor General for his willingness to tackle this issue. He is doing an excellent job in his role, and he is proactively tackling issues about which perhaps other people should have thought. When I come to the chief example of other people who should have thought of these issues, I cannot go beyond the Minister for Works.

Mr Court: And the Treasurer?

Mr RIPPER: Has the Treasurer thought of it?

Mr Court: I will get up in a minute.

Mr RIPPER: I will be interested to hear what the Treasurer and the Minister for Works have to say. The Treasurer is responsible for the proper spending of taxpayers' resources and the minister is responsible for proper procurement activities in government. In the material which has been published in the media to date we have not heard from the minister or the Treasurer. We have not had a ministerial statement in response to the report of the Auditor General. The Opposition has now given the Government an opportunity to explain why the set of circumstances revealed by the Auditor General have been tolerated and what it proposes to do about it. I hope for the sake of taxpayers in Western Australia that the Treasurer

and the minister are able to acquit themselves well in their responses, because if this sort of circumstance continues, we will be all the poorer.

MR COURT (Nedlands - Treasurer) [3.03 pm]: I will make a couple of introductory comments, and the Minister for Works also wants to comment on this matter. The Deputy Leader of the Opposition commended the Auditor General for carrying out this investigation. I inform the Deputy Leader of the Opposition that the report was very much driven by the Treasury. The Treasury has been keen to ensure that the practices within government in relation to leasing are up to standard. The Treasury has worked closely with the Auditor General on this matter. The summary document says that although most public sector equipment is purchased there is an accelerating trend towards leasing. That is why Treasury has taken an active interest in this issue.

A number of issues will arise in major contracts, such as the information technology work in schools etc. It is one thing for Governments to put computers into schools, it is another to make sure they are continually updated. That has a significant cost associated with it.

I will briefly outline some of the work that Treasury has been doing. It has worked closely with the Auditor General on this.

Mr Kobelke: Are you fully supporting the report? Are you quibbling over any part of it?

Mr COURT: The member for Nollamara can speak when my time is up. The Treasury has played an integral role in working with the Auditor General in relation to this report on equipment leasing. The Government supports the conclusions in this examination. Consistent with the recommendations made by the Auditor General, I advise some of the initiatives that Treasury has been working on: The development of the project evaluation guidelines was commenced 12 months ago, and is nearly completed. This is a substantive Treasury document that outlines in considerable detail the techniques and issues in the financial evaluation of equipment procurement. Included in that is a section devoted to the evaluation of leases. The Treasury is also working in conjunction with the Department of Contract and Management Services to establish a central facility for leasing IT equipment. The main benefits of this are to provide a common contract and competitive rates to agencies. This addresses one of the major findings of the report of the Auditor General that agencies can enter into unfavourable contracts at uncompetitive rates if they are not aware of all of the options available to them. A centrally managed lease facility will also enable Treasury to better monitor the use of leasing equipment by agencies. The Treasury is also preparing guidelines for private sector involvement in the provision of infrastructure. The aim of these guidelines is to establish a framework to assist agencies assess which types of equipment and assets are suitable for private sector ownership and appropriate risk transfer and pricing under these conditions. The outcome of these initiatives will be to ensure that the public sector obtains better value for money from the procurement of its assets and equipment in line with the recommendations that have been highlighted by the Auditor General's report.

I wanted to make a brief contribution in this debate to inform the Deputy Leader of the Opposition that the whole issue of leasing in government has been of concern to Treasury. In many ways it has driven the in-depth assessment of those leasing practices within government. The Auditor General in his report, and with the assistance of Treasury, will ensure that guidelines and support are provided to assist the agencies.

Mr Ripper: Do you support the recommendations contained in the Auditor General's report? I am not aggressively asking; I am simply asking whether you support the recommendations?

Mr COURT: I am in despair, because I already gave the Deputy Leader of the Opposition the answer at the beginning of my speech and in response to an interjection. At the beginning of my speech I said that because Treasury was actively involved in working with the Auditor General on this report we support the conclusions of this report. This is the result of a proactive approach by the Treasury. The document that is now nearly completed, which the Treasury started working on 12 months ago, will enable these recommendations to be implemented.

Mr Kobelke: When will the new guidelines be released?

Mr COURT: I cannot give a specific time but I will ask Treasury when it expects to have that finished.

Mr Kobelke: According to page 9 of the report, Treasury told the Auditor General that it would be ready by mid-1999. We are in mid-1999 now. It seems that you should be in a position to give a more definite date and do something about taking an interest in this and fixing it rather than trying to cover up the incompetence which is becoming evident in your Government, Premier.

The DEPUTY SPEAKER: The member for Nollamara will allow the Premier to make his speech.

Mr COURT: Mid-1999 is sort of now.

Mr Kobelke: When will you tell us - now, in three months, six months or a year's time, which by your standards would mean mid-1999?

Mr COURT: By the time this debate is finished I should have the answer.

MR KOBELKE (Nollamara) [3.12 pm]: We obviously see a Government running for cover. The motion quite clearly asks the Minister for Works to accept responsibility for this mismanagement and immediately take up the recommendations in the report. The Premier has accepted the recommendations. We hope he will take them up. However, the Premier was trying to paint the picture that somehow Treasury was really driving this. I think that is a total fabrication. This report is from the Auditor General, an independent officer of this Parliament who is doing a good job. Clearly he works with Treasury, but in the footnote I referred to by way of interjection he notes that he went to Treasury to work with its officers

because of this total mismanagement and that some of the work they will do will impinge on this area. I ask the Minister for Works: Will the Government support the motion?

Mr Board: We support the recommendations of the board because we have been so proactive in fixing this. We are not supporting the motion.

Mr KOBELKE: The minister says that the Government has been so proactive in fixing this that it has a major disaster. What would it have been like had the Government not been proactive in this area? That is a remarkable statement by the minister. The Government has been so proactive that when the Auditor General took a collection of 39 lease agreements, in the majority there was no paperwork. He could not even make a comparison on the cost structure of lease compared to purchase. Agencies had not countenanced anything sufficiently to have something on the file. He could look at only 17 of the 39 leases. Of those 17 leases nearly 60 per cent were costing more than it would cost to make purchases. They had blown out in comparison to the cost of making purchases. This Government is proactive and proud of its record in this area! Only 60 per cent of those 17 leases were over the top of the expenditure which would have been made had the agency made a purchase! This Government is proactive and proud of its record in this area.

What are we to assume was the situation with the other 22 leases that had no paperwork? What was the blow-out there? Was it 20, 30 or 40 per cent over cost? We are dealing with an area that is running into hundreds of millions of dollars. In Education alone for 1998, $27m was spent. The Auditor General says that leasing is a growing area of activity. The amount does not reflect the Government's small vehicle fleet which has a total value of vehicles of some $250m. This was looking only at computers, medical equipment, general office equipment, small items and plant that needed to be leased. We find that 60 per cent of those small leases which could be assessed cost from 2 to 16 per cent more. The minor part broke even. This Government says it is very proactive in this area. This suggests we have a major problem here.

This problem has been created by this Government through its mismanagement. In a large part that is due to forcing increased leasing on government agencies by restricting their budgets. It is important that the Government be accountable for its financing and ensuring that government agencies get value for money. In some instances it means being quite tight with the dollars. This Government, in trying to save a few cents, has wasted dollars. Its management process has been very shortsighted. The Government has screwed down agencies' budgets without looking at the effects. Agencies have been forced to lease at exorbitant prices. The Auditor General also calls into question the fact that agencies did not even follow proper process. In some cases he alludes to the fact that they had little choice. They had to lease because then they could defer the cost from their current budgets, in which they did not have enough money, into future years. That has been part of the cause of the blow-out. At the top of page 2 of the Auditor General's report he supports what I am saying when he writes -

> Further, given the general absence of thorough financial evaluations prior to lease execution, assurance is not available that the most cost effective procurement option is being used. Adding to this concern was the comment by some agencies that while they acknowledged the importance of undertaking more rigorous financial evaluations, in practice, limited funds available for purchase could still result in them using more costly lease finance.

Some agencies had to have the equipment. The Government had cut off money that was available to them, so they were forced to take more expensive options even though they recognised that taxpayers would have to pay more. This is coming to light now in part because the Government has been in office for six years. The cost savings that it was able to trumpet in the first year are coming home to roost. The Government took money out of agencies and said that it had cut expenditure. It forced agencies, in this case clearly documented, as in many other areas, I would suggest, to go to a form of funding of the services and equipment they needed that over the whole life of a piece of equipment or project is costing the State more. The Government's saying in the first two years that it was racking up savings is coming back to bite it with additional costs being far more than the cost savings. That is why the Government is in such a parlous state.

I will turn to the Auditor General's comments on the conditions in some of the 39 lease contracts which he sought to evaluate. On page 15 of the report the Auditor General writes -

> The examination reviewed 23 lessor standard form contracts, of which 19 contained terms and conditions that unduly favoured the lessor and/or exposed the lessee to unnecessary risk.

He was able not only to identify that there was a large wastage of money because there was a cheaper alternative, but also to indicate a whole range of measures which placed the agency and taxpayer at risk. These were simply signed off by a range of agencies. I will go through some of these. The first example is -

> **"If the lessor's costs in connection with the lease increase, the lessor may vary its charges accordingly"** - the lessee is giving the lessor a legal right to increase prices at will. The lessor has successfully transferred the main risks of asset ownership back to the lessee.

One of the advantages of leasing is that the lessor is expected to carry most, or all, of the risk. If there is a high maintenance cost, that is passed back to the lessor. If there is suddenly a major change in technology, at the end of the lease the lessee can go for different technology or update the machinery and leave that risk with the lessor. The lessee should have a fixed price contract that states what he must pay for the use of that equipment for one year, two years or five years, or whatever it is. However, the conditions in some of these contracts were simply a cost-plus arrangement, whereby the risk was left with the government agency as the lessee. That is a totally unacceptable situation, yet this minister says this Government is doing well in this area and is proactive.

Mr Court: It will be published in six weeks.

Mr KOBELKE: I thank the Premier.

The second item under this heading states -

> **"The lease is automatically rolled over beyond its expiry date, at the existing payment rate, unless the lessee advises otherwise by a specified notification date"** - such 'inertia clauses' need to be monitored very carefully. If the lessee misses the notification date, they will likely pay expensive new equipment prices for old.

This is not new to the Government. We saw this in an Auditor General's report a year or so ago which examined the leasing out of the small vehicle fleet. The clear evidence that came out - I am not sure whether it was in the report or the subsequent information - was that some government agencies were being caught because they were not returning the vehicles on time and were incurring large penalties under the lease agreement. Even now, a year or two later, in this Auditor General's report there is evidence of the same problem. However, this Government is proactive! It is doing a great job! It knew 12 or 18 months ago that this was happening with leases, yet the Auditor General's report that was tabled yesterday indicates that it is still a problem. However, this Government is happy to waste taxpayers' money! It is proactive in wasting taxpayers' money! The Auditor General's report said clearly that if a large government agency leases equipment and someone forgets to give notification at the correct period near the end of the lease, that agency is locked into that lease being rolled over, with equipment that is two, three or five years old, and it must pay for that equipment as if it were new equipment. An example is given in the report, and the Deputy Leader of the Opposition referred to it and calculated that the interest rate on the capital is currently running at 30 per cent, when the Treasury interest rate is 5.2 per cent. This agency is currently paying 30 per cent interest, and if the claim by the lessor is upheld, as the Deputy Leader of the Opposition pointed out, it will be paying 60 per cent per annum interest, when the Treasury rate is 5.2 per cent. That is the sort of thing that this Government is proud of. It is proactive! It is doing a great job! The truth is that it has left out the part about wasting taxpayers' money.

The next point that I wish to take up states -

> **"The lessee will continue to pay rent notwithstanding any defect in, or seizure of, equipment"** . . . For example, one agency was liable to incur costs that could arise in disputes between the lessor and other parties.

The situation in some of these leases is that contractual arrangements or litigation between parties which are not the lessee or the government agency impact directly on the government agency, which must pick up the cost. That is the sort of thing this Government is very happy about. It is proactive in this area. I do not know whether the minister is getting kickbacks, or something. How can the minister say he is proactive and doing good work when the Government and its agencies are being ripped off to the benefit of some of these companies that are the lessors?

The DEPUTY SPEAKER: I ask the member for Nollamara to be very careful with comments such as kickbacks going directly to the minister.

Mr KOBELKE: I thank you for your guidance, Mr Deputy Speaker. I was about to say if the minister is happy with this arrangement, the only other person I know who would be happy is the lessor, who is getting a windfall profit through this mismanagement in government agencies. If the minister is happy with this, he is aligning himself with the lessors who are ripping off government agencies.

Mr Board: You have spent 10 minutes going down a line which you have completely fabricated. I said we are proactive in fixing the problem. That is what I said we are doing. You are now trying to make out that it is an entirely different circumstance.

Mr KOBELKE: I accept what the minister is saying, but these problems -

Mr Board: I said we have been very proactive in this regard, and when I respond I will tell you how.

Mr KOBELKE: How long will it take to fix? The minister is confirming everything that I have said. The minister and the Premier have sat on their hands and allowed these companies to rip off government agencies, and all they are trying to do now is cover up their complicity. The work being done by Treasury is important and useful, and hopefully it will be taken up and initiatives will be put in place in response to that work. This Government had public notice of these problems over 12 months ago, and it claims it has been proactive and has fixed the problem. This Government wants to claim it is part of the solution. If it is part of the solution, why did the Premier not have the answer when he stood up instead of having to go and get it from the advisers? Why can the minister not answer my questions now about when he will have the problem fixed?

Mr Board: I will tell you when I stand up.

Mr KOBELKE: The minister will get up and waffle on like the Premier. When will the problem be fixed? Can the minister gives us a date?

Mr Board: When I stand up -

Mr KOBELKE: The Government is running for cover. If this Government thought it was on top of the issue, a simple direct question to the minister asking him to explain to the House -

The DEPUTY SPEAKER: Order! I remind the member that this is not the time to ask a simple question of the minister. He will stand up in his turn to respond to the comments the member has made.

Mr KOBELKE: I thank you for your guidance, Mr Deputy Speaker, and you are absolutely right, because if I ask a direct question of the minister, he cannot answer it, because his answer will be too embarrassing. Therefore, the minister is very worried when I ask him a question and runs for cover. Day after day in this place, the Premier asks questions of us in

opposition, yet this minister and this Premier do not want to answer our questions about a matter which involves the wasting of hundreds of millions of dollars of taxpayers' money. This Government has sat on its hands and allowed this problem to grow out of control. It has had notice of many of these issues, if not all, for some time, and it has failed to address them, yet the minister claims that the Government is being proactive. The government may be proactive with a media spin, but it is not proactive in dealing with the major issues that should be confronted.

The last point I want to make relates to the lease terms and conditions. In some cases, the leases had blank spaces which the lessee irrevocably authorised the lessor to fill in. This is an atrocious situation. Large amounts of money are involved that cannot be quantified, although in one agency, the Education Department, it was $27m in 1998 and was on quite a steep growth curve, so one can only suspect that the total across government is $100m or $200m. The analysis by the Auditor General indicates that in the minority of government agencies for which figures were available to make a comparison between a lease arrangement and a purchase arrangement - and I suspect that in most government agencies the figures were so appallingly bad that there was no paperwork at all on which one could make a comparison - for nearly 60 per cent of the agencies that were on a lease agreement, the cost was between 2 and 16 per cent more. That is a major indictment of the management of this Government.

This Government will not get away with a lot of false and misleading words that suggest that somehow it is being proactive. It should be proactive now. This motion condemns the Government, because some of the specific issues raised in this report have clearly been on the record for 12 months, or more, yet the Government has done nothing about it. This Government stands condemned, and its rejection of this motion indicates that it is trying to run away from the problem, because the motion asks the House to express its concern about these findings, and for the minister to accept responsibility for the mismanagement and to immediately take up the recommendations that are contained in the report. The Premier said that the recommendations will be taken up, but this Government clearly is not willing to accept its responsibility for the mismanagement that has taken place with leases within the public sector of Western Australia.

MR BOARD (Murdoch - Minister for Works) [3.30 pm]: In responding to the motion moved by the Deputy Leader of the Opposition, I put on the record that we welcome the Auditor General's report. We see the Auditor General's report, which is a performance-monitoring report, as part of the role played by the Auditor General. Terminology such as the "proactive role" of the Auditor General has been used in this debate. In the past, Auditors General in some States have been condemned for bringing down reports after the horse has bolted and when there have been major disasters. We have seen some major disasters in financial arrangements in this State in the past. Now we have a situation in which the Auditor General works with government in a way which is a management tool for government. In this sense, the Auditor General, in a constructive and positive way, has worked with Treasury and the Department of Contract and Management Services, using the resources of the Auditor General's office, in identifying and helping to identify issues that have been properly raised by his office, by the Department of Contract and Management Services and by Treasury. The Department of Contract and Management Services, Treasury and the Auditor General meet on a regular basis, at both a chief executive officer level and an operational level between the agencies. They are constantly working on ways to improve the tendering, the contracting regime, the accountability of government agencies and the transparency of what we do in contracting. I have met the Auditor General on a number of occasions to discuss ways in which we might constantly improve what we do, long before reports are issued. In this case, this report comes after a series of meetings and discussions between the government agencies, particularly CAMS and Treasury, to identify these issues and ways to continue to improve the accountability and better performance of those agencies.

Mr Kobelke: So what are you doing about that?

Mr BOARD: We will get to that. We accept the recommendations of the report and, as the Premier indicated, we have had much to do with those recommendations. They are, in many ways, part of what we have been working on to identify the problem and the resolutions to those issues, and I will outline that for the member opposite shortly.

As the Auditor General has outlined, leasing has become an increasing tool for the public sector; it is an area which has expanded over recent areas, as it has in the private sector and in many other personal dealings relating to how we finance many of the things that we purchase or use in our day-to-day lives. Today many homes in the community lease computers. Many people who would never have considered it some years ago are leasing cars. The reason is that it has become a viable option for people looking at their cashflows and how they may better utilise their resources. I take exception to the point that was made by members of the Opposition, because government departments now have higher budgets than ever before. However, they are under pressure to utilise those budgets in the most effective way. I commend those agencies for making decisions to use more of their budgets for the sorts of services they can produce for the community and not necessarily tie up large amounts of money in capital equipment.

Mr Kobelke: Have you read the report?

Mr BOARD: Of course I have read the report in detail.

Mr Kobelke: That comment sits apart from the report.

Mr BOARD: No, it does not, and I will explain the reason. In the information technology industry in particular, the nature of office equipment is changing very quickly. It is incumbent on all of us to make sure that government agencies have state-of-the-art, up-to-date equipment which can produce the best services and which is the most economic way to deal with the community, whether it is a transfer of information or whether it is cost savings because of the speed of the equipment. As Minister for Works, I deal with the area of electronic commerce. One of the issues facing us in Western Australia is the development of electronic commerce. Government is playing a very proactive -

Mr Kobelke: You are waffling.

Mr BOARD: Would the member for Nollamara give me an opportunity? It is a catalyst in this regard and it is incumbent on the Government to make sure that agencies have up-to-date equipment, state-of-the-art equipment, pentium-style computers and computers that can make speedy transactions.

Mr Kobelke: That is separate from how best to acquire it.

Mr BOARD: I ask the member this: Has he tried to sell a three year old computer into the marketplace?

Mr Kobelke: The Auditor General's report takes account of write offs for equipment that has depreciated, because that depreciates very quickly and is of little value. His analysis is sophisticated enough to take that into account. On the basis of that analysis, there are cases in which the departments are paying far too much. It would be cheaper to borrow the money from Treasury at 5.2 per cent and write it off after two or three years; they would still come out ahead.

Mr BOARD: In consultation with the Auditor General's office, it felt that a number of issues made it very difficult for agencies to make accurate and long-term decisions about the sale price of office equipment, particularly IT equipment. It recognises that the speed at which the marketplace changes is such that few people could make a prediction about the sale price of a given piece of electronic equipment, particularly computers. It agrees that the model produced in the report is an economic and financial model. In some ways the realities of what is happening in the marketplace makes it very difficult for that model to stand up. Notwithstanding that, and even the Auditor General acknowledged it, we recognise agencies have made decisions which, 12 months or two years after those leasing arrangements have been put in place, they may have felt could have been better. We are keen to make sure that each time those decisions are made, particularly when those leases come up for renewal, correct decisions are made and an economic model is put in place. The opportunity must be made available for them to analyse in detail cost-effective choices between purchasing and leasing. That is why I am keen that the Department of Contract and Management Services has, for some time, been working on a panel contract arrangement which will allow those agencies to have safety in regard to the leasing company with which they may choose to work. The Government must pre-approve those companies, the rate at which the contracts are signed and the standards within those contracts so agencies can be assured that those on the contract panel from which they may choose have already been scrutinised by the Department of Contract and Management Services and by Treasury as the best option for the taxpayer.

As outlined by the Premier, Treasury has also been active in ensuring that stringent guidelines, which look at the cost-effectiveness of leasing as against purchasing, are in place. It is assisting agencies in that regard as well. I can assure members opposite that between the new initiatives of both Treasury and the Department of Contract and Management Services, the recommendations outlined in the report are being addressed. Some of the errors that have been made in the past in analysing whether something should be purchased or leased will be corrected and staff will be assisted in making the correct option by the contract panel.

Mr Kobelke: The major problem in the majority of cases is that an analysis was not even attempted.

Mr BOARD: The member also referred in his address to a previous Auditor General's report about car leasing. We acknowledged the difficulty with getting orders and some agencies not giving enough time to order vehicles. Some were returned later than the leasing arrangements provided for, which resulted in penalties. Those changes are effective. New contract management programs are in place for vehicles.

Mr Kobelke: But not across the other areas?

Mr BOARD: We are continuing to examine the standards and requirements in all our leasing areas. The purchase of office equipment and information technology is a difficult and complex area because the marketplace is changing as I speak. Equipment that is purchased today will be no longer valuable to either the Government or the community in two years' time. As the Premier indicated, particularly in large agencies such as the Education Department in which $100m will be spent on upgrading computer equipment, it is one thing to purchase equipment; it is another thing to ensure that it is up to date and state of the art so that it will encourage young people to use it. It is an ongoing issue for not only the Government but also the private sector. However, we are well across it. We have used the officers of the Auditor General, Treasury and CAMS in seeking resolutions which we are near to adopting.

It has taken some time, but as the Premier indicated, Treasury has been working on a set of guidelines that it feels will be adequate. It has taken about six months for CAMS to work on the contracts panel. I signalled to members that I would indicate when it would be in place. The contracts panel will be tendered for within three months and will be implemented here in Western Australia. Those new guidelines will provide safety for all the agencies that use those new guidelines and conditions.

Beyond that, we have been working closely with the State Supply Commission. Some weeks ago I tabled in this House a set of guidelines, principles and policies that simplified the 30 policies and guidelines previously written by the State Supply Commission into a much more usable, workable document for all agencies. The "Buying Wisely" principles announced some years ago have been extended to apply to not only goods but also services and some of the more complex and strategic contracting and now leasing that government agencies are required to do.

Contracting is an ever-changing area for which the Government wants to use its resources effectively rather than tie up large amounts of money in capital equipment which could be obsolete in a very short time. As the Auditor General indicated, leasing is a good option. However, it must be controlled and monitored, and evaluated regularly. It is important that agency staff have the correct contract management and procurement skills. With that in mind, over the past six to twelve months

in particular, CAMS has been working effectively - I think this is known throughout the public and private sectors - to increase the contract management and procurement skills of our public servants at not only chief executive officer level but also the lower purchasing officer levels. Approximately 400 public servants are completing additional contract management skills and certificates. We have introduced a postgraduate training program in contract management at Curtin University. I am also discussing with other universities whether it is advisable and of some benefit in Western Australia to have a chair in contract management so that we lift the skills within not only the private sector, but also the public sector as we try to get more value for our taxpayers' dollars.

The Government fully endorses the recommendations in the report of the Auditor General and we are adopting those recommendations. We have been in the process of doing that for some time. We have worked with the Auditor General on the recommendations in the report. CAMS and Treasury have been very much part of the way in which this report has been presented. It is a good management tool and one that we can use to continue to refine our financial management in Western Australia.

Amendment to Motion

Mr BOARD: I move -

To delete all words after "House" with a view to inserting the following -

notes the Auditor General's report on the leasing of office and other equipment. The House also notes the more innovative management techniques being adopted and developed in the Western Australian public sector for the benefit of the Western Australian community and commends the ongoing work by Treasury and CAMS as noted by the Auditor General.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [3.46 pm]: I am disappointed that the Government will not support this motion and I am puzzled about which aspects of the motion the Government has difficulty with. The motion calls on the Government to accept the recommendations of the Auditor General's report. The Government says it will accept the recommendations. That is one element of the motion with which it agrees.

The motion notes that the Auditor General's report indicates a level of mismanagement and wastage of taxpayers' money that cannot be allowed to continue. Surely the Government agrees with that. Surely it does not think the report does not show mismanagement. Surely it does not think the mismanagement should be allowed to continue. Why will the Government not accept that element of the motion? Finally, the motion calls on the Minister for Works and Services to accept ministerial responsibility for this mismanagement. Perhaps that is the element with which the Government has some difficulty. Perhaps that is the element that has caused the minister to move his amendment.

Mr Board: It is worded in such a negative way.

Mr RIPPER: When we analyse the motion, there is only one element with which the minister could disagree and that is the element of acceptance of responsibility. From the minister's speech, people would have concluded that the Government had taken office only yesterday and discovered this problem of mismanagement and waste in leasing and that now the minister is moving to fix it. The problem is the Government has been in office for six and a half years. The Auditor General's report spends a page highlighting a terrible example whereby an initial contract was signed in 1993 and renewed in 1997. It was during the minister's term of government. Obviously it is an ongoing problem. The minister says that he is dealing with it now, but it is six and a half years on. The minister cannot get away with it.

Potentially millions of dollars have been wasted in those six and a half years while the agencies have been waiting for the minister's guidelines and advice, and for the advice and guidelines of the Treasurer. It will be interesting to know what interim advice or instructions were issued to agencies while the Government has been working on its magnum opus that will solve the problem. What ministerial circulars have been issued while he has been working on the great work of art that will be finally issued on high from Treasury? I do not think that is good enough. The Government's position is that we should not worry about the mismanagement and waste that has already occurred because the Government will fix it soon. That is not a good enough response. Potentially millions of dollars have been lost. The Government should have had a better answer than that, and it should have found it possible to support this motion.

Amendment (deletion of words) put and a division taken with the following result -

Ayes (29)

Mr Ainsworth	Mrs Hodson-Thomas	Mr Minson	Mr Sweetman
Mr Baker	Mr House	Mr Nicholls	Mr Trenorden
Mr Barron-Sullivan	Mr Johnson	Mr Omodei	Mr Tubby
Mr Board	Mr Kierath	Mrs Parker	Dr Turnbull
Mr Bradshaw	Mr Marshall	Mr Pendal	Mrs van de Klashorst
Mr Court	Mr Masters	Mr Prince	Mr Wiese
Mr Cowan	Mr McNee	Mr Shave	Mr Osborne *(Teller)*
Dr Hames			

Noes (16)

Ms Anwyl	Dr Gallop	Ms MacTiernan	Ms McHale
Mr Brown	Mr Graham	Mr Marlborough	Mr Ripper
Mr Carpenter	Mr Grill	Mr McGinty	Ms Warnock
Dr Edwards	Mr Kobelke	Mr McGowan	Mr Cunningham *(Teller)*

Pairs

Mr Barnett	Mrs Roberts
Mr Day	Mr Thomas
Mrs Edwardes	Mr Riebeling
Mrs Holmes	Mr Bridge

Amendment thus passed.

Amendment (words to be substituted) put and passed.

Motion, as Amended

Question (motion, as amended) put and passed.

STATE FOREST No 69 - REVOCATION OF DEDICATION

Assembly's Resolution - Council's Concurrence

Message from the Council received and read notifying that it had concurred in the Assembly's resolution.

BILLS - RETURNED

1. Appropriation (Consolidated Fund) Bill (No 1) 1999.
2. Appropriation (Consolidated Fund) Bill (No 2) 1999.

Bills returned from the Council without amendment.

YEAR 2000 INFORMATION DISCLOSURE BILL 1999

Second Reading

Resumed from an earlier stage of the sitting.

MR BROWN (Bassendean) [3.56 pm]: The Opposition has indicated support for this Bill being passed today. The Opposition is obviously well aware of the year 2000 computer problem and the ramifications that will entail for industry and the community. This Bill was introduced into this place this morning and, as I have had to focus on a number of things today, it has not been possible for me to examine the Bill with the degree of scrutiny that I would normally like. However, given the importance of the matter, the Opposition is prepared to act on trust that this legislation has been properly drafted and will have the desired effect, as outlined in the Deputy Premier's second reading speech.

We all know that while the celebrations around the new year will be very significant, many people will be holding their breath when the clock strikes midnight on 31 December 1999. Although a significant effort has been made by Governments and industry to make all appliances and equipment year 2000 compliant, there can be no absolute guarantees that when the time arrives the problems will have been resolved. So much is that the case that a number of the world's major airlines will not have their planes in the air over the new year period. Some of those airlines, particularly highly reputable airlines such as Qantas and Singapore Airlines, have made this decision, not because they have doubts about their own equipment, which they believe is year 2000 compliant, but rather because they have doubts about the landing equipment and services on the ground. They cannot be sure how that equipment and those services will operate because they are in the hands of other companies and other Governments. Even if their planes are 100 per cent compliant, they cannot be sure that other services on which they are forced to rely will be compliant.

I note that some airline companies that are absolutely confident that everything is in place are encouraging their directors to take to the air on 31 December, so that they are in the air or taking off from one destination and arriving at another. I wish those companies and their directors every success. However, it is something that has been troubling industry and government at large. The Opposition was briefed by some financial analysts around six weeks ago on this matter. It was suggested that all of the money that has been spent on ensuring computer equipment is compliant comprises 1 per cent to 1.5 per cent of the gross domestic product. It will be interesting to look at the economic growth rate after this year to see what the expenditures will be once this immediate requirement has, hopefully, dissipated.

Australia is fortunate in that its Government, and other Governments around the world, have taken an active interest in this matter. Prior to the onset of hostilities in Yugoslavia, I had the opportunity of a briefing by the ambassador to a range of countries made up of the former Republic of Yugoslavia. One of the matters raised was the degree to which those countries had taken steps to become year 2000 compliant. The ambassador acquainted us with the fact that there had been a mixed bag of reaction in those countries. In some countries the Government of the day had decided to initiate some action to encourage industry, as well as its own agencies, to become year 2000 compliant. It was given a lesser priority in other countries. In one of those countries Cabinet considered the matter at length and considered that a panic could break out if people became aware of this problem, so issued an edict that it was not to be discussed. It will interesting, and, hopefully, not catastrophic, to see what are the implications of this decision.

I do not know that any company large or small, or any organisation including organisations in the non-government sector, have not been touched by this problem. I am sure that prior to the deadline a number of organisations will be taking all sorts of steps to back up both their intellectual property and their records, so that in the event of their systems going haywire that they are able to retrieve the information they require. This Bill seeks to provide a mechanism under which industry may be assisted by the sharing of information, so that information which is shared does not create a liability. In that respect it is eminently sensible, although I do not know whether it covers all of the circumstances and the relationships under which such information may be disclosed, or provides an immunity in all of those situations.

Although this Bill was introduced earlier today and has been discussed in the other place, in the short time it has been available I have not had the opportunity to scrutinise it in the degree to which I would normally examine legislation of this importance. However, the Deputy Premier has indicated to the Opposition that the Government is keen for the legislation to go through and sometimes one must take some matters on trust. From the Opposition's point of view it is all care but no responsibility with this Bill. If there seems to be deficiencies in the legislation, the Opposition will explain to people about the limited amount of time we had to examine it and the fact that on balance we considered that the Bill should progress rather than being delayed - at least until the Parliament came back and possibly for some weeks after that time. The Opposition supports the passage of the Bill this afternoon.

MR KOBELKE (Nollamara) [4.05 pm]: I will follow on from my colleague the member for Bassendean to make a few short comments on this Bill. The whole issue of the year 2000 bug and compliance has received a great deal of media attention. Some of that has been supported and driven by the minister to make people aware of the potential problems involved and steps needed to ensure that they are not beset by a major problem at the start of the year 2000 due to the failure of computer equipment or other equipment that contains a microprocessor with the two digit date code that will not continue to operate or would operate in some improper way in the coming of 2000.

The purpose of the Bill is to encourage individuals and corporations to disclose information about the year 2000 compliance of goods supplied. At the moment that is a huge issue in business and across government. In a briefing that we received on another topic a little while back we were told that Australia is spending currently nearly $5b to become year 2000 compliant. That is a huge amount, and was raised in that briefing in the context that it was one of the factors driving the Australian economy at the moment and why it was doing so well. There has been a huge commitment of resources and funds from industry and government to try to meet the challenge that is posed here. A great deal of conjecture exists about whether the problem has been overblown in its importance or whether it will be a problem in many areas. The outcomes could be disastrous if we do not take every precaution possible. It is incumbent on us to ensure that equipment which could run into the year 2000 bug is found and removed from the system, or alternative fall back arrangements are put in place on account of the possibility of particular operations or a piece of equipment failing due to the microprocessors involved in the year 2000 bug.

The nature of the Bill is to encourage people to achieve protection from civil liability by issuing compliance certificates or advice through disclosure statements. It is a two-way street in that this legislation seeks to give a form of immunity to the issuer of the compliance notification and also that suppliers will give such statements that will enable the users and purchasers of the equipment to be in a better position to try to cope with the situation. As to whether the Government has got the balance right, it is hard for us to judge given the limited time that we have. The Government is probably on a wish and prayer in the hope it has got it right. Not just this Government but Governments across Australia which have tried to deal with this difficult issue. We accept that the Government has made its best efforts and we support that. Time will tell whether this legislation will assist to meet this problem.

The legislation gives a form of civil immunity to the person who gives the year 2000 disclosure statement. However, it is not open-ended and there are exceptions. The protection does not extend to false, misleading and reckless year 2000 disclosure statements. The words "false" and "misleading" are fairly well defined in law. The exact understanding of the word "reckless" can be a matter of debate. In the debate in the other place, there was some disagreement over what "reckless" meant. I will approach it here with its common usage and leave it to the lawyers to work out exactly what it means. We support the intent of the legislation.

The onus remains on a person making a year 2000 statement to make all reasonable efforts to ensure that the statement being made is not false, misleading or reckless. These protections do not extend to year 2000 disclosure statements on a number of other grounds. I will quickly summarise them. They are in connection with the formation of a contract to a person who subsequently becomes a party to a civil action relating to that contract. Other exemptions are where it is in fulfilment of a contractual obligation; where it would be to induce consumers to acquire goods or services; where it is a civil action to the extent that it consists of proceedings for a restraining conjunction or for a declaratory relief; where it is in the performance of a regulatory function or power; and where it would be related to a civil action solely based on the infringement of an intellectual property right. Other than those examples, there is civil immunity for the person issuing the year 2000 disclosure statement.

This Bill mirrors the commonwealth Act which took effect on 27 February of this year. The legislation in this and other States is required to extend the provisions of the commonwealth Act to cover state jurisdiction. This would apply to areas where disputes may relate to intrastate commerce, for example, where there could be a question of the application of the commonwealth Act. The State therefore needs to put in place its legislation to ensure that there is coverage across commonwealth and state jurisdictions. The Deputy Premier might check this off when he rises, but I understand that most other States have this legislation in place and that we are one of the last, if not the last, to put in place this mirror legislation.

That is the basis for some criticism of the Government. We were offered the opportunity of a briefing on this Bill, but only this week. Although I was keen to attend, I was already committed, so I was unable to receive a briefing. This is the last day of the autumn sitting. We cannot put this matter off to have time to look at the issues involved and the drafting of the Bill and comment on whether we think it could be improved. That is not acceptable. It happens from time to time that the course of events means the Government must act without delay. However, the Federal Government had the legislation enacted in February. We have waited until now before starting debate on the legislation. It is not merely a matter of the legislation being left to the end of the session and it having to be rushed through. The importance of the provisions of this legislation in encouraging year 2000 disclosure statements relates specifically to the period in which it can be done before the year 2000. If the matter is left to the last few months, it will have very little effect in addressing the range of problems

and seeing the issuing of the year 2000 disclosure statements as an important part of managing the matter. The issuing of year 2000 disclosure statements should have occurred during the whole of the year in the lead-up to the critical point of 1 January 2000. We have lost several months already.

It may be that industry is already aware that the legislation will go through and is working on the basis that it is in place because it has a retrospective element, which I will comment on in a moment. It is not good enough that it has been left until July to put in place something that the Commonwealth Government had in place on 27 February. I was talking to people in the computer industry a year or two ago. They were then clearly of the view that we needed legislation in this form. They might like something different, but this has come out of a long consultation process between State and Federal Governments and industry. We accept that it is based on good grounds and has been formulated with good intent, and we wish to support it. If the Commonwealth Government was able to put its legislation into operation in February of this year, it would seem on the basis of mirror legislation that March or April at the latest is when the legislation should have been debated in this Parliament and passed, not only so that we could have the opportunity to consider it properly but also so that it was in place earlier to give the benefits suggested by it. Timing is of considerable importance in being able to use the indemnity from liability offered in this Bill.

The effectiveness of the indemnity goes back to 27 February of this year, which brings it into line with commonwealth legislation. I hope the Deputy Premier will correct me if I am wrong because, as I have said, I am not well versed on the Bill. I understand that if a year 2000 disclosure statement was given in the period between 27 February and the assent to this Bill, the indemnity applies, but if some type of civil action was initiated during that period, it does not. If a product or service was sold in March and a statement was issued for year 2000 compliance and some civil action occurred, these provisions would provide a limited form of immunity from liability. If after receiving the service or equipment, the company had, through proper process in respect of the year 2000 compliance, checked on the equipment or service and had discovered that it did not meet the required standards advertised or stated and it had already initiated legal action, the immunity implied in the Bill would not apply. That is my understanding of its retrospectivity. The Deputy Premier may correct me if I am wrong.

I will move to an example of year 2000 compliance and the problems that can arise. The Western Australian Department of Training has a centralised computing system which manages the enrolments and the related finances in all of the colleges. It is the core of the operations of the TAFE colleges and of all training in Western Australia. The department needs to be able to manage students' records across various colleges. The Commonwealth requires it to report back on student hours and so on. Therefore, it is an important core to the whole function of training. The computer program system that manages this is called the college management information system and it is not year 2000 compliant. In about April 1997, being aware the system was not year 2000 compliant, the Department of Training began a major program to establish what it renamed as the college management information system 2000. I am told the project had two major core objectives: One was to make the system year 2000 compliant and the other was to make sure it was tailored to the needs of the new independent colleges. Unfortunately the whole project was a total failure. It is covered in the Auditor General's report which was tabled yesterday. He wrote -

> In 1997 WADOT commenced a project to provide colleges with an improved system. Functional (user) requirements had not been fully agreed prior to the commencement of the project, increasing the likelihood of the system failing to meet the needs of users.
>
> The project was suspended in October 1998 with no software delivered to end users. The 1997-98 and 1998-99 budgets for the CMIS, which included the ongoing operations of the existing system plus the new development, totalled $5.1m. While $970 000 was paid to contractors who worked on the technical aspects of the project, Departmental records did not enable accurate reporting of the cost of internal staff time or other costs associated with the project.

This government department committed itself to a project which was essential to the operation of a major undertaking of government, and it committed itself in a way that did not meet proper planning requirements. While the $5.1m that is mentioned in the report applies to both the new part of the project and the ongoing maintenance of the existing system, I understand from the Office of the Auditor General that about half of that amount - about $2.5m - was spent on trying to put in place the new development. Therefore, $2.5m was spent to develop a software package that would be year 2000 compliant but that failed to deliver anything to the end users; in other words, it was a total failure, and they had to go back and start again. However, that is a debate for another day in terms of the recommendations of the Auditor General about how it may do that. An amount of $2.5m has been wasted in just over a year, with no outcome for the end users.

There is potential for large sums of money to be spent in litigation between various people about year 2000 compliance matters. If that is the case, we hope this legislation will assist in trying to dampen down the potential for litigation if things go wrong. I say "if", because we hope the year 2000 problem has been addressed adequately in central areas and planes will not fall out of the sky and major catastrophes will not occur on 1 January next year, but if things do go wrong and costs are involved and parties seek to gain recompense from other parties with regard to the software packages and computer systems that have been put in place, we need to have some way to manage that. If companies cannot see the light at the end the tunnel and a way of managing their transfer to a new system for the year 2000, we will not be able to deal with this issue. This Bill is just one part of the whole structure that this and other Governments around Australia, along with businesses, have put in place to deal with this issue.

It is a pity that we have had so little time to do justice to this important legislation. We accept the undertaking given by the Government that this Bill is the best it can devise to try to deal with this aspect of the problem. This is certainly a problem

that must be addressed, and, for that reason, we support the legislation and the other matters on which we hope the Government will continue to work in dealing with this major issue that we will face at the end of this year and the start of 2000.

MR COWAN (Merredin - Minister for Commerce and Trade) [4.23 pm]: I thank members opposite for their support of the Year 2000 Information Disclosure Bill. I understand members' concerns about the limited time they have had to consider this legislation. In the Government's defence - I am not sure the Opposition will accept this - a briefing was made available to all members of the Opposition, but I appreciate that members cannot necessarily adjust their diaries to attend a briefing to get the full details about this legislation.

Mr Kobelke: It was at very short notice.

Mr COWAN: I understand that. I appreciate the fact that the Opposition has been prepared to sacrifice its close scrutiny of the legislation in return for having the legislation agreed to by the Parliament so that it can be enacted. It is important that this legislation be put in place, as the members for Bassendean and Nollamara have indicated. The commonwealth legislation was passed and enacted on 27 February, and this is complementary legislation. This Bill will effectively cover those areas which the commonwealth legislation does not cover; and some business entities, and also government trading agencies, come to mind. In the main, the commonwealth legislation will be predominant and will cover much of this ground. However, the States were asked to pass complementary legislation because of the Commonwealth's concern about the capacity of government trading enterprises to indicate whether their operations had been tested and were Y2K compliant. It was also believed necessary, because of the dependency of many business operations on the supply of services from government trading enterprises, that they be in a position in which they could in all reasonableness state that they had done as much as they could to ensure that their operations were Y2K compliant and they could provide continuity of service, without any fear of litigation.

The member for Nollamara raised one issue with regard to the one difference between the state legislation and the commonwealth legislation and referred to clause 6(1)(d) of the Bill. That clause effectively does exactly what the member for Nollamara said. If action were taken by a person against a company between 27 February 1999 and the date at which assent was given to this legislation, that action would not be prevented by this legislation. It is not our intention to seek to interfere in court actions that have been taken prior to assent being given to this legislation.

Mr Kobelke: Do you know whether any actions are already in the courts?

Mr COWAN: I understand that no actions have been taken in Western Australia, but will confirm that for the member. I thank members opposite for their trust in the Government. We do not see that very often, but in this case, I assure members it is warranted. I ask members to support the Bill.

Question put and passed.

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

FEDERAL COURTS (STATE JURISDICTION) BILL 1999

Second Reading

Resumed from 30 June.

MR McGINTY (Fremantle) [4.29 pm]: The Opposition supports this Bill, although we have some serious questions about the likelihood that it would be sustained if it were subject to judicial challenge. I will touch on the history of this matter and the way in which courts have operated in this country over the years.

The ACTING SPEAKER: Order, members! There is too much background noise.

Mr McGINTY: For the first 70 years of federation, no federal courts were operating in Australia, except in some small areas such as industrial relations and possibly bankruptcy. Our judicial system operated in this country, with the exception of the High Court of Australia, with federal jurisdiction being exercised by state courts. If a matter arose under a federal law, it would be dealt with by the State's Supreme Court exercising either state or federal jurisdiction. That system operated quite well in the early days. It had a foundation in the Australian Constitution: Section 77 of the Constitution enabled the Commonwealth to vest federal jurisdiction in state courts. It was never subject to any significant challenge. It is interesting to note, and this has given rise to the problem with last week's High Court decision that there is no power running the other way, enabling a State to vest state jurisdiction in a federal court.

Mr Prince: For example, you could appoint a federal court judge as a Supreme Court judge, and therefore get over the problem. That was done originally with the Family Court here. As I recall, the first Family Court judge was also a Supreme Court judge.

Mr McGINTY: As I go on, I will develop this problem. However, I think the minister might run into some difficulties with the appointment of a federal court judge who, under chapter III of the Constitution, can act judicially to exercise only some of the powers of a state court, which are not judicial powers, and that might give rise to problems relating to the initial appointment of that person to perform that type of function. I will come to that point in a moment. It is an area fraught with difficulty. The point I was making is that for the first 70 years, the system worked quite well when there were no federal courts. These jurisdictional issues never arose in a way which would give rise to problems. In a practical sense, if one goes back 100 years, the idea of setting up a Federal Court of Australia to operate alongside the state Supreme Courts would have been too expensive for the country at that time. It is interesting to note that the experience in the United States of America was considerably different; that is, the federal courts could not trust their state counterparts to do the right thing, particularly

when it came to matters related to civil rights and the like. There was a complete difference between the courts in some of the southern states in the United States and the views which were adopted by the Supreme Court of the United States of America. From a very early stage in the United States, the federal court system was adopted as a matter of necessity because the States could not be trusted.

That all changed in the mid 1970s when two very important Acts were passed by the Federal Parliament; namely, the Family Court Act and the Federal Court of Australia Act, which established federal courts for the first time in Australia. There is one notable exception; that is, the Family Court of Western Australia. It was established as a state court, not as a federal court. The wisdom of that has now been borne out by the decision last week from the High Court of Australia, which found that federal courts could not exercise state jurisdiction or had no power to deal with matters arising under state laws. The establishment of the Family Court of Western Australia as the exception throughout the Commonwealth, where it was established as a state court exercising both state and federal jurisdiction, has meant that it was not touched by last week's High Court decision.

Mr Pendal: Do you think that might prompt other States to follow what Western Australia has done? Is that likely?

Mr McGINTY: I think that is now incredibly likely because the end point to which I will come in this speech is the need for a referendum to change the Constitution to overcome the problems that have been allowed to arise as a result of last week's High Court decision, or a cooperative arrangement such as that which was done in the mid 1970s by then Attorney General Medcalf in establishing the Family Court of Western Australia to exercise both commonwealth and state jurisdiction.

There is no problem in Western Australia today in respect of the Family Court Act. I will give a couple of examples of the sorts of difficulties the other States will experience. The other States adopted a different pattern to that in Western Australia. They vested the federal Family Court with power to deal with state matters such as the property rights of de facto couples and exnuptial children, neither of which come within the federal constitutional power to legislate in respect of marriage and families. Difficulties are now arising in those States under the Family Law Act. There is a way around this problem in some respects, but it touches on something which has been a major political-cum-philosophical problem for the States over the years; that is, that under section 51(xxxvii) of the Commonwealth Constitution, there is a power for a State to refer a state constitutional power for the Commonwealth to legislate in respect of that matter. I say to the member for South Perth that that is an alternate approach which might be adopted here. Once that power has been referred to the Commonwealth, the Commonwealth can then legislate in respect of that matter.

Mr Prince: That was how the income tax power was transferred to the Commonwealth in 1943.

Mr McGINTY: There are political difficulties in adopting that power to refer, for instance, corporations powers to the Commonwealth. I would have thought that would be an eminently sensible move in the light of the national or international nature of corporations today. Nonetheless that still gives rise to those political difficulties. If one were to adopt this Parliament's referring a constitutional power to the Commonwealth to legislate in respect of that matter, that would then become a matter within commonwealth jurisdiction, and it would not give rise to the sort of problems we saw last week. This State or the other States could legislate to refer to the Commonwealth power in respect of de facto property rights in marriage matters and powers in respect of exnuptial children. They could then be incorporated within the powers of the federal Family Court to deal with those matters. That would be a solution to those problems. There has always been a reluctance on the part of States to do that.

Other matters arise as part of this problem. In the 1970s we had two sets of courts - federal courts and state courts. The state courts exercised federal jurisdiction which was referred to it under section 77 of the Constitution, as well as state jurisdiction. The federal courts exercised their own federal jurisdiction. In addition to that, they exercised pendent and accrued jurisdiction as well. By that, in those cases which might involve an area of federal jurisdiction, and at the same time touch on a matter within the state jurisdiction, if the substance of the claim were a matter within the federal jurisdiction, a federal court would have power to deal with it, notwithstanding the fact that to a smaller degree it was also a matter within state jurisdiction. A federal court could resolve a state claim in its pendent and accrued jurisdiction if there were sufficient connection between the federal and the state claim. However, the problems which then arose were that a lot of state claims were not sufficiently connected, therefore the federal court had no power to deal with that matter. If they were insufficiently connected, the federal court would not have that power, but nonetheless an application could often be made to the federal court for it then to be ruled out in that court. That has given rise to the problem of forum shopping or jurisdiction hopping, which has quite often caused problems with unscrupulous lawyers using tactics and delaying measures in the courts. That was the reason that the States moved to solve this problem in the late 1980s. For example, what is essentially a trade practices matter could also involve matters of contracts or torts, which are a state matter. Therefore, it is a question of whether it is substantially a trade practices, contract or torts matter which will decide whether the Federal Court would have jurisdiction to deal with it. Among the solutions suggested in this ongoing debate was one from the Chief Justice, Sir Francis Burt, that we have one unified court system, which has much to recommend it. However, a constitutional amendment was required to achieve that objective.

In 1987 we saw the cross-vesting scheme that has been struck down by the High Court, legislated for by the Hawke Government and, if my memory serves me correctly, the Burke Government in this State. The idea was to do it in this way: First, to vest all commonwealth jurisdiction in state courts. That can be easily done under section 77 of the Constitution and then to vest state jurisdiction in federal courts. That was always the issue over which there was a significant question mark. The State legislated to vest the state jurisdiction in the federal courts and the Federal Parliament legislated to accept the vesting of that jurisdiction. They were the two steps involved in that process.

Another two steps were taken: First the States vested jurisdiction in not only the federal courts but also the courts of each

of the other States and Territories. Provision was also set up for judges to transfer claims between the courts. A completely integrated system arose from this cross-vesting of jurisdiction in the States at that time. The real hole in the plan was whether the States had the ability to vest jurisdiction in federal courts even when the Federal Government had consented to that. That has now been ruled out by the High Court of Australia. Prior to the 1970s there were no federal courts of any note. The federal and state courts exercised their own jurisdictions during the 1970s. From 1987 onwards there was the cross-vesting arrangement whereby every court had every jurisdiction and exercised them.

I refer to some of the problems that have given rise to this legislation and the High Court decision of last week. Chapter 3 of the commonwealth Constitution, I think section 71 through to about 80, deals with the independence of the judiciary and establish the exercise of the commonwealth judicial power. One of the fundamental principles that runs through all the cases over the years is that no-one can interfere with the exercise of federal judicial power. That means that the Commonwealth Parliament is limited in what it can give a federal court. For instance some of the things we give to our state Supreme Court, the Commonwealth cannot give to its courts whether it be the High Court or the Federal Court.

In the 1920s in Re Navigation it was decided that a law that gave the High Court power to give advisory opinions was unconstitutional. So there is no power for any federal court to give advisory opinions because that is not the essence of judicial power. More recently in the Brandy case, the High Court ruled that the registering of orders from the Human Rights and Equal Opportunity Commission as orders of the Federal Court was unconstitutional as it represented an interference with judicial power. In each of those cases some difficulties have arisen. They have manifested in not only the Human Rights and Equal Opportunity Commission but also the National Native Title Tribunal, whereby orders of the tribunals cannot be registered as orders of any Federal Court because they offend the provisions of judicial power contained in chapter 3 of the Commonwealth Constitution.

The message from that is that we cannot muddy the waters when it comes to the exercise of federal judicial power. We cannot muddy those waters by giving a federal court state jurisdiction because that could be giving non-judicial power to a federal court, which can only exercise judicial power. Provisions in Western Australian law, for instance, provide things such as an Attorney General's reference. It is not an exercise of judicial power. I refer to the Mickelberg case that was referred from the Attorney General to the state Supreme Court to decide. If my memory serves me correctly, it was either under section 140 of the Sentencing Act or something equivalent to it. Essentially it is a petition for mercy. It is not a judicial function to determine issues of that nature.

In relation to criminal law it is to determine guilt or otherwise of part of a trial. A provision such as an Attorney General's reference, would be, if there were a complete cross-vesting, giving to a federal court something that is not judicial power and which would be found to be unconstitutional. We cannot diminish, sully or dilute federal judicial power and we cannot ask the Federal Court to do more than decide judicially cases that are before it.

About four years ago the High Court decided the Kable case, dealing with probation and parole. A Victorian law gave the Supreme Court judge the power to make a decision to release or not to release the only person in that State who fitted the criteria contained in the Bill. It was ruled by the High Court that there was a constitutional limitation on the ability of a State Parliament to legislate in respect of non-judicial functions for a state Supreme Court that was vested with federal power. It was said that because state courts exercise federal jurisdiction, the limitations which are to be found in chapter 3 of the Constitution will limit state courts in exercising that state jurisdiction.

It is important in the light of the decision last week in the High Court in the Wakim series of cases, that a number of problems for the future of the State then arise. The Kable case determined that chapter 3 of the commonwealth Constitution will limit the power of the state Legislature to legislate in respect of any court that is also exercising federal judicial power. Examples of practices that exist under the state scheme, which might well be found to be unconstitutional, include the power to make the Chief Justice the Lieutenant Governor. If the state Supreme Court were a federal court, appointed under chapter 3 of the Constitution, the notion of judicial independence would establish that the concurrent appointment of the Chief Justice of a federal court to be the Lieutenant Governor would be unconstitutional. The power of the state Supreme Court to give advisory opinions would equally be found to be unconstitutional as not being an exercise in judicial power.

I have referred to the Attorney General's reference issue. That would similarly be found to be not an exercise of judicial power. The power that was recently exercised in this State to appoint Supreme Court judges to be royal commissioners while they hold their commission as Supreme Court judges, would be inconsistent with the constitutional requirement not to dilute the exercise of federal judicial power, and would mean that a royal commission consisting of state Supreme Court judges would be invalid.

A matter currently before this Parliament is the move to implement in sentencing laws in Western Australia the sentencing matrix, a matter which has been debated in this House and which is currently before the upper House. It is highly arguable, on a proper application of the Kable case of four years ago reinforced by last week's decision of the High Court in the Wakim cases, that that sentencing matrix to be imposed on the state courts would be found to interfere with the performance of a judicial function. Sentencing of offenders is of its nature a judicial function. A State Parliament interfering with the exercise of that judicial function would be found to be unconstitutional on the basis that the state Supreme Court is exercising federal judicial power. One of the unthought-of consequences of last week's High Court decision could well be that the sentencing matrix is unconstitutional. I hope that before the matter proceeds much further - I am aware it is before a committee at the moment - the best constitutional advice will be sought and obtained on the extent to which it represents an interference with the performance of a judicial function. The Kable case of some four years ago is now enhanced in its importance, because the direction the High Court is clearly taking - I refer to the new High Court with Justice Murray Gleeson as Chief Justice and a number of appointments of recent origin - indicates that even greater importance is placed on chapter 3 of the

Constitution and the importance of judicial independence. We can expect to see from the Gleeson court a higher level of activism in ruling unconstitutional, measures which affect state courts exercising federal judicial power where there is interference with the judicial functioning of that court, such as the appointment of judges to external bodies of a non-judicial nature or the sentencing matrix proposed to apply to all courts in this State. As part of this debate, I foreshadow those difficulties as consequences which flow from this matter.

A few minutes ago the member for South Perth raised the issue of whether the Family Court of Western Australia model might be adopted elsewhere in Australia. There is no doubt that a practical, commonsense arrangement between the courts was arrived at in this country in the cross-vesting arrangements entered into in 1987 in Western Australia, which allowed every court in Australia to exercise in every jurisdiction. It was a sensible arrangement, and the dissenting judgment by Judge Kirby in the Wakim case last week emphasised the philosophical underpinnings of our judicial system, and the importance of a cooperative approach, federalism, and flexibility, as opposed to reverting to a system that would provide a field day for lawyers. The rich litigants would be advantaged by taking jurisdictional points, which would encourage forum shopping for the most advantageous jurisdiction to which to take a claim and the like. All those problems will be back with us, and it is time this Parliament made a loud and clear call for constitutional change to amend chapter 3 of the Constitution. I know that the New South Wales Attorney General, Jeff Shaw, has made such a call and it would be an appropriate time for Parliaments and political parties around Australia to get together to resolve this problem. It is in nobody's interest to allow this situation to continue any further, and it will give rise to a series of unexpected difficulties in the future. That includes state jurisdiction which was thought, generally speaking, in the past to be immune from the requirements of chapter 3 of the commonwealth Constitution in respect of the exercise of commonwealth judicial power.

The High Court has invalidated state attempts to vest federal courts with state jurisdiction. State courts will still be able to exercise state and federal jurisdiction, but federal courts will be able only to exercise federal jurisdiction plus the accrued and pendent jurisdiction to which I referred earlier. This legislation seeks to make all federal judgments based on state jurisdiction, other than the pendent and accrued jurisdiction deemed to be state Supreme Court judgments. That deals with all pending and past judgments, and operates retrospectively to make those state Supreme Court decisions enforceable as such. I have serious doubts about whether it will be found to be constitutional to take an invalid decision of a court exercising federal judicial power and then, because it is invalid in that area, move it to a court which also exercises federal judicial power, namely, the state Supreme Court. It runs the severe risk that this measure will be found to be unconstitutional.

That is a matter for the future, and it is unfortunate that the people who will seek to challenge that law, generally speaking, will be rich fugitives from the law in this State. One current case involves Mr Tony Oates, who is facing state Corporations Law and criminal law charges. He is being expedited through federal court proceedings. This legislation will seek to have federal court orders, perhaps such as matters relating to his extradition, deemed to be an order of the state Supreme Court and enforced as such. People such as Tony Oates may challenge this law, and it would be a grave injustice if he were not brought to trial in this country to face the charges and be dealt with according to the law. It is a construction placed by the High Court which defies a practical, realistic, federal cooperative system in the administration of the courts in this State. We shall face many difficulties. We should not look upon this legislation as the solution, although it is the best the Solicitors General around the country could come up with. In the same way the 1987 cross-vesting arrangements were thought to be the best arrangement that could be entered into, notwithstanding the serious legal opinions at that time that they would not work constitutionally, and that is now found to be the case with the decision two weeks ago in the High Court in the Wakim cases.

It is important to cooperatively pass this legislation to offer a measure of certainty to those people who, in good faith, have gone through federal court proceedings, which have now been found to be invalid. Nonetheless, they went through as part of the proceedings as the law then stood, and certain decisions and orders were made as a consequence of that. It is appropriate to validate those, in the same way that we validated Family Court orders made by registrars, which were subsequently found to be invalid. We moved quickly as a Parliament to validate the orders made at that time.

We must be mindful of the problems ahead. It is a minefield and it will throw up considerable difficulties in the future. I would not be at all surprised if this legislation were ultimately found to be unconstitutional. The Labor Party supports this legislation for the reasons given by Justice Kirby, the only dissenting judge of seven judges of the High Court in this matter, because we must do what we can in a practical and realistic way to resolve this matter. People should also turn their attention to the other problems which have arisen, such as the invalidity of the sentencing matrix, and consider all the issues arising from this matter.

Question put and passed.

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

ADJOURNMENT OF THE HOUSE

On motion by Mr Cowan (Deputy Premier), resolved -

That the House at its rising adjourn until a date and time to be fixed by the Speaker.

House adjourned at 5.00 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

FORESTS AND FORESTRY, CONSERVATION RESERVES

2523. Dr EDWARDS to the Minister for the Environment:

(1) How many hectares of actual forest were approved as new conservation reserves under the 1994-2003 Forest Management Plan in the following categories -

(i) formal reserves ie. national parks, nature reserves, conservation parks;
(ii) informal reserves; and
(iii) other?

(2) What area of the forest referred to in (1) (i), (ii) and (iii) above is defined by the Department of Conservation and Land Management (CALM) as old growth forest?

(3) What is the breakdown of forest types by area in (1) (i), (ii) and (iii) above?

(4) How many of the new reserves have been gazetted since the Plan was approved in 1994?

(5) Is the forest in the approved, but not gazetted, reserves in (1) (i), (ii) and (iii) above included in the more than 1 000 000 hectares of forest that the Government has currently reserved from logging?

(6) Will any of the forest in the above already approved reserves be included amongst the new reserves announced under the Regional Forest Agreement?

Mrs EDWARDES replied:

(1)-(6) For management purposes, conservation reserves, whether existing or proposed, were considered as one following the publication of the Forest Management Plan 1994-2003 early in 1994. At the beginning of the Regional Forest Agreement (RFA) process, conservation reserves were identified as either existing or proposed at that time. While details of the changes in the intervening period are available in textural form, they are not currently spatially defined. This is now being done to enable the necessary analysis with forest type and old growth data to be carried out for response to this question.

DRUGS, CATEGORIES OF ADDICTIONS

2605. Dr CONSTABLE to the Minister for Family and Children's Services:

(1) How many people in Western Australia are estimated to be addicted to -

(a) heroin;
(b) cocaine;
(c) amphetamines;
(d) marihuana;
(e) solvent abuse; and
(f) prescription drugs?

(2) Of the heroin group referred to in (1) (a) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;
(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

(3) Of the cocaine group referred to in (1) (b) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;
(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

(4) Of the amphetamine group referred to in (1) (c) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;

(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

(5) Of the marihuana group referred to in (1) (d) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;
(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

(6) Of the solvent abusers referred to in (1) (e) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;
(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

(7) Of the prescription abuse group referred to in (1) (f) above, what is the estimated number of drug users for each of the following age groups -

(a) under 10 years of age;
(b) 10 - 15 years;
(c) 15 - 20 years;
(d) 20 - 25 years;
(e) 25 - 30 years;
(f) 30 - 40 years; and
(g) over 40 years?

Mrs PARKER replied:

(1) The most comprehensive WA prevalence data for all people aged 14 and over is from 1995 National Drug Strategy Household Survey. The number of people in Western Australia estimated to be dependent on specific drugs, based on this survey follows:

(a) Heroin - 30,400 have ever used, 5,000 have used in past 12 months (of whom 30% are estimated to be dependent) thus 1,500 would be dependent. This is clearly an underestimate. An analysis of the number of dependent and non dependent heroin users is contained in the Interim Report of the Select Committee Into the Misuse of Drugs Act 1981. This analysis, which involved a methodology with the use of treatment multipliers, estimated that in 1996 there were between 43,200 and 57, 600 active heroin users in WA.

(b) Cocaine - 43,700 have ever used, 2,000 have used in past 12 months. No reliable estimate is available of number of dependent users.

(c) Amphetamines - 116,200 have ever used, 28,800 have used in past 12 months (of whom 10% are estimated to be dependent) thus 2,880 would be dependent.

(d) Cannabis - 501,600 have ever used, 218,600 have used in past 12 months (of whom 10% are estimated to be dependent) thus 21,860 would be dependent.

(e) Inhalants - 38,900 have ever used, 3,000 have used in past 12 months (of whom 10% are estimated to be dependent) thus 300 would be dependent.

(f) Tranquillisers - 43,800 have ever used, 10,500 have used in past 12 months (of whom 5% are estimated to be dependent) thus 525 would be dependent. The estimate of proportion of tranquilliser dependent individuals is based on a study cited in the Final Report of the Select Committee into the Misuse of Drugs Act 1981 (page 319), that about 5% of those surveyed had used this class of drug for more than 12 months.

(2) Number of heroin dependent individuals by age group: It is not possible to obtain reliable estimates of the number of dependent users for the age groups given because of the very small sample sizes and low prevalence rates. The only information about age related patterns of drugs use which is available from data of admissions to treatment programs. The Final Report of the Select Committee contains detailed information about age related profiles of admissions to the ADA residential detoxification program and methadone program. As noted in the report (page 182) the mean age of the methadone treatment population is 33 years.

(3) Number of cocaine dependent individuals by age group: It is not possible to obtain reliable estimates of the number of dependent users for the age groups given because of the very small sample sizes and low prevalence rates.

(4) Number of amphetamine dependent individuals by age group: As indicated in the Final Report of the Select Committee, it was unable to obtain additional information about the number of amphetamine dependent individuals. It is difficult to obtain reliable estimates of the number of dependent users for the age groups given because of the very small sample sizes and low prevalence rates. It is likely that an age breakdown of amphetamine dependent individuals would closely follow the distribution of prevalence by age group as has been found in a number of NDS Household Surveys, being the 20 to 29 year age group.

(5) Number of cannabis dependent individuals by age group, based on WA prevalence data from 1995 National Drug Strategy Household Survey:

14 - 19 years:	35,900 have used in past 12 months (of whom 10% are estimated to be dependent) thus 3,590 would be dependent.
20 - 24 years:	58,400 have used in past 12 months (of whom 10% are estimated to be dependent) thus 5,840 would be dependent.
25 - 34 years:	68,900 have used in past 12 months (of whom 10% are estimated to be dependent) thus 6,890 would be dependent.
35 - 54 years:	53,800 have used in past 12 months (of whom 10% are estimated to be dependent) thus 5,380 would be dependent.
55+ years:	1,600 have used in past 12 months (of whom 10% are estimated to be dependent) thus 160 would be dependent.

(6) Number of inhalant dependent individuals by age group: It is not possible to obtain reliable estimates of the number of dependent users for the age groups given because of the very small sample sizes and low prevalence rates.

(7) Number of tranquilliser dependent individuals by age group: It is not possible to obtain reliable estimates of the number of dependent users for the age groups given because of the very small sample sizes and low prevalence rates.

CHILD CARE FACILITIES, BEFORE SCHOOL

2645. Mr RIPPER to the Minister for Family and Children's Services:

(1) How many places are available for the care of school aged children before school hours in Western Australia?

(2) Is any expansion in the number of these places planned?

(3) If not, why not?

Mrs PARKER replied:

(1)-(3) The Commonwealth is responsible for the funding of outside school hours care services and funds 1370 before school places in approved services. However, the total number of places available is difficult to ascertain because of the wide range of service providers such as long day care, family day care, outside school hours care services, private operators and non-funded community services. A further expansion of Commonwealth funding is planned. The Commonwealth chaired Western Australian Child Care Planning Advisory Committee, which includes industry and State Government representatives, makes recommendations in relation to high need areas for outside school hours care places and the next meeting will consider these recommendations.

ARTISTIC PRODUCTIONS, CRITERIA

2694. Ms McHALE to the Minister representing the Minister for the Arts:

I refer to statements made by the Director-General of the Ministry of Culture and the Arts about establishing criteria for staging future artistic productions in Perth and ask -

(a) has the Director-General finalised the criteria;

(b) if so, what are they;

(c) if not, when will they be finalised; and

(d) who has been consulted in developing the criteria?

Mrs EDWARDES replied:

The Minister for the Arts has provided the following response:

(a) No.

(b) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, IMPACT OF FRINGE BENEFITS TAX IN REMOTE LOCATIONS

2718. Mr RIEBELING to the Minister for Family and Children's Services; Seniors; Women's Interests:

What action, if any, has the Minister taken to ensure that employees who receive an incentive in the form of a fringe benefit

to work in the remote areas of the State will retain the full value of the incentive under the Commonwealth's new fringe benefit tax arrangements?

Mrs PARKER replied:

As part of its tax reform package released last year, the Commonwealth Government announced a number of reforms to the fringe benefits tax (FBT) system. One of these reforms, which the Western Australian Government strongly supports, is to provide an FBT exemption for remote area housing benefits provided to mining industry employees (from the 2000-01 FBT year). Not only will this measure reduce the tax impost on the mining industry, it will also reduce the incentive for mining companies to use fly-in/fly-out operations, thereby providing a potential boost to regional development.

One of the other FBT reforms announced by the Commonwealth was to include the "grossed-up" taxable value of fringe benefits on employees' group certificates, where the value of the benefits exceeds $1,000. While the tax liability for such benefits will remain with employers (under the FBT system), they will be included in employees' income for determining liability for tax surcharges (such as the superannuation contributions surcharge) and entitlement to certain government benefits (such as family allowance).

The legislation to implement this second measure was recently passed, with amendments, by the Commonwealth Parliament. As a result of the amendments to the draft legislation, benefits relating to remote area housing are defined as "excluded benefits", and do not need to be included on employees' group certificates. This will largely ameliorate the impact of this measure on employees working in remote areas.

MINISTERIAL STAFF, PRESENTS AND SOCIAL FUNCTIONS

2740. Mr CARPENTER to the Minister for Family and Children's Services; Seniors; Women's Interests:

(1) Did the Minister use taxpayers money to pay for staff presents and/or for staff social functions during the 1998 calendar year?

(2) If yes -

(a) on what date;
(b) for what purpose; and
(c) how much was spent?

Mrs PARKER replied:

(1)-(2) No.

GOVERNMENT DEPARTMENTS AND AGENCIES, LEVEL TWO EMPLOYEES

2762. Mr RIEBELING to the Minister for Family and Children's Services; Seniors; Women's Interests:

In relation to the employment status of Level Two employees of the agencies falling within the Minister's responsibility -

(a) what was the total number of Level Two employees at each agency as at 20 April 1999; and

(b) of these employees, how many were -

(i) permanent full time;
(ii) permanent part time; and
(iii) on short term contract?

Mrs PARKER replied:

(a)		Family and Children's Services	207
		Office of Seniors Interests	6
		Women's Policy Development Office	5
		WA Drug Abuse Strategy Office	1
(b)	(i)	Family and Children's Services	137
		Office of Seniors Interests	3
		Women's Policy Development Office	4
		WA Drug Abuse Strategy Office	1
	(ii)	Family and Children's Services	31
		Office of Seniors Interests	2
		Women's Policy Development Office	0
		WA Drug Abuse Strategy Office	0
	(iii)	Family and Children's Services	39
		Office of Seniors Interests	1
		Women's Policy Development Office	1
		WA Drug Abuse Strategy Office	0

GOVERNMENT DEPARTMENTS AND AGENCIES, YEAR 2000 COMPLIANT

2788. Ms WARNOCK to the Minister for Women's Interests:

(1) Will the Minister give an assurance that all of the Departments or instrumentalities under her portfolio have made adequate preparations for the advent of the Year 2000?

(2) Is the Minister certain that none of the concerns relating to Y2K are warranted in terms of the instrumentalities under her portfolio?

Mrs PARKER replied:

(1) Yes.

(2) All adequate preparations for the Y2K have been made.

CHALLIS SOCIO-PSYCHO EDUCATION RESOURCE CENTRE

2790. Mr RIPPER to the Minister for Education:

(1) Does the Challis Socio-Psycho Education Resource (SPER) Centre employ teachers assistants?

(2) Have any of these teachers assistants engaged in in-home assessments of or the delivery of in-home programs to children who are clients of the Challis SPER Centre?

(3) If the answer to (2) above is yes, what are the qualifications of these teachers assistants for the performance of these duties?

(4) Under what supervision do these teacher assistants carry out these in-home programs or assessments?

(5) What representations, if any, are made to parents about the qualifications of these teachers assistants?

(6) Does the Minister regard it as appropriate for in-home programs or assessments to be carried out by people without professional qualifications?

Mr BARNETT replied:

(1) Yes. Now called 'Education Assistants'.

(2) Yes.

(3) Extensive experience in the amelioration of children's behaviour problems, on-the-job training, an aptitude for this sort of job, eg; conflict resolution, mediation and brief strategic therapy.

(4) In-home assessments are rare, however all programs and assessments carried out by the Education Assistants are under the supervision and direction of the psychologist-in-charge of the Socio-Psycho Education Resource (SPER) Centre.

(5) Current practice and policy requires all staff when acting in an official capacity when meeting members of the public, to have identification which states, name, role and the centre title. A full explanation is given as to the purpose and expected outcome of any intervention so that informed consent can be given. Appointments are made prior to all visits, and relevant qualifications and experience are discussed when requested.

(6) SPER Centres have been a highly successful strategy in the amelioration of behavioural problems for more than 20 years. Education Assistants in SPER Centres are competent and experienced. They must meet the requirements for level 3 Education Assistants within the Education Department of WA policy and procedures.

TEACHER TRAINING, FUNDING

2827. Mr BROWN to the Minister for Education:

(1) In the -

(a) 1997-98 financial year; and
(b) 1998-99 financial year,

how much was allocated and/or spent on teacher training?

(2) Does the Government accept that with the increase in the pace of change that additional resources need to be allocated to teacher training?

(3) If not, why not?

Mr BARNETT replied:

(1) (a)-(b) It is assumed that the member is referring to professional development. Schools are allocated funding for professional development on a calendar year basis in the School Grant.

The School Development Grant is allocated to schools as part of the overall School Grant, and is provided to schools for the professional development of staff according to a formula which includes staff and student numbers. The School Development component of the School Grant has increased from $5.98 million in 1997 to $6.19 million in 1998 and to $6.31 million in 1999.

The Curriculum Council has also been provided with $1.5 million for 1998/1999 and $1.0 million for 1999/2000 to stimulate the professional development required for implementation of the Curriculum Framework.

(2) Yes. The Education Department has already taken major steps to ensure teachers are equipped to cope with changes taking place in education. Through the implementation of a performance management system for all staff, including teachers, individual professional development needs can be identified and action taken to meet those needs. The introduction of the Curriculum Framework is a substantial development in education in Western Australia and the State Government has already committed over $3.5 million (which includes $1 million committed by the Education Department in 1998/99 to the Curriculum Improvement Program paid to schools via the School Grant) to ensure that teachers are prepared for its implementation, with more funds to be provided for this purpose over the next few years. In addition the Government has established the Centre for Excellence in Teaching which provides professional development for teachers on a wide range of subjects. In 1998/99 the Education Department allocated $445 000 on teacher retraining in specialist areas of need such as mathematics and learning technologies.

(3) Not applicable.

WOMEN'S POLICY DEVELOPMENT OFFICE

2857. Ms WARNOCK to the Minister for Women's Interests:

(1) Is it true that the Women's Policy Development Office is to be moved into the Family and Children's Services Department?

(2) If so, when is this to happen?

(3) Will there be any loss of staff positions or budget cuts as a result?

(4) Will the office lose its autonomy as a result of this move?

Mrs PARKER replied:

I refer the member to the answer to question on notice 2177 of 1999.

CYCLEWAY, SHENTON PARK "SUPER SCHOOL"

2871. Ms MacTIERNAN to the Minister representing the Minister for Transport:

(1) Does Main Roads plan to construct a cycleway to the new "super-school" in Shenton Park?

(2) If yes -

(a) when will the construction of this project commence; and
(b) when will it be completed?

(3) If the answer to (1) above is no, why not?

Mr OMODEI replied:

The Hon Minister for Transport has provided the following response:

(1)-(3) The construction of a cycleway to the new “super school” is being undertaken by Bikewest. This is a Perth Bicycle Network project which is a staged program of facility development for cyclists. On present indications, Stage 1 of the Perth Bicycle Network program will deliver a network of routes which will include on road and path. This will provide access to the new “super school” by the end of 2001.

SCHOOL PRINCIPALS, LOCKRIDGE AND ROSSMOYNE SENIOR HIGH SCHOOLS

2952. Mr BROWN to the Minister for Education:

(1) Is the Minister aware of an article that appeared in *The West Australian* on Wednesday 5 May 1999 under the heading of "top principal in limbo after row"?

(2) Are the contents of the article correct insofar as they refer to the decisions taken in the Education Department about the Lockridge Senior High School and Rossmoyne Senior High School principal positions?

(3) Is it true that the Education Department decided or stated that it would be suitable to have a transferee go to the Lockridge Senior High School but not Rossmoyne?

(4) If so, why was that decision taken or statement made?

(5) What is the distinction between the Lockridge Senior High School and the Rossmoyne Senior High School insofar as competence of principals are concerned?

(6) Why is the Rossmoyne Senior High School treated differently to Lockridge Senior High School?

Mr BARNETT replied:

(1) Yes, however the member would be aware, Section 8(2) of the Public Sector Management Act precludes me from involvement in matters of selection, appointment, transfer or secondment. The following has been provided by the Education Department of WA for the member's information.

(2)-(3) Yes. A decision was made to offer the position of Principal of Lockridge Senior High School to a principal with

an entitlement to a transfer, and to advertise the position of principal at Rossmoyne Senior High School for filling by merit selection.

(4)-(6) Any decision regarding a transfer is based on Regulation 70 of the Education Act 1928, which affords the Director-General of Education the power of transfer. Any decision to transfer will have regard for the characteristics of the school and the experience and background of the person concerned. The two schools in this case have different characteristics eg. Rossmoyne has 1 618 students whilst Lockridge has 887 students, and each has differing educational programs and local community requirements. No two schools are alike and it is important to consider all the factors that impinge on a school when making a decision as to whether a transfer is warranted or desirable.

Rossmoyne Senior High school is a Class 6A, Lockridge Senior High School is a Class 6C school.

There are level 6 schools in Western Australia ranging in size from 150 students to over 2 000 students, and operating in widely different environments. Clearly, different schools will involve different levels of responsibility and require different types and levels of experience and competence.

KEMERTON INDUSTRIAL PARK, WASTE SITES

2959. Dr EDWARDS to the Minister for Resources Development:

(1) What sites have been identified as potential solid waste sites for industry located at Kemerton?

(2) When will the location of these sites be made known to the public to enable the public to have input on each site's suitability?

Mr BARNETT replied:

(1) The Dames and Moore Study (1997) identified three sites which had potential for a solid waste site.

(2) The Dames and Moore study was released for three months public review in 1998 and comments on the report were considered in the decision making process. The community has recently been advised that the Government will not proceed with the Dames and Moore recommendations. The community will be given an opportunity to comment on any further proposals.

SCHOOLS, UNSAFE PLAYGROUND EQUIPMENT

2962. Mr RIPPER to the Minister for Education:

(1) How many schools have playground equipment that needs replacing because it has been deemed to be unsafe?

(2) Is the Minister aware of the safety risk to school children of the playground equipment at Montrose Primary School?

(3) Will the Minister give an assurance that if the school is unable to raise the funds to replace the equipment, that the Government will ensure that the students are not denied playground facilities?

Mr BARNETT replied:

(1) Apart from the provision of some portable play equipment for pre-primary classes, the Education Department does not provide playground equipment (ie swings, slides, adventure playground equipment and the like) in schools. In all cases, this type of equipment has been provided in schools by parent bodies with, in some instances, financial assistance from school funds. Accordingly, the Education Department does not have information regarding playground equipment which requires replacement.

(2) Yes. Following a visit of a safety officer from the Education Department, the school has made arrangements for the repair and/or removal of unsafe equipment.

(3) All schools receive minor works funds in each year's School Grant to undertake improvements such as the replacement of playground equipment. Parents and Citizens Associations also frequently assist in the provision of playground equipment. Depending upon other priorities, schools often undertake the replacement of this equipment on a staged basis over several years. Montrose Primary School may wish to consider undertaking the replacement project in this manner.

TEACHERS, REMOTE TEACHING SERVICE PACKAGE

2978. Dr GALLOP to the Minister for Education:

(1) Is the Minister for Education aware that teachers who have agreed to the Remote Teaching Service Package have yet to be provided with the agreements for signature?

(2) What is the cause of the delay in providing the agreements which are currently governing the pay and conditions of some teaching staff but which have not been signed?

Mr BARNETT replied:

(1) No teachers have yet been able to agree to the proposed Remote Teaching Service (RTS) Certified Agreement as it is yet to be accepted by the Australian Education Union (AEU) or be registered with the Australian Industrial

Relations Commission (AIRC). The Department was advised that Government had approved the proposed agreements on 17 May 1999. Following agreement with the Union, the proposed agreement will be subject to a ballot by AEU members before being forwarded to the AIRC for approval. The Department is in the process of circulating the proposed RTS workplace agreement for consideration by teachers.

(2) Not applicable.

ELECTRICITY, PRIVATE GENERATORS

2984. Mr PENDAL to the Minister for Energy:

(1) Is it correct that, as from January 2000, electricity consumers who use on an average of one to five megawatts, or 8,760 to 43,800 megawatt hours per year at a single site, will be permitted to obtain electricity from private power generators?

(2) If the answer to (1) above is yes, will the Minister table a list of electricity users who fit into this category?

(3) If the Minister will not table this document, why not?

Mr BARNETT replied:

(1) Yes.

(2) No.

(3) Western Power has formally advised all customers who fit into this category that they become contestable on 1 January 2000 and will have a choice in selecting their electricity retailer. The consumption details of individual customers is considered to be confidential.

CONSULTANTS, NUMBER, PURPOSE AND COST

2990. Mr BROWN to the Minister for Resources Development; Energy; Education:

(1) How many consultants are currently engaged by each department and agency under the Minister's control?

(2) What is the name of each consultant?

(3) What is the purpose or the nature of the consultancy?

(4) What is the cost of the consultancy?

(5) What is the anticipated completion date of the consultancy?

Mr BARNETT replied:

The member would be aware that a six monthly report is tabled in Parliament which provides information on consultants engaged by Government agencies. The member should access this report when it is tabled to obtain the information sought in his question.

CONSULTANTS, NUMBER, PURPOSE AND COST

2994. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

(1) How many consultants are currently engaged by each department and agency under the Minister's control?

(2) What is the name of each consultant?

(3) What is the purpose or the nature of the consultancy?

(4) What is the cost of the consultancy?

(5) What is the anticipated completion date of the consultancy?

Mrs PARKER replied:

(1)-(5) The member would be aware that a six monthly report is tabled in Parliament which provides information on consultants engaged by Government agencies. The member should access this report when it is tabled to obtain the information sought in his question.

GOVERNMENT DEPARTMENTS AND AGENCIES, RESEARCH PROJECTS

3012. Mr BROWN to the Minister for Resources Development; Energy; Education:

(1) Are any research projects being undertaken by the departments and agencies under the Minister's control?

(2) What is the nature of each research project?

(3) Who is conducting each research project?

(4) What is the anticipated cost of each research project?

(5) What is the anticipated completion date of the research project?

Mr BARNETT replied:

Department of Resources Development
(1) Yes.

(2)-(5) Responses to these items are listed below in order for each research project:

(2) Channar Project B Metallurgical Mine Tailing Rehabilitation Study
(3) UWA / Maanshan Institute of Mining Research
(4) $210 000
(5) September 2001

(2) Channar Project B Pit Slope Extension Study
(3) Golder Associates / Wuhan Iron and Steel Institute
(4) $230 000
(5) August 1999

(2) Reform of Chinese Steel Mills B Implication for WA Suppliers
(3) Murdoch University / State Administration of Metallurgical Industry (China)
(4) $144 323
(5) March 2000

(2) Shear Hosted Gold Mineralisation in the North China and Yilgarn Cratons - A Comparison.
(3) Curtin University of Technology / Tianjin Geological Academy.
(4) $200 810
(5) June 1999

(2) Steep Angle Conveying Study B Channar Project
(3) Curtin University of Technology / Maanshan Institute of Mining Research.
(4) $160 000
(5) June 1999

Office of Energy
(1) No.

(2)-(5) Not applicable.

AlintaGas
(1) As a commercial business AlintaGas conducts research on a regular basis for both its commercial and product applications.

(2) This information is commercially confidential.

Western Power
(1) Yes.

(1)-(5) Responses to these items are listed below in order for each research project:

(1) Development of a 20 kW Solar Photo-voltaic/Trough at Rockingham.
(2) Develop a system to concentrate sunlight onto high efficiency solar photo-voltaic cells.
(3) A consortium consisting of the Australian National University (ANU) (principal researcher based in Canberra), Western Power Corporation (WPC), Solahart, Australian Greenhouse Office (AGO), Alternative Energy Development Board (AEDB) and Australian Centre for Renewable Energy (ACRE).
(4) Costs are:

ANU	$300 000 (in-kind)
WPC	$150 000
Solahart	$100 000
AGO	$300 000
AEDB	$20 000
ACRE	$80 000

(5) Installations complete early 2000.

(1) Wind turbines at Denham.
(2) Install two 230 kW wind turbines additional to the one existing at Denham to significantly increase the penetration of wind energy into the diesel generating system. The objective is to achieve up to a 70 per cent penetration of wind energy into the system.
(3) Jointly conducted by Western Power Corporation and Powercorp of Darwin.
(4) Total cost is $3 million with $2 million provided by Western Power and $1 million by the Australian Greenhouse Office.
(5) Commissioning planned for January 2000.

(1) Ceramic Fuel Cell Development.
(2) Development of a ceramic fuel cell modules to operate as a stationary electricity generators in a distributed system. Design objectives include capital costs comparable to those of gas turbines and operating efficiencies in excess of 70 per cent.
(3) A consortium consisting of Ceramic Fuel Cells Limited (principal researcher based Melbourne), Western Power Corporation, Woodside Energy, CSIRO, BHP, Strategic Investment Research Foundation, Pacific Power, Electricity Corporation of New Zealand, Energex and ETSA Corporation.
(4) The Project is divided into three phases and costings:

Phase I	Research (cash and in-kind)	$30 million
Phase II	Research and Development	$35 million
Phase III	Commercialisation	$250 (+) million

The Western Power contribution to the end of Phase II will be about $5 million.

(5) The commencement dates for each phase is:

Phase I	1992
Phase II	1997
Phase III	2001

Education Department of Western Australia
(1) Yes.

(2)-(5) See paper No 1099.

Department of Education Services
(1) There are no research projects being undertaken by the Department of Education Services.

(2)-(5) Not applicable.

Curriculum Council
(1) Yes.

(2) The Curriculum Council has one research project being the study of future reprographic requirements.

(3) Mr Hugh Grossmith.

(4) $3 500.

(5) The project will be completed by 31 July 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, RESEARCH PROJECTS

3016. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

(1) Are any research projects being undertaken by the departments and agencies under the Minister's control?

(2) What is the nature of each research project?

(3) Who is conducting each research project?

(4) What is the anticipated cost of each research project?

(5) What is the anticipated completion date of the research project?

Mrs PARKER replied:

Family and Children's Services
(1) Yes.

(2)-(5) A summary of each current research project is listed hereunder:

CURRENT RESEARCH PROJECTS BEING UNDERTAKEN AND PROJECTED FOR 1998/ 99

Title:	Parenting Information Centres Franchise Review.
Aim:	To provide an independent and objective assessment of parenting information centres' adherence to franchise standards and to identify opportunities for improved service effectiveness.
Researcher:	Market Research Consultant
Estimated Cost:	$15,000.00
Estimated Completion Date:	October 1999
Title:	Family Week Survey.
Aim:	To investigate community awareness of Family Week (WA) and participation in its activities.
Researcher:	Patterson Market Research
Estimated Cost:	$4,165.00
Estimated Completion Date:	30.06.99
Title:	Customer Perception Survey.
Aim:	To provide an independent and objective assessment of customer satisfaction with the services provided by Family and Children's Services.
Researcher:	Australian Community Research
Estimated Cost:	$15,000.00
Estimated Completion Date:	30.06.99
Title:	Community Attitude Monitor.
Aim:	To monitor community attitudes on a number of issues related to the work of the department.
Researcher:	Australian Community Research
Cost:	$7,300.00
Estimated Completion Date:	31.07.99

Title:	Awareness and Image Survey.
Aim:	To examine community perception and possible utilisation of departmental services.
Researcher:	Market research consultant
Estimated Cost:	$6,000.00
Estimated Completion Date:	31.10.99
Title:	Evaluation of the Aboriginal Family Violence Programme.
Aim:	To determine whether the programme model is appropriate to the target client group's needs.
Researcher:	Family and Children's Services staff
Forecast Costs:	$3,000.00
Target Completion Date:	31.07.99
Title:	Stocktake and Evaluation of Currently Available Aboriginal Parenting Material.
Aim:	To identify the available Aboriginal Parenting Material and identify existing gaps.
Researcher:	Family and Children's Services have contracted the Lady Gowrie Centre
Forecast Costs	$18,950.00
Target Completion Date:	12.07.99
Title:	Evaluation of the Joint Police and Family and Children's Services Approach to the Investigation of Allegations of Child Maltreatment.
Aim:	To evaluate the effectiveness of the joint approach in comparison to the current approach of investigating child maltreatment allegations.
Researcher:	Family and Children's Services and Police Service
Cost:	Current work by Family and Children's Services for the preparation for the next phase. Costs are not yet available.
Target Completion Date:	31.12.2000
Title:	Evaluation of the Foster Care Internet Pilot Project.
Aim:	To evaluate the development, provision and effectiveness of a Foster Care Association and Family and Children's Services computerised Website and access to the Internet.
Researcher:	Family and Children's Services staff
Cost:	Minimal costs borne as part of operational budget
Target Completion Date:	01.02.2000
Title:	Care Careers: Study of Three Years of Placement Data: 1995 - 1997
Aim:	Extensive analysis of data of children in out of home care to assist in information case management and introduction of service specifications.
Researcher:	Social Systems & Evaluation Tom Mulholland Associates
Cost:	$16,350.00
Completion Date:	30.06.99
Title:	Evaluation of the Best Practice Model Victim Services: Domestic Violence Counselling, Education and Support.
Aim:	To evaluate the appropriateness, effectiveness and implementation of the principles of best practice by domestic violence counselling, education and support services.
Researcher:	To be contracted out prior to 30.06.99
Cost:	Budget $20,000.00 over two financial years
Target Completion Date:	01.06.2000
Title:	Evaluation of the Boarding House Outreach Pilot Project.
Aim:	Evaluate whether the aim of the pilot project was realised and to make any recommendations as appropriate.
Researcher:	Currently advertising for contractor
Cost:	Budget $8,000.00
Target Completion Date:	30.08.99
Title:	Men's Domestic Violence Telephone Helpline: An Analysis of the Data from the First Six Months of Operation; From 26.08.98 to 27.02.99.
Aim:	Undertake an analysis of the data of the Helpline for the first six months of operation.
Researcher:	Family and Children's Services
Cost:	Minimal costs borne as part of the operational budget
Completion Date:	30.06.99
Title:	Evaluation of Rally Australia (Youth Project).
Aim:	To examine the current operation of the Rally Australia Project within the context of departmental youth services and consider options for the future.
Researcher:	Family and Children's Services
Cost:	Minimal costs borne as part of operational costs
Target Completion Date:	31.12.99
Title:	Substance Abuse.
Aim:	Identify key issues concerning drug use among departmental customers, where it exists and explore models of service provision. To inform policy and training strategies.

Researcher: Family and Children's Services
Cost: Minimal costs borne as part of operational budget
Target Completion Date: 30.06.99

Title: Evaluation of Child Sexual Abuse Treatment Service Scheme.
Aim: Evaluate the range and availability of funded services currently operating in Western Australia. Examine the range of treatment models, to inform service specifications.
Researcher: Family and Children's Services
Cost: Minimal costs borne as part of operational budget
Target Completion Date: 31.07.99

Title: Occasional Care Review.
Aim: Review the current practices and make recommendations for change as appropriate.
Researcher: Family and Children's Services and MBL Limited
Cost: $25,000.00
Completion Date: 30.06.99

Title: Moving to Independence Study
Aim: Review of moving to independence services and associated issues
Researcher: Family and Children's Services, with possibility of use of contracted interviewer
Cost: To be determined
Target Completion Date: 30.06.2000

Title: Review of Preventive Models.
Aim: Outposted Family and Children's Services officer working with psychosocial division of the Institute of Child Health Research examining theoretical basis for preventive approach in Family and Children's Services.
Researcher: Family and Children's Services
Cost: Minimal cost borne as part of operational budget
Target Completion Date: 30.06.99

Title: Evaluation of the No Interest Loan Scheme.
Aim: To establish monitoring procedures and eventually evaluate the pilot service.
Researcher: Family and Children's Services
Cost: Minimal cost borne as part of operational costs
Target Completion Date: 31.07.2002

Title: Community Services Training Centre (CSTS) Training Packages Evaluation.
Aim: To evaluate the new training modules being developed by the CSTS and make recommendations as appropriate.
Researcher: Family and Children's Services
Cost: Minimal costs borne as part of operational costs
Target Completion Date: 30.09.99

Title: Best Start Evaluation.
Aim: Overall evaluation of the programme.
Researcher: Family and Children's Services
Cost: To be determined
Target Completion Date: 31.12.99

Title: Material and Non Material Poverty Among Young People.
Aim: To assess the extent of material and non material poverty among young people.
Researcher: Perth Inner City Youth Service
Cost: $10,000.00
Target Completion Date: 31.08.99

Title: Literature Review and Expert Consultation Regarding Adoptions Issues Emerging from the Hague Convention.
Aim: To identify any modifications necessary to current planning and processes.
Researcher: Family and Children's Services
Cost: Minimal costs borne as part of operational budget
Target Completion date: 31.12.99

Title: Blockages in Out of Home Care
Aim: To review Out of Home Care processes in foster care not confined to foster care in relation to the Adolescent and Child Support Services to make sure that the system articulates properly.
Researcher: Family and Children's Services
Cost: Minimal costs borne as part of operational budget
Target Completion Date: 30.11.99

Title: Evaluation of the Replication of the EQUIP Programme which was undertaken in Ohio.
Aim: To evaluate the new EQUIP programme established by the department.
Researcher: Family and Children's Services with some consultation with the developer of the programme.
Costs: $5,000.00 as well as the resources of the department as part of its operational budget

Estimated Completion Date: 31.12.2001

Title: Staff Screening of Departmentally Funded Non Government Agencies
Aim: To survey all departmental funded non government services to determine, how many agencies use safety screening procedures and the quality of these procedures and possible impediments as to the introduction of safety screening.
Researcher: Western Australian Council of Social Services
Estimated Costs: $18,896.00
Estimated Completion Date: 30.06.99

Office of Seniors Interests
(1) Yes.

(2)-(5) A summary of each current research project is listed hereunder:

Title: Seniors Week 1998: Survey of Participating Organisations
Aim: Evaluation
Researcher: Office of Seniors Interests
Estimated Costs: $1100.00.
Estimated Completion Date: 18 June 1999.

Title: Elder Protection Training Workshops:
Aim: Follow-up evaluation
Researcher: Office of Seniors Interests.
Estimated Costs: $1100.00
Estimated Completion Date: 25 June 1999.

Women's Policy Development Office
(1) Yes

(2)-(5) A summary of the current research project is listed hereunder:

Title: Secondary Research Study of Future Literature related to Women and Work.
Aim: To provide a precis of existing futures literature, outlining key scenarios that will assist the Women's Advisory Council in advising Government to develop policies and strategies to address women and work.
Researcher: Pophouse Pty Ltd. For the Women's Advisory Council
Estimated Costs: $5000.00
Estimated Completion Date: 4 June 1999.

WA Drug Abuse Strategy Office
(1) Yes

(2)-(5) A summary of the current research project is listed hereunder:

Title: Pre Hospital Management of Opioid Related Overdoses.
Aim: The project involves the analysis of data in relation to attendances to opioid related overdoses in the Perth metropolitan area by the St John Ambulance Service over the two year period January 1997 to December 1998 and will:

- analyse features of and trends in ambulance callouts to opioid related overdoses; and
- identify and evaluate the outcomes of those persons who were admitted to a public hospital after being transported there by ambulance as the result of opioid related overdose.

Researcher: Dr Ian Jacobs under the auspices of Department of Emergency Medicine, QEII Medical Centre in collaboration with the St John Ambulance Service and the WA Drug Abuse Strategy Office.
Estimated Costs: $15,000
Estimated Completion Date: 30 September 1999.

GOVERNMENT CONTRACTS, IN EXCESS OF $50 000

3034. Mr BROWN to the Minister for Resources Development; Energy; Education:

(1) How many contracts of $50 000 or more (excluding employment contracts) has each department or agency under the Minister's control entered into between 1 January 1999 and 31 March 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or services required by the contract?

(5) What is the completion date of each contract?

Mr BARNETT replied:

Department of Resources Development
(1) Four.

(2) $119 170
(3) WNI Science and Engineering.
(4) Consultancy Services for the Maitland Estate (Karratha) being Assessment of Environmental Impacts from Channel Crossing.
(5) September 1999

(2) $149 110
(3) SMEC Australia Pty Ltd.
(4) Mid West Regional Minerals Study.
(5) October 1999

(2) $355 001
(3) Dames & Moore Pty Ltd.
(4) Consultancy of environmental constraints assessment and aboriginal heritage consultant support for the identification of a suitable expanded Bunbury to Dampier Gas pipeline corridor.
(5) 16 September 1999

(2) $169 500
(3) Warren King & Company.
(4) Consultancy for survey services for the expanded Bunbury to Dampier Gas pipeline land corridor.
(5) 12 September 1999

Office of Energy
(1) One.
(2) $90 400
(3) Dr Des Kelly.
(4) Services as Chairperson of the AlintaGas Sale Steering Committee.
(5) 30 June 1999

Western Power
(1)-(5) Western Power entered into many contracts during the months of January and March 1999. Western Power regards details of contracts such as those requested to be commercially confidential.

AlintaGas
(1)-(5) These matters are commercially sensitive and it would be inappropriate to disclose details of any such contracts.

Education Department of Western Australia
(1) 33.
(2)-(5) See paper No 1100.

Department of Education Services
(1) The Department of Education Services did not enter into any contracts over $50 000 between 1 January 1999 and 31 March 1999.
(2)-(5) Not applicable.

Curriculum Council
(1) The Curriculum Council did not enter into any contracts over $50 000 between 1 January 1999 and 31 March 1999.
(2)-(5) Not applicable.

COMMITTEES AND BOARDS, FORMER MEMBERS OF PARLIAMENT

3054. Mr BROWN to the Deputy Premier; Minister for Commerce and Trade; Regional Development; Small Business:

(1) Since February 1993, what Former Members of Parliament have been -

(a) appointed to a Government Board, Commission, Committee or other body; and/or

(b) appointed by the Government to any Board, Commission, Committee or other body; and/or

(c) employed or appointed within the Government in any capacity, paid or otherwise,under the Deputy Premier's control?

(2) In each instance -

(a) what is the -

(i) name of the Former Member; and
(ii) the title of the position,

to which they have been appointed;

(b) which organisation/department is responsible for the position; and

(c) what remuneration is paid for each position?

Mr COWAN replied:

Department of Commerce and Trade
(1) (a) Federal Member for Perth
(b)-(c) Not applicable

(2) (a) (i) Ross McLean
(ii) Member of Asia Business Council
Member and currently Chairman of Western Australian Trade Advisory Council

(b) Department of Commerce and Trade
(c) Nil

Small Business Development Corporation
(1) (a)-(c) None
(2) (a)-(c) Not applicable

International Centre for Application of Solar Energy (CASE)
(1)-(2) Not applicable

Technology Industry Advisory Council (TIAC)
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Gascoyne Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Goldfields-Esperance Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Great Southern Development Commission

(1) (a)-(c) None
(2) (a)-(c) Not applicable

Kimberley Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Mid West Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Peel Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Pilbara Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

South West Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

Wheatbelt Development Commission
(1) (a)-(c) None
(2) (a)-(c) Not applicable

COMMITTEES AND BOARDS, FORMER MEMBERS OF PARLIAMENT

3056. Mr BROWN to the Minister for Resources Development; Energy; Education:

(1) Since February 1993, what Former Members of Parliament have been -

(a) appointed to a Government Board, Commission, Committee or other body; and/or

(b) appointed by the Government to any Board, Commission, Committee or other body; and/or

(c) employed or appointed within the Government in any capacity, paid or otherwise, under the Minister's control?

(2) In each instance -

(a) what is the -

(i) name of the Former Member; and
(ii) the title of the position,

to which they have been appointed;

(b) which organisation/department is responsible for the position; and

(c) what remuneration is paid for each position?

Mr BARNETT replied:

Department of Resources Development
(1) None.
(2) Not applicable.

Office of Energy
(1) None.

(2) Not applicable.

AlintaGas
(1) None.
(2) Not applicable.

Western Power
(1) (a)-(c) C R Lewis
(2) (a) (i) Hon Richard Lewis
(ii) Director
(b) Western Power Corporation.
(c) $34 680 per annum plus employer's superannuation liability.

Education Department of Western Australia
(1) None.
(2) Not applicable.

Department of Education Services
(1) None.
(2) Not applicable.

Curriculum Council
(1) None.
(2) Not applicable.

COMMITTEES AND BOARDS, FORMER MEMBERS OF PARLIAMENT

3060. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

(1) Since February 1993, what Former Members of Parliament have been -

(a) appointed to a Government Board, Commission, Committee or other body; and/or

(b) appointed by the Government to any Board, Commission, Committee or other body; and/or

(c) employed or appointed within the Government in any capacity, paid or otherwise, under the Minister's control?

(2) In each instance -

(a) what is the -

(i) name of the Former Member; and

(ii) the title of the position,

to which they have been appointed;

(b) which organisation/department is responsible for the position; and

(c) what remuneration is paid for each position?

Mrs PARKER replied:

Family and Children's Services

(1)-(2) It is not a requirement that people reveal if they are a former member of Parliament if they are appointed to Government boards, commissions, committees or other bodies or if they are employed by Family and Children's Services. There are therefore no mechanisms in place to record this information. However, there are no former members of Parliament on any of the current Ministerial committees supported by Family and Children's Services. The Hon Kay Hallahan was invited in 1997 and 1998 to be a member of the judging panel of the Community Service Annual Awards. This is a voluntary position and receives no remuneration.

Office of Seniors Interests

(1)-(2) In June 1998, Mr Barry Blaikie was appointed to the Seniors Ministerial Advisory Committee for a term of two years. Nomination for appointment to the Seniors Ministerial Advisory Committee was by application as advertised in *The West Australian* newspaper. Members are eligible to claim sitting fees of $108.00 per full day or $73.00 per half day, as determined by the Salaries and Allowances Tribunal. Some members are also eligible for a travel allowance at public sector standard rates.

Women's Policy Development Office

(1)-(2) Dr Patricia Giles and the late Hon Margaret McAleer were both appointed as Centenary of Women's Suffrage Committee Members in 1996. Members are eligible to claim sitting fees of $123 for half day meetings. There has been no remuneration to either of the above.

WA Drug Abuse Strategy Office

(1)-(2) Not applicable.

TOURISM, IMPACT OF NUCLEAR WASTE DUMP

3105. Mr BROWN to the Minister for Resources Development:

(1) Has the Minister considered the degree to which the proposal to use Western Australia as a nuclear waste dump would impact on the Tourism industry?

(2) Does the Minister agree that knowledge overseas about Western Australia becoming a nuclear waste dump will significantly dent the image the Tourism industry is trying to create of Western Australia being a highly desirable destination?

(3) Given the impact that a nuclear waste dump will have on Western Australia, will the Minster give this House and the people of Western Australia an absolute assurance that the Government will make it unequivocally known to Pangea and other interests that the Government will strongly oppose at every proposal to establish such a dump in Western Australia?

Mr BARNETT replied:

(1) It is clearly demonstrable that countries with existing nuclear industries also maintain vibrant tourism industries.

(2) No.

(3) I think that any country that is a significant uranium producer has some moral and international responsibility to be part of the debate on the disposal of nuclear waste.

WESTERN POWER, COMMERCIAL CUSTOMERS IN REGIONAL AREAS

3106. Dr GALLOP to the Minister for Energy:

(1) How many of Western Power's commercial customers in regional Western Australia are paying more than the Uniform Tariff since the change of policy for larger users?

(2) What locations are involved and how many customers are there in each?

(3) Have any customers sourced their power from private providers by paying a fee to Western Power for the use of its distribution network?

Mr BARNETT replied:

I am advised by Western Power Corporation:

(1) 11

(2)

Leonora	5
Esperance	2
Mt Magnet	2
Derby	1
Laverton	1

(3) No.

ABORIGINAL FAMILY HISTORY SERVICE, FUNDING

3127. Mr TRENORDEN to the Minister for Family and Children's Services:

During the Estimate Committee process I was advised that $561,000 in recurrent costs are spent on the Aboriginal Family History Service program and that the three elements to the service are identifying where people come from, a reconnection scheme and counselling, will the Minister advise -

(a) a breakdown of the total budget of $561,000;
(b) the number of individuals involved and their expertise;
(c) the source of the information and the certainty of that information;
(d) how many people have been assisted through the program;
(e) a breakdown of the location of the people seeking assistance;
(f) which groups are seeking the information (expressed as a percentage); and
(g) of the total program, how many of the agency's individuals involved are Aboriginal?

Mrs PARKER replied:

(a) The $561,000 referred to during the Estimates Committee is actually $551,000 and the breakdown is as follows:

Family and Children's Services	-	$391,000
Aboriginal Affairs Department	-	$160,000

(b) The Family Information Records Bureau (FIRB) employs 7 staff. Their expertise lies in the areas Family History Research, Records Management, liaison with Aboriginal groups and communities, mediation and counselling.

(c) FIRB has access to over 21 sources of information. These include the card indexes, files and other records used by the former Native Welfare Department as well as collections held by other agencies such as the Aboriginal Affairs Department, the Public Records Office, the Battye Library, historians and non government organisations.

The majority of the available information used to provide family histories is factual but in urgent need of preservation and indexing. A number of record collections are incomplete as many records were destroyed in the past before their historical significance was realised.

(d) FIRB commenced in July 1998 and has received 362 formal applications for family history. In addition, FIRB has dealt with 166 enquires relating to Aboriginal family histories and access to files.

(e) The location of people seeking family histories has been:

Metropolitan	175
Goldfields	28
Southern WA	41
Pilbara	43
Kimberley	16
Murchison	33
Interstate	26

(f) The customer group is Aboriginal.

(g) Five of the seven staff employed by FIRB are Aboriginal.

GOLD ROYALTY, REVENUE

3129. Ms ANWYL to the Minister for Resources Development:

(1) Will the Minister advise what amount of revenue has been raised by the gold royalty since its inception?

(2) Will the Minister advise what companies have paid the royalty and for each such company detail the amount paid and the number of ounces of gold produced and the source tenements?

(3) What plans does the Government have to review the royalty and when?

(4) What assessment is being done as to the impact of the gold royalty on the gold mining industry?

(5) What is the projected income from the gold royalty for each of the financial years ending 30 June 1999 to 2004?

(6) What assessment is being done as to the impact of the gold royalty on regional towns and cities, particularly as to -

(a) the number of jobs available;

(b) the multiplier effect of any job losses in the mining industry on other industries and businesses; and

(c) the effect of job losses on size of population?

(7) What ongoing consultation is occurring to gauge the effect of the gold royalty and state with whom and when?

Mr BARNETT replied:

(1) A total of $28.3 million was collected at 3 June 1999.

(2) A total of 40 companies have paid royalties for a cumulative production of 5.2 million ounces of gold. A list of those companies is as follows -

Acacia Resources Ltd - (Sunrise Dam)
Alcoa of Australia Ltd - (Hedges Gold)
Arimco Mining Pty Ltd - (Gidgee & Mt McClure)
Centaur Mining & Exploration Ltd - (Mt Pleasant)
Consolidated Gold Mines Ltd - (Bannockburn)
Consolidated Gold NL - (Davyhurst)
Croesus Mining NL - (Binduli)
Davyhurst Project Pty Ltd - (Davyhurst)
Equigold NL - (Dalgaranga)
Forrestania Gold NL - (Bounty)
Forsayth NL - (Lawlers)
Gascoyne Gold Mines NL - (Yilgarn)
Gemini Mining Pty Ltd - (Yilgarn)
Herald Resources Ltd - (Coolgardie & Sandstone)
Kundana Gold Pty Ltd - (Kundana)
Great Central Mines Ltd - (Bronzewing, Jundee & Wiluna)
Homestake Mining Co (Dariot)
Kanowna Mines Ltd - (Golden Feather)
Kanowna Belle Gold Mines - (Kanowna Belle)
Kalgoorlie Consolidated Gold Mines - (Golden Mile)
Mt Magnet Gold NL - (Hill 50)
New Hampton Goldfields NL - (Jubilee)
Newcrest Mining Ltd - (New Celebration & Telfer)
Normandy Golden Grove Operations Pty Ltd - (Golden Grove)
Normandy Kaltails Pty Ltd - (Kaltails)
Pacmin Corp Ltd - (Tarmoola)
Paddington Gold Pty Ltd - (Paddington)
Paraburdoo Gold Project - (Mt Olympus)
Peak Hill Resources - (Peak Hill)
Perilya Mines NL - (Fortnum)

Placer (Granny Smith) Pty Ltd - (Granny Smith)
Plutonic Resources Ltd - (Mt Morgans)
Plutonic Operations Ltd - (Plutonic)
Resolute Ltd - (Chalice)
Sons of Gwalia Ltd - (Copperhead, Laverton, Marvel Loch, Nevoria, Sons of Gwalia & Yilgarn Star)
St Barbara Mines Ltd - (Bluebird)
Troy Resources NL - (Cornishman)
Wirralie Gold Mines Pty Ltd - (Big Bell)
WMC Resources Ltd - (Agnew, Central Norseman & St Ives)
Worsley Aluminia Pty Ltd - (Boddington)

The commercial details of their gold returns are provided to the Department of Minerals and Energy in confidence.

(3) None, but Government continues to monitor the gold royalty system.

(4) In introducing the gold royalty Government undertook extensive analysis and consultation with industry. This lead to an agreement to defer the implementation of the gold royalty; inclusion of a trigger mechanism linked to the gold price; and an exemption for the first 2 500 ounces produced. The provisions also allow for temporary royalty relief should marginal producers prove that paying the royalty would cause them to cease operating. This is a reflection of the Government's commitment to the industry and its concern to see the gold industry continue to prosper, while ensuring that the State obtains a fair return for its non-renewable resources.

(5) Projected gold royalty revenue for 1998/99 is $28.5 million and $37.5 million for 1999/2000. Mineral royalties, which include royalties from gold, form a major component of the Government's revenue from Regulatory Fees, Fines and Other Territorial sources. The Budget papers estimate that total revenue from these sources will be $1 031.1 million in 2000/01, $1 014.1 million in 2001/02 and $1 007.2 million in 2002/03, of which royalties make up about 65 to 70 per cent. I refer the member to the Budget papers for further details.

(6)-(7) Refer to answer 4 above.

MINISTER FOR SENIORS, ITINERARY OF TRIP TO DURBAN, SOUTH AFRICA

3134. Mr CARPENTER to the Minister for Seniors:

Will the Minister advise of when an answer will be provided to question on notice No. 2446 of 18 March 1999, concerning her failure to table her itinerary for her trip to Durban, South Africa in October 1997?

Mrs PARKER replied:

I refer the member to *Hansard* - Parliamentary Debates Second Session 1999, page 8963 (Tuesday, 15 June 1999) question on notice 2446.

CARAWATHA PRIMARY SCHOOL, OWNERSHIP OF LAND

3135. Mr CARPENTER to the Minister for Education:

(1) Which Government Department owns the land on which Carawatha Primary School is located?

(2) Under what conditions can this land be sold?

(3) Are there any plans to sell this land?

Mr BARNETT replied:

(1) The land on which Carawatha Primary School is located is owned by the Education Department of Western Australia.

(2) Land would only be sold if it were surplus to departmental requirement.

(3) No, however, the school community is currently engaged in the Local Area Education Planning process regarding possible options for future planning.

DOMESTIC VIOLENCE, YOUNG MEN AND WOMEN

3138. Ms WARNOCK to the Minister for Family and Children's Services:

(1) Will the Government provide funding for a facility for young single women escaping domestic violence and other forms of abuse?

(2) Will the Government provide funding for a counselling service for young men and women experiencing violence in their homes or in their relationships?

(3) Will women in all Supported Accommodation Assistance Programs services for young people be trained to recognise and intervene with clients who have experienced domestic abuse?

Mrs PARKER replied:

(1) Through the Supported Accommodation Assistance Program (SAAP), young women can access three women's refuges in the metropolitan area; Anawim, Wyn Carr House and Zonta House Refuge. Young women can also access three youth services for young people in the metropolitan area, where separate accommodation is available from young men. Additionally, young women can also access all youth accommodation crisis services.

(2) Family and Children's Services will provide a total of $1,841,137 funding in 1999/2000 to a variety of counselling services available to young people. These services are funded to help young people and their families assess their circumstances and relationships to make choices, decisions and plans for the future. They can also assist adults and children to deal effectively with the trauma caused by family abuse and to understand and work through the issues family abuse raises. These services include 8 Domestic Violence Counselling Services, 8 Youth Counselling Services and 9 Child Sexual Abuse Treatment Services.

(3) Access to training of this nature is through the SAAP Training Broker. The SAAP Induction Training Program incorporates working with people who have experienced or witnessed domestic violence.

YOUTH, SOBERING UP CENTRE

3139. Ms WARNOCK to the Minister for Youth:

(1) Will the Government be providing any funding for a sobering up centre for youth in central Perth?

(2) If so, what form will that funding take and where will the centre be?

(3) Is the Government aware of two proposals for youth centres in central Perth, one sponsored by "Magic Koala" and the other by Perth City Mission?

(4) Which centre be the Government be supporting?

(5) Does the Minister support in principle the idea of a "drop-in" centre for young people in Perth?

Mrs PARKER replied:

(1) Yes.

(2) Perth City Mission will receive recurrent funding through the National Illicit Drug Strategy to provide the 'On Track' program. The State Government will provide capital funding through the WA Drug Abuse Strategy Office. A lease has been agreed between the WA Drug Abuse Strategy Office and Westrail for premises for this service on Westrail property under the Horseshoe Bridge on William Street.

(3) I am aware that the Magic Koala Foundation had previously expressed an interest in the same property. This organisation has not achieved recurrent funding to provide the service it has envisaged. Perth City Mission's 'On Track' program is not a youth centre. It is a facility which works with the Police Service Juvenile Aid Group to provide a place for young people who are intoxicated or otherwise at risk in the central city area, until such time as they can be collected by family or a continuing placement is found. During the times they spend at 'On Track', they can receive counselling and be linked to appropriate treatment services.

(4) Refer to (2).

(5) The suitability of a 'drop in centre' for young people in Perth needs to be thought through very carefully. Strategies to support young people and to engage them in purposeful activity are being pursued by a variety of agencies including the Office of Youth Affairs, Ministry of Sport and Recreation, Local Government Authorities and Local Drug Action Groups. These strategies are often best placed in young people's local communities. A strategy that draws young people, particularly those who are at risk, into the central city could inadvertently foster the very problems that such a centre may be trying to address, such as separating young people from their local communities and exposing them to risky behaviours.

WASTE DISPOSAL, RECYCLING LEVY

3155. Mr McGOWAN to the Minister for the Environment:

I refer to the Government's recycling levy imposed on waste and ask -

(a) when was the levy introduced;
(b) how much money has been collected in total;
(c) how much money is collected by each Council per financial year;
(d) what has the levy been spent on in each financial year;
(e) how much is spent on each of these programs; and
(f) what is the cost to each Council to collect this levy?

Mrs EDWARDES replied:

(a) With the enactment of the Environmental Protection (Landfill) Levy Act 1998, the levy came into effect on 1 July 1998.

(b) $3 556 295. (From 1 July 1998 to present time). The next round of instalment is not due until 14 July 1999.

(c) It is not collected by councils but by landfill operators from any person or organisation who seeks to dispose of waste at a landfill in the metropolitan area. There are 18 landfills in the metropolitan area. Of these, 8 are owned by local councils, 2 by regional councils and 8 by private companies. As yet the levy has not operated for a full financial year, but it is anticipated that about $4.2 million will be collected in 1998/99.

(d) Moneys from the Fund are used to support the following programs:

Municipal Recycling Services - an estimated one million dollar rebate scheme for local government kerbside collections of recyclables.

Waste Classification and Information - for grants up to $20,000 to assist with the collection of information about the waste stream.

Cleaner Production and Industrial Waste Reduction - grants up to $5,000 to encourage manufacturing and service industries to minimise their environmental impact and reduce waste. Allocations beyond this limit can be made for cleaner production training, education and support.

Recycling and Waste Processing Industry Development - grants up to $100 000 to assist with the development of recycling industry and waste reprocessing capacity.

Regional Recycling - grants up to $40,000 to assist the development of recycling services beyond the metropolitan area.

Public Education and promotion - grants up to $25,000 to ensure the community understands the issues surrounding waste management, waste reduction and recycling.

State Co-ordination of Local Government Recycling and Waste Reduction - grants up to $40,000 to assist local government to co-ordinate state-wide recycling and waste reduction initiatives.

(e) Except for the kerbside collection rebate the distribution of monies from the fund is not based on an allocation per program. Two funding rounds are advertised each year. Applications for grants under any of the programs are submitted to the Advisory Council on Waste Management (ACWM). ACWM assesses the applications and makes recommendations according to the amount of money available for distribution. $3 153 974 has been recommended so far this year.

(f) The levy is not collected by Councils as such, but by landfill operators. Landfill operators are required to submit levy payment returns, along with a cheque for payment, within fourteen days of the end of each quarterly period. The administrative costs of collecting the levy for councils and private operators are not available.

NOORANA PRIMARY SCHOOL, CAR PARK

3157. Mr McGOWAN to the Minister for Education:

I refer to the need for a new Noorana Primary School car park and ask -

(a) what amount has the Government set aside to build this car park;

(b) when will the Government be constructing this car park;

(c) does the Government accept that this carpark is essential for the safety of school children and parents; and

(d) when will the car park be built?

Mr BARNETT replied:

I assume the member is referring to Koorana Primary School as there is no school in the State school system by the name of Noorana Primary School.

(a) No funds have been allocated this year to build a car park at Koorana Primary School. The school has 82 parking bays together with embayment parking for parent's vehicles.

(b)-(d) There are no plans for additional parking at present. While the Education Department recognises the need for parking at the school as part of the overall Traffic Management strategy, Koorana Primary has already been adequately catered for with parking bays and embayments.

EAST WAIKIKI PRIMARY SCHOOL, CROSSING GUARD

3158. Mr McGOWAN to the Minister for Education:

I refer to East Waikiki Primary School's need for a new crossing guard on Gibb Road and ask -

(a) when will this guard be installed; and

(b) does the Government recognize that this street is dangerous to students leaving and arriving at school?

Mr BARNETT replied:

The Minister for Police has provided the following information:

(a) The Western Australian Police Service has approved the appointment of two traffic wardens. The date on which these wardens will commence duty is being negotiated at present. The commencement date for the traffic wardens is dependent upon the completion of site works associated with the provision of the school crossing. It is anticipated that these works will be completed before or soon after the commencement of term three.

(b) Yes. Any situation where pedestrians and vehicular traffic are in close proximity represents a potential risk.

EDUCATION DEPARTMENT, EMPLOYEES AT LEVEL 5 AND ABOVE

3160. Mr KOBELKE to the Minister for Education:

(1) What was the number of employees in the Education Department at Level 5 and each level above that were employed -

(a) as at 1 January 1999; and
(b) as at 1 June 1999?

(2) How many full time equivalent employees were on the Education Department payroll at Level 5 and each level above that -

(a) as at 1 January 1999; and
(b) as at 1 June 1999?

Mr BARNETT replied:

(1) Public Servants and School Administrators have a markedly different career structure and pay scale. School Administrators have a four tier career structure starting at Level 3 and rising to Level 6, hence a Level 5 Administrator would have quite different remuneration to a Level 5 Public Servant. Statistics are presented in both categories.

(a) Number of employees at Level 5 and each level above as at 1 January 1999:

Public Servants		School Administrators	
Level 5	211	Level 5	275
Level 6	115	Level 6	129
Level 7	120		
Level 8	35		
Level 9	32		
Class 1	1		
Class 2	7		
Class 3	1		

(b) Number of employees at Level 5 and each level above as at 1 June 1999:

Public Servants		School Administrators	
Level 5	242	Level 5	303
Level 6	119	Level 6	148
Level 7	126		
Level 8	35		
Level 9	35		
Class 1	1		
Class 2	5		
Class 3	1		

(2) (a) Number of full-time equivalent employees on the Education Department payroll at Level 5 and each level above as at 1 January 1999:

Public Servants		School Administrators	
Level 5	206.8	Level 5	275
Level 6	114.5	Level 6	129
Level 7	120		
Level 8	35		
Level 9	32		
Class 1	1		
Class 2	7		
Class 3	1		

(b) Number of full-time equivalent employees on the Education Department payroll at Level 5 and each level above as at 1 June 1999:

Public Servants		School Administrators	
Level 5	236.4	Level 5	303
Level 6	118.4	Level 6	148
Level 7	125.4		
Level 8	35		
Level 9	35		
Class 1	1		

Class 2	5
Class 3	1

SCHOOL PRINCIPALS, SUSPENDED

3170. Ms McHALE to the Minister for Education:

(1) How many teachers (including Principals) have been suspended from state schools in the following years -

(a) 1993;
(b) 1994;
(c) 1995;
(d) 1996;
(e) 1997;
(f) 1998; and
(g) 1999?

(2) How many of these, by each year, resulted in disciplinary action?

(3) How many by each year resulted in no justified case being found against the teachers?

Mr BARNETT replied:

(1) (a)-(e) On 15 June 1998 the Department created a database to document disciplinary action commenced against employees in the Education Department of Western Australia. There is no comprehensive database prior to this date which covers all disciplinary action against employees, and I am not prepared to require the Education Department to commit the resources necessary to provide the information sought.

(f) Four teachers (including principals) were suspended in 1998 in accordance with Section 7C of the Education Act 1928.

(g) In 1999 one principal has been suspended in accordance with Section 7C of the Education Act 1928.

(2)-(3) (a)-(e) Not applicable.

(f) Of the four teachers, a penalty pursuant to Section 7C of the Education Act 1928 was imposed on one employee. The inquiry relating to each of the remaining three teachers has not been finalised as each is subject to criminal proceedings, which have not been concluded. At this stage, on no occasion in 1998 has a suspended teacher been found not guilty of misconduct.

(g) In this case, the Director-General determined that the principal was guilty of misconduct and a penalty was imposed.

FREMANTLE PRISON, RESTORATION WORK

3171. Dr GALLOP to the Minister for Works:

With reference to the restoration works carried out at the old Fremantle Prison, will the Minister indicate -

(a) the cost of the restoration work; and
(b) who was awarded contracts to carry out restoration work?

Mr BOARD replied:

I am advised that:

(a)

1996/97	$200,000
1997/98	$300,000
1998/99	$300,000

(b)

1996/97	Kevin Palassis Architects Stirling Irrigation Transfield Maintenance Palmerston Building Company Considine and Griffiths Architects Don Wallace Jason Signmakers
1997/98	Considine and Griffiths Architects Kevin Palassis Architects Sizer Builders Transfield Maintenance Julia Clarke + Associates Jason Signmakers Alan Muller Design
1998/99	Considine and Griffiths Architects Sizer Builders Transfield Maintenance Julia Clarke + Associates Jason Signmakers

Alan Muller Design
Palmerston Building Company
Norman Disney and Young
Hocking Planning and Architecture

FAMILY AND CHILDREN'S SERVICES, EMERGENCY RELIEF FUNDING

3181. Mr BROWN to the Minister for Family and Children's Services:

(1) Further to question on notice No. 2124 of 1999, has the Minister raised with any of her Federal colleagues the growing number of non-Government agencies dispensing Commonwealth Government emergency relief that have reported a significant increase in demand to the point where funding is no longer able to meet demand?

(2) Has the Minister sought any additional funding for emergency relief from her Federal colleagues?

(3) If so, when?

(4) If not, why not?

(5) Will the Minister make representations to her Federal colleagues to increase the level of funding provided for emergency relief?

(6) If not, why not?

(7) If so, when?

Mrs PARKER replied:

(1)-(2) Yes.

(3) Correspondence was sent to Senator the Hon Jocelyn Newman, the Minister responsible for the Commonwealth Emergency Relief Program on 28 April 1999.

(4)-(7) Not applicable

HOMESWEST, ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE

3216. Ms ANWYL to the Minister for Housing:

(1) What is the Homeswest policy with respect to housing of people who are victims of domestic violence?

(2) How many people currently on waiting lists have identified domestic violence as a reason for making an application for -

(a) assistance; and
(b) priority assistance?

(3) Will the Minister -

(a) advise what has been the Homeswest policy with respect to housing of people who are victims of domestic violence for each year from 1993 to 1999; and

(b) identify all and any changes in policy?

(4) Has there been a reduction in the number of houses available to house Homeswest tenants?

(5) Will the Minister consider the creation of a specific amount of housing stock to be available for victims of domestic violence and their children?

(6) What policy development or research is being undertaken around this issue by the Department?

(7) What representation does the Department have on domestic violence prevention committees in Western Australia?

(8) What representation does the Department have with respect to the development and implementation of the Court Government's domestic violence policy?

Dr HAMES replied:

(1) I undertake to provide the member with a copy of the latest policy, which has been developed in consultation with community groups associated with the Housing Advisory Committee. The latest policy was implemented in May 1999.

(2) The Ministry of Housing is unable to determine the number of applicants currently listed for accommodation on a priority or wait turn basis who have nominated domestic violence as the basis for their request.

(3) The Ministry of Housing's Domestic Violence Policy was first developed in 1993 in consultation with the Women's Refuge Group and government agencies involved in the provision of services to victims of domestic violence. Since the initial introduction of the policy, minor amendments and additions have been made, however the intent of the policy, that issues of domestic violence are grounds for priority assistance, remains unchanged.

(4) Ministry of Housing stock levels are as follows:

30 June 1993	37,668 properties
30 June 1994	38,209 properties
30 June 1995	38,830 properties
30 June 1996	39,195 properties
30 June 1997	39,001 properties
30 June 1998	38,895 properties

* Please note figures include properties utilised under the public housing, Aboriginal Rental Housing, Joint Venture, Community Housing, Crisis Accommodation and Remote Aboriginal Village programs.

As can be seen, Ministry of Housing stock levels have been maintained in recent years, despite a large number of vacant properties (approximately 1,200) which were undesirable to applicants being removed from rental stock due to the New Living Program. Additionally, the Ministry of Housing has also assisted approximately 2,500 families to purchase their rental properties under the Right to Buy and GoodStart Schemes since 1993.

(5) It is not viable for the Ministry of Housing to have a specific amount of mainstream accommodation "set aside" for victims of domestic violence. The number of victims of domestic violence requesting the Ministry of Housing accommodation fluctuates. Notwithstanding, where victims of domestic violence are approved for priority assistance, the Ministry of Housing will make every endeavour to provide them with suitable accommodation as soon as possible. Additionally, the Ministry of Housing does provide funding through the Crisis Accommodation and Community Housing Programs to assist victims of domestic violence through refuges and exit point housing.

(6) The Ministry of Housing monitors all policy, including domestic violence, for effectiveness and makes amendments where and when necessary. The Ministry welcomes all feedback in relation to its policies and should the Member believe the policy requires amendment the Ministry will consider any suggestions made.

(7) The Ministry of Housing is represented on domestic violence prevention committees throughout the State, including the metropolitan area. The representative is the Regional Manager or his/her proxy.

(8) The Ministry of Housing is represented on the Domestic Violence Action Plan Implementation Committee at executive level.

REGIONAL COORDINATION FUND, GRANTS

3224. Mr BROWN to the Minister for Commerce and Trade:

(1) How many grants have been made available under the Regional Coordination Fund?

(2) What amount has been paid to each recipient?

(3) What has been the outcome of each grant made?

(4) How much has been set aside for the Regional Coordination Fund in the 1999-00 financial year?

Mr COWAN replied:

(1) 34

(2)

Recipient	No. of of Grants	Total Amount
Gascoyne Development Commission	3	$20 000
Goldfields Esperance Development Commission	3	$31 500
Great Southern Development Commission	1	$10 000
Kimberley Development Commission	2	$15 000
Mid West Development Commission	6	$30 750
Peel Development Commission	3	$14 300
Pilbara Development Commission	3	$17 450
South West Development Commission	4	$25 000
Wheatbelt Development Commission	2	$20 000
Shire of Goomalling	1	$1 900
Shire of Lake Grace	1	$10 000
Shire of Kulin	1	$5 000
Shire of Tambellup	1	$5 000
Town of Port Hedland	1	$5 000
Eastern and Central Regional Development Organisation	1	$2 000
Ministry of the Premier and Cabinet	1	$5 000

(3) Each grant made through the Regional Coordination Fund has enabled recipients to meet the objectives of the scheme, which are to undertake regional projects which lead to economic development and job creation in regional areas and to promote regional development.

(4) $90 000

WESTERN POWER, ADVERTISEMENTS DURING WORLD CUP CRICKET

3230. Dr EDWARDS to the Minister for Energy:

(1) What was the cost to Western Power of running its "very powerful West Australians" advertisements during the World Cup Cricket television broadcasts?

(2) What are the benefits of running this campaign at these times?

(3) How are these benefits measured and evaluated?

Mr BARNETT replied:

(1) Western Power does not report the cost of individual promotion campaigns, because to do so would place the Corporation at a competitive disadvantage. Overall spending in 1998/99 on advertising, sponsorship and promotion was $2.9 million, or 0.2 per cent of overall revenue. An important target audience group for Western Power is business decision-makers in the age range of 39-54 years. This audience group is strongly represented in Western Power's contestable customer base. The World Cup Cricket provided an excellent format through which to reach these decision-makers.

(2) Western Power's involvement with cricket in Western Australia through its sponsorship of Regional Junior Cricket and the WACA and Western Warriors has been the subject of recent independent market surveys. Data gathered in these surveys indicate that there is a very strong positive public support and recognition for Western Power's involvement. Western Power has responded to competition through improved internal efficiencies, better service and the introduction of value added products and services.

(3) Benefits from Western Power advertising campaigns are measured through regular, independent tracking of a range of performance indicators, such as audience reach and awareness, message take-away, positive response, customer satisfaction and loyalty.

POLICE OFFICERS, BREACHES OF GEHA HOUSING GUIDELINES

3242. Mr RIEBELING to the Minister for Police:

(1) Are police officers occupying Government Employee Housing Authority (GEHA) houses in regional towns permitted to purchase residential properties in the same locality for investment purposes?

(2) If no, what action is taken when an officer is found to be in breach of this guideline?

(3) For the calendar years -

(a) 1995;
(b) 1996;
(c) 1997;
(d) 1998; and
(e) during the current year,

on how many occasions has this guideline -

(i) been reported to be breached; and
(ii) found to be breached?

Mr PRINCE replied:

(1) Under the Government Employees Housing Authority (GEHA) Act (1964), Section 28D, GEHA tenants are not permitted to own residential accommodation within the town in which they work.

(2) GEHA, as the authority responsible for administration of the Act investigates any alleged breaches of the legislation.

(3) Information requested would need to be sought from GEHA as it is not recorded by the WA Police Service.

RUSSIAN WOMEN MARRIED TO AUSTRALIAN MEN, WELFARE PROBLEMS

3251. Ms WARNOCK to the Minister for Family and Children's Services:

(1) Is the Minister aware of the growing phenomenon of Western Australian men seeking to marry Russian women, and welfare problems arising as a result?

(2) Does the Minister have concerns regarding these welfare problems and has any assistance been put in place to help the women concerned?

Mrs PARKER replied:

(1)-(2) I am aware of the issues for Russian women in Western Australia. The Department of Immigration and Multicultural affairs is monitoring this and is now providing advice to intending brides prior to them leaving Russia, to avoid potential welfare problems. Family and Children's Services provide the following advice and support:

Referral to community based services, which include:
Women's Refuges Multicultural Services
Northern Suburbs Migrant Resource Centre
North Perth Migrant Centre (which provides accommodation for homeless adults)
South Metro Migrant Resource Centre
The St Martha and Mary Orthodox Welfare Service
Ethnic Communities Council of Western Australia
SAAP funded Women's refuges statewide
Eligibility for crisis financial assistance from Family and Children's Services to support their leaving a situation of domestic violence.

Referral to Community Legal Centres
Referral to financial counselling services

The above information demonstrates that there are a broad range of support services available to Russian and other migrant women who experience domestic violence or are in need of other welfare services.

STOLEN GOODS, CONTROLS ON SALE

3259. Dr CONSTABLE to the Minister for Police:

(1) What percentage of Perth's stolen items are recovered from police licensed pawn shops?

(2) What controls are placed on vendors selling goods at swap meets to ensure the goods they are offering for sale are not stolen?

Mr PRINCE replied:

(1) The current electronic system used by the Police Service to record stolen and recovered property, is unable to differentiate between property which has been recovered from licensed pawnbrokers (and/or second hand dealers), and property recovered from other premises or locations. Accordingly, the Police Service is unable to determine the percentage of recovered stolen property located at licensed pawnbrokers or second hand dealers. The Police Service does however, through the Dealers Information Unit, retain "serial match" statistics from the Police TAG System. As you are aware, all licensed dealers are required to forward transaction data to the Police Service, either electronically or by fax, which is downloaded or entered on the Police TAG system. The TAG system cross references the transaction data against property recorded as stolen and identifies any like data or "serial matches". All "serial matches" nominated by the TAG system are then examined by an officer from the Dealers Information Unit who will confirm the match and forward an Information Report to the appropriate Police District for investigation. It is important to note not all serial matches will result in an Information Report being generated. I am advised from 1 July 1998 to 18 June 1999 (ie 1998/1999 financial year to date), a total of 2744 serial matches have been identified by the Police TAG system, of which 774 were confirmed and forwarded to Districts for investigation.

(2) There are no licensing provisions as such for vendors at swap meets, however, police do conduct regular checks of swap meets. Where a person or persons are identified as regular traders at such meetings, there are provisions within the Second Hand Dealers and Pawnbrokers Act allowing for such persons(s) to be charged with unlawful second hand dealing.

GOVERNMENT EMPLOYEES HOUSING AUTHORITY, PROPERTY SALES

3266. Mr BROWN to the Minister for Housing -

(1) Have any Government Employees Housing Authority (GEHA) properties in major towns been sold since 1 January 1997?

(2) How many properties have been sold?

(3) How many properties sold by the GEHA have been leased back by the Authority?

Dr HAMES replied:

(1) Yes.

(2) 587 throughout the State.

(3) 21.

HOUSING, GOVERNMENT EMPLOYEES IN REGIONAL AREAS

3267. Mr BROWN to the Minister for Housing:

(1) How many companies has the Government entered into an arrangement with under which such companies will construct housing in regional towns for Government employees on the understanding that the State will underwrite a long term lease for the house at commercial rates?

(2) In what regional towns has staff housing of this description been provided?

(3) What plans does the Government have to provide additional staff housing under these arrangements?

Dr HAMES replied:

(1)-(2) A manual search of the records is being conducted but this will take considerable time to complete.

(3) This scheme has been established to meet the additional requirements of Departments that would not have been accommodated within the existing Construction Program. The Government Employees Housing Authority is reviewing the benefits of this scheme on a regional basis. Once that review is completed I will be in a better position to be able to reply to this question.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3271. Mr BROWN to the Minister representing the Attorney General:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Attorney General's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mr PRINCE replied:

The Attorney General has provided the following reply:

(1) 10

(2)-(5)

1 $3,500,000
Repcol Commercial Investigators
Management and Control of Warrants of Execution
31 March 2001

2 $154,720
Alphawest
Analyst Programmer for the Crown Solicitor's Office
7 April 2000

3 $191,209
Skipper Trucks
Rubbish Compactor
1 September 1999

4 $149,734
Dr Locsei
Psychiatric Services to Bandyup and Greenough Prisons
22 December 2000

5 $93,658
Ernst & Young
Development of an On-Line Justice Information System
31 August 1999

6 $150,000
Mirage Technology Centre for Business Solutions
Computer Training
19 April 2000

7 $2,000,000
Stewart & Heaton
Prison Officer Uniforms
22 April 2002

8 $107,100
Bandt Gatter & Associates
Review of Courts Services Division Organisational Structure
27 October 1999

9 $90,000
Marnja Jarndu Womens Refuge
Victim Support Services for Broome
23 May 2000

10 $150,000
Amcon Solutions
Lower Courts Application Support
26 May 2000

Crown Solicitor, Office of the Information Commissioner, Commissioner for Equal Opportunity, Director of Public Prosecutions, Solicitor General:
(1)-(5) Nil

Legal Aid:
(1) One
(2) $57,200
(3) Karen Land and Genevieve Cleary Joint Venture
(4) Provision of duty lawyer services
(5) 30 June, 2000

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3272. Mr BROWN to the Minister for Resources Development; Energy; Education:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mr BARNETT replied:

Department of Resources Development

(1) 1

(2) $240 000

(3) Dorado Computer Consultants.

(4) User Support Services (for a two year period with a two year extension option exercisable by the Department).

(5) 30 June 2001

Office of Energy

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

Western Power

(1)-(5) Western Power entered into many contracts during the 1 April 1999 and 31 May 1999. Western Power operates as a Corporatised entity within a competitive framework. Western Power regards details of contracts such as those requested to be commercially confidential.

AlintaGas

(1)-(5) These matters are commercially sensitive and it would be inappropriate to disclose details of any such contracts.

Education Department of Western Australia

(1) The Education Department has entered into 32 contracts over $50 000 between 1 April 1999 and 31 May 1999. Contracts arranged for EDTC001/1999 and EDTC004/1999 are panel arrangements and the total values expressed is the Total Contract Value for all panel members.

(2)-(5) Please refer to spreadsheet for details. [See paper No 1101.]

Department of Education Services

(1) The Department of Education Services has not entered into any contracts of $50 000 or more between 1 April 1999 and 31 May 1999.

(2)-(5) Not applicable.

Curriculum Council

(1) The Curriculum Council has entered into one contract over $50 000 between 1 April 1999 and 31 May 1999.

(2) $93 065

(3) The contract has been entered into with Sands Print.

(4) The contract is for the printing of the Curriculum Framework support documents.

(5) The completion date is April 1999 to July 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3273. Mr BROWN to the Minister for Primary Industry; Fisheries:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mr HOUSE replied:

Fisheries Western Australia:

(1) Nil.
(2)-(5) Not applicable.

Agriculture Western Australia:

(1) Nil.
(2)-(5) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3281. Mr BROWN to the Minister representing the Minister for Finance:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mr COURT replied:

The Minister for Finance has provided the following response:

State Revenue Department
Valuer General's Office

(1) Nil
(2)-(5) Not applicable

Insurance Commission of WA

(1) 3

(2) (a) $57,430
(b) $177,000
(c) approximately $200,000 (based on a fee per assessment)

(3) (a) KPMG
(b) Taylor Fry
(c) SGIO Insurance Ltd

(4) (a) Goods and Services Tax advice
(b) Actuarial advice
(c) Motor vehicle damage assessment

(5) (a) 31 August 1999
(b) 30 September 2000
(c) 30 September 2002

Government Employees Superannuation Board

(1) One

(2) $102,000

(3) Colliers Jardine (WA) Pty Ltd

(4) To act as sole agent for the sale of the Bullcreek Shopping Centre

(5) 6 months from April 1, 1999

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3283. Mr BROWN to the Minister representing the Minister for Racing and Gaming:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mr COWAN replied:

The Minister for Racing and Gaming has provided the following response:

Office of Racing, Gaming and Liquor

(1) One

(2) (a) $208,200 - Software licensing
(b) $202,500 - implementation and project
(c) $36,500 - annual maintenance

(3) QSP Financial Information Systems

(4) Financial Management Information Systems

(5) December 31 1999

Totalisator Agency Board

(1) One

(2) $55,000 fixed price

(3) Deloitte and Touche Consulting

(4) Evaluation of opportunities for sharing of technical, and business infrastructure between Lotteries Commission of WA and TAB

(5) July 1999 (estimated)

Burswood Park Board
W A Greyhound Racing Authority
Lotteries Commission

(1) Nil
(2)-(5) Not applicable

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3286. Mr BROWN to the Minister representing the Minister for the Arts:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mrs EDWARDES replied:

The Minister for the Arts has provided the following response:

(1) The only agency within the Ministry for Culture and the Arts with contracts of $50,000 or more entered into between 1 April 1999 and 31 May 1999 was the Library and Information Service of Western Australia who had one.

(2) $149,340

(3) Nortel Networks

(4) Supply of PABX and ancillary services

(5) June 1999

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS OVER $50 000

3289. Mr BROWN to the Parliamentary Secretary to the Minister for Justice:

(1) How many contracts of $50,000 or more (excluding employment contracts) has each department and agency under the Minister's control entered into between 1 April 1999 and 31 May 1999?

(2) What was the amount of each contract?

(3) What is the name of each person/entity with whom the contract has been entered into?

(4) What is the nature of the work or service required by the contract?

(5) What is the completion date of each contract?

Mrs van de KLASHORST replied:

The Minister for Justice has provided the following reply:

(1)-(5) I refer the member to my answer to Parliamentary Question 3271.

MINISTERIAL STAFF, BUSINESS CLASS TRAVEL

3292. Mr CARPENTER to the Minister for Aboriginal Affairs:

(1) Is the Minister aware that under Government guidelines, only one Ministerial staff member may travel business class when accompanying the Minister on interstate and overseas travel?

(2) Will the Minister explain why two ministerial staff travelled business class when accompanying the Minister on his trip to the Northern Territory and Queensland between 31 May and 7 June 1998?

Dr HAMES replied:

(1) Yes.

(2) Only one Ministerial staff member travelled business class. The Chief Executive Officer of the Aboriginal Affairs Department also travelled business class as permitted under government guidelines.

MINISTER FOR SENIORS, REPORT ON TRIP TO DURBAN, SOUTH AFRICA

3293. Mr CARPENTER to the Minister for Seniors:

In relation to the Minister's trip to the Third Global Conference on Ageing in Durban, South Africa between 16 and 24 October 1997 -

(a) did the Minister provide a report on this trip in line with the Premier's guidelines on overseas travel -

(b) if the answer to (a) above is yes -

(i) on what date was the report produced;
(ii) will the Minister table a copy of the report; and
(iii) if not, why not; and

(c) if the answer to (a) is no, why was no report produced?

Mrs PARKER replied:

(a) Yes.

(b) (i) 19 February 1998
(ii) Yes. [See paper No 1102.]
(iii) Not applicable

(c) Not applicable

GOVERNMENT DEPARTMENTS AND AGENCIES, PURCHASE OF RECYCLED TOILET PAPER

3294. Dr CONSTABLE to the Minister for Works:

With reference to the article by Bruce Butler on page 7 of the *Sunday Times* on June 20 -

(a) which Government departments purchase recycled toilet paper;

(b) does the Government have a policy regarding the purchase of recycled -

(i) stationery products; and
(ii) tissue and toilet paper;

(c) (i) what percentage of tissues and toilet paper purchased by Government departments and agencies is manufactured from recycled paper; and
(ii) at what cost; and

(d) what is the total cost of tissues and toilet paper purchased by Government departments and agencies?

Mr BOARD replied:

I am advised that:

(a) All Government agencies can purchase recycled toilet paper from the Common Use Contract for Paper Products. However, information about which Government agencies choose to purchase recycled toilet paper is not readily available. Regionally based Government departments and agencies and those exempt from the State Supply Commission Act 1991, can purchase outside the Common Use Contract for Paper Products.

(b) (i)-(ii) Yes. The State Supply Commission has a Supply Policy covering Recycled and Recyclable Products and the Department of Environmental Protection's Waste Management Division is responsible for policies relating to recycling.

(c) (i) It is estimated that 98% of tissues and toilet paper purchased by Government agencies is manufactured using some recycled paper- with a recycled content of between 15% and 100%.

(ii) The cost to purchase recycled tissues and toilet paper is estimated to be about 20% - 25% more than virgin stock.

(d) Estimated at $1.5m per annum.

EXMOUTH DISTRICT HIGH SCHOOL, MANUAL ARTS CENTRE UPGRADE

3351. Dr GALLOP to the Minister for Education:

(1) Is the Minister aware of the desperate need for a major upgrade of the Manual Arts Centre at the Exmouth District High School?

(2) If yes, when will this upgrade occur?

(3) If no, will he seek a report on this situation from the District Education Office?

Mr BARNETT replied:

(1) Yes. The school has applied for a Capital Works upgrade of its Design and Technology area. The project has been identified as a high priority by the Pilbara District Education Office.

(2) An assessment of the Manual Arts Centre has been requested through the Department of Contract and Management Services. No commitment to timing can be given, as the upgrade will be subject to available funding from Capital Works and statewide priorities.

(3) Not applicable.

QUESTIONS WITHOUT NOTICE

REGIONAL FOREST AGREEMENT, ADVERTISEMENTS

1021. Mr KOBELKE to the Premier:

I refer to the Regional Forest Agreement advertisements the Government ran on commercial radio stations, after the agreement was signed, and ask -

(1) Is the Premier aware that the commercials breached the Broadcasting Services Act because they did not include the tags required in political advertisements?

(2) What was the total amount allocated to the RFA radio campaign and how much of that funding was actually spent?

(3) Did any radio stations cancel commercials booked by the Government and if so, why?

(4) Why does the Government consistently ignore the law when it comes to taxpayer funded political advertising?

Mr COURT replied:

I thank the member for some notice of this question.

(1) The radio advertising was authorised and paid for by the Commonwealth. They were not political advertisements, as defined for the purposes of the Broadcasting Services Act 1992.

(2) The Commonwealth advises that the total amount allocated to the RFA radio campaign and spent by the Commonwealth was $78 500.

(3) Not known. Commercial bookings were made by the Commonwealth.

(4) The State Government adheres to its obligations under the Broadcasting Services Act 1992.

A person who members opposite often quote as an authority on these matters, Mr Peachment, said in a radio interview -

> I don't see it as being an illegitimate use of taxpayers' money. In fact the more informed we are about this debate, the better.

DAWESVILLE CHANNEL, EFFECT ON BEACHES AND ROADS

1022. Mr MARSHALL to the minister representing the Minister for Transport:

It is alleged by residents living on the coast of Falcon and Avalon in my electorate that the severe erosion of those beaches is due to the Dawesville Channel sand bypassing system not providing sufficient sand to replenish the ravaged northern bays. Is the minister aware that parts of Avalon, Rakoa Street and Falcon beaches have become dangerous, with likely dune collapse and road damage? If so, what will be done to correct the problem?

Mr OMODEI replied:

The Minister for Transport has provided the following response.

I am aware that parts of Avalon and Falcon beaches have eroded. Records held by the Department of Transport and the results of a recent independent study indicate that erosion occurred in this area prior to the construction of the Dawesville Channel. The sand bypassing at the Dawesville Channel is being conducted in accordance with the associated environmental commitments. The volume of sand bypassed in the past two years has exceeded the average natural sediment drift, and this is likely to have reduced the effect of natural erosion processes to the north of the channel.

The City of Mandurah is the manager of the coastal reserves at Avalon and Falcon and is responsible for all related coastal protection works. Where appropriate, the Department of Transport assists the City of Mandurah through the provision of technical and financial support.

HIGH CONSERVATION VALUE FORESTS, LIST OF BLOCKS

1023. Dr GALLOP to the Deputy Premier and Leader of the National Party:

I refer to the National Party's policy on forests. On Tuesday the Deputy Premier said in this place that he was prepared to provide a list of blocks that the National Party has identified as having high conservation value, but which fall outside the reserve system. Will the Deputy Premier table that list today and if not, why not?

Mr COWAN replied:

The Leader of the Opposition is correct. I indicated to the member for Maylands, as opposition spokesperson on the environment, that I would provide a list of the blocks the National Party regarded as having high conservation value but which fell outside the reserve system. I have asked the National Party to confirm the list of blocks so that I get an accurate picture. Unfortunately, I do not have the list available. I could give the Leader of the Opposition some names off the top of my head, but I would prefer to make sure that the list is comprehensive. It will be forwarded to the member for Maylands at some time in the future. I am unable to table such a list now.

HIGH CONSERVATION VALUE FORESTS, RESERVATION

1024. Dr GALLOP to the Deputy Premier and Leader of the National Party:

Does the Leader of the National Party think that the comments by the Minister for Resources Development, that merely reserving all the so-called icon forests or other public relations stunts, are token gestures on the part of the Government?

Mr COWAN replied:

I venture to suggest, without seeking to do your job, Mr Speaker, that the Leader of the Opposition is asking me to express an opinion about the views of another member, and I am not prepared to do that.

PERTH'S WATER SUPPLY, AUGMENTATION

1025. Mrs HODSON-THOMAS to the Minister for Water Resources:

Recent media reports, including yesterday's page one picture in *The West Australian*, indicate that although water supplies in the south west are in good shape, metropolitan dams are still very low. Will the minister tell us what is being done to augment Perth's water supply, given the possibility that this situation will carry on into next summer?

Dr HAMES replied:

I thank the member for some notice of this question. The member will note from yesterday's page one picture of the Harvey weir, that it is overflowing at present. Many dams in the south west region are either close to capacity or are overflowing, which reinforces the good decision of this Government, through the Water Corporation, to spend $175m building a new pipeline from Rockingham to Harvey weir that will access Stirling dam and Harris dam and provide additional water for the metropolitan area.

Despite the good rains, the flow to our metropolitan dams has not been that great. We are still sitting at about 146 gigalitres of water, which is well down on last year's supply. It is good that the weather bureau has predicted a wet winter. It is important to have a good winter. Rain is still soaking into the earth with little run-off. We hope that when the rains come in late July, August and spring, it will result in significant flow-off to our dams, and we will be okay.

We are not out of the woods yet. We have not made a decision on further restrictions. We will be able to do that in late July or early August. We hope the good rain will continue and we will not have to impose those restrictions on the metropolitan area.

COMMONWEALTH-STATE FINANCIAL AGREEMENT

1026. Dr GALLOP to the Premier:

Some notice of this question has been given.

(1) Will the Premier table the revised intergovernmental agreement on the reform of commonwealth-state financial relations, as well as the latest Treasury analysis of the deal?

(2) If not, why not?

Mr COURT replied:

(1)-(2) I am prepared to table the intergovernmental agreement. In relation to the Treasury analysis, we had a cabinet submission which incorporated Treasury advice on the matter. I am not prepared to table that, but I will certainly table the agreement.

Dr Gallop: What a disgrace! This Parliament is not getting the advice on the consequences of one of the most significant agreements we have had. What sort of accountability is that?

Mr COURT: I have already told Parliament the consequences.

Dr Gallop: No, you have not. You put out a two-page press release. What sort of accountability is that?

Mr COURT: If the Leader of the Opposition has a couple of hours, I will read out the intergovernmental agreement which spells out the changes. The Leader of the Opposition said he wanted to know, so I will tell him the change. As the Leader of the Opposition knows, as a result of the renegotiation of that tax package -

Dr Gallop: What are you covering up?

Mr COURT: I am not covering up - I am tabling the agreement.

[See paper No 1103.]

Dr Gallop: Give us the analysis.

Mr COURT: Can the Leader of the Opposition read? I want to comment on the agreement I just tabled which the Labor States could not sign quickly enough. Why did they sign it? It is a better deal for their States than the current arrangement. The Leader of the Opposition does not understand that this country has moved on.

Dr Gallop interjected.

The SPEAKER: Order!

Several members interjected.

The SPEAKER: Order! I think the Premier is allowing these interjections, but it is causing problems as far too many people are joining in. We cannot continue in that way.

Mr COURT: If the Leader of the Opposition wants me to tell him: We will have income tax cuts, and support for export industries in this State. That is pretty favourable to Western Australia. Interestingly, we know that the Labor Party in government will not change the system. It wants us to pay 32 per cent sales tax instead of 10 per cent. It can huff and puff all it likes, but it will not change the system. It has been gung ho about how bad it is, but I guarantee members opposite will not go to the next election saying they will get rid of the GST.

Several members interjected.

Mr COURT: Anyway, the debate is moving on. If the Leader of the Opposition wants a hand to read the agreement, I will help him.

Dr Gallop interjected.

The SPEAKER: Order! I formally call the Leader of the Opposition to order for the first time.

HILL, MRS HEATHER, HIGH COURT DECISION

1027. Mr BAKER to the Minister for Parliamentary and Electoral Affairs:

I refer to the recent High Court decision in the case of the former Queensland senator-elect Mrs Heather Hill. Is the minister aware of any provisions of any of the electoral laws of Western Australia which could result in a similar outcome here?

Mr SHAVE replied:

I thank the member for some notice of the question. Mr Speaker, I hope you will give that no hoper opposite a sedative before I answer the question.

Ms MacTiernan: You should not call the Leader of the House that.

Mr SHAVE: I was talking about that dill, the member's leader, not the Leader of the House. What policy does that dope have? He has not one policy he can support!

The SPEAKER: Order! Perhaps, minister, we can reflect carefully. If we impugn members, everyone will be asked to withdraw comments.

Mr SHAVE: Thank you for that guidance, Mr Speaker.

I appreciate the member's concern in asking the question in case any member of Parliament was possibly ineligible to have been elected. If the electoral laws of Western Australia had similar provisions to those of the Commonwealth Constitution, it would be a problem. However, the disqualification of a senator-elect on the basis of dual nationality occurred under the Commonwealth Constitution. I am pleased to assure the House that under sections 7 and 20 of the Constitution Acts Amendment Act, a person over 18 years of age can be elected to either House of the State Parliament provided that he or she has resided for 12 months within Western Australia, and is entitled to vote at state elections or become an elector. In turn, section 17 of the Electoral Act states that Australian citizens, and those British subjects enrolled as state or commonwealth electors prior to January 1984, are eligible to be electors. Nothing is stated in our state Constitution or electoral laws that would disqualify a member who retains some residual form of citizenship of another country. I am sure, with the number of former foreigners on the other side of the House, it must be a relief to these members born overseas who might otherwise be checking whether they had dual citizenship at the time of the election.

POLICE OFFICERS, FIREARMS COMPETENCY

1028. Mrs ROBERTS to the Minister for Police:

Some notice of this question has been given.

(1) How many police officers complete and pass their firearms competency test twice per annum as required?

(2) How many police officers completed the firearms test in each of April and May of 1999?

(3) How many police officers failed the firearms test in each of April and May of 1999?

(4) Are police officers who failed the test precluded from carrying firearms until they pass the test; if not, why not?

(5) How many police officers have not done a firearms competency test for more than 12 months?

(6) Are police officers who have not completed a firearms test for a year precluded from carrying firearms; if not, why not?

The SPEAKER: Order! I am glad the member gave some notice of the question. Should I count that as one or six questions?

Mr PRINCE replied:

I thank the member for some notice of this question. With regard to weapons training in the Police Service, during recruit training all recruits have a three-week intensive course in weapons. Two years from the recruit course, they must demonstrate competence in the safe use, handling and legal requirement associated with firearms. That is mandatory for appointment to the position of constable as a permanent member of the service. At five years, an officer must further demonstrate competence. Again, this is mandatory for appointment of constable at first-class level. At nine years, a mandatory further demonstration of such competency is required for appointment as a senior constable. In addition to training at each of the stages of progression, training is undertaken on regular six monthly qualification bases. It is in that area the backlog has occurred. It is six monthly for operational officers, and 12 monthly for non-operational officers.

Mrs Roberts: I know all that; you have not answered the question.

Mr PRINCE: The member knows the answer, but nobody else does. Otherwise, she would not have asked the question.

(1) The Police Service says it cannot advise me because that information is not available on the electronic database in the time available. It will need to be compiled clerically.

(2) In April 1999, 343 police officers completed the firearms test. In May 1999, 395 police officers completed the firearms test.

(3) In April 1999, 75 police officers failed the firearms test. In May 1999, 88 police officers failed the firearms test.

(4),(6) Officers who have failed or not completed requalification for 12 months can still be issued with a firearm. The decision to issue a firearm takes into account previous training, and obviously also whether those officers have requalified in assessing their proficiency to carry a firearm. Training in the use of a firearm is a last resort option. Officers use many other things. In this State, I am pleased to say that officers rarely have to draw their firearms and even more rarely have to use them. That is not the case in all States of Australia, and Victoria is probably the total opposite.

Mrs Roberts: There are police carrying guns in Kings Park and all around the place.

Mr PRINCE: They carry them, but drawing them and using them is another thing altogether. I am sure the member would understand that. Officers can still be issued with a firearm, even if they have not requalified.

(5) 1 298 police officers have not done a firearms competency test for more than 12 months. Most, but not all, of those officers are undertaking administrative and non-operational duties, which include things like prosecuting, community policing, crime prevention, project work and the like.

As the member for Midland and I are not likely to see each other again for some weeks, I take this opportunity to wish her, at some discomfort to herself, a joyous event for her, her husband and her family.

Members: Hear, hear!

CRIME MANAGEMENT UNIT, MANDURAH

1029. Mr MARSHALL to the Minister for Police:

The Delta scheme, which allows officers in charge to use their initiative and match crime management change to suit their own location, appears to be working. Can the minister advise the House how the newly appointed crime management unit in Mandurah, which is headed by Detective Sergeant Jeff Beaman, is progressing?

Mr PRINCE replied:

Yes, I can. I am delighted that the member has asked the question. He takes a close interest in these things in his area, of course. The crime management unit is headed by Detective Sergeant Jeff Beaman. Since it was formed in October 1998, 216 adults have been charged with 493 offences, and 100 juveniles have been charged with 153 offences. That is a total of 316 people charged with 646 offences, 231 of which were burglary offences. That is a significant impact on crime in that area. The estimated value of property recovered in that period is in excess of $160 000.

Worthy of note is the unit's recent involvement in the work of solving the murder of Mrs Hilda Fry. That has been an unsolved case since 1993. There was the arrest of a serial sex offender in Melrose. Two homicides have been solved in Lake Clifton and Pinjarra, together with arrests of members of outlaw motorcycle gangs for matters involving drugs, burglary and other serious offences.

It is an extraordinarily well received unit. It is doing fantastic work. Because it is working so well and its effectiveness is beyond all expectation, it will be used as the model to open the Bunbury crime management unit in the 1999-2000 year. It is a fabulous exercise of local management achieving a superb result.

DOCKRILL, MR BERNIE, COMPENSATION

1030. Mr BROWN to the Minister for Primary Industry:

(1) Does the minister acknowledge that former milk vendor Mr Bernie Dockrill has been offered compensation totalling $300 410 for a business which, prior to deregulation, had a capital value of more than $578 000?

(2) Why has the minister ignored the recommendation of the Legislative Council that these small business people should be paid full compensation for the loss of their businesses resulting from deregulation in 1995?

(3) Does the minister accept that his incompetence in this matter has set a precedent for the valuation of compensation for the loss of fishing licences, taxi plates and market milk quotas at a little over half their market value?

Mr HOUSE replied:

(1)-(3) In relation to the last part of the question, the assumption is absolute nonsense. Yesterday in this Parliament I tabled information that is relevant to this issue. That information was very comprehensive and contained all the detail. Members will remember that this Parliament agreed to an independent assessment of the individuals involved. They were not political decisions. They were decisions made, first, under the principles of the Parliament which are laid down in the legislation; and, secondly, they were followed by the independent arbiter.

With regard to the first part of the question and the individual concerned, the recommendations of the committee in the Legislative Council were followed. That is well documented and members can read the report. What we have here is an expectation and then the facts of the matter. If members look at the facts of the matter as I tabled them in Parliament yesterday, the explanation is quite clear; that is, the principles for full compensation as laid down under the scheme agreed to by this Parliament and adjudicated by the independent arbiter have been followed.

CRIME PREVENTION AND REDUCTION, INITIATIVES

1031. Dr TURNBULL to the Deputy Premier:

In his capacity as the co-chair of the cabinet standing committee on law and order, can the Deputy Premier advise the House of the initiatives that have been developed by the committee to prevent and reduce crime in metropolitan and rural communities?

Mr COWAN replied:

I thank the member for the question. The answer really comes in two parts. The first is to indicate very clearly to the community at large that policing is not a matter that is strictly the province of the Police Service alone but one that requires the support of the community and, indeed, other government agencies. As a consequence of that, the Government some time ago established the Safer WA Council, and through that we have been running a Safer WA campaign. That campaign is focusing its attention on a partnership between the Police Service and the public, as well as members of other government agencies who are associated with different matters that are closely related to the wellbeing of the community.

In respect of some of the policing issues, some good initiatives have been taken, such as the promotion of the look, lock and leave program, and the promotion of the business academy that talks to business about how it can be aware of the potential for theft, armed burglary or robbery and make sure that it can take preventive measures. Similarly, the vehicle immobiliser scheme is part of that overall policing measure. However, what is important and not quite so well known in the community is that through the Safer WA Council a working group has been established, which includes the Police Service, the Ministry of Justice, Family and Children's Services, the Education Department, the Ministry of Housing and the Aboriginal Affairs Department. Chief executive officers from those agencies, as well as the regional directors, get together to make sure they provide collaborative support in dealing with some of the issues associated with delivering a safer Western Australia.

We have, through the Safer WA Council, prepared a booklet. I will table that and I advise members that copies are available at the rear of the Chamber. In addition to that, all members will receive a copy of this booklet very shortly.

[See paper No 1104.]

GREENACRES CARAVAN PARK, PLANNING APPEAL

1032. Dr EDWARDS to the Minister for Planning:

(1) Given that section 39(1) of the Town Planning and Development Act 1928 provides that the commencement of an appeal to the minister or to the tribunal extinguishes any right of appeal to the other, why did the minister consider the appeal against the Shire of Busselton's decision on the Greenacres Beachfront Caravan Park, given an appeal was already with the tribunal?

(2) What does the minister intend to do now that he and the tribunal have come down with different decisions?

Mr KIERATH replied:

(1)-(2) I compliment the member on asking a very good question. It is probably one of the more sensible questions I have heard from the Opposition in recent times. We sought extensive Crown Law advice about the appeals. Busselton is the only one that has third party appeal rights left in its scheme and the new scheme is taking that out. It was not the same appeal; they were two separate appeals from different parties.

Ms MacTiernan interjected.

Mr KIERATH: I know, but the legislation does not state that. The legislation makes reference to the appeal and that is where Crown Law said that they were two separate appeals and they should be dealt with on that basis. I agree with the member; it is not an ideal situation in which two appeals are being dealt with by different bodies. Obviously, I had extensive advice which was extremely strong about the course of action that I had to take. I must say it is not a course of action that I personally wanted to take. I was concerned that it would create some confusion. I think the tribunal's decision is wrong. I have said to the local authority that I would do everything that I could personally to help it out of the mess it has got itself into. It has had a review of its whole scheme; this was one of the difficulties in making the decision. Its scheme, if it had gone through on that basis, would have prevented that happening on that site. Decisions have been made in the Supreme Court where it has been said that at that stage a scheme of that position is a seriously entertained proposal and the decision-making authority must give it the status it deserves.

Dr Edwards interjected.

Mr KIERATH: I am only giving the details on the questions that the member asked. I think that it is an unsatisfactory situation and the planning appeal Bill before this House now resolves the situation.

MITCHELL FREEWAY EXTENSION, COMPLETION

1033. Mr BAKER to the minister representing the Minister for Transport:

I refer to the ongoing construction of the Mitchell Freeway extension from Ocean Reef Road to Hodges Drive, Connolly. Can the minister provide this House with a brief progress report concerning the time frame for the completion of this very important freeway extension?

Mr OMODEI replied:

The Minister for Transport has provided the following response: The contract for extending the Mitchell Freeway from Ocean Reef Road to Hodges Drive also includes the widening of the freeway between Karrinyup Road and Hepburn Avenue and the provision of an underpass at Ocean Reef Road. The contractor started work at the beginning of March this year and the progress has been excellent. It is anticipated that the contract will be completed well ahead of schedule. The extension to Hodges Drive is likely to be completed in early December this year and both the widening and underpass should be completed in February 2000.

DRUG OFFENCES, URINE TESTING

1034. Mr CARPENTER to the Minister for Family and Children's Services:

I refer to the minister's assertion that she would like to see Western Australians forced to submit to urine tests if police suspect they are under the influence of drugs, even if they have committed no offence.

(1) How does the minister imagine such a scheme would be implemented, given that her own figures show that 52 per cent of Western Australians between the ages of 14 and 25 years have a lifetime prevalence of drug use?

(2) Does the minister envisage large-scale police enforced roadside pit stops and chemical testing on the same basis as booze buses?

(3) Is this yet another example of the minister's moralising when people's lives are at risk, for which she has rightly been criticised by the member for Cottesloe?

Mrs PARKER replied:

(1)-(3) Again, we cannot assume that the member for Willagee is well informed. I have not said that we plan to implement such a scheme. When I was speaking to the journalist yesterday I said that was one of the interesting initiatives that we saw when we were overseas on how users could be effectively engaged in treatment at an earlier stage. We will consider a range of options. Treatment is the best way to reduce the level of drug abuse among those who are users and abusers. We will examine a range of ways of more effectively engaging users. Already in Western Australia we do urine tests in a court diversion program to ensure compliance. We also urine test some times to ensure compliance in treatment programs. As I said, that objective of engaging users in treatment in a more effective way earlier would remain a major emphasis in the next strategy.

KWINANA FREEWAY INTERCHANGES

1035. Mr NICHOLLS to the member representing the Minister for Transport:

Can the minister advise the time frame for the work to commence on the bridges over the Kwinana Freeway and in what order will the bridges be built? Can he also advise whether the tunnel required to take the railway line under the freeway is included in the tender for this work?

Mr OMODEI replied:

The Minister for Transport has provided the following response. The contract award process for the Kwinana Freeway interchanges and extension recommenced on 9 June 1999 and is expected to lead to the contract award in November 1999. Works are likely to commence on the site in early 2000. The contract will require the Berrigan Drive and Beeliar Drive-Armadale Road interchanges to be completed within 78 weeks of the contract award, which is by May 2001; the remaining interchanges from Russell-Gibbs Road to Thomas Road and all other works within 104 weeks of the contract award. Railway tunnels at Glen Iris and Anketell are included in the contract as separate price options. The decision to accept these options will depend on the passing of the enabling Act for the south west metropolitan railway.

SWISS HEROIN PRESCRIPTION TRIAL

1036. Mr CARPENTER to the Minister for Family and Children's Services:

I refer to the minister's continued criticism of the Swiss heroin prescription trial.

(1) Can the minister confirm figures provided by the Director of the Swiss federal Office of Public Health, Professor Zeltner, which show that crime among the participants in the trial fell from a prevalence of 70 per cent to 10 per cent?

(2) Can the minister confirm that the prevalence of heroin-related deaths in Switzerland has halved during the period of the trial?

(3) Can the minister explain why the Swiss people have so overwhelmingly supported heroin prescription as a treatment for addicts when the matter is put to referenda?

Mrs PARKER replied:

(1)-(3) The background to the Swiss heroin trial will be seen in the report that I tabled this morning. Between 1986 and 1991, the Swiss decided to tolerate open injecting. Very soon it had Needle Park which, a few years later, in 1993, had between 4 000 and 5 000 people openly injecting daily. Fifty per cent of those came from other countries and another 25 to 30 per cent came from cantons outside Zurich. When we look at the drop in the death rate that occurred when that trial came into place, we must put it in the context that the Swiss cracked down on that open injecting in Needle Park and created clearance centres and gave people, after they had stabilised their health condition, one-way tickets home, either to their own country or outside the Zurich canton itself. That, significantly, is where the death rate was lower. In 1993, after tolerance of that open injecting, there were approximately 16 overdoses per day or 5 840 a year, which would equate with Western Australia's population to 32 000, whereas we actually have between 700 and 1 100 overdoses a year. The death rate at that time, 1993, in Switzerland was 55, which would compare with Western Australia on population figures to about 275. Our figure last year was actually 77. The rate has dropped since closing Needle Park and the authorities confirmed to us that the drop in those figures equated to transporting the people out and improving the welfare treatment responses. The death rates in 1998 for Zurich was 22. On a comparison of population that would have left Western Australia, with the same rate, at 121. I reiterate that in Western Australia last year we had 77 deaths - it was far too high, but it was the only State in Australia to experience a reduction.

SWISS HEROIN PRESCRIPTION TRIAL, PROFESSOR UCHTENHAGEN

1037. Mr CARPENTER to the Minister for Family and Children's Services:

Can the minister explain why she failed to mention that the Professor Uchtenhagen whom she mentioned in her short ministerial statement this morning as the architect of the Swiss trial gives a glowing endorsement of the trial and his views are directly contrary to her own?

Mrs PARKER replied:

The member for Willagee may have corresponded with the professor. I found our appointment with him highly informative. He told us he had been under quite a bit of pressure to produce a positive report. As I stated in my report, he also said there was serious potential for danger if the conditions of the reasons of the trial were not strictly maintained as it became a treatment option.