# Parliamentary Debates
**(HANSARD)**

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LEGISLATIVE ASSEMBLY

Thursday, 23 September 1999

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

## TABLING OF DOCUMENTS

*Points of Order*

Mr KOBELKE: Yesterday the Minister for Police quoted from official documents. At that stage I rose under Standing Order No 157 and requested that the minister be required to table the documents from which he had quoted as it appeared they were official documents. Standing Order No 157 states -

**Tabling of documents cited in debate**

1. A Minister who has quoted from an official document will table that document if requested by any other member either during, or immediately after the conclusion of the remarks which include the quotation.

Mr Deputy Speaker, you appropriately deferred consideration of that request to consider the standing order and how you would respond to that request for the tabling of the documents. You came back a little later in the day and said that the standing order is clear and that if the minister had quoted from official documents he was required to table them. As I have only the daily *Hansard* I cannot quote your words verbatim. Members can refer to pages 38 and 39 to verify the accuracy of my account of your words. You also said that you had spoken to the minister about the documents and that he had said something of the nature that he had several documents, that he quoted from only the first one and, therefore, that was all that was required. If that was the case, the full effect of what you said in your statement to the House later in the day has been fulfilled, because the minister tabled a letter from a lawyer, Mr Peter Ward, on behalf of Mr Frank Scott.

However, if members refer to the daily *Hansard* again they will see that that is not the truth. Mr Deputy Speaker, your reflection on what the minister said to you is not the truth.

Mr MINSON: Mr Deputy Speaker, there is a considerable difference between a point of order and canvassing your ruling. That cannot be done by way of a point of order. I ask you to deal with this issue appropriately.

Mr KOBELKE: I am not canvassing the ruling; I am seeking to have the ruling fulfilled. For that reason I wish to draw the attention of the House to the fact that the tabled document does not fulfil your ruling.

Mr BARNETT: The ruling was clear that the document being quoted from should be tabled, and the minister tabled that document. If we were to do otherwise, we would leave open the opportunity for members to demand the tabling of any documents a minister has with him - even those in his briefcase. The document quoted has been tabled and that is proper.

Mr KOBELKE: If members were to refer to the daily *Hansard* they would find that the minister quoted from two documents. He had three different sets of documents in his hand: The letter from the lawyer, which he has tabled; some attached documents from which he did not quote but which he said were court documents, and he expressed some concern about tabling them -

Mr Prince: I said they were potentially court documents. I do not know whether they are.

Mr KOBELKE: The point is that the minister did not quote from those documents, and on that basis clearly he was not required to table them. He also had a third document that contained legal advice of some form. He suggested it was from the Solicitor General. He quoted directly from that document. I ask members to look at the daily *Hansard* because his reference to that document is clearly set out as a quote. The minister paraphrased the first document - the letter from Mr Peter Ward. I will not argue about that, but it was a form of quoting. However, he quoted the legal document verbatim. Not only that, if members look at the daily *Hansard* they will see that he quoted it verbatim on two separate occasions.

Mr Deputy Speaker, your ruling yesterday was clear: According to Standing Order No 157 the document or documents quoted by the minister must be tabled. The minister has not done that; he has tabled one of the two documents. Therefore, in fulfilment of your ruling yesterday and in upholding Standing Order No 157, I request that you take the further action necessary to ensure that the minister tables the second document from which he quoted.

Mr PRINCE: Mr Deputy Speaker, I was not in the Chamber yesterday when you handed down your ruling. I apologise for that; there was nothing deliberate about it - I understood that the bells would be rung before you made your ruling, but that did not happen. I was informed of the substance of the ruling and I tabled the letter because I quoted from it. As far as I am aware, the attached draft statement of claim is not yet a court document, but it may be. In any event, I did not quote from it and, as I understand it, the member does not want that.

Mr Kobelke: It is not that I do not want it, but under the standing orders there is no power to require you to table it.

Mr PRINCE: There are problems with solicitor-client privilege. I had one page of the Solicitor General's opinion on which I had made a number of personal notes. I quoted the last line, which from memory is along the lines that the report should not be tabled in Parliament. I quoted that because that was the Solicitor General's advice to me. It is only the last page of the opinion, and I have made notes of my own all over it. I do not know whether that makes any difference. I certainly did not seek in any way not to comply with the ruling.

Mr Riebeling: You simply tabled the wrong document.

The DEPUTY SPEAKER: It is a very difficult position. If the minister quoted from that document -

Mr Prince: I did and I am more than happy to hand it to you for your information.

The DEPUTY SPEAKER: Does the minister have a clean page?

Mr Prince: No, not with me. I can get one.

The DEPUTY SPEAKER: I suggest that the minister write out his notes and give me a photocopy of this page. I rule that it must be tabled.

Mr Cowan: That is an interesting precedent. There will be no more official documents brought into the House.

Mr Kobelke: We got caught when we were in government.

The DEPUTY SPEAKER: I said in my ruling yesterday that all ministers must be wary. If they do not want tabled any official documents they have in the House, my advice to them is to make notes, bring the notes into the House and refer to those notes. The Chair has no alternative but to demand that they be tabled.

## JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

*Report*

**MR WIESE** (Wagin) [9.12 am]: I present the report of the Joint Standing Committee on Delegated Legislation on the Shire of Denmark Signs Local Law 1999. I move -

That the report be printed.

In bringing forward this report from the Joint Standing Committee on Delegated Legislation I point out to the House that there are some rather different circumstances relating to the tabling of this report, those circumstances being that the Shire of Denmark local law that the committee considered was still the subject of a notice of disallowance in the other House on prorogation; hence, as a result of the standing orders of that House, it was automatically disallowed on prorogation. Therefore, the report that I am tabling on the local law that the report covers deals with a local law that does not now exist. However, the reason for my wanting to table this report urgently today is that other local laws relating to signs are in the system at present, especially a local law relating to signs in the Shire of Northampton, which is also subject to a notice of disallowance that will be debated in the other House in the next two or three weeks.

This report attempts to deal with an issue of considerable concern to the committee and which would be of considerable concern to the Parliament. I hope the report in some ways lays down a set of guidelines for local government to deal with local laws relating to signs in the future. It is for that reason that I am very keen to get the report before Parliament. The Shire of Denmark local law related to the introduction and control of all signage in the Shire of Denmark; it was very substantial. It raised many questions about whether the signs issue should be handled in that way. Three or four issues in these local laws in Denmark infringed the subject of the committee's terms of reference. Had the committee been reporting on those, it would have been recommending disallowance of them.

During its deliberations, the committee travelled to Denmark where it had a private hearing with the President and members of the Denmark Chamber of Commerce. It also had a private hearing with the councillors and officers of the Shire of Denmark. It also held a public hearing at which it invited submissions from the general public. That visit lasted for two days, during which the committee heard evidence from 22 witnesses. In addition, the committee received 11 written submissions on this local law, 10 of which were from business proprietors in the district.

The content of the local law was such that all signs other than a class of exempt signs came within the purview of the local law. The law was broad and covered virtually every type of signage. Some signs and lights were completely prohibited by the local law. It required applicants to apply for a licence to erect a sign and to pay a licence fee. It also contained requirements for signs visible from a street, reserve or other public place. That raised up a whole raft of questions. It meant that any sign, whether erected on private land or even in a paddock, was covered by this local law.

The committee is satisfied that the shire has the power under the Local Government Act to create such a local law; there is no question about that. However, the committee questions whether local law made under the Local Government Act can be effectively enforced and, therefore, whether such local laws are an appropriate avenue by which to regulate signs. That is particularly the case given that signs and advertising are currently controlled by the shire councils under their town planning schemes. In fact, the committee will recommend that town planning schemes are the more appropriate mechanism for local government to use to control signs within their boundaries. The Western Australian Municipal Association has expressed doubts in its local law manual about whether a local government has the power to enforce local laws such as this local law of the Shire of Denmark.

This local law enabled the shire to issue a notice to remove a sign and provided authority for an officer to enter premises, the definition of which included private land and private property, and remove a sign, advertising or advertising device to an appropriate place. Therefore, the local law incorporated some very strong powers. The model by-law advice that WAMA issues to all of its local government authorities states -

> The Local Government Act local laws relating to *Signs, Hoardings and Bill Posting and Advertising Devices* are considered to unnecessarily duplicate provisions of the *Local Government (Miscellaneous Provisions) Act 1960* and town planning schemes, also, in that a head of power does not exist in Schedule 3.1 of the *Local Government Act 1995* enabling

> a local government to order the removal of unsuitable signs from private land, prevailing legal opinion appears to be that Councils cannot make such an order in local laws.
>
> In other words, local laws under the *Local Government Act* virtually have no teeth, and the Department of Local Government has expressed no interest in remedying this because it believes the *Town Planning Act* is the better mechanism for the control of signs in terms of amenity. As safety aspects are in the main controlled by the Local Government (Miscellaneous Provisions) Act and Building Code of Australia, this leaves only billposting, portable signs and perhaps direction signs, which might otherwise need some control, and Local Laws WA intends to address this under a 'model' such as 'streets and footpaths'.

The clear advice from the Western Australian Municipal Association, the parent body of local government authorities, is that local laws governing signs are not the best or most appropriate way in which to address this issue. That is the point which the committee hopes to make to local government authorities by tabling this report.

Paragraph 4.13 of the report reads -

> The Committee therefore recommends that local governments follow the advice of their representative body, WAMA, and not enact signs and advertising laws under the *Local Government Act 1995*.

That is the very important message of the report.

I will briefly touch upon some of the issues which the committee considered. Clause 5 of the Local Law of the Shire of Denmark states -

> This local law shall apply to all land within the district of the Shire.

When the committee took evidence from shire personnel, and from other people, there was a clear admission by the shire that it did not intend this local law to apply to other than the urban areas of Denmark, yet the local law clearly applied to the whole of the shire. Hence, the committee had some strong concerns in that area, as did the business people who are strongly affected. Members will be aware that Denmark is a strong tourist community and has a large influx of tourists during the summer period. All members of the committee who drove outside of Denmark would aver that it was difficult to identify and find a place or a site while driving along the main roads of the shire. Members should bear in mind that eight wineries with tasting facilities are located within the Shire of Denmark, and it is extremely difficult, almost dangerous, if one is driving along the main road anywhere near the legal speed limit of 110 kmph to see and read the signs that are made and constructed to the size outlined in the shire's local laws.

One area in these local laws that is of huge concern to the committee - it should be of concern to this Parliament also - that has been enacted by this and other local government authorities in local laws and has been incorporated in every set of local laws dealing with signs that the committee has so far looked at, is the prohibition on election signs. Paragraph 4.24 of the report reads -

> Clause 17(2)(j) provides that a person shall not erect, maintain or display any electoral sign. The Local Law places an absolute prohibition on electoral signs.

That is of some concern to the committee, and was also the subject of the twenty-first report of the Joint Standing Committee on Delegated Legislation, which was tabled in this place. The issue has come up again. In hindsight, if the committee were to revisit that twenty-first report, its recommendations may be somewhat different.

The definition of an "electoral sign" in clause 4 of the local law is -

> . . . a sign containing an electoral advertisement relating to an election or a prospective or forthcoming election of the Parliament of the Commonwealth or the State, a municipal election and to a referendum.

It is absolutely broad and covers all forms of elections. The committee's view is that such local law and prohibition offends section 7 and section 24 of the Commonwealth Constitution by transgressing existing rights and liberties that are guaranteed by the Constitution and would therefore be beyond the shire's power. That point is made in the report, and I hope it is clear to local government. I foreshadow that should such clauses come before the committee again they will be subject to future disallowance by the committee. Everybody should be concerned if local government authorities prohibited every sort of election signage and material. One has only to bear in mind the upcoming referendum. Election material can and should be educative and should help people to make a proper decision on a referendum or an election. Election signage is an essential part of the Australian democracy and there should not be any prohibitions of this nature.

I will give members some idea of the scope of matters that were dealt with in the report. This issue is not isolated to Denmark, but it is common to all local laws relating to signs that the committee has seen so far. Clause 17(2)(c) of the Denmark local law states that a person shall not erect, maintain or display any flashing, intermittent or sequential lights. The effect of that would be to prohibit people erecting within their houses Christmas trees with flashing lights that were visible from the street or flashing Christmas lights in their gardens. Those sorts of regulations or local laws are over the top.

Another clause says that people shall not erect, maintain or display any sign which incorporates reflective material. It is the committee's view that such a restriction is totally unwarranted. That was brought home to the committee when it was returning to its overnight accommodation in Denmark on the Thursday night. If the bed and breakfast place in which committee members were staying that night had not had an illegal reflective sign on the street front, we would probably still be driving up and down that street looking for it. Such signs are necessary and should be allowed.

I will not delay the House my further. The report is significant, and I hope it will be taken as it is intended; that is, as guidance to local government authorities contemplating introducing local laws to govern signage within their areas. I hope the tabling of the report will cause local governments to reconsider whether they would be better off retaining control over signage, which already exists under their town planning schemes, and using the appropriate powers to enforce such signage. I commend the report to the House.

Question put and passed.

[See paper No 165.]

## ROAD SAFETY, FUNDING

*Grievance*

**MS MacTIERNAN** (Armadale) [9.27 am]: I grieve to the minister representing the Minister for Transport on the Government's woeful record on road safety and its funding cuts to a particular program. It is a matter of public notoriety that over the past five days, 10 young people in this State have been killed in road accidents. The Government has pontificated about how seriously it treats the issue. However, when we go beyond the rhetoric to see what the Government is doing we find a big fat zero. We are still waiting for amendments to the Road Traffic Act which have been promised for the past five years. They contain important changes to drivers licence classifications and driver training. We asked the minister yesterday what he was proposing to do about it and when he would finally introduce the legislation and were given the extraordinary answer that this legislation will be introduced when it is ready. This is how serious the Government is taking road safety.

I draw the attention of the House to the fact that one of the most innovative road safety programs in this State is likely to close at Christmas because the State Government, notwithstanding that the Government will cop $54m from its kerbside cash registers, has slashed the funding to this program for this year. It has indicated that it will withdraw the funding for next year. This program is based in my electorate, but services the whole State. I have seen kids from the Kimberley region training at the ARK Roadsafety Centre in Armadale. It is a very innovative program, established largely by the Armadale City Council in 1996. This program had been training 8 000 to 10 000 preschool and primary school children in road wisdom. Kids are given experience in real road conditions and then taken into a classroom setting where the messages are reinforced. From my experience, the program has engaged young people.

I acknowledge that last year the State Government came to the party and assisted the Armadale City Council by chipping in about $170 000 to renovate the area to make an even better centre for training. This year, unfortunately, the numbers have dropped from 10 000 to about 2 500 because the Government cut the measly ongoing funding. The total salary allocation of the part-time instructor at the centre is $30 000. That is not a huge amount of money when we consider the Government gets $54m from speed camera and red light camera fines. This year, the Government decided that it was not prepared to pay the full salary of the instructor and it cut it by $15 000. The centre then levied schools to pay for students to use the facility. As a result, there has been a massive drop in participation. Many of the schools do not have the money to do it. The students have to pay not only to go to the roadwise centre, but also bus fares. Under pressure from the council, the Government has decided to chip in another $4 000 to help subsidise bus trips, but that does not solve the problem. This Government should not only restore funding for the part-time instructor - a measly $15 000 out of a $54m cash cow - but also make better use of the facility by providing the instructor with the wherewithal to operate the centre on a full-time basis, which would involve programs to include kids from secondary schools.

We must do something about training young people so that they have a greater sense of road safety. We must start inculcating these lessons in them at a very early age. There is evidence that the programs at the ARK centre are successful in doing that. They raise the kids' consciousness. We are sick of the Government's pontificating, and launching brochures, providing web sites and travel safe and travel smart programs. We want it to put its money where its mouth is. We want it to provide decent and proper funding for a road safety program for our kids and to introduce the new driver licence training and classification system. We do not want it to put its internal party battles before the safety of the children in our community.

**MR OMODEI** (Warren-Blackwood - Minister for Local Government) [9.34 am]: The member for Armadale has raised a very important issue. Not one member in this place would not be absolutely dismayed about the number of road deaths that have occurred in recent weeks. Many of them were beyond the control of the Government and related more to driver behaviour. We will never know about the circumstances of the accident on a road at Kambalda. We are very concerned.

I will address the member's concern about road safety, the provision of funds for road safety, and the legislation. The road safety legislation has been in the joint party room, having been through Cabinet. In answer to a question on 16 September, the Premier told the member for Armadale that three items in the legislation were its main planks: First, the new driver graduated training and licensing system to ensure novice drivers are better prepared and more experienced before driving; second, driver identification requiring the owners of vehicles to specify the driver at the time of the speed camera and red light camera traffic offences; and, third, allowing nurses to take blood and urine samples from a person who is suspected of driving under the influence of alcohol or drugs when a medical officer is not available. We acknowledge that the Bill is of fundamental importance. As the Minister for Local Government, I am a member of the ministerial road safety committee, along with the ministers for Transport, Education and others.

Ms MacTiernan: You have been promising the road safety and driver training legislation since 1994.

Mr OMODEI: We have made significant changes. The member acknowledges that the innovative ARK Roadsafety Centre at Armadale was an initiative between the council and the State Government and is so funded, as are quite a number of others around the State. If she is concerned about that and where that funding is going, she should ask that question. As a result of the member raising this grievance, I will pursue that matter with the Minister for Transport.

Ms MacTiernan: An amount of $15 000 is all that is needed to train 8 000 drivers.

Mr OMODEI: The member for Armadale would have to be one of the rudest members of Parliament. I listened to her in silence, and took a note of everything she said. I had been speaking for only about one minute before she interjected, and usually she makes inane interjections.

Ms MacTiernan: I want the minister to answer the question.

Mr OMODEI: I am. The two issues of real concern in the joint party room - I do not think they are any secret - were, first, the aspect of the driver identification section of the Bill relating to photographic technology. Members were concerned that there should to be a clear photograph of the person driving. The second question related to the onus on the owner of the vehicle, in cases which involved company cars, to name the offending driver. Certainly public servants have been getting a free ride because many of them have denied that they were driving the vehicle at the time of the offence. Identifying the driver in the case of a company with 15 vehicles or a family with 10 vehicles was, quite rightly, strongly debated in the party room. That is what political parties are for - to make sure the legislation is workable, and I am sure you would agree, Mr Deputy Speaker.

Ms MacTiernan: How long will it take?

Mr OMODEI: The other question -

Ms MacTiernan: The Auditor General raised that issue three years ago.

The DEPUTY SPEAKER: Order! I call the member for Armadale to order.

Mr OMODEI: The other question related to the graduated driver training and licensing scheme. All members support the graduated training scheme. However, because there will be costs associated with that, members are concerned, as I am sure the member for Armadale is, that low income families may have difficulty providing the funds to 16-year-old kids to be part of the driver training scheme.

Ms MacTiernan: It is five years for this one.

Mr OMODEI: The member cannot help herself; there is no doubt about that! Members of Parliament are concerned that people are able to afford to learn to drive a vehicle properly. I could give every detail about the driver training and licensing. It is very comprehensive. It will be a world-first system of teaching young people to drive, and the Government is keen to do that. Introduction of the legislation is imminent, as members on this side of the House well know. It has been through Cabinet, approved for printing, and through the joint party room. I expect the minister to introduce the legislation within the next couple of days.

## INCONTINENCE AIDS, AND HEAD LICE

*Grievance*

**MR BARRON-SULLIVAN** (Mitchell) [9.40 am]: My grievance, which is in two parts, is directed to the Minister for Health. Both matters I raise today have been the subject of numerous items of correspondence between me and the minister, and the subject of a number of personal meetings with the Minister for Health, the previous Minister for Health, and departmental and ministerial representatives. The information is not new to the minister and I am asking him not so much for a detailed response on each issue, as for an indication of how he expects each of these issues to be resolved on behalf of the people in my constituency and those throughout the State.

The first issue relates to the provision of incontinence aids to elderly people on low incomes or pensions. At the moment a number of systems operate whereby people are provided with assistance for the provision of aids if they have incontinence. However, the dilemma is that when they reach the age of 65 years, the assistance ends and no help is provided for people over that age. This creates a great deal of personal and financial hardship for a number of elderly people. I appreciate that the minister provided me with a discussion paper some time ago, and I know his office is working on this in conjunction with its commonwealth counterparts. That discussion paper clearly indicated this is essentially a commonwealth responsibility. I appreciate that; however, I have a couple of concerns. Firstly, the matter is dragging on too long. That discussion paper is already more than a year old, and I have some technical concerns with it. For example, the seventh criterion listed in the discussion paper seemed to indicate some preference for a scheme aimed at providing assistance for people over the age of 65 years, but only if they have total or permanent disability.

What progress has been made with this issue and what hope is there in the future for people throughout the State who need assistance with incontinence aids? Specifically, I am interested to know what assistance is available at the moment. There used to be provision through the Silver Chain Nursing Association for elderly people to buy incontinence aids at a discounted price, but that is no longer in operation.

The second matter I raise concerns ectoparasites, or head lice, and, very tongue in cheek, I say perhaps it is not a matter the Minister for Health personally has too much of a problem with! Certainly in a few years I will not either! On a serious note, the State Government used to provide very generous assistance through local councils, by making available head lice lotion

for children who had head lice if their families could not afford to go to the pharmacist and pay between $3 and $12 for a bottle of lotion. In 1997 the policy was changed, and I understand each council now obtains 20 bottles of lotion free each month. People might think that an area such as Capel, which has 6 000 residents and two schools, would be able to cope with that amount. However, unfortunately, I have correspondence from the Shire of Capel indicating that 20 bottles does not stretch far enough even in a small shire such as that. In the City of Bunbury, which has 30 000 residents and many schools, it goes without saying that the provision of 20 bottles a month is totally inadequate. To demonstrate this, I obtained some figures from the City of Bunbury. In March 1998, the council provided 122 people with a bottle of the lotion, 88 of whom were in receipt of health care cards and presumably had low incomes. In March 1999, the number increased to 216. The council cannot give bottles of lotion free to all those people, and at the moment it is making a charge. I am well aware of the background of this issue. I understand that a couple of years ago the department initiated a review, and in November 1997 the minister's predecessor in this Parliament gave me a very firm commitment that he had asked his department to review the situation, and I quote from his reply -

> . . . so that people who cannot afford to buy this product can get it through a local authority or through some other form of supply, possibly school nurses, so that they can treat their children, particularly at this time of the year.

In other words, the previous minister gave a guarantee to ensure safeguards for low income earners. Again, I am very keen today to find out what is being done to ensure that takes place. My suggestion for this is very simple; that is, if the Health Department could liaise with the Education Department, and perhaps obtain some advice from the grassroots level - from school communities, local councils and parents and citizens organisations - it would not be hard to put in place a practicable and workable arrangement which would go a long way towards knocking the problem on the head - no pun intended!

I deliberately mentioned the Education Department, although I am referring this matter to the Minister for Health, because it is obviously at the forefront. I was disappointed to see that in 1997 the education ministry of the day decided that teachers and community nurses should no longer be allowed to inspect children's hair in school. That has caused a lot of difficulties in schools and that policy should be reviewed. Consideration should be given to the way this is handled successfully elsewhere. I am aware of what happens in a number of private schools which have processes to check the children's hair in classrooms, educate the parents and arrange for prompt treatment. Once again, as with my grievance on the incontinence aids, I am not seeking a detailed response from the minister - I cannot expect that in seven minutes - but I would like an indication that action is being taken to resolve both these issues.

**MR DAY** (Darling Range - Minister for Health) [9.47 am]: As the member for Mitchell has said, these issues have been raised with me on previous occasions. In relation to the first issue, namely, the provision of continence pads for people who need them, the main concern is the provision of those pads to people who are aged over 65 years. At the moment there is a scheme whereby the needs of veteran and nursing home residents are met through commonwealth funding arrangements and, in addition, the Incontinence Foundation of Australia provides a continence advisory service, which is supported under the home and community care program. The continence aids assistance scheme is funded and administered by the commonwealth Department of Health and Aged Care. The scheme was originally intended to target people who were able to enter the work force to assist them to get back into the work force. The eligibility criteria have been changed to include people in younger age groups. People aged 65 years and over qualify for this assistance only if they are in paid work for at least eight hours a week .

However, in May this year the Minister for Disability Services and I jointly wrote to the commonwealth Minister for Health requesting discussions between the Commonwealth Government and the Government of Western Australia, with a view to establishing some appropriate arrangements to assist people with incontinence problems who are aged over 65 years. In a response from a representative of the Minister for Family and Community Services, to whom the letter was referred, I have been advised that the Commonwealth will be reviewing the situation and, in particular, that a national framework will be developed to coordinate services and programs, address gaps and recommend consistent approaches to continence management across Australia. An expert advisory committee has been established to develop a national framework for continence management and to oversight implementation of the national continence management strategy.

It is clear that the Commonwealth Government will take some action on this issue and I hope it will be soon. Obviously, this Government will keep a close watch and do whatever it can to ensure it expedites this matter. With the expectation that there will be an improvement in the current arrangements, I believe Western Australia can claim some credit for making representations to bring about better outcomes for people who are affected in this way. As an aside, I am surprised that the letter in reply to me was signed by the deputy chief of staff of the commonwealth Minister for Family and Community Services. I would have expected that when a state minister asks a question of a commonwealth minister, the reply would be signed by the commonwealth minister; however, that is a discussion for another day. It is clear that there will be some action in that area and we will keep a close watch on it. It would be nice to start off a scheme in Western Australia to deal with the gaps that exist currently. However, as the Commonwealth Government has primary responsibility in this area, it would be better to keep the pressure on it so that those responsibilities can be appropriately fulfilled. Many people expect a great deal to be done with our Health budget. Indeed, a great deal is being done and many non-government organisations are funded for a broad range of activities.

Mr Barron-Sullivan: I appreciate what you are saying. However, would you be prepared, following the discussion today in this House, to contact the federal minister and jog his memory on this matter? Three of the constituents who initially approached me on this matter are no longer alive and the longer the Commonwealth drags its feet on this, more people will be affected.

Mr DAY: I am happy to inquire about the state of the issue at the moment. We will make additional representations to hurry things up if that is necessary.

We have had discussions in this Chamber previously on the treatment of head lice. The member for Mitchell requested a greater degree of liaison between the Health and Education departments so that more effective action can be taken in the school system to control head lice and to encourage children and their parents to take appropriate action to reduce the incidence of head lice. Based on the advice I have been given, it is clear that we will never be without a head lice problem, unfortunately. For example, it has been a problem at the schools which my children attend and I believe it is a problem in schools throughout our State. In 1997, the communicable disease control unit of the Health Department produced a head lice management kit. It included an instructional video, a guideline booklet and pamphlets and was distributed to community nurses, primary school principals, local government authorities and pharmacists throughout Western Australia. I hope that kit is still in existence; I will inquire to see whether that is the case.

I have been advised that the current view is that classroom head lice inspections are highly inefficient and have therefore been abandoned by the Health Department and other health authorities, in Australia and overseas. I have also been advised that reinfestation is likely to occur without daily inspection and the combing out of head lice and head lice eggs. The problem will not be solved either by simply using head lice lotions. Parents must continually inspect and comb their children's hair so that the eggs are removed. The Health Department recommends using olive oil or other cooking oils as an alternative effective treatment for head lice infestation if parents are concerned about the cost or toxicity of head lice lotions. They need not rely only on proprietary head lice lotions; there are other alternatives. More information is available in the publications produced by the Health Department for those who wish to access it.

## FINANCE BROKERS - FUNDS AT RISK

*Grievance*

**MR McGINTY** (Fremantle) [9.55 am]: My grievance is directed to the Minister for Fair Trading and relates to finance brokers operating in Western Australia. Members in this House will be well aware that in recent months two finance brokers have gone into liquidation and caused massive losses to people who have, in all good faith, invested through them. They are Global Finance Group Pty Ltd with approximately 500 investors and funds at risk of approximately $62m, and Grubb Real Estate and Finance with more than 1 000 investors and funds at risk of $140m.

I draw to the attention of the minister today three other finance brokers - there are more - who are engaging in the same sharp, dishonest practices as Grubb and Global engaged in and who are thereby jeopardising the funds of their investors.

*Point of Order*

Mr SHAVE: Mr Deputy Speaker, without disputing the sentiments of the member concerned, I ask you to draw the member's attention to the fact that when he refers to the dishonest practices of the people involved - and I am not sure that it has not occurred - he should be very careful because one of the parties involved is currently facing between 10 and 20 criminal charges. I would hate to see those charges not proceed as a result of something the member said in this place. The member is a solicitor and I respect the view that he probably knows more about the law than I do. However, I caution him as I want to see the charges proceed and I would not like the party involved to use this forum as a means of avoiding possible prosecution.

The DEPUTY SPEAKER: I ask the member at this stage to refer to these matters as allegations rather than facts.

*Debate Resumed*

Mr McGINTY: Thank you, Mr Deputy Speaker. The three companies that I will now refer to are likely to collapse as their solvency is extremely doubtful. I refer to Blackburne and Dixon Pty Ltd with funds at risk totalling some $300m; Fermanis, now known as "Trust Group" - a most inappropriate name if ever I heard one - with funds at risk of $60m to $70m; and First Charter Mortgage Services, with funds at risk of some $70m to $80m. In total, an estimated 5 000 investors have half a billion dollars of funds at risk through these five companies. It is a tragedy of enormous proportions. These finance brokers, in collusion with people who I believe are dishonest licensed valuers and lawyers, are destroying the lives of many thousands of Western Australian senior citizens, mainly self-funded retirees, by robbing them of their lifesavings in retirement. The Ministry of Fair Trading is licensing and regulating the valuers and finance brokers and simply not doing its job.

In the brief period available to me today I will give three examples - one from each of the finance companies, Blackburne and Dixon, the Fermanis group and First Charter - to the House so that members know exactly what is going on because there is a clear pattern here. First, I refer to a case in your electorate, Mr Deputy Speaker, in which Blackburne and Dixon are involved. A Geraldton property to the north of the centre of the town was purchased in May 1998 for $380 000 by a firm run by two gentlemen named Manton and Ferris. Their firm is known as Elk Cove Pty Ltd and the land is zoned as a motel site. It may be something with which you, Mr Deputy Speaker, are familiar. Blackburne and Dixon wrote to potential investors claiming the site had a value of $1.8m. A year ago, in October 1998, that company raised $1m from a large group of investors; it is now in default. It purchased the property for $380 000 and then alleged through a fraudulent valuation that it had a value of $1.8m. These investors will lose their money. It is a tragedy.

A similar process of inflated valuations is involved with First Charter. The property is lot 186, Onyx Road, Armadale of about 10 acres in the electorate of the member for Armadale, owned by Rancher Pty Ltd. Again, Manton and Ferris are involved. The property was valued by Mr Ron O'Connor at $670 000. On the basis of that valuation, First Charter raised a loan of $445 000 in November 1998 from 11 investors. A local real estate agent has given the land a value of

approximately $250 000. Therefore, Ron O'Connor's valuation was two and a half times its market value. That particular loan and development has been in default since May 1999.

I turn now to the Trust Group with Mr Peter Fermanis. In October of 1997, the Katanning Unit Hotel was valued by Ron O'Connor at $1.6m. Four days later that property was sold for $910 000 - little over half of the sworn valuation. It was made up of $658 000 for the land and $252 000 for the chattels. Then Mr Fermanis of the Trust Group offered an investment to six people, which raised $992 000 - more than the property had been sold for. He told them that the amount was 63 per cent of the valuation. That was a most fraudulent act, but the sale, which had occurred only recently, was not disclosed to these potential investors. The solicitor involved was Geoffrey Hayles. He arranged for a mortgage over the land only, and thereby failed to properly secure the loan which had been organised through these innocent people. He had previously acted for the purchaser and the mortgagee, so he knew the price. Not only was the sale not disclosed, but neither was the purchase price. This proposal went bad within a year and just over $300 000 was recovered. The investors in that project have lost $600 000. In my view, the solicitor was negligent and complicit in what went on; the valuer was fraudulent, misleading and deceptive; and the finance broker was a fraud. All of this activity is overseen and regulated by the Minister for Fair Trading, the Ministry of Fair Trading and, in particular, the Finance Brokers Supervisory Board. They are failing in their job to protect the life savings of thousands of Western Australians.

I call upon the minister to act decisively in this matter to assist those investors whose funds are at risk. What I have outlined to the House today is a mere scratch on the surface of an industry whose practices are poisonous, where dodgy practice is the order of the day and where highly questionable activity is regularly undertaken. I further call for an independent judicial inquiry into the extent of departmental failure, the role of the Government in this whole affair and also whether compensation should be paid to those investors who are losing their money because of the failure of the department to do its job. The Finance Brokers Supervisory Board should be sacked because we can have no confidence in it; it has failed the people it is supposed to be protecting. I urge the minister to take strong action against these frauds. In doing so, I also compliment the work being done by Ms Denise Brailey, who has been a single voice standing up for these people.

Opposition members: Hear, hear!

The ACTING SPEAKER (Mr Barron-Sullivan): Order! I appreciate that the applause is probably the only interjection that the people in the public gallery will give. However, I ask that they maintain silence in the gallery so that members may go about their business.

**MR SHAVE** (Alfred Cove - Minister for Fair Trading) [10.02 am]: In response to the member for Fremantle, I assure him, firstly, that if there is any basis for prosecution with regard to the fraudulent activities of finance brokers, the solicitors who assist them or the valuers who are involved, my staff have been given the specific instruction - and this view has been passed on to the board - that in any circumstances in which any activity could be seen to be fraudulent or dishonest, to refer those matters to the police. If prosecutions are appropriate, we certainly support that position.

I will also make some comments about the Ministry of Fair Trading. As I have said many times in this place, it is very easy for people to blame the errors of other people on the department involved. A number of allegations have been made. I have been reading Denise Brailey's letters to some of the investors, and I have seen the points she has made. Relatives of mine have also invested with some of the people involved and have had difficulties. I have also dealt with constituents of mine who have found themselves in difficulty regarding some of these issues. Some of the comments put out by Mr Solomon and Denise Brailey are to the effect that the Government has been negligent. I totally reject that assertion. The department has acted honourably in all cases and has tried to assist people. Comments have been made about the supervisors who have been appointed to Global Finance and Grubb Finance. The department will not allow them to employ outside solicitors. That has been done specifically so that the legal advice being provided is under the control of the department. I do not want a situation in which the supervisors or the liquidators think they can hire legal advisers and do what they want to do, with no level of accountability. If I were to do that, and we did not have any control over the spending of the funds, I would be negligent as minister.

Ms MacTiernan: That is the first time you have required any accountability from your department. That is a breakthrough!

Mr SHAVE: As to the sorts of comments that people are making, the Government is concerned for the welfare of the people. An elderly constituent came to my office yesterday and said, "Mr Shave, are you and I at war, because I thought you were helping me?" I said, "Why are we at war?" She said, "Because the de facto member for Armadale tells me in the newsletters that we are." She was kind enough to provide me with some copies of those newsletters. I assure the people in the gallery today who are suffering - as are many other people - as a result of the actions of these people, that the Government is totally supportive of them. The Government respects the fact that they are self-funded retirees, many of whom are providing for their own futures as a result of their hard work and are not just relying on the system. I tell those people that all of the backbenchers on the government side have a lot of sympathy for the problems they are facing.

Ms MacTiernan: They want action, not sympathy.

Mr SHAVE: Contrary to what the Labor Party and the de facto member for Armadale are peddling to the public, the Government is very concerned about the situation. The Government has illustrated its concern by the appointment of supervisors. I have written to the federal Minister for Family and Community Services to ask that minister to assist people who are facing difficulty. I have also written to federal Minister Joe Hockey asking that he look at supporting the liquidator, because it is a very complex issue of which responsibilities fall within the State Government's jurisdiction and which responsibilities fall within the Commonwealth Government's jurisdiction.

I have noticed that in some of the flyers Denise Brailey has been sending people - she has a right to express a view - comments have been made to the effect that there has been an inherent problem in the ministry, as well as when the previous Labor Government was in power. I am not sure that Ms Brailey identified that problem in her flyers. She has said that there has been an inherent problem in the ministry for 10 years.

I will look at a couple of the companies against which there has been an overwhelming level of complaint. I will look first at the issue of Global Finance. In 1996 there were two complaints against Global Finance; in 1997 there was one complaint; and in 1998 there were two complaints. That does not vindicate what Global Finance has done. As I have said in this place before, a lot of money has been shuffled around internally in Global Finance and Grubb Finance. When people were running short of funds, money was taken from one place to pay a certain person. Many of the problems that occurred in those companies were internal, and smart accounting practices were employed. That is not to say that the Government does not have sympathy for those people.

Ms MacTiernan interjected.

Mr SHAVE: The member should stop screaming. Contrary to what the Labor Party says, the Government is concerned for the welfare of these people and it will do what it can to assist them.

## HOME BUILDING CONTRACTS - INSURANCE

*Grievance*

**MR BAKER** (Joondalup) [10.10 am]: My grievance is directed to the Minister for Fair Trading and relates to the ongoing difficulties being encountered by a Perth-based home building contractor in obtaining the requisite policies of insurance required under the Home Building Contracts Act 1991, thereby being unable to fulfil certain obligations under various home building contracts throughout Western Australia.

In this case, one of my constituents has been severely prejudiced by this company's inability to obtain insurance cover under the Act. This constituent purchased a vacant block of land in the Joondalup City North residential subdivision a couple of months ago with a view to constructing two townhouses on the site, which, once strata titled and sold, hopefully would realise for him a modest capital gain. Prior to acquiring the land in question, the constituent consulted several registered builders and obtained written estimates for the cost of constructing the townhouses in accordance with a given set of plans. The constituent settled upon the registered builder Todstyle Pty Ltd, trading as Winchester Homes, mainly because of this company's unique, low-cost construction method, known as panel tilt and lock, and also because this type of construction was the strongest and most enduring method of construction available on the market at that time. I understand that this is still the case.

In due course, pursuant to the terms of a standard Master Builders Association of WA pro-forma building contract between the constituent and the builder, the builder applied for and obtained the requisite building permit from the approval services section of the City of Joondalup. The building licence or permit was couched in the usual terms and included the usual condition that the provisions of the Home Building Contracts Act 1991 should be complied with, specifically section 25D, which is the requirement to insure the construction works.

Prior to entering into this contract, the builder had previously sought and obtained the requisite insurance cover under section 25D of the Act for other contracts without any real difficulty. However, on this occasion onerous conditions were attached to the insurance company's offer of insurance, the most onerous of which was the requirement that the builder produce to the insurance company an unconditional bank guarantee in the sum of $300 000 in favour of HIA Insurance Services Pty Ltd, which I understand is an approved insurer under section 25D(f)(ii) of the Act. The builder, being a relatively new builder, has not been able to satisfy this condition, and as the other three insurance companies who offer insurance in this area have also attached similar onerous security or indemnity conditions to their offers of insurance, in short the builder has not been able to obtain insurance cover in accordance with his obligation under the Act.

It would seem that there is no valid commercial reason that the four insurers approved under the Act should be able to attach these onerous conditions to any offer of insurance. The builder has obtained various engineering certificates in respect of the method of construction he is proposing to use, and all those certificates indicate that this method is structurally sound and that it should therefore be approved and recognised as being a reputable, acceptable method of construction. The other point is that this method of construction is cheap. The typical owner who wishes to construct a residential dwelling can save, on average, up to $50 000 per house if this construction method is used. As a result, the builder, as one would expect, has an ever-increasing demand for his services using this method of construction. This builder is being treated unfairly. This can only have the effect of prejudicing the building company's ongoing financial security, and also, in this case, the financial arrangements that my constituent has put in place for this development.

As the minister will be aware, it is not possible for the owner and the builder to contract out of the Act or the obligation of the builder to insure under the Act. Section 28 of the Act makes this clear. It is interesting to note that in other Acts in which there are obligations upon a certain person, another person who stands to benefit from those obligations can in certain circumstances waive the benefits, so to speak, of that provision. That is not the case here, and the reason behind it is clear. Even if the owner in this case could waive that obligation to insure, the owner is not in a position to waive it on behalf of any future or successive owners of the land in question; hence, an absolute waiver would not be possible in any event.

However, I note that under section 32(2)(b) of the Act, the Governor, on the minister's advice, may exempt, among other things, any builder from the requirements to insure under section 25D of the Act. I also note that the Act may be the subject

of a review in the near future, if it has not already been reviewed. The Act contains the usual review section; however, I am not aware of whether the initial review has been conducted.

In all the circumstances of this case and the ongoing associated financial harm being caused to the builder and the owner as a result of the builder's inability to satisfy the statutory obligation to insure, I ask that the minister consider three things. First, I ask that the minister consider exempting the builder from its obligation to insure this proposed development owned by my constituent. Alternatively, I ask that the minister consider exempting the obligation to insure in respect of this particular class of home building using this construction method. As I mentioned earlier, there are many engineering certificates available indicating that this method of construction is structurally sound. I also ask the minister to consider instructing a suitably qualified officer from the Ministry of Fair Trading to conduct a fast-track inquiry into this matter, in particular to inquire into whether the reasons behind or conditions attached to offers of insurance from the various certified or approved insurance companies are valid and whether they should be able to put on this builder such onerous conditions.

This matter is becoming very urgent. I seek the minister's assistance in helping the builder and the owner-developer. Both the builder and the constituent owner-developer are in a precarious financial position, and any further delays in resolving this issue could cause them irreparable financial harm. I accept that the law cannot compel a commercial entity to enter into a contract with a third party if it is believed that it would not be commercially realistic or prudent for that entity to do so. However, in this case I fail to see any valid reason that the insurance companies concerned should not somehow be induced to assist this builder in obtaining the requisite insurance cover to satisfy his obligation under section 25D of the Act.

**MR SHAVE** (Alfred Cove - Minister for Fair Trading) [10.17 am]: It is interesting that this grievance was raised following the grievance raised by the member for Fremantle, because it clearly highlights the areas in which a Government should and should not be involved and the extent to which a Government can regulate, control, interfere, dictate or determine what happens in the marketplace. The Home Building Contracts Amendment Act 1996, of which the member spoke, relates specifically to this issue. The reason that Act was introduced was to protect the public from a situation in which builders enter into contracts and cannot then meet their obligations. Therefore, the Home Building Contracts Amendment Act 1996 was designed to assist the public.

I am sympathetic to the member's problem. However, as the minister, I have a problem. I could go to the Governor and say that in this particular case these people want to come to a certain arrangement. However, if subcontractors were involved and the Governor agreed to an exemption, if the builder got into trouble the public would come back to me and say that I interfered, that there was legislation in place, that I exempted that group of people against the advice of the insurance companies involved, and that in doing so I should be held responsible for any losses incurred. Although my colleague the member for Joondalup is a lawyer and I am not, I suggest that, from a legal aspect, possibly that would occur and perhaps I would be held responsible.

I can assure the member that as far as that aspect goes I am not inclined to do that. I have been given a number of different options by the member, the first being to exempt the builder and the second being to exempt the class from the legislation. Many people take out indemnity insurance as they are required to under the Act and in 99 per cent of cases the insurance companies do come to the party, and it is a decision to be made between the insurers and the parties concerned. If the legislation is too narrow and does not protect or consider the interests of the member for Joondalup's constituent, that should be looked into. A review is to be undertaken shortly and I would welcome a submission from the member for Joondalup or from his constituent to look at the specific details. The member asked whether someone from my department would be prepared to look into the matter and talk to the insurers. I am reluctant for the department to become involved in the negotiations but I am more than happy for my department to meet with the member for Joondalup or his constituent and evaluate the problem. If there is a genuine desire between two parties to enter into a contract, we do not want to be obstructive.

We have to consider subcontractors who may be dealing with those people. Five or six years ago a builder was contracted to build my house and I went through the misfortune of that person going into bankruptcy and about 10 to 15 subcontractors turning up on my doorstep asking me to pay $50 000 for work they had done which I had already paid the builder. I do not propose to name the person concerned as I understand that he is no longer in business. I understand that there are two sides to the argument and the member for Joondalup must understand that we have a responsibility to the subcontractors and to the owners to consider all of the parties involved in the issue. I am happy for the member to meet with senior people from my department and for them to meet with the builder and the other parties involved. I am reluctant to suggest to my department that it try to direct insurance companies, which it cannot do, or influence such companies. There are six or seven insurance companies involved and the senior people from the department can evaluate the proposals before them. If the legislation is deficient in a certain area of home building with a particular proposal, we will look at that during the review. I would welcome a submission from the member's constituent. It does not solve the constituent's concern in the short term, but I am happy for him to meet with my departmental officers.

## EAST TIMOR

*Assembly's Resolution - Council's Concurrence*

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

## MINISTER FOR HEALTH, CENSURE

*Standing Orders Suspension*

**DR GALLOP** (Victoria Park - Leader of the Opposition) [10.25 am]: I move -

That so much of the standing orders be suspended as is necessary to enable consideration forthwith of a motion of censure of the Minister for Health.

**MR BARNETT** (Cottesloe - Leader of the House) [10.26 am]: I am very wary about motions to suspend standing orders to the extent that it has the effect of often allowing the Opposition to have two matters of public interest in one week. I recognise that it is an issue of current debate and that it gives the Minister for Health an opportunity to explain what he said. In no way does the Government believe that he has misled the House, but it gives him an opportunity to clarify his position and make it clear publicly. We will agree to a suspension of standing orders to deal with the issue on the basis that the debate is limited to 20 minutes on each side.

The ACTING SPEAKER (Mr Barron-Sullivan): The question is that so much of Standing Orders be suspended as would enable the Leader of the Opposition's motion to proceed forthwith. I remind members that it will require an absolute majority of the House.

**MR KOBELKE** (Nollamara) [10.27 am]: Given that the Government has agreed to the suspension of standing orders, it is not a matter that requires debate but it does require an absolute majority. Prior to the Leader of the Opposition rising to move for a suspension, there was an absolute majority in the Chamber. I notice that two or three Government members have left the Chamber in that time and we are still waiting to ensure that we have the required number of members. It comes down to a fine point of the standing orders. I hope the Government members return now and we do not have the suspension later today rather than now.

The ACTING SPEAKER: I remind the member for Nollamara that it is the responsibility of individual members to be in the Chamber if they wish to achieve an absolute majority.

Mr KOBELKE: I accept your guidance Mr Acting Speaker. It clearly is the requirement. We accept that we will curtail the debate as asked by the Leader of the House. We thank him for allowing this important matter to be raised and will cooperate under the rules which have been agreed behind the chair.

Mr Marlborough: There are 29 members.

**MR McGINTY** (Fremantle) [10.29 am]: This motion is raised appropriately. It warrants the suspension of standing orders. No offence committed by a member is more serious than misleading the House. It is appropriate that the issue be raised in this way.

Mr Barnett: The Government indicated that it will cooperate, but it is up to the Opposition to have all its members in the Chamber.

Mr Marlborough: There are 30 members.

The ACTING SPEAKER: If it makes the member for Fremantle's job any easier, there are now 29 members in this Chamber, apart from the Chair. The Chair is not included in the count. Consequently, there is now an absolute majority.

Question put and passed with an absolute majority.

*Motion*

**DR GALLOP** (Victoria Park - Leader of the Opposition) [10.30 am]: I move -

That this House censure the Minister for Health for misleading Parliament yesterday about proposed changes to the management of our State's public hospitals, and, further, condemns him for his failure to be accountable and address openly the major problems in our health system.

Two important issues are at stake in the motion before the House. The first is the understanding that current ministers have about their responsibilities to this Parliament, through the way they answer questions and treat the Parliament and the Western Australian public. The second issue is the way in which the Minister for Health is handling his portfolio. The two issues are linked because the way he handles his ministerial responsibilities impacts on the ability of our public hospital system to do the job given to it by the Government of Western Australia. Since the coalition came into Government, there have been major changes in the State's public hospital system. These changes have resulted in disruption and chaos to the way health services are delivered in Western Australia.

It is interesting to note that when the Government came into power in 1993, Western Australia had one of the best health systems in the world. Evidence of that had been established by comprehensive studies of health outcomes compared with other States. I have quoted that work on many occasions to indicate the strength of our system. Since the Government has been in power, there has been a shift in the focus from health outcomes and service delivery to managerial and administrative change. The accountants have taken over. The managerialists have taken over. No matter which minister holds the portfolio, responsibility for the delivery of health services has been handed to accountants and managerialists. First, there was Minister Foss, who introduced the purchaser-provider model. The model completely transformed the administration of health throughout the State, with disastrous consequences, particularly in non-metropolitan areas. The Government reacted to that and it went completely the other way. It centralised the health system. The current Minister for Police, when he was Minister for Health, introduced the Metropolitan Health Services Board as a highly centralised approach to the delivery of health care in the metropolitan system. The Government went in one direction, then did a complete shift and went in another direction. While this was going on, the Government privatised some of the State's major public hospitals and began contracting out a lot of services within the hospitals.

This led to a situation of dramatic uncertainty within the hospitals. There is no certainty, no regularity and no consistency. The people working in the system find it difficult to know what is happening from one day to the next. To make matters worse, there are continuing problems with the Health budget. These problems have destabilised hospital managements and operations on a regular basis. On three occasions the Government's distribution of money to Health proved to be deficient by the end of the financial year and top-up money was required. Drastic measures were taken to cut back on the level of service delivery in the last months of those years. It is no wonder there are serious staff shortages in our hospitals. It is no wonder there are serious problems with service delivery. These problems are revealed on an almost daily basis by the information that comes out of Parliament through the Opposition's questions, or from the comments of the Australian Medical Association, Australian Nursing Federation and the other trade unions involved in the delivery of services in the hospitals. The cause of these serious staff shortages, morale problems and disruptions is government ministers who have not taken their responsibilities as ministers of the Crown seriously. They have devolved the responsibilities for the health care system to accountants and managerialists, with the result that all these problems have rolled along on a daily basis. We now find that along with the drastic consequences of the introduction and reversal of the purchaser-provider system and the introduction of the Metropolitan Health Services Board, there will be another major and dramatic change in the way health services are managed in Western Australia. Members should note the emphasis of managerial change. When will this Government take its responsibilities to improve the delivery of services to people seriously?

The great changes made in the 1980s to bring a public health revolution to this State are in tatters. Those changes brought observable improvements in health outcomes. The changes that were made to put the focus on patients and their care have been thrown out the window. The focus is again on managerial change. It was revealed last week that hundreds of jobs will go with the centralisation of human resources, information technology and other departments at each hospital. We learnt of those things only after questioning the minister in this Parliament and raising the matter through the forum that is available to us as an Opposition. As a result of those changes - which have now become public - there will be more disruption, more chaos and more difficulties for hospitals doing what they are designed to do; that is, deliver services to those in need. That is the context in which we talk about ministerial responsibility. Major change, major disruption and more problems with health service care in Western Australia have occurred. In the context of such changes, we would expect nothing less than a minister who is open and frank with the Parliament, the public and the people who work in the State's public hospitals. We would expect nothing less. However, the minister is evasive about these issues. I refer to three examples of his evasiveness in recent times: First, he was evasive about the timetable that applied to the finalisation of hospital budgets. Second, he was evasive about the implications of the 1999-2000 budget allocations for hospitals. The minister misled people about the consequences of those allocations. It was only after the Labor Party, through its spokesperson for Health, the member for Thornlie, intervened that the real picture emerged. Third, the minister was evasive about the funding for newly privatised hospitals and what that has meant for publicly owned and operated hospitals in Western Australia. The minister has been evasive over recent weeks. He has tried to put a spin on a reality that does not accord with what is going on.

In none of those matters has the minister been open and upfront with the public about what is going on. This adds to the problems of those at the coalface trying to deliver services - the uncertainty, the fact that they do not know what is going on and the fact that the minister is not being honest with them about what is happening.

However, yesterday the minister reached new heights in his failures. We saw a minister who misled this Parliament - and, therefore, the people who work in the health system and the people of Western Australia - about what is happening. We saw the most serious example yet of the minister's understanding of ministerial accountability. The Opposition asked the minister about proposed changes to the management system of our metropolitan public hospitals which would affect the positions of chief executive officers and general managers in that system. The minister answered this Parliament by saying that the Government had no plans to sack the chief executive officers or general managers of our public hospitals.

Several members interjected.

Dr GALLOP: I refer the members opposite to the motion before us. This minister misled the Parliament - note the words "misled the Parliament".

Several members interjected.

Dr GALLOP: Let us go to *The West Australian* newspaper of today and get the real story, the story that exposes the dishonesty of this minister. This is the real story. *The West Australian* of Thursday 23 September states -

> Health Minister John Day has confirmed that the Government is considering a plan to scrap the jobs of Perth's 12 public hospital chiefs in a big shake-up of the health system.
>
> Mr Day told the Legislative Assembly the Government had no plan to sack the chief executives or general managers but he said outside Parliament that a model was being considered which could see those jobs change.

No matter what sort of deceptive language is used by the minister, no matter how many times he has tried to conceal the truth about this matter, we know what it is all about. There are major disruptions coming in the health system which will see major changes in the management of that system and affect the positions of the chief executive officers and general managers and will result in their being shifted out of those positions. That is confirmed by the article in *The West Australian*, which further states -

> Under one model being considered, control of hospital services would be centralised under the control of a medical supremo in each field. Those specialists would report to the Metropolitan Health Services Board, instead of a hospital chief executive.
>
> That would mean MHSB head Andrew Weeks would be the chief executive of all the hospitals.

What did we get from the minister yesterday? Did we get this statement that there will be changes in the system and one of the plans being considered involves abolishing those positions, meaning Andrew Weeks will be the new chief executive officer of all of the hospitals? This minister misled this Parliament and he was so embarrassed later that he tried to tell another story about what is happening. For misleading the Parliament yesterday about this critically important matter, the minister should be censured by the Parliament and dismissed by the Premier before the damage being done to our health system becomes irreparable.

**MR DAY** (Darling Range - Minister for Health) [10.43 am]: It is interesting that the Opposition does not have any other speakers.

Dr Gallop: We have other speakers.

Mr DAY: Then why do they not come forward and put their action where their mouths are. The Opposition is alleging that I have misled Parliament, so let us look at what I said. I said -

> The Government has no plans to sack the chief executive officers or general managers of our public hospitals.

Indeed there are no such plans. The Opposition has not put forward any evidence to sustain its argument that I have misled this Parliament. It has not put anything forward because there is no such evidence. If we want to play with the semantics, we can look at the dictionary definition of "sacked".

Several members interjected.

Mr DAY: "Sacked" means to dismiss from one's job and there are no plans to -

Mr Kobelke: You are just going to take the job away from them - is that the difference?

Mr DAY: I listened in silence to the Leader of the Opposition's diatribe and I suggest members opposite listen to what I have to say.

Dr Gallop: Read the question asked of you; read it out.

Mr DAY: The Leader of the Opposition should read my answer.

Several members interjected.

Mr DAY: To make it very clear, there is no intention whatsoever of removing or sacking chief executives or general managers in our public hospitals. We are in the midst of a major change process in our hospital system; that is one point the Leader of the Opposition made with which I agree. We are in the midst of major changes and they are very much changes for the better. I would like to know what the Leader of the Opposition says to the people of the Armadale region or the people in Joondalup and the northern suburbs or those in the southern suburbs around Mandurah about the new hospitals they have been provided with as a result of the clear policy this Government has -

Ms MacTiernan: We have not got it yet.

Mr DAY: Does the member for Armadale ever drive down Albany Highway? Does she ever visit her electorate office?

Ms MacTiernan: I don't know.

Mr DAY: Does the member for Armadale not know if she visits her electorate office?

Ms MacTiernan: I don't know why you are asking that question.

Mr DAY: When the member visits her electorate office in the next month or two and drives down the Albany Highway towards Armadale, if she has a look at the left-hand side, she will see some major works at the site of the Armadale-Kelmscott Memorial Hospital. I know the member is probably not out there very often, but next time she is, she should have a look by which time more will have happened.

I would like to know what the Opposition says to all of the people around the State, particularly those in the growth areas of the metropolitan region, where, as a result of the policies of this Government, new services are being provided and will be provided in the future.

The policies which have been put in place by this Government have led to a much greater degree of accountability than was ever the case in the past. What did we have when the Labor Party was in Government by way of the publication of the numbers of people on waiting lists? The silence of members opposite answers the question.

Ms MacTiernan: It just goes to show that you were hopeless as an Opposition and you are hopeless as a Government.

Mr DAY: The people of Western Australia certainly did not accept that argument. Not only do we publish information about numbers of people on waiting lists - and incidentally the numbers have been reduced substantially in recent times, which is a good thing for people who have been waiting for elective surgery - but I could speak for an hour about everything that is being done to get more people who are waiting for elective surgery treated. The runs are on the board and that is what this Opposition does not like. This Government is getting the runs on the board, it is getting more people treated and establishing more services closer to where people live.

What did we have in the way of the publication of allocations to the various hospitals early in the financial year from the Labor Party when it was in government? When were budgets published under the Labor Government? When did the Labor

Government provide information about what hospitals would be provided with? When? The silence of members opposite is again revealing.

Several members interjected.

Mr DAY: I have asked members opposite a question. When in the time of their Government were figures published about the hospitals budgets? It was not until the end of the year or the next calendar year on virtually all occasions. The last time a Labor Minister for Health commented on this subject - I am pleased to say that was some time ago - was on 28 August 1990. The then Minister for Health was asked about the budgetary situation of hospitals and he stated -

> I can give no assurances about the Budget at this stage.

That was on 28 August 1990. The Labor Opposition has been lecturing this Government about not providing information about budgetary allocations to hospitals at this stage of the financial year.

Mr Kobelke: That was August; we are now in September.

Mr DAY: When was information provided under the Labor Government? Today, far more information is provided by government about our whole health system both to the public and within the Parliament than has been the case in the past.

The Opposition referred to the funding provided to the health system. When we took office approximately $1.2b in round figures was allocated by the then Labor Government to our health system. Approximately $1.8b is allocated by this Government - an increase of approximately $600m each year since then, or 48 per cent. The runs are on the board for Health as it is administered by this Government. No-one can sustain an argument that this Government has not lived up to its responsibilities of adequately funding health services.

There is no truth whatsoever in the claims made by the Opposition that I have misled Parliament about general managers or chief executives being sacked. The general managers and chief executives are playing very important roles. They have a great deal of expertise, ability and experience which we cannot lose, although their roles may change to some extent as have the roles of many people in the work force. That does not mean their roles will be downgraded in any way. However, as a result of the better system that we are implementing, the roles of many people in the organisation may change just as they have changed substantially within the Police Service and in other major government entities.

Most people find nothing new in this debate, although it might be new to the Opposition. The discussion paper entitled "Health 2020" was published in June last year when my predecessor was the Minister for Health. If opposition members take the time and effort to read some of the contents, they will see a chapter headed "Integrating clinical services".

Ms McHale: I am looking at page 46.

Mr DAY: I am looking at page 44 which reads -

> The proposed model of Integrated Clinical Services is very different from the better known Hub and Spoke model which involves professional staff from central hospitals (the hub) outreaching to the outer metropolitan areas (the spokes). Under the Hub and Spoke model, the primary professional attachment remains to the parent hospital.

It says further -

> Potentially, it would be possible to have an Integrated Clinical Service for each specialty group. However, it is proposed to have around twelve Integrated Clinical Services that will have responsibility for the provision of specified groups of services across the metropolitan area. This will require the aggregation of a number of specialty groups within each Integrated Clinical Service. Clearly, there will have to be a trade-off between the desire of each specialty to have its own Integrated Clinical Service and the need for a critical mass, economies of scale and effective accountability.

As I said, there is nothing new about this subject. It has been talked about in one form or another for many months.

Dr Gallop: You misled us yesterday.

Mr DAY: This document was made public in June last year.

Dr Gallop: You misled us yesterday. Any ordinary person would draw that conclusion.

Mr DAY: I did not mislead the House. I was asked whether any action was being taken to "effectively sack" chief executive officers and general managers and I replied that no action was being taken to sack those people.

Mr Kobelke: "Being removed" were the words.

Mr DAY: They are not being removed. Some people may have changed roles following consultation, but that is yet to occur.

Mr Kobelke: When you change their roles and move them from jobs, that means you are removing them.

Mr DAY: The other important point is that all of these issues need to be further considered by the Metropolitan Health Service Board, the Health Department and ultimately by Cabinet. We have not reached the stage of making firm decisions about the outcome of this lengthy and thorough consultative process.

Dr Gallop: You were caught out.

Mr DAY: I entirely agree there must be, and there will be, consultation with clinicians and management to ensure that the system ultimately implemented is a good one for the people of Western Australia. The Government's goal is to provide better clinical services for people, both in the metropolitan area and throughout the State, than has been the case in the past. We have the view that the system established in the past may not be the most appropriate system for the future. That does not mean we will be sacking general managers or chief executive officers.

Nothing has been put forward by the Opposition to sustain its argument that I have misled the Parliament in that respect. As I said, there will be much more consultation about the outcomes of the "Health 2020" report and the draft document prepared in response to the submissions concerning the report, that was released in June of last year.

The fact that Western Australia has not had a better health system than that which exists under this Government is demonstrable in many ways. The Opposition's motion cannot be sustained and the Government rejects it completely.

**MR BARNETT** (Cottesloe - Leader of the House) [10.55 am]: The Minister for Health has made it clear that in his question yesterday the Leader of the Opposition referred to "remove". It was his decision to use the term "effectively sack" in the question.

Dr Gallop: Come on!

Mr BARNETT: The Leader of the Opposition used the term "sacking".

Dr Gallop: It is not being honest and you know it.

Mr BARNETT: The Leader of the Opposition used the term. It was his question in which he said "to remove, thereby effectively sacking". The Minister for Health responded that no plans were in place to effectively sack people. In no way did the minister mislead this House. As he said, talk about the restructuring of hospitals has been public since June last year. What a nonsense. If members opposite want to ask questions in this Parliament they should at least have the sense to articulate and phrase them properly.

**MR PRINCE** (Albany - Minister for Police) [10.56 am]: Everything the Leader of the House said is, of course, entirely correct. The question referred to "effectively sacking".

When I took the position of Minister for Health in December 1995, I said publicly on a number of occasions that little existed in the way of a coordinated health system and very little existed in the way of predictive planning. I therefore set about doing something about both of those issues.

Dr Gallop: That speaks well for your predecessor! Why was he not sacked from a ministerial position if he created the situation.

Mr PRINCE: The Leader of the Opposition should stop shouting slogans.

The ACTING SPEAKER (Mr Barron-Sullivan): There is an incessant amount of interjecting from the left of the Chair which is not contributing to the debate. I ask those members to please keep down the interjecting so that we can hear what the minister has to say.

Mr PRINCE: Well in excess of 50 per cent of this State's hospital capacity was centralised in a number of very large teaching hospitals for historically good reason. That is where the metropolitan area of Perth began and where the majority of the population has existed. However, something should have been done probably 20-odd years ago to begin to move out those services as the metropolitan area expanded. The urbanisation of this area is approximately 100 kilometres north-south, from Two Rocks to Mandurah; yet nearly three-quarters of the State's hospital capacity - King Edward Memorial Hospital for Women, Sir Charles Gairdner Hospital, Royal Perth Hospital and Fremantle Hospital, the only major hospital south of the river - is relatively focused in the one area.

That was probably fair enough immediately after the war. However, in the light of the growth in the metropolitan area, particularly since the late 1970s and early 1980s, something should have been done much earlier to begin to move hospital services closer to the majority of the people. It was not done in the way it should have been done. The Government has, therefore, set about putting in place a better integrated system. This is not in any way an attack on the integrity of the teaching hospitals, the very fine research they do or the top quality tertiary treatment they provide, which is not only important to the people of Perth but also the whole State. I am speaking in some respects as a country member. We must have the ability to provide high quality tertiary services in the capital city for country people when they need it. High quality tertiary services, particularly those provided by extraordinarily expensive equipment, will not be available in every regional centre.

However, there was not a decent system in the sense of which I am speaking, so we set about working out how to do it. A number of different models could have been looked at, and there were a number of different ways in which it could have been done. We settled on combining the administration of the metropolitan hospitals into one, because in that way what I regarded as being an unhealthy competition between some of the teaching hospitals could slowly be removed; and I mean slowly, because while these people are extremely good at what they do, there is a degree of competition among them, and that is not good from the point of view of delivering good health outcomes. That administrative action was taken with the direct intention of providing better health outcomes. Consequently, the Metropolitan Health Service Board was created; it brought under one administration the hospitals of this area. That has enabled us, as the minister announced recently, not to have duplication of information technology and human resources functions, and of other administrative support tasks - not clinical tasks - and to free up some of the dollars from that area and put them into clinical work, which is where they

should be put. That is logical and commonsense and the sort of thing that everyone should support. It cannot be done instantly but must be done gradually and with sensitivity to the people who will be affected in one way or another.

When it to comes to predictive planning, a number of planning studies were commenced, one for the north west, one for the south and one for the metropolitan area, and the document that my colleague just had in his hand was published in June last year. I am delighted to hear that the member for Thornlie has read it, because it is an excellent document. It was the subject of extraordinarily wide consultation, and a great many people had a lot of input into it, most of whom were clinicians. It canvassed, among other things, the hub and spoke concept, or clinical streaming. Clinical streaming is about empowering the doctors and nurses. It means that if they are running a paediatrics exercise in a hospital, they should talk to other people who are doing paediatrics in other hospitals; or if they are doing radiography or any one of the 12 areas identified in that paper, they should talk laterally and horizontally across the hospitals, and that will result in the best form of service delivery across all the hospitals. Of course we have areas where tertiary treatment is offered, areas where secondary treatment is offered and areas where primary treatment is offered, but there is a coordinated and coherent whole. That did not exist, but it will come with that concept of clinical streaming. I repeat: It empowers doctors and nurses - the people who deliver the care - to make the decisions about what is done and where it is done, and to manage themselves. In that sense, it is not an exercise about the accountants and the managers taking over; it is entirely the reverse. The Leader of the Opposition should be aware of that.

One of the things that has happened in recent times is that the two research institutes, one at Sir Charles Gairdner Hospital and one at Royal Perth Hospital, have been combined into one. Does anyone say that was a bad thing to do? I think it was an excellent thing to do. We now have a critical mass of extraordinary intellect doing what is acknowledged worldwide as brilliant work in many different areas. It is surely commonsense to put them together so that they cooperate.

Ms McHale: You are losing them from the system because of the lack of leadership!

Mr PRINCE: The same thing applies in the delivery of clinical service. If people can, because the system is designed for it, coordinate and cooperate horizontally across the system, we will get better clinical outcomes and service and we will get it over a much larger geographical area, which is what the larger Perth metropolitan area is. As the member for Swan Hills has been saying in a number of interjections, the services that are now available in Swan would not be there if we had not taken these initiatives. We would still be carting people into the few large teaching hospitals. To say that these sorts of actions will lead to the effective sacking of the chief executive officers of the major teaching hospitals is absurd and is a nonsense. Royal Perth Hospital has between 4 000 and 4 500 people working in it every day even before a patient is wheeled in there. That is twice the number of people in Mt Barker. It is a large organisation and it requires the services of a very competent person as its chief executive officer. However, the clinical outcomes should be driven by the clinicians. It is the clinicians who should be driving these things and not an administrative head who also has vast other responsibilities, all of which should be about supporting the clinical result, the service delivery to the people and the health outcomes. That is what this initiative is all about. That is what has driven this initiative for as long as we have been in government and will drive it for many years to come, because we are delivering a better system and a better service and we are doing it for people in both the metropolitan area and the country, not for narrow sectional interests represented only by unions.

**MS McHALE** (Thornlie) [11.04 am]: The debate this morning from the other side of the House reminds me of a court hearing where the allegations have been thrown out on a technicality. Everyone knows that the defendant is guilty -

Mr Barnett: This is not an allegation. This is a censure motion, the most serious thing you can do in this Parliament. If you want to censure a member of Parliament, you need to get your act together and be serious about it. This has been a frivolous censure motion.

Dr Gallop: Rubbish! Tell that to all the people who work in our public hospitals!

Mr Barnett: Have a general debate on health, but do not bowl in here with a censure motion unless you know what you are doing.

Ms McHALE: We know what we are doing. Let us look at the question that I asked. The minister did not even know who asked the question yesterday - I asked the question yesterday. I asked why is the State Government planning to remove the chief executive officers - and I used the words "thereby effectively sacking", because that is in effect what will happen. If the minister wants to come in here and talk semantics, and that is what he is doing -

Mr Barnett: That is what your censure motion is about - semantics! You moved a censure motion on that basis. Have a general debate on health if you want to. That is a different matter.

Ms McHALE: This censure motion is about the Minister coming into this House and responding to a question that I asked, which was an open invitation for him to talk about what is happening to the organisation of our health system. However, he did not answer that question and use that opportunity. His response was that the Government has no plans to sack the chief executive officers.

Mr Barnett: That is not what you asked him!

Ms McHALE: Mr Acting Speaker, that is not the truth about what will happen in reality. I know the truth, and what will happen is there will be a major review of the health system, and if it is the 2020 report which will introduce clinical streaming, then in effect there will be no position of CEO. There will be a completely different organisation.

Mr Prince: How can you run Royal Perth Hospital without a CEO?

Ms McHALE: The minister should tell the Minister for Health and the CEO of the Metropolitan Health Service Board. He is the one who will be running the teaching hospitals, and this is the structure that has been set up by the Government through the Metropolitan Health Service Board.

Mr Day: Are you opposing what is in here? If you do not like it, say so!

Ms McHALE: Make no mistake about it. I am saying that the minister will in effect be sacking the chief executive officers, because there will be no CEO position. That job will evaporate. That follows from the structure that the minister is setting up. The minister has set up this different structure -

Mr Barnett: Have a debate about health by all means, but this is not a censure motion that has any merit at all.

Ms McHALE: The reason this is a censure motion is that the minister deliberately came into this House and obfuscated and did not use that opportunity to come clean and say what was happening. That is the point we are making. That is why we are censuring the minister for lack of authority over his portfolio and over the health service, and a lack of accountability. It is very clear. We are not debating the parlous state of the Health Department and health services, although we can do that, because we have a litany of examples of where this Government has failed the community in the delivery of health services. We are not talking about that, but if the minister wants to talk about that, we will. We are talking about the minister's not dealing with the truth of what is about to happen; that is, the removal of the CEOs. There is no other way. This minister believes that he paints a rosy picture about the health service. The CEO of the Metropolitan Health Service Board thinks that he has just delivered a good news budget. He and the minister cannot be further from the truth. What we have in the community is absolute disquiet and concern about the future delivery of health services. Yesterday's question was a -

Mr Prince: It was a couple of unions!

Ms McHALE: Minister, how wrong you are! The Minister for Health is not listening to what the community is saying and to the many people who cannot access care when they need it. I asked a question yesterday which gave the minister an opportunity to tell the House what was happening to the top positions in the hospital. He declined to do that; he dismissed the whole issue by saying there were no plans to sack people.

Mr Day: If you want a debate on the future of the Metropolitan Health Service, I am happy to have it.

Ms McHALE: We will debate that issue with the minister. This is a censure motion for misleading the Parliament.

Mr Barnett: Put a motion on the Notice Paper and we will debate it. Do not use the vehicle of a censure motion unless you are serious.

Several members interjected.

*Point of Order*

Mr OMODEI: The member for Fremantle accused the minister of lying.

Mr McGinty: He did. How else would you describe it? It was a blatant lie.

The ACTING SPEAKER (Mr Sweetman): I did not hear it from the Chair. If the member did call someone in this Chamber a liar, I ask him to withdraw.

Mr McGINTY: I withdraw.

*Debate Resumed*

Ms McHALE: I do not enter these debates lightly. However, on this occasion I believe the minister misled Parliament. He picked on one word of my question and addressed that. The essence of the question was sacking. That is what will happen. I will not go through the litany of complaints. This minister is denying what is happening in health service delivery.

Mr Bloffwitch: In your opinion.

Ms McHALE: It is my opinion and the opinion of the rest of the community. We condemn him for failing to be accountable.

**MR McGINTY** (Fremantle) [11.12 am]: I will read the opening paragraph of an article in this morning's *The West Australian*.

Several members interjected.

Mr McGINTY: I will read it again because it brings home the duplicity of this minister. It states -

> HEALTH Minister John Day has confirmed that the Government is considering a plan to scrap the jobs of Perth's 12 public hospital chiefs in a big shake-up of the health system.

That was 10 minutes after the minister said in this Chamber that he had no such plans. He went outside immediately and told a different story to the journalist.

Mr Day: That is not what I said.

Mr McGINTY: If the minister wants to accuse the journalist of lying, he should have the guts to stand up in this place and do so.

Mr Day: That is not a true reflection of what I said.

Mr McGINTY: Here is the test of who is telling the truth: Will Royal Perth Hospital, Fremantle Hospital, Sir Charles Gairdner Hospital, Princess Margaret Hospital for Children and King Edward Memorial Hospital for Women have their current chief executive officers in place in 12 months?

Mr Day: If you want a debate about that, I am very happy to have it. There is no plan to sack any general manager or CEO.

Mr McGINTY: Will they be there in 12 months? It is simple English; the answer is yes or no.

Mr Day: They probably will be. However, much consultation and discussion is to be conducted in the next few months about the whole issue.

Mr McGINTY: Did the minister confirm yesterday that Andrew Weeks would be the CEO of all the hospitals?

Mr Day: Andrew Weeks is the chief executive officer of the Metropolitan Health Service now.

Mr McGINTY: He has never run a hospital in his life! He has no knowledge or capacity to do so and the minister intends to put him in charge.

Mr Day: You asked me whether he is the chief executive officer.

Mr McGINTY: Will Gareth Goodier be the CEO of Royal Perth Hospital, located in the hospital and running it in 12 months?

Mr Day: Who?

Mr McGINTY: Will Dr Goodier be the CEO of Royal Perth Hospital in 12 months?

Mr Day: I think -

Mr McGINTY: The minister knows as well as I do that he will not be. He should not come into this place and tell half truths. It says much about the standard -

Dr Gallop: He said that there are no plans to change it. He has misled Parliament again.

Mr McGINTY: The minister is as slippery as a snake. It says much about the standards of his Government. If the Deputy Leader of the Liberal Party intends to allow this slipperiness and telling of half truths designed to mislead to stand as an honest answer to a question, the Government has hit the gutter and the minister has misled the Parliament. He said one thing to the Parliament yesterday and then went outside and said the exact opposite - which was the truth - to the journalist. He deserves to be roundly censured. He is an unfit person to hold the office of Minister for Health in this State.

Question put and a division taken with the following result -

Ayes (17)

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

Noes (27)

| | | | |
|---|---|---|---|
| Mr Baker | Mr Cowan | Mr Marshall | Mr Shave |
| Mr Barnett | Mr Day | Mr McNee | Mr Trenorden |
| Mr Barron-Sullivan | Mrs Edwardes | Mr Minson | Dr Turnbull |
| Mr Bloffwitch | Dr Hames | Mr Nicholls | Mrs van de Klashorst |
| Mr Board | Mrs Hodson-Thomas | Mr Omodei | Mr Wiese |
| Mr Bradshaw | Mr Kierath | Mr Pendal | Mr Osborne *(Teller)* |
| Dr Constable | Mr MacLean | Mr Prince | |

Pairs

| | |
|---|---|
| Mrs Roberts | Mrs Holmes |
| Mr McGowan | Mr Masters |

Question thus negatived.

## SELECT COMMITTEE ON CRIME PREVENTION

*Final Report*

**MR NICHOLLS** (Mandurah) [11.18 am]: I present for tabling the report of the Select Committee on Crime Prevention, the minutes of meetings, submissions received by the committee and transcripts of formal evidence. I move -

That the report be printed.

This is the second report the committee has tabled; the first being the report tabled on 17 June 1999. That report focused on how we prevent people from becoming offenders, thereby reducing or preventing crime in our community. This report focuses on what we can do to prevent reoffending. The report focuses on three areas: What the police can do to prevent reoffending; what the wider community can do to prevent reoffending, particularly by juveniles; and, how we ensure that, once released from detention, offenders reinterrogate into society.

Incarceration and the justice system have not been covered by this committee because a standing committee of the upper House is specifically looking at detention and the Law Reform Commission is actively reviewing the justice system. The committee felt that it was not prudent to try to replicate the work of those bodies. The committee has forwarded to each of those bodies copies of submissions that people have provided to the committee that refer to the areas of their investigation. I would like to put on the public record that the committee's intent has been to identify options that can make crime prevention efforts more effective. Although some of the recommendations relate to the Police Service, these should not be interpreted as a general criticism of officers within the Western Australia Police Service but an attempt to make not only their efforts more effective on the ground but also our collective efforts more effective in reducing crime.

The committee has considered a number of issues relating to policing, and I will refer to three of those in my address this morning: Cautioning, bail and communication technology. Western Australia has a cautioning process under the Young Offenders Act. That cautioning process allows police officers to caution young people and juveniles who have breached the law or who are involved in antisocial behaviour. The assessment is that cautioning has been effective. However, the committee found that the review of the cautioning process undertaken on behalf of the Ministry of Justice did not in any way evaluate the effectiveness of cautions in preventing reoffending. That is a deficiency that should be addressed in reviews which will, hopefully, take place in the near future. The committee found that cautioning is a positive and constructive process to bring young people face to face with the consequences of their actions.

One of the recommendations that the committee believes has positive potential is the provision for the attachment of conditions to cautions that are issued by police. The committee understands that currently in some cases police officers attach informal conditions to a caution - that is, the police officer may caution a young person and on the basis that if the young person continues to attend school no further action may be taken. It is the committee's belief that the provision for conditions to be attached to cautions should be formalised through legislation. A model in South Australia allows for conditions to be attached. Those conditions can be anything from requiring somebody to make an apology through to a curfew at nighttime or, for example, attending school. It is important to understand that the committee is not seeking these changes on the basis that this will somehow put the police in the position of judge and jury. It is a role that the police can play not only in confronting young offenders but also in making clear what are the consequences of their actions and then to address the specific action or behaviour that has led to the problem, as opposed to introducing young people to the justice system and, potentially, leading young people down the road of becoming repeat offenders.

I stress that the committee also feels strongly that the cautioning option available to police should be available to all juveniles irrespective of their age. The committee came to this determination because in evidence it heard that in Western Australia evidence suggests that the age of offenders is falling below the age of criminal responsibility, which is 10, and in some cases children as young as seven years of age are involved in criminal behaviour. At present very few options are available for police officers to deal with those young people. The committee believes the cautioning option is appropriate and hopes it will be sanctioned by this Parliament and the other place to allow police officers to issue cautions to children of any age and to apply conditions to those cautions where appropriate. This will require a change in legislation. I hope that the community has the opportunity to debate this recommendation, because it is important.

The other component of the committee's recommendation on cautioning is that legislation also reflect the requirement for police officers to provide, within a reasonable time, a copy of the caution to the parent or guardian of a young person who is cautioned. This is an important part of the recommendation because if young people who are, let us say, between the ages of 10 and 12 years, receive a caution, the parents need to play an active role in addressing that behaviour and should not leave the problem to the police to try to fix up. It is also my view that the community overwhelmingly supports the notion that parents be given the responsibility not only to care for their children, but also to ensure that their children do not breach the law and that they hold their children accountable where they breach the law and are involved in antisocial behaviour. Parents are not able to do that if they are not informed. Although we believe that police officers regularly provide copies of cautions to parents where they feel it is appropriate, we believe that legislation should require copies to be provided to parents.

The second area I will draw to the attention of members is the Bail Act and the re-release of offenders on bail when they are already on bail. This area is potentially somewhat controversial. However, the committee felt it was important to identify this area because it has a direct impact on reoffending. Members may recall a debate last year on amendments to the Bail Act in which we put in place a number of provisions which tightened up that Act. Some of those provisions have not been proclaimed and the committee feels that should be addressed urgently. When the committee took evidence on the issue of re-releasing people who were already on bail, it became evident that in many cases police officers did not have easy access to the information that would allow them to determine whether a person was already on bail or was a person who should be held under the provisions of the Bail Act. I stress that although the committee understands the difficulty that faces police officers, it does not believe that the State should accept the situation as it now stands and allow it to continue.

I draw the attention of the House to the information in the report which cites comments by the Ministry of Justice and the Auditor General about bail that indicate that it is estimated that 20 per cent of people who are granted bail breach their conditions. Not all of those people go on to reoffend, or if they do reoffend, are serious offenders, but that percentage is of concern. The Auditor General released a comprehensive report in 1997 which indicated that the majority of people who

breached bail conditions were not charged. He also indicated that a number of areas needed to be addressed, hence, the amendments to the Bail Act. As a member of the committee and of this House I believe that not only does this issue need to be addressed as soon as possible, but also it is a major issue of concern within the community. The community does not see that justice is being done if a person who is on bail until his or her case is before a court reoffends while on bail, and is released again. It does not send the right message and definitely does not reduce the potential for people to reoffend.

The third area I touch on briefly is communication technology. In many ways it fits in with the Bail Act because I believe police officers do not have access to the communication options that allow them to readily identify those on bail. However, it goes far wider than that. The current communication and technology systems within the Western Australia Police Service are not leading edge technology, and are not able to provide the best analysis and communication support, particularly to officers on the beat. For that reason, the officers are put at a disadvantage, particularly when dealing with drug dealers and other high level crime syndicates who are using leading edge technology and communications to prevent detection. The police need to be given that support.

One of the matters of concern to me is that it has been necessary within the Western Australia Police Service to reinvent the wheel by developing unique computer intelligence software. This concerns me because the rapid change of technology means that when in-house support services or technologies are developed, there is a chance of their becoming obsolete because they are not able to be updated or easily changed. While we were in the United States, we were provided with information about off-the-shelf technology and software that appeared to provide all the types of intelligence capability needed in a place such as Western Australia. In a report about the technology and the use of it in the United States, it was stated that more than 80 per cent of the agencies and departments using computerised crime mapping facilities were using off-the-shelf computer software. In my view that should have been tried in Western Australia. I do not wish to be too critical of the officers involved because no doubt they had the right intent; however, whenever organisations develop their own stand-alone database programming software, there is a very real chance of its becoming a costly and ineffective exercise. It has taken more than three years to date for the police to put together their requirements and develop a tender for the software, and I understand the software will not be available to the Police Service, specifically officers on the beat, until the end of 2000. That suggests that some re-evaluation is needed of the priorities in the development of software for this purpose, and consideration should be given to what is available to other crime prevention and law enforcement agencies.

I do not have time to go through the other components of this report, but I believe that this report and the first report provide a foundation upon which the community can undertake debate about crime prevention and consider the genuine options to assist in reducing the incidence of crime in the future. I emphasise that the committee has not been able to identify any easy solutions; it is a long term issue. The select committee has involved a long and arduous process and it has been difficult. I pay tribute to the opposition and government members of the committee. We have been able to put aside personal biases and political ideology. At no time has there been conflict based on efforts to gain political advantage, and all members have made a genuine attempt to arrive at the best possible conclusions that will put Western Australia at the forefront of crime prevention in the future.

I pay special tribute to Robert Kennedy, the committee's research officer. He has worked extremely hard and done a magnificent job. I commend him for his efforts and his commitment to the committee and the issue under investigation. Tamara Fischer and Nici Burgess, the committee clerks, have done a great job. Patricia Roach, the stenographer, has done a great job with a huge amount of work. I pay tribute to the Leader of the Opposition and the Premier. Members may not be aware that before I agreed to progress this motion for the establishment of the committee, I sought assurances from the Premier and the Leader of the Opposition that the committee could work without being undermined by political point scoring and that it had their total support. I received that assurance and I publicly commend them both for their ongoing support.

Finally, I pay tribute to the community who contributed to this select committee. We received massive support when we travelled around Western Australia. The submissions before the House reflect the number of people who wrote to the committee, but numerous others have taken the time to comment and participate. I also give thanks to the media for its support when the committee released its first report to this House. It is not easy to come into a House such as this and offer solutions that do not have a hard edge or pick up the fad of the day, and that run against popular opinion in the community. The media dealt with the report very responsibly and gave us a fair go. For that reason, the community was able to weigh up the recommendations and constructively contribute to the debate. I would like to think the same will happen with this report and, most importantly, that it will not be the end, but will be the starting point of a progression towards making crime prevention activities in Western Australia far more effective.

**MRS van de KLASHORST** (Swan Hills - Parliamentary Secretary) [11.37 am]: I also support this final report of the Select Committee on Crime Prevention which, together with the first report, provides a guide to solutions aimed at tackling crime problems in the community. The committee's first report emphasised the primary side of crime prevention, and in particular considered some of the reasons that cause young people to become involved in the criminal justice system in the first place, the background of the problems, and how it is possible to turn them away from crime before they become offenders.

This final report examines the tertiary side of crime prevention, and how police resources can be targeted and managed to achieve better clearance rates and offender apprehension. It also deals with actions that can be taken once offenders have been incarcerated. The committee, firstly, identified many police practices which have the potential to reduce the incidence of crime. I will not enlarge on that, as the member for Mandurah has covered that aspect, but one of the main themes from much of the work in Western Australia and overseas was that the collection of substantial data which gives information and intelligence leading to specific targeting, seemed to work. We saw evidence of that in Boston and England. This is an important point.

A significant part of the report refers to juvenile crime and how best to target and treat juvenile offenders. It is pleasing to note that many programs in Western Australia are already running along these lines, and are attempting to address the behavioural problems of juvenile offenders. Many of the programs we looked at are now contributing towards the reduction in the number of juvenile repeat offenders. I will enlarge on this section as I, in the role of Parliamentary Secretary to the Minister for Justice, have a lot of contact with the juvenile offending issues and programs. It is interesting to note that the committee found what I and many people know, but which is not generally well known by the community; that is, most young people in Western Australia do not offend. That needs repeating: Most young people in Western Australia do not offend. The figures we looked at showed that less than 8 per cent of young juveniles offend and have at least one contact with the juvenile justice system. However, many of those juveniles never reoffend. It is important that we put that in the right perspective, so that we stop what I see in the community as an annihilation of young people. If we see groups of young people hanging around a shopping centre, we immediately feel that something might be wrong, but let us face it, most young people have always hung around somewhere. I fear that there is an annihilation of youth in our society, and this is of major concern. The fact that most people do not offend is a message that must reach the community and must be acted upon.

The evidence shows that most juvenile crime is committed by only a small minority of our young population. We looked at identifying successful programs which assist in reducing or eliminating the number of these offenders and also the minority of offenders who are recidivists. Successful programs include conditional cautioning, which the member for Mandurah has just mentioned. This seems to work well in the United Kingdom and is very effective in reducing the number of juveniles facing the Children's Court.

We found that the over-representation of young Aborigines is particularly disturbing and relevant in our juvenile category of offenders. We found that an Aboriginal juvenile aged between 10 and 14 years is 25 times more likely to be arrested than is a non-Aboriginal young offender. That is appalling and is of great concern. The committee looked at programs such as the Aboriginal cyclical offending project which is being run in Geraldton. That program has been credited with achieving reductions in offences and antisocial behaviour. We have made recommendations that this be further evaluated with the idea of replicating it in other areas.

We heard evidence from representatives of the Aboriginal community, who emphasised the importance of inculcating traditional Aboriginal values into the Aboriginal youth in this State. The committee considers, and made recommendations, that programs must be identified with the support, encouragement and intervention of leaders and role models from the Aboriginal community to develop culturally-appropriate, constructive pathways for young Aborigines, which can steer them away from becoming part of the criminal justice system. We were told there is an ethos in some Aboriginal communities that getting into the criminal justice system is a pathway to adulthood, and that must be turned around.

The worldwide criminal justice focus on diversion programs was studied. It was found to be very positive to divert young people from the formal court system. We know that young people, especially first offenders, who are exposed to a formal court system are at an increased risk of developing more serious offending behaviour. This week I have written a column in my local newspaper about the role of juvenile justice teams which work to divert juveniles from the court system. These teams increase parent involvement in handling the offender. The offender faces the victim and a program is worked out to allow the victim to be recompensed by the offender. It allows the offender to confront his or her behaviour with a view to reparation. In 1998, 95 per cent of family meetings led to offenders successfully fulfilling the action plan set out by the victim and by the juvenile justice teams. The parents were involved in many cases, which helps the bond between the parent and the offender. There must be a review of family conferencing, which works in many cases, and we made a recommendation for review with regard to making it more friendly and culturally appropriate for the Aboriginal community. The effective treatment of juvenile repeat offenders can represent a significant opportunity for reducing current and future offending rates.

Support within the prison system, once the offenders are incarcerated, is very important. It is a hobbyhorse of mine. I recently visited Canberra and called into the Australian Institute of Criminology to find worldwide programs within the prison system that are effective and meaningful so the people who are incarcerated can get work and fit back into the community. They need to gain skills that can be used after their release. The committee looked at the provision of support services and assistance to prisoners on release. The committee found evidence in Western Australia that up to 40 per cent of prisoners reoffended within two years. The figures suggest that there is a major opportunity to set in place a program to help released prisoners and find a stable place in the community. They need our support and encouragement. However, even more than that, they need skilling, help with life and family skills, counselling and much more in order to stop that continual movement in and out of prison, which becomes like a revolving door. We especially found that children of prisoners are at greater risk of offending. If we can stop this, we will stop crime.

It must be noted that our community is determined to reduce offending and antisocial behaviour and we found that from the many submissions we received. There is a combined approach throughout Western Australia to tackle this. Safer WA is playing a major part in that approach. We must tackle it at both ends. We must look at the primary crime prevention, as well as at the tertiary crime prevention.

I thank the member for Mandurah for his work as the chairperson. I also thank other members of the committee. As the member for Mandurah said, we worked well as a team with a set goal of crime prevention. I also give special thanks to Mr Robert Kennedy for his patience and hard work in the research role and for putting up with all of us, because on a couple of occasions we pressured him to get results and research through quickly. I thank also the two clerks. I commend this final report to the House and hope that the work we have done - I have received personal satisfaction from it - works towards preventing crime in Western Australia in the future.

**MR BARRON-SULLIVAN** (Mitchell) [11.47 am]: Amidst all the debate and political controversy surrounding law and order issues, the countless questions that the Government receives on police numbers and resources and the barrage of criticism from certain sections of the community, it was encouraging to be on a committee that approached this whole issue with a view to success. Essentially that is what this committee was doing: Looking for success stories. It was looking for areas that could be improved and for new initiatives which would improve the process of crime prevention. It was virtually a joy to be on this committee in that respect. It was also interesting that the committee found that within Western Australia, a great deal of positive work is being done in the area of crime prevention. We spoke to numerous people who were directly involved in crime prevention programs and analysed a number of the programs under way. We also looked at what is happening in the police sector generally; for example, the conclusion within the report stated -

> Within Western Australia there is much activity in the crime prevention area.

The report went on to refer to police numbers and pointed to the fact that police numbers in this State are of the highest ratio of any State in Australia. I think there is one policeman for every 358 residents in the State which is a higher ratio than every other State; the only other place with a higher ratio is the Northern Territory. I think it important because the committee was bipartisan and the report was unanimously endorsed by all involved. The committee endorsed the fact that there is a great deal going on in the State and perhaps things are not quite as bad as sometimes we read in the headlines. Having said that, there are opportunities for improvement, as the member for Mandurah has pointed out in his speech. However, there is a need for better coordination. I believe the establishment of an office of crime prevention would go a long way to achieving that. New programs could be examined for more widespread use throughout the State and some areas could be tidied up. The bail provisions referred to earlier are a classic example of that. If my view differed in any way from the outcomes enunciated in the report, or the recommendations therein, it would be in relation to the zero tolerance policies. The report endorses zero tolerance policing practices when they are restricted to targeting known crime hot spots and says that the policies should be continued. In recommendation 12 it suggests -

> That current and previous trials of zero tolerance operations in Western Australia and elsewhere should be independently examined by the proposed Office of Crime Prevention to determine their potential value as a crime prevention tool.

It leaves the door open for an analytical examination of zero tolerance policies with a view to a more widespread introduction of the policies in the future. I believe the recommendations could have been slightly stronger. However, I understand why they are not and I am happy to support them as they have been put forward.

To understand the impact of zero tolerance on a targeted basis, one has only to look at the State clearance figures for burglaries, which are hovering around 16 per cent. In the Bunbury district, where the district office organises zero tolerance burglary cleanup initiatives, the clearance rate is well in excess of 80 per cent. Other factors are involved. However, the zero tolerance approach has been demonstrated to work and it would be interesting to see what an office of crime prevention could do with the policy and what sorts of initiatives it would propose as a result.

I echo some of the comments made by the member for Swan Hills about juvenile offending. The committee picked up on this matter as one of extreme importance and the people in my electorate would like to see further action taken on the issue. The report found that only a small percentage of juveniles offend or come into contact with the law. The graph on page 23 demonstrates that only 7.8 per cent of all juveniles between 10 and 17 years of age come into contact with the law. It demonstrates also on the same page that approximately 16 000 juveniles in the State are responsible for almost 14 per cent of all crime in the State. Juveniles in Western Australia are involved in a lot of reoffending. That is one of the reasons that the number of cautions given to juveniles skyrocketed from 3 804 in 1992 to 8 989 in 1997. Other reasons include a greater propensity by the courts to give cautions of their own volition; however, juvenile offending is a significant problem.

The recommendation to introduce conditional cautioning arrangements will go a very long way to resolving the problem. The committee's research which looked at areas such as Milton Keynes in the United Kingdom backs this up. In Milton Keynes it was found that 64 per cent of juveniles who were dealt with in the courts reoffended. That is a staggering figure. However, only 30 per cent of the juveniles cautioned reoffended and, of the juveniles who were cautioned with conditions, only 13 per cent reoffended. That is a very small figure.

Before I was elected, I surveyed my constituency and there was very strong support for curfews for juveniles. We should be able to apply conditions, including curfews, to juveniles who offend to elicit better behaviour from them without penalising the majority of young people who do not offend and do not come into contact with the law. There is no need for us to consider widespread curfews. We can use conditional cautioning to target offenders. It is a particularly good initiative proposed by the committee.

I will comment briefly on the recommendation for the establishment of a trial juvenile custodial facility near Carnarvon. I know community members up north, supported by their local MLA, have called for measures to tackle the problems resulting from a lack of custodial care in the region. The member for Ningaloo put the case very persuasively for a special facility for these people, suggesting that a homestead arrangement on an outlying property might be suitable. That way, instead of an offender being released on bail by the court and being tempted back into street crime, he or she could be sent to that homestead custodial facility. I have no doubt that local residents would welcome such an initiative and give it their support. I am grateful to the member for Ningaloo for his persuasive work and personal advice in that regard.

I thank the support staff to the committee, the clerks Nici Burgess and Tamara Fischer. I give a special thanks to Robert Kennedy, a veritable guru on crime prevention in Western Australia. The work he has done for the committee has been outstanding. I thank my parliamentary colleagues. Having been on one other select committee before, which was torn apart by philosophical debate on issues about how to deal with the drug problem, it was a delight to be on a committee that took

such a positive approach to such an important issue. I put a lot of that down to the chairmanship of the member for Mandurah who was determined that we would find the success stories and options that will work. I most sincerely commend the report to the House.

**MR RIPPER** (Belmont - Deputy Leader of the Opposition) [11.58 am]: As one of the two opposition members on the committee, I will make some remarks in support of the report. A heavy emphasis in the committee's deliberations was placed on the need for a rigorous approach to be taken to crime prevention. The spirit of the committee's discussions focused on the need for us to base our recommendations on evidence and research. Many of the committee's recommendations support the need for independent evaluation of crime prevention initiatives. There is a regrettable tendency for much of the debate on crime to not concentrate on the need for initiatives to be based on evidence, research and proper evaluation. I hope that the committee's report will go some way towards rectifying that deficiency. Information is important if the approach I have supported is to be adopted.

One of the regrettable features of the evidence given to the committee was the continuing problems associated with the compatibility of the Government's information systems. It is difficult for agencies to evaluate crime prevention initiatives and do their normal work on criminal justice matters when the information systems in the Ministry of Justice, the Police Force and other agencies are not compatible.

This is a situation which has persisted for years; I can remember it being a problem when Labor was in government. It was difficult to speak accurately about many criminal matters because of discrepancies in the way the police and the courts collected and interpreted data. If we are to take a proper approach to these matters in Western Australia, we should urgently overcome these discrepancies in the data capture and management systems. It is vitally important that all of the agencies involved in the criminal justice system speak the same language when it comes to the capture and management of information.

The third point I will make is that there is still vast room for improvement in the coordination of government responses to crime and crime prevention matters. In its first report, the committee recommended the establishment of an office of crime prevention. It further recommended that such an office be located in the Ministry of the Premier and Cabinet. Crime prevention is not the core business of many agencies which can have a big impact on crime rates. The work of these agencies needs to be coordinated if we are to be successful in reducing crime. As the agencies do not see their core business as being crime prevention, any coordinating authority must have considerable bureaucratic and political clout. Therefore, the committee was concerned to see any office of crime prevention located in the Ministry of the Premier and Cabinet to give it the necessary authority to require agencies to focus some of their efforts on crime prevention, even if those agencies do not see that as part of their core business. It is a matter of regret to committee members that the Government has rejected the recommendation that an office of crime prevention be established and located in the Ministry of the Premier and Cabinet. I hope the Government will reconsider that view. Coordination of responses to crime prevention and orientating all agencies involved to the necessities of crime prevention is the key ingredient in improving the Government's response to the prevention of crime. It seems that the office of crime prevention recommendation is the key recommendation arising from the committee's work. I hope the Government will take another look at that recommendation from the first report.

I thank the chairman of the committee, the member for Mandurah, for the way the committee's work was organised and the amicable spirit of the deliberations. I also thank Robert Kennedy, the research officer, for his contribution to our efforts. Finally, I thank Nici Burgess for the administrative support offered to the committee.

Question put and passed.

[See papers Nos 169A-O.]

## FINANCIAL RELATIONS AGREEMENT (CONSEQUENTIAL PROVISIONS) BILL 1999

*Introduction and First Reading*

Bill introduced, on motion by Mr Cowan (Acting Premier), and read a first time.

*Second Reading*

**MR COWAN** (Merredin - Acting Premier) [12.05 pm]: I move -

That the Bill be now read a second time.

The purpose of the Bill is to put in place a number of measures to reform commonwealth-state financial relations, as agreed by the Commonwealth and all States and Territories in June this year. The full agreement, known as the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, is set out in schedule 1 of the Bill.

National tax reform and the intergovernmental agreement: The intergovernmental agreement is part of the Commonwealth's national tax reform package, the centrepiece of which is the introduction of a goods and services tax, or GST, at a 10 per cent rate from 1 July 2000. The GST will replace the Commonwealth's existing wholesale sales tax and some state taxes. The tax reform package also includes substantial income tax cuts, compensation for those adversely affected by the GST, simplification of the tax payment and reporting system, and a reduction in fuel costs for business, including farmers. In addition, business tax reforms are now being considered.

The intergovernmental agreement sets out those aspects of the commonwealth tax reform package which directly impact on the States. Under the agreement, States and Territories will receive all the revenue from the GST commencing 1 July 2000.

The GST will replace the existing commonwealth financial assistance grants and replacement revenues for the States' previous franchise fees on tobacco, fuel and alcohol.

The GST will also compensate for reductions in State taxes -

gambling taxes will be reduced, or reimbursements provided, from 1 July 2000 to ensure that the net tax impost on gambling does not increase;

financial institutions duty and stamp duty on quoted marketable securities will cease to apply from 1 July 2001;

debits tax could cease to apply by 1 July 2005 on current projections; and

further business stamp duties could cease to apply at a later date.

States' expenditure responsibilities will also be affected by the GST -

States will set up an assistance scheme for first home owners to help offset the effect of the GST on house prices; and

States will pay the Australian Taxation Office for the cost of administering the GST.

However, States will also receive expenditure savings from the abolition of their fuel subsidies and the elimination of indirect taxes currently embedded in goods purchased by the State. The Commonwealth has guaranteed that state budgets will be no worse off, and will top up the GST in the initial years to meet that commitment.

Other major provisions of the agreement include -

a commitment by all parties to fully implement the GST in the public sector;

the States facilitating the monitoring by the Commonwealth of price exploitation in areas outside the Commonwealth's constitutional jurisdiction;

a commonwealth commitment not to cut specific purpose payments to the States as part of the reforms;

the requirement that changes to the GST will require unanimous agreement of the Commonwealth and States; and

establishment of a Ministerial Council of Commonwealth and State Treasurers to oversee the operation of the GST and the intergovernmental agreement.

Benefits of Tax Reform to Western Australia: Western Australia stands to benefit significantly from the GST in a number of ways. Business costs will fall due to the abolition of sales tax and some state taxes and the effective reduction in fuel costs, which are a major burden in Western Australia due to the large distances over which goods must be transported.

The GST will be of particular benefit to exporters, as exports will be GST-free. As members are aware, Western Australia is a heavily export-oriented State, contributing 25 per cent of the nation's exports despite having only 10 per cent of the population.

I mentioned earlier that in the first few years the new arrangements are financially neutral for the State Government. However, in the longer term, the GST should grow more rapidly than the commonwealth grants and state taxes that it will replace, reflecting that the GST is a broadly based tax that will grow in line with the economy. The benefits of the reforms to the Western Australian budget have been estimated at between $700m and $1.5b over the first 10 years, depending on the extent to which the State abolishes business stamp duties in the future. The additional revenues will help the State to meet rapidly growing demands for social services such as health, education and law and order.

Scope of the Bill: As I have said, this Bill gives effect to a number of measures contained in the intergovernmental agreement. Other measures that are being dealt with separately are price monitoring legislation; legislation for the State to voluntarily comply with the GST, which is being brought before the House concurrently with this Bill; legislation for first home owners assistance, which will be introduced shortly; and regulations for changed liquor and gambling arrangements, which are intended to be laid before the House later in this session.

I will now address the provisions contained in the Bill in detail. Part 1 of the Bill outlines when the provisions will commence and outlines the Bill's objectives. In addition, this part provides for the inclusion of the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations in schedule 1 of the Bill.

Part 2 of the Bill deals with proposed amendments to the Financial Institutions Duty Act 1983. Financial institutions duty is levied on receipts of financial institutions and on liabilities and investments of short-term money market dealers. This part provides for financial institutions duty to cease to apply from 1 July 2001, in accordance with the intergovernmental agreement. Western Australian taxpayers will save approximately $130m in 2001-2002, when there will be an 11-month cash flow impact, and $142m in a full year.

To facilitate the abolition of financial institutions duty, this Bill seeks to amend the Act to ensure that no liability will arise in respect of receipts or dealings after midnight on 30 June 2001. In addition, amendments are proposed to ensure that no returns will be required to be lodged in respect of receipts or dealings arising in any month after June 2001. Furthermore, to facilitate the future removal of record-keeping requirements, it is proposed to provide an ability to make a regulation to remove the record keeping obligations after all audits by the State Revenue Department are complete. This will benefit financial institutions that bear a compliance cost as a result of having to maintain certain records for duty purposes. All other

provisions of the Act will be retained, pending finalisation of audits of the pre-1 July 2001 liability of all financial institutions.

Part 3 of the Bill seeks to amend the Fuel Suppliers Licensing Act 1997 to provide for the cessation of diesel fuel subsidies with effect from 1 July 2000. Members will recall that this Act was part of the safety net arrangements put in place in response to an adverse High Court decision in August 1997, which cast doubt on the constitutionality of the business franchise fees which operated up to that time. These cumbersome arrangements were always intended to be temporary. The complete abolition of the fuel subsidies is also supported by the petroleum industry.

Under the intergovernmental agreement, GST revenues are to replace all the section 90 safety net payments from 1 July 2000. The Commonwealth will effectively take over most of the off-road subsidies by expanding its current industry specific off-road diesel fuel rebate scheme to rail and marine diesel, and increasing the amount of the rebate to 100 per cent of the excise for all eligible users. Accordingly, it is proposed that Western Australia's off-road subsidies will cease in respect of diesel fuel supplied from 1 July 2000. These subsidies currently amount to around $147m per year. The cessation of off-road subsidies is fully consistent with the intergovernmental agreement, which includes these savings in the calculation of the Commonwealth's guarantee that state budgets will be no worse off. The farming and fishing sectors will continue to pay no effective tax on diesel fuel, as they will qualify for a full rebate of the diesel excise and an input credit for the GST component. The mining sector will be better off, as the current 93 per cent rebate under the Commonwealth's rebate scheme will increase to 100 per cent.

Some diesel fuel users who presently receive the state off-road subsidy will be worse off under the proposed arrangements because the expanded commonwealth rebate scheme will still be less than comprehensive. In particular, diesel fuel used in power generation other than as part of an eligible mining operation or construction, manufacturing, and recreational activities will not get the commonwealth rebate. However, for business users, including Western Power, this will be largely offset by the reduction in diesel excise to make room for the GST, and the fact that they will be able to claim back an input credit of around 7¢ per litre for the GST component. Unlike business users, recreational users of diesel fuel will not be able to claim an input credit for the GST component, and will therefore face higher fuel costs. To put this in perspective, a recreational off-road four-wheel driver filling his tank for, say, $60, will pay about $7 extra.

The Bill also proposes the abolition of the much smaller on-road diesel subsidies in Western Australia. These apply at a rate of only 0.66¢ per litre, reflecting the difference between the previous franchise fee rate and the commonwealth surcharge that replaced it. The saving to the State from abolishing these subsidies is estimated to be about $8m per year. The main consumers of on-road diesel are transport firms, which will get a much larger benefit from the general reduction in fuel excise and GST input credits. They may also receive an additional grant from the Commonwealth which will reduce the effective excise rate from the current rate of around 43¢ per litre to 20¢ per litre for transport vehicles over 4.5 tonnes in rural areas; and all other vehicles over 20 tonnes.

Although the diesel fuel payments will cease in respect of fuel supplied from 1 July 2000, the provisions of the Act will continue to operate in respect of fuel supplied before that date. This will ensure not only that compensation can be paid for fuel supplied at the subsidised price prior to 1 July 2000, but also that legislative support remains in place to enable audit activity to continue in respect of such subsidies. Moreover, persons purchasing fuel for off-road purposes will remain subject to the conditions which apply to such purchases. In particular, if such fuel is ultimately not used off-road, the certificate holder will continue to be required to make to the Commissioner of State Revenue a compensatory payment equivalent to the unjustified benefit received.

Parts 4 and 5 of the Bill contain proposed amendments to state tax legislation to clarify how specific state tax bases are to interact with the goods and services tax. Part 4 of the Bill seeks to amend the Pay-roll Tax Assessment Act 1971 to clarify the payroll tax treatment of certain payments considered "wages" for the purposes of that Act, which may also be subject to GST. Examples include payments made by an employment agent to a person who was engaged to perform services for a client of the employment agent, and payments under prescribed classes of contract. To ensure consistency in all cases with the general rule that wages are not subject to GST, this Bill proposes that payroll tax is not to be charged on the increase in such payments directly attributable to the GST. This will ensure the same payroll tax treatment of differing types of wages and will maintain the status quo.

Part 5 of the Bill seeks to amend the Stamp Act 1921 to clarify the interaction of the existing stamp duty bases with the GST, and give effect to the requirement under the intergovernmental agreement that stamp duty cease to apply from 1 July 2001 to transfers of quoted marketable securities. Unlike payroll tax, the various heads of stamp duty generally apply to values that directly or indirectly include wholesale sales tax. For example, sales tax is directly included in the market value of new motor vehicles for stamp duty purposes. In other cases, sales tax is an embedded cost that increases the price of property such as a home, which is subject to stamp duty when sold.

As the GST is to replace the current wholesale sales tax regime, it is appropriate that stamp duty be based on the GST inclusive price, value or consideration. This was also the approach taken in the United Kingdom and New Zealand, and recognises the impracticality of applying stamp duty to a GST-exclusive value when the GST is an embedded cost. Furthermore, it is understood that this is the approach that all other States and Territories are currently proposing to adopt.

While it is arguable that the Stamp Act as currently drafted may already achieve this result, the experience in both the United Kingdom and New Zealand was that disputes could and did arise, which in the case of New Zealand required clarifying legislation. To avoid such confusion, this Bill proposes a number of amendments which seek to put this question beyond doubt. Under this approach, some revenue bases are still likely to go down because the 10 per cent GST is replacing a much higher wholesale sales tax. This is likely to occur in the case of motor vehicle stamp duty, rental business duty and car and

home contents insurance policies. However, there will be increases in other stamp duty bases, particularly property conveyances and insurance premiums paid by business, which are likely to more than offset the decreases.

Although not addressed in this Bill, I note that a particular problem arises in relation to stamp duty on insurance and rental business in a GST environment. This relates to the fact that the business rather than the customer is currently liable for the stamp duty. The result is that stamp duty recovered from the customer as part of the premium or hiring charge would also be subject to GST, while the GST would also be subject to stamp duty. This would lead to a multiple compounding of GST and stamp duty and is clearly an undesirable outcome. Work is currently under way with other jurisdictions and industry representatives to develop a solution to this problem, which may require a legislative response. If this is necessary, it is proposed that such legislation would have retrospective application, to recognise the fact that insurance companies are already issuing policies spanning 1 July 2000 that have a pro rata GST component.

The amendments in part 5 of the Bill also seek to abolish the stamp duty liability arising on the transfer of shares which are quoted on a recognised stock exchange. In accordance with the intergovernmental agreement, the abolition is intended to occur in respect of transfers which occur on or after 1 July 2001. It is estimated that revenue of around $18.5m per annum will be forgone by abolishing the duty on quoted marketable securities. As in the case of financial institutions duty, this revenue will be replaced by revenue to the State from the goods and services tax. The specific amendments included as part of this measure seek to ensure the removal of the charging provision for securities quoted on a recognised stock exchange; the removal of the broker return arrangements which allow brokers to pay duty by return in respect of their on-market trades; the removal of the CHESS provisions, which allow participants to pay duty by return for off-market trades of quoted marketable securities; the removal of the United Kingdom Stock Exchange provisions which allow approved persons to pay duty by return in respect of any changes in beneficial ownership of WA company shares that are quoted on the UK exchange; and the removal of the concessional rate of duty for transfers of short-dated shares.

Even though the liability to duty for these share trades is to be removed from 1 July 2001, audit activity will continue after that date in respect of liabilities that arose prior to 1 July 2001. Saving provisions are contained in the Bill to ensure the investigation powers, record-keeping requirements, assessment authority, objection and appeal provisions and other supporting powers still operate past 1 July 2001. A mechanism has also been included to remove the record-keeping obligations by prescription once all audits are completed. As a result of the proposed changes, the marketable securities duty base will be limited to the conveyance or transfer of marketable securities or rights in respect of shares in entities which are not quoted on a recognised stock exchange.

Part 6 of the Bill seeks to repeal the Tobacco Sellers Licensing Act 1975. As already noted, the intergovernmental agreement provides that "the temporary arrangements for the taxation of petrol, liquor and tobacco under the safety net arrangements announced by the Commonwealth on 6 August 1997 will cease on 1 July 2000". The State Revenue Department currently administers a tobacco sellers licensing scheme which exists primarily to provide information to monitor safety net payments. No ad valorem licence fee is levied. However, a nominal annual licence fee of $1 200 for wholesalers and $600 for retailers is levied. Twelve wholesalers are currently licensed. No retailers hold licences. As the safety net arrangements are now to cease, it is considered that there is no longer a need to maintain this licensing scheme. On these grounds, it is considered that the total abolition of the licensing scheme with effect from 1 July 2000 is desirable. This will involve repealing the Tobacco Sellers Licensing Act with effect from that date. Abolition of the licensing arrangements from 1 July 2000 is expected to result in $14 000 being forgone each year.

Part 7 of the Bill deals with related amendments. Arising from the repeal, certain references in the Taxation (Reciprocal Powers) Act 1989 to the tobacco legislation will no longer be required. Part 7 of the Bill proposes consequential amendments to the reciprocal powers legislation to remove those references. In addition, this part also makes consequential amendments to the Marketable Securities Transfer Act 1970 as a result of changes to the marketable securities duty provisions of the Stamp Act contained in part 5 of the Bill.

In summary, members will appreciate that the scope of the changes proposed in this Bill will significantly alter the fiscal landscape of this State and, in conjunction with the intergovernmental agreement, will fundamentally redefine the financial relationship between this State and the Commonwealth. I commend the Bill to the House and for the information of members, I table the associated explanatory memorandum.

[See paper No 166.]

Debate adjourned, on motion by Mr Cunningham.

## STATE ENTITIES (PAYMENTS) BILL 1999

*Introduction and First Reading*

Bill introduced, on motion by Mr Cowan (Acting Premier), and read a first time.

*Second Reading*

**MR COWAN** (Merredin - Acting Premier) [12.28 pm]: I move -

That the Bill be now be read a second time.

The purpose of this Bill is to provide for goods and services tax equivalent payments to be made by state entities to the Australian Taxation Office. Under the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, commonwealth, state and local governments, and their agencies, will comply voluntarily with commonwealth GST

legislation as if they were subject to the GST legislation. Section 114 of the Constitution and section 5 of the GST Imposition Acts preclude the Commonwealth from imposing a tax on the property of a State.

The Bill provides the legal authority for state entities to comply voluntarily with the provisions of the GST legislation in these circumstances. This will see the public and private sectors being treated alike for tax purposes. Like private businesses, state entities will be able to claim GST input credits. For many state entities, GST input credits are likely to exceed any GST and voluntary GST payments they make, resulting in a refund to the entities. Under the Bill, state entities are authorised to make GST equivalent payments. In addition, the Treasurer is given the power to issue written directions to state entities in this regard. I commend the Bill to the House and for the information of members, I table the explanatory memorandum.

[See paper No 167.]

Debate adjourned, on motion by Mr Cunningham.

## NEW TAX SYSTEM PRICE EXPLOITATION CODE (WESTERN AUSTRALIA) BILL 1999

*Introduction and First Reading*

Bill introduced, on motion by Mr Shave (Minister for Fair Trading), and read a first time.

*Second Reading*

**MR SHAVE** (Alfred Cove - Minister for Fair Trading) [12.30 pm]: I move -

That the Bill be now be read a second time.

The object of this Bill is to assist in the prevention of price exploitation under the Commonwealth Government's new tax system. As part of its new tax system, the Commonwealth has introduced a New Tax System (Trade Practices Amendment) Act 1999. The purpose of the commonwealth Act is to prevent suppliers from profiteering, either by failing to pass on to consumers the benefits of lower taxes on goods and services, or by unjustified price increases.

The commonwealth Act inserted a new Part VB into the Trade Practices Act 1974. It also created a schedule version of Part VB which was modified to refer to "persons", rather than "corporations". The schedule version of Part VB, combined with the other relevant provisions of the Trade Practices Act, form the basis of the New Tax System Price Exploitation Code.

Although the Trade Practices Act will apply to activity within the Commonwealth's legislative power - for example, conduct by corporations, or interstate trade and commerce - certain activities, such as transactions involving individuals or partnerships, may fall outside the scope of the Act. Accordingly, state and territory legislation is required to ensure that the code applies across the entire economy. The Western Australian Bill is designed for this purpose; that is, to overcome limitations of the legislative power of the Commonwealth Parliament.

At a special Premiers Conference on 13 November 1998, and at the Premiers Conference on 9 April this year, all states and territories signed an intergovernmental agreement and undertook to introduce legislation to implement the price exploitation code. Owing to protracted negotiations in Federal Parliament over the GST legislation, it was not possible for States to implement the code by 1 July 1999 as initially intended. However, all States and Territories are taking action to introduce such legislation, and it is anticipated that Australia-wide legislation will be in place by early December 1999.

Under the code, price exploitation will be prohibited where a corporation or person supplies a good or service at a price that is unreasonably high, having regard for the new tax system changes. The code empowers the Australian Competition and Consumer Commission to take action to prevent price exploitation by publishing guidelines on when prices will be unreasonable; issuing notices that specify the maximum price that should be charged for a particular product; prosecuting suppliers guilty of price exploitation and seeking fines of up to $10m for bodies corporate and $500 000 for individuals; obtaining injunctions against suppliers who engage in price exploitation; and orders to cap prices and require refunds.

The code empowers the ACCC to monitor and report on prices in the 12 months leading up to, and in the two years following, the introduction of a goods and services tax. The ACCC can require the disclosure of information as part of this monitoring role. While the GST will not commence until July 2000, the commonwealth code commenced on 9 July 1999 for the following reasons -

Wholesale sales tax on certain luxury items was reduced from July 1999 - the code will apply to prices charged for these items from this period; and

the ACCC needs to monitor prices from July 1999 to set benchmarks for prices after the introduction of the new tax system.

In addition, state legislation is needed to empower the ACCC to compel the provision of information by businesses which would otherwise be outside the legislative power of the Commonwealth. The prohibition on price exploitation applies only to transactions within two years of the introduction of the GST. The Commonwealth Act, with complementary legislation in States and Territories, will establish a national scheme for the administration and enforcement of the codes of the various jurisdictions, as if they were a single law. This will allow the various codes to be administered consistently and in the same manner as the new Part VB of the Trade Practices Act.

To give effect to this national scheme, state and territory Bills contain specific provisions on the administration and enforcement of the New Tax System Price Exploitation Code. The code and the Western Australian Bill have an important

part in the new tax system. In most markets, competitive forces will be sufficient to prevent unscrupulous traders exploiting consumers and business; however, the Commonwealth and State Governments have agreed that legislation is warranted on this occasion to provide that extra level of protection.

The Western Australian Bill, in conjunction with the commonwealth Act, will ensure that Western Australian consumers and business receive the full benefit of lower prices under the new tax system by protecting them from price exploitation. I commend the Bill to the House, and I congratulate the Government on its initiative.

Debate adjourned, on motion by Mr Cunningham.

## NEW TAX SYSTEM PRICE EXPLOITATION CODE (TAXING) BILL 1999

*Introduction and First Reading*

Bill introduced, on motion by Mr Shave (Minister for Fair Trading), and read a first time.

*Second Reading*

**MR SHAVE** (Alfred Cove - Minister for Fair Trading) [12.37 pm]: I move -

That the Bill be now read a second time.

The object of this Bill is to support the New Tax System Price Exploitation Code (Western Australia) Bill, and it is intended to come into operation on the same day as that Bill. Essentially, this Bill provides that if a fee is a tax in connection with the regulation of the New Tax System Price Exploitation Code, this Bill imposes the fee. These fees must be paid to the Commonwealth.

A separate Bill is required to deal with this matter due to legal and constitutional issues which arise from the operation of section 46(7) of the Constitution Acts Amendment Act 1899 relating to taxation matters. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

## SCHOOL EDUCATION BILL 1997

*Council's Message*

Message from the Council notifying that the Council did not insist on its amendments Nos 1 to 4, 13, 18, 19, 23 to 25, 27 to 31, 38, 42, to 49, 79, 81, 82, 84, 85, 87 to 92, 98, 100 and 102 made in the School Education Bill to which the Assembly had disagreed; that it had agreed to the substituted new amendments made by the Assembly to the Council's amendments Nos 9, 10, 12, 15, 20, 33 to 35, 39, 40, 41, 52, 56, 58, 59, 75, 86, 95 to 97, 101, 103 and 104; and had agreed to the Assembly substituted new amendments to the Council amendments Nos 65 to 74 and 99, subject to further amendments, in which further amendments the Council desired the concurrence of the Assembly, now considered.

*Consideration in Detail*

The further amendments made by the Council to the substituted new amendments Nos 65 to 74 and 99 made by the Assembly were as follows -

**No 1**

New clause 97 in the definition of **"extra cost optional component"** to add after the words "section 99" the following -

**(a)**.

**No 2**

New clause 97 in the definition of **"extra cost optional component"** to add after the word "component" the following words -

before the end of a child's compulsory education period; or

(b) because the component is in respect of a person's post-compulsory education period;

**No 3**

New clause 99 before the word "Regulations" to insert "(1) Subject to subsection (2),".

**No 4**

New clause 99 to insert a new subclause (2) as follows -

(2) Regulations cannot be made providing for charges or contributions for the purchase, maintenance or replacement of equipment, furniture and fittings provided for the purposes of a government school.

Mr BARNETT: I move -

That amendment No 1 made by the Council be agreed to.

Amendments Nos 1 and 2 clarify the situation which relates to charges in post-compulsory years. As members will be aware, the debate in the other place resulted in charges for schools to be defined as voluntary at a maximum of $60 in primary schools; and to remain compulsory in secondary schools, but capped at $235, and, specifically through regulation, to be confined to the use of consumable materials, bus fares for excursion activities and the like. There is also provision for additional charges to be approved by school councils for extra or more exotic courses, for example, international cooking, scuba diving or aeronautics, activities that are regarded as beyond the normal curriculum. Those courses can still be charged for. Often those courses have a substantial additional cost, an extreme example being aeronautics which involves flying lessons and the like.

Mr CARPENTER: We are at the tail end of a lengthy process as a Parliament and a great deal of input has been expended in arriving at this point. There is a difference of opinion on compulsory fees between the Australian Labor Party on this side of the Chamber and the Government.

I will clarify the effect of these amendments on the optional cost component as it relates to students in years 11 and 12. I have a clear understanding of the way in which the fee structure will apply to primary schools; that is, it is optional. In lower secondary schools a compulsory fee component will apply, as the minister outlined, but there is still doubt about its extent. There is considerable interest in upper secondary schools in trying to determine exactly the method by which the fees will apply in the post-compulsory years of education. Concentrating initially on years 8 to 10, will everything that falls within what is described in schools as the basic curriculum framework be paid for by the $235 compulsory fee; and will everything that falls outside that curriculum attract an extra cost?

Mr BARNETT: It cannot be defined as the curriculum framework as such, as the curriculum framework is outcomes based; for example, special outdoor education programs would be consistent with the curriculum framework but may involve exotic activities. It is not interpreted that way; however, in broad terms, it covers the traditional, basic programs through the school. Anything beyond this $235 relates to further more exotic, and, therefore, more expensive, courses. However, even though those courses might involve extra charges and could involve elaborate expensive activities outside the school, they can still be consistent with the curriculum framework.

Mr CARPENTER: Some schools have specialist courses. The minister mentioned aeronautics and, as he knows, Melville Senior High School specialises in aeronautics. Some schools have baseball programs and a cricket program is offered at Kent Street Senior High School. Will those specialist courses to any extent be covered by the compulsory fee or will everything related to those courses, even though they are intrinsic to the school, attract additional fees?

Mr Barnett: They are all covered separately. Specialist courses are funded by additional charges which parents pay and those charges will be agreed to by the school council.

Mr CARPENTER: Does that include some of the activities which might fall within the traditional curriculum framework, especially in relation to physical education?

Mr Barnett: It relates to science, maths, school sports, art, recreation and all the normal activities rather than the special programs that are often the highlight of a school but are special and additional in that sense.

Mr CARPENTER: I will then concentrate on the schools sports program and what might fall into that category. Physical education courses are conducted in the normal curriculum which some people might categorise as exotic; some schools may have traditionally charged extra for them and some schools may not have. What are the parameters for that type of activity?

Mr BARNETT: A normal school physical education program covers normal school sporting activities, whether they are football or netball teams, and they are covered normally. Part of this fee can be used for additional sporting equipment and the like. An additional item would be a specialist program run by the school which involves specialist coaches, specialist hire of equipment, outside competition and the like. A normal physical education sports program in a school is covered by funding from the Education Department; however, some part of the $235 fee can be used to support those programs with additional equipment and the like. More exotic sporting activities are in addition to this.

Mr CARPENTER: Obviously, in the normal compulsory units of education, costs are associated with the use of equipment. Those costs are excluded on the basis that the use of the equipment should not attract a cost, but it attaches to the value of the equipment itself and the provision of it. Does it include the use of equipment and materials that relate to that equipment, such as photocopying paper, and access by the school to computer software and the recovery of those charges by the schools?

Mr BARNETT: The type of activity that could be covered by this fee is a school, as part of its outdoor program, taking students on a canoe trip and hiring a trailer of canoes. That would be an extra experience, not a specialist program; whereas a school might have a specialist hockey program with additional costs for specialist coaches and the like. Many experiential-type programs would be covered by this; a school may well do something different and unusual but it is not a speciality of the school as such.

Mr Carpenter: My understanding is that no extra fee would be charged for the use and provision of the equipment. However, what about the use of equipment in the school and materials that might go with the use of that equipment, for instance, photocopying machines?

Mr BARNETT: Photocopying machines would not be included as they are centrally funded. However, it can be used for photocopying paper and consumables of that nature. The $235 fee cannot be used to buy a photocopier for the school because photocopiers are funded centrally. However, it can be used to contribute to paper that students might use in programs, their photocopying and that type of thing.

Mr Carpenter: There is, therefore, no possibility that extra charges would be levied for the use of that equipment?

Mr BARNETT: That is right.

Debate adjourned to a later stage, on motion by Mr Barnett (Minister for Education).

[Continued on next page.]

## SACRED HEART PRIMARY SCHOOL, HIGHGATE

*Statement by Member for Perth*

**MS WARNOCK** (Perth) [12.50 pm]: Yesterday evening I went to the launch of a building appeal for the century-old Sacred Heart Primary School in Highgate. Sacred Heart on Highgate hill, between Mary, Harold, William and Beaufort Streets, has been part of the Highgate community since it was a vision in the mind of Bishop Matthew Gibney in 1891. The school, which has educated some of Perth's best known citizens and generations of new migrants, is still flourishing, but it wants to preserve its heritage and expand its services to Catholic primary school students of the future.

In October 1897, 38 children arrived at the school on the first day, and there were a further 24 students by the end of that first week. A piano had been purchased, beginning a long tradition of music education at the school. The school recently had some difficulties because of changing demographics, among other things, but it is now firmly committed to its future and is planning a restoration and redevelopment. Now that inner-city living has once again become fashionable, its viability seems assured. The whole complex of buildings - church, convent and parish primary school building - is being assessed by the Heritage Council of Western Australia for listing on the state register of heritage places. The importance of the school lies in its intact architecture and the continuity of its use for religious and educational purposes for over a century. Sacred Heart is unique in this State. It is the oldest operating Catholic primary school in Perth and has an excellent reputation for its education and care of children.

## GERALDTON ADVOCACY SERVICE

*Statement by Member for Geraldton*

**MR BLOFFWITCH** (Geraldton) [12.52 pm]: I make a plea to the Minister for Family and Children's Services, to the Minister for Police and to the Attorney General. Geraldton has an advocacy service which does a large amount of good work in looking after people who are in absolute crisis - people who are at the bottom of the ladder, at the bottom of society, and who need support. A number of Aboriginal ladies are involved in this advocacy service, as well as some Caucasian ladies. Therefore, it is a mix of the community with which they get involved. They give financial counselling and support; they take people to the social security office for advice; they try to draw up budget plans. If kids are not going to school, they get the truancy officer and the specialist groups for cyclical offending in Geraldton involved, and they try to get these people back on track.

Until now, the Aboriginal and Torres Strait Islander Commission has been funding this service. However, because of its cutbacks this year, ATSIC has decided that it cannot fund it any longer. I have made a plea to the Attorney General, and I ask the Minister for Family and Children's Services and the Minister for Police, because of the benefit of this service to the community, to look into funding it.

## YOUTH COORDINATOR

*Statement by Member for Burrup*

**MR RIEBELING** (Burrup) [12.53 pm]: I raise an issue that affects my area. In April this year, I conducted a youth workshop in the Karratha area. One of the main problems that was raised by the youth during that workshop was that there was little or no coordination of services between the agencies and the youth. There was also little appreciation by the youth of what existed in my electorate to assist them. As a result, my office has coordinated with the agencies and produced a services directory for youth to access the services.

This Government, through the Office of Youth Affairs, has recognised the need for a coordinator in the Manjimup-Augusta-Margaret River area and also in the goldfields; yet it has done nothing about this type of coordination for any areas north of Perth. I call upon the minister to try to rectify the situation and to start that type of coordination in my area. It is a fact that youth in many areas of the State, especially in the vast areas in the north, do not know what is available. The services of a youth coordinator would enhance the Office of Youth Affairs' attempts at coordination.

## SCHOOL VOLUNTEER PROGRAM

*Statement by Member for Bunbury*

**MR OSBORNE** (Bunbury) [12.55 pm]: My statement deals with the school volunteer program. The member for Willagee, the member for South Perth and I met with representatives of the SVP on 30 August at Parliament House. That meeting was initiated by Maurie Williams from Burekup, who was a former member for Bunbury. The purpose of the meeting, which was also attended by Norm Hartzenberg, Christine Gray and Ailsa Rice from the SVP, was to improve the level of exposure of the school volunteer program. The school volunteer program aims to put elderly members of the community into a mentoring situation in schools on a one-on-one basis with students. It is purely voluntary. The student and the mentor get together and decide whether they will go on. There are great mutual advantages.

The purpose of the meeting was to discuss the current need for the program to get better exposure and to receive some resources from the Government to expand. The SVP wants a total of four or five mentors in every school in Western Australia, and government assistance will be needed to do it. Given that the Governor's speech mentioned that the school volunteer program should be responsible for some aspects of literacy work in Western Australia, the suggestion was made at the meeting that the Education Department should second a teacher - perhaps a teacher on stress leave - to assist with coordination, resourcing and liaison. I have taken up the matter with the Minister for Education, and I hope that the department will contact the SVP in the near future.

## EDITH COWAN UNIVERSITY, JOONDALUP CAMPUS SOCCER TEAM

*Statement by Member for Joondalup*

**MR BAKER** (Joondalup) [12.56 pm]: I use this brief opportunity to bring to the attention of members the recent success of the ECU Joondalup A grade soccer team in winning the 1999 premier league championship with its 2-1 victory over Sorrento a couple of weeks ago. The ECU Joondalup club, formerly known as the Joondalup City Jacks, was formed in 1991, and its premier team turned professional only four years ago. After only one year in the first division, its senior team won promotion to the premier league.

On behalf of the people of Joondalup, I congratulate the club, its executive committee and particularly the members of its premiership winning team and its coaches, Paul Simmons and Jimmy Dunne. I also pay tribute to the commitment to the club of its leading striker, Mr Carl McDerby, who played about 55 minutes of the final with a broken ankle and yet managed to score a goal. I look forward to seeing ECU Joondalup participating in the National Soccer League competition in due course, and I wish the club every success in its year 2000 season.

## LEIGHTON BEACH, REDEVELOPMENT

*Statement by Member for Willagee*

**MR CARPENTER** (Willagee) [12.57 pm]: I raise the matter of the proposed redevelopment of Leighton Beach and put on record that I support the proponents of minimal or no development along the foreshore at Leighton Beach. Leighton Beach is a place that I visit every day, as do a large number of other people who go there for their early-morning swim and run. There is a great deal of concern in the Fremantle hinterland and the western suburbs of Perth about the possibility of Leighton Beach becoming a highly developed residential and commercial area. The recent plans that were released by Westrail and the proponents of the development show a smaller-scale development than was originally proposed. However, it is still not the kind of development that the people who use Leighton Beach, Port Beach and Cottesloe Beach would like to see in that area. I believe that Westrail is taking an option to maximise its financial position by the sale of that land, and the end result may well not be in the best interests of the people of the State, either in a financial sense in the long term or in an environmental and recreational sense in the short term. Leighton Beach is unique along the coastline of Perth in that it provides wonderful access to the whole community, not fettered in any way by residential or commercial development. People use it for recreation, walking their dogs and so on. Leighton Beach should remain exactly as it is, or be part of a development which includes no housing or commercial activity.

*Sitting suspended from 1.00 to 2.00 pm*

**[Questions without notice taken.]**

## SCHOOL EDUCATION BILL 1997

*Consideration in Detail*

Resumed from an earlier stage of the sitting.

Debate was adjourned after Council's amendment No 1 had been partly considered.

MR CARPENTER: Would a social studies excursion, for example, to Parliament House or the Constitutional Centre, for students in years 8, 9 or 10 be an optional cost extra?

Mr BARNETT: It would be up to the school whether it included that excursion in the fees. This amendment relates to upper school, and not years 8, 9 and 10.

Mr CARPENTER: If that is the case were we wasting our time in the previous debate?

Mr Barnett: I was explaining the general outcome of what had happened on fees.

Mr CARPENTER: Does the minister want to address whether schools have the option of excluding students who cannot pay for visits to places like Parliament House and the Constitutional Centre in years 8, 9 and 10?

Mr BARNETT: Although this Bill establishes the maximum upper school charge of $235, students will not be penalised and will not be excluded from the normal activities of the school. That does not take away in any sense the responsibility of parents to pay the fee. The sort of things that children may not be able to participate in are activities that are clearly extracurricular, like the school ball. If they do not pay for a ticket to the school ball, they do not go to the school ball.

Mr Carpenter: What about a visit to Parliament House?

Mr BARNETT: If it is a class activity under the normal program, I would expect students to attend. All these examples will be administered and handled at the school level. Guidelines will be distributed to principals on how to apply the policy

reflected in this Bill. The message we will give to parents is that their children will be okay. We want to ensure that children are in no way singled out or discriminated against as a result of this. However, the Government wants to send a clear message to parents that this is compulsory and they must pay these charges.

Mr CARPENTER: Before we concentrate on years 11 and 12; does the minister envisage parents unable to make the payment for one reason or another who are not subject to exemption being taken to court?

Mr BARNETT: I do not envisage parents being taken to court. However, schools will have in place a program for debt recovery. That may allow them to make payment over time or whatever. They need to do that. Leniency and commonsense will be used in applying that, and we do not envisage parents being taken to court at all. Clause 106(2) states that the chief executive officer must ensure a series of processes are undertaken before any administrative or legal action is taken to recover debt. The only example I can think of is where someone clearly has a capacity to pay and belligerently refuses to do so. That might force the issue. Where parents have genuine reasons and difficulties in paying, that will never happen.

Mr RIPPER: The minister should not run away from the logical consequence of compulsory school fees. If in the end school fees are absolutely compulsory, there must be a sanction. Two types of sanctions can be levied: Either some action is taken which impacts on the child's participation in an educational program or, if the minister wants to avoid that sanction - no sanction should be taken against a child - the only other sanction is the normal debt collection measures, which, if ignored, will lead to someone being the subject of court action. The minister cannot on the one hand say we have compulsory school fees and on the other hand say that no-one will go to court. We do not have compulsory school fees if, in the end, the Government will not enforce them.

Mr BARNETT: They are mandatory and the school has powers of recovery. That will be implemented and handled sensitively. The existing powers have been somewhat equivocal and ambiguous. This will clarify the situation.

Mr CARPENTER: I am prepared to be corrected on this, but Western Australia will be the only State in Australia which has compulsory school fees by way of legislation. I have read instructions delivered to school principals by education ministers and education directors general in other States - admittedly in the context that in those States fees are not compulsory - that under no circumstances should children be disadvantaged or embarrassed by their parents' inability to pay fees. Would the minister consider issuing a similar directive to principals in Western Australia?

Mr BARNETT: We will give clear guidelines on how these clauses will be applied by principals. They will be developed to reflect the legislation and the debate that has taken place. We will not be the only State that has mandatory fees. This legislation makes fees in primary school voluntary up to a maximum of $60 a year. In South Australia the compulsory fee at primary school is $150 a year. In no sense is Western Australia out in front. Most other States are now looking to our legislation to clarify their situation. They have observed the debate that has taken place in Western Australia and are considering similar provisions to clarify their position. This has been an ongoing problem for education systems around the country.

Mr CARPENTER: The minister has said the same thing previously, and has always referred to the South Australian model. Can the minister confirm that no other State in Australia - apart from Western Australia - has a Parliament that has acceded to compulsory fees? In South Australia, which is the only example the minister can draw on, the Parliament regularly expresses its disapproval to the Government about regulations introducing compulsory fees. Western Australia will be the only State in Australia - including the South Australian model - with a Parliament and a Government which has given its approval to compulsory school fees.

Mr BARNETT: All States have a system of school fees and charges. They are levied in different ways.

Mr Carpenter: It is not compulsory.

Mr BARNETT: What is the definition of compulsion? Victoria may boast that it does not have school charges, but it has a compulsory booklist. Victoria requires children to contribute items under the booklist for the school. It does exactly the same thing; and is compulsory. The issue has finally been faced up to in Western Australia and been clarified. The regulations for principals for the implementation of the charges are being drafted and will make the position even clearer. This is not about pursuing low income families or families facing special financial difficulties. The State Government pays the fee for low income families - those defined to be in receipt of a health card. We are not talking about poor families. They have their charges paid for.

Mr CARPENTER: I am gratified by that explanation. Could the minister explain why, if the fees are not compulsory and the minister will not pursue them, he continually states in public debate that parents in schools in low socioeconomic areas will not be paying fees and therefore the schools will have low returns?

Mr BARNETT: If it is not compulsory -

Mr Carpenter: So you will be pursuing it?

Mr BARNETT: The member for Willagee is a very silly person. He has asked a question and I have only started to answer it.

Mr Carpenter: Why do you resort to personal abuse?

Mr BARNETT: Because the member for Willagee continually sets a low standard. He sets the lowest standard of any member of Parliament in this Chamber.

Mr Carpenter: You ought to be ashamed of yourself.

Mr BARNETT: I am not. At the moment the system is equivocal about whether fees are compulsory. It has been confusing, and has not been satisfactory from anyone's point of view. The Government proposes that in upper secondary school fees be compulsory and capped. A secondary assistance scheme will pay the school charges of approximately 27 000 students in the lower socioeconomic group whose school charges are paid for now. We will increase the amount and will pay the charge in full. If the charge were voluntary compared with the proposed compulsory system, we probably would not have the secondary assistance scheme, or it would be readjusted into some other format. It is compulsory for children from low income families - 27 000 at last count - but that will be paid in full by the State Government. We are talking about families on incomes above that level. I recognise that another group of people, sometimes described as the working poor, do not qualify for health card status, but might be on low incomes and might be concentrated in different geographic areas. The Government has indicated that it will increase the secondary assistance scheme to the full amount and also bring in other discretionary funding for schools that have a high proportion of relatively low income families who do not qualify for health card status. That is far more equitable. The alternative, if it is made voluntary, is that there will be no basis for a secondary assistance scheme, and that will hurt low income families and low income schools.

Mr CARPENTER: What is the variation in the collection rates between the States that have non-compulsory fees and Western Australia?

Mr BARNETT: I cannot tell the member; it is a very detailed question. If the member wants to know the answer, he should put the question on notice. It was not all that easy to obtain the detailed figures on collection rates in this State.

Mr CARPENTER: The minister has said consistently that if the fees are voluntary, the collection rates will decline considerably in some areas. What is the factual basis for making that assertion? This debate has been going on for several years. In every other State in Australia the fees are not compulsory, and I would like to know whether the minister knows of any variation in collection rates between those States and this State.

Mr BARNETT: I will give the member anecdotal advice. When the Labor Party ran a campaign a few weeks ago about making payment of the fees voluntary, school principals reported that the rate of payment of school fees by parents dropped immediately. That is one of the reasons the head of the secondary principals' association made public comment, because when it appeared that the voluntary option would hold sway in the debate in this Parliament about compulsory and voluntary fees, immediately schools experienced a drop in payments. The finances of the schools came under pressure and the heads of both the secondary and primary principals' associations made it clear to me that if the fees were to be voluntary, they would have to make decisions right now about cancelling some programs for next year. That is strict and direct, albeit anecdotal, evidence of the impact.

Mr CARPENTER: The minister has no evidence for his assertion that voluntary fees will lead to a dramatic decline in collections. It is the minister's assertion. He could have done any amount of analysis of and comparisons with the situations in other States of Australia. He has not done that. He has made an assertion to fit the model he wants.

The minister said there was a drop in fee collections; is he talking about anticipated fee collections or those outstanding for the year which have not yet been paid? What is he talking about? What is this anecdotal information?

Mr BARNETT: What an extraordinary comment. When this legislation was going through, the Labor Party supported the Government's position. It publicly supported that position. The Opposition changed its position as a result of the state conference of the Labor Party. The member should not say that the Government does not have evidence. A Bill was drafted after wide public consultation including parents, professional bodies, teachers, principals and community groups. For the first 18 months to two years in Parliament the Government had bipartisan support for maintaining the current system. The Labor Party changed its position and promoted to the community that the fees would be voluntary. Parents had always accepted and paid the fees, but suddenly the Labor Party said the fees would be voluntary and parents did not have to pay them. In response to that action and the publicity that went with it, parents started to refuse to pay if, for example, they had agreed to pay the fees progressively through the year.

Mr RIPPER: I must correct the minister's version of the history of this matter. The Labor Party did support a position in which fees would be voluntary and did so throughout the debate on the School Education Bill, until it came time to determine whether the Bill would fail because of differences between the Houses of Parliament or whether there should be compromise to allow the State to benefit from a new School Education Bill. The minister is correct in saying that at that stage, as the then opposition spokesperson on Education, I reached agreement with the minister for something like this arrangement for compulsory fees in secondary schools. However, that was not done with any great enthusiasm. The agreement was reached in order to allow the Bill to proceed, in the knowledge that otherwise it might fail.

Mr Barnett: We agreed on voluntary fees in primary school and compulsory fees in secondary school.

Mr RIPPER: That was the agreement reached. There are arguments on both sides. The Labor Party state conference wanted the state Parliamentary Labor Party to adhere to the party's principle of free education in the government school system. It wanted the Opposition to do that, not only when in government, which was always its position, but also, to the extent possible, when in opposition. I am frank about the way in which the history developed. The agreement reached between me and the minister related to a compromise, in order to get the Bill through the Parliament. It did not relate to our long term position, which was opposition to compulsory school fees.

Mr Barnett: Your long term position was from 1984 when the Labor Government introduced compulsory fees. I am maintaining what the Labor Party quite properly put in place in 1984.

Mr RIPPER: I remember the argument the minister put forward, so I traced it back. I went right back through every regulation change, to the introduction of the Education Act regulations in 1960. The compulsory services and amenities fees date from powers given in those regulations in 1960. In the 1980s there was considerable concern among parents that the fees had become ad hoc; there was an expansion in the fees being charged and the whole system of compulsory ad hoc fees was out of control and was becoming a burden on parents. In the mid-1980s, the Labor Party capped the amount that could be charged in fees, and provided that if parents paid the cap, their children would receive a standard education. The Labor Party did not introduce compulsory fees; it tried to provide some protection for parents from the explosion of compulsory fees that had developed since the Education Act regulations were introduced in 1960.

The minister's version of history was wrong. There was a brief time during this debate when the Parliamentary Labor Party supported a compromise which would have allowed compulsory fees to be charged in government schools. It did that, not because it is the Labor Party's long term policy, but because it is in opposition and it wanted to facilitate the passage of the Bill. Also, because, from opposition, the Labor Party does not have the capacity to provide the resources to schools. The overall position of the Labor Party in the long term - and certainly when in government - is that it does not support compulsory school fees.

Mr CARPENTER: The legislation in 1984 is often raised and there is some legitimacy in that, although as the member for Belmont explained, it goes back further than that.

Mr Barnett: I can remember my father paying school fees when I went to Midland Primary School. It was a long time ago, and it has probably been there forever.

Mr CARPENTER: I cannot remember my parents paying compulsory primary school fees. The Labor Party did not introduce compulsory school fees. The point to be borne in mind is the changing nature of the requirements on parents for the education of their children. Without a long and comprehensive study of the costs borne by parents in 1999 compared with the costs in 1928, 1960 and 1984, I, like the minister, will make observations based on anecdotal evidence. There has been a considerable increase in real terms in the costs imposed on parents in 1999, compared with those imposed in 1984. In the early 1980s, the fees covered a far greater range of a child's education. On a range between A and Z, in the early 1980s parents were prepared to pay items under A.

Now they are being asked to pay the items under every other letter in the alphabet as well, because the costs and burdens on parents have grown exponentially. That is one of the significant differences in the climate from the early 1980s to now. The parent group would be hoping that the school would pick up the cost of items under letter A and it would be prepared to pay the rest. That is the significant difference from the circumstances that existed previously. Despite the best intentions that may come out of the ministerial office and the department, it is undeniable that some parents will be put into difficult circumstances by the imposition of compulsory school fees. A few weeks ago in Parliament, an issue was raised about the initiative of one principal and the way that principal was addressing the matter of fees - it also happened to be in my electorate. Not all principals will be compassionate and sensitive to the circumstances in which parents and children find themselves. I would have thought it would be undeniable that circumstances in the future will place unfortunate pressure on parents, and that pressure will be transferred to their children. Compulsory school fees in lower secondary school will lead to some children being disadvantaged. That is an inescapable fact. Some parents in country areas will be disadvantaged by it and parents in remoter communities will also be disadvantaged. It is not something we should have endorsed as a Parliament. We have done the wrong thing.

The DEPUTY SPEAKER: Before we continue, the amendment we are dealing with is the addition of "(a)". I have allowed a lot of free-ranging debate. I ask members to stop that sort of debate and to address their arguments to whether we should insert "(a)".

Mr RIPPER: I will take your advice, Mr Deputy Speaker, and return to the insertion of "(a)", which goes together with the insertion of an additional paragraph (b) which states -

> because the component is in respect of a person's post-compulsory education period;

I am interested in the structure of charges that will apply in the post-compulsory years. I am particularly interested in what limits there might be to those charges. My understanding is that a student will get a standard secondary education, including low-cost optional subjects, for a fee set within the limit prescribed by regulations if the student is in years 8, 9 or 10. However, from reading this amendment, it seems as though that protection will not apply in years 11 and 12; that is, everything a student does in years 11 and 12 will be classified as an extra cost optional component and there will be no global limit. Can the minister outline the nature of the scheme that will apply in years 11 and 12?

Mr BARNETT: The nature of the scheme that will apply in years 11 and 12 is essentially exactly what is in place now; the same system will apply. We are not making changes in that area. It is referred to in clause 100 of the Bill, and that is the system which will work. There will be guidelines and it will be clarified, but what we have now will apply.

I will also respond to the comment made by the member for Willagee. He suggested that $100 in 1984 would not represent the same as $235 now. I suggest that if the member takes $100 and applies an average inflation rate, he will find the figure would probably be closer to $250.

Mr Carpenter: That is not what I said; you missed the point.

Mr BARNETT: The member effectively said that.

Mr Carpenter: I was talking about the extra costs that were being borne by parents and which are now far greater than they were in that period. That was the point I was making.

Mr BARNETT: Yes. If the member is suggesting that the range of activities in which schools become involved is larger, I agree; schools do far more than they did a decade ago. However, $100 in 1984 probably represented more than $235 would today.

Mr RIPPER: There is probably less justification for fees and charges in years 11 and 12 than there is for fees and charges in the rest of primary and secondary education. The rest of primary and secondary education is compulsory, so students are required to attend in any case. The matter of the payment of the fees and charges is between the Government or the school and the parents. The usual argument against user-pays charges for education is that they discourage people from undertaking education and access is skewed against those who might not have the means to pay the fees and charges. When we come to years 11 and 12, we have a different circumstance - it is not compulsory to attend years 11 and 12. The argument about access applies in a way in which it does not apply between kindergarten and year 10. I do not agree with fees in the government school system, but from an educational point of view, they are even less justifiable when a student reaches years 11 and 12. After looking at the detail of this for the first time in a while, I find there is no protection in terms of a global limit as there is for the fees and charges which are being charged in the lower secondary years.

Mr BARNETT: There is no global limit at present, but policies are laid down. We will have a far clearer set of guidelines. Indeed, it would be almost impossible to think of a global limit because we may get all sorts of combinations of exotic programs - we were talking about the extreme example of aeronautics. However, the issue of structured workplace learning, in which students do a mix of school, TAFE and paid employment, is now becoming quite common. They may need items in the workplace, such as safety clothes or tools. Education is different. The only general point we can make is for a student in years 11 and 12 who is doing either a traditional TEE program or a traditional academic and normal everyday vocational program. The large variety of activities in years 11 and 12 makes that impossible. The difference this Bill will require is that the school must work through its school council to set any charges for years 11 and 12. That requirement, accountability and process is currently not in place. This Bill puts something in place. Again, I remind members that we are talking essentially about only consumable items in years 8, 9 and 10. There is no charge for attending school, for the curriculum, for the buildings and for the vast majority of materials that are provided. In every sense, education is still free, but parents are being asked to contribute something towards consumable items used by the child, and which the child can keep, in the process of education and also for various extra charges for outside activities such as bus fares or hire equipment. These are items which children either use, consume and keep or directly use in terms of outside activities. Even the vast majority of those consumable items - probably 70 per cent - are supplied by the Government through the Education Department. I am just talking about some of the extras.

Mr RIPPER: If a Government wants a system of compulsory fees in secondary schools, this is not a bad legislative arrangement in order to implement that policy.

Mr Barnett: I take that as a glowing endorsement.

Mr RIPPER: The Labor Party's policy is not to support compulsory fees, but if the Government's policy is, this is not a bad legislative arrangement.

Mr Barnett: If you ever get back into government, do you think you will repeal this section?

Mr RIPPER: We will announce our policies and financial commitments before the next election. The Labor conference has very clearly stated that this is a priority for Labor and that it supports only voluntary services and amenities fees in government and in opposition.

The minister can deduce from those comments what the situation is likely to be when he reads our education policy before the next election. Although I have said that this is not a bad legislative arrangement if one believes in compulsory fees, there is one area in which fees can get out of control and where the arrangement can be undermined and that is the extra cost optional component. There does not appear to be a definition of an "extra cost optional component". Perhaps the minister might point one out?

Mr Barnett: Clause 97.

Mr RIPPER: That purports to be a definition of an "extra cost optional component" but it does not do anything more than say in a tautological way that it is what is not included in everything else. Items can move from the core program, or the low cost optional category, into the extra cost optional component. In some schools certain subjects will be considered low-cost options; in other schools those same subjects will be considered extra cost optional components. I am concerned that over time the scheme whereby one gets a standard secondary education in return for a fee which is limited by regulation will be undermined because more and more subjects will move out of the standard secondary education into the extra cost optional components and those fees and charges are not limited by regulation in any way. The minister is correct in saying that these fees are limited by the possibility of a school council veto but that is less protection than is offered for the fees and charges made for the standard education program. Although what the minister has produced in this legislation is clearer and more explicit than the existing Act, the problem of schools succumbing to the temptation of seeking more money in order to offer more programs has not been entirely solved. There is still a way for a school to say, "If we can get this extra bit of money from parents, we will be able to run this you-beaut program and if we call it an extra cost optional component, we can get around the limitations in the legislation." The principal then needs to go to the school council and persuade it. The council might be persuaded on the basis that it wants to preside over a school which offers a range of extra special programs.

That might mean that some parents who would otherwise be protected by the limit on fees and charges in the regulations will find they are not covered for some things and have to pay extra through the extra cost optional component.

Mr BARNETT: Principals always want to develop their schools and I support the concept of wider choices and particularly the concept of schools being different from one another with one speciality being offered in one school and another in a different school. Clause 101 ensures that regardless of what a principal or school council may wish to become involved in, they are required to deliver the curriculum framework to the students. They have no option; they must provide the curriculum. The eight learning areas must be delivered through each year of education. The only scope schools have for building extra components into that curriculum is the voluntary charge at primary school level or the $235, or whatever maximum is set, for secondary schools. Schools must deliver the curriculum framework; they cannot go off and indulge themselves in extra activities and neglect the curriculum. It is a thin case to suggest that a school may go off on a tangent of extra options and neglect the curriculum. It is not possible and a principal would not be performing his prime role if he went down that path. This legislation protects that; the schools must deliver the curriculum.

Mr RIPPER: My argument is education changes over time - new courses come into operation and new expectations arise. In some schools those new courses and expectations are met within the standard fees and charges and the non-extra cost optional components, while in other schools they are slotted into the extra cost optional component. Things change over time. What we now think of as an option might be considered an essential part of the school curriculum in 10 or 15 years. However, schools will still be able to charge for it as an extra cost option rather than being forced to cover it within the standard charge. Over time this extra cost optional component section of the legislation might allow the undermining of what is otherwise a reasonable way of implementing a policy with which Labor does not agree.

Mr CARPENTER: Could the minister briefly outline the consistency and philosophy of having voluntary fees in primary school and compulsory fees in secondary school?

Mr BARNETT: The consistency and philosophy was negotiated with the Labor Party. The Government started with a position of having compulsory but capped fees at both levels. In the spirit of negotiation, I accepted that we would make the fees voluntary at primary school level. I am personally quite comfortable with that and I think most people are happy with it on reflection. What we have has come out of the parliamentary process and is fair and reasonable. I think the vast majority of the community accepts the cap on primary school fees which are voluntary and that is made clear to parents but at secondary level the fees are compulsory. There is no particular logic in it; I just think it is fair.

Mr CARPENTER: I agree with the voluntary fee component but do all the devils that flow from having non-compulsory fees in secondary schools and how that would impact adversely on the education in those schools apply equally to the primary schools in the same areas?

Mr BARNETT: They do not because the curriculum at the primary school level is more limited. Primary schools do some fantastic things these days but they do not have the degree of extra materials and activities which typically come into a secondary school. We will also probably find that primary schools will tend to do better in terms of collection. People tend to be more community spirited at primary school level. Parental involvement is more difficult at the secondary school level. Secondary schools tend to be larger organisations with less collegial spirit among the parent body. Parents do not tend to know each other so well. Voluntary fees can be handled better at a primary level where typically the body being dealt with is smaller. It is very difficult at secondary school level. The response of the secondary school principals indicated that, from their points of view, it would be an absolute nightmare if fees were voluntary and it was made clear that they were voluntary at a secondary level.

Mr CARPENTER: A development which concerns members on this side of the House and I assume members of the parents' bodies is what might be described as a form of privatisation by stealth in the state secondary school system. Without wanting to over-dramatise the value of that statement, I was presented with a document which I think came from the Western Australian Secondary Principals Association. It showed a breakdown of the average school budget. The document purported to show that the average secondary school - whatever that might be - relied on fees for about 25 per cent of its budget. That was most disturbing to me. It provided me with an explanation of why principals seem to be so keen on the implementation of compulsory fees. The education system principals are, in a sense, business managers and a very significant component of their income is drawn from the community via school fees.

Therefore, they have a powerful vested interest in maintaining the level of fees. I assume that this happened incrementally over a long time, but it should be noted, acknowledged and guarded against.

It is the primary responsibility of the State Government to deliver education services, and not to throw that responsibility back at the community. I invited the minister to a meeting at Melville Senior High School when the school was told that unless it reversed its enrolment trends, it would be closed. The parent body asked what the department and the minister were prepared to do about that situation, and a department representative, not the minister, said, "Basically, nothing. It is up to the parent body to do something." There is an incompatibility between the desires of the minister and the department for communities to take financial and other responsibility for their schools and the capacity of some elements of the community to exercise that responsibility. Much of that incompatibility relates to financial capacity. If schools are forced increasingly to depend on the raising of fees for the provision of education, one runs the risk, as outlined in the minister's arguments, of schools being unable to provide a quality education as they are unable to access a big enough pool of resources via fees. That is a most unsatisfactory development which is encouraged by the legislation and the Government's attitude.

I find it disturbing that in what is described as the post-compulsory years of 11 and 12, the study of all subjects is liable to attract a fee. The compulsory years should be maintained to around year 12. The fee attraction can only discourage students

from continuing to years 11 and 12, particularly if students are from families of limited means. Direct and indirect pressures will apply to those families, and onto the children, for students to be taken out of the education system as soon as possible. To continue into the "non-compulsory years" will be seen as creating on the family a potentially avoidable financial burden. It is very undesirable. I have put this point to the minister, who has knocked it around a few times.

One of the most unfortunate developments in the State in the past few years is the decline in retention rates to year 12. It is a disgrace that retention rates in our state secondary schools are on the decline. This is probably the first time ever that this has been the case. I note the rationale put up by the minister, and no decline is occurring in retention rates to year 12 in the private sector. Look at the implications. Where is the decline in retention rates happening? What suburbs are involved, and upon which families is it impacting?

Mr BARNETT: We are moving along from the inclusion of "(a)" in the clause. However, the member for Willagee has made his point publicly, and the media has been unable to distinguish between the total cost of running schools and what school principals often refer to as their "school budget". That has caused a great deal of confusion. The cost of running our state school system, both primary and secondary, is approximately $1 450m - that is, a little under $1.5b. The amount collected in school charges from parents is about $27m, which is about 1.7 per cent of the total, or less than 2 per cent.

When school principals talk about their school budget, they do not refer to the cost of running schools. The major costs are the salaries of teachers and other staff, the cost of the buildings, and the cost of contracts for cleaning, gardening, computers and all the rest of it. That is supplied centrally. What principals often call the school budget is the discretionary part over which the school principal has direct control, 70 per cent of which is provided by the State Government through the so-called school grants and other special grants. Fees collected from parents are about 30 per cent of the school's discretionary budget, and even one-quarter of those fees are paid by the Government through the secondary assistance scheme.

It is not unreasonable that parents collectively contribute $27m out of $1.5b. It is not 30 per cent of the total, or in any sense abrogating responsibility for education. The Government has increased education spending by an average of 8.5 per cent a year for each of the last five years. That has never happened before, apart from during the post-war baby boom immigration period.

Mr RIPPER: We are dealing with an amendment which effectively applies a charge to all post-compulsory education in government schools under the extra cost optional component provision of the fees scheme. Proposed clause 100(7), which covers extra cost optional components of educational programs, reads -

> The participation of a student in an extra cost optional program is conditional on payment of the cost of that component.

Therefore, a different scheme from that for the rest of secondary education will apply to years 11 and 12, which are the voluntary years. However, those years are to be subjected to the extra cost optional component of the fees scheme, which offers less protection on the limits to fees which might be charged to parents. Also, it offers less protection to students in prohibitions on students being excluded from courses because they have not paid fees. The lower secondary years fees scheme has a prohibition on someone's education being affected as a result of not paying the fee. That applies in the education years in which attendance at school is compulsory by law. Fewer restrictions will apply to fees charged in the voluntary years 11 and 12 of education. The only protection is the possibility of a school council veto. An explicit clause states that the participation of a student in an extra cost optional component is conditional on payment of the cost of that component.

The overall arrangement is flawed. Even if one agrees with compulsory fees - which Labor does not - sufficient protection is not provided for students enrolled in years 11 and 12. Is it possible to govern this matter by regulations under the general regulation-making powers elsewhere in the Bill? Would it be possible for the Government to provide some more protection for students in years 11 and 12 through regulations? I know that we have reached a late stage of parliamentary consideration of this legislation and it is unlikely the Government will do more to tinker with the legislation; however, it may be possible to do something with the regulations.

In those years of education when attendance is not compulsory, but when we want to encourage as many people as possible to enrol, there will be no limit on the fees which students can be charged. As long as the school council agrees, the fees could be quite high. If students do not pay those fees, they will not be allowed to attend that school. Therefore, there is a direct impact on the student that is not elsewhere in the legislation. I have previously said that the Opposition does not agree with compulsory fees. This is not a bad scheme for implementing them, if that is what the Government wants. However, there are two flaws in the scheme. The principal flaw is the lack of protection for year 11 and 12 students. The secondary flaw is the long-term, extra cost optional component section that we are currently debating. The section may allow schools to gradually slide out of the legislative controls that are designed to protect parents from onerous charges.

Mr BARNETT: Traditionally the major cost for students in years 11 and 12 is textbooks. This is certainly true for those doing tertiary entrance examination subjects. The students buy and own the textbooks. That is the reality, and it has always been the case. The difference now is that more students are doing vocational programs, particularly with workplace components. Textbooks become less important for those students, but things such as transport costs are more important. Although one group of parents is buying textbooks - which is the child's property - another group of parents, with less need for textbooks, may be spending more in transport costs or things related to workplace programs. The debate has proved that this is a difficult issue. The secondary assistance scheme currently extends to year 11. There is scope for extending that scheme into year 12 to look after families on low incomes, bearing in mind that the secondary assistance scheme pays charges and things such as clothing or uniform allowances. The Government has indicated - I have indicated - that it is considering reviewing the form of assistance that takes place, following the passage of this legislation. There are some

anomalies in it. They have always been there. It does need to be improved. I have made it clear that with compulsory charges for years 8, 9 and 10 and, recognising the nature of schooling in years 11 and 12 and the vocational impact, the Government will review the secondary assistance scheme and extend secondary assistance in several ways. That work is yet to be done, but I give an undertaking that it will happen.

Mr Ripper: The Minister for Education concluded his statement when I was distracted. Did he deal with regulations to cover the points that I made?

Mr BARNETT: There will certainly be regulations and policy guidelines for principals. Work needs to be done on that when this Bill gets through, and hopefully it will. The new school charges will not apply next year. We have time to implement them. The current system will apply for the start of the next school year and a new system of school charges will be in place for the beginning of the 2001 school year. The debate has proved that there are a lot of issues.

Mr RIPPER: Perhaps my colleague, the member for Willagee, will have to administer this new legislation, at least temporarily!

**Question put and passed; the Council's amendment agreed to.**

Mr BARNETT: I move -

That amendment No 2 made by the Council be agreed to.

Mr RIPPER: We debated most of the issues regarding amendment No 2 when we debated amendment No 1. The Opposition will vote against this amendment and divide on the vote. This is to underline our opposition to the application of compulsory fees in government secondary schools and to express our concern about the lack of protection for students enrolling in years 11 and 12, given that they are the voluntary education years. We do that in pursuit of the arguments the Opposition put forward in debate on the first amendment.

Mr CARPENTER: To make it crystal clear, if a post-compulsory student wants to study a typical tertiary entrance program and the parents are unable or unwilling to pay a fee, in what position does that leave the student?

Mr BARNETT: Most of the items a tertiary entrance student needs are personal items from the booklist. The student is not faced with a fee to the school but rather the cost of books that are purchased, probably through the school. The situation would then be one in which the parents cannot afford the books. That is often dealt with at a school level. I have publicly said that our policy point of view is that we will not exclude children from a typical education program in years 11 and 12 if their parents are unable to pay. Most parents on low incomes have some assistance. There is a strong case for extending the secondary assistance scheme beyond year 11 into year 12, and that is something the Government will look at. Obviously there is a financial implication, but that is probably fair and proper. Schools in which parents find that they cannot afford the books will find ways to help those students. This Government is about having students - young adults - attend school.

Mr CARPENTER: In the context of all that has been said about fees and the arguments for and against, does the minister think it is a correct statement that the Bill makes it clear that there are no fees in public education?

Mr BARNETT: Clause 98 (1) states that there are no fees for instruction. The member for Willagee can get into the semantics of fees versus charges. I do not want to pursue that point. However, there is no fee to go to school, have a curriculum, have instruction and fully participate in the school program. This Bill has free education, but it has a system of charging for the consumable, personally-owned items such as textbooks and materials and for activities that are extra to the basic curriculum. I do not think that is unreasonable. However, in terms of attending and participating in school and having the full use of the curriculum, there is no fee.

Mr Carpenter: The minister knows that is not a correct statement.

Amendment put and a division taken with the following result -

Ayes (27)

| | | | |
|---|---|---|---|
| Mr Barnett | Dr Hames | Mr Nicholls | Mr Trenorden |
| Mr Barron-Sullivan | Mrs Hodson-Thomas | Mr Omodei | Mr Tubby |
| Mr Bloffwitch | Mr Kierath | Mrs Parker | Dr Turnbull |
| Mr Board | Mr MacLean | Mr Pendal | Mrs van de Klashorst |
| Dr Constable | Mr Marshall | Mr Prince | Mr Wiese |
| Mr Cowan | Mr McNee | Mr Shave | Mr Osborne *(Teller)* |
| Mr Day | Mr Minson | Mr Sweetman | |

Noes (16)

| | | | |
|---|---|---|---|
| Ms Anwyl | Mr Graham | Mr McGinty | Mr Ripper |
| Mr Brown | Mr Grill | | Mr Thomas |
| Mr Carpenter | Mr Kobelke | Ms McHale | Ms Warnock |
| Dr Edwards | Ms MacTiernan | Mr Riebeling | Mr Cunningham *(Teller)* |
| Dr Gallop | | | |

Pairs

| | |
|---|---|
| Mrs Holmes | Mrs Roberts |
| Mr Masters | Mr Marlborough |
| Mr Court | Mr McGowan |

**Question thus passed; the Council's amendment agreed to.**

Mr BARNETT: I move -

That amendment No 3 made by the Council be agreed to.

Mr CARPENTER: What is the import and impact of this amendment?

Mr BARNETT: It arose during the debate that moneys collected from parents were used in schools for a range of purposes. I made it clear that the intention was that money collected from parents would be used only for consumable items or for activities relating directly to the child, such as bus fares and entry fees for events. These amendments make it clear that schools cannot use these funds to provide infrastructure. In other words, they cannot use these funds to buy a photocopier or computers, or to lease computers. The money must be used directly for the children. Schools must account for how the money is spent, and that will affect the internal financing and operations of schools.

Mr RIPPER: If we are to have a system of compulsory fees, this is some small improvement on what might otherwise have been. I wonder how effective it will be. I was interested to hear the minister say that there might be implications for school accounts. I am sure there will be. If all the money goes into one pot, how can schools say that the money has not been used to lease computers or photocopiers?

Mr BARNETT: I am sure in practice there will be grey areas about what is an item of equipment and what is a consumable. The policy is that the money must be used for consumables. Regulations and guidelines will be put in place to ensure that school charges levied on parents are not used to purchase equipment. School charges may be used to buy extra footballs, but not to buy a new photocopier or computer. That is basic infrastructure funded by the Government.

Mr Carpenter: What about computer software? Will schools be more inclined to buy their own software?

Mr BARNETT: The basic Microsoft software package contains an encyclopaedia, Internet access and word processing facilities. However, if a school decides it wants to buy other software for a particular purpose, it can be used for that.

Mr RIPPER: Will there be a requirement for the schools to have separate accounts? Will there be an account for income from fees and charges and an account for other funds? This regulation will be hard to implement if there is no provision for separate accounts.

Mr BARNETT: It will not be a separate account as such, but the expenditure will be clearly identifiable in the accounts and in the explanatory notes. This discretionary part of school budgets is accountable to school councils, and obviously they will be interested in how money collected from parents is used. It is not a separate set of accounts - that would be expensive because it would require separate auditing. However, it will be identifiable in the accounts and appendices. It will be clear how much money was collected and how it was used. The criteria for that will be determined and made available. The Government recognises that this and many other areas of the Bill will lead to significant changes in the administration of schools. A professional development program, obviously starting with principals and registrars, will be conducted relating to the consequences of this Bill.

**Question put and passed; Council's amendment agreed to.**

Mr BARNETT: I move -

That amendment No 4 made by the Council be agreed to.

Mr CARPENTER: How does the minister envisage this amendment impacting on the education system?

Mr BARNETT: It will impact at a school level. There is no doubt that the charges currently collected from parents are used in a variety of ways. Some expenditure previously undertaken by schools may no longer be allowed. Those schools will have to plan their budgets with that in mind. This system will be phased in; so the changes to school charges will not apply from the beginning of the next school year. There will be plenty of opportunity to set up the guidelines and procedures. Much more accountability will rest with schools as a result of this process. This is one key area in which parents should want to know how the money they have contributed to the schools is used. This Bill makes it very clear that it must be used for consumable items and services used directly by the students. It will be up to the schools to account for that expenditure both financially and publicly to parent bodies.

**Question put and passed; Council's amendment agreed to.**

**Consideration in detail concluded.**

**MR BARNETT** (Cottesloe - Minister for Education) [3.50 pm]: I move -

That the Council be acquainted accordingly.

In the history of education in this State the passage of the School Education Bill is a historic event. It will replace a 1928 piece of legislation. The 1928 legislation under which the government school system currently operates is not appropriate to education in the 1990s. A new Act has been long overdue. Other States have brought in new legislation: South Australia in 1972, Queensland in 1989, New South Wales in 1990 and Tasmania in 1994.

The beginnings of this process date back to 1994 when the then Minister for Education, Hon Norman Moore, started the Education Act review project. I thank Hon Norman Moore and recognise his role in initiating this process. I also thank the Parliamentary Secretary to the Minister for Education, the member for Roleystone, Mr Tubby, who played a critical role. I appreciate the efforts of the project team led by Mr Ken Booth and Mr Wayne McGowan who have worked tirelessly and passionately to achieve this legislation. I thank them very sincerely for that.

This legislation has a long history. It started in 1994. We started in the parliamentary sense with a Green Bill which was tabled in June 1997. There was a 12-week period of public consultation during which time 300 submissions were received. In total, over 100 hours of debate have taken place in this Parliament on this legislation over a period spanning 23 months. The Government has listened to debate on the amendments that were proposed and made changes; 110 amendments were made during the passage of this legislation.

I remind members that although it is largely an administrative Bill for the operation of government and non-government schooling, it is based on four key principles: That every child has a right to education; that there is a choice of different forms of education and systems; that education is a shared responsibility - a partnership between government schools and parents; and that government schooling must be provided to all children within the State. That is a clear set of principles and obligations. Although much of the debate, particularly in recent times, has centred on the issue of school charges, for the record, I remind members that the Bill has 247 clauses covering a range of topics that relate directly to the impact on teaching, learning and our whole education system. For example, it provides new procedures for attendance and enrolment. It allows for great flexibility in links between schools, business and technical and further education and other institutions. An example is the new Seven Oaks College being built at Cannington which, under this legislation, will probably operate classes for 48 weeks a year, and perhaps operate classes during night periods and the like. That type of flexibility and modern education would not have been possible under the structure of the 1928 Act. We may even have a virtual school of the future without rooms and rules, simply a school operating through the Internet. All of those things can now take place.

School boundaries is another issue. There will be greater choice for parents, while amendments accepted by the Government will ensure the priority of children to attend their local school. The issue of absenteeism will be treated far more appropriately through school attendance panels. Parents of children with disabilities will have the ability for their wishes and the interests of their children to be explicitly addressed through the formal procedures which have been set up. There will be significant changes in the management of schools with the establishment of school councils for local decision making. The role of the principal is identified and enhanced through this legislation. It also allows schools to manage funds in different ways, and to have building funds, special purpose funds and the like.

The issue of school fees and charges was debated at length again today. A voluntary charge capped at $60 is set for primary education and a compulsory charge capped at $235 for secondary education. Enough has been said about that. That has always been the system, but it has now been made clear. In that sense many other States are following the debate that has taken place on a vexed issue in this State, as it is for all other Administrations.

In summary, the new Act will provide a long-overdue piece of legislation to cover education in this State, an education system with 800 government schools, about 350 non-government school, 260 000 students in government education, another 100 000 in non-government schools; a system that probably employs close to 30 000 teachers in total across the State and all of the administrative and support staff that go with it. The Government has been working on the regulations that will accompany this legislation. Many of those are already in draft form, and the Government will now move immediately to progressively phase in the introduction of this new Act into schools, both government and non-government, throughout the State. Because of some of the requirements of the Act it will not be fully in place for the start of the new school year, but I would expect this Act to be fully in place and operational in all schools throughout Western Australia by about May next year. That will require a great deal of further work.

I thank members of this House. It has been a long debate. I would rather it had taken one year than two years. A fair bit of time was lost when it was referred to a committee in the other place. I again restate this is a far and wide-ranging piece of legislation. The Government and opposition independent parties have had points of difference, of philosophy and content that have mainly related to school boundaries and school charges. I stress, in terms of public consumption, that the vast majority of this Bill has had bipartisan support. That should not be ignored. This Bill covers all aspects of education, and I thank members opposite for their support; in particular the member for Belmont who has handled most of the legislation from the Opposition's point of view. There have been changes, and while I am a little frustrated that it has taken two years to get in place, I can genuinely say the legislation before us now is an improvement on what we started with two years ago. It has benefitted from the parliamentary process; albeit it has taken some time. I thank members again, and I particularly thank Ken Booth and Wayne McGowan, and the Parliamentary Secretary Mr Tubby, who is not here, and all those people who contributed over a long period to bring about what is a historic event for education in this State - a new Education Act for Western Australia to replace the 1928 legislation.

**MR RIPPER** (Belmont - Deputy Leader of the Opposition) [3.57 pm]: I too will take this opportunity to make some final remarks on the School Education Bill. I am proud of what the Labor Opposition has been able to do with regard to this Bill. Significant amendments have been made to the legislation, partly as a result of the close attention to the detail of the legislation by the Labor Party. I am pleased that we have been able to preserve the right of students to enrol at their nearest government school. I am pleased that we have been able to secure enhanced rights for parents in the legislation. I am particularly pleased that we have been able to stop the Government introducing compulsory fees in primary schools. There has been an enormous amount of debate about the fees issue, most of it focusing on the issue of compulsory fees in secondary schools. It has sometimes been overlooked in the public debate that the Government originally proposed compulsory fees

in primary schools as well, and that proposal has been stopped in its tracks. I regard that as a significant improvement to the legislation. As a result of the actions of Labor, the legislation has improved provisions regarding sponsorship. We have yet to see the final outcome on sponsorship. The minister will need to develop a sponsorship policy, embody it in regulations and bring the regulations to the Parliament, which will have another look at that issue. Even that as yet uncompleted process is a lot better than the sponsorship provisions in the legislation previously.

Also, a range of penalty provisions in the legislation have been reduced in their severity as a result of the actions of the Opposition. I could speak at rather more length on all of the changes which the Opposition supported. As the minister indicated, there have been a large number of amendments to the legislation. Some have been straight Opposition amendments; others have been Government responses to Opposition proposals; and some were true compromises between positions advanced by the Government and the Opposition. It is a much changed piece of legislation, and we on this side of the House feel very satisfied with the role we have been able to play. Naturally, we regret that we have not been able to save parents from compulsory fees in secondary schools; however, we also point out that the whole structure governing the payment of fees in the final version of the legislation is much better than that which was embodied in the initial version presented to the House.

I would like to thank some people who have been involved with the whole process: Firstly, Dianne Guise and the Western Australian Council of State School Organisations, for the advice and information they offered to the Opposition; secondly, the State School Teachers Union of Western Australia, equally for the advice and information which it made available to us. I thank the minor parties in the upper House. There was a very cooperative relationship between the Greens (WA), the Australian Democrats and the Labor Party in the upper House on this legislation. The representatives of our parties there worked very well together, which cooperation enabled us to force significant changes into the legislation. I also thank the opposition representative in the upper House on education matters, Hon Ljiljanna Ravlich. She has had to handle a very large piece of legislation and deal with a lot of the tedious work that goes with being a spokesperson without the opportunity necessarily to receive any of the glory that sometimes comes with the role. She has played a very significant part in handling our approach to this Bill in the Legislative Council. Finally, I, too, would like to thank Ken Booth and Wayne McGowan for the work they did on the legislation. I have been very pleased with the way in which the minister has made them available to brief the Opposition on aspects of the legislation. Ken Booth and Wayne McGowan are owed congratulations at this stage - together with the minister, of course - for having seen the passage of this legislation through the Parliament. We now look forward to their work, supervised by the minister, on the regulations. The education community has considerable interest in the regulations. I hope there will be adequate consultation on the regulations before they are presented to the Parliament for the possibility of disallowance. There still seems to be a bit of work for Ken Booth and Wayne McGowan, and for the minister. It is a good thing that we will have a new School Education Act to replace the 1928 Act. Despite the differences that have arisen between the Government and the Opposition, we have always tried to bear in mind that the overall project of a new School Education Bill should be supported.

**MR CARPENTER** (Willagee) [4.03 pm]: It is quite proper that the member for Belmont, who until only a few weeks ago was the shadow Minister for Education and who took the Opposition position in the debate, should have had the opportunity to speak first and at length. I reiterate the thanks and congratulations that both the minister and he have offered to the people involved in getting this legislation through both Houses of Parliament. It has been a very lengthy and, at times, a very difficult process. There has been a significant amount of cooperation and goodwill in the development and passage of this legislation through Parliament. All people who were involved in a significant way deserve congratulations.

As members said when the Bill first came to the House, the consultative process that led to the development of this Bill was very good. Although some elements of it do not please anybody in the community, the process to allow the community to have input into the development of the legislation was very good and the Government deserves some congratulations for that. As the minister stated, the four quintessential elements of the legislation, the four issues that underpin it, are very good: The right to an education; choice; shared responsibility; and government schooling being available - rather than provided - to all children in this State. They are very good principles and should be underlined. What breathes life into a piece of legislation is the culture that goes with it and the attitude of the Government and the department administering the legislation. Those four underlying principles must be recognised for what they are, and we must accept the possibility that not all of them will be able to be, or are being, exercised completely.

The right to an education is a fundamental right and all governments should recognise that. Without wanting to dwell on the matter of fees, that is a potential element that could impinge upon that right to education. As I have said in this Parliament before, the notion of choice is rather slippery. It is an easy word to say and write down, but choice exists only when people have the capacity to exercise it. Not everybody has that capacity. It is a false notion to assume that because, in legislation, people are offered the capacity and choice in the way they go about educating their children, they will be able to take advantage of it. Because of a lack of resources, many people cannot exercise that choice. That should be borne in mind by any Minister for Education and department when administering education in the State. Many people, particularly in the areas which members on this side represent more so than those on the other side, simply do not have a choice about the kind of education they can undertake for their children. Their children simply have to attend the local school. In the second reading debate I said that the abolition of boundaries, justified by the notion of choice, will lead, and is already leading, to considerable problems for many families. I urge the minister and the people who are responsible for the administration of education in this State to look at how the abolition of boundaries is impacting on schools. It is impacting in the way it was thought it would. It is already creating problems, and they must be addressed in a sensible way.

The notion of shared responsibility is a two-way street. At the moment the Government thinks it means that people in the community must accept a responsibility to do their fair share. People accept that responsibility and do their fair share; they also want the Government to exercise its responsibilities. A fundamental responsibility of government is to have a teacher

in every classroom, but that is not being fulfilled at the moment. The Government has very substantial responsibilities for the provision of education. Any Government that fails to meet those responsibilities is letting down the children of the State.

That leads to the fourth point: Government schooling must be available to all children in the State. In my opinion, at the moment, despite this piece of legislation, which in general terms is very good, there is a crisis of confidence in the community about the public education system in this State. I think that is undeniable. People in the community tell us about the problems associated with the state school system. More and more people in Western Australia are trying to move their children into private education, and that is a very sad development. As many members have said, the public education system in Australia is the crucible through which the Australian character has been formed. Any change that weakens that system will be an adverse development for the State. The Government, as well as the community, has responsibilities in education, to make sure that government schooling is attractive to people in the State so that they want to send their children to a state school; that they do not send them there simply because they have to, because they have no choice. It is a government responsibility - not one for community or the parents - to ensure people want to send their children into the state school system. At the moment we in Western Australia are at very critical point in relation to that factor. Those four underlying principles are good. Governments should bear them in mind at all times when dealing with education. I am fearful that in Western Australia in recent times the Government has not been paying enough attention to those four core underpinning principles of this legislation.

It is to the credit of the member for Belmont that he at least got the Government to shift its position on compulsory fees in primary schools; I am glad to hear that the Minister for Education supported that principle. However, it is regrettable that we now have a regime of compulsory education fees; there is no longer free education in this State. It is not true to say that we do not have school fees; we do. I understand there is a difference in philosophy and this is probably not the time to argue that point anymore; however, that is a regrettable outcome of the legislation. I hope the legislation fulfils its potential. I congratulate again the people from the department, the people in the community and the people in the political parties who all played a part in bringing it all together.

Question put and passed.

## GAS CORPORATION (BUSINESS DISPOSAL) BILL 1999

*Consideration in Detail*

Resumed from 22 September.

Debate was adjourned after clause 9 had been agreed to.

**Clause 10: Corporate vehicle's constitution to contain certain provisions -**

Mr RIPPER: Clause 10 of the Bill requires the privatised AlintaGas to have at least a majority of the board of directors and the chief executive officer to be ordinarily resident in Western Australia. The clause also requires the privatised AlintaGas to maintain its head office in Western Australia. I am interested in the legal effect and the source of power for these parts of the Bill. Does the Bill alter the Corporations Law of the nation? How are we able to impose these continuing obligations on a company that has moved out of the control of the Western Australian Government? These provisions, I am sure, embody form rather than content. If AlintaGas is inevitably owned by a foreign company, control of AlintaGas will be exercised by that foreign company. All we can do, if we can do what is purported by this clause, is make that control a little more difficult to exercise than would otherwise be the case. We cannot take away the prerogatives of the owners of a company to control the management of that company. They might have to work through directors resident in Western Australia and they might have to work through a corporate head office in Western Australia. However, in the end, they will have their way and if Texas says, "This is the way it will be done", in the end that is the way it will be done, if Texas happens to own the privatised AlintaGas.

Can the minister comment on these matters? What is the real source of our power? Is the minister purporting to amend the Corporations Law? What will be the real effect of these purported restrictions assuming the prerogatives of the owners will surely be exercised?

Mr BARNETT: Clause 10(1)(a) requires the corporate vehicle to be incorporated in Western Australia. If the company were to breach those requirements, it would effectively be operating outside the law which would make it vulnerable to legal actions and penalties. We are not amending the Corporations Law but requiring the company to be incorporated in Western Australia according to those principles. I take the member's point that if a company is determined to breach that requirement, it will be difficult to enforce. I do not believe that will happen because the company would be at commercial risk, placing its investment and itself at risk of litigation from customers, suppliers and so on. If the company wanted to change this requirement, it would inevitably come back to the Government of the day seeking amendments to those parts of the Act. That would be a question for the Government of the day.

Mr RIPPER: I believe the minister has conceded my point that in the final analysis these things are more form than content, although he might place more emphasis on the final analysis point of that argument than I would.

Mr Barnett: At the end of the day, in any world, it is very hard to make people do things they do not want to do. If a company were consistently to get around this requirement, it would be hard to enforce; it would require legislative change.

Mr RIPPER: Can the minister give me an idea of the types of companies that would be tendering to take over AlintaGas? To what extent are we looking at a real possibility of control of AlintaGas passing to a company owned outside Australia?

Mr BARNETT: It is impossible to say. I have made public comments that we would like there to be significant Australian interests, and even preferably Western Australian interests, in it. However, I say that by way of a general guide to the marketplace without wishing to take it any further than that. Companies that have publicly expressed interest in AlintaGas include Wesfarmers, The Australian Gas Light Company and perhaps some others. AlintaGas, although it is important to us, on a world scale is not a large energy utility. I doubt that it will attract a great deal of international interest. I am sure there will be some international bids for it; however, it will not attract the type of interest that some other utilities might attract. I would expect certainly those companies, and perhaps other Australian groups, including no doubt institutional tie-ups in terms of superannuation funds and the like, would form consortia and bid. I think there may be some international bids but I do not believe it will attract the degree of international attention that, for example, the Dampier-Bunbury natural gas pipeline attracted.

**Clause put and passed.**

**Clause 11: Cornerstone investor's share entitlement to be frozen for 2 years -**

Mr RIPPER: I note two things about clause 11. The minister can, by notice published in the *Government Gazette,* overturn the restriction on share ownership which is applied to the cornerstone investor's share for those two years.

Secondly, I note that a contract, dealing or other transaction is not unenforceable, voidable, or void merely because it was contrary to this section. I am intrigued by that. I wonder in what sort of position we are left if a cornerstone investor who does not get a ministerial notice contravenes this section but nevertheless the contract is still enforceable and is not voidable. If the contract is still enforceable, surely the shares have changed hands and the ownership effects of that changing of hands of the shares applies.

MR BARNETT: We cannot within this legislation amend the rules and the operations of the Australian Stock Exchange, but what we can do is make sure that the cornerstone investor stays at the initial share level. Therefore, if it is 45 per cent, it stays at 45 per cent for two years. If the cornerstone investor trades in the market and buys more shares, then that transaction, according to Stock Exchange rules, would be legal, but the investor would have contravened this Act and would be subject, therefore, to a fine of $200 000 or up to one year's imprisonment, which would tend to have a fairly sobering effect on the proprietors of the cornerstone investor.

Mr Ripper: Therefore, they could contemplate their increased share portfolio from prison.

Mr BARNETT: They could. In this type of arrangement, there will be discussions, and the cornerstone investor will come in and honour that. It would not take the risk of doing otherwise. A two-year period in the life of a utility is limited, and, as is publicly recognised, a 40 per cent shareholding is effective control.

Mr Ripper: Under what circumstances would a cornerstone investor be given a ministerial notice allowing it to increase beyond, say, 45 per cent in the first two years?

Mr BARNETT: I cannot think of a situation off-hand. Perhaps another shareholder, such as a superannuation fund, might get into a parlous financial condition, and there might be only one buyer - that is unlikely - and that one buyer might be the cornerstone investor. Therefore, there might be all sorts of grounds on which a Government might agree to allow a transaction like that to take place. That is all I can think of. It is unlikely, though, because this will be a widely held ownership, hopefully, and there will be a market for shares.

**Clause put and passed.**

**Clauses 12 to 17 put and passed.**

**Clause 18: Contracts arising from certain internal arrangements of corporation -**

Mr RIPPER: This clause provides that transfer orders will create contractual rights and liabilities. It is meant to formalise the arrangements between different parts of the corporation's business. I imagine that this is really part of the ring-fencing arrangement about which the minister spoke. The Opposition has certain concerns about how effective that ring fencing can be. Perhaps the minister will explain to us exactly what is contemplated by this clause.

Mr BARNETT: The member opposite referred to the ring-fencing provisions. I am more optimistic. I think the ring-fencing provisions will work well. We are still in the relatively early days in Australian corporate areas, particularly in utility areas, of using ring fencing. It is not unusual elsewhere around the world. The arrangements have been set up under the national access code. They apply to other utilities within Australia, including other gas utilities, and I think they will apply here. Dealing with deregulation of the retail household sector, it should be borne in mind that at the moment only AlintaGas is selling gas. Once we have a range of competitive gas sellers down to small consumers, that natural force of market competition will have the effect of reinforcing the ring fencing. If anything is not being done properly, there will be plenty of public noise and complaint and processes to deal with it. The regulator will also be dealing with that all the time. I accept the point that we are early in the stages of ring fencing. However, it is not unusual. Obviously, AlintaGas will face competition directly in the retail business. It may have 100 per cent of the protected retail household market at the moment, but it will not have 100 per cent in the future, and that competitive pressure will be a force.

Clause 18 effectively relates to the establishment of the memorandum of understanding concerning the rules of the game, I suppose, between the distribution and the retail part of the operation. That memorandum of understanding reflects the national access code and, obviously, progressively the rulings that the regulator will make as time goes by.

Mr THOMAS: Having heard what the minister just said, I am a little confused. As I read clause 18, it is effectively creating arrangements which might exist within AlintaGas - that is, that single legal entity, that single legal person - and whatever arrangements exist between the various parts of that legal person will be as if they were contractual rights; therefore, I guess one part of AlintaGas can sue the other part, which is a rather bizarre concept. However, that is what it must mean. Then I thought I heard the minister say that as the market is freed up and everybody is able to buy gas from whoever has gas to sell, the monopoly of AlintaGas in gas trading will disappear, and that competitive pressure will in some sense protect the ring fencing. I think that is wrong. If there is competitive pressure or pressure of any sort, that would put pressure on the organisation, which hopefully could be resisted, to break down the system of ring fencing so that the vertically-integrated structure could then be used to protect the market share in a circumstance in which it might be under challenge from a gas trader that does not have access to a distribution system. If I am correct in assuming that clause 18 is creating what are effectively contractual arrangements within AlintaGas, how would they be enforced? Would AlintaGas sue AlintaGas?

Mr Barnett: I will correct what I said before and explain further. It takes a current memorandum of understanding between the retail and distribution component and turns that into a proper contract.

Mr THOMAS: Into a contractual arrangement?

Mr Barnett: Yes.

Mr THOMAS: That would be a contractual arrangement between different aspects of the same legal person?

Mr Barnett: Yes, two subsidiaries. They get established as subsidiaries of Alinta Limited. It is a contractual arrangement between the two subsidiaries; yes, that is right.

Mr THOMAS: This is becoming interesting, because I do not think the Bill says that. I think the Bill says that it is as if they were legal entities and it was a contractual arrangement between two legal persons. I am not a lawyer, but I understand that a person is or is not a separate legal person. As I said, conceding the fact that I am not a lawyer, I find it difficult to understand how AlintaGas can sue AlintaGas. Even if it did, the funds would transfer from one part of the organisation to another. Therefore, I cannot see how that could be anything other than perhaps an exhortation in the Bill to the organisation to behave as if it were two separate legal persons. I cannot see that that is creating that obligation on the organisation if it remains separate legal persons. How can the increased pressure of a freed up deregulated gas market enhance the system of ring fencing? Surely if anything it will create pressure to break it down.

Mr RIPPER: Will the minister simply formalise existing arrangements or will some changes be made to existing arrangements when he signs the transfer order that will create these contractual rights and liabilities? In other words, is he simply making a contract out of that which exists at the moment between different parts of AlintaGas, will he be implementing the national gas access code when he signs the transfer order or will it be a hybrid of those two arrangements?

Mr BARNETT: The access agreement is currently going through the necessary process through the regulator under national access code guidelines. Once the regulator approves the access code that will be reflected in this contract. Any future contracts involving other parties will be subject to the approval of the regulator.

Mr Ripper interjected.

Mr BARNETT: The more commercial players are involved, the more open will be the contractual arrangements to ensure that it works well. Direct financial interests will be at stake.

Mr Ripper: Do you mean they will rush off to the regulator if there is a problem?

Mr BARNETT: If they suspect anything is different between AlintaGas distributions dealing with AlintaGas retail as distinct from any other retail, they will rush off to the regulator. If the member needs proof of that, we are experiencing it with transmission pipelines now. They have significant commercial implications. There will be some test issues and a period of bedding down. However, it will become very open and simple.

Mr Ripper: Alinta retail's response to competition may be to try to get a special deal out of the distribution system.

Mr BARNETT: It will be unable to do that. That will be subject to the regulator and other organisations will be making sure that it is equal across the board. That is what ring fencing is about. However, I can understand the member's scepticism.

Mr Ripper: I am not the only one; people in the industry are expressing that also.

Mr BARNETT: That is part of the debate. Ring fencing has been developed as an integral part of the access code. It is prevalent throughout Australia. We are not breaking new ground; we are putting in place that which exists in other jurisdictions.

Mr THOMAS: The minister did not answer my question. Did I understand him to say two separate legal entities would be created or are we saying that clause 18 will have effect as though they were legal entities. If they are to be two separate legal groups, will they be corporations under corporations law? I do not see provision in the Bill for creating two legal bodies.

Mr Barnett: They will be created as wholly owned subsidiaries of AlintaGas Limited, like a subsidiary of any other corporation.

Mr THOMAS: Under corporations law?

Mr Barnett: Yes.

Mr THOMAS: Does clause 18 create an obligation on them to do that or is there an expectation that is what they will do?

Mr Barnett: It is covered elsewhere in the Bill. It will be established in that form at the time of sale. That will be a structure that will be sold, so it will be incorporated in that form.

Mr THOMAS: Which part of the Bill creates an obligation on the purchaser of AlintaGas to create two separate subsidiaries?

Mr Barnett: It will be created prior to sale and it will be incorporated in that form.

Mr THOMAS: Is there a provision in the Bill that will create it?

Mr Barnett: That is what the Government will do and it is apparently reflected in clause 64.

Mr THOMAS: We are getting further away from simple ring fencing. Hitherto the notion of ring fencing that we have experienced in this State in relation to Western Power has been divisions within the same legal organisation, rather than among separate legal bodies. Very serious questions have been raised about the effectiveness of ring fencing. On a number of occasions I have alluded to litigation in the Federal Court of Australia between Normandy Mining Limited and the Electricity Corporation for a trade practices breach. It has been alleged explicitly that ring fencing does not work. If the minister wants a manual on how to use vertical integration to advantage one's commercial situation, the statement of claim by the plaintiffs is very enlightening. I understand the matter was filed only about a year ago and has yet to be heard in the Federal Court of Australia.

In that situation ring fencing is allegedly not working and without exception every independent power provider in this State suggests that ring fencing in relation to Western Power is not working; that the commercial incentive that comes in a competitive situation is not, as the minister suggests, one that would hone up and enhance the effectiveness of ring fencing. Rather it will create an incentive to take advantage of that commercial interest that can be available through vertical integration.

I had not noticed there was an obligation in the legislation to create two separate organisations. I am pleased it is there and I look forward to discussing it when we get to clause 64.

**Clause put and passed.**

**Clauses 19 to 22 put and passed.**

**Clause 23: Benefits of easements assignable -**

Mr RIPPER: This clause makes the benefits of easements given to AlintaGas assignable even though when they were created it may not have been contemplated that they were capable of assignments from Alinta to anyone else. The question arises as to whether we are giving special advantages to the privatised entity that in the past would have accrued only to a public corporation. I understand that Alinta, as the successor of the State Energy Commission of Western Australia, would have been given easements in circumstances in which a private entity might not have been given them because it was a public corporation providing strategic public services. Will what appropriately was given to a public utility be now sold to a private operator; that is, advantages private operators did not have in the past?

Mr BARNETT: Obviously, there is a utility function. AlintaGas in government ownership has the right to put pipelines down roads. In most cases, it has, not an easement, but a right to install pipelines. The distribution component needs to maintain that right. The distribution licence will give the private operator that right. When some of the easements were originally granted, privatisation was not contemplated. That right continues where easements are involved. Interestingly, I assumed that much of the pipeline would be on easements, but the opposite is true.

Mr RIPPER: What will be the rights of the new private AlintaGas if it has a distribution licence for the metropolitan area? Will it have special rights when a new subdivision is developed to run its pipes down the streets? Will it have any powers concerning the development of the subdivision? In the past, we have operated with AlintaGas as a public authority, so how will it be expected to behave with the expansion of the distribution system once it is a private entity?

Mr BARNETT: The rights which AlintaGas in privatisation will enjoy are not exclusive. Other companies which might obtain a distribution licence for whatever powers will also have the right to put in a pipeline. CMS Gas Transmission of Australia is a good example: It will seek a distribution licence to build pipelines into areas where major customers might be located. Indeed, as I foreshadowed the other day, I can imagine scenarios in which urban subdivisions will decide to deal with other pipeline distribution companies. In that sense, it will not be a perfect monopoly as even distribution will face competition. Two pipes may be capable of serving an individual customer, which no doubt will be a larger commercial customer. Adjoining subdivisions or suburbs may be served by AlintaGas and the other by a competitor. It is both competitive retailing and competitive distribution. This industry is fluid and competitive, as the cost of extending low pressure distribution pipes are not that great when installed at the time of an urban subdivision. Other competitors will enter that market.

**Clause put and passed.**

**Clause 24: Use of corporation's staff and facilities -**

Mr RIPPER: This clause allows the corporate vehicle to use the staff of the corporation. The explanation provided is that this is to provide for timing differences which might arise in the transfer of assets and employees. Does the clause allow for public employees in effect to be working for the private operator although on the public payroll? It seems to be worded more broadly than it would be required to be in order to meet the requirements of the explanation in the notes.

Mr BARNETT: AlintaGas Corporation, as it stands now, will form a subsidy, AlintaGas Limited. The employees will be able to work for AlintaGas Corporation and AlintaGas Limited in a technical sense. AlintaGas Limited will be the component sold. AlintaGas Corporation will form AlintaGas Limited, into which everything, including the staff, will be downloaded.

In a practical sense the employees will see no difference at all, and AlintaGas Limited will be privatised. Employees will see no difference in their day-to-day duties and responsibilities. The owners will be different - sure. The immediate change will be new board members, but AlintaGas will be as it currently operates, and people's jobs will be exactly the same. I am sure employee issues will be involved, but AlintaGas is effectively staffed. It has a good work force with no excessive staff numbers. People are skilled and valued and will be valued by the new owner.

Mr Thomas: They are valued by the existing owner.

Mr BARNETT: They are. AlintaGas is a well-structured business, and a deliberate honing down of staff numbers through attrition has taken place. Any benchmarking between utilities indicates that AlintaGas is in good shape.

Mr THOMAS: I foreshadowed that I wish to raise with the minister the obligation to form two separate legal entities. He said that we will have an opportunity to do so when we reach clause 64, which states that schedule 3 be inserted, which relates to gas supply emergency. It would seem that clause 64 will not create the obligation. Can the minister tell us where the obligation is created?

Mr BARNETT: I think the member must be looking at a previous version of the Bill or notes. We will check that point before we resume debate.

**Clause put and passed.**

Debate adjourned, on motion by Mr Barnett (Minister for Energy).

## ADJOURNMENT OF THE HOUSE

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

That the House at its arising adjourn until 2.00 pm on Tuesday, 12 October 1999.

*House adjourned at 4.48 pm*

## QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard

### KING EDWARD MEMORIAL AND PRINCESS MARGARET HOSPITALS, EXECUTIVE STRUCTURE

397. Dr CONSTABLE to the Minister for Health:

With reference to question on notice No. 3258 (subsequently reinstated as question on notice No. 193) of 1999 with whom and on what dates was the issue of the Executive structure at King Edward Memorial and Princess Margaret Hospitals raised prior to 12 May 1999?

Mr DAY replied:

A number of discussions were held at management level within the Metropolitan Health Service and at the Metropolitan Health Service Board Corporate Steering Committee meetings, between approximately March and May 1999. The matter was considered by the Metropolitan Health Service Board on 14 April and 12 May 1999.

### ARMADALE HEALTH SERVICES

449. Ms MacTIERNAN to the Minister for Health:

(1) Are there currently plans being considered to hand the management of the mental health component of the Armadale Health Services to the Bentley Mental Health Service?

(2) What assurances can the Minister give that mental health services in Armadale will continue to be managed locally?

Mr DAY replied:

(1) Mental Health services in the South East corridor, ie. from Armadale, Bentley, Swan and Kalamunda Health Services, are being amalgamated into the South East Metropolitan Mental Health Region (SEMMHR) as an interim solution until the formation of a single Metropolitan Clinical Stream for Mental Health. The lead General Manager and the Acting Clinical Head for the Region are employed at Bentley Health Service. The lead General Manager will be accountable for the management of the SEMMHR.

(2) The local Mental Health Manager of each service will report to the lead General Manager and will be retained in the same role that they currently have. They will also be given a Regional Portfolio that is designed to enhance services, integration and progression of the service framework.

### HOSPITALS, CT SCANNERS

538. Mr McGINTY to the Minister for Health:

I refer to availability of Computerised Axial Tomography (CT) Scanning machines in public hospitals in Western Australia and ask -

(a) how many CT Scanners are available, and where are they located;

(b) what is the cost of installation, staffing and maintenance for a CT Scanner in Western Australia; and

(c) what is the patient waiting time for non-urgent CT Scanning procedure at each location?

Mr DAY replied:

(a) 17 CT Scanners. For location, see table below.

(b) Installation: According to model, from $0.5m to $1.2m, averaging about $0.7m.
Staffing: Administration and radiographic support costs average $40,000 per annum.
Maintenance: According to model and location, from $40,000 to $80,000 per annum.

(c) See table below.

| (a) Location of CT Scanners | (a) No. of Units | (c) Average Waiting Time |
|---|---|---|
| Albany Regional Hospital | 1 | 10 working days |
| Armadale Health Service | 1* | 1 day |
| Fremantle Health Service | 1 | 1 day |
| Geraldton | 1 | 1 week |
| Kalamunda Hospital | 1* | same day |
| Kalgoorlie Regional Hospital | 1 | less than a week |
| North Metropolitan Health Service | 1* | same day |

| | | |
|---|---|---|
| Northam Regional Hospital | 1 | same day |
| Peel | 1* | same day |
| PMH- KEMH | 1 | 2-3 hours |
| Port Hedland | 1 | 3-5 days |
| RPH (Shenton Park) | 1 | 5-10 days |
| RPH (Wellington St) | 2 | 4-5 weeks |
| Sir Charles Gairdner Hospital | 2 | 5-9 days |
| Vasse Leeuwin | 1* | as soon as operator is available |

*Privately owned CT Scanners

MENTAL HEALTH MUSEUM OF WA, FUTURE OF COLLECTION

542. Ms McHALE to the Minister for Health:

(1) Is the Minister aware of the concerns of the Mental Health Museum of Western Australia about the future of its collection?

(2) Is the Minister aware that the Museum collection was housed at Graylands Hospital until 1998?

(3) Is the Minister also aware that the collection, including patient records, some of which date back to the 1860s; furniture, photographs, and other memorabilia, is now in the bulk stores at Graylands Campus?

(4) Is this situation acceptable to the Minister?

(5) Will the Minister indicate whether there is adequate space at the Graylands Hospital Campus for the accommodation of this collection?

(6) If not, what alternatives have been, or will be considered for the housing of this collection?

Mr DAY replied:

(1)-(3) Yes.

(4) Yes. As an interim measure.

(5) Graylands Hospital Campus does not have the suitable space to accommodate such a collection of historic significance to Western Australia.

(6) In recognition of the heritage value of this collection the matter of accommodation and management has been referred to the Minister for the Arts.

BUNBURY REGIONAL HOSPITAL, ACCIDENT AND EMERGENCY SECTION, BEDS AND BIRTHING UNITS

557. Ms McHALE to the Minister for Health:

(1) In relation to the Bunbury Regional Hospital, how many patients were treated in the Accident and Emergency section of the hospital for each month in -

(a) 1997;
(b) 1998; and
(c) 1999?

(2) How many beds are currently available to patients in the following wards -

(a) Medical;
(b) Surgical;
(c) Obstetrics;
(d) Psychiatry;
(e) Paediatrics;
(f) Intensive Care; and
(g) Day Procedures Unit?

(3) How many birthing units are currently available?

Mr DAY replied:

(1)

| | Jan | Feb | Mar | Apr | May | Jun | July | Aug | Sep | Oct | Nov | Dec | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1997 | 1194 | 897 | 1059 | 990 | 1073 | 1055 | 982 | 973 | 1021 | 1039 | 1118 | 1182 | 12583 |
| 1998 | 1193 | 1056 | 1185 | 1168 | 1223 | 1168 | 1173 | 1358 | 1239 | 1269 | 1329 | 1451 | 14812 |
| 1999 | 1397 | 1211 | 1388 | 1503 | 1447 | 1304 | 1484 | 1628 | To end of August | | | | 11362 |

(2) Bunbury Regional Hospital currently:

| | | |
|---|---|---|
| (a) | Medical; | 30 |
| (b) | Surgical; | 30 |
| (c) | Obstetrics; | 10 |
| (d) | Psychiatry; | 15 |
| (e) | Paediatrics; | 12 |
| (f) | Intensive Care; and | 8 |
| (g) | Day Procedures Unit | 23 |

These areas are not open – provision has been made -

| | |
|---|---|
| Rehabilitation | 10 |
| Nursery L2 | 7 |

(3) 10 Maternity Beds with 10 Neonatal cots -

3 Delivery Suites
L2 Nursery - 7 beds

## DOCTORS, COUNTRY AREAS

569. Ms McHALE to the Minister for Health:

(1) Will the Minister please list the country localities that have been declared as areas of unmet need in the provision of doctors?

(2) How many doctors are needed in each locality?

Mr DAY replied:

(1)
1. Fitzroy Crossing
2. Shire of Dalwallinu
3. Shire of Narembeen
4. Shires of Corrigin and Cunderdin
5. Shire of Lake Grace
6. Kimberley & Pilbara regions
7. Shires of Three Springs, Morawa, Perenjori, Coorow, Carnamah and Mingenew
8. Shire of Goomalling
9. Moora
10. Shire of Collie
11. Shire of Wagin
12. Bruce Rock
13. Gingin
14. Beverley
15. Broomehill, Gnowangerup, Katanning, Kent, Kojonup, Tambellup & Woodanilling
16. Donnybrook/Balingup
17. Shires of Murray and Waroona
18. Shires of Kalgoorlie/Boulder and Coolgardie
19. Shires of City of Northam, York and Northam
20. Shires of City of Geraldton and Greenough

(2)

| | | | |
|---|---|---|---|
| 1. | 1 | 11. | 1 |
| 2. | 0 | 12. | 0 |
| 3. | 1 | 13. | 0 |
| 4. | 0 | 14. | 0 |
| 5. | 0 | 15. | 2 |
| 6. | 8 | 16. | 0 |
| 7. | 3 | 17. | 2 |
| 8. | 0 | 18. | 4 |
| 9. | 0 | 19. | 2 |
| 10. | 2 | 20. | 2 |

Where there are currently no vacancies, successful recruitment of a doctor has occurred following the declaration of the area as an area of unmet need under the Medical Act 1894.

## HOSPITALS, COST OF CARE FOR TERMINALLY ILL

599. Ms McHALE to the Minister for Health:

(1) Will the Minister confirm that he recently claimed on ABC Radio that it cost $260.00 per day for a Perth teaching hospital to provide comprehensive care for a terminally ill end state patient?

(2) If so, does this include the cost of all medical services required by the patient?

Mr DAY replied:

(1) Yes. The current price paid in a government hospital for care that is reported as palliative in nature is $266 per bed day.

(2) Yes.

HOSPITALS, FUNDING

606. Ms McHALE to the Minister for Health:

(1) (a) What was the total Commonwealth contribution (recurrent) to Western Australia public hospital expenditure in 1997-98 and 1998-99; and

(b) what is the expected Commonwealth contribution in 1999-00?

(2) (a) What was the total Commonwealth 'Medicare Agreement' contribution (recurrent) made to Western Australia public hospital expenditure in 1997-98 and 1998-99; and

(b) what is the expected contribution in 1999-00?

(3) (a) What was the total non-Medicare contribution (recurrent) made by the Commonwealth to Western Australian public hospital expenditure in 1997-98 and 1998-99; and

(b) what is the expected contribution in 1999-00?

Mr DAY replied:

(1) Commonwealth Funding Related to Hospital Services: The Commonwealth provides funding under the Australian Health Care Agreement (AHCA) and specific purpose payments in areas including Nationally Funded Centres, Magnetic Resonance Imaging, Aged Care Assessment, High Cost Drugs and Multi Purpose Service Sites. Funding under the AHCA has replaced funding which, until 1997/98 inclusive, was provided under the 1993 - 1998 Medicare Agreement. Funding under the Medicare Agreement/AHCA and the other hospital-related specific purpose payments totalled $554.7 million in 1997/98 and $595.4 million in 1998/99. Expected payments from these Commonwealth programs in 1999/2000 are $578.7 million. The expected funding for 1999/2000 is a reduction on 1998/99 because the AHCA provided a funding guarantee for 1998/99, but this ceases to apply from 1999/2000. Funding under the AHCA is sensitive to changes such as in private health insurance membership and movements in the indexation for inflation in hospital output costs. Hence, there is potential for the 1999/2000 AHCA funding to vary from the number I have quoted.

(2) Medicare/AHCA Funding: For 1997/98 and 1998/99 the Medicare Agreement/AHCA funding has been as follows:

| | |
|---|---|
| 1997-98 | $532.8 million |
| 1998-99 | $571.5 million |

The expected 1999-2000 AHCA funding is $ 553.7 million.

(3) Other Hospital-related Specific Purpose Revenue: Funding under hospital-related specific purpose payments separate to the Medicare Agreement and AHCA in 1997-98 and 1998-99 totalled:

| | |
|---|---|
| 1997-98 | $21.9 million |
| 1998-99 | $24.0 million |

Funding under these specific purpose payments is expected to total $25.0 million in 1999/2000.

METROPOLITAN HEALTH SERVICES BOARD, MR K. PETTIT

612. Ms McHALE to the Minister for Health:

I refer to negotiations between the Australian Liquor Hospitality and Miscellaneous Workers Union and the Metropolitan Health Services Board (MHSB) on the Enterprise Bargaining Agreement and ask -

(a) has the MHSB engaged Mr K Pettit, Legal Practitioner, on a contractual basis to assist in negotiations;

(b) if the answer to (a) above is yes, on what date did this occur;

(c) on what authority did this occur;

(d) for how many hours has Mr Pettit billed the MHSB;

(e) what is the hourly rate claimed by Mr Pettit; and

(f) how much has been paid to Mr Pettit to date?

Mr DAY replied:

(a) Mr Pettit has provided counsel to the Metropolitan Health Service in relation to the ALHMWU enterprise bargaining negotiations on a fee for service basis.

(b) Ken Pettit was engaged in March 1998.

(c) The authority of the then Executive Chairman of the Metropolitan Health Service Board.

(d) 110.

(e) $200.

(f) $22,000.

SOUTH WEST HEALTH CAMPUS, GOVERNMENT DEPARTMENTS INVOLVED IN CONSTRUCTION

638. Ms McHALE to the Minister for Health:

(1) Which government departments were involved in the design and construction of the South West Health Campus?

(2) For each of these departments, what was their role in the design and construction?

Mr DAY replied:

(1) Health Department of Western Australia (HDWA)
Contract and Management Services (CAMS)

(2) HDWA - Application of appropriate design and construction standards on behalf of State Government
CAMS - Tender process and implementation of Government policy on behalf of State Government

SOUTH WEST HEALTH CAMPUS, CONSTRUCTION CONTRACTOR

639. Ms McHALE to the Minister for Health:

(1) What was the name of the main contractor(s) responsible for the construction of the South West Health Campus?

(2) Has the Minister received any complaints from subcontractors associated with the construction of the Campus?

(3) If the answer to (2) above is yes, what was the nature of the complaints?

Mr DAY replied:

(1) DeVaugh Building and Civil Engineering Contractors Pty Ltd.

(2) No.

(3) Not applicable.

PRINCESS MARGARET AND KING EDWARD MEMORIAL HOSPITALS, MRS HARDCASTLE

640. Dr CONSTABLE to the Minister for Health:

With reference to questions on notice Nos 192 and 398 of 1999 -

(a) did Mrs Hardcastle have a formal contract with Princess Margaret Hospital and/or King Edward Memorial Hospital;

(b) what were the terms of Mrs Hardcastle's engagement as a facilitator;

(c) how many hours and on which dates did Mrs Hardcastle carry out her facilitation and collection of data; and

(d) what was the hourly rate Mrs Hardcastle was paid?

Mr DAY replied:

(a) Yes.

(b) She would be contracted as a facilitator at $1100 per day, or part thereof. Ms Hardcastle was engaged to facilitate discussions and collect information on the future organisational arrangements of executive functions within King Edward Memorial and Princess Margaret Hospitals.

(c) A total of 81 hours on: June 2, 3, 4,8, 9, 10, 11, 18, 23, 24, 28, 29, 30; July 1, 7

(d) $135.80 per hour a total of $11000.

PRINCESS MARGARET AND KING EDWARD MEMORIAL HOSPITALS, MR CASSIS

641. Dr CONSTABLE to the Minister for Health:

With reference to question on notice No 399 of 1999 -

(a) did Mr Cassis and Princess Margaret Hospital (PMH) and/or King Edward Memorial Hospital (KEMH) sign a contract to cover his fixed term employment;

(b) if the answer to (a) above is yes -

(i) what were the terms of that contract; and
(ii) when was the contract signed;

(c) if the answer to (a) above is no -

(i) what were the terms of his employment; and
(ii) what was the total amount paid to Mr Cassis for his four months employment at PMH/KEMH; and

(d) what are Mr Cassis' qualifications relative to his employment at PMH/KEMH?

Mr DAY replied:

(a) Mr Cassis did sign a fixed term contract of employment with the hospitals.

(b) (i) The contract was for a period of 3 months as a Project Officer HSOA Level 7 terminating on the 23 May 1999. This was subsequently extended until 20 June 1999.
(ii) The initial contract was signed on 23 February 1999.

(c) Not applicable.

(d) Mr Cassis has a management and personnel diploma from an institute of higher education. (Refer to Question 642)

PRINCESS MARGARET AND KING EDWARD MEMORIAL HOSPITALS, MR CASSIS

642. Dr CONSTABLE to the Minister for Health:

With reference to question on notice No 399 of 1999 -

(a) what is the nature of Mr Cassis' 20 years experience in health; and

(b) during Mr Cassis' 20 years of experience in health -

(i) where was he employed;
(ii) for how long with each employer; and
(ii) what was the nature of his employment?

Mr DAY replied:

(a) Mr Cassis has extensive experience in the government health sector having worked as an executive in two large health providers. His primary role throughout his health career has been as the financial and statistical performance manager.

(b) Local Government (1977 –1983) – Senior Relief Clerk
Spastic Centre NSW (1983–1989) – Assistant Accountant. Response for all:
Creditors and debitors
Cashiers and reception
Labour costing for in-house centre industries
General ledger reconciliation's
Monthly and Annual reports
Money market investments
Preparation of all budgets
Accountable for all deficit funding
Accountable for all bequests
Allocating salary subsidies

Greater Murray Health Service (1989–1999) - Manager Contracts and Performance Evaluation. Responsible for all:
Mainframe VAX Computer applications
Patient administration systems
Billing systems
Executive officer pathology
Executive officer linen service
Implementation of the casemix module Trendstar
Statistical data management
Designed and implemented radiology and pathology casemix coding system
Interpretation and analytical of diagnostic related groups

ROYAL PERTH HOSPITAL, CONSULTANTS

643. Dr CONSTABLE to the Minister for Health:

(1) How many consultants have been engaged by the administration of Royal Perth Hospital since 1 February 1999?

(2) Who are the consultants?

(3) What is the purpose of each consultancy?

(4) What is the duration of each consultancy?

(5) What is the cost of each consultancy?

(6) What are the terms of reference of each consultancy?

Mr DAY replied:

(1) 21 consultants.

(2)-(6) 2 Incon Services Pty. Ltd.
3 Review of Engineering Department at Royal Perth Hospital
4 May 1999 - June 1999
5 $4950
6 To review the Engineering Department of Royal Perth Hospital in terms of process efficiency, work practices and productivity and make where appropriate recommendations to improve these areas.

2 Indec Consulting

3 Development of a functional activity statement and re-engineer the maintenance management system for RPH Engineering Department.
4 July 1999 - September 1999 (35 days consulting)
5 $31,500
6
Develop a model to estimate efficiency levels for functional areas
Calculate base case hourly rates for each functional area
Establish internal cost efficiency targets for various functions performed by the Department.

2 Indec Consulting
3 Presentation of findings of previous review of RPH Engineering Department to staff
4 July 1999 (3 days)
5 $2,700
6 Preparation of overhead presentation to all staff summarising the findings of the initial review
Workshop to include an understanding of hourly rate calculations, demonstration of alternative Maintenance Management System and future direction of department.

2 Sandover Holdings
3 Review of maintenance practices for RPH Engineering
4 July 1999 - Estimated 100 hours
5 $45/hr
6 To establish basic maintenance actions for typical items of plant at RPH that can be used by maintenance planners and others in creating specification maintenance activities.

2 Ericsson Professional Services
3 Analysis of Telephone Facilities Management tenders
4 June 1999
5 $3600
6 Independent expert analysis of proposals received for renewal of telephone facilities management contract at Royal Perth Hospital.

2 Raymond & Associate
3 Relocation of plumbing services
4 June 1999
5 $560
6 Hydraulics consultancy

2 Scott & Associates
3 Structuring consulting for helipad
4 May 1999
5 $4250
6 Structural engineering consultancy

2 CCD Australia
3 Brief for analysis of work involved in Backflow prevention
4 February 1999
5 $19,500
6 Hydraulics consultancy

2 Norman Disney Young
3 Investigate mechanical aspects of emergency centre project
4 May 1999
5 $24400
6 Engineering consultancy

2 Van Der Meer
3 Investigate structural aspects of emergency centre project
4 July 1999
5 $310
6 Architectural consultancy

2 Raymond & Associates
3 Investigate hydraulic aspects of emergency centre project
4 1 week
5 $910
6 Hydraulics consultancy

2 Wood & Grieve
3 Consulting for sewer project
4 February 1999
5 $3355
6 Hydraulics consultancy

2 Wood & Grieve
3 Consulting for fire sprinkler project
4 March 1999
5 $8720
6 Hydraulics consultancy

2 Wood & Grieve

3 Preparation of hydraulics brief for Discharge Lounge project
4 April 1999
5 $780
6 Hydraulics consultancy

2 Van Der Meer
3 Preparation of structural brief for Iodine therapy room
4 June 1999
5 $210
6 Architectural Consultancy

2 Van Der Meer
3 Design of compactus loader for Engineering Department, Shenton Park Campus
4 May 1999
5 $280
6 Architectural Consultancy

2 JHK Quality Consultants
3 To facilitate the restructuring and reengineering of Corporate Services at Royal Perth Hospital
4 160 days
5 $80,000
6 The consultant is required to coordinate and facilitate process redesign or if necessary, reengineer within the Corporate Services of Royal Perth Hospital. Specifically this will include:
Facilitate the development of a plan of action to align and restructure the Corporate Services with:

1) The Royal Perth Hospital Strategic Plan
2) New Initiatives both within Royal Perth Hospital and Statewide
3) Clinical and Divisional Business Plans
4) Continuous Improvement methodologies
5) Cross Functional Management
6) Auditing
7) Performance Management

Development of Training Programs and Delivering Training Modules in:

1) Quality improvement/process team management
2) Leadership
3) Facilitation (using Quality Improvement tools and techniques)
4) Self managed teams
5) Team Benchmarking
6) Communication/negotiation/conflict resolution

Development of process to achieve an agreed upon, integrated, leading edge Performance Management System
Coordinate an audit of current communication processes from management to staff, and facilitating the development of improved processes
Assist senior management teams to become more efficient and effective
Assist the Hospital to focus on excellence, quality and productivity

2 Incom Services Pty Ltd
3 To review and report on methods to improve the contract management process in Supply Chain 1 at Royal Perth Hospital.
4 14 days
5 $5,100
6 The consultancy was required to:
undertake a review of the processes, procedures and methodology of the contract management system at Royal Perth Hospital
Review the present relationship between Health Supply Services, State Supply Commission and Royal Perth Hospital in respect to their function
Identify best practice and benchmark methodologies
Provide recommendations that will enhance the current service

2 AMCON Solutions
3 Year 2000 and Applications and Technical Infrastructure Reviews
4 April/May 1999. 38.5 days estimate
5 $31, 600 (fixed price, with some time and materials component)
6 Refer to 3

2 ISA Consulting (Network)
3 Utilisation of purchase of installed products
Year 2000 Compliance-risk to business
Network Technology Model in use
Environmental (Technical) Issues
Standards and Policies
4 April/May 1999. 38.5 days estimate
5 $5,600
6 Refer to 3

2 ACT Network Integrators
3 Technical Infrastructure Projects (Largely Year 2000):

Netware Server Migration – Replacement & consolidation of 27 servers to 8
Windows NT & UNIX Server Migration – Server replacements and application of Y2K compliant 'patches'
4 August to December 1999
5 $94,250
6 Refer to 3

SIR CHARLES GAIRDNER HOSPITAL, CONSULTANTS

644. Dr CONSTABLE to the Minister for Health:

(1) How many consultants have been engaged by the administration of Sir Charles Gairdner Hospital since 1 February 1999?

(2) Who are the consultants?

(3) What is the purpose of each consultancy?

(4) What is the duration of each consultancy?

(5) What is the cost of each consultancy?

(6) What are the terms of reference of each consultancy?

Mr DAY replied:

(1) 4 consultancies for a total of 15 jobs.

(2) Incom Services, FR Jamieson, Dillinger Group and Chiltern Healthcare.

(3)-(5) As listed in the chart below

(6) Given the number of the contracts, we will provide the Terms of Reference for any contract of specific interest

| CONSULTANT | PURPOSE OF CONSULTANCY | DURATION OF CONSULTANCY | COST OF CONSULTANCY |
|---|---|---|---|
| Incom Services | Review/workflow of MHSB Supply Chain | 9 Feb -28 Feb 1999 | $4,944 |
| Incom Services | Review inhouse costing for Waste Management tender | 30 March – 5 April 1999 | $972 |
| Incom Services | Review Medical Tech & Physics Dept | 3 March - 19 April 1999 | $8,306 |
| Incom Services | Review of Engineering Dept | 20 – 27 August 1999 | $4,700 |
| Incom Services | Cost analysis for HSA contract | 28 July 1999 | $162 |
| Incom Services | Financial analysis of tenders for supply of bulk liquid medical oxygen medical gases | 11 – 18 August 1999 | $2,280 |
| FR Jamieson | Utilities cost recovery review | 22 – 29 August 1999 | $2,400 |
| Dillinger Group | Provision of HR classification services | 26 July 1999 | $1,200 |
| Dillinger Group | Review creation of a newposition/review of an existing position | 8 August 1999 | $645 |
| Dillinger Group | Review of reclassification claim | 29 June 1999 | $645 |
| Dillinger Group | Consolidation of MHSB Supply & Accounts Payable | 5 Jan, 4 May - 4 June 1999 | $8,010 |
| Dillinger Group | Review systems support group | 10 July 1999 | $1,700 |
| Chiltern Healthcare | Emergency Department Information System | 16 August 1999 Ongoing | $825 Paid to date |
| Chiltern Healthcare | Theatre Information System | 16 August 1999 Ongoing | $1,650 Paid to date |
| Chiltern Healthcare | Catering Information System | 16 August 1999 Ongoing | $112 Paid to date |

FREMANTLE HOSPITAL, CONSULTANTS

645. Dr CONSTABLE to the Minister for Health:

(1) How many consultants have been engaged by the administration of Fremantle Hospital since 1 February 1999?

(2) Who are the consultants?

(3) What is the purpose of each consultancy?

(4) What is the duration of each consultancy?

(5) What is the cost of each consultancy?

(6) What are the terms of reference of each consultancy?

Mr DAY replied:

(1) Three.

(2) (a) Data General - (Engaged to commence end of September 1999).
(b) Mercer Cullen Egan Dell.
(c) Cronos Consulting.

(3) (a) Review Medical Records Storage and Retrieval.
(b) Salary Classification Review.
(c) Provide professional development support to senior managers within the Mental Health Directorate.

(4) (a) Data General - 10 days.
(b) Mercer Cullen Egan Dell – Elapsed time 4 weeks, approximately 2 days chargeable time.
(c) Cronos Consulting – Paid an hourly rate as required. Approx. 20 hours provided.

(5) (a) Data General $6,000
(b) Mercer Cullen Egan Dell $1,250
(c) Cronos Consulting $1,800

(6) (a) Undertake an objective analysis of the hospital's Medical Records storage with a view to using electronic media as an efficient alternate storage and retrieval system.

(b) Review the salary classification of the position of Chief Executive.

(c) Provide professional development to specified senior managers within Mental Health Services Directorate in support of delivering the Directorate's aims and objectives.

## DENTAL SERVICES, NUMBER TREATED

697. Ms McHALE to the Minister for Health:

How many patients were treated at each of the dental hospitals and other Government dental clinics during the following years -

(a) 1996-97;
(b) 1997-98; and
(c) 1998-99?

Mr DAY replied:

| | TOTAL PATIENTS TREATED AT DENTAL CLINICS | | | | |
|---|---|---|---|---|---|
| | Clinic | Location | 1996/97 | 1997/98 | 1998/99 |
| 0200 | Gustafson | Fremantle | 4598 | 4814 | 4726 |
| 0300 | Liddell | Victoria Park | 2977 | 3642 | 3690 |
| 0400 | Shalom Coleman | North Perth | 4379 | 3839 | 3261 |
| 0500 | SCGH | SCGH | 1708 | 1519 | 1410 |
| 0900 | Rockingham | Rockingham | 3482 | 3136 | 3519 |
| 1100 | Warwick | Warwick | 3274 | 3745 | 4210 |
| 1300 | Mt Henry | Como | 2815 | 691 | 660 |
| 1400 | Swan | West Swan | | 1482 | 2574 |
| | TOTAL | Metropolitan Clinics | 23233 | 22868 | 24050 |
| | | | | | |
| 0103 | Admissions | Perth Dental Hospital | 9813 | 9365 | 9092 |
| 0104 | Preventive | Perth Dental Hospital | 992 | 901 | 942 |

| | | | | | |
|---|---|---|---|---|---|
| 0105 | Periodontic | Perth Dental Hospital | 2724 | 1309 | 1841 |
| 0106 | Radiography | Perth Dental Hospital | 7574 | 7014 | 6321 |
| 0107 | General Practice A | Perth Dental Hospital | 4089 | 3551 | 3907 |
| 0108 | Surgical | Perth Dental Hospital | 1936 | 1978 | 1925 |
| 0109 | Pathology | Perth Dental Hospital | | 4 | 1 |
| 0110 | Exodontics | Perth Dental Hospital | 378 | 378 | 450 |
| 0111 | General Practice B | Perth Dental Hospital | 5068 | 5655 | 5692 |
| 0112 | Orthodontics | Perth Dental Hospital | 3126 | 2884 | 1897 |
| 0113 | DSPC | Perth Dental Hospital | 2794 | 2342 | 1315 |
| 0114 | Emergency - Day | Perth Dental Hospital | 929 | 884 | 774 |
| 0115 | Emergency - A/Hours | Perth Dental Hospital | 40 | 31 | 51 |
| 0116 | Paedodontics | Perth Dental Hospital | 597 | 482 | 489 |
| 0117 | Special Restorative | Perth Dental Hospital | 64 | 2 | 26 |
| 0121 | Faculty | Perth Dental Hospital | 3037 | 3214 | 3303 |
| 1011 | Domiciliary | Perth Dental Hospital | 415 | 336 | 314 |
| | TOTAL | Perth Dental Hospital | 43576 | 40330 | 38340 |
| | | | | | |
| 0600 | Albany | Albany | 1468 | 1574 | 1512 |
| 0700 | Bunbury | Bunbury | 2674 | 2313 | 2371 |
| 0800 | Goldfields | Kalgoorlie | 717 | 503 | 540 |
| 1200 | Vasse | Busselton | 1022 | 760 | 736 |
| 0225 | Rangeway | Geraldton | 429 | 346 | 595 |
| 0209 | Fitzroy Crossing | Fitzroy Crossing | N/A | N/A | 283 |
| 0210 | Itinerant 5 | Kimberley | N/A | N/A | 94 |
| 0211 | Derby | Derby | N/A | N/A | 785 |
| 0213 | Itinerant 4 | Pilbara | N/A | N/A | 122 |
| 0214 | Exmouth/Onslow | Exmouth | N/A | N/A | 496 |
| 0215 | Port Hedland | Port Hedland | N/A | N/A | 202 |
| 0216 | Meekatharra | Meekathara | N/A | N/A | 126 |
| 0218 | Itinerant 1 | | N/A | N/A | 126 |
| 0223 | Leonora | Leonora | N/A | N/A | 144 |
| 0701 | CDU Mobile 1 | Southern Wheatbelt | N/A | N/A | 252 |
| 0702 | CDU Mobile 2 | Eastern Wheatbelt | N/A | N/A | 120 |
| 0703 | CDU Mobile 3 | Northern Wheatbelt | N/A | N/A | 84 |
| | TOTAL | Country Clinics | 6310 | 5496 | 8588 |

## DENTAL SERVICES, PRISONERS TREATED

699. Ms McHALE to the Minister for Health:

How many prisoners were given dental treatment at the metropolitan dental hospitals and other Government dental clinics during the following years -

(a) 1996-97;
(b) 1997-98; and
(c) 1998-1999?

Mr DAY replied:

(a) Information not available. Until 1998/99 information regarding the treatment of prisoners was not recorded in a manner that enabled identification of the number of prisoners treated as a separate category to other patients.

(b) Information not available. See (a) above.

(c) (i) 236 episodes of care at public dental clinics.
(ii) 3079 episodes of care at Ministry of Justice clinics by public dentists.

DRUGS, NARCAN USE

771. Mr RIEBELING to the Minister for Health:

On how many occasions has the drug Narcan been administered on a drug overdose victim, for each month, since its introduction?

Mr DAY replied:

| | |
|---|---|
| 8/97 | 30 (procedure introduced) |
| 1/98 | 21 |
| 2/98 | 23 |
| 3/98 | 28 |
| 4/98 | 18 |
| 5/98 | 27 |
| 6/98 | 20 |
| 1/99 | 28 |
| 2/99 | 27 |
| 3/99 | 29 |
| 4/99 | 25 |
| 5/99 | 22 |
| 6/99 | 23 |
| 7/99 | 18 |

## QUESTIONS WITHOUT NOTICE

METROPOLITAN HEALTH CARE

**248. Ms McHALE to the Minister for Health:**

I refer to the Government's plans to abolish the positions of chief executive officer and general manager at the metropolitan hospitals and ask -

(1) Will the minister make available a copy of his planned structure for metropolitan health care?

(2) Does the minister's version of clinical streaming mean abolishing the positions of director of nursing at each of the individual hospitals, as has already happened to the position occupied by Ms Sue Terry at Princess Margaret Hospital for Children and King Edward Memorial Hospital?

(3) Was the dismissal of Ms Terry part of this long-term plan and, if so, why has the minister not told the Parliament and the people of the detail?

**Mr DAY replied:**

(1)-(3) The member obviously did not listen to my explanation earlier today or to my answer to her question yesterday. To reinforce that, I advise the member that the chief executive officer of the Metropolitan Health Service Board has put out a statement to all staff stating -

> There is no truth to rumours of Chief Executive Officers, General Managers, or other administrative staff being sacked.

Mr Ripper: What about the positions that have been abolished?

Mr DAY: He further said that -

> I have total confidence in our senior managerial, clinical and administrative staff, who are being subjected to a barrage of speculation regarding their future.

That speculation is fuelled by the Opposition. I am happy to provide information about any changed structures within the Metropolitan Health Service, once those changes are finalised. I draw the House's attention to the discussion paper issued in June of last year. I am pleased that the member for Thornlie has at least read part of it.

METROPOLITAN HEALTH CARE

**249. Ms McHALE to the Minister for Health:**

Do changes to the planned structure for metropolitan health care include directors of nursing?

**Mr DAY replied:**

I am not aware of any plan to change the positions of director of nursing in any way. As I said in the previous question, the chief executive officer of the Metropolitan Health Service Board has released a statement stating that there is no truth in any speculation about the sacking of staff.

POLICE, LEGISLATION

**250. Mr OSBORNE to the Minister for Police:**

What is the main difference between the minister's Acts Amendment (Police Immunity) Bill and the Police (Confidence Power and Review) Amendment Bill, introduced by the Leader of the Opposition over 12 months ago?

**Mr PRINCE replied:**

Today's Notice Paper has listed, under the heading "Private Members' Business - Orders of the Day", the Police (Confidence Power and Review) Amendment Bill. It was introduced on 12 August 1998 by Dr Gallop. It seems to be the same legislation that was introduced by the then Australian Labor Party police spokesman in September 1993. It was subsequently reintroduced a number of times. The difference between the Bills is that the Government has given notice, introduced and second-read the Acts Amendment (Police Immunity) Bill. It is now before the House with clause notes. However, all we have seen from the Leader of the Opposition on this subject is one line on the Notice Paper that says he will introduce a Bill. The Opposition does not have a Bill. It has never had a Bill. It was an experience in flannel.

WEEKS, MR ANDREW, PRESENCE DURING SURGICAL OPERATION

**251. Ms McHALE to the Minister for Health:**

(1) Will the minister confirm that the Metropolitan Health Service Board chief, Andrew Weeks, sat in on a surgical operation - possibly a hysterectomy - at King Edward Memorial Hospital on Monday of this week?

(2) Did the patient consent to Mr Weeks' presence and, if so, will the minister table that consent?

(3) Is it acceptable protocol for an administrative officer with no medical interest in the procedure to be permitted to view an operation of this nature, and has the Government's chief medical officer, Dr Stokes, expressed a view about the ethics of this incident?

**Mr DAY replied:**

I thank the member for some notice of this question.

(1)-(2) I am advised that Mr Weeks observed a televised image of a component of the operation in the operating theatre. The patient's privacy was protected, as the patient was not identifiable at any time. The chief executive officer observed a televised image demonstrating the laparoscopic technique being used.

(3) Dr Stokes has stated that when a planned visit to an operating theatre complex is made by a non-clinical professional person, permission of the patient for the visit to take place is usually required for ethical reasons. However, Mr Weeks' visit was not planned. Mr Weeks was invited, by the surgeon in charge of the case, to view a television that depicted only a component of the operation.

Several members interjected.

Mr McGinty: She did not give consent. That is a terrible invasion of her privacy.

The DEPUTY SPEAKER: Order!

Mr DAY: The patient's anonymity was maintained. The patient was completely covered. The surgeon in charge of the case determined that there would be no breach of patient confidentiality before allowing Mr Weeks to view the television screen. The situation is that Mr Weeks was visiting the hospital and was invited by a clinician, or clinicians, to view part of an operation via a television screen. That is what occurred.

CADET CHALLENGE

**252. Mr BARRON-SULLIVAN to the Minister for Youth:**

Some cadet units from my electorate will be joining other young people from around the State next weekend in Perth. Could the minister advise the House of the purpose of the visit?

**Mr BOARD replied:**

I thank the member for Mitchell for the question. Fifty young people from an emergency service cadet program in Australind will come to Perth. Nearly 3 000 people will camp on the Esplanade over the weekend of 2 and 3 October as part of the Cadet Challenge. This program is about highlighting what has been achieved through the Western Australian cadet program, as part of a national youth training scheme conference. The State ministers for Youth and Education and the federal Minister for Education, Training and Youth Affairs will attend. It is expected that the Commonwealth will look at measures to take the Western Australian program around Australia as a national program. We are proud of that. We are also expecting announcements about accreditation for the cadets as part of life skills training, accredited skills for TAFE programs and transferrable skills. That will unite States in this program. It is great encouragement for Western Australia's achievement.

The cadets have told me they would like to challenge certain members of Parliament. Those members who can make it to Langley Park the following weekend are invited to participate in some celebrity challenges against members of Parliament in various activities. Members will receive a letter about this. Unfortunately, it was not arranged until late this week, but if members can make it, they will be welcome to take on the young people of Western Australia in those challenges. I also take this opportunity to thank the media, particularly *The West Australian*, Channel 10 and 96FM, which have played a prominent role in supporting the cadet challenge free of charge.

HEALTHCARE FOODS, PRIVATISATION

**253. Ms McHALE to the Minister for Health:**

(1) Will the minister confirm that the Metropolitan Health Service Board is planning to privatise Healthcare Foods, the centralised catering service?

(2) Why is the minister pursuing privatisation when the community clearly opposes such a shortsighted move?

(3) Is the minister not aware that the contracting out of the orderly functions at Sir Charles Gairdner Hospital was an abject failure and that the catering contract at Royal Perth Hospital is more expensive than in-house labour?

**Mr DAY replied:**

(1)-(3) Nothing has been put before me which indicates that the Metropolitan Health Service Board is considering privatising Healthcare Foods.

MEDICAL SERVICES, IMPROVED DELIVERY TO NORTH WEST

**254. Mr SWEETMAN to the Minister for Health:**

Can the minister inform the House of what new steps the Government is taking to improve the delivery of medical services in the north west of Western Australia?

**Mr DAY replied:**

I thank the member for some notice of the question. I am pleased to advise the House that the Government has made provision within the Health budget for the appointment of a director of medical services for the north west region of Western Australia. The position will be based in the north west and the director will coordinate medical service delivery across the Kimberley, the east Pilbara, west Pilbara and the Gascoyne hills services. This position will provide a high level of support for all the medical professionals working in the region and also provide the medical leadership required to address the kind of issues identified in the north west health plan. This position will be advertised within the next six weeks. It is a very good outcome for people in the north west of Western Australia. It indicates that this Government is taking their needs very seriously; we are not simply talking about what they need but actually providing for them.

ROYAL LIFE SAVING SOCIETY, DEED OF SURETY

**255. Mr CARPENTER to the Minister for Education:**

Some notice has been given of this question. I refer to a memo the former Director General of Education, Cheryl Vardon, wrote to the minister in February which stated that Arthur Andersen was requested to obtain a deed of surety from the Royal Life Saving Society regarding the cash resources at the society's disposal. The memo said this followed analysis of information provided during contract negotiations and information from a cabinet submission seeking an increased grant for the Royal Life Saving Society which came to the department's attention in January.

(1) Did Arthur Andersen obtain the deed of surety from the Royal Life Saving Society referred to in the memo? If not, why not?

(2) If so, will the minister table the deed of surety? If not, why not?

(3) What was the increased grant sought by the Royal Life Saving Society in the cabinet submission referred to in the memo and was it approved?

**Mr BARNETT replied:**

I thank the member for the question and prior notice of it.

(1)-(2) Yes, Arthur Andersen obtained a deed of surety from the Royal Life Saving Society. I cannot table that deed of surety because the request for proposal process which was undertaken said that upon acceptance of the contract, only the name of the successful proponent would be made public. The request for proposal stipulated that the conditions of contract would remain confidential; that was the tender process.

Dr Gallop: Yes, yours.

Mr BARNETT: It was not my tender process. The surety is there. It was handled by Arthur Andersen and is the private information of the proponent. It relates to the financial position of the Royal Life Saving Society. It is not government data, it is private data.

Dr Gallop: It happens to be delivering our vacation swimming program. It is now involved with government money and you know it.

Mr BARNETT: Yes, but the deed of surety covers all of the finances of the Royal Life Saving Society. It is not government finance; it is the private finance of the society. That information has been provided and examined by Arthur Andersen.

Dr Gallop: It is a charity.

Mr BARNETT: Actually the Royal Life Saving Society has a significant aspect of charity work to it and that should be supported by this House.

(3) From my recollection, a draft cabinet submission was handled by the Minister for Sport and Recreation. It did not reach Cabinet and there was no cabinet decision. The discussion which took place with the Minister for Sport and Recreation related to water safety but did not relate in any way to the Vacswim program.

LOCAL GOVERNMENT, LETTING OF TENDERS

**256. Mrs HODSON-THOMAS to the Minister for Local Government:**

The inquiry into the City of Cockburn is apparently examining the letting of tenders by the council.

(1) Are there particular concerns about Western Australian councils and their letting of tenders?

(2) If so, what steps does the minister propose taking to address those concerns?

**Mr OMODEI replied:**

I thank the member for some notice of this question.

(1)-(2) It is not appropriate for me to comment on the specific issue currently under consideration by the Cockburn inquiry. However, it is true to say that there is a body of evidence which indicates that councils can substantially improve the way they prepare contract specifications, assess and award tenders, and oversee the administration of tenders. The criticism is validated by examples from councils of all sizes and complexity. Earlier this year, the Department of Local Government commenced an internal review of council tenders procedures and examined the findings of various departmental inquiries. This project also reviewed the local government tender regulations and is likely to recommend some changes be made to them. I expect to receive the department's report in the next few weeks and will be moving quickly to consult a range of interest groups. This is an important area of local government responsibility and one which I intend to see considerably improved.

LEIGHTON BEACH, DEVELOPMENT PLANS

**257. Ms MacTIERNAN to the Minister for Planning:**

(1) Can the minister explain why the Leighton Beach development plans released recently do not comply with the Government's coastal reserve guidelines which set minimum reserve widths of 100 metres?

(2) Is this just the latest example of the Government flogging off assets to fill holes in its budget, or is it part of a strategy to undermine the viability of the Fremantle Port so it can benefit its mates with their private port concession at James Point?

**Mr KIERATH replied:**

(1)-(2) The plan for Leighton Beach has not been through any of the formal planning processes. As I understand, a conceptual plan has been released for public comment.

Ms MacTiernan: Was your department involved in that?

Mr KIERATH: The member for Armadale should hang on a second and let me answer the question. If she wants to ask a supplementary question, she is quite welcome to. The member for Armadale is not usually backward in coming forward with things like that.

The plan does not have any statutory approvals at this stage. It has been released for what I call preliminary public consultation to seek the public's view before it goes through the statutory procedures. It will be required to comply with the Fremantle regional strategy and other planning devices, and when it gets to that stage, I as Minister for Planning will have some say in it. The member for Armadale wanted to ask a supplementary question.

Ms MacTiernan: Will you tell us why, when your department was involved in putting this proposal together, you have ignored your own coastal reserve guidelines which you released in 1998?

The DEPUTY SPEAKER: That was not a supplementary question; it was an interjection and the minister may answer it if he wishes.

Mr KIERATH: If one gives the member for Armadale a little information, she usually tries to portray it as something different. The Ministry for Planning has not been involved. The chief executive officer was part of a panel of people involved in making a recommendation for the prospective proponent. However, having chosen the successful proponent,

that was the end of those people's involvement in that process. What has been said all along is that any plan that is developed will have to go through the various statutory requirements.

WHITEMAN PARK, PUBLIC USE

**258. Mr BAKER to the Minister for Heritage:**

Does the Government have any plans afoot to enhance the public's use of Whiteman Park?

**Mr KIERATH replied:**

I thank the member for the question and am pleased to advise that on 4 September, I announced a $20m expansion for Whiteman Park, which will increase its size by 1 000 hectares to become a 3 600 hectare park. The funding for this expansion will come from the disposal of surplus lands, including two portions of the land that will be cut off from the park by the construction of the Perth-Darwin highway. The revamped park will enable the development of new facilities, including educational facilities and infrastructure; event infrastructure, including a convention park; sporting and major events facilities; the enhancement of existing tourism and recreation infrastructure; and the development of new tourism infrastructure. It will also involve the development of a transport heritage centre, which will be the home for the Whiteman Collection. There will also be development opportunities for other activities, such as short-stay accommodation and a wildlife park, with a proposal to develop a water education attraction which will focus on water management alongside the Gnangara Mound. Work will begin immediately on a master management plan, including a metropolitan region scheme amendment. The new developments in the park will help the park to cater for the increasing population in the north east corridor, which includes Ellenbrook and the planned town of Albion. The new developments will offer a wide range of recreation and tourism facilities, preserve the natural heritage and provide a unique experience for visitors. We expect Whiteman Park to become one of the premier recreation facilities in this State.

WHITTAKERS GREENBUSHES MILL

**259. Dr GALLOP to the Minister for the Environment:**

I refer to the closure of the Whittakers Greenbushes mill earlier this year and the subsequent proposals that have come forward to purchase all or part of the mill's operations and ask -

(1) How many proponents have submitted proposals and what is the current status of those proposals?

(2) Who are the proponents?

(3) What timber resources will be made available to any or all of the proponents?

(4) How far has the Government progressed in putting together all these arrangements?

**Mrs EDWARDES replied:**

(1)-(4) As the Leader of the Opposition would be aware, this matter is in the hands of the auditor. The proposals have gone to the auditor. I understand that two proponents are currently being assessed by the auditor and by its clients. The Government has indicated to the auditor that it would make available 23 000 cubic metres of jarrah to any of those proponents who are working with the auditor. As I understand it, the negotiations are progressing well. We are very keen to get a viable timber operation back into Greenbushes, but essentially the selection of the operator is in the hands of the auditor.

HOMESWEST, JOINT VENTURE ARRANGEMENTS

**260. Mr BARRON-SULLIVAN to the Minister for Housing:**

Can the Minister advise the House of the likely timetable for implementing the new joint venture arrangements for the management of Homeswest land and properties at Glen Iris, Carey Park, Withers and Shearwater? What are the expected benefits for residents living in those areas, including private home owners, Homeswest tenants, and the community in general?

**Dr HAMES replied:**

I thank the member for some notice of this question. This is particularly exciting for me, because it is a new phase in our New Living program, which has been so successful, particularly in the electorates of members of the Opposition, such as Kwinana, Rockingham, Girrawheen and Koondoola, which have been great beneficiaries of our New Living program. This will be the next phase of it, because submissions closed on 17 September last week for the proposed joint venture development of Landstart's landholdings at Shearwater and Glen Iris, the possible redevelopment of the hospital site if all those approvals go ahead, and the project management of the two New Living areas of Withers and Carey Park. I know that both of the local members - the members for Mitchell and Bunbury - are particularly involved in this program. We expect that approvals will be obtained by April of next year and will progress by late April with Executive Council approval. The beneficiaries of this program will be, firstly, the local private residents. The percentage of Homeswest tenancy in those two suburbs is particularly high, with 22.5 per cent in Carey Park and 85 per cent in Withers. The presence of Homeswest in both those areas will be reduced to about 12 per cent. This will result in a big improvement to the standard of the local area. As members of the Opposition will be aware, as part of the New Living program, we put a lot of time and effort into improving local amenities for the community, such as roads, streetscaping and parks. That also has resulted in a significant

reduction in crime in those communities. People within those communities and the local areas of Bunbury and Australind will be significant beneficiaries.

ALCOA SITE

**261. Mr MARLBOROUGH to the Minister for Planning:**

(1) Why are representatives from the Ministry for Planning and the minister's office attending a meeting next week to progress the staged hand-back of the Alcoa mud lake site which the minister has identified for a new motor sports complex?

(2) Is the minister aware that the Environmental Protection Authority, in a report released yesterday, warned that an accident in the Kwinana industrial area would potentially cause multiple fertilities or injuries among spectators at such a complex? Sorry; that should be fatalities.

Mr Trenorden: There is a difference!

Mr MARLBOROUGH: I ask also -

(3) Why is the minister so determined to proceed with this crazy plan when all the evidence points to its being a serious danger to the public?

**Mr KIERATH replied:**

As the father of six children, I am probably the right person to ask about fertility!

Mr Brown: It's bad luck you can't afford a television!

Mr KIERATH: I still do not know what causes it. I have had my colour television fixed six times, and it has not worked!

(1)-(3) I chair a task force or subcommittee set up by Cabinet to progress this issue. As a consequence, various meetings are being held with Alcoa and a range of people. We are obviously aware of the EPA's recommendations and are looking at those at the moment. I can reassure the House that due process is being observed.

SOUTH WEST HEALTH CAMPUS CONTRACT, VARIATIONS

**262. Mr BROWN to the Minister for Works and Services:**

Some notice of this question has been given. With regard to the construction of the South West Health Campus -

(1) Did the Department of Contract and Management Services receive an account for "variations" from the head contractor close to the conclusion of this contract?

If yes -

(2) Did the account itemise moneys owing to the subcontractors?

(3) Were the "variations" moneys paid by CAMS?

(4) What was the amount paid?

(5) Did CAMS receive a statutory declaration from the head contractor that all moneys relating to this account had been paid?

**Mr BOARD replied:**

I thank the member for the question and some notice of it. Since the member raised this question in the Parliament last week, I have written to the member for Bassendean and I have asked CAMS to investigate payments made to the contractor and any disputed payments to subcontractors.

(1) Yes.

(2) No. The claim received from Devaugh Pty Ltd, the contractor, was for variations for work claimed by the contractor. The claim in general did not itemise amounts due to specific subcontractors.

(3) Yes. The claim for variations was paid by CAMS on behalf of the joint principals, the Western Australian Building Management Authority and St John of God. The payment was for an agreed amount which was less than the claimed amount.

(4) The amount paid to Devaugh was $2 809 856.99.

(5) Statutory declarations are received for all payments prior to the current payment being made, in accordance with the requirements of the contract. There has been no further payment to Devaugh since the second last payment. Therefore, no statutory declarations for this claim have been received. Statutory declarations for this payment will be submitted by the contractor with his next claim for payment, which will be the last claim. I am prepared to have a close look at those statutory declarations.

SOUTH WEST HEALTH CAMPUS CONTRACT, PAYMENT FOR WORK

**263. Mr BROWN to the Minister for Works:**

Has any of the work carried out by the contractors for which they have not been paid been claimed by the head contractor and paid by the Department of Contract and Management Services?

**Mr BOARD replied:**

When the contractor claims for work completed on the statutory declaration, he is claiming that he has paid his subcontractors for completed work. If there is a dispute between the contractor and subcontractor over the work that has been done, as is the situation in this case with regard to a variation, it is an issue between the contractor and subcontractor. As I indicated to the member, the final payment has not been made and the department is looking at that. Disputes arise from time to time between contractors and subcontractors; it is what happens in the building industry. As we are subject to the main contractor in that regard, I am looking very closely at that last payment.

CITIZEN'S ADVICE BUREAU, JOONDALUP BRANCH

**264. Mr BAKER to the minister representing the Minister for Racing and Gaming:**

I refer to the recent establishment of the Joondalup branch of the Citizen's Advice Bureau of Western Australia. Can the minister advise the nature and extent of any financial assistance provided to this important community organisation by the State Government?

**Mr COWAN replied:**

I have been advised by the Minister for Racing and Gaming that the Joondalup branch of the Citizen's Advice Bureau of Western Australia is a tenant of the Joondalup Lotteries House. In May 1999 a grant of $2 308 was made to the organisation's head office for office furniture and a telephone system for the Joondalup branch, as well as funding for a computer system for head office and the other nine branches. That funding totalled $42 833. A grant of $5 000 was also provided to the head office through the commission's promoting excellence program to assist in obtaining professional help in preparing a strategic business and marketing plan that will be of benefit to the nine branches, including the Joondalup branch.

ONSLOW SEAWALL

**265. Mr BROWN to the Minister for Water Resources:**

I refer to damage caused to properties in Onslow due to the flooding resulting from the shonky work on the town's seawall performed by a contractor engaged by the Water Corporation and ask -

(1) Why is the Water Corporation denying any liability when it engaged the contractor responsible for degrading the seawall which resulted in damage to the properties?

(2) Why is the Water Corporation refusing to release the engineer's report or reports on the cause of the flooding?

(3) Does the minister accept that the damage to the properties was as a direct result of Water Corporation's contractor failing to reinforce the seawall?

**Dr HAMES replied:**

I thank the member for some notice of this question. Fortunately, I did not need any notice because the member for Ningaloo has discussed it with me on many occasions.

(1)-(3) The Water Corporation denies that the work done by the subcontractor caused the flooding within that community.

Mr Brown: Why not release the engineer's report?

Dr HAMES: I have never been asked for the report.

Mr Brown: My questions on notice ask for it.

Dr HAMES: What was my answer?

Mr Brown: I have not seen it.

Dr HAMES: Why not wait for the answer?

Mr Brown: I will be waiting for months.

Dr HAMES: The study done by the Water Corporation shows that subcontractors were not responsible for the flooding in Onslow.

Mr Brown: Will you release the report?

Dr HAMES: Does the member think that if he asks me five or six times I will change my answer? I will wait to see whether I will do it.

The study showed that the subcontractors were not responsible. However, as a result of the lobbying from the member for Ningaloo, in good faith the Water Corporation made an ex gratia payment to all those affected by the flooding as compensation for that damage.

ONSLOW FLOODING, GOODWILL PAYMENT

**266. Mr BROWN to the Minister for Water Resources:**

Is the minister's tokenistic offer of a $500 goodwill payment, as described by the Water Corporation, to property owners of Onslow a real admission of responsibility?

**Dr HAMES replied:**

Members must consider what was suffered by those people as a result of the flooding. Saltwater flooded a large number of lawns in that community. As a result, they needed more water to return them to their normal condition. That was the extent of the damage.

Mr Brown: So no expensive plants or palms were damaged.

Dr HAMES: Extra water was required to return those gardens to their original state. I reiterate: The Water Corporation and the subcontractors were not at fault.

Mr Brown: Will you release the report?

Dr HAMES: I will consider it.

LESCHENAULT ESTUARY, WATER CONDITION

**267. Mr BARRON-SULLIVAN to the Minister for Water Resources:**

(1) What work is carried out by government agencies to monitor the condition of water in the Leschenault estuary and adjoining rivers and waterways?

(2) What programs are in place to protect and improve the water quality of the estuary and what is the estimated annual cost of these programs?

(3) Can the minister provide a recent measure of the standard of water in the estuary, and can he advise what the trend in water quality has been in recent years?

**Dr HAMES replied:**

(1)-(3) The Water and Rivers Commission monitors the quality of the water in the Leschenault estuary every two weeks and in the feeding streams every four weeks. Between the Leschenault Inlet Management Authority and the Water and Rivers Commission a significant amount of money has been spent on managing water quality in the inlet: Foreshore management and restoration, $92 500; community involvement and management, $54 500; and land use and management planning, $42 300. As a result of negotiations with the Heritage Council, a further contribution of $78 000 was made to manage the health of the waterways and the foreshore. I am very pleased to say that the quality of the water is excellent.