



Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
2000

LEGISLATIVE ASSEMBLY

Tuesday, 2 May 2000

Legislative Assembly

Tuesday, 2 May 2000

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

NOTICE OF MOTION No 11

Removal from Notice Paper

THE SPEAKER (Mr Strickland): Notice of motion No 11, submitted on 21 September 1999, will be removed from the next Notice Paper unless written notice is given to the Clerk requiring the notice to continue on the Notice Paper.

QUESTIONS ON NOTICE - OUT OF ORDER

Ruling by the Speaker

THE SPEAKER (Mr Strickland): I wish to make a ruling on questions on notice that are out of order. I refer to questions 2213 and 2216 put on notice by the member for Midland on our last sitting day, namely, 6 April 2000. Question 2213 contains both allegations and imputations contrary to Standing Order No 77 and I direct that the question be withdrawn from the Notice Paper. Question 2216 contains in the form of a question information that runs counter to the restrictions imposed by section 54 of the Anti-Corruption Commission Act 1988, which prohibits publication of certain information or allegations. I do not need to go into the question of whether the Notice Paper is caught by section 54, as it is sufficient to say as a general proposition that this House ought not to permit its procedures to circumvent the Act in this way. Consequently, I direct that this question also be withdrawn from the Notice Paper.

[Questions without notice taken.]

BUSSELTON JETTY

Petition

MR MASTERS (Vasse) [2.42 pm]: I have a petition conforming to standing orders with 787 signatures requesting Parliament's concern about the retention of an important piece of Western Australian heritage, a famous landmark and a tourist attraction. It seeks help from the Shire of Busselton, the South West Development Commission and the WA Parliament to direct all presently available funding, and any future funding required, to the urgent restoration of the seaward end of the Busselton Jetty and the addition of an underwater observatory. The petition also asks that all present plans to construct an interpretive centre at the shore end of the jetty be discontinued and that moneys allocated to that project be redirected to save and display the structure and marine ecology at the seaward end of the jetty.

[See petition No 106.]

BULLSBROOK POLICE PRESENCE

Petition

Mr Marlborough presented the following petition bearing the signatures of 350 persons -

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

We the undersigned residents of Western Australia in the electorate of Swan Hills

do not have a Police Station at Bullsbrook

do not have police officers available 24 hours per day in the township

in emergencies, must wait for response from Midland

Your petitioners, therefore respectfully request that the Legislative Assembly will:

acknowledge the need for a Police Station at Bullsbrook.

support measures to enable a permanent police presence in the township.

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

[See petition No 107.]

SWAN RIVER-BLACKADDER CREEK WETLANDS AND FLOODPLAIN

Petition

Mrs Roberts presented the following petition bearing the signatures of 78 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled, we the undersigned petitioners call for the Swan River/Blackadder Creek wetlands and

100 year floodplain at Midland to be retained and restored as a floodplain and wetlands habitat, zoned parks and recreation; that recreation facilities, tourist amenities and similar development, be limited to a small part of the floodplain already infilled near Marshall Park, and that for the remainder of the floodplain there be allowed full and proper protection and rehabilitation of the wetland floodplain environments for the safety, health and enjoyment of the community present and future. Your people humbly pray that you will give this matter your earnest consideration and your petitioners, as in duty bound, will ever pray.

[See petition No 108.]

BANKS - SUBURBAN BRANCHES

Petition

Mr Kobelke presented the following petition bearing the signatures of 345 persons -

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

We the undersigned believe it is unacceptable for our banks to desert their responsibilities to provide basic across the counter services through an easily accessible network of suburban branches.

Banks in neglecting their social obligation are making it much more difficult for elderly members of our community to remain independent and are left more vulnerable to being the victims of attack when they have to use automatic teller machines.

We call on the Governments at both State and Federal level to require our banks to provide secure and easily accessible banking facilities for all members of the community, particularly the elderly and those who have to rely on public transport.

Now we ask that the Legislative Assembly urgently consider this matter and help the community get back their banks.

[See petition No 109.]

BILLS - ASSENT

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

1. Gender Reassignment Bill (No. 2) 1997.
2. Real Estate Legislation (Fidelity Guarantee Funds) Amendment Bill 1999.
3. Agricultural and Veterinary Chemicals (Western Australia) Amendment Bill 1999.
4. Gaming Commission (Continuing Lotteries Levy) Bill 1999.
5. Acts Amendment (Continuing Lotteries) Bill 1999.
6. Health Professionals (Special Events Exemption) Bill 1999.

FIRST HOME OWNER GRANT BILL 2000

Appropriations

Message from the Governor received and read recommending appropriations for the purpose of the Bill.

Second Reading

Resumed from 6 April.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [2.50 pm]: The purpose of this legislation is to provide a grant of \$7 000 to eligible first home buyers. The Opposition supports this legislation. However, we want to emphasise the reason that this legislation is required. This legislation has not been put in place by a generous Government keen to provide unexpected assistance to first home buyers. This legislation is required as compensation for the effects of the goods and services tax on first home buyers. The GST will apply to the construction of new houses, increasing the prices of those houses. First home buyers will receive no benefit from a follow-on general increase in the price of established houses. There is, therefore, a need to assist first home buyers for the ill-effects of the GST they will suffer on their entry into home ownership. That is not an impression which a person would gain from a quick reading of the publicity which has been generated in support of this scheme. A pamphlet entitled "Finally some good mail" has been put out by the State Revenue Department and the Ministry of Housing. It contains a picture of a letterbox with the figure "7,000" on it. The pamphlet says, again, "Finally some good mail. Introducing the \$7,000 First Home Owners' Scheme." There are other headlines, including "Proposed First Home Owners' Scheme" and so on. I will concede that the fine print does mention the GST. The pamphlet says that the grant will compensate for price increases associated with the introduction of the goods and services tax on 1 July 2000. The pamphlet is not totally misleading. However, it creates the impression that, out of the goodness of their hearts, Federal and State Governments have decided to assist first home buyers.

The cost of this publicity, including the pamphlet, has been quite substantial. We were advised at a briefing on this matter

that the cost would be \$440 000. This is a publicity cost which has not been budgeted for in the 1999-2000 budget. Consequently, the cost of this publicity for the first home owners scheme will be added to the \$621m cash deficit on the general government account, which deficit the Minister assisting the Treasurer has had such trouble admitting. There will be other costs to the State apart from the \$440 000 for publicity. It is estimated that the scheme itself will cost about \$120m per annum. The State Government has estimated that expenditure on the scheme over 10 years will be approximately \$1.3b. This is a substantial scheme. The costs of this substantial scheme will be one of the factors to offset the goods and services tax revenue flowing to the State. The Federal Government says that eventually the States will benefit from the appropriation of the entire GST revenue to their needs. However, not all the States will benefit initially. Western Australia will receive less revenue from the GST for each of the next four financial years than it would from existing arrangements. It is not until financial year five that Western Australia, allegedly, will start to see increased revenue from the GST arrangements when compared with the existing arrangements. The Federal Government will top up the grants to this State for each of the next four years in order to compensate Western Australia for the shortfall in GST revenue. The cost of the first home owners scheme of approximately \$120m will be covered by these compensation arrangements. In other words, if the scheme costs \$130m or \$140m in any one of the next four financial years, that increased cost will be picked up by the compensation arrangements agreed between the Federal Government and the States to implement the GST.

I have two concerns about these compensation arrangements and the impact of this scheme on the State's finances. The first concern is that usually when arguments arise about federal payments to the States, they are about the exact amounts which should be paid. I would not be surprised if the state Treasury and the federal Treasury disputed the level of compensation that Western Australia will require. I would not be surprised if the federal Treasury claimed a lower level of compensation was required by Western Australia than the state Treasury calculated. I would not be surprised if Western Australians on both sides of politics came to the conclusion that Western Australia was being shortchanged under the GST compensation arrangements.

The second concern I have is about what will happen after the fourth financial year when, in principle, Western Australia should have emerged from the need for these GST compensation arrangements. What happens if the cost of the scheme blows out in financial year five, six or seven? At that stage Western Australia may be receiving a little more from the GST arrangements than it was projected to receive under existing arrangements, and consequently the compensation arrangements will not apply. However, there may have been a blowout in the costs of this scheme and those costs would then have to be borne by Western Australian taxpayers without any additional compensation from the Commonwealth Government. The difficulty, and the risk to the State, is that there is no flexibility for the State if there is a blowout in the cost of the scheme. The eligibility criteria are governed by the intergovernmental agreement between the Commonwealth and the States. It will not be possible, if the State adheres to that agreement, to amend the eligibility criteria. If there is a problem with this scheme beyond the first four financial years, this State's taxpayers will have to bear the costs of that problem.

The State's taxpayers must also deal with the administration costs of the scheme. The total cost for administration and publicity between now and 2002-03 is \$4m. In this financial year alone, \$826 000 is being spent on administration and \$440 000 on publicity. This money has not been budgeted for; it has been added to the deficit of \$621m. In the forthcoming financial year, the scheme will cost \$1.257m to administer, in 2001-02 it will cost \$717 000 to administer, and in 2002-03 it will cost \$732 000 to administer. These figures have been supplied by the State Revenue Department, following our briefings with officers of that department yesterday. I understand the administration costs of this scheme are not covered by the GST compensation arrangements. This additional \$4m must be met by the State's taxpayers. This is another cost of the GST. It is another unanticipated negative effect of the GST on the State's finances, and the Opposition continues to find more and more of these unanticipated, negative effects. Already this State has had to find additional funds this financial year - a year when the budget is in a very poor state indeed - and extra money will need to be found year after year to administer this scheme.

The important question for prospective first home buyers will be whether the scheme is adequate to compensate for the additional costs imposed by the GST on the purchase of a house. That question has been dealt with by the independent forecaster BIS Schrapnel. It has replied in the negative to that question. BIS Schrapnel argues that the GST will cause increases in the purchase price of new houses of around 8 per cent. It estimates that house and land packages suitable for first home buyers in Perth will rise by \$9 800. I do not think it will have escaped the notice of the House that \$9 800 is \$2 800 more than the compensatory grant proposed by this legislation.

Of course, the federal Treasury has disputed the BIS Schrapnel estimate. Federal Treasury says that the price of new houses will rise by only 4.7 per cent following the introduction of the GST. I must say that these federal Treasury estimates of price increases, following the implementation of the GST, are becoming less and less credible. In order to sell the tax reform package, the Federal Government was very conservative in its estimates of price increases that would flow from the GST. We have seen that with regard to electricity and gas prices in this State. The Federal Government's tax reform package stated that electricity prices would rise by 6.6 per cent, but they have risen by 9.3 per cent.

Mr Barnett: They did change the policy on excising them in the meantime.

Mr RIPPER: Yes, there have been some changes in policy, but the overall pattern is that the Federal Government's pre-election forecasts of the impact of the GST are proving not to be accurate; that is, the reality with regard to price increases is proving much more negative than the estimates by the Federal Government when it campaigned in the electorate for the adoption of the GST. The independent forecaster BIS Schrapnel is not alone in producing estimates which throw doubt on the adequacy of this compensation package.

Under freedom of information legislation, the state Opposition has obtained a briefing on the impacts of the goods and services tax to the Minister for Housing from the Ministry of Housing. The briefing paper is titled "The Housing Sector and the Goods and Services Tax - the Impacts". The anonymous authors of that briefing state that an average house and land package in Perth will increase in cost by 6.7 per cent as a result of the GST. It assumes that a house and land package for first home buyers in Western Australia will cost around \$110 000. A 6.7 per cent cost increase on a \$110 000 house and land package translates to an additional cost of \$7 370. It will not escape the notice of members that that is \$370 more than the compensation package proposed by this legislation.

Mr Kobelke: That average is more likely to be a median. It is at the bottom of the market; it is not an average at all.

Mr RIPPER: That is right. Many more people will pay a lot more than that for their house and land package. I will come to an example of that. The briefing paper given to the Minister for Housing draws attention to a particular injustice: House and land packages in remote areas of the State are more expensive than house and land packages in Perth. According to this paper a typical house and land package in the north west might cost around \$220 000, and the impact of the GST on that house and land package is \$14 740. First home buyers in Karratha, Port Hedland or Carnarvon will pay a lot more in GST than they will receive in compensation under this legislation.

I note in passing that we are dealing with current house and land prices. House and land prices of course will increase as the years go by. I see no mention in this legislation or in the second reading speech of proposals to increase the \$7 000 first home buyers grant to compensate for the increase in the GST impact on first home buyers as prices increase over the years. The first home owners grant compensates home buyers only for increases in the cost of the house and land package. It does not compensate first home buyers for increases in the cost of housing finance. Interest rates have increased by a full percentage point in the past six months. That means that repayments on an average sized home loan have increased by around \$20 a week or \$1 044 a year. Those interest rate increases can be traced back to the Reserve Bank's fears that the introduction of the goods and services tax will increase inflation in this country. Economic commentators are concerned that there will be a second round of inflation following the initial GST spike in inflation. The Reserve Bank must be contemplating further interest rate increases in order to contain that feared second round of inflation following the initial GST-caused spike in prices.

The GST is one of the causes of interest rate increases. The initial spike in GST-caused inflation will be a lot higher than people expect. I think the public will be shocked by inflation figures in the second half of this year. Although the advocates of the GST deny any connection between the GST and interest rate increases, there is no doubt that the GST is an inflation risk in this country, and inflation risks are dealt with by central banks with interest rate increases. There is a connection.

Mr Barnett: Does the member know what inflation is?

Mr RIPPER: I will come back to the minister's comment in a minute. First home buyers are facing increased costs for not only the purchase of the house and land package, but also the finance needed for the purchase. They will be inadequately compensated for the increased cost of purchase and they will not be compensated for the increased cost of finance. Does the minister have a different view?

Mr Barnett: Inflation is a general and consistent increase in prices. The effect of the GST will be to have a one-off adjustment to the consumer price index. It will not be seen by financial markets in any sense as inflationary. It is not inflation and it will not affect interest rates. It may affect wage claims.

Mr RIPPER: If it affects wage claims, those wage claims may then affect inflation. If it affects people's expectations of likely inflationary developments, those expectations may themselves be a cause of inflation.

I want to address other inequities that may arise with the application of the GST to new house construction and with this proposed compensation scheme. One of the biggest inequities will arise in the transition phase. This legislation makes people eligible for a first home owners grant only if they sign a contract for the purchase of a house after 1 July 2000. Quite a number of people have already signed a contract for the construction of a house and expect the house to be completed before 1 July and thus not attract GST. The building industry has been under considerable pressure as a result of the housing demand that has been sucked forward by the impending impact of the GST. A lot of those houses will not be finished by 1 July. The GST will apply to the value of any construction completed after 1 July. A lot of people will have half or three-quarters of their house not subject to the GST but the remaining half or quarter subject to it. Those people will be paying GST on part of the price of their house but will not be eligible for the first home owners grant because they signed the contract before 1 July. They will be big losers in the transition under this compensation scheme.

A second group of people will also miss out. Some people who are now renting have in the past owned houses. They will not be eligible for the first home owners scheme because of their previous ownership interest.

Mr Barnett: It seems fair enough.

Mr RIPPER: I worry that some of those people will not benefit from the increase in the established housing prices that will flow from the application of the GST to new houses. Those people are not in the housing market at the moment for all sorts of reasons. Perhaps they were involved in a relationship which has broken down and they moved out of the house in which they had an interest and are renting while they try to re-establish their lives. The important point is that they will not benefit from the escalation in prices of established homes. When they re-enter the housing market, they will find the GST has caused an increase in both new and established housing prices. Those people will be losers under both the application of the GST and this inadequate compensation scheme. People who have previously been in de facto relationships in which

there was an interest in home ownership will also suffer. This State does not have laws that allow people to easily make property settlements when de facto relationships break down. Some people will have been unable to extract the full value of their share of the property after a de facto relationship breakdown because of the requirement that such matters must be settled in the Supreme Court. However, they will not be eligible to participate in the grant scheme because they will be seen to have had an interest in home ownership. On the other hand, some people who will benefit from this scheme perhaps should not. Some people may have enjoyed effective beneficial ownership of a home but not be the legal owners of the property. Someone wanting to purchase a house in his own name may find he can benefit from the first home owners grant scheme, even though he has been living in a valuable home technically owned by a family trust.

Ms MacTiernan: That scenario is likely, given the Government's change to land tax legislation which has encouraged people to hold family properties in the names of trusts and trust companies.

Mr RIPPER: The member for Armadale refers to a stream of changes, initiated by the previous Minister for Finance, that gave land tax and other concessions to people who own properties, in what the mainstream member of the public might think an esoteric arrangement. These people will be unintended beneficiaries of this legislation. I do not think that is a just outcome, especially when one considers who will be the losers as a result of this legislation. I am also concerned that no upper limit applies on the value of a house before a person is ineligible for the \$7 000 first home owners grant. In principle, someone buying a house worth \$1m would still receive a \$7 000 payout from the taxpayer. That is unjustified, given the scarcity of taxpayers' funds. I see there could be a technical argument whereby a \$1m house has also increased in price and the situation of a person buying such a house should be rectified and equalised following the introduction of the new GST arrangements. However, pressure is being placed on taxpayers' funds and there are demands for other priorities. I do not see any justification for providing assistance of \$7 000 to someone who can afford to purchase a \$1m house.

Ms MacTiernan: The Government does not believe in middle class welfare but does believe in welfare for the rich.

Mr RIPPER: I am concerned about the Government's blind spot on social justice. It is remarkable and completely unjustified in principle that the purchaser of a \$1m house in Peppermint Grove should receive a payment of \$7 000, whereas a worker buying a house and land package in Karratha, who will be more than \$7 000 out of pocket when the GST is paid on that purchase, will receive the same first home buyers grant of \$7 000.

The Australian Labor Party supports this legislation but is concerned about the costs and financial risks to the State Government. We are concerned also about the inadequacy of the compensation to be offered, given the estimates of the real impact of the GST on typical house and land packages purchased by first home buyers. We are concerned about the inequities in the way in which the scheme will operate. A particular concern for Labor, given that it represents some of the remotest areas of the State, is the way in which the scheme does not differentiate between remote areas and the metropolitan area. People in remote areas will not be adequately compensated for the impact of the GST on their typical house and land purchases. We are concerned also about the inequities that will result from the transition to the new tax system on two categories of people: Those whose houses are partially constructed as at 1 July and those who have been home owners in the past but, for family or other reasons, have entered the rental market and will be disadvantaged when they return to the home ownership market after 1 July. However, we support this legislation as it offers partial compensation to people for the negative impact of the GST on their first home purchase.

MR KOBELKE (Nollamara) [3.23 pm]: There have been other first home owner schemes and various types of subsidies and support for people to enter into home ownership. Australians have always taken home ownership seriously. It has been part of our culture and has delivered considerable benefits to the stability of our society and to the ability of families to look after themselves. The home ownership scheme contemplated by this Bill can be compared with the earlier scheme implemented in 1993 or 1994. Some objectives are clearly the same, but this scheme is about providing compensation because of the problems created by the GST.

Before I comment on the effects of the GST in this scheme, it is worth referring to a few of the underlying factors of home ownership and why it is such an important part of life in Western Australia. Individual property rights is an important underlying principle of our system of law and government; people have the right and privilege to own their own home. People also have security in owning their own home; whereas, as tenants, the property they live in can become unavailable as a tenancy and they must find alternative accommodation. Home ownership therefore provides security of tenure on a home. Home ownership is also a form of saving, although some economists see it in a negative light. However, it is a form of capital accumulation as is recognised by the fact that a private residence does not incur capital gains tax. National savings have been enhanced because of the high level of home ownership in Australia. Home ownership is also important to employment in our important and competitive housing and construction industry, which suffers considerably when a downturn occurs in the number of new homes purchased. A vibrant housing construction industry is important for the maintenance of employment. Anything that subsidises home ownership will flow through into supporting the housing construction industry.

For reasons such as these, over many years Governments of all political persuasions have provided a range of incentives and subsidy schemes to encourage home ownership. The scheme introduced by the federal Labor Government early in the life of the Hawke Government, which was elected in March 1983, was a good scheme that produced considerable benefits for people. It brought home ownership within the reach of many people who would otherwise not have been able to own their own home.

In the early 1980s, we suffered the major problem of stagflation; that is, double digit inflation and unemployment. It is not appropriate to go into the actions the Labor Government took then to overcome that problem, but an important factor in

creating thousands of jobs was the first home ownership scheme. It led to a real recovery in the residential construction industry and the creation of many thousands of jobs in Western Australia.

The state Labor Government was keen to ensure that land was available, so a range of programs was implemented to open up land at competitive prices so that people could use the first homeowner scheme to purchase their own property. That program was discontinued I think largely for financial reasons.

The Government must now provide some form of subsidy to overcome the problems that will be created by the goods and services tax. As we are already finding, the GST is impacting adversely on people due to a portion of the 10 per cent that will be added to the cost of a range of goods and services. Many of the components that contribute directly to the cost of a house will incur an additional cost due to the GST. As a result, the average house price will escalate. The compensation of \$7 000 is only for first home buyers. I will refer later to some of the problems that will open up. No attempt is made in this legislation to address the increased cost of housing for everyone. Clearly people who already own a house and are upgrading to a better house must bear that additional cost. Quite rightly, Governments may decide that they are not the most needy people and not provide a direct subsidy for people who are moving to a better house and incurring additional costs. Nevertheless, those people will be clearly disadvantaged by the GST.

Many other people, who may seem to be first home owners in some respects, will not qualify for a subsidy. They will not be able to get into housing because of the cost and will not be assisted by this scheme. The compensation will be limited in terms of the groups of people it covers. As the Deputy Leader of the Opposition pointed out, it is inadequate even for first home owners who are buying at the bottom end of the market because it does not fully cover the additional cost that the GST will incur.

I will reiterate some figures which were touched on by the member for Belmont and Deputy Leader of the Opposition. The BIS Shrapnel report estimated that the impact of the goods and services tax on the cost of an average house will be \$9 800; in other words, there will be a shortfall of \$2 800 between the subsidy and the impact of the goods and services tax. The Ministry of Housing's briefing note indicates that the impact of the goods and services tax on an average house and land package worth \$110 000 will be \$7 300. People may say that a shortfall of \$300 is not much. It is true that it is not much if people are buying a house worth \$110 000. However, that is at the bottom end of the market and in the first home owners' price bracket. Many first home owners buy a property that is worth \$130 000, \$150 000 or \$180 000, which is still low-cost housing, and they will need to pay a lot more than an additional \$7 300 due to the goods and services tax and will be out of pocket, because all they will receive from the subsidy scheme will be \$7 000.

The Government is looking very much at first home buyers, who have scraped together just enough money to get a home of their own and are entering the lower end of the housing market. Those people will receive compensation which is commensurate with the cost of the GST but clearly does not meet the full cost. The figure of \$110 000 that the Government holds up indicates the starting price for a first home owner. However, the purchase price of the house is only the start. These people also need to pay for internal fittings, floor coverings, whitegoods, gardens and fencing, and these costs will be subject to a goods and services tax. Therefore, it will become more difficult for people on low incomes to own their own home. The GST will be a huge impost for people in rural and remote parts of Western Australia, because while people in Perth may be able to buy a house and land package for \$110 000, people in regional towns in Western Australia or, even worse, in the Pilbara or the Kimberley, will have Buckley's chance, because they will need to pay between \$200 000 and \$300 000 for a standard house. The impact of the GST on those people will be even more severe, yet they will still receive only a \$7 000 subsidy. The subsidy is a good initiative, and we support it, because it will assist people to buy a house, but it will not provide adequate compensation for the impact of the goods and services tax.

I have not been able to do any research on home affordability, but it was indicated in the media recently that the figures for home affordability in Western Australia have deteriorated. These figures are compiled quarterly, and they fluctuate up and down from quarter to quarter. However, the one-off report that I saw indicated that home affordability has worsened in Western Australia, although that may have been just a cyclical fluctuation and things may improve in the next quarter. In the 1980s, the home affordability index received a lot of prominence. However, for some reason, the media or the people who promote the affordability index have not been giving it much prominence because it is not mentioned quite so regularly in the media these days. Without trying to define it exactly, the home affordability index includes the proportion of average income that is left as disposable income and can be used for housing, and the actual cost of housing at the lower end of the market. That cost includes both the purchase price and interest rates, because people who enter home ownership at the lower end of the market clearly need to borrow money and take out a mortgage, and the amount of money that they can borrow is conditional upon the amount of interest they need to pay out of their disposable income. When these two factors are combined, they give a reasonable indication of whether it is becoming easier or more difficult for people on low incomes to purchase a home. Therefore, it is a matter of concern that in the last report that was publicised, the home affordability indicator was going in the wrong direction and it was becoming more difficult for people to own their own home. This is clearly before the impact of the goods and services tax, because when that additional cost is added to housing, it will become even more difficult for people on low incomes to afford to purchase their own home.

The goods and services tax will not only increase the cost of housing but also make it more difficult for people to afford to purchase their own home. The goods and services tax is clearly inflationary. The Federal Government has said - and I suspect from the interjection from the Leader of the House that he is following the same line - that the GST will not cause much of a problem with inflation. I can understand why they are trying to convince us of that, because there is a fair element of psychology in the marketplace: If everyone expects prices to increase, that will be reflected in their behaviour, and that will help to drive up prices, therefore federal government ministers, and I expect also the Leader of the House, in

trying to fall into line, are talking down the inflationary impact of the GST. However, it clearly will be a major factor that will feed into interest rates, the value of the dollar and the wages that people seek to get in order to maintain their standard of living. The GST will cause a problem with inflation, and when inflation increases or is anticipated to increase, interest rates go up, as they are at this time; and when interest rates go up, the amount of interest that must be paid for a mortgage increases, and therefore the financiers look more carefully at the disposable income of applicants for a mortgage. That makes it more difficult for people to be able to afford to buy a home.

I note in passing that the GST is not the only factor that drives inflation and interest rates. Interest rates in the United States of America and other major world economies are increasing, and in an internationally competitive marketplace, Australia cannot be immune from those increases. The current weakness of the Australian dollar also has implications for interest rates. Many factors are involved, but one cannot deny that the goods and services tax will be a major factor in increasing inflation in Australia and that, therefore, it will impact on the ability of Western Australians to purchase a home. The real concern is that an increasing number of people on low incomes will be squeezed out of having any chance to own a home, because the cost of housing will increase, and interest rates will increase, which will require higher monthly payments. Another important factor is that many people are experiencing a stagnation or reduction in their disposable income. This is because of the approach by this Government of trying to drive down wages and of holding the minimum wage well below federal award wages. In fact, Western Australians employed on a minimum workplace agreement are now over \$50 a week worse off than employees employed on the minimum wage under a federal award. People on minimum incomes in this State are disadvantaged even further because of this Government's policies. That directly affects housing affordability and will exclude more and more people from being able to purchase their own home.

I will turn now to some comments on the scheme and the problems that need to be either monitored or addressed. It is common these days for couples to buy a property as joint tenants. That was not the case 40 or 50 years ago, when the home was purchased in the man's name and the woman was excluded. Fortunately that custom is not prevalent these days. When both people wish to purchase a property, they will not be able to get the \$7 000 grant if one has previously had an interest in a residential property. That will be a problem for many couples. Couples anticipating marriage or cohabitating may become aware of the grant and apply before they marry or cohabit. Some people will be aware of the system and how it will work and will be able to organise their situation to their advantage and be eligible for the grant. If people do not do that, they will miss out. Elements of fraud may also exist. Some people may make statements regarding the lack of relationship when there is one. Obviously processes will be implemented to prevent that. Putting aside the issue of fraud, there will be implications for the formation of relationships and families because a \$7 000 carrot exists for people who do things the right way. I am not sure whether the implications of that have been thought through.

Increasing house prices will mean that many couples will be excluded from home ownership. Unless we see a major turnaround in interest rates, an increase in the general level of wages for those on low incomes and a reduction in the cost of housing, those people will not be able to get into a home of their own.

This leads me to a concern that lies slightly outside the legislation. The arrangement as explained in the second reading speech is that finance providers will supply the application forms, which they will then pass on to the State Revenue Department for processing, and applicants will not be in any way checked out face-to-face by the department. It will simply accept the bona fides of the finance company arranging the mortgage and the guarantees or statutory declarations provided by the applicants. That is an efficient system, and I am not suggesting it should not be done that way. However, we must be careful that the organisation providing the finance is operating appropriately. We are talking about a large amount of money - about \$120m will be available on an annual basis and each grant will be \$7 000. The finance companies will have a clear vested interest in establishing as many loans as they can through the use of this scheme. Similarly, the home builder will have a vested interest in being able to sell homes using the \$7 000 grant to finance the purchase. We already have a high degree of collusion between some financiers and some major residential home builders. In a given set of market circumstances people might be offered finance with the assistance of the \$7 000 grant when they will have great difficulty in servicing the mortgage. I say this from experience. This happened in the 1980s and the early 1990s when home ownership schemes enabled people on very low incomes - even those in receipt of social security benefits - to purchase their own home. While interest rates were low and property prices were increasing, there was no problem. However, when interest rates increased dramatically and property values started to fall, those people were not able to make payments to cover the interest. Because there was no increase in the capital value of their property, they ended up owing more than the market price of their property. That is a constant risk and the scheme cannot directly administer it. However, the Government should monitor that situation carefully.

In the early 1990s - about 1992 or 1993, I am not sure - a home ownership scheme for low income earners in New South Wales left the Government facing a potential liability of hundreds of millions of dollars. When a clear incentive exists for the providers of finance and builders to get as many people through the door as they can, we must ensure that the guidelines and rules are prudent. While we encourage as many people as possible to avail themselves of the scheme, we should not set up people to be financially worse off if there is a change in interest rates or the value of their homes. That type of prudential care is very important. It is not something that the scheme itself takes up; it will be a matter for the Ministry of Housing and the Government to monitor generally. One hopes they will have an eye to that and not let the situation get out of control because of other factors, whether they relate to the people involved in providing the finance or the Government's desire to promote home ownership in a time of high unemployment and when the housing construction industry is at a low ebb. In pushing more people towards home ownership, the Government should be careful not to create another problem.

I do not know whether the minister can take up this issue when he responds or whether it can be dealt with when we consider the Bill in detail. I am concerned about the State's future liabilities in respect of this scheme. This is a national scheme and this legislation is almost the same as that which will be enacted in the other States. We are locked into a national scheme through the agreement of the States and the Commonwealth. The assumption is that the States will be able to pay for this out of the additional revenue they will get from the goods and services tax. That has been a furphy from the start - the States will be no better off as a result of the GST. That is not because it will not grow - it will - but because it is only one part of the money coming from the Commonwealth. I have been saying for well over a year that the Commonwealth Government will, as sure as night follows day, reduce the specific purpose grants to the States as it sees GST revenue increasing state revenues. The States will be clearly left worse off through that transfer of funds as a result of the Commonwealth's withdrawing specific purpose grants. I note that at the Liberal Party conference a few weeks ago the Prime Minister was reported in the Press as indicating that that would be the case - that the Commonwealth would withdraw the specific purpose grants over time.

Although it is anticipated that they will be low, we could have a problem with the administrative costs of this scheme. The uptake may be higher than anticipated. Beyond the first two years when there is a guarantee that the Commonwealth will pick up any deficit that occurs due to the new tax arrangement, the State will be in a situation of having to fend for itself. We could be paying out \$150m or \$200m a year and locked into a system in which we have very little flexibility over meeting that commitment. The State may have other priorities that it wishes to take up, but it will be locked into having to fork out this large amount of money because of the commonwealth agreement with the States. Therefore, it would not have much room to move with other costs. I will be seeking from the minister some comment on the full extent of liabilities during the outgoing years beyond those years when there is some form of vague guarantee that the Commonwealth will pick up shortfalls when they occur.

The Opposition supports this legislation. First home owner schemes are a valuable way of providing assistance to people who wish to purchase their own homes. It is unfortunate that in these circumstances this is catch-up politics, trying to cover the awful mess that the goods and services tax is making for people who wish to purchase their own homes. It is good that we are having this legislation; it is most unfortunate that it is trying to patch up the real problems the GST is creating for home purchasers, to say nothing of the very large number of small businesses involved in real estate and residential construction which will have to tackle the nightmare of compliance with GST. However, to the extent that this legislation provides some form of remedy to those people adversely affected by the GST, the Opposition supports the Bill.

MS MacTIERNAN (Armadale) [3.53 pm]: I support the legislation as a necessary attempt to ameliorate some of the most negative effects of the GST. Like my colleagues, the members for Belmont and Nollamara, I will briefly reiterate the two major problems, which are that the grant is not sufficient to cover the increased costs for first home buyers. I think the BIS Shrapnel calculation is that the average new home in Western Australia would need compensation in the order of \$9 800. This scheme is providing a mere \$7 000. Calculations show that if people are purchasing a home in excess of \$104 000, the \$7 000 package will not provide them with a sufficient offset for the GST. Although in my area of Armadale people can buy many a house for \$104 000, throughout the rest of the metropolitan area, with the exception of Orelia, Parmelia and Langford, they do not have a great deal of opportunity. In very few suburbs in Perth could people purchase a home for under \$104 000, particularly a new home.

Many people forming new households will not be able to access this grant. It is an unfortunate reality that perhaps 30 per cent of marriages end in divorce. Like me, many members would have people coming through their offices, particularly men, who have lost their family homes through a Family Court settlement, trying desperately to re-establish a new household and having a great deal of financial difficulty in doing that. The GST will exacerbate their difficulties in re-establishing themselves and providing a home for children of whom they might not have custody but to whom they might have access. They are not provided for in any way by this legislation. It is extraordinary that we have decided not to means test this legislation in any way, and yet have made no attempt to make provision for people who have lost their family homes as a result of a Family Court settlement. Some members on the other side may disapprove of marriage break-up, but unfortunately it is a fact of life. We must put in place mechanisms which will enable people to get their lives back together and enable them to provide, including non-custodial parents, decent accommodation for their children when they have access. Those people who have lost their family homes will be in an even more difficult situation because they will be paying the GST and will not have access to the relief available to first home buyers. That is an unfortunate distortion and one I would urge the Government to look at.

I am not saying that this is the most significant issue but I can see that there will be some opportunities for some people to get an unfair advantage. One must look at this particularly in the context of the changes to the stamp duty and land tax laws that were put in place by the previous Minister for Finance. There were always swings and roundabouts attached to holding a family home in the name of a trust. The benefits were that the trustee in bankruptcy could be defeated in the event of bankruptcy. Many people had provisions for possible family law benefits and the quarantining of assets from family law. Those perceived benefits were available for those individuals holding their residential properties in the name of a trust. The downside was that they could not avail themselves of some of the transfer benefits involved with residential properties and stamp duty. People were not able to take advantage of the residential provisions of the Land Tax Act. Their homes became subject to land tax because they were dealing with their homes in a way to maximise their advantage commercially. The downside of that and what kept a brake on people putting their family homes into these trust arrangements was that they would have to pay land tax on them. The Government in its wisdom decided that it would reward people who might want to put their family homes in the name of a trust to defeat their trustee in bankruptcy and quarantine their assets from the Family Court. The Government said that they could put their homes in a family trust and they would get both swings and

roundabouts; they would not cop a land tax imposition as a result. That has led to a considerable number of people deciding to hold their residential properties in the name of a family trust. Under clause 12 of the part of the legislation relating to eligibility for the \$7 000, it is possible to have had a substantial family home held in the name of a family trust or trustee company and, nevertheless, be able to say that one is not precluded by this because it is owned by a family company. Provided people sign up on 1 July for their new residential property in their own name they will be eligible for the \$7 000 cash gift. It would not make a lot of sense to do that if they were buying a new home. However, it would make sense if they wanted to add to their property portfolio by buying an existing house. The Government will encourage all those people, of whom there are a considerable number, given the Government's land tax changes, by providing them with an opportunity, because their home is owned by the family trust, to enter into this new deal and get the \$7 000 cash grant despite that previous ownership of residential property.

Mr Kierath: Try raising new issues.

Ms MacTIERNAN: Has this issue of land tax been discussed before, minister? If so, I would be interested to know who has raised the issue. This is the first time this issue has been raised in this debate. It may be that the minister is not aware of the land tax changes made by his Government or of the consequences of those changes. As long as people who hold their residential property in the name of a family trust - and many do - are not living in that property after 1 July, they will be perfectly free to purchase another property in their own name and to apply for the first home buyer grant, even though they may have had three or four properties previously in the name of the family trust. These are not fanciful situations. These are real situations and I would like the minister to explain how he will deal with that public ripoff of the system. It is bizarre that, in situations where marriages have fallen apart, people who must purchase a new home to re-establish their family are not eligible for a grant, but people who may have owned a string of properties in the name of a trust are not precluded from accessing this grant provided they structure their affairs to avoid the provisions of clause 12(3), which would be easy to do.

The Housing Industry Association has criticised the legislation because it applies to new and established homes rather than only to new homes. Although I understand that the HIA is concerned about its membership and what will be a sharp decline in demand for building and construction after 1 July, it would be most unwise if we applied the grant simply to new homes. At the moment in Perth there exists a destructive disparity between the market value of established homes and the market value of new homes. A dysfunction exists at the lower end of the market in the order of \$20 000 per house. For example, a house and land package costing \$104 000 will often within the space of six months be worth in the order of only \$85 000. That is not because the builder has ripped off the person, but because we have a fundamental distinction between these two markets. Until those two markets are brought into line we will continue to see people, particularly those people who are not commercially sophisticated, seduced into purchasing new homes by the quite misleading promises on rebates by some of the big project builders; purchasers who would be better off buying existing homes continue to suffer this problem of negative equity. Although I understand the arguments of the HIA, the broader consideration of what has happened in the Perth market, which has been driven in part by Keystart and builders' promises of rebates, has led to this unhealthy distortion between the price of established homes and the price of new homes. If we were to go down the course where the \$7 000 grant was available only for a new home we would be exaggerating that differential and not dealing with it. The argument has been that there will be an increase in the cost of established homes in any event because of a flow-on effect of the GST, and that may be true. That would provide another justification for ensuring that this rebate was available for existing homes.

I encourage young people in my area who are buying homes to look closely at the differentials between the cost of an existing home and a new home before they make their decision to buy, because they will have a big catch-up to make. That catch-up will be made worse because over the past year it has been estimated that 8 000 more homes were built than the underlying demand warranted. We will have a huge overhang of supply which will drive down the existing market price and create a greater differential between the market price for existing homes and that for new homes. I will be particularly interested to hear the minister's detailed response on the problem of people who own property in the names of trusts and how we can prevent them from accessing the scheme, because this legislation does not do that.

I also make reference to another home buyer scheme that is still in place under the Real Estate and Business Agents Act. I do not know whether members are familiar with that scheme which can apply a grant of up to \$1 000 to a first home buyer who buys through a licensed real estate agent. I have received some complaints from my constituents because they must purchase a home through a licensed real estate agent in order to access the grant. I understand that the rationale for this is that the scheme is funded out of the interest that is collected from the trust accounts of real estate agents. Could the minister advise whether this other home buyer scheme has been subject to an analysis from the Australian Competition and Consumer Commission? The question of unfairness in the existing home buyers scheme was raised with the Opposition in that a person is ineligible for a grant under the scheme unless he is purchasing a property through a real estate agent. Has that provision been scrutinised under the national competition policy? If so, what was the result of such scrutiny?

It is clear from this legislation that accessing the real estate and business agents home buyers assistance scheme will not in any way diminish the entitlement of people under the goods and services tax first home owner grant scheme. I would like the minister to respond to three questions: First, what consideration is he prepared to give to providing relief to people who have been the subject of family law settlements, have lost their homes and must re-establish themselves? Secondly, what provisions will he make to ensure that people who own homes in the name of a family trust or trustee company are unable to access this scheme? Thirdly, can he provide information on the other home buyers scheme, in particular whether it has passed muster with National Competition Council rules?

MS McHALE (Thornlie) [4.12 pm]: I will make some comments and raise a couple of questions generated by this Bill which I hope the minister will deal with in his response.

The long title of the Bill is a furphy. The Bill purports to encourage and assist home ownership by establishing a scheme for the payment of grants to first home owners. It will establish the payment of grants; however, it is a Bill for an Act to compensate people who would otherwise find it difficult in the current market, given the introduction of the goods and services tax, to start off life by purchasing a new home. It is not a Bill to encourage and assist home ownership, but rather it is a Bill which, in limited circumstances, will inadequately compensate people for the GST. It is, therefore, not a Bill that will encourage home ownership, but a Bill that will assist people who would otherwise be completely unable to get a foothold on private home ownership because of the GST and the current economic market.

As we know, from 1 July new homes, but not existing homes, will be subject to the GST. It is interesting to note that the minister conceded in the second reading speech that existing homes will increase in price with the GST. I refer to the comment that the scheme is restricted to first home owners because other home buyers should benefit from a GST-induced increase in the selling price of their existing homes. Obviously, that means that house prices will increase. An existing home owner selling a house might receive an inflated price by virtue of the principle behind that statement; however, in most instances that existing home owner will buy another house. Therefore, any benefit from a GST-induced increase will be offset by the cost of a new home. The intergovernmental agreement between the Commonwealth and the States determined these limiting conditions and criteria and that existing home owners would not be compensated for the impact of the GST. That eliminates many home owners and ordinary people who will ultimately find it more difficult to enter the private home market because of the GST.

Potential home owners must satisfy five criteria before they become eligible for the \$7 000 compensation. I will refer to those five criteria because they raise questions and I will make some interesting observations on the intent of the underlying philosophy of the people who established those criteria. The first and second criteria relating to nationality states that applicants must be Australian citizens or permanent residents. However, in a joint application, only one applicant is required to be an Australian citizen or permanent resident. People who are not Australian citizens or permanent residents are ineligible. I am not saying that is wrong but, for clarity, it is important to place that fact on record. However, if they become Australian citizens, they will still be ineligible for a grant if they had a previous interest in a residential property and are therefore excluded in future from receiving a grant. I place that fact on record so that members who have not read the explanatory notes will be aware at least of the consequences of those criteria.

The third and fourth criteria have evoked comments from my colleagues on this side of the House about applicants being disqualified if their partners or spouses have previously received a grant, either in this State or elsewhere in Australia; or, if they had a relevant interest in a property. In other words, if a spouse or partner has owned a property previously, even if the applicant is a first home buyer, the applicant is ineligible as the spouse or partner previously had an interest in a property. Again, difficulties arise for many couples in our society, with the high rate of breakdown of relationships and remarriages, when they want to enter into a new relationship. Members' views about whether that is right or wrong are irrelevant; it is happening. The criteria restrict one of those people from applying for compensation because of a partner's interest in a property. For example, a man could remarry but still have an interest in a house in which his ex-wife and children live. He may start a new family but his new wife will be ineligible for a grant because of the husband's history. It is interesting to note that if her name only is registered on the title of the property, she still cannot apply for a grant because of his previous interest in a residential property. Apart from raising that as one of our concerns, it will be restrictive for couples who are trying to set themselves up and start their lives again in a new partnership. It will be very difficult for many of those people when they purchase a house after the GST has come in because they will be ineligible for the grant. As I have said, even if the other partner is not on the title of the home, the applicant will become ineligible for the grant. Apart from the matter of principle, that begs the question of how people will know. I assume that in the application forms there are fairly rigorous questions about the applicant's spouse's previous life and previous property holdings. However, if the applicant's spouse is not on the title of the home, how will the application be assessed? I am sure there is a simple explanation. However, I would like to know how that is declared in the application form. The criteria also go to citizenship and permanent residency. There are very restrictive criteria relating to previous interests in property. Even in the example of the applicant being the sole person named on a title, he or she cannot obtain the grant.

Some of my colleagues have commented on how this scheme is not adequate compensation for the impact of the GST. It certainly is not although my electorate contains a number of properties which would be valued at under \$100 000, or just above it - my electorate is not characterised by very expensive houses. BIS Shrapnel Pty Ltd believes that land and house packages for first home buyers will rise by \$14 000 in Sydney to just under \$7 000 in Hobart. However, it has calculated that in Perth the GST component could be as much as \$14 000; that is, twice the amount of the grant. Therefore, in no way will the grant compensate. The Housing Industry Association Ltd has also concluded that there may not be an automatic increase in the cost of existing homes in the next six to 12 months, but it is likely that we will see the increase in early 2001 or 2002.

Having pointed out what we believe are fairly restrictive criteria, there is an issue that I want to put on the record. Although I do not necessarily see it as a contradiction, it is nevertheless an interesting variation to the criteria. I am referring to properties bought for investment purposes. Clearly a property bought for an investment purpose will not qualify and we have no difficulty in accepting that. That is a proper and sensible guideline. However, the purchase of the investment property will not make an applicant ineligible per se. As I understand the guidelines, if I were a new home owner and I bought the property for investment purposes, and I decided to live in that property, I could apply for the first home owners

grant although, technically, I would not be a first home owner. I would have bought an investment property, possibly have made money from it depending on inflation rates, and as long as I was within the time limit for applying for the grant, I could get \$7 000 to purchase my residential home, which was otherwise my investment property. On the other hand, if I were a struggling new spouse and my new partner had an interest in a property, I would be ineligible for the grant. I wonder whether that introduces an element of unfairness into the criteria.

Mr Bradshaw: That has always been the case.

Ms McHALE: In what?

Mr Bradshaw: In part of the first home owners scheme.

Ms McHALE: I started out by saying that I do not see this as encouragement for first home owners. It is more of a compensation scheme for the GST. I am pointing out that, from my perspective, buying a property for investment and subsequently turning it into a residential property is questionable because it is not entirely within the spirit of the agreement. Nevertheless, it exists and I raise it so that it is clear that people who buy an investment property which, once purchased, becomes residential, are eligible for the grant.

My final comment is on clause 14(7), which relates to movable homes. The Bill allows for people to apply for the grant if they are purchasing a movable home but they can only receive the grant at the time the movable home is in situ and is seweraged and has power and water connected. Will the minister confirm whether that includes caravans? The Bill provides for movable homes and for people's eligibility for the grant. More and more people are living permanently in caravans - it is a form of abode for many people, particularly low income people. It would appear to me that if a caravan were a permanent home, then there is an argument for people to receive the grant. If movable and transportable homes can attract the grant, then what about caravans which are used as permanent homes? I would therefore appreciate an unequivocal answer.

This Bill is a response to the GST which the Opposition has consistently opposed. It is about compensation for the impost the GST will put on home buyers. Our argument, backed up by strong evidence, is that it is nowhere near full compensation for the immediate increases that will be caused by the GST. It may reflect only half of the real cost, depending on which estimate one uses. It limits the availability of the grant to people who have had absolutely no past interest in property. Even if the applicant meets that criterion, he or she is then assessed in concert with the history of his or her partner. The Opposition believes that in today's society that will limit the application. Obviously, it is designed to limit the application of the grant, otherwise the cost would be much more than \$120m per annum; it would be many times that. We are not suggesting for one minute that we believe it is deliberate that the criteria are limited.

MR MARLBOROUGH (Peel) [4.32 pm]: It is clear from the criteria used to determine the \$7 000 grant to first home buyers, that the Howard Government believes it will fairly compensate first home buyers for the introduction of the goods and services tax. However, other than in Tasmania, that is not the case. In most major metropolitan areas of Australia, the \$7 000 grant will not come close to compensating first home purchasers. It is, therefore, a political exercise, by a Government that must try to minimise the political and financial impact that the GST will have on the housing sector of the Australian economy. As members are aware, housing is made up of many variable commodities. It is made up of not only the materials that are manufactured to build houses, but also the many labour factors. Unfortunately, in setting about a fairly cynical political exercise, the Federal Government must realise it has a problem selling the GST in this one area alone because the cost of housing will increase substantially across the board in Australia. If young people coming into the marketplace wanting to purchase their first home find that they are not in a position to do that because the GST will impact on housing as greatly as is predicted by the building industry and other bodies, we will have a major political problem on our hands. Every young couple who want to buy a home have a mum and dad and grandparents who will tell them that the Government has created this monster for them and that is why they cannot buy a home.

The Federal Government has plucked a figure out of the air in the same way as it decided it would provide compensation to country people for the high price of petrol. It picked a nominal figure that petrol was sold at in the Sydney metropolitan area, and said it would provide compensation in the form of a percentage of that price to the rest of Australia. It will not work. Housing is very cheap in Western Australia, relative to the western world in general, and relative to most other parts of Australia. My brother lives in Sydney. A house which in most suburbs of Perth would be worth \$150 000 is worth \$750 000 on today's market in Sydney. That is staggering. That is not a house a first home buyer would rush to buy; it is an old established home in a fairly old suburb.

The fact is that \$7 000 will go nowhere near offsetting the real cost of new housing in Sydney or in Melbourne. It will have a greater impact in Tasmania but it will not go anywhere near offsetting the cost of putting up a house in Darwin, which is growing rapidly with predominately young couples building there. It will have less impact on the cost of housing as we move around the major cities. This is a political exercise to minimise political damage. Somebody has drawn a line in the sand and said \$7 000 ought to fix it. It might, but I think it will be like the rest of the GST package - in the main it will bite people's back pocket out of their jacket and take all their money.

It is my view that in a very short time the GST will have such a dramatic impact on people's spending each week that the nation will demonstrate how angry it is at the implementation of the GST. Any member who goes to his or her electorate at this time does not have to raise the issue of the GST, he or she is inundated with complaints and concerns about its impact. Most complaints do not come from the people in my electorate of Kwinana who the Labor Party traditionally supports; they have their own concerns. The complaints are coming from the people who traditionally support the Liberal

Party - the small business sector. They are up in arms about the GST and what it will do. Many of those small businesses are in the housing industry.

Mr Shave: Publicans are not very happy, I can tell you.

Mr MARLBOROUGH: I know. I saw the price of beer the other day. The GST will affect people across the board and Governments will suffer accordingly.

I will address three key eligibility criteria included in this Bill as they apply to Western Australians. I will put them as questions I would like the minister to answer when he gets to his feet. Page 5 of the document headed "Explanatory Memorandum - First Home Owners Grant Bill 2000" refers to eligibility criteria for married couples and for people living together. It refers to married and de facto relationships. My reading of pages 5 and 6 of the explanatory memorandum indicates that couples who live in a same-sex relationship will not be eligible for the \$7 000 loan.

Mr Kierath: It does not apply to same-sex couples. It is consistent with other Western Australian legislation.

Mr MARLBOROUGH: That is what I thought. The minister has pointed out the problem. We have a piece of federal legislation that is supposed to be fair and equitable to all Australians. However, that federal legislation will allow the States to put in place their own legislation to provide \$7 000, under certain criteria, to all new home buyers. It should be available to all new home buyers. However, in Western Australia it will not be provided to same-sex couples because we view that type of relationship differently. It is absolutely appalling that federal legislation will not apply in this State to same-sex relationships, as the minister has just indicated. Why should those people be discriminated against? I do not know a large number of couples living in this situation, but I have been a member of Parliament for 14 years and I live in the real world. In my electorate I am aware of some same-sex relationships and of people who have gone through, if one likes, a form of marriage, which is not necessarily recognised by the authorities, and who have been living together for a number of years. Here in Western Australia, because of certain rules governing same-sex relationships, those people will not be eligible for the federal grant. I suggest that was not even the intent of the Howard Government. Why do we not pick out short people with blue eyes or people with one leg or people who are bald? There is no way that a Federal Government would have set about putting in place legislation that would discriminate against people in that way. I want the minister to indicate to me that that is not the case, because I would be amazed if it is. It may well be that the minister is able to say that this happens in other States. Earlier, I asked the minister privately what was the basis of the explanatory memorandum, and he indicated that it was a document connected with the States getting together to try to bring about uniform legislation. I think the minister's answer indicated that there are States in the federation that regard couples in same-sex relationships as ineligible to pick up the \$7 000. To the degree that this legislation does that, it should be recognised as discriminatory and should be changed immediately. Members on this side of the House should not be a party to it.

Mr Kierath: I think you have misunderstood. I think you asked me about spouses. Same-sex couples are not recognised as spouses, but they will be able to access the \$7 000. They will be classed as two unrelated individuals; they will not be classed as spouses or partners. From that point of view, it may well be an advantage. We are simply saying that we do not recognise these relationships legally, and the people are viewed as being two unrelated individuals.

Mr Brown: Same-sex couples will not be statute barred, as are married couples, from getting the grant?

Mr Kierath: Exactly. In fact, it might be an advantage.

Mr MARLBOROUGH: My concerns are based on the explanatory notes, and I am not aware that the Bill differs from them. On page 5, under the heading "Meaning of an applicant's 'spouse'" -

Mr Kierath: That relates to the issue of a spouse.

Mr MARLBOROUGH: Right. Therefore, the minister is saying that there is a provision for these people to apply -

Mr Kierath: Same-sex couples will not be viewed as spouses; they will be two unrelated individuals.

Mr MARLBOROUGH: If they are not recognised by law as being married, what will be the situation if one of the people in the relationship has owned a house previously?

Mr Kierath: My understanding is that in any multiple ownership, they will all qualify.

Mr Brown: However, if only one person makes the application -

Mr MARLBOROUGH: I do not think it would matter.

Mr Kierath: It depends on the ownership of the house. If they are to have ownership of it, they must qualify.

Mr MARLBOROUGH: This is obviously something we must consider as we go through the Bill.

The next matter concerns page 10 of the explanatory memorandum. Under clause 13, residence requirement, it deals with the need for the home to be occupied within a 12-month period of the loan application. It also says -

The ability does exist for the Commissioner to extend the period for occupation to occur beyond 12 months. An example of where this may be appropriate may include an applicant receiving a work posting overseas or interstate after purchase, but prior to completion, if the applicant intends to take up occupation upon his or her return.

I hope that in the minister's answer he will be able to broaden that qualification. Again, because of the circumstances in Western Australia - I am sure the minister will agree - a young couple could be working in the Pilbara or in the Kimberley on a mine site, or they could be working for a government department, such as the Education Department. These people could have been posted to a school for a two or three-year assignment. It may well be that they want to purchase land and own a property under this scheme. In the circumstances I have indicated, those people could be away from that home for more than 12 months while working in the State - not interstate or overseas. Does the commissioner have the ability to include that set of circumstances, as well as the examples that have been given, in the criteria for residing in the proposed abode?

I will finish on the issue of moveable homes. My colleague earlier raised the issue of caravans. My concern is not particularly the caravans. However, what will be the requirement, and how will that apply to circumstances in Western Australia? I am thinking of some parts of the metropolitan area but predominantly areas in the country. On page 12 of the explanatory memorandum, the second paragraph states -

Generally, a grant will be paid for the purchase of a moveable home when the home is ultimately affixed to land in which the applicant has a relevant interest, and is ready for occupation as a place of residence. This will generally require the home to be connected to all relevant services, including power, water and sewerage or septic.

The minister will be aware that in my electorate a number of houses are located away from the town sites. They are not connected to scheme water and must have their own water system. In other parts of the State, there would be housing that is not connected to a power grid. Those houses may need their own form of generation of power, whether it be solar or diesel generation. How will this fit into the scheme of criteria required in Western Australia? Must all of these relevant services apply? If so, what will be the definition of power and water, in particular?

MR BROWN (Bassendean) [4.48 pm]: I refer to the explanatory memorandum that has been circulated with the Bill, the fourth paragraph of which states -

The Scheme is restricted to first home buyers because other home buyers should benefit from a GST-induced increase in the selling price of their existing home.

The memorandum does not state what will happen to those people who are neither one nor the other. The explanatory notes tend to suggest that there are two types of people in the community; that is, those people who own their own home and those who are purchasing their own home for the first time. A third category is people who once owned homes who, for whatever reason, no longer own a home and are out of the housing market. That can happen when a person puts up his home as collateral for a small business enterprise which turns sour, and he loses his home. It can happen when a person purchases a home, but does not take out insurance and the home is destroyed and cannot be replaced. It can happen in a variety of circumstances. These people are not first home buyers as they purchased homes at some time during their lives.

Nothing in the scheme appears to provide compensation for such people for the GST effects on home prices, and the people in that group will tend to be losers under this package. If one tells the truth, there always are winners and losers in any tax system. Winners and losers will emerge under the goods and services tax. The losers will not be only those who operate in the black economy, as the Prime Minister and others would have us believe. Many of the losers under this package will be legitimate taxpayers.

No regard at all is given to the third group to which I referred. A number of people are in that category. If members talk to people in their electorates in Homeswest rental accommodation, they will find that some such people had their own homes in years gone by. Maybe they ran into difficult circumstances. Mortgage payments may have fallen behind, and their homes may have been sold under them. People may have sold their homes because they could no longer afford to keep them. Many women at the end of marriages or lengthy de facto relationships find that they no longer have a home. I recently had occasion to make representations on behalf of a constituent with six dependants who came from a fairly secure environment one day, and faced an insecure environment the next day. If that person forms a relationship and decides at some point to marry or enter a formal de facto relationship - that is, one as recognised by the legislation - that person will not be provided any assistance by the Bill.

The legislation seeks to provide a measure of compensation, although not full compensation, for one group in society. However, it does not seek to provide compensation for all people who are not home owners but who may wish at some time to acquire a home. To that extent, the compensation measure is inadequate and does not provide a mechanism for those who fall between the cracks. Such people are not effectively looked after. The GST generally applies a papering effect. It is claimed that everybody will be looked after. "Those affected by the tax will be compensated" is the rhetoric and the claims made in the glossy brochures. However, the detail indicates that that is not the case at all. Rafts of people will not be looked after in this package. Maybe it is too complex and difficult. Maybe the Federal and State Governments know that it is not possible financially under the tax package as currently structured to compensate all.

I find it intriguing that one of the selling points of the GST package, as you are aware, Madam Acting Speaker (Mrs Holmes), by the Howard Government is that it will remove embedded taxes from exports. Therefore, exports will be cheaper and Australia will become more competitive. The Federal Government claims that \$4b will be removed from the cost of exports through this tax reform. The Federal Government also states that the GST will be revenue neutral; that is tax raised today will be raised after 1 July under a different formula. Therefore, those in the domestic economy will have to contribute under the new regime an additional \$4b currently achieved through exports. A greater burden will fall on ordinary Australian taxpayers rather than their being assisted through the tax not paid on exports. As a result of that glaring

hole - which logic dictates will exist - a raft of people, including those in that third group, are conveniently overlooked and not mentioned in the explanatory memorandum.

Interestingly, the proposal is that if a person or the spouse - the spouse is defined as a person legally married to another person, or a person living with another person in a bona fide de facto relationship for two years - has previously purchased a property, the other partner in the relationship will be deemed to have also purchased a property. Therefore, that partner is ineligible for the grant. It is an interesting concept for a Government which purports to support family policy. If one is legally married, and one's partner has purchased or owned a property, that person is ineligible under the scheme by virtue of that marriage. Two people may be having an arranged marriage on Saturday - fortunately, they do not occur often these days - because their parents have decreed it, although they have never met before. An application would be approved on Friday if the applicant had never owned property; it would be stamped and sealed and the person would receive the grant. However, when the couple are married on the Saturday, the person who had previously not owned property would be ineligible for the grant under this measure because the partner once owned property. This Government says it is pro-marriage and pro-family.

This is an interesting concept of how to support families. The Government is saying that if one member of a family has previously owned a property, that family will be excluded from applying. I hope the Government does not support me in the same way it will support families with this legislation, because this is anti-family legislation. The Government is also saying that if a person has lived in a de facto relationship for 12 months, he or she has not had a spouse. If the partner applies and the property is to be in the partner's name, and the partner has been in a de facto relationship for only 12 months, the partner is eligible because the de facto relationship has existed for only 12 months. Therefore, that partner is not deemed to be a spouse and is eligible under the Bill. However, if a couple has lived together for 10 years, and has never consummated the marriage, somehow in those circumstances the partner who is the non-property owner is ineligible. Maybe I am a bit slow. Maybe I have not understood how this policy supports families, because it seems that it does not. It seems to me that shrewd people could apply for this before the two years are up. They could buy a property if one partner has been a property owner before and the other partner has not. The partner who has not been a property owner could buy the property before the two years are up because that partner would be eligible. The property could be put in that partner's name and the couple would be eligible for the grant. I cannot conceive that these are proper rules for the operation of this scheme.

I invite the minister's comments and perhaps we will deal with the detail of the Bill in the consideration in detail stage. One provision in the Bill says that if the spouse of an applicant has been a property owner, the applicant is disqualified. Another provision says that if a husband and wife have been divorced and are unlikely to come together again, and the commissioner determines that is the case, the non-property owner can apply and receive the grant. I am not clear about how that works. Maybe that can be explained when we deal with the detail of this Bill. There seem to be two conflicting views in the Bill. Perhaps the minister can go through those issues in his reply to the second reading debate or perhaps they are better dealt with during the consideration in detail stage. On that basis it seems this is not a piece of legislation which is designed to support families. It does not seek to cover the field; that is, it does not seek to provide compensation for all people who will be negatively affected by the introduction of a goods and services tax on home prices. This is not an industry development piece of legislation; that is, it has not been introduced because of a slump in the building industry. At other times Governments have come forward with various schemes to kick-start the building industry when there has been a slump. We all know that is not the case here; in fact, the building industry has been working flat out for a considerable period, by and large for those people who are keen to construct and finish their homes before the onset of the goods and services tax. This is not an industry development scheme. This is not a scheme which is trying to kick-start or support the building industry in that regard. This scheme is about providing compensation to first home buyers who, as a result of these changes, will be further excluded from the market. If that is the purpose of the Bill, it should do those things. It should not exclude groups. Its eligibility criteria should not be based on anti-family principles, because that is how it will operate currently. The message coming from this Bill is that people should stay single and should not live in de facto relationships, at least not for two years, and they will remain eligible. It is grossly unfair in all of those respects.

I look forward to debating this issue in the consideration in detail stage. This Bill is designed to provide a level of compensation for people who are not home owners at the date the goods and services tax is introduced, because it does not recognise that there are people who are other than home owners and first home buyers as of that date. A whole class of other people are lost in the system. People who were property owners but who lost their houses 10, 20 or 30 years ago due to sickness in the family, poverty or whatever will now be further disadvantaged by the introduction of the goods and services tax when house prices go up and they will be unable to access this grant. It is inequitable that the grant will not be provided for all people who should be considered in a scheme of this nature.

MR KIERATH (Riverton - Minister assisting the Treasurer) [5.07 pm]: A consistent theme among some members of the Opposition is that this scheme should extend to a range of people. I do not view this as a goods and services tax compensation Bill. I believe this is a home owners scheme which got caught up in the new tax package. It is not intended to compensate everybody who will purchase a home. The second issue I place clearly on the record is that many of the policy controls have been derived from the Commonwealth Government. In most parts of the Bill our flexibility is limited, because the crucial and key policy settings are dictated by the Commonwealth and we must abide by them. It is true that the scheme came out of the intergovernmental agreement which was signed off by the Prime Minister and the various state Premiers. Those are the parameters within which we operate. I place on record that there may be some areas which, given full discretion, I might have done differently. However, I am locked into the key policy settings of the Commonwealth, which have been agreed to and signed off on. That limits my flexibility to address some of the issues raised by some

members opposite. I do not pretend it is any different. I put those comments on the record up front before I answer the individual issues, as I will plead the Fifth Amendment as my way out of a number of issues.

I will now go through the individual cases raised. The member for Belmont asked what will happen after the fourth year of the scheme if there is a blow-out in the fifth, sixth or seventh years. This top up is not limited to the first four years of the scheme. The first four years are shown, but the Government will require guarantees for the top up payments from the Commonwealth for longer than the first four years. It is not a fixed period, and the guarantee will apply for as long as it is needed. If the cost blows out in the fifth or sixth years, for example, and this results in the state budget being worse than it would otherwise have been, the Commonwealth will provide a top up grant.

Mr Ripper: I understand that if the total budget outcome takes us into a position where we are worse off, we will get a top up payment; but what if the cost of the scheme blows out but not enough to take us into a worse outcome for the budget?

Mr KIERATH: We obviously cannot off-load all the risks of the first home owners scheme onto the Commonwealth Government. The member for Belmont referred to the administration costs, and that is part of the cost of running the scheme. However, in relation to the value of the overall scheme it is a fairly small component. As far as is reasonable, we have those assurances from the Commonwealth Government, but we cannot get a guarantee for the longer term effect or guard against every single possibility. An estimate has been made of the number of housing starts and the projected population, and the Government is confident that the forward figures are well researched and well founded. It sees no reason that the circumstances referred to will occur. It is correct that the costs of administering and promoting the scheme are not covered by the Commonwealth's guarantee arrangements. However, they are relatively small in relation to the overall cost of the scheme. In addition, once this guarantee starts to wither, we expect the GST to have a fundamental growth component. Of course, it could be intellectually argued that that should accommodate any variations and costs to the State's budget in the medium and long term.

The member also raised the issue of disqualification, and said a former de facto partner could disqualify an applicant from receiving assistance. I am told that an applicant would not be disqualified in the circumstances raised, because when a de facto relationship ceases the status of the former partner ceases to affect the applicant.

Mr Ripper: There might be a misunderstanding of the argument I put.

Mr KIERATH: We can debate that when we consider the Bill in detail. A query was raised about whether \$7 000 was sufficient compensation. I do not know from where members opposite got their figures, but they all referred to combined house and land packages. However, the land component must be viewed completely separately, and the figures are quite different when the land component is removed from the package. I am advised that the 4.7 per cent, which the Commonwealth has estimated will be the additional cost of building a new home, relates to a construction value of up to \$150 000. That would cover the amount paid by the vast majority of first home buyers. The median price of a block of residential land in Perth is currently \$75 000. In a house and land package of \$225 000, say, the land component would be \$75 000 and the building component would be \$150 000. In that situation, the \$7 000 grant is designed to compensate for the growth in the building component. That would cover most of the homes built in the north west, and all the issues raised by other members in relation to costs.

Some concerns were raised about giving the grant to people who are extremely wealthy. It could be said that the grant applies to only the first \$150 000, and no compensation is provided for the purchase of homes worth more than that. They would include the GST, and that is a reasonable proposition. I am sure members opposite will agree that if people have greater capacity to pay, they should not be compensated for the whole amount. They will not receive compensation on the basis of the total price, but only for the first \$150 000 of the purchase price. I think that covers most of the points raised.

Mr Ripper: We will deal with the others when considering the Bill in detail.

Mr KIERATH: I will now apply the Fifth Amendment. The Government has tried to implement uniform rules and the scheme is part of an intergovernmental agreement. Those are the common rules that apply and whether or not the Government agrees with the rules, it cannot unilaterally change them.

The member for Nollamara raised many issues which were similar to those raised by the member for Belmont. I have already explained that the compensation does not include the cost of land.

Mr Kobelke: The minister should keep in mind that there is a GST effect on developed land. It may not be as high in percentage terms, but it is still there.

Mr KIERATH: This is not part of it. The whole tax package could be viewed as some sort of compensatory arrangement, but this first home buyers scheme relates to the cost of only the house and not the land. No attempt has been made to suggest that this scheme will compensate people for the higher cost of land; it is purely and simply related to the cost of the GST in the construction of a house.

Mr Kobelke: It is compensation for the first home buyer; people cannot build a home on a piece of blue sky. The cost of land must be included.

Mr KIERATH: Other arrangements can be made for the land component. People can lease it long term or short term; they can do a range of things without purchasing the land.

Mr Kobelke: Not for the average first home buyer.

Mr KIERATH: The member also referred to the cost of houses at the lower end of the market, and said the situation will be more difficult for those on lower incomes. An amount of \$150 000 will buy a lot of house, and I do not think those on lower incomes will spend more than \$150 000 on a house, so they should be in front. The member also referred to interest rates. This scheme does not relate to interest rates at all.

Mr Kobelke: But home affordability does, and this is one element of that.

Mr KIERATH: This legislation does not attempt to address that. The interest rates will change according to the policy of the day. It does not relate to this Bill.

Mr Ripper: It relates to a number of things, including GST.

Mr KIERATH: There is a whole tax package, and the policy of the day does not relate to this Bill. Interest rates are not expected to be influenced by the GST to any significant extent. The Leader of the House said that we "expect a spike" from the GST, but not an ongoing inflationary effect; that is, an effect on interest rates and monetary policy.

Mr Kobelke: An extensive issue will be the ongoing liability to the State, which involves many factors. We will be locked into this for the duration of the Commonwealth Government's tax package. The first home owners scheme will always be a liability to the State; therefore, I am concerned about shifts in Commonwealth-State financial relations. It will leave the state forever locked into paying the compensation packages from the Commonwealth, even though the State may have different priorities. I understand there will be no flexibility in this area.

Mr KIERATH: We must refer back to the intergovernmental agreement on this issue. As long as the Commonwealth honours its part of the bargain we must honour ours. If the Commonwealth Government reneges on any of it, we would be free to renege. It is being applied under an Act of this Parliament, so this Parliament could change the Act, albeit with the associated consequences. That is always the safety fallback. As part of the financial reforms there may be repercussions from the Commonwealth. I imagine that if huge blowouts occurred, although as I explained earlier to the member for Belmont we do not expect them to occur, the Commonwealth would be expected to play its part and share the responsibility. I cannot guarantee a safeguard for every conceivable possibility. If something occurred out of the ordinary, it would be up to the Government of the day to address it.

Legislation in this place does not last forever. It would be nice if we could pass an Act that other Governments could not change. However, that is not the case. As long as this Parliament has control of its own destiny, it can change Acts of Parliament as circumstances require it.

Mr Ripper: Let me give you the bad news. We have in our sights a few pieces of legislation that you have sponsored.

Mr KIERATH: I imagine so. We will see what happens if the member for Belmont ever gets into government.

Mr Kobelke: This is clearly a political statement, but I think it will stand the test of time. The tax package to which we are signed up is the worst attack on state financial independence since the Second World War. As things are whittled away we will be stuck with this package, good as it may be, that at a future date will make it difficult for States to raise funds.

Mr KIERATH: This is fascinating. Governments of all political persuasions have signed up to this tax. There are elements of this tax package that even the member's federal colleagues will not change. We have had assurances that the federal Australian Labor Party will not remove the GST.

Mr Kobelke: That is your attempt to play politics.

Mr KIERATH: No; I watched Kim Beazley on television in an interview and in federal Parliament where he clearly said he would not pull back the GST. He said he would roll back the edges and change the mix, but he has made a commitment not to abandon it. It is fascinating that in the cold light of day the federal Labor Party has changed its stance from total opposition. The reality is that every Government wants a growth tax to spend on services.

Mr Kobelke: That is the lie. There is no growth tax here for Western Australia.

Mr KIERATH: The GST is considered to be a growth tax and a growth revenue.

Mr Kobelke: It is part of the package. What you give with one hand you take away with another. There is no hope of growth.

Mr KIERATH: Yes, it is part of a total package in which 80 per cent of taxpayers in this country will pay no more than 30 per cent income tax. Surely that is outstanding. That issue alone is probably one of the biggest single measures of tax reform in this country. Middle Australia carries more than its fair share of the income tax cake. People who are very poor or very wealthy are well off. However, people in between are taxed almost out of existence. I see this tax package as shifting that to a broader base and easing the burden on middle Australia. That is the greatest attraction of the tax package.

I always look at the worst case scenario. In this worst case scenario if, financially, I am no better off I believe I will still be in front if I keep money when I earn it and lose it when I spend it. If I lose it when I earn it I have never had it at any stage. If I hang onto it for one month before I spend it, I will be in front, unless all the reassuring stories I have been told are not true.

Mr Kobelke: Those are points for valid political debate.

Mr KIERATH: I am getting off the track. I have several issues yet to respond to. It is good to see the member for Armadale back in the Chamber.

Ms MacTiernan: I have been listening and waiting for these words of wisdom.

Mr KIERATH: I explained to the members for Belmont and Bassendean that most of the policy settings have been dictated by the Commonwealth. We are not at liberty to vary them as we choose. We must understand that and accept that they have been imposed on us as part of the intergovernmental agreement.

Ms MacTiernan: Are you saying there is no flexibility?

Mr KIERATH: There are some areas of flexibility, but very little flexibility will apply in the major areas of criteria, eligibility and other matters.

Ms MacTiernan: Where is the flexibility?

Mr KIERATH: Previous ownership is tied to legal ownership; it is not beneficial ownership. I am advised that the criteria are dictated by the Commonwealth mainly because it is almost impossible to physically track beneficial ownership unless people genuinely and honestly declare it.

Ms MacTiernan: You did not have that problem when you changed the land tax legislation.

Mr KIERATH: The grant must be accessed by a "natural person" not a trust.

Ms MacTiernan: If an existing property is held in a trust, as has been the propensity since the land tax legislation was changed in 1994, that does not preclude eligibility. A person may have owned 10 homes under a family trust but will be still entitled to apply for a new home as an individual.

Mr KIERATH: With regard to other home buyer schemes, did the member for Armadale refer to the real estate scheme?

Ms MacTiernan: Yes.

Mr KIERATH: That scheme is industry based.

Ms MacTiernan: It is a statutory-based scheme.

Mr KIERATH: It is an industry funded scheme and has some relationship to a statutory base.

Ms MacTiernan: It is prescribed in legislation. I will show you the Act.

Mr KIERATH: I do not need to look at the Act. I am referring to the two parts. The policy part has been subject to national competition policy.

Ms MacTiernan: Which one, the real estate one?

Mr KIERATH: No, I will refer to that one shortly. The First Home Owner Grant Bill has been subject to the policy settings. I sit on a cabinet subcommittee which has been reviewing all legislation. All legislation is required to be reviewed in the light of the national competition policy. I cannot recollect the assessment of that individual Act, but I can recollect many of the ministers' Acts. Most of the ministers have been through the assessment process and had their various legislation assessed. Very few are outstanding. Although I cannot say with 100 per cent certainty, I am pretty sure that that Act is not among the Acts that have not been assessed.

Ms MacTiernan: Are you able to check that?

Mr KIERATH: I am not the minister responsible. The member for Armadale can ask the appropriate minister to check it. I am trying to provide the benefit of my limited knowledge in that area.

Ms MacTiernan: If it is the bloke who sits next to you, it is unlikely.

Mr KIERATH: There are other issues we can raise in the consideration in detail stage. As the member for Thornlie indicated, the partner of a previous home owner would be disqualified from receiving the grant. She also raised the issue of spouses generally. Most of the examples and analyses she gave were correct. Again I plead the Fifth Amendment; the criteria were dictated by the Commonwealth. However, I must say that these criteria were derived from the previous 1983 commonwealth scheme, which I think was a federal Labor scheme.

Mr Brown: Yes, but it was not a compensation scheme.

Mr KIERATH: No. This is where the spin that the Opposition is putting on it is wrong, because the criteria for the first home ownership scheme came from the 1983 scheme. I did say that I do not view this as compensating everybody in the market for any increase in costs associated with their housing as a result of the goods and services tax.

Mr Brown interjected.

Mr KIERATH: It is true that it is part of the whole tax package, and I said that. However, I do not view this as compensating every property owner for the increase because of the GST.

The member for Thornlie also asked whether caravans are included. Clause 4 of the explanatory memorandum states in clear English that -

This will include new or established houses, home units, flats and will also include demountable dwellings. It should, however, be noted that caravans (other than those permanently affixed to land) would not fall within this definition.

It is clear to me that a caravan is not included; a park home is, or certainly demountable dwellings are.

Ms McHale: The explanatory notes do use the terminology "moveable homes". That is why I asked about caravans.

Mr KIERATH: Yes, but one must check whether park homes are on wheels or affixed to the land. I understand that is the important criterion involved.

The member for Peel raised the issue of same-sex couples. I interjected that they are not viewed as spouses; therefore, whatever relationship these people have with members of the same sex does not affect their eligibility. They can access the \$7 000 but their relationships are not recognised. That is simply consistent with current legislation. I think the member was mouthing off that it would be a disadvantage, but I explained to him that it would be an advantage.

The member also referred to page 10 of the explanatory memorandum, which deals with the extension of the period for occupation beyond 12 months. He gave the example of a young couple who were transferred up north, I think, to the Pilbara. The discretion of the commissioner will be on a case-by-case basis. He or she will judge each case on the facts and circumstances. However, it is fair to say that a teacher who moved to the country might be granted an extension, but at the time the contract was signed that person must have intended to occupy the home within 12 months. If a variation which can be substantiated occurs after that, I think the commissioner would look hard and close at that in applying his or her discretion. The most important matter is that at the time the contract was signed there was a genuine intent to occupy the home and every attempt was made to do so. In my view, that is the way the commissioner would view it.

The member also raised the issue of being connected to water services and so on. The key word in the appropriate section of the explanatory memorandum is "relevant". It states -

This will generally require the home to be connected to all relevant services . . .

Obviously, if power is not provided, it is not a requirement that the moveable home be connected to power if no scheme is in place. The inclusion of this in the explanatory notes is to make sure that the services are applied to a house and that it is not an arrangement that is fabricated to suit the circumstances of accessing the grant. I have covered the concerns of the member for Peel.

The member for Bassendean raised the issue of people who, for whatever reason, are not in a house. I have covered that. I said that this does not pretend to compensate people who have had a house and who, for whatever reason, have moved out of it. This is intended to be a first home owners scheme only.

The member raised the issue of the scheme not being family friendly. As I said, most of the criteria have been dictated by the Commonwealth, and I think most of them originated from the 1983 scheme. They have been imported and imposed upon us. We have used our discretion in the areas in which we have been able to do so. My answer to the member is that if matters fall within those discretionary areas, I will be prepared to look at them, but if they fall within those areas that have been dictated by the Commonwealth, I can do very little. I have said, and I repeat, that I do not believe this is a compensation Bill in toto, but it is targeted and aimed at first home owners.

I have tried to cover all of the points raised by the individual members. If I have not, I am sure that there will be the opportunity during the consideration in detail stage to tackle some of those issues in more detail.

Question put and passed.

Bill read a second time.

Consideration in Detail

Clause 1: Short title -

Mr RIPPER: This clause states -

This Act may be cited as the *First Home Owner Grant Act 2000*.

That is a little misleading. This is about compensating people who are entering the home market for the first time for the impact of the GST. A more accurate description of the purpose of the legislation is given in the explanatory memorandum which states -

Under that Agreement, the States and Territories committed to assist first home buyers through the funding and administration of a new uniform First Home Owners' Scheme to offset the impact of the GST on house prices.

The succeeding paragraph states -

The Scheme is restricted to first home buyers because other home buyers should benefit from a GST-induced increase in the selling price of their existing home.

During the course of the second reading debate the Opposition drew attention to the inadequacies of the compensation scheme. The minister's response was that no wholesale compensation scheme was in place for all the effects of the goods and services tax; there was a compensation scheme only for house prices. Clause 4 defines a home as "a building, affixed to land". However, the Bill cannot be described accurately as a first home owner grant Bill or as limiting compensation to the cost of houses because increases in the cost of land are ignored. A home cannot exist without the piece of land on which it sits. People living in established houses are already benefiting from the increase in the price of houses and land. The people who need to be compensated are those who are entering the market for houses and land for the first time. Thus, the cost of the GST on a house and land package is the relevant consideration, which leads us to the view that the compensation measures proposed in this Bill are not sufficient.

Mr BROWN: I support the comments made by the Deputy Leader of the Opposition. I was intrigued by the minister's response to the second reading debate, in which he said that he sought to align this scheme with one introduced by the federal Labor Government in 1983. That was the first home buyers scheme and it was an industry development scheme.

Mr Kierath: My comments referred to spouses.

Mr BROWN: In 1983, we had recently come out of the disastrous Fraser years which left Australia with an unemployment rate greater than 10 per cent and an inflation rate greater than 10 per cent. That was the good economic management of the coalition in those years: Double digit unemployment and inflation. That legacy was left to the Labor Government in 1983. To stimulate the economy, the Labor Government introduced a first home owners scheme that provided money to encourage couples to purchase houses. The housing market had collapsed through the inadequacy of the Fraser Government. The scheme was not for everybody and had a limited effect and life. It was an industry development scheme designed to stimulate the building industry. Therefore, it did not seek to provide that benefit to everybody. It sought to provide it only to first home buyers under the definition of that Act. This scheme is quite different. As the minister said in his second reading speech, this scheme is about compensation. If it were not about compensation, the second reading speech would not read as it does.

Mr Kierath: The Bill is about compensation to first home owners, not compensation to everybody entering the market.

Mr BROWN: No, the Bill is about compensation to first home buyers. The minister's second reading speech states -

The scheme is restricted to first home buyers because other home buyers should benefit from a GST-induced increase in the selling price of their existing home.

According to the second reading speech, there are two classes of people: Those who are home owners and those who are home buyers. In a while we will deal with a third class of people. However, that point does not need to be raised during this argument. This Bill is not an industry development Bill; it is about compensation. The building industry is booming because people want to jump in before the goods and services tax takes effect. They want to finish their homes before 1 July so they are not caught with this additional tax. Everybody - including the minister - knows the building industry is booming. Of course, everybody also knows it is expecting a fairly sharp decline after 1 July. Is the first home owners grant an industry development scheme or does it provide compensation for the effect of the GST on home prices? If it is about providing compensation for the effect of the GST on home prices, why not reflect that in the title of the Bill? Why not call a spade a spade? I appreciate that, for political reasons, the Government may want to say, "We have introduced this home buyers scheme. Is it not a great initiative?" It wants the pretence. No doubt there will be more advertising on the television and so on lauding how terrific the scheme is. The Government should say that it is really about compensation. If it wanted to convey the real intent of the legislation, it would be reflected in the title of the Bill. If the short title is a political tool, the Government will obviously not support that proposition. However, if it wants a short title that accurately reflects the legislation and says it is about compensation, those words should be included in the title.

Clause put and passed.

Clause 2 put and passed.

Clause 3: Interpretation -

Mr KOBELKE: I do not want to ask the same question at every clause as that would delay the progress of the Bill, and I hope we can deal with it this evening. The minister was asked earlier how this Bill varies from the legislation being put in place in other States as part of the national scheme. At the start of each part, could the minister provide some indication where there is some variation from the national blueprint legislation? That way, we could see the extent to which variation has been required to take account of the particular needs of Western Australians.

Mr KIERATH: It might be a bit unfair to do it in total. The legislation originated elsewhere and we adapted it. I will attempt to do my best to explain the changes. The core eligibility criteria is uniform. It is almost word for word the same as legislation in other States. Obviously, the people who drafted it used their own words, but there was no intent to do it differently. The policy intent and outcomes are word for word, but some preliminary definitions are different. The issue of spouse in part 4 is different. The application for grants provisions are this State's legislation. Divisions 5 and 6, and parts 3 and 4 are ours. The front part of the Bill is the key part; namely, the "first home owner grant" in part 2, and divisions 1, 2 and 3 make the uniform part; that is, they are not particular to Western Australia.

Clause put and passed.

Clause 4: Meaning of "home" -

Mr KOBELKE: The definition of a "home" is "a building, affixed to land", and it goes into paragraphs (a) and (b). Along with subsequent provisions which outline a relevant interest relating to land, this clause clearly applies to a house and land package. It would be a nonsense to suggest otherwise. I understood that the minister attempted to make such a suggestion earlier. He said that the compensation of \$7 000 is worked out on a \$110 000 purchase value, but only for the value of the house; that is, the \$7 000 will cover the extra cost imposed by the goods and services tax. That twists the intent of the Bill and does not answer the questions raised by the Opposition.

Clause 4 is one of a number of provisions which indicate that people will purchase a house established on land; therefore, the cost of the land is a component of the overall purchase price. Alternatively, if the purchase involves a new construction, people will have bought the land on which the house is to be constructed or they will buy a land and house package. In each scenario, the cost is the house and the land. If the minister wants to suggest that the increased cost following the application of a GST on a house will be at a different rate from that which applies to the land, we could listen to his argument and form some opinion; that is, whether the GST's impact will be more severe on the cost of construction of a house than on the price of the land on which the house is to be erected.

The Bill's intent is to provide a subsidy to compensate in part at least for the impact of the GST on the whole package of the house and the land on which it stands. Clause 4 is one clear indication that the home is always to be taken to include land. If the home is not affixed to land which meets the other criteria, it cannot be the subject of this grant. The minister was not taking the Opposition's concerns seriously when he said that the scheme related to the \$110 000 for the construction of a new home. Expenditure of \$110 000 on construction will provide a good home.

Mr Kierath: I said \$150 000.

Mr KOBELKE: Whether it is \$110 000 or \$150 000, the first home owner at the lower end of the market will need this subsidy. People buying properties in the more expensive market will find the scheme of value; however, many people at the lower end of the market will be excluded from purchasing a home without the \$7 000 grant. People on a medium to low income who purchase a first home at the lower end of the market will face the overall cost of the package. What figures does the minister have concerning the impact of the GST on land? Land will be in different categories. Development costs are involved in new subdivisions; what is the anticipated increase in land cost attributable to the GST? How much will be attributed in the total package of house and land with the increased construction and land development costs?

Mr KIERATH: Some misunderstanding is occurring: This Bill does not relate to compensation for land cost increases. It has nothing to do with the cost of compensating people for the cost of the GST application on land. It will compensate people who buy a first home. Clause 6 outlines other circumstances which do not require the purchase of land. Subclause (1)(a) refers to the purchase of land, but (1)(b) refers to a life estate, (1)(c) is a lease in perpetuity of the land granted by the Commonwealth or the State, and (1)(d) refers to a leasehold interest in land granted by the Commonwealth or the State which may be converted under the terms of the lease into an estate in fee simple.

Mr Kobelke: They are forms of land ownership.

Mr KIERATH: Yes, they are a form of land use, but ownership is important. Obviously, if the tenure were not secure, the grant to purchase the house would not be regarded as secure.

Mr Kobelke: A person would not be able to raise a mortgage.

Mr KIERATH: If we could separate the two aspects, it would be a different kettle of fish. It is not applicable in this case. One could buy land before the imposition of the GST and be eligible for this grant, provided that one did not construct the house before 1 July. This is not intended to compensate people for GST on land. The member is right: Where land is sold by a registered business - for example, a property developer - it will be subject to GST after 1 July. The \$7 000 grant is designed to compensate for the cost of construction of a new house up to the value of \$150 000. That is based on the Commonwealth's estimate, which I explained before.

Mr Ripper: Which is much lower than the estimate of the Ministry of Housing and BIS Schrapnel.

Mr KIERATH: That may be the case, but in the end the Commonwealth is calling the shots.

Mr Ripper: Even if it is wrong.

Mr KIERATH: Even if it is wrong, it is calling the shots.

There will be an impact on the price of land purchased from a registered business. However, it is likely that sales of vacant land already held at 1 July 2000 will be subject to GST only in the difference between the sale price and the value of the land at 1 July. That difference could be zero. Therefore, in the short to medium term the impact of the GST on land prices should be extremely low.

The construction of a first home on lease land will not qualify for the \$7 000 grant unless security of tenure is involved under the circumstances listed. A general leaseholder would not qualify. The first home buyer must have security of tenure over the land to qualify for the grant. The Bill has some strong provisions in that regard.

Mr BROWN: Clause 4 reads -

A "**home**" is a building, affixed to land, that . . .

(b) is, in the Commissioner's opinion, a suitable building for use as a place of residence.

What is envisaged in the way the commissioner will exercise the opinion that a building is suitable for a place of residence? Paragraph (a) indicates that for the purposes of the definition, a building is to be classified as a place of residence if it can lawfully be used for that purpose. Presumably, paragraph (b) gives the commissioner a discretion to classify a building as a place of residence that may not be lawfully used for that purpose. If it could be lawfully used as a place of residence, it would be within the definition of paragraph (a); therefore, one would not need (b) or the discretion to be applied by the commissioner. Can the Minister indicate how the commissioner is to exercise that discretion on buildings he regards as buildings suitable as a residence, but which may not at the relevant time be lawfully used for that purpose?

Sitting suspended from 6.01 to 7.00 pm

Mr KIERATH: The member for Bassendean referred to the type of powers required to classify the meaning of "home" under clause 4. Unfortunately, not all of the State is covered by town planning schemes and laws that specifically stipulate what most of us would term "an acceptable residence". Although we would expect paragraph (a) to apply to more than 90 per cent of situations, there are circumstances in which perhaps in the absence of any planning instrumentalities, somebody might try to claim a shed or some other fabrication as his or her place of residence.

Mr Cowan: We have been there for 16 years, fair go.

Mr KIERATH: Some of us have but nobody can get a first home buyers grant for living in a shed.

Mr Cowan: Why not? They are very comfortable.

Mr KIERATH: I know they are. There are circumstances in some remote parts of Western Australia in which there are no suitable planning mechanisms in place to determine what is a suitable residence. Although we expect paragraph (a) will cover most of the situations, paragraph (b) will cover the unusual situations. The Deputy Premier said that in certain circumstances a shed may qualify. This gives that discretion; it makes sure that people cannot automatically get the grant without some type of judgment being made.

Mr BROWN: I raise this issue because clause 4, which is really an extension of the definitions clause, defines what "home" means. Paragraph (a) refers to a place that "may lawfully be used as a place of residence". I understand paragraph (b) to mean it is not lawful to use certain buildings in areas of the State as residences. I will put it into context: It is not a question about whether the law is silent here on what constitutes a residence, because if the law is silent, it would tend to suggest that the building may be used as a residence; that is, it is not unlawful. It is therefore lawfully recognised, either deliberately by proscription or by omission, that one can do something, because unless there is a proscription -

Mr Kierath: Does a shanty, a piece of corrugated iron and four bits of wood qualify as a suitable place of residence?

Mr BROWN: Does it?

Mr Kierath: This allows a judgment to be made. There is no automatic right. In the end, the commissioner must form an opinion on whether it is or is not.

Mr BROWN: I understand that there are no town planning schemes and so on in some remote areas of the State. I do not have a problem with that. However, all kinds of other laws apply: Health laws and a range of other laws that indicate whether a building can be used as a residence.

Mr Kierath: Certain communities in the State - I have seen them - do not comply with health standards, planning standards and a whole range of matters, but they exist.

Mr BROWN: Yes, I agree, they do exist. However, for the purposes of this Bill it is being said, as I understand it, that notwithstanding that a structure does not comply with other laws - that is, health laws, planning laws etc - it can still be treated, for the purposes of this Bill as a residence; that is, not that it is silent, because if there is no town planning scheme for an area and there is a residence there, presumably the law is then silent on that. Therefore, having a residence there is not illegal - it is not an unlawful residence - and it is not covered. Therefore, in a democratic society, if it is not proscribed, presumably it is legal and allowable. We are not discussing the areas where there is no legislation or regulation and there happens to be a structure there. We are discussing the areas where there is a regulation or legislation that proscribes a building being used as a residence, but where, notwithstanding that proscription, the commissioner can still deem, for the purposes of this Act, that that building is a residence for the purpose of receiving the grant under the Bill. That is the difficulty I have in trying to understand what this is all about. What buildings and structures are we likely to see?

Mr KIERATH: I asked the same question about clause 4 and why it is in the Bill. The answer I was given is that it is a catch-all phrase to stop people fabricating a residence to access the grant. That is perfectly reasonable. The grant will not be provided for every building in the State. It will be provided as a first home owner grant and it should be used for a place of residence. We want to ensure there are no rorts or funny situations which will allow people to claim the grant - and believe me, people will do that. I am advised that this provision is in the Bill to make sure that happens. However, it is a discretionary provision, so that in the end, if someone has an unusual building that perhaps the member or I ordinarily would not accept, and if that person can mount a sufficient case in support of obtaining the grant, the commissioner has the discretion to grant it. When it says "may lawfully", it may mean that the member for Bassendean is right, and the law is

silent and it does not prohibit that. If it does not prohibit it, it could well be argued that it is lawful. It is certainly not our intention to do that. I had a property at Dongara on which I built a shed and some basic facilities and we lived in it on our holidays. I would not dream of claiming a first home owners grant for it, but some people in this State might. This provision is to ensure that the system is not rorted to access the grant without its genuinely being a place of residence. That is why it is worded this way.

Clause put and passed.

Clause 5: Meaning of "owner" of a home or "home owner" -

Mr BROWN: Clause 5 is an extension of the definitions clause in a separate clause. Can the minister indicate why parliamentary counsel decided to draft the legislation in this way rather than put it all in a definitions clause?

Mr Kierath: I do not profess to understand those matters.

Mr BROWN: It is unusual. Definitions have appeared in the body of a Bill when they relate to certain divisions. However, I am not sure why this has been done in this way.

Mr Kierath: The notes say that there are two requirements of the Bill; that is, that an owner must have a relevant interest in the land and a home must be built on that land. That is why it is structured that way.

Mr BROWN: I am not making myself clear. It is not so much the content of the clause, but why these definitions are in separate clauses rather than in a definitions clause, which is where one would normally expect to find them. It is an interesting question about the drafting guidelines and structure of Bills.

Mr Kierath: The answer is that I do not know.

Mr BROWN: The clause states that a person is an owner of a home or a home owner if that person has a relevant interest in land on which the home is built. Does that mean that the person who has the relevant interest in the land - that is, some ownership of the land - also must have or is deemed to have an interest in the home on the land, because the owner of the land may not be the owner of the home? Will the minister clarify that? The minister would know that there are instances on farming properties, for example, in which the land can rest in the name of a parent but the home can be purchased by a son or daughter and there is not necessarily a separate title to that land. In fact, there is an opportunity and a right to build, but a quarter acre block may not be separated from the property, which is in someone else's name, so the land is held by one person and the home is built and paid for by another person. Given that the Bill will provide a grant to a home owner, as opposed to a land owner, I am not sure what clause 5 will do in that regard.

Mr KIERATH: I am advised that this relates to clause 6(1)(h), which states that an interest prescribed by the regulations must be a relevant interest. Requirements will be prescribed by regulations. For example, the details involved if the title of a family farm is in the father's name or the parents' name and the son wants to build a home on the property are still being worked out. It allows us to prescribe regulations for the circumstances in which it will and will not occur. The intention is that provided there is security of tenure, even though a person does not have title to the land, and provided a person meets that criteria, that person would qualify. Details will be worked out during the development of the regulations.

Mr BROWN: I will explain some of the anomalies and why I raised this. I have some acquaintances who found themselves in positions in which part of the family owned the land and part of the family owned the home on the land. I understand from the minister's comments that the intention is that if a person has not purchased a home today but has purchased land, and if that person purchases or seeks to construct a house after 1 July 2000, that person would be entitled to the benefits under this scheme and would not be precluded. That being the case, this scenario within a family could arise: Family member A acquires land and is the beneficial owner of the land upon which family member B, who is not a spouse of that person, constructs a home. After 1 July 2000, family member B, provided he or she met the other criteria, presumably would be entitled to a grant under this scheme. Family member A, however, who still has not purchased a home but is the beneficial owner of the land, then purchases other land upon which he or she decides to construct a home.

Mr Kierath: The answer is not unless they have a relevant interest in the land.

Mr BROWN: That is the germane point. The point that the minister raised earlier was that the first home owners grant is intended to apply to people who are purchasing a home for the first time. It is not designed to exclude those people who hold land but who do not own a home.

Mr Kierath: The fundamental part is that this Bill relates to the house, not the land. The essence is that it is very difficult to separate the house from the land.

Mr BROWN: Yes and no. It is possible for a person to maintain beneficial ownership of the land under an arrangement with another person in terms of the capital appreciation that might occur in the construction of a house on that land. For example, if the land is worth \$100 000 and someone wants to put a house on it, which is not the owner's house, and he or she is prepared to rent or lease the land to the person who owns the house, that person can then continue to hold the land without having a beneficial interest in the house.

Mr Kierath: No.

Mr BROWN: I do not see why a person cannot do that.

Mr KIERATH: A person would have to establish a relevant interest. Clause 5 states that a person is an owner of a home or a home owner if the person has a relevant interest in the land on which the home is built. That interest in the land must be established. A broad lease would not do it, but in some lease requirements it would, such as a lease in perpetuity and some other circumstances. The legal complexity is that a relevant interest in the land on which the house is built must be established. If there is no relevant interest, a person will not qualify. That is why we also then prescribe the details, and must be careful in the situation of a house on a farm. We do not want to create other loopholes in allowing the circumstances to which the member for Bassendean alluded. We are trying to accommodate some of the circumstances about which we are aware, and the most obvious one relates to farming families. While trying to accommodate that we do not want to create a loophole to give people rights that were never intended by this legislation. It is drafted in that way to exclude that situation, except by regulation. The detail will be in the regulation. We want to include some circumstances, but we do not want to create loopholes, so that people fabricate certain circumstances to access this first home owner grant.

Mr BROWN: I thank the minister for that explanation. For the sake of an exercise let us deal with two brothers who purchase a block of land equally. Brother A gets an agreement from brother B to build a house on the land. Brother A builds the house, and to all intents and purposes brother A is a first home owner. Brother A has a 50 per cent beneficial interest in the land. Brother B has a beneficial interest in the land but is not a home owner. Brother B decides at a later time to purchase a block of land and build a house on it. Is brother B then entitled to the grant? As I read the clause, a person is a home owner if he has a relevant interest in the land on which "a" home is built; it does not say "his" home. In those circumstances it would seem that brother B, who is a beneficial interest holder in the land but not a beneficial interest holder in the house, is then precluded from acquiring the benefits of the grant. Clause 12(3) states that an applicant is ineligible if the applicant or the applicant's spouse held an interest in property, or the property was used as a residence of the applicant or the applicant's spouse.

Mr KIERATH: The test is whether that house was ever going to be used as the applicant's residence. If it was never to be used as the applicant's residence he or she would not be disqualified but if it was the intention they would be disqualified.

Mr Brown: In the circumstance that I used in which brother B has 50 per cent ownership in the land, and provided he can show that he does not own the house, never owned the house, and never intended to live in the house, and provided he qualifies in all other respects, would he be entitled to the first home owner grant?

Mr KIERATH: Yes.

Clause put and passed.

Clause 6: Meaning of "relevant interest" -

Mr RIPPER: Would a residential lease in regional Western Australia be a relevant interest in land; for example, the residential leases in Kalgoorlie? Subclause (4) provides for a grant to be paid in certain circumstances in consequence of nonconforming interests. In other words, there is an escape clause which allows the commissioner to make the grant even though there is not a relevant interest. Could the minister explain in what circumstances would the provisions of clause 6 be varied by the commissioners using the powers granted under subclause (4)?

Mr KIERATH: Are the leases in Kalgoorlie private leases that are not covered by the stipulations in clause 6?

Mr Ripper: Paragraph (d) refers to a leasehold interest in land granted by the Commonwealth or the State that may be converted under the terms of the lease or by statute into an estate in fee simple. I do not know whether the leases in Kalgoorlie have that conversion.

Mr KIERATH: If those leases fit within the stipulations in clause 6, it is okay; if they do not, the answer is no.

Mr Ripper: Are the residential leases in Kalgoorlie, which were the subject of significant debate in this Parliament when we were discussing native title issues, a "relevant interest" if people build a new house on them and want a first home owner grant?

Mr KIERATH: I am not aware of all the circumstances associated with those leases. If they fit within the stipulations in clause 6 the answer is yes; if they do not the answer is no. The nonconforming intent, which is allowed in this clause, needs to be prescribed, and it is difficult for me to pre-empt what the commissioner might say.

Mr Ripper: Presumably some circumstances were considered when this clause was drafted?

Mr KIERATH: We must go back to the objects of this Bill, one of which is to provide a first home owner scheme in a situation where a person has a relevant interest. We are giving the commissioner discretion via regulations and we are trying to impose some limits on that discretion. That is what these clauses try to do. I cannot second guess what they will do. However, we must come back to the factors we talked about: Is it a first home; and is it intended to be a place of residence? They are the key tests that must be satisfied. That allows the commissioner some discretion when deciding whether a person satisfies those tests. Perhaps the issues contained within the meaning of a "relevant interest" have not been completely foreseen, so we need a degree of flexibility.

Mr Ripper: It must be done by regulations, so they are disallowable.

Mr KIERATH: Yes, they are.

Mr BROWN: I refer to subclause (2)(b) which provides that subject to subclause (3) an interest held by a person is not a

relevant interest if the person holds it subject to a trust. I want to clarify the meaning of those words. A person who is the executor of a trust controls the trust but the trust does not hold property for the beneficial interest of that person. I understand a person cannot have a trust arrangement holding property for himself, but holds matters in trust for others. Presumably, this means that a person who is the executor of a trust, where that trust is holding property for another, is not precluded as an applicant. That is my first query.

My second query relates to a trust which is holding property for a person. For example, if I establish a trust and through that trust purchase a property for the beneficial interest of my son, although it is not owned by him, is that deemed to be a property for the purposes of the eligibility criteria for this grant? If a property were purchased in that way and the person for whom the trust has been established - the beneficiary of the trust - purchases a property for himself, would he be entitled to the benefits of this scheme, notwithstanding that a property is being held in trust for him?

Mr KIERATH: I said earlier that this Bill applies to legal interest or ownership and not beneficial interest or ownership. If a property is held through a trust, a person cannot access the grant except in the specific case set out in subclause (2)(b) and (c). That applies only when a person cannot have a legal interest and somebody else must hold the property in trust for him. In those circumstances that person is eligible. Otherwise, it is a filter to remove all the cases of beneficial interest and to allow only the people with a legal disability to access the scheme.

Mr Brown: You cannot get it if the purchase is made by the trust.

Mr KIERATH: A person cannot get it by beneficial interest, which usually applies in the trust situation.

Mr Brown: Equally, when you assess the question of the beneficiary purchasing a property in his own right, you do not take into account the property held in trust. In other words, that person is not barred from getting the grant.

Mr KIERATH: I am advised that that is correct. I intended to say something quite different. We are barring the beneficial interest in all cases, except where it is impossible for that person to have a legal interest because of a legal disability. In those circumstances people can access the grant, but in virtually every other circumstance they cannot. The focus is on a legal interest and not a beneficial interest, and this provision turns on that. A person must have a legal interest, even if it is via a beneficial interest. A person cannot use a beneficial interest to get around these provisions.

Mr Brown: I appreciate that but, equally, you would not bar somebody. Clever use of the trust arrangement could preserve what otherwise might be lost.

Mr KIERATH: We do not think so. It applies only when people do something in their own name legally. People can make all sorts of other arrangements but the grant can be accessed only once and for the place of residence.

Clause put and passed.

Clause 7: Meaning of an applicant's "spouse" -

Mr RIPPER: This clause defines a spouse as someone who is legally married to the applicant or a person who is a member of the opposite sex with whom the applicant lives as husband or wife on a genuine domestic basis, although not legally married to that person. It further provides that the living arrangement must have applied for at least two years by the time the application is made. This is an important definition because an applicant's eligibility for a grant depends on not only their own circumstances, but also the circumstances of the spouse. If the spouse, even a de facto spouse, has previously had an interest in residential property, the applicant will not be eligible for the grant, even though that person may not have had an interest in residential property. Consequently, a person who is in a de facto arrangement with somebody who has previously had an interest in residential property will not be eligible for the first home owner grant.

Remarkably, under this legislation same sex couples will have an advantage. A same sex couple living together on a bona fide domestic basis will not be subject to the same restrictions on eligibility as a de facto couple. If one partner in a same sex couple has previously had an interest in a residential property but the other partner has not, the property can be purchased in that person's name because that party will be able to take advantage of the \$7 000 first home owners grant. I find it somewhat surprising, bearing in mind its attitude to these matters, that this Government has produced legislation which places members of a same sex couple at an advantage compared with members of either a married couple or a de facto couple.

Mr KIERATH: As I said earlier, I am pleading the Fifth Amendment. The intergovernmental agreement states that to qualify for assistance neither the applicant nor the applicant's spouse or de facto must have previously owned a home, either jointly, separately or with some other person. That is the requirement. The definition of "de facto" is taken from section 75C of the Stamp Act to make it consistent with other laws. The Government had discretion in some areas but not others. It had no discretion with the eligibility criteria, whether or not it wanted it.

Mr BROWN: I understand what the minister said about the obligations cast on the State by the Commonwealth. However, the State has not always been a willing partner in matters on which it has not agreed. Previously the State has spent an enormous amount of taxpayers' resources to indicate to the Commonwealth that it does not agree.

Mr Kierath: That was when we had discretion. This legislation is premised on the requirements of the intergovernmental agreement. As I said up front, it does not allow us that discretion.

Mr BROWN: The Commonwealth has made a stipulation in the same way it made a stipulation on road funding. The State did not agree with that stipulation.

Mr Kierath: You know that was not tied up with a package like this.

Mr BROWN: I know that; nonetheless, the State did not agree. We said to take the State's interest further we should put political pressure on the Commonwealth. We spent, I think, hundreds of thousands of dollars on television and newspaper advertising getting stuck into the Commonwealth Government because it did not do the right thing. Admittedly the colour of the Commonwealth Government was different when the State was prepared to be more strident about protecting its position. Undoubtedly since the change of the Commonwealth Government, the State has become more compliant in a range of areas.

Although the minister says this is being imposed on the State by the Commonwealth, which has made its position clear and is not prepared to move on these matters, that does not mean the State must simply accept this proposition.

Mr Kierath: It does. It is the total packages. Part of the agreement is that we must agree to fundamental matters from which we cannot back away, unless it is discretionary. It is as simple as that.

Mr BROWN: It cannot be something imposed by one party on the other if it is a genuine "agreement".

Ms MacTiernan: The minister is thinking about the agreements he has with his workers! They call them agreements!

Mr Kierath: You are right, I may well have done something different. In this case I am advised it is a non-negotiable requirement. As far as the intergovernmental agreement is concerned, I do not have a discretion.

Mr BROWN: Like my colleague the member for Belmont, I find this an intriguing provision.

Mr Kierath: It is, but it is not something I would normally do willingly.

Mr BROWN: In my next newsletter to my constituents, I am sure they will be very interested to learn that this will have a clear and unequivocal benefit for same-sex couples over married and de facto couples. I am not arguing that same-sex couples should be discriminated against. Nor am I arguing that married or opposite-sex de facto couples should be discriminated against. There should be no discrimination on all counts.

Mr Kierath: This is not about discrimination; it is about recognising who is a spouse.

Mr BROWN: It is about discrimination. It is about laying down an eligibility criterion that will include some people and exclude some people. The Bill decides who is eligible and who is not eligible. That is very clear. I find it amazing that this exclusion does not apply to a de facto couple who have not been living together for two years. That is extraordinary and I cannot believe it exists. I register my concerns, as did my colleague the member for Belmont.

Mr RIPPER: The minister's response to our queries on this clause is that it is all the Federal Government's fault; the State has no discretion and we cannot argue with it.

Mr Kierath: I will give you a job interpreting my comments; that sounds pretty accurate to me!

Mr RIPPER: I am pleased to see the minister thinks my summary of his remarks is accurate.

Mr Kierath: On that issue.

Mr RIPPER: First, this Government has been an enthusiastic supporter of the goods and services tax. Premier Court slavishly signed up for the intergovernmental agreement for better or worse. He cannot escape responsibility for the negative aspects of that agreement. Secondly, although I do not have the intergovernmental agreement in front of me, I am sure there was a requirement to have arrangements for couples and de facto couples in the discussions between the Commonwealth and the State.

Mr Kierath: The intergovernmental agreement is on the Internet.

Mr RIPPER: The minister may have noticed that I do not have a terminal in front of me. Naturally the Opposition has access to the intergovernmental agreement, but I do not have a copy of it in front of me.

Mr Brown: You would not want to connect it in here because everyone could read what is on your computer.

Mr Kierath: The only discretionary capacity we have is with the definition of de facto.

Mr RIPPER: So the definition of de facto was discretionary.

Mr Kierath: I said earlier that it was consistent with other state laws. I think the member for Bassendean picked up on what I said at the time.

Mr RIPPER: The minister could have defined "de facto" to include same sex couples if he wanted to.

Mr Kierath: I don't want to.

Mr RIPPER: It is a question of the State's discretion. It was not imposed by the Commonwealth.

Mr Kierath: The agreement provides that to qualify for assistance neither the applicant nor the applicant's spouse or de facto must have proof he owned a home either jointly separately or with some other person. That was not negotiable. The only aspect that was discretionary was what constitutes a spouse or de facto. We have simply used existing definitions in state laws.

Mr RIPPER: This is one more example of the absurdities that occur because, as a Parliament, we have failed to legislate to deal with de facto relationships generally and those de facto relationships that are between partners of the same sex. We get into absurd and unjust situations which cut both ways; not always to the disadvantage of same sex couples, but sometimes to the disadvantage of married and de facto couples of opposite sex because as a Parliament we have not been able to come to grips with the need for legal change in this area. The responsibility rests with the Government. It has dragged its feet on introducing legislation to deal with de facto relationships. Instead, clauses are contained in this piece of legislation and clauses in that piece of legislation - an unsatisfactory situation all around. This is one further example of that.

Mr BROWN: Subclause (2) reads -

If the Commissioner is satisfied at the time of deciding an application for a first home owner grant that -

- (a) an applicant is legally married but is living apart from the person to whom the applicant is legally married; and
 - (b) the applicant and that person have no intention of again living together as a couple,
- the person to whom the applicant is legally married is taken not to be the applicant's spouse.

I will put a scenario to the minister: A person applies for the first home owner grant. The applicant is a divorced person and has no intention of remarrying or reliving with his or her former spouse.

Mr Kierath: If they are divorced, they cease to be spouses.

Mr BROWN: Yes. When the applicant was married, the spouse of the applicant had a residential property. Under this provision, is the applicant entitled to obtain the grant or is the applicant precluded from obtaining it on the basis that the former spouse owned property? It seems that there are two conflicting provisions.

Mr Kierath: This clause applies only when people are still legally married; therefore, once they are not legally married, it does not apply. This is aimed at a couple who are separated and will never resume their relationship. Although the relationship has broken down and they have no intention of resuming it, there is perhaps some religious hurdle to their being divorced. This provides for an exclusion.

Mr BROWN: If that couple had stayed together, the applicant, who is the former spouse of a property owner, would not be eligible for the grant under this scheme. By virtue of the separation, the applicant would be eligible for a grant under the scheme.

Mr Kierath: It is an exclusion to accommodate people who have a religious difficulty with getting divorced. I thought that would be a section of the community of whom the member would be supportive.

Mr BROWN: I do support that, but it seems to be a little unusual.

Mr Kierath: I will write a letter to the archbishop.

Mr BROWN: About the Government's Bill?

Mr Kierath: No, about your position.

Ms MacTiernan: The archbishop will just say to make sure annulments are included. That is the new word for divorce.

Mr BROWN: Yes. It is an interesting family policy concept. This Bill provides a financial incentive for family breakdowns. It is a most unusual piece of legislation. It provides a benefit; that is, if people remain married but separate - they do not divorce but do not and will not live together - they can receive the benefit of the provisions, but if they continue to live together -

Mr Kierath: In fairness, it reflects the state of the current law. I said that earlier on. Maybe that is something the Opposition may take up. It may want to make a move to change the current law.

Mr BROWN: No. This is a new piece of legislation.

Mr Kierath: We chose not to rock the boat and not to change the existing law in that area at this time.

Mr BROWN: What existing law does it recognise? This seems to create new rules which are extraordinary. I anticipate that in a few years' time a constituent will come to my office and say that her husband was previously married and he must support three kids and do this, that and the other. She will never have owned a piece of property and never had anything in her life. This couple will be together at that time. It will be the second time around for him and the first time around for her. She will ask whether they are eligible for a grant under the scheme. I will say that she cannot receive a grant under the scheme because she is married. However, if she separates from her husband and says she does not like him any more and will not live with him, and she can convince the commissioner that she will not live with her spouse again, she will get the benefits of the scheme.

Mr Kobelke: Then they get back together again.

Mr BROWN: No. Then it will be clawed back again. This is extraordinary legislation. How did the State Government

get conned into accepting this? What were people doing when they negotiated this agreement? Had they gone out for the afternoon, come back late at night and not focused on the debate? I cannot believe that someone has agreed to this. It is like a bad joke.

Mr Ripper: It was written on the table napkin at lunch.

Mr BROWN: It was written on the table napkin but I think it was a bit later than lunchtime. This seems to be an extraordinary position.

Mr Kierath: This is contained in the draft legislation of every jurisdiction in Australia.

Mr BROWN: Have they all accepted this tacitly? Do they all reckon this is a good thing?

Mr Kierath: You should check with your colleagues in the States in which Labor Governments are in power. They are promoting it.

Ms MacTiernan: You are in power. You tell us.

Mr BROWN: The Government is promoting it.

Mr Kierath: I am just saying that we went along with the consistency of other jurisdictions.

Mr Ripper: You took the lead of the Labor Party.

Mr Kierath: You are probably right. That is probably the mistake we made.

Ms MacTiernan: Do all the States have the same definition of "de facto"?

Mr Kierath: No, it is different.

Ms MacTiernan: Is the minister saying that all the States have the same definition of "spouse"?

Mr Kierath: No. I was talking about the exclusions on the basis of the relationship.

Ms MacTIERNAN: The member for Bassendean has raised a valid issue about this unusual definition of "spouse". The Opposition would appreciate a precise answer on this matter. The minister told us that he had some discretion in the definition of "de facto". Did he also have some discretion in the definition of "spouse"? Secondly, is this provision, which provides for people who are still legally married but not living together and who are not to be considered spouses, included in the legislation in other States; and if so, what States? Finally, to what law was the minister referring when he said that this reflects the current law? As the member for Bassendean said, he is not aware of any law which has a definition of "spouse" similar to this. I have not come across one, but I would be interested to know to what existing law the minister was referring. These are important provisions, because this is the sort of mess with which many members of Parliament may have to attempt to deal on behalf of their constituents.

Mr KIERATH: The discretion is related to the definition of "spouse", which includes a de facto spouse. We picked up the de facto definition from section 75C of the Stamp Act, which is consistent with current state law. I said that at the beginning. The different part was the exemption under subclause (2) which is consistent with what will apply in the other States. "Spouse" includes those legally married and in defacto relationships. Even the member for Armadale would concede that point. The definition of de facto has been taken, as I have said for the fourth time tonight, from section 75C of the Stamp Act. How many times must I repeat myself?

Ms MacTIERNAN: I am not sure that the minister understands what we are debating; that is, the concept of someone who is legally married living apart from the person to whom he or she is legally married when they have no intention of living together again as a couple.

Mr Kierath: I said that it was consistent with other States as part of the uniform legislation.

Ms MacTIERNAN: The minister said it was part of existing law.

Mr Kierath: No, it was not this part. I said that the definition of de facto is part of existing law - section 75C of the Stamp Act. I cannot be more specific.

Ms MacTIERNAN: Did the minister say that to his knowledge the provision relating to legally married persons who state that they will live together no more is not included in any other legislation? Is the concept introduced tonight that we will treat differently legally married people who have made a decision not to be divorced but to live apart from the way we treat other legally married couples? Is this the first time that we have seen this concept in Western Australia?

Mr Kierath: It was a policy position imposed upon us.

Ms MacTIERNAN: Is the minister telling us categorically that this was not something over which the Government had discretion?

Mr Kierath: Yes.

Clause put and passed.

Clauses 8 to 10 put and passed.

Clause 11: Criterion 3 - applicant or applicant's spouse must not have received an earlier grant -

Mr KOBELKE: Criterion 3 provides that eligibility for the first home owners grant excludes people who have received an earlier grant. Obviously, this nationwide scheme covers the States and Territories and it is necessary to ensure people do not pick up a grant in one State and another elsewhere - that is, double dip. I seek confirmation. Subclause (1) reads -

Subject to subsection (2), an applicant is ineligible if -

- (a) the applicant or the applicant's spouse has been a party to an earlier application under this Act or a corresponding law; and
- (b) a grant was paid on the application.

The "corresponding law" definition in clause 3 is "an Act of another State, or a Territory, corresponding to this Act". There is no room for ambiguity. If a person has been an applicant under some other scheme which is not in the current round, that is not taken into account. If the spouse had received the first home owner grant in the 1980s under the previous commonwealth scheme, that must have no relevance here. People must meet all other criteria and must not be a beneficial owner of a property. Does the "corresponding law" cover only this GST package? Will people be caught by some other ownership subsidy or grant under that criterion?

Mr KIERATH: The crucial test is that if people have already received a grant under a home ownership scheme, they will not be classified as a first home owner under this scheme.

Mr Kobelke: I refer to a person with no ownership in land, but whose spouse has had that ownership -

Mr KIERATH: If the spouse has an interest, it rules them ineligible.

Clause put and passed.**Clause 12: Criterion 4 - applicant or applicant's spouse must not have had relevant interest in residential property**

Ms MacTIERNAN: I raise an issue I mentioned during the second reading debate. I suspect this issue has far more relevance in Western Australian than it does in other States because of the amendments made to our land tax legislation, and to a lesser extent to our stamp duty legislation. The definition of "relevant interest" which becomes part of criterion 4 does not include a person with a beneficial, as opposed to a legal, interest in a property. This State has fostered a situation in which people are encouraged to put their residential property into a property trust. A disincentive has traditionally applied to that arrangement; namely, one was not entitled to land tax exemption with residential property if the property was not held in the name of the person who resided at that property.

This Government, for its reasons, decided it would change that law and provided positive financial incentives for people to place residential property in the name of a family trust or a trustee company, thus allowing them to avoid trustee bankruptcy provisions and to quarantine assets in family law cases. A large number of people in Western Australia hold residential property in that way. In reality, these people have total control over their property as they are the beneficial rather than the legal owner; nevertheless, they almost inevitably have the power of appointment over the trust, and can transfer the property back into their name by virtue of the exercise of that power of appointment. The Government has encouraged that situation. Many people have houses in their family trust name. The Government now says, "Hold on guys; don't worry. You can buy another house. You can decide that this is a good lurk, buy an investment property and get the \$7 000 up-front from the Government. In the Government's eyes, you have never owned a house." A person might have owned five or six residential properties in his career, all in the name of his family trust, yet he is treated as a first home owner. It is a disgrace!

Mr Bloffwitch: Why don't you read the Bill? If you had read the Bill and had been here earlier, you would have known that if it is part of a trust, you are not eligible.

Ms MacTIERNAN: As much as I would like to defer to the forensic skills of the member for Geraldton, I urge the member to read the legislation, because it says that only a natural person can apply for a grant. We are talking about the fact that the many natural persons who have been encouraged by the Government's land tax amendments -

Mr Shave: Are you saying that someone like me, who has never owned a house, can get the \$7 000?

Ms MacTIERNAN: Absolutely. The Minister for Fair Trading is a perfect case in point.

Mr Bloffwitch: Read the Bill!

Ms MacTIERNAN: It is alarming that a member from the government benches has a profound misunderstanding of this legislation. The legislation prevents any company or trust from applying for the grant; however, it does not prevent a natural person from applying. If we take the Minister for Fair Trading who, on his own admission, has been the owner of many properties -

Mr Shave: No.

Ms MacTIERNAN: He has had beneficial interests in many properties, including his family home, but he is not precluded from now making an application. This is the nonsense we are dealing with in this legislation. Some poor bunny in my electorate who has had a marriage breakdown and who has no house cannot apply for \$7 000 but the minister can.

Mr KIERATH: Again, I return to the areas in which we had some discretion and others in which we did not. This was a requirement of the Commonwealth. I accept the point that the member has made about land tax. She has a disagreement with the Government on that. This is different; this is about legal ownership, not beneficial interest. I can understand that the member might have a different position from the one we took on land tax. We had a discretion in that area, but we do not have that same discretion in this area. The point is that it is not enough to have an interest in a property; it must be a person's place of residence. The member overlooked that when she made her point. We are not talking about investment properties; it must be a person's place of residence. It is possible for someone to have had a beneficial interest in something else and to have never owned something in his or her own right, or that person's spouse or partner has owned something. If that person has never owned anything as a natural person, it is possible for him or her to apply as a natural person.

Ms MacTiernan: Do you think that is fair?

Mr KIERATH: Whether I think it is fair has nothing to do with it. The issue of legal ownership and whether we have legal ownership or beneficial interest was imposed on us by the Commonwealth. The member might speculate and say that, given a discretion, we might have gone down the path we took on land tax. That may be a reasonable assumption to make. In this case we have not gone down that path, and we have not done so because we did not have that same discretion.

Ms MacTiernan: Were you involved in the negotiations?

Mr KIERATH: No.

Ms MacTiernan: There were no negotiations. The Commonwealth just made a unilateral decision.

Mr KIERATH: The majority of this was imposed as part of the intergovernmental agreement.

Mr Ripper: Whose fault is it, the Premier's or the Minister for Housing's?

Mr KIERATH: Most of it was imposed on us. At the beginning of my response to the comments made by the member during the second reading debate I said that we had a discretion over some areas and there were other areas over which we had no discretion. This may have been treated differently if we had a discretion in this area. We did not and it was not.

Ms MacTIERNAN: In coming to this intergovernmental agreement, to what extent did this Government make representations on this matter?

Mr Kierath: I cannot tell you.

Ms MacTIERNAN: Who could tell us that? Who was the responsible minister?

Mr KIERATH: I am advised that this was resolved among Treasury officials. There had to be uniformity across the country. The State raised some concerns along the lines of those raised by the member. However, in the end, the majority went the other way and we had to accept that judgment.

Ms MacTIERNAN: The reason it would have been different in other States is that the other States do not have a land tax regime which positively encourages people to move their properties into trusts. This situation probably will not work unfairly in other States because their land tax regimes will provide a positive disincentive for people to do this. However, we have a double whammy in this State. We have a situation in which we are encouraging people -

Mr Kierath: I said that we raised the concerns, but in essence we were outvoted.

Ms MacTIERNAN: Does the minister agree now that perhaps we must look at changing the land tax provisions? Now that this uniformity has been introduced and a great unfairness will be perpetrated on the taxpayers of this country by way of giving an advantage to those people who have tried to hide their assets from the trustee in bankruptcy -

Mr Kierath: I am prepared to look at it. At this stage, I had no intention of changing the land tax provisions, but in light of what the member has said, I am prepared to look at it.

Ms MacTIERNAN: I urge the minister to do so, because the Government will be an absolute mockery in the community when we tell these poor people who are trying to cope with goods and services tax-inflated home prices and who, through no fault of their own, have lost their homes that they will not have a right to this, but all the rich folk who support the Liberal Party and who have their properties in trusts will be able to buy another property and get a \$7 000 cash up-front grant from the Government. It is an absolute disgrace!

Mr BROWN: Instead of being seen as a positive piece of legislation, it will be seen as a corrupted piece of legislation in light of the comments of the member for Armadale. There is already great hostility in the community towards those people who seek to avoid, evade and escape ordinary taxation provisions and other obligations that fall on ordinary pay-as-you-earn taxpayers. They do that by establishing elaborate forms of trusts and by ensuring that income and other assets are hidden away from the Taxation Commissioner. They do it in a way which is legal but which maximises the avoidance of tax. They are called tax effective schemes and other nice names but, in essence, are designed to ensure that people with significant assets can hide those assets to equip themselves with other benefits.

A family of middle income earners in my electorate have three children who attend university. They struggle to support their children and pay the university fees because they are PAYE taxpayers. They cannot hide any income and cannot disguise assets through trusts and so on. These people are very much impoverished but are prepared to be so to put their children through university. They were hostile because they know people who are on incomes three or four times higher

and who are not only able to access certain benefits through trusts and various other mechanisms and schemes, but are able to get benefits for their children provided through government schemes. They were able to get these by demonstrating their income and assets were less than that required under the eligibility test for the benefits. The scheme is brought into disrepute because the battlers - who were described by the member for Armadale - who have had neither the capacity nor the inclination to set up elaborate trusts to avoid and evade the system, who have been quite proud of the fact that they are PAYE taxpayers and pay tax on every dollar and who have never gone through this evasion process will now be disadvantaged compared with those who have set up elaborate mechanisms to avoid the system. When this and the other details of the scheme are known in the community, it will be seen as a rort by those people who unjustifiably receive the benefit. The scheme will be seen as wrong in fairness and equity. It is most unfortunate that the legislation includes a provision to take into account this type of arrangement. The minister says it was a deal done between the States, or a majority view. The majority was wrong.

Mr Kierath: The majority were members of Labor Governments.

Ms MacTiernan: Those States do not have the same land tax laws.

Mr Kierath: This Bill will not be affected if the land tax legislation is changed.

Mr BROWN: This scheme will change if the land tax legislation is amended. The minister knows that if the land tax legislation is changed there will be significant incentives for people not to set up discretionary trusts and other things to include property in those. Applying the Land Tax Act to those sorts of things will be a way of preventing people from going down the path of avoidance mechanisms. I cannot believe the State is tacitly going along with this and allowing it to take place. It will bring the legislation into disrepute.

Clause put and passed.

Clause 13: Criterion 5 - residence requirement -

Mr RIPPER: Clause 13 deals with the residence requirement. There are provisions for the commissioner to approve a longer period of time before the buyer takes residence and for the commissioner to exempt the applicant from the residence requirement. I am glad those provisions were included in the legislation because I was concerned about the position of those people who work in regional areas of Western Australia. For example, teachers on duty in country schools may intend to stay in the country for a considerable time but may also wish to purchase a property in Perth. They may be living in government housing, so there is no need to own a house in the country; however, for retirement or other purposes, they need a house in the city. A mining company employee living in mining company housing in Newman, Paraburdoo or Tom Price might want to purchase a home for his eventual move to Perth. It might be the first time he has purchased a home, but if the residence requirement is applied strictly, he would have to move within 12 months of purchase. How will this criterion be applied? Does the minister think the commissioner will use his or her discretion to take into account the circumstances of teachers on country duty or people working in mining towns and living in mining company housing who want to purchase their first home in the city but who may not move within 12 months of the purchase?

Mr KIERATH: I presume the Deputy Leader of the Opposition was not in the House when I answered this query during the second reading debate.

Mr Ripper: I was here but the minister was shuffling papers and I did not catch his response.

Mr KIERATH: The member for Peel is saluting me; he raised the query and I answered it. The key point is that the person is intending for it to be his place of residence at the time he enters into the contract. It is simply not on if someone will be in the bush for two years and wants to enter into a contract early in the piece. The person must be sure that at the time he enters into the contract, he intends it to be his place of residence within 12 months. If that was the person's intention at the time the contract was entered into but his circumstances changed, the legislation allows the commissioner discretion to extend the 12-month requirement. The key point is that at the time he enters into the contract, he must intend it will be his place of residence.

Mr Thomas: What if the person changes his mind?

Mr KIERATH: The person will need to establish that he was genuine at the time he entered into it.

Mr Thomas: What if someone was genuine but wanted to get out of it because he later changed his mind?

Mr KIERATH: Ultimately, it is the commissioners' discretion. He will form a judgment about whether the intention was genuine. If it is, he will probably allow it to be extended; otherwise he would not.

Mr Thomas: Does the Government have the right to take the money back?

Mr KIERATH: The person would have to repay the money if the commissioner was not satisfied in the first instance. However, if the person does not meet all the criteria and decides not to proceed with the sale and buys another house, he would be eligible to reapply.

Mr Thomas: Can he take the money back?

Mr KIERATH: Absolutely. The Bill contains very strong provisions that allow him to take the money back.

Mr MARLBOROUGH: My understanding, based on the minister's second reading speech and the history of this legislation,

is that the federal legislation has allowed the States to put in place appropriate legislation which will assist them to manage this matter on their own. I am aware the Federal Government would have laid down certain guidelines stipulating that certain core issues cannot be altered and must be abided by. I would have thought the provisions I highlighted earlier might be applicable to a State the size of Western Australia, but not to Tasmania. A young couple might be teaching at Mt Newman or Balgo Mission and want to build a house and land package at a certain time because the price is right and the total package meets their needs. They are eligible for this grant. However, because of their posting - they may be teachers posted to Balgo for three years and because it is Western Australia we have those types of problems - they are saying that they should apply. However, they may not live there for two to three years, not because they do not want to, but because they are teaching in the bush. They do not want to wait three years to buy because the house will increase in value by \$30 000 and that will affect their ability to buy in that area. Any federal scheme which seeks the participation of the States should enable flexibility within state legislation to accommodate those circumstances. I believe that was the purpose of the reference on page 10, clause 13, of the explanatory memorandum under "residence requirement" which states -

The ability does exist for the Commissioner to extend the period for occupation to occur beyond 12 months. An example of where this may be appropriate may include an applicant receiving a work posting overseas or interstate after purchase, but prior to completion, if the applicant intends to take up occupation upon his or her return.

Mr Kierath: That is not the point you raised.

Mr MARLBOROUGH: I am suggesting that the minister's literal reading of this definition is too tight for application in Western Australia. Even if that definition is included in the Bill, how would it relate to a couple who purchased a house in the city then got a posting to Balgo? They may purchase in September and by December they may know they are going to Balgo for three years. Clause 13(1) refers to receiving a work posting overseas or interstate and this is one of the areas about which I seek some clarification. I am referring to a transfer within Western Australia and ask whether that should also be considered. If not, is not the intent: First, the wording should give the commissioner flexibility, and secondly, the Federal Government should tell the States to produce legislation which applies to circumstances in each State.

Mr KIERATH: That last comment was ridiculous. I do not know where the member has been, but I have made it plain to everybody else who has been here that we do not have that discretion.

Mr Marlborough: I thought that was only in certain areas.

Mr KIERATH: No. I went through the Bill and explained the areas where there was no discretion. The test of 12 months is a test that has been agreed to by all the States. The Government of Western Australia cannot decide to make it three years, five years or some other period. The test is 12 months and every State has agreed to pick it up. That is a preconceived position.

If the couple the member for Peel referred to make a decision to purchase a property two years before they intend to live in it, they will not be covered. If, at the time they make the purchase or enter into the transaction they intend to live in it for 12 months and, after that occurs, they get posted to Balgo Hill, for example, the commissioner would take that into account. However, if at the time the couple entered into the agreement they knew they would not be living in the house within 12 months, they would not be eligible. That is the test that has been picked up by all the States and that is the test that is consistent. We have provided a discretion in this Bill for the commissioner to form a judgment that if within that 12 month period there is some variation - for example, if someone is posted from the city to a remote or regional part of Western Australia for two years - he will accommodate that. We would expect in those circumstances the commissioner would allow that to occur. However, it is not intended to allow someone to make a decision to buy a home before they enter into it for a period longer than 12 months, and that is the key. If they have entered into it and they intend to live in it within a year the discretion is there, but the provision is not designed to overcome that.

Mr KOBELKE: I seek the minister's advice on what is likely to be the interpretation of occupying the home. Clause 13(1) states -

An applicant for a first home owner grant must occupy the home to which the application relates as the applicant's principal place of residence within 12 months after completion of the eligible transaction or a longer period approved by the Commissioner.

The key element to occupying a home is that it must be occupied as the principal place of residence. I know that term arises in other statutes. I suspect, therefore, there is a definition or precedent in case history so that we can have a clear understanding of its meaning.

I do not know if the minister is in a position to put on the record what he understands to be the requirement that the home be occupied as the applicant's principal place of residence. For most people it is clear. If they are living in another house, they cannot claim another place to be their principal place of residence. However, it may be that they are itinerant workers. A shearer may spend 90 per cent of the time away and, therefore, the place he or she is applying for may be one in which he or she does not live for long periods. Does the definition come back to being the postal address or the place where people leave their clothes? What are some of the criteria by which one would judge whether or not a person really occupied a home as his principal place of residence? Secondly, am I correct in understanding that if the applicants meet that criteria, they do not have to occupy the home for any specified minimum period?

Mr KIERATH: The key point is that the home must be the person's principal place of residence. Having said that - and that is the prime requirement - then the term is not defined. It is not defined very deliberately, because we can then judge

each case on its merits. In land tax legislation the provision is not defined but it has not been a problem; we have been able to judge each situation on its merits. If we try to define it, we will find ourselves in a position where we exclude certain situations which we did not intend to exclude. It is an area of the law which is a bit vague, but it has worked extremely satisfactorily in land tax matters and we have imported those provisions here to allow that discretion.

A relevant factor is whether the transitory occupation by an applicant is genuine in the place of residence or whether it is simply trying to satisfy this requirement. In the latter case, those circumstances would be carefully examined by the commissioner to see whether it is a device to simply satisfy this requirement in that instance alone and not in the general specific purpose of these provisions. Therefore, the commissioner's determination would look to the validity of the claim and whether the residential requirement is satisfied and the commissioner would take into account existing case law precedents. We are reasonably confident that the provisions have worked well for land tax and that they should work well in the First Home Owner Grant Bill. The commissioner would have to be satisfied that it was genuine and not simply a device to get around these provisions.

In the example the member for Peel used, if the couple had made a genuine attempt to get access to all the existing services and had done all the reasonable things that case law and the facts present, one would expect the commissioner to be satisfied that those requirements were met. On the other hand, if it looked to be an artificial attempt to satisfy those conditions, the commissioner's determination would not be so favourable. In answer to the second point the member for Peel made, the key is that the home must be occupied and it must be the principal place of residence. A person would have to satisfy that test.

Mr Kobelke: Is there no specified time limit?

Mr KIERATH: No, there is no specified time limit. The key is that it must be a principal place of residence. The criteria must be met.

Clause put and passed.

Clause 14: Eligible transaction -

Mr KOBELKE: Clause 14(7) relates to the purchase of movable buildings. I cannot find a definition of "movable building" in the Bill. That brings us to the contentious issue of whether on-site vans are covered. Can the minister explain the definition of a movable building in clause 14(7)?

Mr KIERATH: I provided that definition previously. Clause 4 in the explanatory memorandum is specific and says that the meaning of "home" will include new or established houses, home units, flats and demountable dwellings. It should, however, be noted that caravans, other than those permanently affixed to land - that is the test - would not fall within this definition. Therefore a transportable park home permanently fixed to the land is covered; it is not covered if it is not permanently fixed to the land.

Mr MARLBOROUGH: The minister may have earlier clarified an issue I raised about connecting movable homes to services.

Mr Kierath: I covered that by referring to relevant services. Obviously, if electricity is not available, it is not a relevant service.

Mr MARLBOROUGH: If water is not available?

Mr Kierath: If water is not available, it is not a relevant service.

Mr RIPPER: This clause gives rise to an inequity I referred to during the second reading debate. The transaction must be a contract made on or after 1 July for the purchase of a home in the State in order for it to be regarded as an eligible transaction for the receipt of a grant. Some people, who must pay the goods and services tax on part of their house construction costs as the construction will be incomplete at 30 June, will be ineligible for the first home owner grant or for any portion of it. It is possible therefore that they could sign a contract tomorrow to build a house, part of the house could be constructed before the end of June and they will pay GST on the remaining construction and receive no compensation. How does the minister defend the fact that these people will suffer at least part of the impact of the GST but will receive no compensation?

Mr KIERATH: The intergovernmental agreement is specific. It states that entering into a binding contract, or commencing the building in the case of owner-builders, must occur on or after 1 July 2000 in order for one to receive a grant. I have lobbied the Premier and others to persuade the Commonwealth to vary the scheme as I believe it causes implementation difficulties. However, the Commonwealth is firm and not prepared to budge. The only concession we have achieved is for people to conduct pre-start arrangements before 1 July; that is, purchasing land and conducting site works and so on, provided they do not enter into a binding house contract. However, this is one of the unfortunate implementation consequences that will occur between now and 1 July giving rise to difficulties in the industry.

Mr KOBELKE: In answering the question of the member for Peel and also in answer to my questions about an applicant occupying the principal place of residence, the minister indicated that the key criterion for judging whether the applicant met the requirements of the Bill would be the connection of services.

Mr Kierath: I said relevant services.

Mr KOBELKE: The definition of "relevant services" is not mentioned anywhere in the Bill. Can the minister tell us whether those services will be referred to in regulations, or will practice and convention by the commissioner determine them, which will lead to establishing the importance of particular services for such assessments? The appeal system is referred to later in the Bill; however, if someone believes the commissioner has made a wrong judgment, the matter can be appealed in the courts. In such cases we must recognise a standard set of criteria for making judgments on some of these fine details to be able to match them against the provisions of the Bill. Where will those provisions appear? I am sure they are not in the Bill. Is it intended that some of them will be laid out in regulation or will they be regarded as standard practices? If so, will they be laid down in manuals to be made available or will we allow the matter to drag out through case history before we know the criteria for those utilities or services?

Mr KIERATH: We do not need to drag them out or establish them through case history. The case law under the Land Tax Act is clear, and these provisions are virtually identical to the provisions for land tax. An extensive amount of clear case law exists; it is not vague at all. I will provide to the member privately some of the guidance material which the commissioner uses. However, my advice is that the provision is clear, it is part of the commissioner's discretion, there is long-established land tax case law on which it is established and it is basically a duplicate provision. It is a provision about which we are confident and it is clear and concise.

Mr KOBELKE: I thank the minister and accept that explanation. One hopes that what has worked well in respect of land tax will apply to this legislation. However, we are dealing with something which is different in its nature in that people intending to buy a home as their principal place of residence will receive an up-front grant of \$7 000. In most cases that will be for their principal place of residence but there will be more difficult cases of uncertainty or fraud to be dealt with; whereas the case law on concessions for land tax is based on a set date each year. Again, mostly there will be no problems but because the whole nature of land tax is different from this scheme, problems may open up in some areas. I accept that the minister is working from very good, established principles that work with land tax and on that basis one can have confidence that it is likely to work in this case; however, there may be differences. The Opposition will look with interest to the future to see whether the differences between land tax and this grant for first home owners, as they operate through the system, open up different types of behaviour and circumstances of people which may require further elaboration of well-established practices which are working well.

Clause put and passed.

Clauses 15 to 18 put and passed.

Clause 19: Amount of grant -

Mr RIPPER: Clause 19 specifies the amount of the grant to be paid, which is \$7 000. During the second reading debate, the Opposition said the amount would be inadequate. BIS Shrapnel Pty Ltd said housing costs will increase by 8 per cent as a result of the GST, which translates to an extra \$9 800 on a standard house and land package in Perth. Homeswest advised the minister of a 6.7 per cent cost increase, which translates to an extra \$7 370. Again, that is more than the compensation. I quote from page 10 of a report prepared by KPMG Consulting for the Ministry of Housing entitled "GST Impact Assessment Report" which states -

The GST impact on rental properties added to stock will have significant impact upon the MoH's operations. An increase in cost of stock acquisition of approximately 6% is to be expected.

BIS Shrapnel said that it will be 8 per cent, the Ministry of Housing said in its advice to the minister that it will be 6.7 per cent, and KPMG said in its advice to the Ministry of Housing that it will be 6 per cent. All of those estimates are ahead of the federal Treasury estimate of 4.7 per cent, and it is the federal Treasury estimate of 4.7 per cent which has produced the figure of \$7 000. It is fairly clear that there will not be adequate compensation for people who purchase new homes following the introduction of the GST.

The minister can read the other side of the paper and I will read this side, but the real estate advertisements in today's *The West Australian* show a number of -

Mr Kierath: Are you reading the real estate columns or the personal columns?

Mr RIPPER: That is on the minister's side. My side is the real estate section. If the minister would like to pay attention, I will read the packages for the targeted first home buyers. There is a \$112 950 home and land package in Caversham. The advertisement claims that "\$500 gets you started". That is clearly a package aimed at first home buyers. Other packages with the same heading of "\$500 gets you started" are in Guildford for \$107 950, Clarkson for \$105 950 and Huntingdale for \$118 950. These advertisements are prior to 1 July. I would like the minister to indicate by how much those packages will increase after 1 July as a result of the GST, and whether the \$7 000 grant that is provided for in this clause will compensate people for the increased price of those packages. On the basis of the estimates from BIS Shrapnel, KPMG and the Ministry of Housing, I doubt whether the \$7 000 will be adequate to compensate first home buyers who will be faced with increased costs after 1 July.

Mr KIERATH: I do not know whether the member for Belmont has been listening -

Mr Ripper: I have. Have you been listening to me?

Mr KIERATH: I have. I am not here to dispute whether the BIS Shrapnel figure is right or somebody else's figure is right. The advice that we have received from the commonwealth Treasury is that 4.7 per cent is the right figure. The figure of

\$7 000 equates to a house value of \$150 000. The intergovernmental agreement states that eligible applicants will be entitled to a grant of \$7 000. In the end, it really makes no difference who is right and who is wrong. That is the condition that is imposed on us, and we are here to develop a Bill to allow that \$7 000 to be paid. The member can say he does not believe that is the appropriate amount; that is up to him. I said earlier that we are not talking about reimbursing people for the GST component on land.

Mr Ripper: Why not?

Mr KIERATH: Because it is not part of the package. The package targets the construction of a house, not the issue of land. I talked earlier about the different propositions with regard to land. I have not represented this as compensation for the cost of land. I have represented this as compensation for the cost of the GST on the construction of a house. The member says that other people have a different estimate of the costs.

Mr Ripper: Lots of other people.

Mr KIERATH: The member has the right to say that. I am not suggesting those people are right or wrong. I am saying that the advice that we have received from commonwealth Treasury is 4.7 per cent. The bottom line is that it does not matter, because the intergovernmental agreement sets it at \$7 000, whether it be 4.7 per cent, 6 per cent or 8 per cent. That is the whole basis of this Bill. If we delay this Bill, it will mean that people cannot access the \$7 000 and will not get any compensation. I will leave the individual parties to judge whether \$7 000 is adequate. The fact is that we are here to implement the \$7 000 package, on the basis of the best advice that we have received. I am advised that the Master Builders Association has acknowledged publicly that it believes the figure for the construction of a house only, excluding the land package, is sufficient.

Mr RIPPER: This is a frustrating debate. The way this debate has been conducted makes me wonder why we have a state Parliament, because in answer to every objection that we have raised, the minister has said, "I am not responsible. That was imposed by the Federal Government. It is all in the intergovernmental agreement. Do not argue; just pass the Bill."

Mr Kierath: That is a very good argument against uniform legislation. Can you tell us why you supported the giving up of corporate affairs powers to the Commonwealth in 1990 when you called this Parliament back between Christmas and New Year? I will be interested in your comments, because I have placed on record that I do not particularly like uniform legislation.

Mr RIPPER: How did your party vote on that legislation?

Mr Kierath: We originally voted no, but you bullied and bluffed us, and finally we capitulated.

Mr RIPPER: I see! The nasty Government of the day made the Opposition do it! I do not think the Government should avoid political responsibility for this legislation. This Government has been a strong supporter of the GST. This Government campaigned for the GST. This Government signed the intergovernmental agreement willingly. This Government tells us still that the GST will be good for Australia and Western Australia. This Government must take political responsibility. If the compensation is not adequate, that is the result of a decision made by a federal coalition Government and a state coalition Government; and if I cannot face the federal coalition minister across the federal parliamentary chamber, I can at least face the state coalition minister across the state parliamentary chamber and ask him to justify his party's decision at state and commonwealth level to levy a GST which will impose costs on first home buyers over and above the compensation that will be made available. The minister must take political responsibility for what is going on. I do not believe the compensation will be adequate. The minister cannot tell me, or he does not want to tell me, by how much state authorities expect the house and land packages that are advertised in today's *The West Australian* to rise after 1 July. Let us hear from the minister. It seems to me on the basis of the studies of most of the people who have looked at this matter that the increases will be more than the \$7 000 compensation that will be provided. The only body that is saying that the increase will be only 4.7 per cent is the federal Treasury; and so far it has been wrong on almost every estimate of GST-related price increases. The reason it has been wrong on almost every estimate is that naturally the estimates were on the low side when they were published, because the Government wanted people to accept the GST package.

The minister has said that land is not counted. I put it to him that the principle of this scheme is to compensate people who will be disadvantaged by the GST because they are not currently home owners. They are not on the escalator of increasing residential property prices. To get on that escalator, they must buy a house and land; they cannot get on simply by buying a house. The entry price includes the price of land. When one sells an existing residential property, which will increase in value as a result of the GST on the construction price of new houses, one sells both the house and the land. To get into that market one must buy both the house and the land. The relevant value to look at is the house and land package for a first home owner, and the relevant figure to think about is by how much that total package will increase as a result of the GST. Will it be 8 per cent, 6.7 per cent, 6 per cent or, according to the federal Treasurer's modest estimate, 4.7 per cent? In my view, people will not be fully compensated for the increase in prices, particularly those not buying house and land packages in Clarkson, Huntingdale, Guildford or Caversham. The people most adversely affected will be those trying to buy packages in Karratha or Port Hedland, where prices are likely to be much higher. People in those regional areas will be disadvantaged.

Clause put and passed.

Clause 20 put and passed.

Clause 21: Payment in anticipation of compliance with residence requirement -

Mr KOBELKE: Clause 21 relates to payment in anticipation of compliance with residence requirements, which enables payment to be made prior to the fulfilment of all the requirements under certain conditions. If, having been given that concession, a person fails to meet the specified requirements an offence is committed. That offence attracts a penalty of \$20 000. Clause 22 allows the commission to impose conditions relating to a particular grant. If the applicant does not meet the conditions stated, that will also attract a penalty of \$20 000. I am concerned that a person may default on the conditions in clause 21 by failing within 14 days of the relevant date to give written notice and to repay the grant. Hopefully prosecutions will not proceed if a person fails to meet the conditions but is acting in good faith. There could be difficulty in finding the money if things go wrong.

I am concerned about harsh or oppressive application of this provision with regard to someone who tries to fulfil the conditions but fails to do so. I am not a lawyer and I am not sure how this provision will be applied in practice. Perhaps the application of the law deals with the person who has made every attempt to meet the requirements but has been unable to do so. The requirements and the offence are straightforward. If a person fails to meet those requirements, he has committed an offence attracting a penalty of \$20 000. Clause 22 contains a similar provision. I seek some clarification. If someone were seeking in some way to defraud, \$20 000 is an appropriate penalty. However, if someone has been caught out because of a failure to be advised of the provisions or, having attempted to do so, has not been able to fulfil them in the time available, will a prosecution be launched with the potential application of this harsh penalty?

Mr KIERATH: I give an undertaking that that will not occur. The \$20 000 penalty is a maximum fine. The typical fine the court would look at for a first offence, assuming the person is convicted, is about 10 per cent. The penalty is also court imposed. If the person has made a genuine attempt, the court would take that into account. The last thing we would want to do is to prosecute. If someone attempts to do the right thing, we would not prosecute willy-nilly. Clause 52 provides for repayments to be made in that situation.

The member is correct - the provision must be there for bad cases whereby someone is trying fraudulently to access this grant. Obviously in those cases we need stringent penalties. Clearly, taking into account all the factors I have stated, the Government would prosecute only as a last resort.

Clause put and passed.

Clauses 22 and 23 put and passed.

Clause 24: Power to correct decision -

Mr KIERATH: I move -

Page 18, line 5 - To insert before "home" the word "first".

This clause provides the power for the commissioner to correct a decision on a grant that has been wrongly made. Currently subclause (2) refers to a "home owner grant". The grant is correctly known as a "first home owner grant", which is defined. This amendment simply ensures that the correct terminology is used.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 25 to 29 put and passed.

Clause 30: Decision on objection -

Mr KIERATH: I move -

Page 20, line 20 - To insert after "objector" the word "written".

Subclause (2) currently requires the commissioner to give notice of his decision on the objection, including the reasons for that decision if it is disallowed. This amendment will simply clarify that the notice must be in writing.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 31: Right of appeal -

Mr RIPPER: This clause provides a right of appeal to a local court against a commissioner's decisions. I seek some information from the minister, perhaps after he has consulted his advisers, about how this fits in with other appeals against decisions of the commissioner in other pieces of legislation. It is a matter of some concern that we have an enormous variety of appeal mechanisms in different pieces of state legislation. There is a strong argument for a unified administrative appeals tribunal in Western Australia. The Commission on Government essentially recommended it. What is the viability of such an administrative appeals tribunal arrangement for dealing with appeals and objections under this first home owner grant scheme and other appeals against the commissioner's decisions under related legislation?

Mr KIERATH: The member knows my position on that. I would be strongly supportive of an administrative appeals tribunal. Should the recommendation, legislation and appropriate administration process be put in place, the matter could

be overcome. However, we must deal with the existing law. The issue of \$7 000 clearly identifies it in the jurisdiction of the local court. The Crown Solicitor's Office basically said that this is the right court of appeal. People could not go to a District Court or a Supreme Court over this amount of money. Personally I would strongly support an administrative appeals tribunal. I hope that one day very soon we might see one.

Clause put and passed.

Clauses 32 to 36 put and passed.

Clause 37: Administration agreements -

Mr KOBELKE: The clause allows the commissioner to enter into agreements with a financial institution or other person to delegate functions related to the administration of the first home owner scheme to that financial institution or person. Of course, the financial institution or other person is required to carry out the delegated functions in accordance with conditions specified in the agreement. The commissioner may at any time withdraw from the agreement, and regulations can prescribe matters which will govern the functioning of that financial institution or person in accordance with the agreement. I do not have any problem with that. That is the only part of the Bill I am aware of that relates to powers for outsourcing some of the work to financial institutions. Am I correct?

Mr Kierath: Yes, for administrative arrangements.

Mr KOBELKE: My concern is that there are no specified penalties if such a financial institution were to be in default in a major way. I asked the minister to clarify two other clauses under which an applicant for the grant under the first home owner scheme, if in default, can commit an offence with a resulting penalty of up to \$20 000. However, where a financial institution is likely to be handling millions of dollars, if it were to be in default and in breach of the agreement and assuming the institution had not broken some other law pertaining to financial institutions and the prudential control of money and no fraud is involved, there seem to be no specific penalties for failing to meet the agreement. Large amounts of money are involved; \$120m a year will go out through these institutions. Will the minister indicate whether there are other means by which he may unfortunately from time to time have to pull into line a particular financial institution or person who is operating the grant scheme under one of these administrative agreements if the institution or person went well beyond what is expected and failed to comply with specific requirements laid out in such an administrative agreement? What recourse is available under this Bill to ensure that the institution or person will be brought into line and what deterrents are there to ensure that if there is transgression, penalties will be attached?

Mr KIERATH: The obvious answer is the withdrawal of their delegated powers. This clause states that the commissioner may delegate certain functions to financial institutions. Further on it states that the agreement may provide the conditions that a financial institution or other person is required to meet in carrying out those delegated functions. We believe quite clearly that the ability to have the powers delegated to financial institutions will give them a major commercial advantage. Being able to deal with it at the time of settlement and not having to apply it later on, it will be driven by the customer who would like it dealt with at settlement. The penalty of withdrawing that approval would be sufficient to cause them to comply with the conditions set in the delegated power. In the end the commissioner is the sole determiner. He may delegate those powers or withdraw them. In any agreement we would make sure that he had the power to withdraw if they did not meet the performance requirements of that agreement.

Mr KOBELKE: Are the provisions in clause 37 identical to those contained in standard legislation or do they vary in any way from that which will apply in other States?

Mr Kierath: It is not standard; it is state specific. Other States have other arrangements. We have delegated power arrangements because we believe that gives the commissioner greater control.

Mr KOBELKE: Is the minister saying that other States are not allowing for delegation?

Mr Kierath: Some are and some are not. I am advised that in some cases it is through agency arrangements rather than delegation. Our discussions with the Crown Solicitor's Office and our legal advice are such that this gives the commissioner the greater power.

Mr KOBELKE: I do not have an issue with the model the minister has adopted. As I indicated in my earlier question, I am looking to see whether this legislation contains sufficient power to be able to pull into line on the odd occasion a financial institution which is really not doing what is expected of it. The minister's earlier response indicated that financial institutions would have much to lose because they would lose the administrative agreement, which is certainly a penalty, but it seems we are being harsher on the applicants than the companies. An applicant gets \$7 000. There is an incentive for applicants to obey the law because they could lose \$7 000. In addition, there is the potential maximum penalty of \$20 000, so they could lose the \$7 000 and incur a penalty almost three times as much as a result of a conviction. The financial institutions will be handling millions of dollars. There is clearly the potential to forgo that and the resulting revenue, which again could amount to millions of dollars over a number of years. However, there is no penalty. All the financial institutions would lose is their administrative agreement and the right to function as an administrator for the first home owner grants.

Mr Kierath: In the case of an individual, it is the only time in their lives. With a commercial institution it is on an ongoing basis. Everyone's view is that it would be a major commercial advantage to the institutions. It is not merely one they would lose but they would lose that ability to every other institution and so in time lose their market share.

Mr KOBELKE: My understanding is that we may be dealing with 40 institutions in this area as a ballpark figure.

Mr Kierath: At the moment we are dealing with only 26, which have indicated their desire to proceed down this path.

Mr KOBELKE: Twenty-six institutions have already expressed an interest, and probably 30 or more institutions would like to get into this area because they see the opportunities available to them to be involved in finance in a broader way. If people come to them for mortgage finance and they find they cannot also apply for the first home owner grant through that financial institution, they are likely to go elsewhere. As the minister rightly pointed out, it is an enticement to gain business, and losing that right would be a major disincentive because they would lose business. I accept that would, hopefully, drive them to meet the requirements of the administrative agreement and ensure they provide the service expected of them. The problem is that through this grant these companies will be dealing with \$120m a year. What administrative expenses are they likely to take out of that figure, say as a percentage of the funds they will handle?

Mr KIERATH: I am advised that some of the companies requested a fee. We said no, and by and large they have accepted that. Asking for a fee was a try-on by some of those companies. They accept that the ability to do these deals is critically important to them.

Mr KOBELKE: The minister's answer reflects the clear commercial advantage to financial institutions that have an administrative agreement in place under this Act, and through that, to be able to offer ready access to the \$7 000 available under the first home owner grant. If financial institutions are in the marketplace trying to entice people to take out mortgages with them, and they were not able to be a ready conduit to the State Revenue Department in order to pick up the \$7 000 grant, they would be at a commercial disadvantage in competing with other financial institutions. However, I am concerned that the only hold which the Government would have over such financial institutions is through an administrative agreement. It may be that as administrative agreements develop they will contain penalties, so there would be a financial penalty if a company did not comply. There has been no suggestion by the minister that that is to be the case. However, it appears that under clause 37 some form of administrative penalty could be included in the administrative agreement.

In the second reading debate I indicated my concern about the behaviour of financial institutions. I do not in any way wish to cast aspersions on Western Australian financial institutions. However, we know that they go off the rails. We have seen a major problem with some major players in the finance broking industry going off the rails, much to the detriment of the good name of the whole industry. In the 1980s some building societies and friendly societies went off the rails at huge cost to people. It is only prudent to realise that if \$120m goes through these financial institutions every year by the way of first home owner grants, at some stage in the future it is likely that one or more of the institutions will go off the rails and will do things that are not in conformity with the clear intention of the Government as specified, to some extent, in the administrative agreement. We need a regulatory regime to ensure that these institutions provide the level of service expected of them. The more they can get people to take up the first home owner grants, the more mortgages they will be able to finance. Many people on low incomes who will take advantage of the \$7 000 grant will have great difficulty financing their home. There is an incentive to use the \$7 000 as the deposit - as they will - and to get people into a home with a mortgage. The enactment of that mortgage may not take appropriate account of the financial circumstances of the mortgagees. That is one example of the types of problems we could run into. One hopes that the administrative agreement and the oversight and management of those issues will ensure that the first home owner grant will help people, and we do not run into particular problems in specific areas. That is a complex issue that we cannot enter into here. However, it seems that clause 37 and the powers it provides is the most direct way to ensure that those financial institutions that become the conduit for the delivery of the grant live up to the standards expected of them. We should be looking at a clear penalty, other than just the loss of the business, for financial institutions that fail to meet the standard set. I am not assuming such a penalty would be used often or even at all. However, when so much money is involved, it is likely that on the odd occasion things will go wrong and it is remiss not to have some penalty built in. The other point is whether any consideration has been given to formulating the administrative agreements to include some form of penalty, so that if the institution does not come up to standard, instead of taking that larger step of cutting it out of the system and terminating the agreement, the minister may wish to have some form of minor penalty to get it back on track.

Mr KIERATH: There is a slight misunderstanding of what happens here. We do not hand the money over to the institutions.

Mr Kobelke: They are the conduit.

Mr KIERATH: No. The institutions will process the applications, and the final approval remains with the commissioner. Any moneys will go into a trust account. As with most real estate issues, funds go into a trust account and are paid on settlement. The financial institutions will not be able to access the funds out of general revenue and use them for other purposes. One of the reasons they asked for a fee was that they would process the application. The final approval stays with the commissioner and the financial institutions provide the wherewithal to provide this grant at the time of settlement rather than some time afterwards. They do not have direct access to the money to use as they would like. It is tightly controlled. It goes into a trust account, and there are tight controls on that. That is one of the reasons we have not needed penalties. It is recognised it will be a major marketing advantage to have the money available at the time of settlement, rather than some time later.

Mr Kobelke: Would you consider some form of penalty in the administration agreements with the financial institutions as a way of pulling them into line short of terminating the agreement?

Mr KIERATH: The threat of withdrawing their delegated powers is considered a substantial threat. That is a major

marketing advantage in the market place, as people will naturally gravitate to those companies. It would be a great advantage for a couple buying a first home to have access to that money at the time of settlement. The member for Belmont read out a newspaper advertisement for a package that indicates that consumers at that end of the market do not want to carry the holding costs of \$7 000 for a month while it is processed; they want it available at the time of settlement.

Mr KOBELKE: I thank the minister for his responses. However, the point I was making was not that they would handle millions of dollars, but that they will not be able to do the same volume of business unless they are an agency which is able to submit the applications for the first home owner grant. It therefore widens the potential market share of financial institutions by having in place an administrative agreement, and that is what creates the money for them. The front end issue of getting people into a mortgage is beyond the control of the Bill. That is why I am concerned that we are not oversighting the practices of financial institutions when considering the level of equity and the repayments of mortgagors as a percentage of their income. Although those matters cannot be governed by this legislation, if there are no reasonable and prudent criteria for getting people into mortgages, financial institutions may regard the \$7 000 as a way of advertising their mortgage products and enticing people into them. They could therefore use the \$7 000 as a lure to bring people into situations that are not in their best interests. I understand that matter goes beyond the powers of the Bill; however, if we do not keep a prudent eye on how these financial institutions work, we may find that the advantage we are offering them will lead to problems, not of their conforming with the requirements under the Bill, but with the way in which they may use the \$7 000 grant to entice people into bad mortgages which are unsustainable. I am looking for an overview to prevent those problems occurring.

Mr KIERATH: My opening comment is what I said to the member for Nollamara by way of interjection. We will not buy into prudential regulation. Other people and other Acts have those powers and we are not attempting to put those provisions into this Bill. We are allowing financial institutions to process the applications. We are not giving them the money but will make it available by way of a trust account at the time of settlement.

We are caught in a bit of a dilemma. If we make it too difficult for financial institutions and they bow out of the scheme, we will have to conduct all the processing and pick up those costs. There is therefore an advantage in their being able to process the applications and having access to the money available to the applicant at the time of settlement. The legislation contains very strong requirements, and I understand that few cases exist of people diddling the process at that end. Most of the cases of financial institutions running off the rails relate to their discretion over moneys deposited with them. They will not have a discretion over the use of these moneys, which will be very clearly and tightly controlled by the trust fund. We are satisfied with that process. However, the administrative arrangements are still being developed by the Crown Solicitor's Office and we can input the Opposition's concerns in relation to those arrangements and ensure that they are addressed as the agreements are developed.

Mr Kobelke: It may be that a self-regulating arrangement between the financial institutions can be implemented to pull into line on the odd occasion the one or two institutions that may go beyond prudent commercial practice.

Mr KIERATH: The member should not get me wrong; we will have a very close monitoring and auditing role in this scheme and if the commissioner finds that an institution is not playing ball, that authority will be withdrawn. As I said, we are comfortable with the arrangements as the financial institutions administer and process the applications. They will not finally approve them and will not have discretionary use of the moneys. When those two aspects are removed, we are clearly in control. The bottom line is that the financial institutions will do the leg work for us and the processing of applications perhaps should come back to us. We believe there is an advantage in doing it in this way and the financial institutions can have that advantage provided they play ball. If they do not play ball, they will have that advantage withdrawn. Very strong monitoring and auditing requirements will be put in place as a result of the agreement.

Mr RIPPER: In the debate which has just occurred between the member for Nollamara and the minister, the member for Nollamara's concern is about people being induced into financing packages for homes which are beyond their means and which may later result in a disaster and perhaps the sale of the house at a loss.

Mr Kierath: That is a different kettle of fish. I was not going down that particular line.

Mr RIPPER: My understanding is that the member for Nollamara is not talking about financial institutions misusing the money in trust funds.

Mr Kobelke: Not in a direct sense.

Mr RIPPER: He is concerned about practices that might develop in lending to people on very low incomes because an amount of \$7 000 can now be treated as a deposit. On my reading of clause 37, the commissioner does have power as he has an option to enter into an agreement with a particular financial institution. Clause 37(1)(b) reads -

the financial institution or other person is required to carry out the delegated functions in accordance with conditions specified in the agreement.

In principle, it would be possible for these agreements to include a code of practice or a code of conduct for the lending practices and financial circumstances of people to whom the money is lent. The matter cannot be taken care of simply by the commissioner's power to finally approve a grant of \$7 000. Nothing in the eligibility conditions refers to whether a person can service a loan. When people apply for a grant, if they meet all the other eligibility conditions, the commissioner must give them \$7 000 regardless of whether the commissioner believes the total financial package is likely to be a disaster.

The member for Nollamara raised a valid point. I hope, if the commissioner were to notice a significant number of grants and loans arranged through a particular financial institution turning sour, the commissioner might examine whether that financial institution should have the continuing benefit of one of these administration agreements. A better way would be to place into the administration agreements a lending code of conduct with regard to the \$7 000.

The second point I want to raise is the reference in the clause to conditions relating to the retention of interest on amounts received by the financial institution or other person. We discussed whether the financial institution will charge a fee. I am pleased to hear the minister's assurance that banks and other financial institutions will not be able to follow their usual practice with regard to the imposition of new fees. However, I wonder whether a significant amount of state money should draw interest but will not because the bank does not pay it on its proportion of the \$120m a year to be spent on this scheme, which proportion the bank would hold for a day or perhaps even longer.

The third question I ask is whether the financial institutions performing delegated functions under these administration agreements will be subject to the jurisdiction of the Ombudsman. There may well be circumstances in which people have a complaint to make about the way in which a financial institution handles their application for a \$7 000 grant. If applications were to be totally processed by the public sector, that complaint would be dealt with by the Ombudsman. I believe these arrangements will preclude the Ombudsman investigating the handling by financial institutions of their part of the process and I would like the minister's comments on that.

Mr KIERATH: In answer to the first point made by the Deputy Leader of the Opposition, subclause (2) states that conditions specified in an administrative agreement must include any conditions prescribed by the regulations. The explanatory memorandum states that subclause (2) provides that the agreement must include within it those conditions that are prescribed by the regulations. These conditions are likely to include matters such as the expected degree of diligence to be exercised by a financial institution in examining the eligibility documentation and the level of security expected to be maintained over passwords necessary for the financial institution to access the first home owner grant computer system, and so on. Those are included in that part. I also sought some advice about this, and the State Revenue Department clearly stated that its role was not to supervise the prudential behaviour of such persons or institutions, but to ensure the efficient administration of the \$7 000. The department suggested the Ministry of Fair Trading might undertake such a role and that it would be prudent to seek a response from them. The Government has tried to make sure the money is provided to institutions in such a way that they have no discretionary use over it. The money will be transferred electronically to a trust account on the day before the settlement occurs. The institution will not be able to reinvest the money or gain interest from it. The transfer will occur right at the sharp end of the transaction, with just enough time to enable the settlement to occur.

The activities of the State Revenue Department are subjected to the Ombudsman. These powers are delegated to the commissioner and, legislatively, the financial institutions have no role. Therefore, I expect that any activities of the commissioner and the department would be subject to the State Ombudsman. If the Deputy Leader of the Opposition wishes, I am happy to make further inquiries on his behalf.

Mr Ripper: I appreciate that. My concern is that someone might have a complaint that involves the behaviour of the financial institution, such as a lost application.

Mr KIERATH: Responsibility for that would lie with the commissioner.

Mr Ripper: Would the Ombudsman be able to investigate that?

Mr KIERATH: The powers will actually belong to the commissioner. They are delegated powers.

Mr Ripper: I would appreciate it if the minister could get further advice.

Clause put and passed.

Clauses 38 and 39 put and passed.

Clause 40: Power of investigation -

Mr RIPPER: I have studied the clauses related to investigations. It appears that the commissioner and authorised investigators have quite significant powers. For example, this clause states -

- (1) For the purposes of an investigation, the Commissioner may require a person -
 - (a) to provide oral or written answers to specified questions;
 - or
 - (b) to produce to the Commissioner specified relevant material, or relevant material of a specified class, in the person's possession or control.

The commissioner is also empowered to require a person to verify an answer through a statutory declaration. If the person does not comply with the requirement of the notice, a penalty of \$20 000 can be imposed. Clause 41 deals with the power to require a person to attend for examination -

- (5) An authorised investigator conducting an examination -
 - (a) may require a person attending for examination to make an oath or affirmation to answer all questions truthfully and may administer the oath or affirmation . . .

- (6) A person who does not comply with a requirement under this section commits an offence.

Penalty: \$20 000.

Clauses 42 and 43 contain powers for investigators to enter residential premises without a warrant. The powers contained in this legislation are significant. Will the minister explain whether these are the usual powers available to the State Revenue Department for the investigation of possible offences against its legislation or whether we are dealing with an unusual application of power? I know this scheme will allocate \$120m a year, which is a lot of money, but these are unusually intrusive and extensive powers. I am interested in the minister's explanation of the rationale.

Mr KIERATH: I am advised that the powers are broadly consistent with powers provided to the commissioner in other tax legislation. I know the grant is a payment, rather than a tax, but the Government views them the same way. The Government will hand out \$120m of money and it must ensure it is handed out to the right people and that the appropriate controls are in place. This legislation is consistent with the other powers available for administering tax legislation. The Government is not trying to introduce any powers additional to those we have in other areas, but is making sure those powers are applicable in this case. The scheme involves a lot of money.

Mr Ripper: The Government will be dealing with approximately 17 000 applications a year.

Mr KIERATH: Yes, at \$7 000 a piece.

Mr Ripper: There will be probably two people listed on each application. That means about 30 000 people will be subject to investigation each year.

Mr KIERATH: Some 180 000 land tax assessments are performed each year.

Mr Ripper: Do such powers apply to those?

Mr KIERATH: The powers within this legislation are contained in various bits of tax legislation, but they are not always in the same Act. They vary from Act to Act. I hope to introduce a tax administration Bill later this year which standardises all those powers. However, all those powers are contained in some of the tax Acts now. The powers come from various tax administration Acts, although they may not all be in the one Act.

Mr Ripper: Those powers are greater than those given to police officers for the investigation of many criminal offences.

Mr KIERATH: The laws of taxation are extremely powerful, whether they be state or federal. The member knows that. How many times has he ever won a dispute over his income tax?

Mr Kobelke: One is presumed guilty until proved innocent.

Mr Ripper: I do not engage in disputes with the tax office.

Mr KIERATH: Dare I put it on the record? I agree with the member for Nollamara!

Clause put and passed.

Clauses 41 to 50 put and passed.

Clause 51: Commissioner may require repayment and impose penalty -

Mr KOBELKE: My question may not relate to clause 51 as it may not be in the Bill. Clause 51 allows the commissioner to require repayment and impose penalties. The commissioner has the power to recover money where a payment has been made incorrectly. A variety of penalties and conditions are contained in this and following clauses. I have no problem with that. My concern is the scenario in which someone makes a bona fide application, the money is granted and the applicant is committed to the purchase of the property. He is locked into a contractual arrangement - even though it may not be entirely finalised - before an error is discovered. In my experience, the State Revenue Department does not make many errors, but all government agencies do from time to time. I have been told of a case - not related to the State Revenue Department - where a person received a determination from a government agency and committed to a tenancy. This person paid a deposit and other required amounts. It was then found that an error had occurred and the person could not go through with a lease. This person lost a large amount of money and had no recourse.

Hopefully it would be a rare eventuality, but an application might be made and approval given for a person to receive a grant, and a person might take out a mortgage and enter into a contract to purchase on the basis of that grant. Yet it might be discovered subsequently that the person was not eligible for that grant because an error had been made for which the applicant was not responsible. In such a circumstance, is there any provision in this Bill for the State Revenue Department to have some leeway to move, other than to seek repayment of the grant? A person in such a circumstance might not be able to repay the \$7 000 because he has had to pay the establishment costs for the mortgage and the costs involved in the purchase, such as stamp duty and agent's fees. Is there any provision in the Bill for State Revenue to wipe off the debt, or is there some other means of recovery of the debt whereby the person can stay in the home for some years in the hope that in the future the value of the property will increase and he will be able to repay the debt from his increased equity in the home? Does the Bill provide for that form of recovery where a mistake is made by the processing agency and not by the applicant?

Mr KIERATH: I must place on record that I have found that of all the agencies for which I have been responsible in

government, the State Revenue Department and the Valuer General's Office, have been the most willing to own up to mistakes that they have made and to make the appropriate arrangements. However, having said that, the legislation does require that money that has been paid wrongfully be recovered, regardless of whose fault it is, unless that money is irrecoverable. Under other pieces of legislation for which I am responsible, as minister I have often had to agree to write off bad debts where those debts have been irrecoverable. However, in this case that would be unlikely, because there is an asset - the home. If the amount of the debt exceeded the value of the home because it had gone down, the debt might well be an irrecoverable debt, but if it was not irrecoverable, the Commissioner of State Revenue would have an obligation to seek repayment of the debt. The Bill makes provision for the commissioner to be very flexible about the repayment options. If there were a genuine difficulty in repaying the debt in the short term, the commissioner would have some sort of moral obligation to accommodate the person's particular financial circumstances.

Clause put and passed.

Clauses 52 to 70 put and passed.

Title put and passed.

House adjourned at 9.55 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

GOVERNMENT DEPARTMENTS AND AGENCIES, BAD DEBTS

1490. Mr RIPPER to the Minister representing the Minister for Transport:

- (1) What is the amount of bad debts written off for each department and agency within the Minister's portfolio in 1998-99?
- (2) Were any of these debts above \$10 000, and if so, what is the name of the person or company who owed the debt?

Mr COWAN replied:

Department of Transport

- (1) \$253 000.
- (2) Nil.

Main Roads Western Australia

- (1) \$171 388
- (2) Aberdeen Hotel Unit Trust \$171 388

MetroBus

- (1) \$7 229
- (2) Nil.

Port Hedland Port Authority

- (1) \$298
- (2) Not applicable.

Albany Port Authority

- (1) \$6 000
- (2) Not applicable.

Fremantle Port Authority

- (1) \$90 959
- (2) Swandock Pty Ltd.

Eastern Goldfields Transport Board

- (1) \$28 032
- (2) Plastic Technology Engineering Pty Ltd.

Westrail

- (1) \$66 036.49
- (2) Bilko Pty Ltd.

GOVERNMENT DEPARTMENTS AND AGENCIES, REGIONAL PURCHASING COMPACT

1496. Mr BROWN to the Minister representing the Attorney General:

- (1) Does the Government have a policy commitment towards ensuring that Government work in the regions is allocated in a way that provides the best economic advantage to the region?
- (2) Does the Government endeavour to fulfil that commitment through its Regional Purchasing Compact?
- (3) If not, in what way does the Government seek to fulfil that commitment?
- (4) Does each department and agency under the Attorney General's control take steps to ensure that as much of the work it has in regional areas is allocated in the way which benefits such regional areas?
- (5) Does each agency and department under the Attorney General's control strictly comply with the Regional Purchasing Compact and particularly the preference for regional businesses as provided for under that compact?
- (6) Is the Attorney General aware of any cases where any department or agency under the Attorney General's control has not complied with the Regional Purchasing Compact?
- (7) If so, what were the circumstances of that non-compliance?
- (8) Are there any Government departments or agencies under the Attorney General's control that are exempt from the Regional Purchasing Compact, and if so why?
- (9) Is it true that at least one or more of the departments or agencies under the Attorney General's control has not complied with the Regional Purchasing Compact when allocating a contract due to the additional costs of applying the preference arrangement?

Mr PRINCE replied:

- (1)-(5) The Regional Buying Compact is a Government policy that all agency Chief Executives must implement within their purchasing and contracting activities. The Compact outlines the obligations on CEOs to comply with the objective of supporting regional economic development.
- (6)-(7) The Government, through its agencies, awards many contracts throughout the State. If the member is aware of any case where the Compact has not been complied with, more specific details should be provided to the appropriate Minister.
- (8) The Compact applies to all Government agencies.
- (9) See question 6 and 7.

GOVERNMENT DEPARTMENTS AND AGENCIES, REGIONAL PURCHASING COMPACT

1512. MR BROWN to the Minister representing the Minister for Transport:

- (1) Does the Government have a policy commitment towards ensuring that Government work in the regions is allocated in a way that provides the best economic advantage to the region?
- (2) Does the Government endeavour to fulfil that commitment through its Regional Purchasing Compact?
- (3) If not, in what way does the Government seek to fulfil that commitment?
- (4) Does each department and agency under the Minister's control take steps to ensure that as much of the work it has in regional areas is allocated in the way which benefits such regional areas?
- (5) Does each agency and department under the Minister's control strictly comply with the Regional Purchasing Compact and particularly the preference for regional businesses as provided for under that compact?
- (6) Is the Minister aware of any cases where any department or agency under the Minister's control has not complied with the Regional Purchasing Compact?
- (7) If so, what were the circumstances of that non-compliance?
- (8) Are there any Government departments or agencies under the Minister's control that are exempt from the Regional Purchasing Compact, and if so why?
- (9) Is it true that at least one or more of the departments or agencies under the Minister's control has not complied with the Regional Purchasing Compact when allocating a contract due to the additional costs of applying the preference arrangement?

Mr COWAN replied:

The Hon Minister for Transport has provided the following response:

- (1)-(5) The Regional Buying Compact is a Government policy that all agency Chief Executives must implement within their purchasing and contracting activities. The Compact outlines the obligations on CEOs to comply with the objective of supporting regional economic development.
- (6)-(7) The Government, through its agencies, awards many contracts throughout the State. If the member is aware of any case where the Compact has not been complied with, more specific details should be provided to the appropriate Minister.
- (8) The Compact applies to all Government agencies.
- (9) See question 6 and 7.

GOVERNMENT DEPARTMENTS AND AGENCIES, REGIONAL PURCHASING COMPACT

1514. MR BROWN to the Parliamentary Secretary to the Minister for Justice:

- (1) Does the Government have a policy commitment towards ensuring that Government work in the regions is allocated in a way that provides the best economic advantage to the region?
- (2) Does the Government endeavour to fulfil that commitment through its Regional Purchasing Compact?
- (3) If not, in what way does the Government seek to fulfil that commitment?
- (4) Does each department and agency under the Minister's control take steps to ensure that as much of the work it has in regional areas is allocated in the way which benefits such regional areas?
- (5) Does each agency and department under the Minister's control strictly comply with the Regional Purchasing Compact and particularly the preference for regional businesses as provided for under that compact?

- (6) Is the Minister aware of any cases where any department or agency under the Minister's control has not complied with the Regional Purchasing Compact?
- (7) If so, what were the circumstances of that non-compliance?
- (8) Are there any Government departments or agencies under the Minister's control that are exempt from the Regional Purchasing Compact, and if so why?
- (9) Is it true that at least one or more of the departments or agencies under the Minister's control has not complied with the Regional Purchasing Compact when allocating a contract due to the additional costs of applying the preference arrangement?

Mr BARRON-SULLIVAN replied:

- (1)-(5) The Regional Buying Compact is a Government policy that all agency Chief Executives must implement within their purchasing and contracting activities. The Compact outlines the obligations on CEOs to comply with the objective of supporting regional economic development.
- (6)-(7) The Government, through its agencies, awards many contracts throughout the State. If the member is aware of any case where the Compact has not been complied with, more specific details should be provided to the appropriate Minister.
- (8) The Compact applies to all Government agencies.
- (9) See question 6 and 7.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS AGGREGATED IN REGIONAL AREAS

1518. MR BROWN to the Minister representing the Attorney General:

- (1) Since 1 July 1997, have there been any occasions when departments and agencies under the Attorney General's control have aggregated or bulked up Government contracts let for work to be carried out in regional Western Australia?
- (2) Is it true that one or more departments or agencies under the Attorney General's control have preferred to aggregate or bulk up a number of smaller contracts into one larger contract for ease of administration or some other reason?
- (3) If not, will the Attorney General advise if any department or agency under the Attorney General's control has aggregated or bulked up a number of smaller contracts to one large contract for administrative or other reasons?
- (4) Is the Attorney General aware that some small regional based contractors have been unable to secure work as a consequence of only large contracts being let?
- (5) What steps does the Attorney General intend to take to ensure that regionally based contractors are not excluded from obtaining Government work as a consequence of contracts being aggregated or bulked up?
- (6) Will the Attorney General issue instructions to all departments under the Attorney General's control confirming that contracts are not to be bulked up or aggregated so that small business and small business contractors are not excluded (by virtue of size) from obtaining Government work in their region?
- (7) If not, why not?

Mr PRINCE replied:

- (1)-(4) Government, through its agencies, awards many contracts. The structure of contracts is a matter for agency Chief Executives, who are best placed to consider how to achieve their agency's outcomes efficiently and effectively. The Government's *Regional Buying Compact* illustrates our commitment to regional Western Australia by giving regional suppliers an enhanced opportunity to bid for government contracts. The compact compels government agencies to give a level of financial preference to "local" suppliers in regional areas and educates those suppliers on how to take advantage of preferences available. Under the Government's Regional Buying Compact, agencies have an obligation to consider the key principles of the Compact, which include matters dealing with competition, packaging of work, value for money, devolution and the social implications of their decisions. The matters raised by the member will need to be considered on a case-by-case basis, and if the member has a specific case, this can be examined by the responsible Minister. The State Supply Commission recently issued a note to all "CEOs", titled "Are You Doing Enough" to remind them of their obligations under the Compact and how best to achieve the Government's objectives. The Regional Buying Compact has a grievance process, which can be accessed by contractors who have concerns with the application of the Compact by agencies. These concerns should be directed to the State Supply Commission.
- (5)-(6) The State Supply Commission is reviewing the effectiveness of the Regional Buying Compact. The Commission is developing a new policy to improve opportunities for regional suppliers to bid for government contracts which is designed to promote competitive local industry.
- (7) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS AGGREGATED IN REGIONAL AREAS

1534. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Since 1 July 1997, have there been any occasions when departments and agencies under the Minister's control have aggregated or bulked up Government contracts let for work to be carried out in regional Western Australia?
- (2) Is it true that one or more departments or agencies under the Minister's control have preferred to aggregate or bulk up a number of smaller contracts into one larger contract for ease of administration or some other reason?
- (3) If not, will the Minister advise if any department or agency under the Minister's control has aggregated or bulked up a number of smaller contracts to one large contract for administrative or other reasons?
- (4) Is the Minister aware that some small regional based contractors have been unable to secure work as a consequence of only large contracts being let?
- (5) What steps does the Minister intend to take to ensure that regionally based contractors are not excluded from obtaining Government work as a consequence of contracts being aggregated or bulked up?
- (6) Will the Minister issue instructions to all departments under the Minister's control confirming that contracts are not to be bulked up or aggregated so that small business and small business contractors are not excluded (by virtue of size) from obtaining Government work in their region?
- (7) If not, why not?

Mr COWAN replied:

- (1)-(4) Government, through its agencies, awards many contracts. The structure of contracts is a matter for agency Chief Executives, who are best placed to consider how to achieve their agency's outcomes efficiently and effectively. The Government's *Regional Buying Compact* illustrates our commitment to regional Western Australia by giving regional suppliers an enhanced opportunity to bid for government contracts. The company compels government agencies to give a level of financial preference to "local" suppliers in regional areas and educates those suppliers on how to take advantage of preferences available. Under the Government's Regional Buying Compact, agencies have an obligation to consider the key principles of the Compact, which include matters dealing with competition, packaging of work, value for money, devolution and the social implications of their decisions. The matters raised by the member will need to be considered on a case-by-case basis, and if the member has a specific case, this can be examined by the responsible Minister. The State Supply Commission recently issued a note to all "CEOs", titled "Are You Doing Enough" to remind them of their obligations under the Compact and how best to achieve the Government's objectives. The Regional Buying Compact has a grievance process, which can be accessed by contractors who have concerns with the application of the Compact by agencies. These concerns should be directed to the State Supply Commission.
- (5)-(6) The State Supply Commission is reviewing the effectiveness of the Regional Buying Compact. The Commission is developing a new policy to improve opportunities for regional suppliers to bid for government contracts which is designed to promote competitive local industry.
- (7) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS AGGREGATED IN REGIONAL AREAS

1536. Mr BROWN to the Parliamentary Secretary to the Minister for Justice:

- (1) Since 1 July 1997, have there been any occasions when departments and agencies under the Minister's control have aggregated or bulked up Government contracts let for work to be carried out in regional Western Australia?
- (2) Is it true that one or more departments or agencies under the Minister's control have preferred to aggregate or bulk up a number of smaller contracts into one larger contract for ease of administration or some other reason?
- (3) If not, will the Minister advise if any department or agency under the Minister's control has aggregated or bulked up a number of smaller contracts to one large contract for administrative or other reasons?
- (4) Is the Minister aware that some small regional based contractors have been unable to secure work as a consequence of only large contracts being let?
- (5) What steps does the Minister intend to take to ensure that regionally based contractors are not excluded from obtaining Government work as a consequence of contracts being aggregated or bulked up?
- (6) Will the Minister issue instructions to all departments under the Minister's control confirming that contracts are not to be bulked up or aggregated so that small business and small business contractors are not excluded (by virtue of size) from obtaining Government work in their region?
- (7) If not, why not?

Mr BARRON-SULLIVAN replied:

- (1)-(4) Government, through its agencies, awards many contracts. The structure of contracts is a matter for agency Chief

Executives, who are best placed to consider how to achieve their agency's outcomes efficiently and effectively. The Government's *Regional Buying Compact* illustrates our commitment to regional Western Australia by giving regional suppliers an enhanced opportunity to bid for government contracts. The company compels government agencies to give a level of financial preference to "local" suppliers in regional areas and educates those suppliers on how to take advantage of preferences available. Under the Government's Regional Buying Compact, agencies have an obligation to consider the key principles of the Compact, which include matters dealing with competition, packaging of work, value for money, devolution and the social implications of their decisions. The matters raised by the member will need to be considered on a case-by-case basis, and if the member has a specific case, this can be examined by the responsible Minister. The State Supply Commission recently issued a note to all "CEOs", titled "Are You Doing Enough" to remind them of their obligations under the Compact and how best to achieve the Government's objectives. The Regional Buying Compact has a grievance process, which can be accessed by contractors who have concerns with the application of the Compact by agencies. These concerns should be directed to the State Supply Commission.

- (5)-(6) The State Supply Commission is reviewing the effectiveness of the Regional Buying Compact. The Commission is developing a new policy to improve opportunities for regional suppliers to bid for government contracts which is designed to promote competitive local industry.
- (7) Not applicable.

REGIONAL FOREST AGREEMENT, TOURISM INDUSTRY CONSULTATION

1588. Dr EDWARDS to the Minister for the Environment:

I refer to the submission by the Western Australian Tourism Commission (WATC) to the Regional Forest Agreement Public Consultation Paper and ask -

- (a) is the Minister aware that the WATC recommended that the public consultation period be extended for at least a further three months, because the Regional Forest Agreement (RFA) Tourism paper was not released until 2 July 1999, 29 days before the closing date of the consultation period;
- (b) why did the Minister decide that there was no need to extend the public consultation period by three months;
- (c) does the Minister concede that the views of the tourism industry were not properly canvassed because of the limited time period in which to respond to the RFA Tourism document; and
- (d) was this a deliberate tactic by the Government to marginalise the tourism industry and its concerns from the RFA process?

Mrs EDWARDES replied:

- (a) Yes.
- (b) The public consultation period was extended from 12 July to 31 July 1998.
- (c) No. Tourism and recreation were the focus of a chapter of the Comprehensive Regional Assessment report published in January 1998. Appropriate information on tourism was therefore available long before the public consultation period closed at the end of July 1998. The report referred to by the member provided some additional background material.
- (d) Not applicable.

REGIONAL FOREST AGREEMENT, TOURISM INDUSTRY CONSULTATION

1589. Dr EDWARDS to the Minister for the Environment:

I refer to the submission by the Western Australian Tourism Commission to the Regional Forest Agreement Public Consultation Paper and ask -

- (a) is the Minister aware that the tourism industry felt that it had no meaningful representation in the Regional Forest Agreement (RFA) process and that "CALM is perceived to represent primarily the interests of the timber industry because CALM derives substantial revenue from logged trees";
- (b) Will the Minister confirm that "repeated requests for tourism involvement on the [RFA] steering committee were refused"; and
- (c) does the Minister concede that the RFA process was dominated by timber industry interests at the expense of the tourism industry and the RFA process was consequently fatally flawed?

Mrs EDWARDES replied:

- (a) The Minister is aware that some members of the tourism industry were of the view that the steering committee included one agency that was perceived to benefit from logging. The Department of Conservation and Land Management was involved in the RFA process on the same basis as other agencies on the Steering Committee. These agencies were the Commonwealth Department of Prime Minister and Cabinet, Environment Australia, and

Department of Agriculture, Fisheries and Forestry, and the Western Australian Ministry of Premier and Cabinet, and Department of Minerals and Energy. Final decision making was the responsibility of Government Ministers and eventually the Premier and Prime Minister.

- (b) Some members of the tourism industry and other groups requested representation on the Steering Committee. All groups were provided with opportunities for involvement through the Stakeholder Reference Group which was established to provide a mechanism for the points of view of these groups to be channelled to the Steering Committee.
- (c) No.

REGIONAL FOREST AGREEMENT, INDIRECT EMPLOYMENT GENERATION

1590. Dr EDWARDS to the Minister for the Environment:

I refer to the submission by the Western Australian Tourism Commission (WATC) to the Regional Forest Agreement Public Consultation Paper and ask -

- (a) is the Minister aware that the WATC criticised the timber industry indirect employment multiplier because it over-estimated the indirect employment generation of the timber industry relative to the indirect employment generation of the tourism industry;
- (b) is the Minister also aware that the WATC "recommended that a more scientific approach be taken to identifying the timber employment multiplier and the effects on timber employment [be] recalculated and republished"; and
- (c) were the effects on timber employment recalculated and republished, and if not, why not?

Mrs EDWARDES replied:

- (a)-(b) Yes.
- (c) No. The multipliers used in the Regional Forrest Agreement process were derived from input-output tables developed by Professor Clements and colleagues at the Economic Research Centre at the University of Western Australia. The multipliers were considered to be well founded and appropriate for the purpose. The analysis was developed and undertaken collaboratively with the Australian Bureau of Agricultural and Resource Economics.

REGIONAL FOREST AGREEMENT, AREAS RESERVED

1591. Dr EDWARDS to the Minister for the Environment:

I refer to the submission by the Western Australian Tourism Commission (WATC) to the Regional Forest Agreement Public Consultation Paper and ask -

- (a) is the Minister aware that the WATC listed 10 areas which should be reserved under the Regional Forest Agreement;
- (b) is the Minister aware that only 2 of these areas were fully reserved under the RFA; and
- (c) does the Minister agree with the WATC's assertion on these reserves that "the opportunity to attract investors and tourism developers enabling new economic activity will be more difficult without this type of security"?

Mrs EDWARDES replied:

- (a)-(b) Yes.
- (c) Whilst maps of possible reserve designs were not available at the time of the Western Australian Tourism Commission submission, a map of the Comprehensive, Adequate and Representative reserve system was released with the Regional Forest Agreement in May 1999. This map provides the identification of areas that will be included in the reserve system and provides the information on which developers can make informed decisions.

REGIONAL FOREST AGREEMENT, OLD-GROWTH FOREST PRESERVATION

1592. Dr EDWARDS to the Minister for the Environment:

I refer to the submission by the Western Australian Tourism Commission (WATC) to the Regional Forest Agreement Public Consultation Paper and ask -

- (1) Is the Minister aware that the WATC submission states that "preservation of old growth forest is essential if increasing numbers of visitors to the South West are to be serviced"?
- (2) Does the Minister agree with this statement?
- (3) Why did the Government largely ignore this statement by leaving nearly one-quarter of old-growth forest out of reserves?

Mrs EDWARDES replied:

- (1) Yes.
- (2)-(3) The Government considered this view as a part of achieving the balanced outcome desired for the Regional Forest Agreement (RFA). Under the RFA, the protection of old growth forest meets or exceeds the Nationally Agreed Reserves Criteria. Western Australia has achieved an outcome that has not been matched by any other State in this regard. The RFA has achieved the protection of between 60% and 98% of old growth in 12 forest ecosystems, and the protection of all old growth forest in the other seven forest ecosystems. Overall 71% of the old growth in the region is protected in the reserve system. This is an outstanding outcome. As a result of the more recent policy direction of this Government, the area of old growth karri forest excluded from logging will increase from 71 per cent indicated under the RFA, to between 86 and 90 per cent and 100 per cent of Karri Tingle.

GOVERNMENT DEPARTMENTS AND AGENCIES, ADVERTISING AND PUBLIC RELATIONS BUDGET

1681. Mr RIEBELING to the Minister representing the Minister for Mines:

- (1) For each department or agency under the Minister's control, what is the total 1999-2000 budget for -
- advertising (television, print and radio);
 - pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - public relations and events management?
- (2) For the period 1 January 2000 to 30 June 2000, can the Minister advise of the planned -
- advertising campaigns (television, print and radio);
 - pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - public relations campaigns and events management?
- (3) For the period 1 January 2000 to 30 June 2000, can the Minister advise of the estimated cost and approximate commencement or publishing dates of -
- advertising campaigns (television, print and radio);
 - pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - public relations campaigns and events management?

Mr BARNETT replied:

Department of Minerals and Energy:

- (1) Total 1999/2000 Budget
- | | | | |
|-----|---|-----------------|-----------|
| (a) | Advertising | Television | n/a |
| | | Print - General | \$15,200 |
| | | Native Title | \$200,000 |
| | | Radio | n/a |
| (b) | Pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins | | \$409,400 |
| (c) | Public relations and event management | | \$37,800 |
- (2) 1 January 2000 to 30 June 2000. Advice of planned:
- Advertising campaigns (Print Only)
Native Title notification
Chemistry Centre of Western Australia services advertising
Golden Gecko Awards nomination notification
Department of Minerals and Energy Online Bookshop notification of address
GSA 2000
Ajana and Fraser Range regolith geochemistry publications release
GSA 2000 and various GSA publications in 'West Australian Geologist'
 - Pamphlets etc
Information Series No. 1
Update of Fees and Charges pamphlet
Geocentric Datum of Australia newsletters
Mineral Titles update
Mining Operations Division 1999 Survey Results Brochure

Minesafe Magazine
 Survey for KPIs (Environmental)
 Survey for KPIs (Mining Safety)
 Safety Performance in WA Mines (Report and Poster)
 CONTAM Information Pack for Industry
 Injury/Accident and Occurrence Reporting Guide
 Land Access Newsletter
 Summary of Accident Reports for 1999
 Explosay Newsletter No. 25
 Dangerous Goods Issues Newsletter No. 19
 Chemistry Centre Brochure
 Our People, Our Resources, Our Future newsletter
 Golden Gecko Awards Brochure
 Statistics Digest
 40 books and 30 maps on the geology of WA for use by Western Australian explorers
 Reserves, Production, Drilling and Seismic Statistics 1999
 Petroleum in Western Australia
 Western Australian Onshore Petroleum Opportunities 2000
 Western Australia Atlas of Petroleum Fields Volume 1 - Onshore Perth Basin
 Environmental assessment process for petroleum activities in Western Australia
 Leadership in safety and environmental management for petroleum operations

- (c) PR & Event Management
 MIENEX
 Australian Gold Conference
 Prospectors and Developers Association of Canada (PDAC 2000)
 Australian Association of Exploration Geophysicists (ASEG)
 International Congress on Industrial Minerals
 American Association of Petroleum Geologists (AAPG 2000)
 Australian Petroleum Production and Exploration Association (APPEA 2000)
 South West Wine Field Day - Chemistry Centre of Western Australia

(3) 1 January 2000 to 30 June 2000 - Estimated cost & commencement or publishing dates of:

(a)	Advertising			
	Chemistry Centre of Western Australia Advertising	\$1,107	\$1000	February May
	Golden Gecko Awards nomination			February
	Online Bookshop notification of address		\$3,356	February
	GSWA 2000		\$1,800	April
	Regolith geochemistry publications	\$800		February
				March
				April
(b)	Pamphlets etc			
	Information Series No. 1		\$700	April
	Update of Fees and Charges pamphlet		\$400	June
	Geocentric Datum of Australia newsletter		\$700	April
	Mineral Titles Update		\$200	Quarterly
	Mining Operations Division 1999			
	Survey Results Brochure		\$439	January
	MineSafe Magazine		\$3,300	May
	Safety Performance in WA Mines (Report and Poster)		\$4,200	April
	CONTAM Information Pack for Industry		\$2,000	May
	Injury/Accident and Occurrence Reporting Guide		\$1,600	June
	Land Access Newsletters x 3		\$5,000	Jan/Feb
				April
				June
	Summary of Accident Reports for 1999		\$1,300	May
	Explosay Newsletter No. 25		\$1,000	May
	Dangerous Goods Issues Newsletter No. 19		\$560	February
	Chemistry Centre brochure		\$2,000	May
	Our People, Our Resources, Our Future		\$1,785	January
				March
				June
	Golden Gecko Awards Brochure		\$1,871	January
	Statistics Digest		\$3,809	January
	Geological books and maps		\$261,000	May
				June
	Reserves, Production, Drilling and Seismic Statistics 1999 (in house photocopy)		\$0	February
	Petroleum in Western Australia		\$4000	April
	Western Australian Onshore Petroleum Opportunities 2000		\$34,315	April
	Western Australia Atlas of Petroleum Fields Volume 1 - Onshore Perth Basin		\$5,100	May
	Environmental assessment process for petroleum activities in Western Australia		\$1,000	June
	Leadership in environmental management for petroleum operations		\$1,500	June
(c)	PR & Event Management			
	MIENEX		\$3,630	March
	Australian Gold Conference		\$1,543	April

Prospectors and Developers Association)		
of Canada (PDAC 2000))		
Australian Association of Exploration)		
Geophysicists (ASEG))		
International Congress on Industrial)	\$23,000	January
Minerals)		to
American Association of Petroleum)		June
Geologists (AAPG 2000))		
Australian Petroleum Production and)		
Exploration Association (APPEA 2000))		
South West Wine Field Day - Chemistry)		
Centre of Western Australia)	\$1,500	May

Coal Industry Superannuation Board
(1)-(3) Nil.

GOVERNMENT DEPARTMENTS AND AGENCIES, ADVERTISING AND PUBLIC RELATIONS BUDGET

1684. Mr RIEBELING to the Minister representing the Minister for Transport:

- (1) For each department or agency under the Minister's control, what is the total 1999-2000 budget for -
 - (a) advertising (television, print and radio);
 - (b) pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - (c) public relations and events management?
- (2) For the period 1 January 2000 to 30 June 2000, can the Minister advise of the planned -
 - (a) advertising campaigns (television, print and radio);
 - (b) pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - (c) public relations campaigns and events management?
- (3) For the period 1 January 2000 to 30 June 2000, can the Minister advise of the estimated cost and approximate commencement or publishing dates of -
 - (a) advertising campaigns (television, print and radio);
 - (b) pamphlets, brochures, bulletins and other forms of printed information, excluding annual reports and "in-house" bulletins; and
 - (c) public relations campaigns and events management?

Mr COWAN replied:

The Hon Minister for Transport has provided the following response:

Department of Transport

- (1)
 - (a) \$8 445 342.
 - (b) \$1 560 883.
 - (c) \$ 283 833.
- (2)-(3) In the interests of public information, and the continued operation of an efficient transport network, the Department of Transport is required to undertake an enormous amount of advertising, publication of information and public consultation brochures and campaigns covering the gamut of Transport operations such as Transperth services, Road Safety campaigns, maritime, licensing, aviation, cycling and taxi services. It would not be practical to provide a complete list of these activities as requested; however should the member require information about a specific item I would be happy to assist.

Main Roads Western Australia

(1)-(3) From Main Roads perspective, it is very difficult to answer the member's question in detail. Main Roads advertising, or the distribution of information, is varied and project related and initiated by Main Roads on an "as needs" basis. Aside from a public relations budget of up to \$200 000, which meets some of the general advertising, printing and production costs of Main Roads each year, the cost of providing public information on a project-by-project basis is met by each of the road program projects and forms part of the total project cost. Main Roads produces many hundreds of brochures, newsletters, pamphlets and other forms of printed material every year. These are mainly produced using in-house resources from the head office in Perth, the nine Regional offices and the Metropolitan office at Welshpool. To accurately provide the information the member is seeking would take months of research and I am not prepared to commit scarce resources to this task. However, should the member require information about a specific item I would be happy to assist.

Geraldton Port Authority

- (1)
 - (a) \$25 000.
 - (b) \$ 8 000.
 - (c) \$ 8 000.
- (2)
 - (a) Nil.
 - (b) Port Information Handbook.
 - (c) Nil.

- (3) (a) Nil.
(b) \$ 7 884 to April 2000.
(c) Nil.

Dampier Port Authority

- (1) (a) \$ 9 000.
(b)-(c) \$12 000.

- (2)-(3) (a)-(c) No plans.

Bunbury Port Authority

- (1) (a) \$6 000.
(b) Nil.
(c) \$6 000.

- (2) (a) Marketing in industry journals.
(b) Port Pricing brochure.
(c) Possible key customers in Public Relations.

- (3) (a) \$6 000 (ongoing).
(b) \$ 500 (2nd quarter 2000).
(c) \$5 000 (June 2000).

Port Hedland Port Authority

- (1) (a) \$ 2 000.
(b) \$18 000.
(c) \$40 000.

- (2) (a) Nil.
(b) Port Hedland Port Authority Information Booklets.
(c) Anzac Day Ceremony and Wreath.
Blackrock Stakes Marathon.
Port talk Information page – Local Newspaper.
Port Hedland Volunteer Rescue Association.

- (3) (a) Nil.
(b) Port Hedland Port Authority Information Booklets: May 2000 \$12 000
(c) Anzac Day Ceremony April 2000 \$ 350
Port talk Information Page March 2000 \$ 500
May 2000 \$ 500
Blackrock Stakes Marathon June 2000 \$ 1 500
Port Hedland Volunteer Sea Rescue Association June 2000 \$10 000

Fremantle Port Authority

- (1) (a) \$85 000
(b) \$40 000
(c) \$20 000

- (2) (a) Advertising is not campaign related but is of special events, parking arrangements and in port related publications, international and national.
(b) Two quarterly Port News, two quarterly Tenant Talk, Facilities & Services brochure update for shipping industry and Economic Impact Brochure
(c) Cruise Ship visits, Economic Impact Launch, proposed Open Day, Client briefings.

- (3) (a) Not applicable.

(b)	Title	Date	Estimated Cost
	Port News	January	\$3 200
	Port News	April	\$3 200
	Tenant Talk	February	\$1 300
	Tenant Talk	May	\$1 300
	Economic Impact Brochure	March	\$7 000
	Facilities & Services Brochure	March	\$7 500
(c)	Economic Impact Launch	March	\$2 000
	Port Open Day	April	\$8 000
	Cruise Ship Arrangements	March	\$2 000

The proposed Port Open Day is a joint initiative of the Fremantle Port Authority and private stevedore companies.

Eastern Goldfields Transport Board

- (1) (a)-(c) \$8 000 combined in budget.

- (2)-(3) (a)-(c) No plans.

Westrail

- (1) (a) \$ 23 000.
(b) \$185 000.
(c) Nil.

- (2) (a) Westrail does not have any media advertising campaigns planned.

- (b)
 - (i) Newsletter to grain growers about Westrail freight services.
 - (ii) Pamphlet explaining environmental advantage of railways.
 - (iii) Timetables for country passenger services.
 - (iv) Pamphlet to advise passengers of security available on urban train services.
 - (v) Statement of Corporate Intent.
- (c) None.
- (3) (a) Westrail does not have any media advertising campaigns planned.
- (b)
 - (i) Newsletter to grain growers about Westrail freight services – March, 2000 – estimated cost \$5 500.
 - (ii) Pamphlet explaining environmental advantages of railways - April, 2000 – estimated cost \$5 000.
 - (iii) Timetables for country passenger services - on-going – estimated cost \$60 000.
 - (iv) Pamphlet to advise passengers of security available on urban train services – April 2000 – estimated cost \$5 000.
 - (v) Statement of Corporate Intent – August 2000 – estimated cost \$4 000.
- (c) None.

MetroBus
(1)-(3) Nil.

Esperance Port Authority
(1)-(3) Nil.

Albany Port Authority
(1)-(3) Nil.

GOVERNMENT DEPARTMENTS AND AGENCIES, PRINTED INFORMATION

1703. Mr RIEBELING to the Minister representing the Minister for Mines:

- (1) For each department or agency under the Minister's control, what brochures, pamphlets, bulletins and other forms of printed information, other than annual reports and "in-house" bulletins, were produced during 1998-99?
- (2) For each brochure, pamphlet, bulletin and other form of printed information, will the Minister advise -
 - (a) the original and final costs;
 - (b) the purpose; and
 - (c) the names of any contractors involved in the production, and the services they provided?

Mr BARNETT replied:

Department of Minerals and Energy
(1)-(2) See tabled paper No 849.

Coal Industry Superannuation Board
(1) Nil.
(2) Not applicable.

INDUSTRIAL RELATIONS, PAY EQUITY JOINT WORKING PARTY

1710. Mr BROWN to the Minister for Labour Relations:

- (1) Further to question on notice No. 1220 of 1999, do the terms of reference for the Pay Equity Joint Working Party allow the working party to recommend strategies that involve -
 - (a) changing the Workplace Agreements Act 1993 or Minimum Conditions of Employment Act 1993;
 - (b) giving the Western Australian Industrial Relations Commission the power to set the minimum wage for Western Australian workers rather than that being set by the Minister;
 - (c) requiring Workplace Agreements to provide wage and employment conditions of equal or greater value to that contained in the relevant award or enterprise agreement; and
 - (d) extending the jurisdiction of the Western Australian Industrial Relations Commission to ratify and/or amend workplace agreements?
- (2) If not, why not?
- (3) Does the working party intend to take into account the report of the Commissioner for Workplace Agreements which showed that 25% of work place agreements registered in the month of December 1998 contained a wage lower than the relevant award/enterprise agreement rate?
- (4) Does the working party intend to take into account the previous findings of the Commissioner for Workplace Agreements that a high percentage of Workplace Agreements do not contain overtime rates, additional rates for working evenings/nights, or on weekends?
- (5) If not, why not?

Mrs EDWARDES replied:

- (1) (a)-(d) No.
- (2) The working party's terms of reference require that the recommended strategies are to be consistent with existing labour relations institutional arrangements.
- (3)-(4) The terms of reference allow the working party to consider relevant research and reports. I am unaware of what specific material the working party is having regard to in discharging its terms of reference. I am confident that this report will be considered if the working party regards it as relevant.
- (5) Not applicable. Refer to (3)-(4).

PRISONS, WESTERN AUSTRALIA'S HIGH IMPRISONMENT RATE

1713. Mr BROWN to the Parliamentary Secretary to the Minister for Justice.

- (1) Is the Minister aware-
 - (a) of the article that appeared in *The West Australian* newspaper on 22 December 1999 which reported that Western Australia recorded Australia's biggest increase in prison numbers in the past year according to the Australian Bureau of Statistics; and
 - (b) that a Ministry of Justice spokesperson said "Western Australia's high imprisonment rate was based on several factors, including tougher penalties for breach of court orders."?
- (2) Is that the reason for the higher imprisonment rate?
- (3) Is it the only reason?
- (4) If not, what are the other reasons?

Mr BARRON-SULLIVAN replied:

- (1) Yes, the article referred to the 12 months to September 1999. The latest ABS statistics released on 30 March 2000, relating to the December 99 quarter show that the number of prisoners in Western Australia has subsequently decreased by 3%. By comparison Victoria and Queensland recorded increases of 3% and 1% respectively.
- (2) Yes, amongst others.
- (3) No.
- (4) Increase in average sentence lengths for certain offences (eg armed robbery up from 4.75 years to 5.7 years). Increase in the proportion of persons sentenced to imprisonment compared to non-custodial orders especially in the Magistrates Courts (up from 2.9% in 1997/98 to 7.9% on 1998/99). Introduction of more vigorous breaching practices by Ministry of Justice Community Based Officers. Increase in imprisonment for driving whilst under suspension (not necessarily related to fines). A gradual increase in the number of fine defaulters being imprisoned after the dramatic fall (from over 6000 to a few hundred) following the introduction of the new fines enforcement legislation in 1995. It has taken some time for defaulters to flow through the system.

DEPARTMENT OF RESOURCES DEVELOPMENT, PERFORMANCE INDICATORS

1717. Mr RIPPER to the Minister for Resources Development:

- (1) Did the Auditor General's Public Sector Performance Report No. 7 of November 1999 find that the Department of Resources Development had a significant variation between the published and unpublished performance indicators for 1997-98?
- (2) In what way did the published performance indicators, which would have appeared in the annual report, vary from the published performance indicators signed off by the Auditor General?
- (3) What was the reason for this variation?
- (4) What action has been taken to ensure that the Department of Resources Development does not again place itself in such an embarrassing situation?

Mr BARNETT replied:

- (1) Yes.
- (2) The following notes were included in the audited performance indicators but omitted from the published performance indicators.
 "This is, however, a major drawback as results are very sensitive to small changes in absolute numbers".
 "The number of respondents were as follows: 31 in 1997, and 27 in 1996. Each year the Department obtained a 100% response rate to the question".

- (3) A production error resulted in the omissions.
- (4) Process steps have been changed to ensure that similar problems do not occur.

PUBLIC TRUSTEE, PERFORMANCE INDICATORS

1723. Mr RIPPER to the Parliamentary Secretary to the Minister for Justice:

- (1) Did the Auditor General's Public Sector Performance Report No. 7 of November 1999 find that the Public Trustee had a significant variation between the published and unpublished performance indicators for 1997-98?
- (2) In what way did the published performance indicators, which would have appeared in the annual report, vary from the unpublished performance indicators signed off by the Auditor General?
- (3) What was the reason for this variation?
- (4) What action has been taken to ensure that the Public Trustee does not again place itself in such an embarrassing situation?

Mr BARRON-SULLIVAN replied:

- (1) The Auditor General's Report identified several "relatively insignificant printing errors" that occurred when the performance indicators were published in the annual report.
- (2) The Auditor General's Report identified the following variations:
Performance indicator 2.1 had different headings in the published version;
The result for 1997-98 "Total Replies" should have been 98% and not 8% as published;
Performance indicator 2.4 "Cost per Service Provided" in the annual report omitted an explanatory paragraph that was contained in the audited version.
- (3) It appears that the variation occurred as a result of inadequate proof-reading prior to the annual report being printed.
- (4) A thorough proof-reading exercise will be undertaken prior to the annual report being published in future.

TOURISM COMMISSION, PERFORMANCE INDICATORS

1725. Mr RIPPER to the Parliamentary Secretary to the Minister for Tourism:

- (1) Did the Auditor General's Public Sector Performance Report No. 7 of November 1999 find that the Western Australian Tourism Commission had a significant variation between the published and unpublished performance indicators for 1997-98?
- (2) In what way did the published performance indicators, which would have appeared in the annual report, vary from the unpublished performance indicators signed off by the Auditor General?
- (3) What was the reason for this variation?
- (4) What action has been taken to ensure that the Western Australian Tourism Commission does not again place itself in such an embarrassing situation?

Mr BRADSHAW replied:

- (1) No. The Auditor General did not state the magnitude of the variation only that it had occurred. The variations were of an extremely minor nature and have been recognised by the Office of the Auditor General as such.
- (2) The published indicators varied from those signed off by the Auditor General in following manner:
Editing changes:
 - (2.1) The scales of the x and y axes scales used for the graphs published in the printed report (pages 66-68) varied slightly to the audited version.
 - (2.2) Data values for the bars within the graphs published in the annual report (pages 66-68) were excluded although the values represented by the bars within these graphs were identical to the audited version.
 Printing errors:
 - (2.3) For the "National Markets" indicator results on page 72 of the annual report the two comparative values for 1995/96 and 1996/97 were reversed as a result of a transposition error.
 - (2.4) The indicator Ratio of WATC costs to visitor expenditure generated on page 73 of the annual report shows a figure of "1:11.41". This should have been "1:12.41".
 - (2.5) The graph on page 67 of the annual report titled "Propensity to consider WA as a holiday destination - Jakarta" had a missing value for the 1997/98 "Don't Know" response. This value should have been 6%.
- (3) (2.1) and (2.2) above - these differences were as a result of changes made for aesthetics and (2.3), (2.4) and (2.5) above - these differences were as a result of printing errors.

- (4) The WATC has agreed with the Office of the Auditor General, that the performance indicators in published annual reports will strictly adhere to the audited version.

ROTTNEST ISLAND AUTHORITY, FINANCIAL STATEMENTS

1726. Mr RIPPER to the Parliamentary Secretary to the Minister for Tourism:

- (1) Did the Auditor General's Public Sector Performance Report No. 7 of November 1999 find that the Rottneest Island Authority had a significant variation between the published and audited financial statements for 1997-98?
- (2) In what way did the published financial statement, which would have appeared in the tabled annual report, vary from the audited financial statements signed off by the Auditor General?
- (3) What was the reason for this variation?
- (4) What action has been taken to ensure that the Rottneest Island Authority does not again place itself in such an embarrassing situation?

Mr BRADSHAW replied:

- (1) No. The Auditor General's Public sector Performance Report 1999 "identified two small discrepancies" between the published and audited statements of the Rottneest Island Authority.
- (2) The discrepancies were -
- (i) in disclosure note 37(a), whilst the meaning had not been altered, the printed text differed from the published version; and
- (ii) in disclosure note 37(c), \$60 000 was printed rather than \$80 000.
- (3) Printing errors.
- (4) Future checking procedures will have regard for the Auditor General's finding.

GOODS AND SERVICES TAX, NON-GOVERNMENT ORGANISATIONS

1739. Mr BROWN to the Minister for Family and Children's Services:

- (1) Does the Government intend to increase the grants it makes available to non-Government community organisations as a consequence of those organisations having to meet the costs of the Goods and Services tax?
- (2) To what extent does the State Government intend to increase such grants?
- (3) Will the grants be increased to an extent where Non-Government organisations will not be worse off with the introduction of a Goods and Services tax?

Mrs van de KLASHORST replied:

- (1) Non Government organisations do not receive 'grants' as defined by the Australian Tax Office, they provide services that can be subject to GST.
- (2)-(3) The implications for the sector and the Government's response is still under consideration.

COUNTRY PATIENTS' DENTAL SUBSIDY SCHEME, BUDGET

1754. Ms McHALE to the Minister for Health:

I refer to the Country Patients' Dental Subsidy Scheme (CPDSS) and ask-

- (a) how much was the CPDSS budget for each of the following years -
- (i) 1996-97;
- (ii) 1997-98;
- (iii) 1998-99;
- (iv) 1999 to 29 February 2000?
- (b) how much was spent on the CPDSS for each of the following years -
- (i) 1996-97;
- (ii) 1997-98;
- (iii) 1998-99;
- (iv) 1999 to 29 February 2000?
- (c) How many patients have been treated during each of these years?
- (d) What was the monthly waiting time for treatment through the CPDSS from July 1998 to February 2000?
- (e) How many staff are employed to provide the CPDSS?
- (f) What are the criteria for accessing the CPDSS?

Mr DAY replied:

- (a) (i) \$900,000 + \$1,731,200 Commonwealth Dental Health Program
(ii) \$900,000 + \$504,200 Commonwealth Dental Health Program
(iii) \$1,200,000
(iv) \$910,000
- (b) (i) \$2,631,200
(ii) \$1,404,000
(iii) \$1,472,259
(iv) \$976,385
- (c) Patient courses of emergency or general care are:-
(i) 13477
(ii) 7914
(iii) 8387
(iv) 6771
- (d) 5 months at July 1998. Since then the waiting time for treatment has averaged 4 months.
- (e) 1 FTE to provide administrative support.
- (f) Eligible persons living in country towns where dental care cannot be obtained from a Government clinic can make application to receive a subsidy towards the cost of general and emergency dental care from a participating private practitioner. They should be in receipt of a full or near full pension or an allowance from Centrelink.

FINES ENFORCEMENT, CANCELLATION OF DRIVERS LICENCES

1760. Mr PENDAL to the Minister representing the Attorney General:

- (1) When did the fines-enforcement legislation cancelling drivers' licences as a penalty come into effect?
- (2) In that period what numbers of motorists have lost their licence as a result of the failure to pay fines?
- (3) Is the annual figure of licence suspension rising or falling?
- (4) Does the Government intend to review the legislation and its effectiveness?
- (5) If so, when and by what method?
- (6) Has the Government considered, as an option, a plan to allow low-income or destitute people to "work out" the equivalent of the fines, thus preserving in this scheme the option available to the courts to order community service instead of payment?

Mr PRINCE replied:

- (1) 1 January 1995.
- (2) Since 1 January 1995 150,812 motorists have lost their driver's licence for failure to pay a court fine or infringement notice. For the same period 119,718 motorists have satisfied their fines and their licence immediately uplifted.
- (3) The number of licence suspensions is rising. However the total number of fines and infringement notices imposed is also rising. There has also been an increase in the number of licence suspensions uplifted due to the fine being satisfied.
- (4)-(5) The legislation was reviewed in 1998/99.
- (6) Legislation has also been drafted that will allow for the Registrar of the Fines Enforcement Registry greater flexibility of enforcement. In addition, for those persons that prove to the court that they have no means to pay, and no licence, a work and development order may be undertaken immediately, subject to certain criteria. Legislation is also being drafted to separate the source of suspension, that is, court imposed, demerit and fines enforcement, currently not able to be done under the existing legislation.

TRAFFIC ACCIDENTS, MOBILE PHONES

1778. Dr CONSTABLE to the Minister representing the Minister for Transport:

In each of the last three years, how many traffic accidents occurred while drivers were using mobile phones?

Mr COWAN replied:

The Hon Minister for Transport has provided the following response:

Please refer to my response provided to Parliamentary Question, Legislative Assembly 1394 dated Wednesday, 24 November 1999.

HOSPITALS, CONSULTANTS' FEES

1781. Dr CONSTABLE to the Minister for Health:

- (1) How many surgical procedures were performed by consultants working on a sessional basis at Perth Hospitals in the six months prior to 31 December 1999?
- (2) What was the cost of fees paid to consultants for these sessions?
- (3) How many surgical procedures were performed by consultants working on a fee for service basis at Perth Hospitals in the six months to December 1999?
- (4) What were the total fees paid to consultants for these procedures?

Mr DAY replied:

Totals relate to consultants in MHS hospitals and health services.

- (1) 22,064
- (2) \$4,275,094
- (3) 14,863
- (4) \$7,849,943

PANGEA NUCLEAR WASTE STORAGE PROJECT, PAYMENTS AND JOBS

1785. Dr CONSTABLE to the Minister for Resources Development:

- (1) What was the Pangea company's estimated annual net payment to the State Government for allowing the Pangea nuclear waste storage project to be based in Western Australia?
- (2) What was the estimated number of jobs expected to be created by the proposed Pangea project?

Mr BARNETT replied:

- (1)-(2) I have had no contact with Pangea Resources and have not had access to any estimates produced by the Company. Therefore, I am unable to answer the member's questions relating to the Company's estimates.

SWAN RIVER, BOAT ACCIDENT, UNLIT PYLON

1789. Mr PENDAL to the Minister representing the Minister for Transport:

- (1) Has the Department of Transport received a complaint of an accident on the Swan River on the night of 5 February 2000 in which a boat ran into an unlit navigational pylon adjacent to Riverside Drive?
- (2) Is the Minister aware that the boat-owner's wife received a fractured cheekbone and bruising and that one of their children required stitches?
- (3) Why aren't the pylons (installed as navigational aids) illuminated?
- (4) How many such unlit navigational aids are on the Swan River?
- (5) Has an investigation been launched into the implications of this incident for overall river safety and if not why not?
- (6) If an investigation was carried out will the Minister inform the House of the results?

Mr COWAN replied:

The Hon Minister for Transport has provided the following response:

- (1)-(2) Yes.
- (3) It would be expensive and impractical to light every pile delineating navigation channels in the Swan and Canning rivers. In fact, only the major lateral and cardinal marks in heavily used navigation channels are lit. All navigation marks on the rivers are shown on the chart. For safety reasons, all vessels using the river must comply with the 10 knot speed limit after dark.
- (4) There are 262 navigation marks on the Swan and Canning rivers of which 45 are lit and 217 unlit.
- (5) No. Because the facts of this incident are not in doubt. Vessel owners navigating the river, particularly at night, should use the chart to familiarise themselves with any potential hazards or obstructions along their intended track. If there are hazards or obstructions they should proceed at a safe speed and keep a proper lookout.
- (6) Not applicable.

MOTOR VEHICLES, REPLACEMENT OF FADED NUMBER PLATES

1795. Mr BROWN to the Minister representing the Minister for Transport:

- (1) Is the Minister aware that some motorists have been instructed by the Police to replace the number plates on their vehicles as a consequence of the numbers and letters on the plates fading?

- (2) Given the plates can only be obtained through authorised Government sources, does the Government have any responsibility for replacing those plates that have faded?
- (3) If not, why not?

Mr COWAN replied:

The Hon Minister for Transport has provided the following response:

- (1)-(3) Under the *Road Traffic (Licensing) Regulations*, where a number plate has become dilapidated or is damaged to such an extent as to render it illegible, the owner of the vehicle is required to return the plate to the Director General of Transport who will either issue a remake of that number plate or a new set of number plates. The owner is required to pay the prescribed fee for the replacement plates. Where a claim is lodged that the plates have been rendered inadequate due to a fault in quality or manufacture, Transport would investigate the claim and establish any liability.

ONSLOW, POWER SUPPLIES

1800. Mr BROWN to the Minister for Energy:

- (1) Has Western Power had any difficulties in providing continuous power to Onslow?
- (2) If so, what difficulties were encountered in February 2000?
- (3) What was the cause of the difficulties?
- (4) Has there been any other difficulties with Western Power providing a continuous power supply to Onslow since 1 July 1999?
- (5) If so, what is the nature of the difficulties being encountered?
- (6) What action or actions has Western Power/Government taken to ensure Onslow is provided with a continuous supply of power?

Mr BARNETT replied:

- (1) Yes.
- (2) There were seven power failures to the town of Onslow in the month of February 2000.
- (3) Six of the seven power failures resulted from problems in the new privately owned and operated power station. These "teething problems" have been addressed by the owner/operator. The seventh was the result of a planned changeover from the gas fired station to the old Western Power diesel station which has been kept as "insurance" during the commissioning and testing of the new station.
- (4) Yes. There have been nine power failures in the seven months from July 1999 to January 2000.
- (5) Four power outages were the result of planned changeovers from the diesel power station to the gas power station and from the gas power station to the diesel power station. Five were due to operational problems in the new gas station. These have been addressed by the owner/operator.
- (6) Western Power has instigated a complete review of the Onslow power supply system. This review will be undertaken by an independent consulting firm and is due for completion by the end of May 2000. The comments on the draft terms of reference for the review are currently being sought from the Ashburton Shire, Onslow Salt and Onslow Chamber of Commerce. Western Power is also investigating ways of securing gas supply in the event of cyclone activity.

DEPARTMENT OF MINERALS AND ENERGY, INFORMATION TECHNOLOGY SERVICES

1801. Mr RIPPER to the Minister representing the Minister for Mines:

I refer to page 80 of the Department of Minerals and Energy Annual Report 1999 which claims that in Information Technology, "the costs of contracted services have risen" and are "now significantly higher than the cost of the previous combination of in-house provided and selected contracted-in services", and ask -

- (a) what were the projected and actual costs of in-house and contracted-in services in the financial year 1997/98;
- (b) what were the projected and actual costs of in-house and contracted-in services in the financial year 1998/99; and
- (c) what are the projected costs of in-house and contracted-in services in the financial years 1999-2000 and 2000/2001?

Mr BARNETT replied:

- (a) The costs of centrally provided Information Technology services in the 1997/98 financial year were as follows:

		Budget Estimate \$000		Actual Expenditure \$000
In-house services	2774		2678	
Outsourced services		1758		2229

(b) The costs of centrally provided Information Technology services in the 1998/99 financial year were as follows:

		Budget Estimate \$000		Actual Expenditure \$000
In-house services	1671		1992	
Outsourced services		2714		2437

(c) The estimated costs of centrally provided Information Technology services in the 1999/2000 financial year are as follows:

		Budget Estimate \$000
In-house services	2276	
Outsourced services		3030

The estimated costs of centrally provided Information Technology services in the 2000/01 financial year have not yet been determined.

MUIRILLUP 3 AND 4 COUPES

1804. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) Further to question on notice No. 313 of 1999, did the Minister draw to the attention of his Cabinet colleague, the Hon Minister for the Environment, the need to preserve Muirillup 3 and 4 coupes?
- (2) On what date did the Minister draw his Cabinet colleague's attention to this matter?
- (3) Is the Minister aware that the Muirillup coupes have been partially logged and Muirillup 3 is due to be logged?
- (4) Did the Minister receive any advice or assurances from the Minister for the Environment about Muirillup 3 and 4 coupes when he drew the matter to the attention of the Minister for the Environment?
- (5) If so, what was said at the time?
- (6) If not, did the Minister press the Minister for the Environment to preserve Muirillup 3 and 4 coupes?
- (7) If not, why not?

Mr BRADSHAW replied:

- (1)-(7) See answer to Question 1447 asked on 25 November 1999.

TOURISM, SOUTH WEST

1807. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) What was the total number of tourists that visited the area covered by Tourism South West in the -
 - (a) 1997/98 financial year;
 - (b) 1998/99 financial year; and
 - (c) 1999-2000 financial year (forecast)?
- (2) What percentage of the tourists that visit the area are from -
 - (a) the Perth metropolitan area;
 - (b) regional Western Australia (outside the area covered by Tourist South West);
 - (c) interstate; and
 - (d) international?
- (3) What amount did the Western Australian Tourism Commission spend/allocate towards promoting the South West in -
 - (a) the Perth metropolitan area; and
 - (b) regional Western Australia,
 in the -
 - (i) 1997/98 financial year;
 - (ii) 1998/99 financial year; and
 - (iii) 1999-2000 financial year (forecast)?

Mr BRADSHAW replied:

- (1) (a) No regional visitor estimates were released by the WATC covering 1997/98. This was due to the cessation of the Western Australian Travel Survey (WATS), which last provided regional tourism research information covering the period 1995 and 1996 calendar years. More recent regional research became available with the release of a nationally coordinated domestic regional tourism survey (National

Visitor Survey or NVS) covering 1998 calendar year. The number of overnight domestic visitors to the South West in 1998 was estimated at 1,279,000. NVS results are not comparable with the WATS results due to adoption of a different methodology.

- (b) Since the release of 1998 results (in November 1999), 1998/99 results are now available (currently under public embargo), the results from which estimate the number of domestic visitors to the South West during this period was 1,428,000.
 - (c) No estimates are currently available for the 1999-2000 financial year.
- (2)
- (a) Approximately 71% of domestic visitors to the South West during 1998/99 originated from Perth metropolitan area
 - (b) It is not possible to estimate the number of regional Western Australians (excluding those originating in the South West) visiting the South West region.
 - (c) No reliable estimates are available for the number of interstate visitors to the South West region.
 - (d) It is estimated that 51,000 international visitors visited the South West region in 1998. Estimates are only available on a calendar year basis.
- (3)
- (a)-(b) Details of WATC funding for marketing activities that have included promotion of the South West are shown below:
 - (i) 1997/98
Winter Breaks 1998 - (Total cost \$254,675; WATC cost \$61,220; Industry cost \$193,455). Accommodation operators in 6 regions, including the South West, promoted in a brochure distributed throughout the State and in a television campaign in the metropolitan market.

Our WA Television Program - (Total cost \$109,000; WATC cost \$65,000; Industry cost \$44,000). A series of around 20 programs produced and screened on Channel 7 promoting regional product and destinations. A number of stories promoted the South West.
 - (ii) 1998/99
Winter Breaks 1999 - (Total cost \$256,030; WATC cost \$0; Industry cost \$256,030). A campaign promoting short break holidays to 6 regions, including the South West, in metropolitan and regional areas. Production and distribution of the Winter Breaks brochure and supporting television advertising entirely funded through operator participation fees.

Our WA Television Program - (Total cost - \$113,400; WATC cost \$65,000; Industry cost \$48,400). A series of around 20 programs produced and aired on Channel 7 promoting regional product and destinations. A number of stories promoted the South West.
 - (iii) 1999/2000
Brand WA Campaign - (Total cost \$175,000; WATC cost \$120,000; Industry cost \$55,000). A television campaign promoting regional destinations and associated tourism product. 4 of the 11 commercials screened promoted South West attractions and product. Almost \$56,000 spent on production and placement of the commercials in the metropolitan market and \$16,000 in regional areas.

Our WA Television Program - (Total cost - \$70,000; WATC cost \$15,000; Industry cost \$55,000). A series of around 20 programs produced and aired on Channel 7 and GWN promoting regional product and destinations. A number of stories promoted the South West.

Our WA "Our Forests" Special - (Total cost \$28,130; WATC cost \$17,630; South West Development Commission cost \$10,500; Industry cost \$0). A program featuring the forest areas of the South West that screened in December 1999 in the metropolitan area (at a cost of just over \$20,630) and in regional Western Australia (at a cost of almost \$7,500).

Winter Breaks 2000 - (Total cost - \$260,580; WATC cost \$0; Industry cost \$260,580). A campaign promoting short break holidays to 6 regions, including the South West, in metropolitan and regional areas. Production and distribution of the Winter Breaks brochure and supporting television and press advertising entirely funded through operator participation fees.
- WATC contracts Tourism South West to undertake a range of marketing activities. This assists the South West tourism industry to determine for themselves the appropriate marketing/promotional activities they would like undertaken for their region

EMPLOYMENT GROWTH

1817. Mr KOBELKE to the Treasurer:

- (1) Did the 1999-2000 mid year review of Public Sector finances issued by the Government of Western Australia state on page three that employment growth for Western Australia was 2.5% for the 1998-99 financial year?
- (2) If so, is this statement correct?

- (3) If not, what was the actual employment growth in 1998-99?
- (4) Did the Budget Papers for the 1998-99 budget predict that employment growth for that year was likely to be 3.25%?
- (5) What is the number of errors identified in the documents published under the title "1999-2000 Mid Year Review of Public Sector Finances"?

Mr COURT replied:

- (1)-(2) Yes.
- (3) Not applicable.
- (4) Yes. However, this was revised to 2.5% in the May 1999 Budget Papers. The reference on page three of the 1999-2000 mid year review document relates to this revised published estimate for 1998-99.
- (5) To my knowledge there are no errors in the *1999-2000 Mid-Year Review of Public Sector Finances*.

GOVERNMENT DEPARTMENTS AND AGENCIES, INTERNET USAGE

1820. Mr KOBELKE to the Minister for Works and Services:

- (1) Does the Department of Contract and Management Services have a program for auditing Internet usage across the Public Sector to detect and deter improper or inappropriate use of the Internet by Government agencies?
- (2) If so, is this run by CAMS or contracted out?
- (3) Who is the Officer responsible for such an auditing program?
- (4) Does an auditing program for improper or inappropriate use of the Internet currently cover all Government agencies?
- (5) If not, then which Government agencies have been covered by such an auditing program?
- (6) Has any evidence been obtained that would suggest that within a particular Government agency or department there has been improper or inappropriate use of the Internet?
- (7) If so, in how many Government departments or agencies has improper or inappropriate use of the Internet been detected?
- (8) In the case of improper or inappropriate use of the Internet within a Government department, what action has been taken to have that department or agency limit or stop such misuse of the Internet?
- (9) Does the auditing process generate a specific report on the agency or department that has been detected abusing or misusing the Internet?
- (10) If so, what happens to that particular report?
- (11) Have any particular officers within Government agencies or departments become suspects or clearly identified as making improper or inappropriate use of the Internet?
- (12) If so, then is there a report generated on that improper or inappropriate use by a particular officer or officers?
- (13) In which case, what is done with the report on the improper or inappropriate use by particular officers?
- (14) To whom is responsibility delegated for ensuring that such officers do not continue to make improper or inappropriate use of the Internet?
- (15) What counselling or other actions are taken against particular officers who are identified as making improper or inappropriate use of the Internet?

Mr JOHNSON replied:

- (1) No.
- (2)-(3) Not applicable.
- (4) No.
- (5) Not applicable.
- (6) The CEO of each agency is responsible for ensuring that Government resources are used to meet the operational objectives of the agency and that employees comply with the Public Sector Code of Conduct and associated internal policies. CAMS does not maintain a central register of improper or inappropriate internet use. Within CAMS two inappropriate internet use incidents have been detected
- (7) Not applicable.

- (8) CAMS developed and issued a corporate policy on Internet use approximately twelve months ago. All employees have been made aware of the policy, and all have agreed in writing to abide by the policy.
- (9) CAMS does not audit Internet use across the Public Sector.
- (10) Not applicable.
- (11) Within CAMS two officers have been disciplined for inappropriate use of the Internet.
- (12) No.
- (13) Not applicable.
- (14) Responsibility is delegated to managers.
- (15) Within CAMS, initially the individual's manager would discuss the issue with the Manager Human Resources and arrange appropriate counselling and/or disciplinary action consistent with the principles of natural justice and Public Sector standards.

DEPARTMENT OF PRODUCTIVITY AND LABOUR RELATIONS, EMPLOYEES

1828. Mr KOBELKE to the Minister for Labour Relations:

As of the 30 June in each year from 1990 up to and including 1999, what were the number of employees of the Department of Productivity and Labour Relations by each main class of salary level and by each internal output division of the Department?

Mrs EDWARDES replied:

See tabled paper. This represents the number of employees in the Department of Productivity and Labour Relations by each salary level and by each internal output division from 30 June 1993 to 13 March 2000. Figures prior to this date are not available.

Executive								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 3	1	1	1	1	1	1	1	1
Level 6	-	-	-	-	-	-	1	1
Special 3	1	1	1	1	1	1	1	1
Total	2	2	2	2	2	2	3	3
Labour Relations Services								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 1	5	3	3	3	3	1	-	-
Level 2	8	8	6	10	8	6	1	2
Level 3	5	6	6	6	5	6	2	2
Level 4	4	5	7	6	7	1	6	5
Level 5	9	6	4	5	2	3	3	3
Level 6	12	8	11	10	3	-	4	4
Level 7	4	7	6	7	7	3	2	1
Level 8	4	4	6	4	3	3	3	3
Level 9	1	1	1	1	-	-	-	-
Class 1	-	-	-	-	2	1	1	1
Total	52	48	50	52	40	24	22	21
Fair Workplaces								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 1	3	2	4	3	4	1	1	1
Level 2	12	12	9	17	14	15	15	15
Level 3	8	8	9	11	8	8	12	5
Level 4	6	5	5	6	8	9	5	5
Level 5	4	4	4	4	6	6	9	10
Level 6	1	1	1	1	1	4	2	3
Level 7	2	2	2	2	2	-	-	-
Level 8	1	1	1	1	-	2	2	2
Level 9	-	-	-	-	1	1	1	1
Total	37	35	35	45	44	46	47	42
Corporate Services								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 1	3	3	3	3	3	3	4	2
Level 2	4	4	3	3	3	4	6	3
Level 3	3	3	4	4	5	2	3	5
Level 4	4	4	3	3	2	3	1	3
Level 5	2	1	2	3	1	1	4	2
Level 6	1	1	2	2	4	4	5	2
Level 7	-	-	1	1	-	-	1	3
Level 8	1	1	-	-	1	1	-	1
Level 9	-	-	-	-	-	-	1	-
Tea Attendant	1	-	-	-	-	-	-	-
Total	19	17	18	19	19	18	25	21

Policy	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 1	-	-	-	-	-	2	-	-
Level 2	-	-	-	-	-	3	2	3
Level 3	-	-	-	-	-	1	2	1
Level 4	-	-	-	-	-	1	1	1
Level 5	-	-	-	-	-	5	3	4
Level 6	-	-	-	-	-	2	4	1
Level 7	-	-	-	-	-	-	2	2
Level 8	-	-	-	-	-	2	2	2
Class 1	-	-	-	-	-	1	1	1
Total	-	-	-	-	-	17	17	15
Building and Construction Industry Taskforce								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 5	-	-	-	-	-	-	-	1
Level 8	-	-	-	-	-	-	-	2
Total	-	-	-	-	-	-	-	3
Censorship Office								
	30.6.93	30.6.94	30.6.95	30.6.96	30.6.97	30.6.98	30.6.99	13.3.00
Level 4	-	-	-	-	-	-	-	1
Level 6	-	-	-	-	-	-	-	1
Total	-	-	-	-	-	-	-	2

FREEDOM OF INFORMATION ACT, REVIEW OF SECRECY PROVISIONS

1831. Mr KOBELKE to the Minister for Public Sector Management:

I refer to the Attorney General's report dated 31 October 1997 based on the Statutory Review of the Freedom of Information Act 1992 and to the statement that the Public Sector Management office will review secrecy provisions in relation to the Freedom of Information Act and ask -

- (a) was this review completed in December 1997; and
- (b) what, if any, action is the Government taking in response to the recommendations of this review?

Mr COURT replied:

- (a) I refer the member to the answer to Question 1792 of 1998.
- (b) The Government is preparing drafting instructions in response to the recommendations of this review.

REGIONAL BUYING COMPACT

1840. Mr BROWN to the Premier:

- (1) Has the State Government sought any advice on whether the Regional Buying Compact contravenes National Competition policy?
- (2) Has the State Government been advised by any authoritative source that the Regional Buying Compact conflicts with National Competition policy?
- (3) If so, on what basis does the Regional Buying Compact conflict with National Competition policy?

Mr COURT replied:

- (1)-(3) In April 1998, an independent National Competition Policy Review of the State Supply Commission Act 1991 and subordinate legislation, including the Regional Buying Compact was undertaken by the State Supply Commission. The review of the Regional Buying Compact included a public benefit test, which enabled public interest issues to be examined. The review found that the economic stimulus to non-metropolitan towns and communities outweighed the minor restrictions on competition. This is consistent with National Competition Policy principles that allow economic and regional development to be considered.

REGIONAL BUYING COMPACT

1841. Mr BROWN to the Minister for Services:

- (1) Has the State Government sought any advice on whether the Regional Buying Compact contravenes National Competition policy?
- (2) Has the State Government been advised by any authoritative source that the Regional Buying Compact conflicts with National Competition policy?
- (3) If so, on what basis does the Regional Buying Compact conflict with National Competition policy?

Mr JOHNSON replied:

- (1)-(3) I refer the member to the answer to Question No 1840.

SOCIAL CONCESSIONS, REVIEW

1848. Mr RIPPER to the Premier:

- (1) Will the Premier guarantee that the Review into Whole of Government Social Concessions will not result in a reduction of social concessions for any West Australian citizen?
- (2) If not, why not?
- (3) When will the report from the Whole of Government Review of Social Concessions be made public?

Mr COURT replied:

The Review of State Government Social Concessions that was commenced in 1998/99 is an ongoing process focussed on improving accountability and service delivery and not on reducing concessions. In 1999/2000 the first report on State Government social concessions expenditure was published as part of Budget Paper No.3 (Appendix 16). This report will be a standard feature of all future budgets.

SYNTROLEUM CORPORATION, SWEETWATER PROJECT

1850. Mr RIPPER to the Minister for Resources Development:

- (1) Will the Minister confirm the report in *The West Australian* on 28 February 2000 that Syntroleum Corporation still has not secured the necessary funds for the Sweetwater Project?
- (2) Is it true that Syntroleum has generated "negligible revenue and posted losses totalling more than \$US28 million in the past two years"?
- (3) Given the negative reports on Syntroleum, does the Minister have full confidence that the project will proceed?
- (4) If yes, why?

Mr BARNETT replied:

- (1) I understand that the Company is satisfied with its progress towards project funding.
- (2) Syntroleum has reported losses of US\$17 million and US\$12 million for the years 1998 and 1999 respectively.
- (3) These are not negative reports. Such results are typical for an R&D company looking to commercialise its proprietary technology. The project has a very good chance of success.
- (4) The project is financially robust and Syntroleum has agreements with the very large North American firms, Enron and Methanex, for equity participation.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1858. Mr BROWN to the Minister for Resources Development; Energy; Education:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?
- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Mr BARNETT replied:

Department of Resources Development

- (1) The Department of Resources Development (DRD) does not have such facilities.
- (2) Not applicable.
- (3) DRD is not considering offering such facilities.
- (4) Not applicable.
- (5) DRD is not planning to offer such facilities.
- (6)-(7) Not applicable.

Office of Energy

- (1) The Office of Energy does not provide on-site childcare facilities for employees.
- (2) Not applicable.
- (3) No.
- (4) Not applicable.
- (5) No.
- (6)-(7) Not applicable.

Western Power

- (1) Western Power has no on-site childcare facilities.
- (2) Not applicable.
- (3) Western Power is not considering on-site childcare facilities.
- (4) Not applicable.
- (5) Western Power does not have plans to offer or provide on-site childcare facilities.
- (6)-(7) Not applicable.

AlintaGas

- (1) AlintaGas does not offer or provide on-site childcare facilities to its employees.
- (2) Not applicable.
- (3) AlintaGas is not considering offering or providing on-site childcare facilities to its employees.
- (4) Not applicable.
- (5) AlintaGas does not have plans to offer or provide on-site childcare facilities.
- (6)-(7) Not applicable.

Education Department of Western Australia

- (1) Nil.
- (2) Not applicable.
- (3) Yes.
- (4) Education Department of WA (EDNA).
- (5) EDWA has approval to establish a family room in Central Office.
- (6) It is expected to have this operational by the end of 2000.
- (7) It will be for the use of staff in emergency situations.

Department of Education Services

- (1)-(7) Not applicable.

Curriculum Council

- (1)-(7) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1864. Mr BROWN to the Minister for Housing; Aboriginal Affairs; Water Resources:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?
- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Dr HAMES replied:

- (1) None.

- (2) Not applicable.
- (3) No.
- (4) Not applicable.
- (5) No.
- (6)-(7) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1865. Mr BROWN to the Minister for Health:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?
- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Mr DAY replied:

- (1) Metropolitan Health Service, Mid West Health Service and Murchison Health Service.
- (2) Metropolitan Health Service: The Child Care Centre at Princess Margaret offers childcare to employees as well as members of the public. However, it is an independent incorporated body and is not Government funded.
Mid West Health Service: Morawa & Districts Health Service offer unsupervised childcare. They provide a room with a computer and television.
Murchison Health Service: Murchison Health Service is responsible for managing the Meekatharra Child Care Centre. Staff who work at the centre are employed by the Murchison Health Service and are free to bring their own children to the Centre during work hours for a discounted fee. No other worksite within the Health Service is provided with on-site child care facilities.
- (3) Yes.
- (4) Health Department of Western Australia, Lower Great Southern Health Service, Graylands and Northern Goldfields Health Service.
- (5) Health Department of Western Australia: Staff in the Health Department of W.A. will be surveyed shortly to help identify family friendly, flexible work practices. It is anticipated on-site child care facilities will be identified and this will be considered along with other initiatives.
Lower Great Southern Health Service: The health service has been approached by private operators to consider the provision of a crèche at Albany Regional Hospital which would provide childcare to visitors, outpatients and employees.
Metropolitan Health Service: Graylands – Under consideration.
Northern Goldfields Health Service: Consideration being given in Planning Study.
- (6) Lower Great Southern Health Service: No timeframe has been set for these considerations.
Metropolitan Health Service: Graylands – No timeframe.
Northern Goldfields Health Service: No timeframe.
- (7) Lower Great Southern Health Service: If this matter were to proceed the health service would provide a room or rooms and access to a phone outlet.
Metropolitan Health Service: Graylands - under consideration.
Northern Goldfields Health Service: Under consideration.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1868. Mr BROWN to the Minister for Family and Children's Services; Seniors; Women's Interests:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?

- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Mrs van de KLASHORST replied:

- (1)-(2) Family and Children's Services does not offer or provide on-site childcare facilities for employees
- (3)-(4) Not applicable.
- (5)-(7) As part of family friendly work practices, Family and Children's Services staff with dependent children or elderly relatives whose care arrangements temporarily change will soon be able to make use of a new family room in central office. With fitout of the room and policies for its use almost finalised, one staff member per day will be able to work from the room while caring for dependants.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1873. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?
- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Mr BRADSHAW replied:

Western Australian Tourism Commission
Rottnest Island Authority

- (1)-(7) The Western Australian Tourism Commission and Rottnest Island Authority do not provide on-site childcare facilities and are not considering the provision of such facilities in the near future.

GOVERNMENT DEPARTMENTS AND AGENCIES, ONSITE CHILD CARE

1874. Mr BROWN to the Parliamentary Secretary to the Minister for Sport and Recreation:

- (1) What departments and agencies under the Minister's control offer or provide on-site childcare facilities for employees?
- (2) What is the nature of the facilities offered?
- (3) Are any departments or agencies under the Minister's control giving consideration to offering such on-site childcare facilities?
- (4) If so, what departments and agencies?
- (5) Do any departments and agencies under the Minister's control have the plans to offer or provide on-site childcare facilities to employees?
- (6) If so, when?
- (7) What is the nature of the facilities that will be provided?

Mr MARSHALL replied:

Ministry of Sport and Recreation
Recreation Camps and Reserves Board

- (1) Nil.
- (2) Not applicable.

- (3) No.
- (4) Not applicable.
- (5) No.
- (6)-(7) Not applicable.

Western Australian Sport Centre Trust

- (1) The Western Australian Sport Centre Trust provides on-site childcare facilities for employees at Challenge Stadium and Arena Joondalup.
- (2) At Challenge Stadium the provision of day care and creche facilities is leased to a private operator and staff have access to that service. At Arena Joondalup, day care and creche facilities are provided by the venue and staff have access to that service.
- (3)-(7) Not applicable.

Western Australian Institute of Sport

- (1) The Western Australian Institute of Sport (WAIS) is based at Challenge Stadium which has childcare facilities.
- (2) Staff have access to the day care and creche facilities located at Challenge Stadium.
- (3)-(7) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1876. Mr BROWN to the Premier; Treasurer; Minister for Public Sector Management; Federal Affairs:

- (1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -
 - (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other costs; and
 - (e) fees,charged to consumers, clients, users etc of each department and agency?
- (2) What -
 - (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,of each department and agency will be effected by the Goods and Services tax?
- (3) What -
 - (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,will increase a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
 - (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr COURT replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1879. Mr BROWN to the Minister for Resources Development; Energy; Education:

- (1) Has each department and agency under the Deputy Premier's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

(3) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will increase a consequence of the Goods and Services tax?

(4) What will be the percentage and monetary amount of the increase?

(5) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will decrease as a result of the introduction of the Goods and Services tax?

(6) In percentage and monetary terms, what will be the amount of the decrease?

Mr BARNETT replied:

(1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1880. Mr BROWN to the Minister for Primary Industry; Fisheries:

(1) Has each department and agency under the Attorney General's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

(3) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will increase a consequence of the Goods and Services tax?

(4) What will be the percentage and monetary amount of the increase?

- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr HOUSE replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1882. Mr BROWN to the Minister for Lands; Fair Trading; Parliamentary and Electoral Affairs:

- (1) Has each department and agency under the Attorney General's control assessed the degree to which the Goods and Services tax will effect all -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other costs; and
 - (e) fees,
- charged to consumers, clients, users etc of each department and agency?
- (2) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- of each department and agency will be effected by the Goods and Services tax?
- (3) What -
- (a) charges;
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 - (d) other consumer charges; and
 - (e) fees,
- will increase a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr SHAVE replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1884. Mr BROWN to the Minister for Planning; Heritage; Minister assisting the Treasurer:

- (1) Has each department and agency under the Attorney General's control assessed the degree to which the Goods and Services tax will effect all -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other costs; and
 - (e) fees,
- charged to consumers, clients, users etc of each department and agency?

- (2) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- of each department and agency will be effected by the Goods and Services tax?
- (3) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will increase a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr KIERATH replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1885. Mr BROWN to the Minister for Housing; Aboriginal Affairs; Water Resources:

- (1) Has each department and agency under the Attorney General's control assessed the degree to which the Goods and Services tax will effect all -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other costs; and
 - (e) fees,
- charged to consumers, clients, users etc of each department and agency?
- (2) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- of each department and agency will be effected by the Goods and Services tax?
- (3) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will increase a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Dr HAMES replied:

(1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1890. Mr BROWN to the Minister for Works; Services; Citizenship and Multicultural Interests:

(1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

(3) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will increase a consequence of the Goods and Services tax?

(4) What will be the percentage and monetary amount of the increase?

(5) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will decrease as a result of the introduction of the Goods and Services tax?

(6) In percentage and monetary terms, what will be the amount of the decrease?

Mr JOHNSON replied:

(1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1891. Mr BROWN to the Minister representing the Minister for Mines:

(1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

- (3) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will increase as a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr BARNETT replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1892. Mr BROWN to the Minister representing the Minister for Racing and Gaming:

- (1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other costs; and
 - (e) fees,
- charged to consumers, clients, users etc of each department and agency?
- (2) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- of each department and agency will be effected by the Goods and Services tax?
- (3) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will increase as a consequence of the Goods and Services tax?
- (4) What will be the percentage and monetary amount of the increase?
- (5) What -
- (a) charges;
 - (b) fares;
 - (c) tariffs;
 - (d) other consumer charges; and
 - (e) fees,
- will decrease as a result of the introduction of the Goods and Services tax?
- (6) In percentage and monetary terms, what will be the amount of the decrease?

Mr COWAN replied:

- (1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1894. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

(1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

(3) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will increase a consequence of the Goods and Services tax?

(4) What will be the percentage and monetary amount of the increase?

(5) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will decrease as a result of the introduction of the Goods and Services tax?

(6) In percentage and monetary terms, what will be the amount of the decrease?

Mr BRADSHAW replied:

(1)-(6) This information will be released as part of the budget process.

GOVERNMENT DEPARTMENTS AND AGENCIES, GOODS AND SERVICES TAX

1895. Mr BROWN to the Parliamentary Secretary to the Minister for Sport and Recreation:

(1) Has each department and agency under the Premier's control assessed the degree to which the Goods and Services tax will effect all -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other costs; and
- (e) fees,

charged to consumers, clients, users etc of each department and agency?

(2) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

of each department and agency will be effected by the Goods and Services tax?

(3) What -

- (a) charges;
- (b) fares;

- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will increase as a consequence of the Goods and Services tax?

(4) What will be the percentage and monetary amount of the increase?

(5) What -

- (a) charges;
- (b) fares;
- (c) tariffs;
- (d) other consumer charges; and
- (e) fees,

will decrease as a result of the introduction of the Goods and Services tax?

(6) In percentage and monetary terms, what will be the amount of the decrease?

Mr MARSHALL replied:

(1)-(6) This information will be released as part of the budget process.

DRAINAGE COMMITTEE, REPORT

1918. Mr PENDAL to the Minister for Primary Industry:

I refer to the Ministerial Committee on Drainage in relation to dryland salinity and ask -

- (a) when is the report due to be received by the Government; and
- (b) will the report be tabled in Parliament?

Mr HOUSE replied:

- (a) The report on drainage was commissioned by the Minister for Primary Industry; Fisheries and has been received by the Minister. The report which is titled "Deep Drainage in South West Western Australia" was officially launched by me on 2 April.
- (b) The report is now available to anyone who would like a copy and I have arranged for one to be sent direct to the member's electorate office.

WESTERN POWER, EMPLOYEES' BONUS SCHEME

1924. Mr BROWN to the Minister for Energy:

- (1) Does Western Power have a bonus scheme for certain employees including meter readers?
- (2) Is the bonus paid as an incentive to maintain a high level of productivity?
- (3) Is the bonus paid yearly?
- (4) When did the bonus cease to be paid twice yearly?
- (5) Is the bonus related to the productivity of each individual with some individuals receiving a higher bonus payment than others depending on their assessed level of productivity?
- (6) Is the bonus payment based on the level of productivity of a certain group or section of employees?
- (7) If so, is it true that all employees in that section contribute to the high levels of productivity?
- (8) If so, in equity and fairness is it not reasonable to apply the bonus to all employees irrespective of whether they leave the employ of Western Power prior to that bonus actually being paid?
- (9) If not, why not?
- (10) Do employees who have been employed for, say six months, of the year in which the productivity is assessed receive a bonus payment equal to that payable to other employees that have been engaged for one year?
- (11) If not, why not?

Mr BARNETT replied:

- (1) Western Power has an Employee Incentive Scheme which can lead to the payment of an annual bonus to Western Power employees.
- (2) The bonus is paid once the company exceeds a pre determined Productivity Index which is based on the amount of electricity sold, divided by expenditure on labour materials and services.
- (3) Any consideration of a bonus is based on the annual results of Western Power.

- (4) The only occasion where more than one payment has been made during one financial year was during 1997/1998.
- (5) No.
- (6) The bonus payment is based on the corporate performance of the company and not segregated to different sections or groups of employees.
- (7) The Scheme is based on corporate results and is not applied until after the audited results of Western Power have been posted.
- (8) Only those employees who were employed on the date Western Power's Board approved the payment are eligible for any form of bonus.
- (9) The Scheme is not just a recognition of work done in the past but is aimed at encouraging employees of Western Power to improve productivity levels into the future, hence it is given to current employees only. As with all schemes there must be an effective date and in the last financial year it was 15 October 1999.
- (10) No.
- (11) Employees who are employed at the date that a payment is approved under the scheme are eligible for a pro rata payment if not employed for the entire financial year.

BUSINESS CLOSURES, EMPLOYEE ENTITLEMENTS

1925. Mr BROWN to the Minister for Labour Relations:

- (1) Has the Federal Government approached the State Government about-
 - (i) participating in; and/or
 - (ii) providing part funding for-
 a Government funded safety net for workers who are not paid their entitlements when businesses close down or go bankrupt;?
- (2) What is the nature of the request that has been made by the Federal Government?
- (3) Has the State Government agreed to the request?
- (4) What response has the Government provided to the Federal Government?
- (5) Does the State Government intend to-
 - (i) support; and
 - (ii) part-fund;
 this scheme?
- (6) If so, when?
- (7) If not, why not?

Mrs EDWARDES replied:

- (1) Yes
- (2) Minister Reith has requested that the WA Government participate with the Commonwealth, on a 50% cost-sharing basis, in a national Employee Entitlements Support Scheme (EESS) to provide a basic level of protection for employee entitlements in cases of employer insolvency.
- (3) I am giving consideration to the Federal Minister's proposal.
- (4) The Government has indicated to Minister Reith its concern about the lack of definitive information on the extent of the problem of unpaid employee entitlements in Western Australia and that more research is required.
- (5)-(7) Not applicable – see (3) above.

DENTAL HOSPITALS AND CLINICS, WAITING LISTS

1928. Ms McHALE to the Minister for Health:

What are the latest figures for people waiting for dental work at each of the metropolitan dental hospitals and other Government dental clinics as at 29 February 2000, in terms of average waiting times and the total number of people waiting for treatment?

Mr DAY replied:

Perth Dental Hospital	3483	9 months
Liddell	657	5 months
Fremantle	1144	8 months
North Perth	258	2 months

Sir Charles Gairdner	44	2 months
Bunbury	1041	9 months
Albany	410	6 months
Goldfields	148	5 months
Rockingham	637	4 months
Warwick	1471	8 months
Swan	198	1 month
Mt Henry	81	4 months
Vasse	62	6 months
Geraldton	204	9 months

KEMERTON INDUSTRIAL PARK, EXPANSION

1929. Mr RIPPER to the Minister for Resources Development:

- (1) Has the State Government decided to expand the Kemerton Industrial Park?
- (2) When will surrounding land owners be advised of the Government's position on this proposed expansion?
- (3) Is the Minister concerned that the proposed expansion takes the Industrial Park on to high ground, hence raising the prospect of industrial development becoming much more intrusive on surrounding communities?

Mr BARNETT replied:

- (1) Yes.
- (2) Surrounding landowners were being advised on 21 March 2000.
- (3) Landscape screening, sensitive site location for industry, height restrictions and a range of building treatments will be employed to screen industry from nearby residents.

WORLD ATHLETICS GAMES

1938. Mr McGOWAN to the Parliamentary Secretary to the Minister for Sport and Recreation:

I refer to Events Corps proposal to host the World Athletics Games in Perth in 2006 and ask-

- (a) over what dates would this event be hosted in Perth;
- (b) what is the estimated total cost including administration, capital improvements and any other on costs;
- (c) how would this be met; and
- (d) what revenue does the Government envisage making from this event?

Mr MARSHALL replied:

- (a)-(d) Athletics Australia provided EventsCorp the opportunity of bidding for the World Athletics Championships to be held in 2005. London had done considerable work to stage this event and was the only candidate bidding for 2005. However, because of doubt over a suitable facility to host the event, Perth submitted an Expression of Interest to host the 2005 Championships although the 2007 Championships was better suited for a Perth bid. The World Body controlling the sport [IAAF] has recently announced that London has now complied with all requirements and the 2005 event will be staged in that city. EventsCorp is currently seeking information from Seville, the past host of the Championships. It will analyse costs and economic benefits and will examine the requirements placed by the IAAF on the host of the 2007 event. At present, the cost is estimated at approximately \$50 million. Revenue required to fund the event in Perth would have to be raised through all available avenues including Corporate sponsorships and Commonwealth and State Government appropriations.

ROTTNEST ISLAND HOTEL

1941. Mr McGOWAN to the Parliamentary Secretary to the Minister for Tourism:

I refer to the Rottnest Island Hotel and ask-

- (a) when will the tender process for the management of the hotel be closing;
- (b) when is it expected that the Government will announce the successful tenderer; and
- (c) what is the expected range of bids?

Mr BRADSHAW replied:

- (a) The process through which it is anticipated that a preferred proponent shall be selected and recommended to take up a lease of the Rottnest Island Hotel is in two parts. The first part, during which expressions of interest were called, has been finalised. The second part, during which requests for proposals will be invited from short listed proponents from Part 1, is expected to close at the end of May 2000.
- (b) The preferred proponent will be announced as soon as possible after the closing date for submissions, at which time the Rottnest Island Authority will enter into negotiations to define lease terms, conditions and performance benchmarks and indicators.

- (c) The range of bids will be dependent upon proposed capital works, lease terms and rental proposals. It is not possible therefore to give an expected range.

TOURISM COMMISSION, KALGOORLIE STAFF

1947. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) How many staff does the Western Australian Tourism Commission have in Kalgoorlie and surrounds?
 (2) What is the designation of each staff member?
 (3) Are staff members responsible for -
 (a) tourist promotion;
 (b) identification of new tourism icons; and
 (c) events coordination?

Mr BRADSHAW replied:

- (1) One.
 (2) Goldfields Esperance Tourism Development Manager.
 (3) (a) No. This is done by the locally funded Regional Tourism Association but may involve the WATC on specific promotions.
 (b) Yes.
 (c) No. This is done by the local Regional Tourism Association but may involve the WATC for specific events.

GOLD CONFERENCE, KALGOORLIE

1949. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) Is the Government/Minister/Western Australian Tourism Commission making any special efforts to try to have the Australia Gold Council – Gold Conference held in Kalgoorlie as was previously the case?
 (2) If so, what efforts are being made in this regard?
 (3) What resources has the Government/Commission allocated to this task?
 (4) Who is responsible within the Government/Commission for carrying out this task?
 (5) What steps have been taken to date to try and have the Gold Conference returned to Kalgoorlie?

Mr BRADSHAW replied:

- (1) Australian Gold Council's Gold Conference is owned and controlled by the Chamber of Minerals and Energy in association with the Gold Council. I understand that the Chamber made a carefully considered decision in 1998 to relocate the conference to Perth based on financial and logistical reasons. Apart from expressing disappointment and urging the Chamber to reconsider this decision, which I have done on behalf of the Government, there is little practical or appropriate action the Government could take to have the Gold Conference returned to Kalgoorlie.
 (2)-(5) Not applicable.

ABORIGINAL COMMUNITIES, PLANNING

1956. Mr BROWN to the Minister for Aboriginal Affairs:

- (1) Has the Government adopted a whole of government approach to planning for Aboriginal communities including responsibility for -
 (a) capital expenditure;
 (b) maintenance; and
 (c) coordination of programme delivery for infrastructure such as water, power, roads, local government services, air strips, health services, housing and community facilities?
 (2) If so, what procedures has the Government implemented to ensure a whole of government approach?
 (3) Has the Government prepared such plans on each matter for each Aboriginal community?
 (4) Will such plans be prepared?
 (5) If so, when?

Dr HAMES replied:

- (1) (a)-(c) Yes.

- (2) There are several inter-agency forums and programs established to ensure a 'whole of government' approach to planning and service delivery in Aboriginal communities. These include:

Environmental Health Needs Coordinating Committee (EHNCC). This peak interagency committee has the responsibility for considering and endorsing government policy and programs aimed at improving environmental health conditions in Aboriginal communities.

InterGovernment Working Group on Environmental Health (IGWG). This is the EHNCC working group which identifies key issues, prepares discussion papers, collates and circulates program information to member agencies and actions programs and services.

As a policy "think tank" the EHNCC and IGWG are able to identify an issue affecting environmental health, examine it within a State-wide context and then implement appropriate government action. Major initiatives of the EHNCC/IGWG are:

Environmental Health Needs Survey (EHNS). Conducted in 1997 this survey compiles data on seven key environmental health indicators and is the most comprehensive profile ever produced on Western Australia's Aboriginal communities. Results of the EHNS has allowed: (i) identification of gaps in service delivery; (ii) the allocation of resources by State and Commonwealth agencies to be determined on a priority basis; (iii) improved collaboration and coordination between agencies.

The Remote Area Essential Services Program (RAESP). This is a joint program between the Aboriginal and Torres Strait Islander Commission (ATSIC) and the State Government. Under this agreement approximately \$8.4 million is allocated by ATSIC for capital works projects which address power, water and sewerage needs in Aboriginal communities. The State allocates \$4.8 million for repairs and maintenance to power, water and sewerage services in 62 Aboriginal communities (to be expanded to 72 communities over the next two years). ATSIC recently secured funding to expand the repairs and maintenance service to an additional 15 communities which do not meet State funding criteria. ATSIC also fund emergency breakdowns in communities not funded by the State Government. This program is overseen by an inter-agency steering committee.

A draft *Agreement for the Provision of Essential Services to Aboriginal Communities in Western Australia* is currently being negotiated between the State Government (Aboriginal Affairs Department and Ministry of Housing) and ATSIC. This bilateral agreement seeks to formalise the current joint approach adopted under the RAESP.

The Aboriginal Communities Strategic Investment Program. The aim of this program is to ensure selected remote Aboriginal communities have access to essential, municipal and administrative services comparable to those of similarly sized mainstream towns. Following the EHNS, an Environmental Health and Dust Abatement Program is being implemented to seal internal roads, fund landscaping and provide recreational facilities such as swimming pools and basketball courts. This program is overseen by an interagency steering committee.

The 1997 bilateral *Agreement for the Provision of Housing and Related Infrastructure for Aboriginal and Torres Strait Islander People in Western Australia*. Under this agreement capital funds for the construction of housing and related infrastructure are pooled by the Commonwealth and State Government in order to reduce the duplication of services and improve housing outcomes for Aboriginal people.

Town Planning. The AAD and ATSIC have jointly funded the development of Aboriginal community town layout plans. It is intended that all communities with populations of 75 or more will have a town layout plan, the aim of which is to improve the standard of planning by government agencies and local government, as well as recognise community social and cultural needs.

Ministerial Coordinating Group on Aboriginal Issues. Chaired by the Department of Local Government, this interagency committee was established to address issues relating to service delivery by local government to Aboriginal communities, and, resolve long term policy deadlocks between Commonwealth, State and Local Governments.

- (3) No. It is considered the 'whole of government' approach outlined above provides an adequate planning framework for Aboriginal communities in Western Australia.
- (4)-(5) Not applicable.

KALGOORLIE-ESPERANCE, MINERAL RESOURCE INVENTORY

1959. Mr BROWN to the Minister for Lands:

- (1) Has the Government prepared a mineral resource inventory for the Kalgoorlie/Esperance region to clarify the land available for future townsite expansion?
- (2) Does the Government plan to prepare such an inventory?
- (3) If so, when?

(4) If not, why not?

Mr BARNETT replied:

(1)-(4) See answer to question number 1958.

TOURISM, GOLDFIELDS

1965. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) Has the Government planned a coordinated tourism strategy, for the Goldfields region?
- (2) If so, is that strategy publicly available?
- (3) If not, why not?
- (4) Does the strategy identify future tourism development needs?
- (5) If so, what are those needs?
- (6) Does the strategy identify appropriate location for tourist facilities in areas with tourism potential?
- (7) If so, what are the appropriate locations?
- (8) Does the strategy identify opportunities for nature based tourism?
- (9) If so, what are those opportunities?

Mr BRADSHAW replied:

- (1) Yes, in collaboration with other Government agencies, the WATC is assisting in the development of a Goldfields Tourism Strategy which is due for completion in August 2000.
 - (2) Yes, once it is completed.
 - (3) Not applicable.
 - (4) Yes.
 - (5) Issues such as accommodation development, man made and natural attractions and tourist signage matters have already been identified.
- (6)-(7) Yes. The strategy when released will identify appropriate locations.
- (8) Yes. The strategy will also look at water based tourism.
 - (9) These will be identified when the strategy is completed.

TOURISM, KALGOORLIE-ESPERANCE

1966. Mr BROWN to the Parliamentary Secretary to the Minister for Tourism:

- (1) Has the Government identified suitable sites for the development of tourism, recreation infrastructure and development in the Kalgoorlie/Esperance region?
- (2) If so, what sites have been identified as suitable for this purpose?
- (3) If not, why not?

Mr BRADSHAW replied:

- (1)-(3) Through planning processes, such as the publication of the *Western Australian Tourism Strategy*, the identification and development of suitable sites is ongoing. Both private and public infrastructure development is geared to locally identified needs, research, the availability of a development and the funds to make the development occur. A number of sites are identified for public and private tourism development, for example the Prospector's and Miner's Hall of Fame. Other sites have not yet become public knowledge, and the developers will release this information as soon as the commercial sensitivity of this information is no longer an issue. Recreation infrastructure does not fall within the scope of the WATC.

MINING, EXPLORATION LICENCE APPLICATIONS

1970. Mr RIPPER to the Minister representing the Minister for Mines:

- (1) How many applications for exploration licences were pending as at 21 March 2000?
- (2) Of those pending applications, how many were –
 - (a) applications in the Mining Act process;
 - (b) applications awaiting submission to section 29 processes;
 - (c) applications in the section 29 advertising period;
 - (d) applications awaiting applicants' confirmation that they are in a position to commence negotiations;

- (e) applications subject to negotiation and/or mediation; and
 - (f) applications subject to determination?
- (3) How many pending applications for mineral titles of all types were subject to negotiation or mediation as at 21 March 2000?
 - (4) How many case officers have now been allocated within the Department of Minerals and Energy to handle the State's role in these negotiations?
 - (5) How many of the pending applications have been designated as priority applications?
 - (6) How many of these priority applications are currently being negotiated by Department of Minerals and Energy case managers?

Mr BARNETT replied:

- (1) 3089
- (2)
 - (a) Approximately 850.
 - (b) Approximately 500.
 - (c) Currently there are 411 exploration licence applications in the 4-month Section 29 advertising period. In addition, there are approximately 400 applications with the National Native Title Tribunal to determine objections to the expedited procedure.
 - (d) Approximately 812.
 - (e) 96 are under active negotiation.
 - (f) Nil as either agreement has been made or negotiation is continuing and the applications are not at a suitable stage for a determination application.
- (3) 228 are under active negotiation.
- (4) The Department of Minerals and Energy has been staffed to meet the needs of all applicants. Currently it employs a Senior Case Manager, four Case Managers and two Assistant Case Managers to participate in negotiations. A further Case Manager and two Assistant Case Managers are to be appointed in the near future to deal with recent increases in the workload.
- (5) 140 tenement applicants have sought participation by the Department of Minerals and Energy in negotiations.
- (6) The Department is currently participating in negotiations related to 115 applications.

MINING, GOLDFIELDS, EXPLORATION LICENCE APPLICATIONS

1971. Mr RIPPER to the Minister representing the Minister for Mines:

- (1) In relation to the Goldfields region how many applications for exploration licences were pending as at 21 March 2000?
- (2) Of those pending applications, how many were –
 - (a) applications in the Mining Act process;
 - (b) applications awaiting submission to section 29 processes;
 - (c) applications in the section 29 advertising period;
 - (d) applications awaiting applicants' confirmation that they are in a position to commence negotiations;
 - (e) applications subject to negotiation and/or mediation; and
 - (f) applications subject to determination?
- (3) How many pending applications for mineral titles of all types were subject to negotiation or mediation as at 21 March 2000?
- (4) How many case officers have now been allocated within the Department of Minerals and Energy to handle the State's role in these negotiations?
- (5) How many of the pending applications have been designated as priority applications?
- (6) How many of these priority applications are currently being negotiated by Department of Minerals and Energy case managers?

Mr BARNETT replied:

- (1) 780 in the Goldfields region which includes the mineral fields under the jurisdiction of the Mining Registrars in Coolgardie and Kalgoorlie.
- (2)
 - (a) Approximately 190
 - (b) Approximately 164
 - (c) Currently there are 186 application licence applications in the 4-month Section 29 advertising period. In addition, there are approximately 110 applications with the National Native Title Tribunal to determine objections to the expedited procedure
 - (d) Approximately 127
 - (e) 13 are under active negotiation

- (f) Nil as either agreements have been made or negotiation is continuing and the applications are not at a suitable stage for a determination application.
- (3) 82 are under active negotiation.
- (4) The Department of Minerals and Energy has been staffed to meet the needs of all applicants. Currently it employs a Senior Case Manager, four Case Managers and two Assistant Case Managers to participate in negotiations. A further Case Manager and two Assistant Case Managers are to be appointed in the near future to deal with recent increases in the workload.
- (5) 51 tenement applicants have sought participation by the Department of Minerals and Energy in negotiations.
- (6) The Department is currently participating in negotiations related to 39 applications.

WHITTAKERS LTD, ARI SAWMILL SALE

1982. Dr EDWARDS to the Minister for Forest Products:

- (1) Will the Minister confirm that Whittakers' receivers have sold the Ari softwood sawmill to a Victorian company?
- (2) Is the sawmill being taken out of Western Australia?
- (3) Did CALM receive any of the revenue from the sale of the Ari mill?
- (4) If yes, how much?

Mr OMODEI replied:

- (1)-(2) Yes.
- (3) Proceeds of the sale was collected by the Receivers and Managers of Whittakers Limited. The Receivers and Managers paid \$155,000 to the Department of Conservation and Land Management against outstanding debts in part satisfaction of CALM's claim under Deed of Priority held by CALM as part of its securities.
- (4) \$155,000

BUNBURY REGIONAL HOSPITAL, WAITING LISTS

1991. Ms McHALE to the Minister for Health:

In relation to the Bunbury Regional Hospital-

- (a) how many people are currently waiting for elective surgery; and
- (b) what is the median waiting time for surgery by category-
 - (i) 1;
 - (ii) 2; and
 - (iii) 3?

Mr DAY replied:

- (i) 3 days
- (ii) 16 days
- (iii) 15 days

SOUTH METROPOLITAN YOUTH LINK, FUNDING

1992. Mr RIEBELING to the Minister for Employment and Training:

- (1) Does the South Metropolitan Youth Link receive State Government funding?
- (2) If yes, under what program is the funding given?
- (3) How much funding is provided?
- (4) Over what period will it be provided?

Mr BOARD replied:

- (1) Yes.
- (2) State Employment Assistance Strategy (SEAS)
Aboriginal School-Based Traineeship
Group Training Scheme
Apprenticeship and Traineeship Information Line
Industry Specific Tendered Training
User Choice Training
- (3) SEAS (Job Link) - \$97,335.00
Aboriginal School-Based Traineeship - \$120,000.00
Group Training Scheme - \$62,165.00

Information Line \$4,000.00
 Industry Specific - \$393,160.00
 User Choice - \$211,325.43

- (4) SEAS (Job Link) - 1 August 1999 to 31 July 2000
 Aboriginal School-Based Traineeship - 1 February 1999 to 31 December 2000
 Group Training Scheme - 1 July 1999 to 30 June 2000
 Information Line - 1 August 1999 to 30 June 2000
 Industry Specific - \$361,520.00 for 1999; \$31,620.00 for 2000
 User Choice - 1 January 1998 to 27 March 2000; Contracts awarded for User Choice in 2000 will be valid to 31 December 2002 or until the completion of training commenced in March 2000

Please note the SEAS, Information Line and Group Training Scheme funds are provided through a submission based application process, while funds awarded to the other programs are subject to a competitive tendering process.

JOONDALUP HEALTH CAMPUS

1993. Ms McHALE to the Minister for Health:

I refer to the public component of the Joondalup Health Campus (JHC) and ask-

- (a) what was the final capital cost of the building facilities;
- (b) what is the amount of the availability charge paid to the operator;
- (c) what has been paid to date by the Health Department for the availability charge;
- (d) what is the annual service charge paid by the Health Department;
- (e) what changes to service provisions have been negotiated;
- (f) what has been the additional cost of these services;
- (g) has the JHC been accredited by the Australian Council of Health Care Standards;
- (h) if so when and what was the outcome; and
- (i) what is the maximum payment the Department pays the operator for -
 - (i) acute inpatient service;
 - (ii) emergency medicine;
 - (iii) aged care;
 - (iv) mental health; and
 - (v) other?

Mr DAY replied:

- (a) \$42.1 million.
- (b) In 1999/2000, the availability charge is \$4,170,946.
- (c) \$6.8 million.
- (d) There is no annual service charge. The total charge for services in any year depends on the volume and mix of services purchased and the prices that are set. Prices are set by reference to benchmark prices based on actual costs for equivalent services at peer government hospitals. Maximum payment amounts for services under the contract for each year were:
 1996/97 (part year operation only), \$15.4 million;
 1997/98, \$26.0 million;
 1998/99, \$38.6 million; and
 1999/2000, \$50.8 million.
- (e) 1997/98 (first full year of operation) contracted services were:

admitted patients (measured in Diagnosis Related Groups (DRGs), weighted to reflect acuity/complexity)	7,581
Department of Veterans Affairs patients (measured in DRGs)	87
Emergency Department (block funded, estimated attendances 27,000)	-
Non admitted patients (measured in attendances)	23,450
Mental Health, Palliative Care, Aged Care (measured in bed-days)	6,298
1998/99 contracted services were:	
admitted patients (measured in DRGs, weighted to reflect acuity/complexity)	10,639
Department of Veterans Affairs patients (measured in DRGs)	105
Emergency Department (block funded, estimated attendances 35,000)	-
Non admitted patients (measured in attendances)	25,047
Mental Health, Palliative Care, Aged Care (measured in bed-days)	14,783
1999/2000 contracted services were:	
admitted patients (measured in DRGs, weighted to reflect acuity/complexity)	12,439
Department of Veterans Affairs patients (measured in DRGs)	1,000
Emergency Department (measured in attendances)	35,286

Non admitted patients (measured in attendances)	26,227
Mental Health, Palliative Care, Aged Care (measured in bed-days)	16,608

(The increase in non-admitted patient services reflects the Government's negotiation of new aged care services including clinics for osteoporosis, falls and fractures, continence and geriatric medical assessments.)

For 1997/98, the maximum payment amount for the contract was \$26.0 million

For 1998/99, the maximum payment amount for the contract was \$38.6 million

For 1999/00, the maximum payment amount for the contract is \$50.8 million

(Note: from 1999/2000, Department of Veterans Affairs (DVA) services are funded outside the Maximum Payment Amount (MPA). The increasing MPAs also reflect increases in capability of ICU over time and increases in costs providing equivalent services at peer government hospitals)

- (g) Yes.
- (h) August 1999, the maximum 3 year accreditation.
- (i) The maximum payment for all of the services offered by the Joondalup Health Campus in 1999/2000 is \$50.8 million.

NEEDLE AND SYRINGE DISTRIBUTION, KALGOORLIE-BOULDER

1994. Ms ANWYL to the Minister for Health:

(1) How many needles and syringes have been distributed in Kalgoorlie-Boulder by-

- (a) pharmacists;
 (b) Kalgoorlie Regional Hospital;
 (c) Ware Street Community health; and
 (d) any other source,

for the years-

- (i) 1993;
 (ii) 1994;
 (iii) 1995;
 (iv) 1996;
 (v) 1997;
 (vi) 1998;
 (vii) 1999; and
 (viii) 2000 to date?

- (2) What specific strategies does the Health Department have to combat the spread of blood borne virus' in Kalgoorlie/Boulder?
- (3) How many people are known to have contracted HIV or Hepatitis C in Kalgoorlie/Boulder since 1993?

Mr DAY replied:

- (1)
- | | | | |
|-----|--------|-------------------|-------|
| (a) | (i) | 1993; | 29875 |
| | (ii) | 1994; | 47155 |
| | (iii) | 1995; | 41710 |
| | (iv) | 1996; | 45210 |
| | (v) | 1997; | 64915 |
| | (vi) | 1998; | 60884 |
| | (vii) | 1998; | 55754 |
| | (viii) | For January 2000: | 3591 |
| (b) | (i) | 1993; | 2000 |
| | (ii) | 1994; | 30435 |
| | (iii) | 1995; | 17600 |
| | (iv) | 1996; | 19500 |
| | (v) | 1997; | 43500 |
| | (vi) | 1998; | 38120 |
| | (vii) | 1998; | 36555 |
| | (viii) | For January 2000: | 3000 |
| (c) | (i) | 1993; | 500 |
| | (ii) | 1994; | 0 |
| | (iii) | 1995; | 0 |
| | (iv) | 1996; | 0 |
| | (v) | 1997; | 0 |
| | (vi) | 1998; | 5500 |
| | (vii) | 1999; | 14000 |
| | (viii) | For January 2000: | 1000 |
- (d) No distribution from any other sources in Kalgoorlie-Boulder over this time period.
 NOTE: The TOTAL number of needles and syringes distributed in Kalgoorlie-Boulder from the above three sources are noted below.

(i)	1993;	32375
(ii)	1994;	77590
(iii)	1995;	59310
(iv)	1996;	64710
(v)	1997;	108415
(vi)	1998;	104504
(vii)	1999;	106309
(viii)	For January 2000:	7591

- (2) On-going needle and syringe distribution program (as above). Fitpacks distributed from the Community and Public Health Unit are always accompanied by advice regarding blood borne viruses, safe disposal of used needles and syringes, and referral contact details for health and other information. This is in addition to the educational information that always appears on Fitpack labels.
- In conjunction with Goldfields Local Drug Action Group participates and coordinates the Together Against Drugs Program. This is the WA Strategy Against Drug Abuse Action Plan 1999–2001.
 - Coordinates and presents the School Drug Education Project. Participating in the Regional Organizing Committee, and providing professional training for educators at primary and high schools in the region.
 - Participates with the Police Service in the Drugs in Perspective Program - a training course presented to the community.
 - Presents the Parents Empowering Parents program at schools – a support group for parents who are concerned about their children’s drug use. This is coordinated with Goldfields Safer WA Committee; Goldfields Women’s Center; Goldfields Community and Public Health.
 - Cooperates with the Western Australian Substance Users Association to distribute safer injecting practice educational materials produced by this peer organization to illicit drug users in the Kalgoorlie-Boulder area.
 - A proposal is being negotiated under the COAG initiatives for diversification of needle and syringe programs to provide focused workshops in remote centers where sterile needles and syringes are not currently available for people who inject drugs illicitly. These workshops will be provided to Community Health Centers, hospitals, rural doctors, police and teachers.
 - A survey in cooperation with pharmacies throughout the region is being undertaken regarding illicit substance use in the Goldfields region.
 - Coordinates with City Council Environmental Health Officers in providing safe needle and syringe disposal facilities, and meet regularly to discuss safe needle and syringe disposal issues.
 - Men’s Health Educator provides continuing education in safe practices and blood borne viruses at the Kalgoorlie-Boulder Regional Prison.
 - Public Health and Prison Nurses provide continuing education to women prisoners at the Justice Department concentrating on blood borne viruses and sexually transmitted diseases, as well as safe practices in Sorry Business.
 - Men’s Health Educator provides continuing education and workshops in indigenous communities focusing on transmission of blood borne viruses.
 - Promotes and distributes “Red Boxes” (kits provided to the Law for safe practices in rituals involving blood).
 - Workshops are scheduled for tattooists, hairdressers and contact-sports people regarding blood borne viruses.
 - Hepatitis B vaccinations are being offered to these high-risk groups.
 - STD and blood borne viruses clinical services are provided to sex workers, and work place education in safe practices is on-going. Improved contact tracing is also facilitated through this initiative.
 - Goldfields Public Health Unit provide Case Management services for those with HIV infection.
 - Education in safe sex and injecting practices is presented at Healthy Lifestyle Assessments which are provided to miners at mine sites throughout the region (approximately 2000 opportunities for one-to-one education per year).
 - A Brief Intervention program is in place at Kalgoorlie Regional Hospital.
 - Detoxification and rehabilitation is available at Kalgoorlie Regional Hospital.
 - Access to methadone treatment is available through the Northern Goldfields Health Service Community Mental Health Service.
 - Goldfields Public Health Unit provides regular blood borne virus in-service workshops to health professionals in the Health Services.
 - Unless otherwise specified, all of the above programs and initiatives are coordinated through the Northern Goldfields Health Service: Public and Community Health Services.
- (3) There have been four notified cases of HIV; and 108 notified cases of Hepatitis C; in Kalgoorlie/Boulder since 1993.

ABORIGINAL HEALTH, SAMBO, MS GINA

1995. Ms ANWYL to the Minister for Health:

I refer to the previous employment by Aboriginal Health of Ms Gina Sambo and ask what has happened to her position?

Mr DAY replied:

Following Ms Sambo’s resignation the position is now vacant.

GOLD ROYALTIES

1998. Ms ANWYL to the Treasurer:

(1) How much revenue has been collected by the Government as gold royalty payment to date?

(2) Does the Government intend to alter its policy position in regard to the royalty-

- (a) prior to the next election; or
- (b) at all?
- (3) How much has been collected from which companies, and when?
- (4) How many companies have paid the tax and are all of these companies still registered tenement owners?
- (5) If not, which companies have ceased to pay royalty?
- (6) Do the current amounts of royalty collected equate with budget estimates for this and previous financial years?
- (7) If yes, will the Treasurer provide details?
- (8) Is the Treasury involved with or able to access any research as to the likely price of gold in 2000/2001?
- (9) If so, will the Treasurer provide details?
- (10) If not, why not?

Mr COURT replied:

(1) \$53.3 million. \$28.3 million was collected in 1998/99 and \$25.0 million has been collected so far in 1999/2000.

(2) (a)-(b) No.

(3) The companies that have contributed to the \$53.3 million in gold royalty paid to date are:

Acacia Resources Ltd
 Alcoa of Australia Ltd
 Arimco Mining Pty Ltd
 Barmenco Pty Ltd
 Bounty Victoria Corp
 Centaur Mining & Exploration Ltd
 Consolidated Gold Ltd
 Consolidated Gold NL
 Croesus Mining NL
 Davyhurst Project Pty Ltd
 Delta Gold NL
 Equigold NL
 Ferrier Hodgson
 Forrestania Gold NL
 Forsayth NL
 Gascoyne Gold Mines NL
 Gemini Mining Pty Ltd
 Goldfan Ltd
 Goldfields Kalgoorlie Pty Ltd
 Great Central Mines Ltd
 Herald Resources Ltd
 Homestake Mining Co
 Kanowna Belle Gold Mines
 Kalgoorlie Consolidated Gold Mines
 Mt Magnet Gold NL
 New Hampton Goldfields NL
 Newcrest Mining Ltd
 Normandy Kaltails Pty Ltd
 Normandy Golden Grove Operations Pty Ltd
 Pacmin Corp Ltd
 Paddington Gold Pty Ltd
 Paraburdoo Joint Venture
 Peak Hill Resources Pty Ltd
 Perilya Mines NL
 Placer (Granny Smith) Pty Ltd
 Plutonic Resources Ltd
 Plutonic Operations Ltd
 Resolute Ltd
 Sons of Gwalia Ltd
 St Barbara Mines Ltd
 Troy Resources NL
 Wirralie Gold Mines Pty Ltd
 WMC Resources Ltd
 Worsley Alumina Pty Ltd

The details of their gold royalty returns are provided to the Department of Minerals and Energy in confidence.

- (4) 44 companies have paid the gold royalty to date. Of these companies, all but one are still registered tenement holders. When the royalty commenced on 1 July 1998, 37 companies paid the gold royalty. Since then, seven companies have started to pay the gold royalty and nine companies have ceased to pay the gold royalty.
- (5) The nine companies that have ceased to pay the gold royalty are:
 Alcoa of Australia Ltd
 Arimco Mining Pty Ltd
 Consolidated Gold Ltd
 Consolidated Gold NL

Davyhurst Project Pty Ltd
 Ferrier Hodgson
 Forrestania Gold NL
 Goldfan Ltd
 Herald Resources Ltd

- (6)-(7) Actual royalty collections in 1998/99 were \$0.3 million over budget. Royalty collections in 1999/2000 are currently expected to be about \$4.0 million under the 1999/2000 budget estimate.
- (8) Yes.
- (9) The Australian Bureau of Agriculture and Resource Economics (ABARE) has forecast that the gold price will average \$US305/oz in 2000/01.
- (10) Not applicable.

PRISONS, NYANDI

2003. Ms WARNOCK to the Minister representing the Minister for Justice:

- (1) How many women are presently accommodated at Nyandi?
- (2) Are they all minimum security prisoners?
- (3) What drug rehabilitation facilities, if any, are provided at Nyandi?
- (4) What arrangements are made for women with children?
- (5) What is the average length of stay for women in Nyandi?
- (6) What rehabilitation/education or training is provided for prisoners?

Mr BARRON-SULLIVAN replied:

- (1) 42
- (2) Yes.
- (3) Both individual and group counselling is provided
- (4) There is space for two women to have babies up to 12 months of age (currently full). Additionally, overnight stays are available for children up to 13 years of age.
- (5) 4 - 6 months.
- (6) Accredited education and vocational training programs in the areas of literacy and numeracy, hospitality, art, computing, preparation for employment and entry level vocational training is provided

PRISONS, BANDYUP

2004. Ms WARNOCK to the Minister representing the Minister for Justice:

- (1) What is the present muster at Bandyup Women's Prison?
- (2) How many prisoners are sharing a cell?
- (3) How many are sharing a cell with more than one other woman?
- (4) What facilities are provided for prisoners who are drug addicted?
- (5) What drug rehabilitation is offered at Bandyup?
- (6) What education or training is provided?
- (7) What recreation is provided?
- (8) What special arrangements are made for women who have children?
- (9) What funding has been allocated for the re-development at Bandyup?
- (10) What funding has been provided in this financial year?
- (11) When is it expected to be completed?
- (12) What facilities will be provided in the new section of Bandyup?

Mr BARRON-SULLIVAN replied:

- (1) 135, as at 31 March 2000.
- (2) 68
- (3) 12, Bandyup has 1 x 8-bed cell and 1 x 4-bed cell..

- (4) No specific facilities. Medical facilities are available 24 hours per day.
- (5) Both individual and group counselling is available. Recently a program combining relaxation and meditation techniques was offered to the women with positive results. The Naltrexone pilot is to be conducted at Bandyup in the near future. NASAS provides a program specifically designed for aboriginal prisoners.
- (6) Accredited educational and vocational training programs in the areas of literacy and numeracy, preparation for employment, hospitality, computing, art, horticulture, industrial skills and entry level vocational training. A skills development program is also offered for prisoners with learning disabilities.
- (7) Recreation is provided on a daily basis including arts and crafts, music, sport, gymnasium equipment, bingo, ceramics, book club and relaxation classes.
- (8) Bandyup has a 4-bed nursery to cater for children up to 12 months of age to live with their mother. Additionally, two hours of extra visits specifically for children, are available on Tuesday and Thursday each week. There is also provision for overnight stays for children up to 6 years of age when space is available in the nursery.
- (9) \$14.8 million.
- (10) 3.9 million.
- (11) April 2002.
- (12) The new facility will include:
A 72-bed unit,
A 10-bed self-care unit,
A 10-bed crisis care unit,
Industries/education/recreation facilities,
Refurbishment of other areas.

SPORT BETTING ACCOUNT

2041. Mr McGOWAN to the Parliamentary Secretary to the Minister for Sport and Recreation:

In answer to question on notice No.776 of 1999 the Minister advised that the disbursement of funds from the Sport Betting Account is in accordance with the Totalisator Agency Board Betting Act 1960 I ask-

- (a) of the 14 groups listed as receiving grants how many applied for assistance from the Account;
- (b) are application forms for assistance from the Account distributed to sports;
- (c) has the Government publicised the availability of grants from the Account; and
- (d) if not, why not?

Mr MARSHALL replied:

- (a) Two
- (b)-(c) No.
- (d) Since legislation was prepared in 1987, money from the TAB Sports Betting Account has been disbursed by the Minister for Sport and Recreation in accordance with the publicised provisions of the Totalisator Agency Board Betting Act. For example, former Premier Brian Burke and former Sport and Recreation Minister Keith Wilson directed that all TAB Sports Betting funds be allocated to the WA Cricket Association to assist in retiring the debt on the Lillie-Marsh Stand. Under this Government, funds are allocated by the Minister for Sport and Recreation to assist sporting associations to resolve funding problems that arise from time to time. (see answer to question on notice No. 776 of 1999).

SPORTS STADIUM, FINANCIAL OPERATIONAL ESTIMATES

2042. Mr McGOWAN to the Parliamentary Secretary to the Minister for Sport and Recreation:

I refer to the answer to question on notice No. 456 of 1999 on a major stadium and the mandatory requirements for tenders in the Expressions of Interest and ask-

- (a) has the Government received financial operational estimates in any stadium feasibility study;
- (b) if not, why will a stadium be built without this important consideration;
- (c) if yes, what is the projected operational income and expenditure for the stadium;
- (d) how will the Government ensure that the stadium will be able to operate in a manner that allows access to community based sport in a cost effective way as requested in the Request for Proposal; and
- (e) is it the Government's intention to meet any operating shortfall for the stadium?

Mr MARSHALL replied:

- (a) Yes.

- (b) Not applicable.
- (c) Within the bidding process consortia have provided financial projections as part of the commercial processes enabling selection ultimately of a preferred consortia. As a matter of probity, financial projections of the consortia remain confidential within the ongoing bidding process.
- (d) The bidding consortia will be continuing negotiations with local sporting associations and will be needing to offer viable solutions in order to achieve preferred consortia status.
- (e) No.

COMMUNITY SPORTING AND RECREATION FUND GRANTS

2043. Mr McGOWAN to the Parliamentary Secretary to the Minister for Sport and Recreation:

- (1) Is there a time limit for the use of Community Sporting and Recreation Fund grants?
- (2) Which projects are still outstanding?
- (3) What is the ground amount for each of the outstanding projects and the year of approval?

Mr MARSHALL replied:

- (1) Once allocated, the grant may be deferred up to two financial years.
- (2)-(3) Grants that have not been claimed in their year of offer and have not been deferred are deemed to be outstanding. Projects which are currently outstanding include:

Organisation Name	Year of Approval	Amount Outstanding
Shire of Kojonup - netball shade shelters	1998/99	\$ 2,750
South Hedland Bowling Club ablution facilities	1998/99	18,650
Shire of East Pilbara - extensions to Newman Fitness Centre	1998/99	40,000
Port Hedland PCYC - upgrade existing facilities	1998/99	73,000
Town of Port Hedland - upgrade south Hedland Sport and Recreation Precinct	1998/99	138,165
Broome Bowling Club - reconstruct green and upgrade kitchen	1998/99	5,340
Shire of East Pilbara- upgrades to Newman Aquatic Centre	1997/98	57,525
Shire of Derby West Kimberley - relocate Derby bowling green	1997/98	28,330
Shire of East Pilbara - upgrade courts at Marble Bar	1996/97	9,315
Pilbara Pursuit Jet Boat Assoc - security fencing	1996/97	10,000
Shire of East Pilbara - upgrades to Newman Aquatic Centre	1995/96	10,979
	Total	394,054

Regional Managers at the Ministry of Sport and Recreation have followed up these projects and have been informed that work would be completed by 30th June 2000. If for any reason any one or more of these projects encounter difficulty in being completed on or before that date, an application will be made to the Minister for Sport and Recreation outlining the special circumstances necessitating the delay and seek permission to defer the final payment until the 2000/01 Financial Year.

JOONDALUP HEALTH CAMPUS, HYDROTHERAPY POOL

2047. Ms McHALE to the Minister for Health:

Will the Minister advise-

- (a) is there a hydro-pool at the Joondalup Health Campus;
- (b) is it available for public patients;
- (c) if so, is there a charge for their use; and
- (d) if it is not available, why not?

Mr DAY replied:

- (a)-(b) Yes.
- (c) No.
- (d) Not applicable.

JOONDALUP HEALTH CAMPUS, CHARTER FOR PUBLIC PATIENTS

2048. Ms McHALE to the Minister for Health:

- (1) Does the Joondalup Health Campus (public facility) have a charter in regard to its obligations to its public patients?

(2) If so, will the Minister advise what it is?

Mr DAY replied:

(1) Yes.

(2) The Joondalup Health Campus charter states:

YOUR RIGHTS & RESPONSIBILITIES AS A PATIENT

As a public patient at Joondalup Health Campus you have the right to:

- Choose quality care and receive hospital services free of charge.
- Receive services on the basis of clinical need as promptly as circumstances permit, regardless of your financial or health insurance status.
- Be treated with respect, dignity and consideration for privacy and special needs.
- Have access to a basic range of public hospital services regardless of where you live in Western Australia.
- Be given a clear explanation of any proposed treatment including possible risks and alternatives before agreeing or refusing to have the treatment.
- Seek a second medical opinion.
- Be given information about your continuing health care before you leave the hospital.
- See your medical records, subject to some legal provisions, and to have personal information kept confidential.
- Agree or refuse to participate in health professional training or medical research.
- Comment on or complain about the health care you receive and to be given information about how to lodge a complaint.

As a public patient you have the responsibility to:

- Understand your rights.
- Understand the nature of your condition or medical problem and the intended treatment, alternatives, risks and side and after effects.
- Know your own and your family's health history.
- Keep appointments, or give adequate notice of your intention not to do so.
- Follow prescribed treatment.
- Inform your health practitioner if you are also being treated for the same condition by another person.
- Accept responsibility for your own health care and for decisions you have made for yourself about your care or treatment.

HEALTH BUDGET

2050. Ms McHALE to the Minister for Health:

- (1) With reference to question on notice No. 1453 of 1999, from which section of the Health Budget is the expected \$353,900 being taken?
- (2) Has it yet been allocated to non-government agencies (NGOs)?
- (3) If so, which ones?
- (4) If not, why not?
- (5) When was the money allocated to the NGOs and which ones?

Mr DAY replied:

- (1) Mental Health Division – Purchasing Fund.
- (2) \$168,900 has been contracted, \$185,000 is still under negotiation.
- (3) Gosnells Women's Health Centre \$56,300
Rockingham Women's Health Centre \$56,300
Fremantle Women's Health Centre \$56,300.
- (4) The remaining funds are under negotiation.
- (5) All Non-Government contracts are negotiated annually and with respect to the agencies listed in (3) above, all had contracts commencing from 1st July, 1999.

WORKPLACE AGREEMENTS, YOUTH WAGES

2052. Mr BROWN to the Minister for Labour Relations:

- (1) Further to question on notice No. 1711 of 2000, is it the Government's contention that lower youth wages provided by Workplace Agreements, as opposed to Awards, leads to higher employment opportunities for young people?
- (2) Does the Government have an estimate of the number of additional jobs that have been created for young people due to young people being employed on Workplace Agreements with wage rates lower than those prescribed in the relevant Award?
- (3) On the basis of what research does the Government arrive at that conclusion?
- (4) To what extent, if any, has the Commissioner for Workplace Agreements assessed the degree to which young people employed on Workplace Agreements with wage rates lower than the Award would not be so employed if Award rates were required to be paid?

Mrs EDWARDES replied:

- (1) The *Workplace Agreements Act 1993* allows young employees to enter into flexible employment arrangements, and in turn access jobs, that may previously not have existed under the award system. In some instances youth wages under a workplace agreement may be lower than an award. In other cases, the workplace agreement wages will be higher than an award.
- (2) No.
- (3) Studies of youth employment indicate there is a relationship between the level of wages and jobs.
- (4) The Commissioner of Workplace Agreements has not undertaken such an assessment.

OIL INDUSTRY, PRICE SURVEILLANCE

2054. Mr BROWN to the Minister for Fair Trading:

- (1) Is the Minister aware that the Australian Competition and Consumer Commission has no wholesale price setting or surveillance role to play within the oil industry since the Federal Treasurer removed price surveillance for petrol and automotive distillate from a Ministerial Declaration on or from 1 August 1998?
- (2) Will the State Government make representations to the Federal Treasurer to reverse his decision and declare petrol and automotive distillate a "declared product" subject to price surveillance?
- (3) If not, why not?

Mr SHAVE replied:

- (1) Yes.
- (2)-(3) The Government was successful in its motion in the Legislative Assembly on 6 April 2000 to have a Select Committee appointed to investigate and report on the wholesale and retail price of petrol fuel and LPG Autogas petroleum products in metropolitan and non-metropolitan Western Australia. The Committee has been asked to finally report by 30 September, 2000. The Government will be considering the outcomes from the inquiry before making any decisions in relation to this matter.

MOSQUITO PROBLEM, YUNDERUP

2055. Mr BROWN to the Minister for Health:

- (1) Is the Minister aware of the serious mosquito problem in Yunderup?
- (2) Is the Minister also aware that a community meeting attended by around three hundred people was advised that there could be up to a thousand cases of Ross River virus this year?
- (3) Has the Health Department carried out an assessment of the degree to which there are likely to be new cases of Ross River virus this year?
- (4) What is likely to be the number of new cases of Ross River virus this year?
- (5) What action is being taken by the Government to deal with the mosquito problem?

Mr DAY replied:

- (1) Yes.
- (2) It is understood that a community meeting was held on 1 February 2000 in South Yunderup convened by the South Yunderup Ratepayers Association. The reference to the number of Ross River virus cases is unsubstantiated and is not based on advice from the Health Department of Western Australia (HDWA).
- (3) For the period July 1999 to June 2000, the number of cases of Ross River virus notified by medical practitioners for the State is 525 and the number of notified cases of Ross River virus acquired in the Peel Region is 60. For this year it is not possible to predict the number of Ross River virus cases because the factors influencing virus activity are complex and cannot be predicted twelve months into the future.
- (4) This has been answered under Question 3.
- (5) Specific action taken by the Government to deal with the Mosquito problem in the Peel Region includes:
 - Funding applications of larvicide using a helicopter on an as needs basis. The previous highest number of helicopter applications in the Peel Region have been exceeded this season. Twenty (20) helicopter applications have been made this season.
 - The area of larviciding applications has been extended, particularly to the southern areas of the Peel Region.
 - Emergency funding for mosquito control in the region has been allocated to the Contiguous Local Authority Group (CLAG).
 - Extra funding has been made available for the implementation of runnels on saltmarsh to reduce mosquito breeding around the Peel Harvey Estuary.

- Additional fogging equipment has been purchased by the HDWA and the HDWA has loaned existing fogging equipment to the Contiguous Local Authority Groups.
- Public warnings have been issued on mosquito borne virus activity.
- Assistance has been provided in the development and evaluation of granular forms of larvicide Bti and new methods of larvicide application including liquid larvicide application from a helicopter have been investigated.

METROPOLITAN HEALTH SERVICE BOARD, LEVEL 7 EXECUTIVE PROJECT OFFICER POSITION

2057. Dr CONSTABLE to the Minister for Health:

With reference to question on notice No. 399 of 1999, why didn't the Metropolitan Health Service see fit to advertise the Level 7 Executive Project Officer position given that it would have yielded the services of qualified financial accountants and advisers with university qualifications?

Mr DAY replied:

It was decided that it was not necessary or appropriate to advertise this position for the following reasons:

- the fixed term contract was of limited duration (initially less than 3 months)
- it required the completion of a specific set of tasks and Mr Cassis was known to possess skills and experience relevant to the tasks to be performed
- there was a need for prompt commencement of the tasks.

HEALTH, MR JERRY CASSIS

2060. Dr CONSTABLE to the Minister for Health:

What is the nature of Mr Jerry Cassis' relationship with Arthur Andersen Business Advisers in regard to the provision of financial services to Princess Margaret Hospital?

Mr DAY replied:

Mr Cassis is a contract employee of Arthur Andersen.

SUBIACO OVAL, EXPENDITURE ON IMPROVEMENTS

2063. Dr CONSTABLE to the Parliamentary Secretary to the Minister for Sport and Recreation:

How much taxpayers' money has the Government spent on improvements to Subiaco Oval and its facilities in the past decade?

Mr MARSHALL replied:

The Ministry of Sport and Recreation has spent \$5,357,140 since 1990.

WORKERS COMPENSATION CLAIMS, COMMON LAW DAMAGES

2066. Dr CONSTABLE to the Minister for Labour Relations:

Why are claims for common law damages in the workers' compensation jurisdiction assessed on the basis of –

- (a) disability, which indicates a complete lack of function; and
- (b) impairment, which indicates a restriction of movement which, while not a complete lack of function, may still impact upon one's ability to work?

Mrs EDWARDES replied:

- (a)-(b) The Workers' Compensation and Rehabilitation Act limits access to common law claims for workplace injuries based on the workers' degree of disability. The method of assessing whether the injured worker meets the threshold is set out in Section 93D(2) of the Act. This provides for application of Schedule 2 percentages of disability or application of the Australian Medical Association impairment guide developed by the Western Australian Branch for the specific purposes of the workers' compensation system. The member is advised that both methods of evaluation are based on the impairment principle. In each case they have been modified to reflect the disability concept applicable to the workers' compensation system.

HEALTH, PESTICIDES

2068. Mr PENDAL to the Minister for Health:

- (1) Is it recognised that some individuals have suffered adverse health affects from exposure to pesticides?
- (2) Are medical practitioners currently required to notify the Health Department of such cases?
- (3) If the answer to (2) above is yes, what numbers of these cases are on record for each of the last three years?
- (4) If the answer to (2) above is no, will the Minister consider implementing a notification requirement?
- (5) Will the Minister also consider starting a register of cases notified to the Department?

(6) What is the rationale behind the Minister's answers to (4) and (5) above?

Mr DAY replied:

- (1) Yes.
- (2) No.
- (3) Not applicable.
- (4) No. The Health (Pesticide) Regulations of 1956, S81 requires that licensed pest controllers notify the Executive Director of Public Health of any accident resulting in any personal injury or death.
- (5) Yes. A system was set up in 1999 whereby reports of adverse health effects from chemical exposure which are verified by a medical practitioner can be submitted to the Health Department (via the Executive Director of Public Health) for follow up. To date three reports are on file, one of which is from Victoria.
- (6) See 4 and 5 above.

BUSHPLAN, SITES 125, 255, 340, 342, 345 AND 464

2070. Dr EDWARDS to the Minister for Planning:

- (1) Which Lots in Bushplan Site 125 are included in the Southern River – Forrestdale – Brookdale – Wungong Draft Structure Plan (SRFBWDSP) as proposed for development?
- (2) What are the ownership categories for each of the above lots?
- (3) What is the current zoning for each of the above lots?
- (4) Which Lots in Bushplan Site 342 are proposed for development in the SRFBWDSP?
- (5) What are the ownership categories of the above lots?
- (6) What is the current zoning for each of the above lots?
- (7) Which lots in Bushplan Site 345 are proposed for development in the SRFBWDSP?
- (8) What are the ownership categories for each of the above lots?
- (9) What is the current zoning for each of the above lots?
- (10) Which lots in Bushplan Site 464 are proposed for development in the SRFBWDSP?
- (11) What are the ownership categories for each of the above lots?
- (12) What is the zoning for each of the above lots?
- (13) Which lots in Bushplan Site 255 are proposed for development in the SRFBWDSP?
- (14) What are the ownership categories for each of the above lots?
- (15) What is the zoning for each of the above lots?
- (16) Which lots in Bushplan Site 340 are proposed for development in the SRFBWDSP?
- (17) What are the ownership categories for each of the above lots?
- (18) What is the zoning for each of the above lots?

Mr KIERATH replied:

- (1) In accordance with its current Urban zoning in the Metropolitan Region Scheme (MRS), eight lots in Bushplan Sites 125 are identified for residential development in the Southern River - Forrestdale - Brookdale - Wungong Draft Structure Plan (SRFBWDSP) and for a negotiated planning solution in the draft Perth's Bushplan. Government is yet to receive a final version of Perth's Bushplan and the structure plan is yet to be finalised.
- (2) Six lots are privately owned and two are owned by local government.
- (3) See (1).
- (4) None - shown as a Bushplan Site in the structure plan.
- (5) State and Private / Commercial.
- (6) Parks and Recreation, Rural and Industrial in the Metropolitan Region Scheme.
- (7) None - shown as a Bushplan Site in the structure plan.
- (8) State and Private / Commercial.

- (9) Parks and Recreation and Rural in the Metropolitan Region Scheme.
- (10) None - shown as a Bushplan Site in the structure plan.
- (11) Private / Commercial.
- (12) Urban Deferred in the Metropolitan Region Scheme.
- (13) None - shown as a Bushplan Site in the structure plan.
- (14) Private.
- (15) Urban Deferred in the Metropolitan Region Scheme.
- (16) None - shown as a Bushplan Site in the structure plan.
- (17) Private.
- (18) Urban Deferred in the Metropolitan Region Scheme.

PETROL SALES TO YOUNG PEOPLE

2071. Mr BROWN to the Minister for Police:

- (1) Is the Government aware that a private adult person is selling petrol and other legal substances to young people in the Lockridge/Beechboro area?
- (2) Does the Government plan to introduce legislation that prohibits the sale of petrol or other such substances to young people?
- (3) If so, will the legislation provide for penalties to be imposed on adults who sell such substances to young people?
- (4) When will the legislation be introduced?

Mr PRINCE replied:

- (1) Police attached to the Lockridge Police Station are aware of unsubstantiated allegations relating to a particular person supplying petrol and other legal substances to young people in the Lockridge/Beechboro area. Their inquiries have been unsuccessful in confirming this, or obtaining sufficient evidence to prefer any charges.
- (2)-(3) Yes.
- (4) It is anticipated that the Bill containing this clause will be available for consideration by Cabinet before the end of the year.

WATER CHARGES, INCREASES

2072. Mr BROWN to the Minister for Water Resources:

- (1) Did the Minister write to the member for Bassendean on 25 February 2000 setting out the water consumption charges?
- (2) Did the Minister's letter reveal that in the 1998/99 financial year the cost per kilolitre of the first 165 kilolitres used by domestic users was \$0.365, and in the 1999/2000 financial year the cost per kilolitre of the first 150 kilolitres was \$0.372 and the for next 200 kilolitres \$0.601?
- (3) Is the Minister aware the cost of water consumption above 150 kilolitres but below 165 kilolitres increased in the 1999/2000 financial year from \$0.365 to \$0.601?
- (4) How does the Minister justify this massive 64.5% increase?
- (5) Is the Minister aware that many consumers are having difficulty meeting the costs of water consumption as a direct result of the increased charges?
- (6) If not, will the Minister/Government take action to ascertain the degree to which consumers are having difficulty meeting the costs of water consumption?
- (7) If not, why not?

Dr HAMES replied:

- (1)-(3) Yes.
- (4) Up until the 1997/98 year the lowest pricing taper was 0 – 150 kL. In 1998/99 it was changed to 0 – 165 kL to adjust for the effects of the Average Daily Usage billing system. Early in 1999 the ADU system was dropped because of unintended impacts on customers, and the lowest taper therefore reverted to 0 – 150 kL for the 1999/2000 year. Customers were advised of this at the time.

- (5) No. If consumers are experiencing difficulty paying their water consumption accounts they may wish to discuss the matter with the Water Corporation's Customer Service Representatives at the Customer Centre on telephone 131385.
- (6)-(7) Not applicable.

POLICE, COMPLAINT FROM MR FARDOE

2074. Mrs ROBERTS to the Minister for Police:

With reference to question on notice 1933, how many other offences is the offender suspected of committing between 20 December 1999 and 23 February 2000?

Mr PRINCE replied:

There is no apparent evidence to suggest that the offender is suspected of having committed any offences between December 20, 1999 and February 23, 2000.

FAMILY AND CHILDREN'S SERVICES, STAFF IN GOLDFIELDS TOWNS AND ABORIGINAL COMMUNITIES

2075. Ms ANWYL to the Minister for Family and Children's Services:

How many workers were employed at each of the following locations by the Department of Family and Children's Services for each of the years 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000 -

- (a) Kalgoorlie Parent Information Centre;
- (b) Graeme Street Hostel;
- (c) Kalgoorlie-Boulder;
- (d) Coolgardie;
- (e) Leonora;
- (f) Laverton;
- (g) Warburton;
- (h) Esperance;
- (i) Norseman;
- (j) Leinster; and
- (k) any other Goldfields town or Aboriginal Community?

Mrs van de KLASHORST replied:

- (a)-(k) The break up of FTE for each location is not available. Human resources are managed across the Goldfields Zone and applied flexibly as required. The figures quoted have been rounded to the nearest whole number.

Service Delivery Offices (Goldfields Zone):

Year	FTE
1993/94	48
1994/95	45
1995/96	40
1996/97	41
1997/98	44
1998/99	46
1999/00	45

HOUSING, EXPENDITURE ON LEGAL ADVICE

2076. Mr KOBELKE to the Minister for Housing:

What was the total expenditure on legal advice by the Ministry for Housing or Homeswest in the following financial years -

- (a) 1997-98?
- (b) 1998-99?

Dr HAMES replied:

The departments and agencies under my control obtain a large amount of legal advice through the course of their day to day operations. It is not practical for those agencies to commit the resources required to answer the question in its current form. If the Member has a specific question in relation to legal advice obtained in a particular area, I am prepared to provide relevant information.

MINING, ELECTRIC SHOCK REPORTS

2077. Mr KOBELKE to the Minister representing the Minister for Mines:

- (1) When a worker on a mine site receives an electric shock is it required that such an incident be reported to the Department of Minerals and Energy?
- (2) If so, then does the responsibility for making such a report rest with the mine management or the contractor who is the employer of the injured worker?

- (3) What penalty or penalties apply to an employer at a mine site who fails to report to the Department of Minerals and Energy that an employee is injured due receiving an electric shock while at work?
- (4) What is the maximum period after such an incident in which charges can be laid for failing to report to the Department of Minerals and Energy a reportable incident?
- (5) When was the last time that a mine site employer was charged with failing to report a workplace accident?

Mr BARNETT replied:

- (1) Section 76 of the Mines Safety and Inspection Act 1994 requires that the manager of a mine where an injury occurs in any accident, including electric shock, which prevents the injured person from following his or her ordinary occupation, must cause a report to be made to the District Inspector of Mines. Section 78 of the Act also requires the manager to immediately give notice to the District Inspector of Mines when certain defined incidents occur on a mine. This notice must be given regardless of whether any injury results from the incident. Among the incidents listed in this section is "every electric shock or burn to a person and every dangerous occurrence involving electricity".
- (2) The responsibility for making the necessary reports rests with the registered mine manager.
- (3) The general penalty under the Act would apply to a registered mine manager convicted of the offence of failing to provide notification of an accidental injury under s.76. This penalty is a fine not exceeding \$5000 in the case of a natural person. There is a specific penalty of \$5000 for failure to give notification of an incident provided by s.78.
- (4) The general limitation under the Act is that proceedings for an offence must be commenced within 12 months after the offence was committed.
- (5) No prosecutions for offences against s.76 or s.78 of the Mines Safety and Inspection Act 1994 have been conducted.

GOLD AND MINING INDUSTRIES, GOVERNMENT ASSISTANCE

2079. Ms ANWYL to the Minister representing the Minister for Mines:

- (1) What specific measures has the Government taken to assist the gold industry in the wake of the gold price slump?
- (2) What specific measures has the Government taken to assist mining industry workers made redundant during the last three years?

Mr BARNETT replied:

- (1) Since this Government came to power in 1993 it has taken a number of measures to assist all sectors of the mining industry, including the gold sector. Following the gold price slump, further initiatives were taken to assist all sectors. In its first budget the Government significantly increased the funding of mapping programs designed to stimulate exploration in the State and focussed on getting the conditions for new investment in the mining industry right. We introduced flexibility in the labour arena and enabled the Goldfields gas pipeline to be built and the enormous benefits of these initiatives can be seen throughout the Goldfields. Since 1993 over \$60million has been allocated to geological services which included \$30million towards new initiatives for regional geological mapping and geochemical studies. In addition, in 1999 I introduced a series of initiatives to assist mining tenement holders. These included changes to the regulations to allow the following expenses to be allowed in satisfaction of expenditure conditions –

the cost of Aboriginal Heritage Surveys;
up to 20% of the commitment claimable as overhead administration expenses;
tenement rentals and Shire rates.

Where appropriate discretion was exercised with regard to exemption applications sought by tenement holders that recognised the depressed gold price and the past performance of genuine operators. On a number of occasions these actions were unjustly criticised by Opposition members. Other steps taken in recent times to give industry a boost have included the following –

the production of a digital format 1:500,000 scale geological map of the entire state;
provision on the Internet of the Tengraph electronic mapping system;
arrangements made for the construction of a drill core library in Kalgoorlie this year;
an increase from one to eight in the number of Geological Survey officers in the Kalgoorlie region;
the establishment of an aboriginal issues liaison officer in Kalgoorlie to provide assistance to industry on land access issues;
the drafting of legislation to allow the holders of Miners Rights to access the surface of exploration licences with hand held tools.

- (2) The measures outlined above will help to provide employment opportunities for those unfortunate workers within the industry that may have lost their jobs. This Government will continue to implement programs aimed at the long term health of the Western Australian economy and the mining industry. An example of the success of the

Government's overall strategy is in the level of unemployment in Western Australia, which at 6.3% is below the national average of 6.7% and is the second lowest of any state. This is the way to assist workers displaced from industries suffering a downturn in conditions, such as gold, over the last few years. During the period from 1995 to 1998, when there was a loss of 200 jobs in the gold industry, there was a rise of 2,200 in the number employed in the nickel industry. The three new lateritic nickel projects - Cawse, Bulong and Murrin Murrin – all required significant workers during construction and operations and planned new nickel projects include the Jubilee Gold's Cosmos project near Leinster and Comet Resources laterite nickel project near Ravensthorpe.

GOLD ROYALTY, REVENUE

2080. Ms ANWYL to the Minister representing the Minister for Mines:

- (1) How much money has been collected as royalty pursuant to your recent imposition of a gold royalty?
- (2) Which companies have paid this and when?
- (3) Have you or your department provided an estimate to Treasury about the expected revenue to be collected from the gold royalty for the next three financial years?
- (4) If so are you able to provide details, and if not why not?

Mr BARNETT replied:

- (1) \$53.3 million. \$28.3 million was collected in 1998/99 and \$25.0 million has been collected as at 7 April 2000.
- (2) A list of the companies that have contributed to the \$53.3 million in gold royalty paid to date is set out below. The details of their gold royalty returns are provided to the Department of Minerals and Energy in confidence.

Acacia Resources Ltd
 Alcoa of Aust Ltd
 Arimco Mining Pty Ltd
 Barmenco Pty Ltd
 Bounty Victoria Corp
 Centaur Mining & Exploration Ltd
 Consolidated Gold Ltd
 Consolidated Gold NL
 Croesus Mining NL
 Davyhurst Project Pty Ltd
 Delta Gold NL
 Equigold NL
 Ferrier Hodgson
 Forrestania Gold NL
 Forsayth NL
 Gascoyne Gold Mines NL
 Gemini Mining Pty Ltd
 Goldfan Ltd
 Goldfields Kalgoorlie Pty Ltd
 Great Central Mines Ltd
 Herald Resources Ltd
 Homestake Mining Co
 Kanowna Belle Gold Mines
 Kalgoorlie Consolidated Gold Mines
 Mt Magnet Gold NL
 New Hampton Goldfields NL
 Newcrest Mining Ltd
 Normandy Kaltails Pty Ltd
 Normandy Golden Grove Operations Pty Ltd
 Pacmin Corp Ltd
 Paddington Gold Pty Ltd
 Paraburdoo Joint Venture
 Peak Hill Resources Pty Ltd
 Perilay Mines NL
 Placer (Granny Smith) Pty Ltd
 Plutonic Resources Ltd
 Plutonic Operations Ltd
 Resolute Ltd
 Sons of Gwalia Ltd
 St Barbara Mines Ltd
 Troy Resources NL
 Wirralie Gold Mines Pty Ltd
 WMC Resources Ltd
 Worsley Alumina Pty Ltd

(3)-(4) Yes.	2000/01	2001/02	2002/03
	\$M	\$M	\$M
Estimated Gold Royalty Revenue	42.5	41.5	40.0

GOLF COURSE, KALGOORLIE

2081. Ms ANWYL to the Minister for Lands:

- (1) Is the minister able to specify what commitments he or his staff have made to -

- (a) individuals;
- (b) golf clubs;
- (c) the City Council of Kalgoorlie-Boulder; and
- (d) publicly;

to provide a grassed golf course in my electorate?

- (2) When were each of the commitments made?
- (3) How much will the State Government provide for the development?
- (4) Has any other Minister made a commitment and if so when and for how much?
- (5) Have you arranged for valuations of the existing golf club house to be performed, and if so are you able to provide details and, if not, why not?
- (6) Have you or your staff received any approaches from private developers about the proposed grass golf course?
- (7) If so can you provide detail including the date such approaches were made and the identity of those individuals or corporations making them?
- (8) What was the substance of the approaches?

Mr SHAVE replied:

- (1) (a) I am committed to providing a golf course which the Labor Party failed to deliver when it was in government
(b)-(c) I have written to the three golf clubs and Council confirming the State's commitment to a new golf course.
(d) I have, through the media, made statements confirming that the Government is committed to the development of a new golf course as part of the North West Sector development.
- (2) On 16 December 1999 I made a public media statement confirming that the Government is committed to the development of a new golf course as part of the North West Sector development. On the same day at a meeting in Kalgoorlie I made a verbal commitment to representatives of the three golf clubs and council. On 16 February 2000 I once again confirmed this commitment at the inaugural meeting of the Kalgoorlie-Boulder Golf Course Steering Committee (KGCSC). On 23 March 2000 I wrote to each of the representatives of the three golf clubs in Kalgoorlie-Boulder and the Mayor of Kalgoorlie confirming the commitment for a new golf course.
- (3) The State Government has currently committed \$3.5 Million toward the preliminary works for the construction of the new golf course and is looking at providing further funds in conjunction with the City of Kalgoorlie-Boulder.
- (4) Not to my knowledge.
- (5) Yes. I have asked the Department of Land Administration to arrange valuations of the existing golf clubs through the VGO however the request has not yet been forwarded to the VGO. The request will be forwarded this week.
- (6) No direct proposals have been put to me however members of the steering committee have advised me that it was an option which might be available.
- (7) No formal approach has been made and it is not the Government's preferred position in relation to the development.
- (8) Refer to (6) and (7).

ARDEN STREET, EAST PERTH, PUBLIC OPEN SPACE

2082. Ms WARNOCK to the Minister for Planning:

- (1) In relation to Public Open Space in Arden Street, East Perth, was there any public consultation regarding the land's re-development for housing?
- (2) If so, when and how did this take place?
- (3) If not, why not?

Mr KIERATH replied:

- (1) Yes.
- (2) Documents were on public exhibition for a 60 day public consultation period from 4 August 1992 to 9 October 1992, in accordance with the East Perth Redevelopment Act 1991. Newspaper advertisements were placed advising that the then Draft Scheme and Policies were open for public submissions for a 60 day period until 9 October 1992. This was also advertised in the Government Gazette on 7 August 1992 having been approved by Parliamentary Counsel. A submission was received from the City of Perth which did not refer to Arden Street.
- (3) Not applicable.

PRISONS, PYRTON SITE

2097. Mr BROWN to the Minister for Aboriginal Affairs:

- (1) What exactly was the advice and recommendation to the Minister from the Aboriginal Cultural Materials Committee regarding placing a prison on the Pyrton site in Eden Hill?
- (2) Did the Aboriginal Cultural Materials Committee make any findings on the significance of the site?
- (3) If so, what were the findings?
- (4) What did the Minister consider in making his decision?
- (5) How did the Minister decide in the interests of the State that an Aboriginal site should be desecrated at that particular place?
- (6) How many members of the Aboriginal Cultural Materials Committee were present at the meeting of the Aboriginal Cultural Materials Committee on 16 March 2000?
- (7) How many members were Aboriginal members including the chairperson?
- (8) What, if any, ethnographic report did the Aboriginal Cultural Materials Committee base its decision on?
- (9) What other advice, reports or information did the Aboriginal Cultural Materials Committee base their decision on?
- (10) Did the Aboriginal Cultural Materials Committee make any findings or comments about the cultural effect of the proposed prison at Pyrton on the Aboriginal site or under Aboriginal tradition?
- (11) What information did the Minister himself read about the Aboriginal heritage of the site at Pyrton and the effect of a prison?
- (12) What decisions have been made by Cabinet about the proposed prison at Pyrton?
- (13) When did Cabinet consider the issues of Aboriginal heritage in relation to the site and what view did Cabinet take about this?
- (14) What are the steps that the Government intends to take now to establish the prison at Pyrton?
- (15) Will further planning approvals be obtained?
- (16) If so, what are these?

Dr HAMES replied:

- (1) The minutes of the Aboriginal Cultural Material Committee (ACMC) meeting held on 16 March 2000 that contain the recommendation and advice of the ACMC on the section 18 application made by the Disability Services Commission/Ministry of Justice are tabled. [See paper No 850.]
- (2)-(3) See paper No 850.
- (4) The advice and recommendation of the ACMC.
- (5) The proposed use of the portion of the site does not entail physical damage or disturbance of the site.
- (6) Ten.
- (7) Six.
- (8)-(10) See paper No 850.
- (11) The advice and recommendation of the ACMC.
- (12) On 28 February 2000 Cabinet endorsed a strategy to establish a minimum security pre-release centre for women at Pyrton.
- (13) On 28 February 2000, however, Cabinet noted that issues relating to the Aboriginal heritage were to be considered in the context of the section 18 application made under the Aboriginal Heritage Act 1972.
- (14) The 6 hectare portion of the site required by the Ministry of Justice is to be transferred from the Disability Services Commission to a new title in the name of the State of Western Australia for the use of the Ministry of Justice. It is proposed that the balance of the site be subject to re-vesting and creating of a reserve for community purposes.
- (15) Yes.
- (16) A development application and subdivision application are to be lodged with the Western Australian Planning Commission.

WA INSTITUTE OF SPORT, COMMONWEALTH FUNDING CUT

2133. Mr McGOWAN to the Parliamentary Secretary to the Minister for Sport and Recreation:

With the reported expected cuts in Commonwealth funding of up to \$750,000 for the Western Australian Institute of Sport (WAIS) after the Sydney Olympic Games will the Minister advise -

- (a) how many sports are recipients of Sport Lottery Funds;
- (b) how many sports receive services from WAIS;
- (c) as WAIS already receives \$3 million from the Sports Lottery Fund out of an approximate fund budget of \$8 million, will this be the source for making up any shortfall;
- (d) if the Government through WAIS has been aware of this situation for some time why has action been left so late and jobs placed in jeopardy;
- (e) can sports buy WAIS services using sponsorship or Sports Lottery Funds; and
- (f) if yes, how many have done so?

Mr MARSHALL replied:

- (a) 98.
- (b) 27.
- (c) There will not be an attempt to make up the shortfall. Most of the funding loss has occurred through the expiry of the Olympic Athlete Program (OAP) grant. It has been known and understood that this grant will not be available after the Olympic Games. WAIS has been planning accordingly to operate with less funds. It was always inevitable that the activities of all Institutes would recede after the Olympic Games. The WA Government is providing an additional \$70,000 to ensure that no WA Olympic aspirants are disadvantaged.
- (d) The OAP funding was provided specifically to identify and prepare athletes for the 2000 Olympic Games. This necessitates people being employed up until the Games (ie: coaches and scientists). People accepted these positions knowing that the Olympic Games was likely to be the termination point of their employment. The OAP was a project that had definite start and finish dates. WAIS has been planning and preparing for the end of the OAP project and has exercised duty of care to the best of its ability. This has been freely recognised by those staff whose employment will be terminated. All State and National Sporting Associations and staff have been kept fully advised of developments over the last 12 months. Any delays in the process have been caused by uncertainty over WAIS's funding levels and in particular the availability of Federal funds. The Australian Sports Commission has advised that Federal Government funding to the elite programs will not be known until the Federal Government budget is handed down in May. It is important to note that the salaries for most coaching positions at WAIS are provided by the Australian Sports Commission not by WAIS. These salaries will still be available through the State Associations so it is possible that no coaches will actually lose jobs. If the State Association wishes to, it could employ the coaches.
- (e) No.
- (f) Not applicable.

MINISTRY OF HOUSING AND HOMESWEST, EXPENDITURE ON LEGAL ADVICE

2137. Mr KOBELKE to the Minister for Housing:

- (1) What was the total expenditure on legal advice by the Ministry of Housing or Homeswest in 1997-98?
- (2) What was the total expenditure on legal advice by the Ministry for Housing or Homeswest in 1998-99?

Dr HAMES replied:

Please refer to the answer provided to Question on Notice 2076.

MINING, REPORTING OF ELECTRIC SHOCKS

2138. Mr KOBELKE to the Minister representing the Minister for Mines:

- (1) When a worker on a mine site receives an electric shock is it required that such an incident be reported to the Department of Minerals and Energy?
- (2) If so, then does the responsibility for making such a report rest with the mine management or the contractor who is the employer of the injured worker?
- (3) What penalty or penalties apply to an employer at a mine site who fails to report to the Department of Minerals and Energy that an employee is injured due to receiving an electric shock while at work?

- (4) What is the maximum period after such an incident in which charges can be laid for failing to report to the Department of Minerals and Energy a reportable incident?
- (5) When was the last time that a mine site employer was charged with failing to report a workplace accident?

Mr BARNETT replied:

- (1)-(5) See answer to Question No. 2077.

METROPOLITAN HEALTH SERVICE BOARD, HSC 267/99

2147. Ms McHALE to the Minister for Services:

- (1) I refer to tender HSC 267/99 which closed on 13 September 1999 to supply office product services to the Metropolitan Health Service Board and ask the Minister, who was providing the service before this tender was called?
- (2) What is the value of the tender?
- (3) Who is the successful tenderer?
- (4) Is the successful company Western Australian owned, Australian owned or overseas owned?

Mr JOHNSON replied:

- (1) There were two separate contracts previously used by the Metropolitan Health Service units: these include
 - (i) Provision of General Office Stationery to Sir Charles Gairdner Hospital & Fremantle Hospital & Health Service. The contractor was Sands & McDougall Office Supplies.
 - (ii) The Contract and Management Services (CAMS) whole of Government contract number 041A1996 (later proceeded by 20899) for the Supply of General Office Stationery was used by the remainder of the Metropolitan Health Service health units. The contractor was Sands & McDougall Office Supplies.

Note: The previous contracts included the supply of photocopy paper and printer toners & cartridges. Contract HSC 267/99 does not include these items. There are now two separate contracts for these items;

HSC 266/99 for the supply of Photocopy Paper to the Metropolitan Health Service (awarded to Fuji Xerox Australia); and
MHSB 2/09 for the supply of Toner Cartridges to Fremantle Hospital & Health Service and Sir Charles Gairdner Hospital (awarded to Sands & McDougall Office Supplies)

- (2) Estimated at \$2.7 million.
- (3) National Office Products Limited trading as Boise Cascade Office Products.
- (4) Overseas owned.

GOVERNMENT CONTRACTS, IN EXCESS OF \$100 000

2150. Ms McHALE to the Minister for Services:

- (1) Of the contracts over \$100,000 awarded on behalf of all Government agencies, and Trading enterprises, how many have been awarded to companies controlled outside of this state (ie with head offices in states other than Western Australia)?
- (2) What does this represent as a percentage of all contracts awarded over \$100,000 per annum?

Mr JOHNSON replied:

- (1)-(2) This information is not readily available as Tenderers are not required to state their head office location when submitting tenders. I am unable to commit the considerable resources necessary to research this question across the whole of government. If the member has an issue regarding a specific contract or company, then I will arrange for this to be investigated.

LAND RELEASES, IMPACT OF NATIVE TITLE ACT

2181. Mr RIPPER to the Minister for Lands:

- (1) How many Department of Land Administration (DOLA) land releases have occurred each year since the advent of the Native Title Act on 1 January 1994?
- (2) For each year in what locations were these subdivisions and in each case how many blocks were released for housing and for other purposes?
- (3) How many proposed DOLA land releases remain subject to the right to negotiate process under the Native Title Act?

- (4) For each of these -
- (a) when was the proposed land release advertised and under what section of the Native Title Act;
 - (b) where is the proposed land release;
 - (c) what is the breakdown of housing and other lots;
 - (d) when did formal negotiations with native title parties commence;
 - (e) who are the claimant groups;
 - (f) how long have negotiations in good faith been underway;
 - (g) for good faith negotiations exceeding six months, has the proposed land release been referred to the National Native Title Tribunal for a future act determination; and
 - (h) if not, why not?
- (5) How many land releases have cleared the right to negotiate process?
- (6) For each of these -
- (a) when was the proposed land release advertised and under what section of the Native Title Act;
 - (b) when did formal negotiations with native title parties commence;
 - (c) when did negotiations conclude; and
 - (d) what was the outcome of the negotiations?
- (7) How many case managers are there in DOLA handling native title negotiations?

Mr SHAVE replied:

- (1) The following number of land subdivisions occurred during these financial years

1994/95	10
1995/96	15
1996/97	6
1997/98	8
1998/99	4
1999/00	4

- (2) The number of lots were released is as follows

1994/95	Broome Horticultural	14
	Kalbarri Rural	2
	Narrakup Residential	10
	Dunsborough Residential	39
	Denmark Light Industrial	4
	Hopetoun Light Industrial	7
	Hopetoun Residential	29
	Kalgoorlie Rural Residential	15
	Coolgardie Residential	65
Marvel Loch Res/Light Industrial	35	
		220
1995/96	Broome Light Industrial	26
	Karratha Residential	25
	Meekatharra Light Industrial	3
	Lancelin Residential	74
	Ledge Point Residential	79
	Dandaragan Residential	8
	Frankland Residential	5
	Margaret River Light Industrial	10
	Borden Light Industrial	7
	Bremer bay residential	36
	Boulder Residential	29
	Condingup Residential/Commercial	8
	Pingelly Rural Residential	6
	Lake King Light Industrial	12
Boulder Residential	18	
		346
1996/97	Derby Residential	42
	Dwellingup	23
	Jurien Residential	53
	Kalbarri Residential	48
	Kununurra Light Industrial	6
	Port Denison Residential	33
		205
1997/98	Kununurra Town Centre	7
	Exmouth Residential	31
	Newman Mine Service Site	24
	Kalannie Residential	13
	Wongan Hills Light Industrial	3
	Beacon Residential	7
	Lake Brown Rural Residential	6
Coolgardie Residential	48	
		139

1998/99	Bremer Bay Residential	38
	Carnarvon Commercial	5
	Denham Light Industrial	15
	Karratha Residential	40
		98
1999/00	Jurien Residential	40
	Kalbarri Residential	78
	Harvey Residential	77
	Pingrup Residential	4
		199

- (3) The following subdivision proposals currently remain in the right to negotiate process.
- Turner River Horticultural
 - Carnarvon: Sale of Land to adjoining owners of agricultural lots
 - Boodarie industrial estate
 - Burrup industrial estate
 - Maitland industrial estate

A further 39 proposals, other than the proposed subdivision developments, also remain in the right to negotiate.

- (4) (a) The five proposals listed in (3) were advertised under Section 29 of the Native Title Act.
 (b)-(c) Answered by (3).
 (d)-(f) Turner River: August 1998 – Claimant WC 97/39
 Carnarvon: February 2000 – Claimant WC97/28
 Boodarie: }
 Maitland: } The notification period closes on 9 May 2000 at
 Burrup: } which time final negotiating parties will be known.

The following native title claimants have the right to negotiate:

Boodarie:	WC 97/39
Maitland:	WC 96/89, WC 99/14, WC 98/40
Burrup:	WC 96/89, WC 99/14, WC98/40

- (g) Turner River – negotiations have been attempted in conjunction with proposals within Port Hedland townsite now subject to another Native Title Act process. A further meeting is proposed May 2000 following which mediation and determination application options will be considered.
- (5) Seven subdivision proposals subject to the right to negotiate have or are able to proceed because of agreement reached or following a determination under the Native Title Act. A further five subdivision proposals have or are able to proceed as there were no native title claimants covering the subject land at the conclusion of the statutory Native Title Act notification period.
- (6) The seven where either an agreement or determination received and were advertised under Section 29 of the Native Title Act.

	(a)	(b)	(c)	(d)
Albany Foreshore	June 1996	August 1996	April 1997	Agreement
Carnarvon Fascine	January 1996	March 1996	November 1997	Agreement
Kalgoorlie Residential	April 1996	June 1996	September 1998	Determination
Kalgoorlie Industrial	April 1996	June 1996	September 1998	Determination
Mungari Industrial	April 1996	June 1996	August 1997	Determination
Skuthorpe (Broome) Horticulture	March 1996	March 1996	July 1999	Agreement
Broome Residential/community	March 1996	March 1996	August 1999	Agreement

- (7) Two full time officers are currently allocated to negotiation and consultation requirements. The appointment of a third is under consideration. In addition a further thirteen officers are currently involved or available as necessary, to represent the Department in negotiations or consultations under the Native Title Act.

LAND RELEASES, DOLA'S NATIVE TITLE POLICY

2182. Mr RIPPER to the Minister for Lands:

- (1) Does the Department of Land Administration have a policy in respect of native title negotiations to secure land releases?
 (2) What is the policy?

Mr SHAVE replied:

- (1)-(2) The Native Title Act requires the Department of Land Administration representing the State, to negotiate in good faith. Due to the varying nature of land title proposals that maybe subject to the right to negotiate, negotiation strategies are determined on a case-by-case basis.

NATIVE TITLE APPLICATIONS, KINGSTREAM RESOURCES

2183. Mr RIPPER to the Minister for Lands:

- (1) When did the Minister for Lands first become aware of the involvement of Kingstream Resources in funding native title applications?

- (2) How did the Minister become aware?
- (3) Has the Minister received representations from Kingstream Resources, its employees or office holders in relation to native title issues and if so when and by what means?

Mr SHAVE replied:

- (1)-(2) When I read about it in The West Australian on 21 March, 2000
- (3) No, although my office via the Lands Policy Officer did receive calls in 1997 from McDonald Rudder, solicitors representing Kingstream Resources, that related to proposals within the Yaburara claim.

BAYNTON SUBDIVISION, KARRATHA

2184. Mr RIPPER to the Minister for Lands:

- (1) What is the status of DOLA's Baynton subdivision in Karratha?
- (2) When were the relevant future act notices issued?
- (3) When did negotiations commence and with whom?
- (4) When did negotiations conclude and what was the outcome?

Mr SHAVE replied:

- (1) Expression of interest for development of residential land in Karratha, including land in the Baynton area, were invited in November 1998. Consultations with objecting native title claimants and negotiations with selected proponents on final lease/tenure arrangements are continuing.
- (2) 28 April 1999 under Section 24MD (6A + 6B) of the Commonwealth Native Title Act.
- (3)-(4) Objections to the Baynton proposal were received from three native title claimants. Attempts to meet with the objectors commenced in July 1999. Since that time meetings have been held with representatives of some of the claimants and further meetings are planned for May 2000.

DEPARTMENT OF LAND ADMINISTRATION, IMPACT OF NATIVE TITLE ON PROPOSED FUTURE ACTS

2185. Mr RIPPER to the Minister for Lands:

- (1) Following amendments to the Commonwealth Native Title Act, how many proposed future acts by the Department of Land Administration (DOLA) have been withdrawn from the right to negotiate process because the right to negotiate no longer applies in towns and cities?
- (2) For each-
 - (a) what was the nature of these future acts;
 - (b) what was their location;
 - (c) who were the native title parties;
 - (d) when were the future act notices first issued;
 - (e) when did negotiations commence;
 - (f) when did negotiations formally cease; and
 - (g) what steps has DOLA taken to commence the alternative consultation process with the native title parties?

Mr SHAVE replied:

- (1) Twenty one proposals within townsites which were previously subject to the right to negotiate have been reissued under Section 24MD (6A) and (6B) of the Native Title Act. Other proposals falling within this category are either being reviewed prior to reissue or will no longer be progressed.

(a)	(b)	(c)	(d)	(e)
Residential Subdivision	Karratha	WC95/3	April 1996	June 1996
Residential Lots	(Baynton) Menzies	WC96/22 W97/4 WC97/70 WC97/88 WC98/15 WC98/19	March 1998	June 1998
Residential Subdivision	Port Hedland	WC97/11 WC97/12	January 1996	April 1996
Light Industrial Subdivision	(2 proposals) Port Hedland	WC97/13 WC96/34	January 1996	April 1996
Sale to enlarge Light Industrial Lots	Port Hedland	WC97/39	October 1997	December 1997
Aged Persons Housing	Bremer Bay	WC95/56	August 1996	November 1996
Light Industrial Subdivision	Bremer Bay	WC95/56 WC96/109 WC96/105 WC96/85	August 1996	November 1996
Sale to enlarge Residential Lots	Wellstead	WC95/84 WC96/105 WC96/106 WC96/109 WC96/85	March 1997	May 1997
Light Industrial Subdivision	Mt Magnet	WC96/22 WC96/83 WC96/98	April 1997	July 1997

Yacht Club	Augusta	WC96/106 WC96/109	March 1998	June 1998
		WC97/24 WC98/23		
Light Industrial Subdivision	Leonora	WC95/1 WC95/32	January 1998	April 1998
		WC96/22 WC96/42		
		WC96/58 WC97/10		
		WC97/4 WC97/70		
		WC97/9		
Aged Persons Housing	Kalamunda	WC95/81 WC95/86	April 1996	June 1996
Light Industrial Lots	Trayning	WC96/106 WC96/90	January 1998	April 1998
		WC97/5 WC97/56		
Residential Subdivision	Hyden	WC96/103 WC96/105	January 1998	April 1998
		WC96/109 WC97/56		
Light Industrial Subdivision	Onslow	WC96/82	May 1996	July 1996
Sale to enlarge Light Industrial Lots	Onslow	WC96/82	May 1996	July 1996
Light Industrial Subdivision	Tom Price	WC97/89	November 1997	January 1998
Sale to enlarge Caravan Park	Exmouth	WC97/28	April 1997	July 1997
Residential Commercial Subdivision	Exmouth	WC97/28 WC97/28	March 1997	June 1997

- (f) Apart from the proposals relating to Karratha Baynton, Exmouth residential/commercial and Port Hedland residential, formal negotiations ceased early in 1999. Negotiations ceased on the others as follows:

Karratha	:	June 1998
Exmouth	:	June 1998
Port Hedland (Residential)	:	June 1998

- (g) Notices under Section 24MD (6A) and (6B) have been issued. In the case of the proposals in Menzies, Augusta and Leonora, there were no objections lodged by native title claimants within the prescribed periods and the proposals are proceeding.

HANNANS SUBDIVISION, KALGOORLIE

2186. Mr RIPPER to the Minister for Lands:

- (1) With reference to the Hannans subdivision in Kalgoorlie, when were the future act notices issued?
- (2) When did formal negotiations with native title parties commence?
- (3) When did negotiations formally conclude?
- (4) When did the Department of Land Administration (DOLA) seek a determination by the National Native Title Tribunal?
- (5) Why did DOLA not apply for a determination immediately after it had completed six months of good faith negotiations without success?
- (6) When did the National Native Title Tribunal make a final determination in relation to the subdivision?
- (7) When did DOLA release the land for public sale or auction?
- (8) What is the current status of the subdivision?

Mr SHAVE replied:

- (1) April 1996.
- (2) When notice was given, the native title parties were given the opportunity to make submissions and meet with DOLA representatives. Further attempts at negotiation meetings and submissions commenced in June 1996.
- (3) September 1998.
- (4) 30 September 1998.
- (5) The six month period for negotiations under the Native Title Act is a minimum period required for negotiations prior to the lodgement of a future act determination application. As part of negotiations in good faith DOLA withheld seeking a future act determination when issues were raised that required consideration, discussion and response. Four native title parties had the right to negotiate. At one stage DOLA agreed to further withhold a determination application following indication from representatives of some of the native title parties that it was likely principles for an agreement could be negotiated. A future act determination application was processed when it was clear all parties were unlikely to reach agreement.
- (6) 28 June 1999.
- (7) DOLA has not yet released the land for public sale or auction.
- (8) The structure plan for the entire area and the outline development plan for the first stage are under review. A complete due diligence process is being applied to the subdivision and it is anticipated that developed lots may be available for public sale by the end of the year.

DEPARTMENT OF LAND ADMINISTRATION, EXPENDITURE ON FUTURE ACT TITLE APPLICATIONS

2187. Mr RIPPER to the Minister for Lands:

For the last five years, what has been the Department of Land Administration's annual expenditure on -

- (a) mediation and negotiation of future act title applications; and
- (b) litigation in relation to future act applications?

Mr SHAVE replied:

- (a)-(b) The Department of Land Administration does not maintain separate records for costs associated with mediation, negotiation and litigation in relation to future act applications. The Department's annual expenditure on native title related matter for the last five years has been:

1994/95	\$470,000
1995/96	\$990,000
1996/97	\$1.5 million
1997/98	\$1.74 million
1998/99	\$1.76 million

QUESTIONS WITHOUT NOTICE

BUDGET DEFICIT

732. Dr GALLOP to the minister assisting the Treasurer:

Does the minister stand by his claim in this place on 6 April that there is no budget deficit in the general government account? If not, will the minister take the opportunity to correct the record?

Mr KIERATH replied:

I am delighted that the Leader of the Opposition asked this question because it gives me the chance to put some comments on the record. Until we came into government in 1993, the budget papers were presented as two Bills - the consolidated revenue fund and the capital works and general loan fund.

Dr Gallop: Are you going to answer the question?

Mr KIERATH: Yes, I am. When we came into government, we consolidated the two because the Opposition, when in government, kept the consolidated revenue fund in credit but fiddled the figures on the capital works and general loan fund. The Opposition's budget had all sorts of irregularities in it to get the figures right. We brought the two funds together so that could not happen again and we could have a consolidated view of the true position of the budget.

It is true that we have operated on that basis and, during the time of this Government, the consolidated fund has been in surplus the whole time. However, the Opposition has seized on the government finance sector figures from the Australian Bureau of Statistics. The Opposition has chosen those figures because, in its view, they show the budget in the worst possible light. The Opposition knows that the consolidated fund presented to this Parliament last year was in surplus and, on the best estimates that we have at the moment, we expect the consolidated fund to still be in surplus, at the end of this financial year. Therefore, the comments that I made were absolutely true and accurate.

The Opposition says there is another measure upon which the budget should be presented. We agree with the Opposition! Under the Opposition's commitment to financial accountability, it said that it would commit to that form of presenting the budget figures. Treasury forecasted in the last budget that we would move to that form of presenting the figures. The midyear review foreshadowed that. I think the Premier will make some sort of announcement, if he has not already done so, that this year's budget will be presented in that form. I want to put that on the record.

Mr Kobelke: Are you standing by your claim?

Mr KIERATH: I stand by my claim because the official budget figures were in surplus last year and we expect the official budget figures to be in surplus this year. I will tell the Opposition what we will do: We will change this budget from the consolidated fund to full accrual accounting. That will contain a number of things: It will contain a cashflow statement, a profit and loss sheet and a full balance sheet. I stand by those comments. We agree that the measure the Opposition has been talking about is a better way of presenting the budget figures and we will present this year's budget on that basis.

BUDGET DEFICIT

733. Dr GALLOP to the Minister assisting the Treasurer:

Is it not the case that the midyear review of finances put out by the Government in February forecast a \$620m deficit on the general government account?

Mr KIERATH replied:

That question should be asked of the Treasurer. If the Opposition uses the measure that it has been claiming -

Ms Anwyl: It was in your document.

Mr KIERATH: Yes, because that document was foreshadowing the form of the budget's presentation this year.

The Government will present its budget in that form this year. The Opposition will not complain about that; it will say that that is the right way of showing the figures. It will not say that the way the figures used to be shown was correct, but will support the Government. This is the right way for the Government's figures to be shown from now on. Until that method comes into operation, the Government will use the consolidated fund method to present the budget to this Parliament. The Leader of the Opposition knows that. At the end of this financial year, a statement will be made using the consolidated fund method.

If the method suggested by the Leader of the Opposition were used, a deficit would be shown. This is because the Government has been pumping money into capital works programs. In the last budget, it announced the decision to pump money into capital works projects. Those projects can be seen. The Government has built hospitals and the Northbridge tunnel, which the Opposition has knocked incessantly. We on this side are proud of those achievements. We have been pumping money into capital works programs for infrastructure which the Opposition allowed to run down while it was in government. This Government has not only fixed up the financial mess created by the earlier Labor Government, it has reinvested in infrastructure for the future of this State.

For the benefit of the Leader of the Opposition, I table a document that shows the methods of presenting budgets and Western Australia's balance sheet. I am pleased to say that when the Government first produced a balance sheet in 1993-94, net assets were \$18b. At 30 June 1999 net assets were \$31.5b, which is an increase of \$12b since we have been in government. The Government has been putting money into infrastructure. The third page of the document contains a summary of the "Consolidated Statement of Financial Position" as at 30 June 1999.

[See paper No 851.]

The SPEAKER: I remind ministers that I allow Premiers and Leaders of the Opposition flexibility during question time; however, I prefer ministers to wrap up their answers in three to four minutes. The Minister assisting the Treasurer was allowed a lot of time.

GRAHAM FARMER FREEWAY

734. Mrs HOLMES to the Premier:

Can the Premier advise how effective the opening of the Graham Farmer Freeway has been in diverting through-traffic from the central business district and what benefit businesses are deriving from this east-west link?

Mr COURT replied:

I will be succinct: The Graham Farmer Freeway has been very successful. It carries on average about 60 000 cars a day and has peaked at 80 000 cars a day, taking a lot of pressure off Riverside Drive. Taxi fares from the airport to Joondalup have gone down by \$10. One of the big success stories has been the benefits it has provided the business community, particularly businesses operating in the Osborne Park, Balcatta, Kewdale or Welshpool areas. Those businesses have been able to cut down their transport time significantly.

Ms MacTiernan: It is a pity about the people in Rockingham. They are still waiting for their rail link.

Mr COURT: What is the alternative? The Opposition simply carps, carps, knocks, knocks. The Labor Party's alternative was to make Newcastle and Aberdeen Streets one way.

Mrs Roberts: We want a better public transport system.

Mr COURT: The member should let me answer the question. The Speaker asked me to be succinct and I want to be succinct.

The Labor Party's solution to the east-west link would have meant that commuters travelled through about 10 different sets of traffic lights. It would have been an absolute nightmare.

Another interesting aspect is that the Labor Party thought it was clever to boycott the opening of this event.

Ms MacTiernan: We were not invited.

Mr COURT: Mr Speaker, the Leader of the Opposition, the Deputy Leader of the Opposition and the member for Perth were all officially invited and not one of them responded.

Ms Warnock: I responded; I had a previous engagement.

Mr COURT: I know the member for Perth had a previous engagement. The only person there from the Labor Party was the candidate for Perth, who led the cheer squad yelling out obscenities as people walked through the tunnel. The least the Labor Party could have done was have a representative there to thank the work force for an outstanding job.

AAA CREDIT RATING, ASSURANCES BY PREMIER

735. Dr GALLOP to the Premier:

Will the Premier confirm that his Government has given assurances to the credit rating agencies about changes he will make to budget processes and outcomes in order to meet their requirements for a AAA credit rating?

Mr COURT replied:

What does the Leader of the Opposition mean by assurances?

Dr Gallop: Has the Premier given assurances?

Mr COURT: The credit agencies receive all the figures that we present.

Dr Gallop: No, has the Premier given them assurances about what he will do with budget processes and outcomes?

Mr COURT: What a stupid question. The rating agencies closely follow the finances of all the States; in this day and age they have information. The minister assisting the Treasurer told the House previously that there was no balance sheet for this State in 1992-93 when the Leader of the Opposition was the minister assisting the Treasurer. The previous Labor Government did not have a list of the State's assets, did not take into account liabilities and ignored superannuation, etc. The rating agencies receive all the information that this Parliament receives.

Dr Gallop: Have you given them assurances about budget processes and outcomes?

Mr COURT: What does the Leader of the Opposition mean by processes and outcomes?

Dr Gallop: You are the Treasurer and you are obviously out of touch with what is going on in government.

Mr COURT: We meet with the rating agencies on a regular basis. They receive all the information about the State's finances to which the Opposition has access.

Mr Kobelke: You keep them in the dark too, do you?

Mr COURT: I am glad the Labor Party asked this question because the Leader of the Opposition accused us of holding back information from the rating agencies.

Dr Gallop: You gave them incorrect information.

Mr COURT: No.

Dr Gallop: You certainly did.

Mr COURT: The Leader of the Opposition said publicly that we held back information. When it was outlined to the Leader of the Opposition that it just was not true, no apology was forthcoming. Members opposite know a great deal about rating agencies because they crushed and destroyed this State's finances when they were in government; the Leader of the Opposition was the assistant Treasurer when that occurred. If the Leader of the Opposition wants to debate the State's finances, he should bring it on and we will debate it for weeks because Western Australia's finances are in a very strong position. This Government's capital works program has been outstanding. We funded the program for three years totally from our surpluses. The Leader of the Opposition was prepared to publicly denigrate this State by accusing this Government of not giving the rating agencies information, when he knew that was not true. He will do anything to gain a short term advantage.

Mr Kobelke: You could not lie straight in bed. Tell the truth. Answer his question. All you are doing is obfuscating. You are the Premier for obfuscation.

Mr Cowan: You really are an absolute fool.

Mr COURT: I rest my case.

GOVERNMENT EMPLOYEES SUPERANNUATION SCHEME, FUNDING

736. Mr BRADSHAW to the minister assisting the Treasurer:

Can the minister inform the House of the changes in funding to the superannuation funds for government employees in the West State scheme?

Mr KIERATH replied:

I am pleased to inform the House and to reassure all members of the government employees West State superannuation fund that it is now fully funded. As from the budget of 1998-99, allocations have been included in the budget to ensure no question marks exist over the ability of the Government to pay out its work force. Based on West State's 1999 annual report, the annual cost to state agencies to contribute to West State is estimated to be \$140m. When the Labor Government was in power the fund was not fully funded. Under this Government, it is fully funded, which means \$140m comes off the Government's bottom line.

Mr Brown interjected.

Mr KIERATH: The performance of this Government can be contrasted with that of the Labor Government when it was in office. When the Leader of the Opposition was minister responsible - or should I say irresponsible - for assisting the Treasurer, he presided over a huge unfunded liability. That is a scandal.

Mr Brown interjected.

The SPEAKER: Order! The member for Bassendean has made his points. He has been interjecting in the same way several times. All interjections are disorderly.

Mr KIERATH: Thank you, Mr Speaker -

Mr Brown interjected.

The SPEAKER: Order! I formally call to order the member for Bassendean for the first time.

Mr KIERATH: Under this Government, as is clear in the budget papers, West State is 100 per cent funded. To ensure that an underfunding situation does not occur again legislation is before the House that will protect workers in future. When the Labor Government was in power it was prepared to risk the government workers' retirement fund. This Government is not prepared to do that, so it has introduced legislation that will lock in future Governments to not only fully fund their superannuation liabilities, but also manage the fund responsibly and not use it for any dirty deals.

The Government believes it has fixed up the problems of the past, but more importantly it will ensure that future Governments will not be able to repeat those mistakes.

FINANCE BROKERS, LICENCES NOT CANCELLED

737. Mr McGINTY to the Minister for Fair Trading:

Can the minister explain why the Finance Brokers Supervisory Board has not cancelled the licence of any of those finance brokers associated with failed loans and improper practices, which have cost healthy self-funded retirees tens of millions of dollars? I refer specifically to John Margaria of Global Finance, Kaye Blackburn and Peter Fermanis of the Trust Group, and Ross Fisher of MFA Finance Pty Ltd, all of whom hold current finance brokers licences.

Mr SHAVE replied:

The member for Fremantle rang the Finance Brokers Supervisory Board at 11 o'clock this morning to find out whether any of those people were trading as finance brokers. Mr Hilliard from the board advised the member that in the absence of a business certificate, an individual cannot trade as a finance broker. He was told that Mr Grubb, Kaye Blackburn, John Margaria and Ross Fisher do not currently hold a business certificate. I understand that although Peter Fermanis holds a business certificate, his certificate is being assessed, as occurred with the other people.

I understand that the member for Fremantle was informed that none of the other four people can trade as a finance broker at this time because none holds a business certificate.

FINANCE BROKERS SUPERVISORY BOARD, SACKING

738. Mr McGINTY to the Minister for Fair Trading:

I have a supplementary question. Will the minister sack the Finance Brokers Supervisory Board for failing to revoke the finance brokers licences of these people?

Mr SHAVE replied:

I have given a very clear indication to the Parliament that those people cannot trade at present. The member for Fremantle is playing with words. In answer to whether I will sack the board, the answer is no.

CHILDHOOD HEARING DEFECTS

Mrs PARKER to the Minister for Health:

What action is the Government taking to detect childhood hearing defects early in life?

Mr DAY replied:

I thank the member for some notice of the question. The member is referring to the universal neonatal hearing screening program, which is one of the many new initiatives which has been put in place through our Health budget as a result of the additional funding which has been allocated to the Health portfolio by this Government. It is recognised that congenital hearing loss is the most common congenital disorder, with at least 25 of the babies who are born in Western Australia each year having a severe to profound hearing loss. It is also recognised that if such a hearing loss can be picked up in the first six months or so of life, there is a much better chance of preventing more serious educational, developmental or psychological problems occurring later in life. The universal screening program commenced at the beginning of this year for all births at King Edward Memorial Hospital for Women, and I am pleased to say that as from this month, as part of the progressive implementation of this program, it has been extended to St John of God Hospital in Subiaco and also to Woodside Maternity Hospital. All the babies born at those two hospitals will now also be screened. The program will be

extended later this year to Joondalup Health Campus and Osborne Park Hospital, and then to other hospitals where there is a moderate to significant number of births during 2001.

ESTIMATES GIVEN TO RATINGS AGENCIES

739. Mr RIPPER to the Treasurer:

- (1) Given that recurrent expenditure has grown by an annual average rate of 6.2 per cent during the life of this Government, why should the public believe the forward estimates given to the ratings agencies which show general government expenditure growing at an average annual rate of only 1.7 per cent in each of the next three financial years?
- (2) Can the Treasurer guarantee that expenditure growth in his forthcoming budget will be consistent with those forward estimates given to the ratings agencies?

Mr COURT replied:

- (1)-(2) When this Government brings down a budget, it also has a rolling budget for the three out years, so it basically has a four-year rolling budget. This is another reform that we have brought in. That means, as I have said on many occasions, that what is happening inside government, and the funding of projects and the like are very transparent. On the question of recurrent expenditure, we have inflation of around -

Mr Ripper: Actual expenditure growth versus what you told the ratings agencies.

Mr COURT: Okay. We have inflation of around 2 to 3 per cent, and we have had expenditure of around 6 per cent, and we have been able to fund it, but at the same time the ratings agencies do watch recurrent expenditure very closely. They also track capital works to see what programs are being undertaken. By and large, we have been working to our four-year rolling plan. Obviously every year the priorities change, but not in a broad sense, because our two priorities have been Health and Education, which account for half of the budget. However, even with expenditure at those levels, it is still very difficult to continually improve the quality of service delivery, but we have managed to do so. We are proud of the fact that in our budgets, we have been able to build up a significant amount of capital works that has been fully funded. In fact, for three years our total capital works program has been funded out of surpluses, and that is quite an achievement. The member will see that next week with regard to this year's budget and the estimates for the next three years. Some of the announcements made by members opposite about the big spend-type promises are already starting to mount up. Members opposite will have an interesting time explaining to people how they will fund what they propose to do. We have funded it, and we are prepared to put it out in a four-year budget. It will be very interesting to see how the Opposition will fund its proposals.

ESTIMATES GIVEN TO RATINGS AGENCIES

740. Mr RIPPER to the Treasurer:

I ask a supplementary question. Will the Treasurer answer the second part of my question, on whether he will guarantee that expenditure growth in this next financial year will be consistent with the estimates given to the ratings agencies?

Mr COURT replied:

I answered the question. I said that the budget the Government brings down and the forward estimates will be different from last year. That is exactly what I have said. Next week the Opposition will find out what this year's budget will be. The biggest single area of expenditure concerns Health. In recent years, we have been putting in additional moneys and supplementary funding for Health and Education. However, this year the figures for Health will come in pretty close to budget. In a budget that is now getting close to \$2m, that is very significant.

UNDERGROUND POWER, CITY OF GOSNELLS

741. Mrs HOLMES to the Minister for Energy:

In view of its importance to the revitalisation plans by the City of Gosnells, will the minister please advise what is the current status of the city's application for underground power to be provided from the bridge adjacent to the council offices on the Albany Highway to Dorothy Street, Gosnells?

Mr BARNETT replied:

I thank the member for Southern River for the question. When the State Government started the underground power project - to the best of my knowledge, Perth is still the only significant city in the world that has attempted such a task - some 18 per cent of Perth had underground power. With the current investments under way in a number of areas of Perth, by the time the second round of funding is completed, over 30 per cent of Perth will have underground power, and the original target of over 50 per cent by 2010 will be easily exceeded.

Essentially looking at urban areas, whether they be in regional cities or in the metropolitan area, when the program started, about 1 000 to 1 500 residential lots were involved. Clearly, in a number of smaller towns, or even in suburbs within the metropolitan area, there was not the demand for such a large project, but there was a demand in particular areas, such as perhaps around a heritage area, a town centre, a streetscape, a gateway statement or whatever it may be. Therefore, the program was amended to include a series of local enhancement projects. On the recommendation of the committee, which

includes the Western Australian Municipal Association, I announced on Friday a number of projects that have been approved. At the same time, the State Government and Western Power have provided a further \$1m worth of funding to this project.

Members may be interested to know that, in addition to the Gosnells project, for which the placing of power lines below ground in the town centre area has been approved, which is critical to Gosnells' plans for revitalising the town centre, other projects include Hampton Street in Bridgetown, George Street in Pinjarra, Knight Terrace in Denham, Black Street in Esperance, Mary Street in Highgate, Jarrahdale Road in Jarrahdale, Rockingham Beach precinct in Rockingham - I am sure the member opposite is delighted about that - Mundaring township in Mundaring, Uduc Road in Harvey, South Terrace in Fremantle, and the Scarborough Beach precinct in Scarborough. The Albany Highway is Gosnells' project. By 2002, Western Power and the Government will have jointly contributed \$4m towards these local enhancement projects. I think it is a good part of what is a very successful project. I say to the member for Pilbara that this program has immense public support within this community.

AGENCY BUDGETS, CUTS

742. Mr RIPPER to the Treasurer:

Notice of this question was given at 10 o'clock this morning.

- (1) Is the Government cutting agency budgets on the assumption that agencies will benefit from the loss of embedded wholesale sales tax in their input costs?
- (2) What is the total of these cuts across the public sector?
- (3) If agencies do not experience reduced input costs, how and when will they be compensated?
- (4) What is the size of the cuts being imposed on each of the Health and Education portfolios?

Mr COURT replied:

- (1)-(4) Specific information on the different portfolios will be found in the budget documents. However, in general terms, the Federal Government has taken \$50m from our grants this year and approximately \$50m will be taken off in the forward years to compensate for embedded wholesale sales tax in the different agencies. If the agencies do not recover that embedded wholesale sales tax, it stays with the private sector. It is a discipline on the agencies to get back those moneys. It would be irresponsible if they did not. The Federal Government's estimate is \$50m -

Mr Ripper: What is the State Government's estimate?

Mr COURT: There has been dispute about this. The budget will return about \$40m. However, the Australian Taxation Office believes its estimate of \$50m is conservative, and that may well be the case. If the agencies do not recover that money, it stays with the private sector. Surely it is in the interests of the taxpayers to get that money back.

COUNTRY TOWNS, SEWERAGE

743. Mr AINSWORTH to the Minister for Water Resources:

Many small country towns, such as Kulin in my electorate, have significant environmental problems caused by the lack of a sewerage system. In the past, the Government's \$800m 10-year infill sewerage program has not been available to country towns with populations of less than 500 people. Is the minister in a position to assist these small country towns with their sewerage problems?

Dr HAMES replied:

I thank the member for some notice of this question. It is true that those smaller country towns have been missing out. As members know, the \$800m program has benefited a large proportion of the metropolitan area, major regional centres and some larger country towns. However, until now, it has not been available to small country towns with populations of less than 500 people. Much concern has been expressed in those communities about high water tables and environmental difficulties as a result of repeatedly pumping out septic tanks. The Government has recently initiated a five-year program to provide infill sewerage to 20 smaller country towns in this State, and Kulin is included in that program. Other communities that have been strongly lobbying this Government because of environmental concerns include Kondinin, Kokerin, Hyden, Tammin and Tambellup. However, that is a small proportion of the large number of communities desperately in need of infill sewerage. The member on my right mentioned Nannup and Northcliffe, and they are also on the list.

The problem with infill sewerage in those country towns is the cost of installation - it is a very expensive exercise. The Government is looking at the standard of service to be installed and its management and financing. Local governments are also being asked to contribute land, machinery, equipment and labour, as occurred with the community pipeline program. Smaller communities are very strongly behind this program. However, the Government will ensure it has broad community support and that those affected know the costs involved. The feedback from those communities is that they are extremely pleased. This is yet another capital works contribution that the Government is making to add to the huge amount spent on roads, education, schools, hospitals, and especially water resources, which had a capital works budget of over \$460m last year. This illustrates what this Government is doing to build for the future of Western Australia.

COUNTRY TOWNS, SEWERAGE

744. Mr AINSWORTH to the Minister for Water Resources:

What is the time line for the Kulin project?

Dr HAMES replied:

The program relating to the 20 communities will be completed over five years. The communities have not yet been chosen, but that process will be done in conjunction with officers from the Health Department to ensure that those with the highest environmental need are selected. The Water Corporation will commence work in the first four communities over the coming financial year. Much of the design work has been completed, but construction on the ground is probably up to 12 months away because the figures must be collected and the communities consulted to ensure that they are happy with what they will be required to pay for the program. The first four projects will be undertaken by the Water Corporation. After that, the Government will seek expressions of interest and call for tenders from the private sector and the Water Corporation for the further projects. The total cost of the program will be \$52m.

NANNUP AND GREENBUSHES MILLS

745. Dr EDWARDS to the Minister for the Environment:

I refer to the minister's answer to questions on notice 579 and 607 relating to the Nannup and Greenbushes mills.

- (1) Does the minister stand by her answers to the questions in which she said that the Interim Forest Industry Advisory Committee had not been involved in any way on any aspect of the future of the Nannup and Greenbushes mills?
- (2) Does the minister now concede that the minutes of the meetings of the committee obtained under freedom of information show that the Nannup mill was discussed at each of the three committee meetings, and that the minister provided an update on both the Nannup and Greenbushes mills at its last meeting?
- (3) Will the minister take this opportunity to correct the record?

Mrs EDWARDES replied:

- (1)-(3) I do not have a copy of the minutes before me, although I am aware that they were released under freedom of information. I am happy to look at the minutes. The question asked last year, I think, was whether the committee was to be involved in the financing and the entire deal being worked through with the Government. The Interim Forest Industry Advisory Committee was not involved in those aspects.
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