

**COAL MINERS' WELFARE AMENDMENT BILL 2005**

*Second Reading*

Resumed from 7 April.

**DR S.C. THOMAS (Capel)** [11.21 am]: The opposition will support this bill, but will attempt to make an amendment, which I will discuss in a moment. The coal industry is centred on the district of Collie, an area adjacent to the electorate of Capel. My understanding is that there are about 600 miners in the coal industry in that area, and the industry has a value to the state of about \$400 million a year, at the latest estimate. The Coal Miners' Welfare Act 1947 established a fund to set money aside from the mining companies to provide for the welfare of miners in the industry and their families. The act has remained relatively unchanged since its passage, and the fund has provided infrastructure and recreational equipment throughout the town of Collie. I believe that it has contributed to the local hospital and to various sporting arenas and community groups. The opposition will support the continued provision of these facilities, and the contributions of the Coal Miners' Welfare Board. It could be said that the fund provides the opportunities for unions to earn good publicity by making announcements of sporting and community grants. However, in the interests of providing services to the people of Collie, we will be supporting this bill.

I will address the one area the opposition would like to amend. The minister has been given a copy of the foreshadowed amendment to clause 6 of the bill, which in turn amends section 7 of the act, dealing with the inspection of records. This section exists so that the board may examine the turnover of mining companies, because the amount of money contributed to the welfare fund - about \$150 000 a year - is determined by the turnover of the mining companies and is made by way of a levy. The records of the turnover of the mining companies are made available to the board so that it can test the honesty of the companies in declaring their total turnover, and the levy can be applied accurately. Proposed section 7(1) states -

The Secretary may, at any reasonable time, examine such records of any person as are required for the purpose of determining the amount payable by a person under section 6.

Effectively, this says that the secretary of the board that operates the coal miners' welfare fund can inspect the books of the mining companies in Collie to work out what the levy should be. The opposition seeks to delete proposed section 7(2), which reads -

The Secretary may make copies of those records.

It is the position of the opposition that those records, for the most part, are now available in a number of places and ways. If it is simply a matter of working out the turnover of a mining company in Collie - either The Griffin Coal Mining Company Pty Ltd or Wesfarmers Ltd - the figures are generally made publicly available. The Department of Industry and Resources would probably have the figures available, and the companies are required to make annual reports to shareholders. All those records are available publicly. It may or may not have been the original intent, but this part of the legislation allows for the opening of the books of the companies in Collie for a fairly thorough examination, potentially, by a union representative. In this day and age of some degree of financial responsibility and secrecy about some company activities, we believe this to be an oversight in the drafting of the bill. I am sure it was not the intention of the minister to allow the unions to go through the books of Wesfarmers and Griffin, and have a good look at the activities of those companies. We are hoping that, by amending this clause and removing proposed section 7(2) at the consideration in detail stage, the making of various copies and their removal to be stored elsewhere will be prevented, although the secretary will still be able to examine the records.

I will not dwell for too long on the rest of the bill. Even though, to some degree, it provides positive publicity to the unions that would not otherwise be there, the work done by the fund, and the projects on which this money has been spent over the past almost 60 years, have been very worthy. The member for Collie-Wellington is in the house, and will probably be well aware that the money has gone to some very worthy causes over the past 60 years. We are certainly not proposing to change the intent of the bill in its support for the people of Collie. That is sufficient; we should move quickly to consideration in detail of the opposition's amendment.

**MR M.P. MURRAY (Collie-Wellington - Parliamentary Secretary)** [11.28 am]: The welfare board, of which I was chairman for some years, is probably unique to the coal industry, and perhaps similar boards should have been set up in some of the other mining industries. It was originally formed to provide amenities and facilities for people working underground at a time when it was pretty tough working down there. There were no crib cabins or other amenities. As the fund has evolved and moved along, the focus has changed to the extent that a lot of unseen work is now being done. The causes supported by this fund include children in the community who are not able to go on trips because of financial difficulties, and scholarships for schoolchildren.

Recently provision was made for a disabled children's swing in a local park. All this has come about through the levy on coal production.

The opposition has raised the issue of the books being open to examination. A few years ago companies worked very hard to avoid paying the levy. The levy was calculated on the tonnage of coal produced, and its purpose was to provide funding for community amenities. It put me somewhat offside that the companies were reluctant to pay a levy of half a cent per tonne to fund community amenities. It was quite disappointing.

**Mr F.M. Logan:** Hear, hear!

**Mr M.P. MURRAY:** Despite their reluctance to pay that levy, if they want to be seen to be honest, they have no reason for objecting to an examination of their books to determine the tonnages. The Department of Mineral and Petroleum Resources was involved in the process for quite some years. I have rung the department to find out why its involvement ended a number of years ago. The onus then fell directly on the companies. I have seen no evidence of abuse of the system by which the Chairman or the Secretary of the Coal Miners' Welfare Board examines coalmining companies' books across the board. That is not the issue. The issue is about the board determining the correct tonnages so that coalminers pay the correct amount and are billed appropriately.

The member for Capel's proposed amendment to delete line 7 on page 4 is a backward step. Relations between the unions and the coalminers have not always been smooth. A recent strike lasted for more than 10 weeks. During industrial disputes, the parties involved tend to look for opportunities to get at each other. However, I would be surprised if that were likely to result in the community being short-changed because the welfare levy on the coal tonnages was not paid. The issue has been mentioned by various managers whom I have put up with during 24 years in the coal industry. I am aware that the opportunity exists for the system to be abused, although that has not occurred in 60-odd years, and I do not expect that it will occur in future. It should therefore be left well alone.

Question put and passed.

Bill read a second time.

*Consideration in Detail*

**Clauses 1 to 5 put and passed.**

**Clause 6: Section 7 replaced -**

**Dr S.C. THOMAS:** I move -

Page 4, line 7 - To delete the line.

As I said during the second reading debate, proposed subsection (2) provides that the secretary of the board may make copies of the records. It is the only provision in the bill that the opposition is questioning. The opposition has no objection to proposed subsection (1). It provides that the secretary may at any reasonable time examine the records. This amendment is not about trying to stem the flow of information. It is about the capacity to copy records and the potential for copies to be made of inappropriate material, and those copies to be taken away and used for other purposes. The opposition has no desire to prevent the secretary of the board from examining - obviously at a reasonable time following prior notice - the records required of tonnages, turnovers and activities of the mining companies. This amendment is specifically about the potential to take copies of records inappropriately. I take on board the member for Collie-Wellington's comments during the second reading debate.

There was a time when the coal companies in Collie did not support the application of the Coal Miners' Welfare Act and tried to have it repealed so that those funds, which total \$150 000 a year, would not be levied. However, I suggest to the house and the member for Collie-Wellington that coal companies in Collie provide much more in donations than \$150 000 a year. The coal companies donate large amounts of money outside this process. I acknowledge that the member for Collie-Wellington fought, I believe in the early 1990s, to maintain those funds. The coal companies considered that they would make contributions to the community but that it would be better if those contributions were controlled by the companies rather than by the board. It would be an affront to the coalmining companies to suggest that they did not contribute in many ways to the communities in Collie and surrounding areas. The coal industry and the related power industry in Collie support the towns around it, including the towns of Bunbury and Donnybrook where I come from. Large numbers of people commute to Collie for work in both the mining and power industries. Those industries support many industries outside Collie, such as the Donnybrook recreation centre. I suggest that hundreds of thousands of dollars annually are contributed to community projects in the greater south west region, not just in Collie.

**Mr M.P. Murray:** I think you should check, but I know that only \$44 000 was contributed by one company last year, which was appalling. Under the agreement acts mining companies do not pay shire rates. It is appalling.

**Dr S.C. THOMAS:** The member for Collie-Wellington is correct. The mining companies do not pay shire rates. I have moved a little bit away from the intent of the amendment. The amendment seeks to provide for the fact that information on tonnages and turnover is available in a number of places. In fact, it is still available to the board because the secretary can request that information from companies. Subsection (2), which will allow the secretary to make copies of records, is too loosely worded and allows too much leeway in terms of access to confidential corporate information. The opposition's intent is to remove proposed subsection (2), because it allows for the information to be available at any stage. It can be talked about and written down. It is my belief that proposed subsection (2) is overkill.

**Mr A.J. CARPENTER:** I appreciate the member for Capel's intent and concern. However, I do not want to support the amendment because it makes proposed section 7(1) inoperable. It reads -

The Secretary may, at any reasonable time, examine such records of any person as are required for the purpose of determining the amount payable by a person under section 6.

The natural next step for the person carrying out the examination is to make a record of what has been examined. This information may be produced electronically or in a variety of formats, but the person doing the examination must have the ability to make some sort of a copy of that information to take it forward.

The purpose of proposed section 7 is to gauge the tonnage that the employers are producing and, therefore, the amount that goes into the fund. It would render the activity of the secretary trying to get that information impossible if a record could not be made. I suggest to the member for Capel that the permissible activity in proposed subsection (2) be narrowed down to reflect the requirement in proposed subsection (1). It could be amended to read -

The Secretary may make copies only of those records such as are required for the purpose of determining the amount payable by a person under section 6.

**The ACTING SPEAKER (Mr P.B. Watson):** Does the member wish to withdraw his amendment?

**Dr S.C. THOMAS:** I withdraw my amendment.

**Amendment, by leave, withdrawn.**

**Mr A.J. CARPENTER:** In seeking to address the concerns of the member for Capel and in view of his having withdrawn his amendment, I move -

Page 4, line 7 - To delete all words after "copies" and insert the following -

only of those records required for the purpose of determining the amount payable by a person under section 6

That amendment will make it absolutely crystal clear that only a particular part of the information can be copied.

**Amendment put and passed.**

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

**Clauses 7 to 14 put and passed.**

**Title put and passed.**

*Third Reading*

**MR A.J. CARPENTER (Willagee - Minister for State Development) [11.48 am]:** I move -

That the bill be now read a third time.

**DR S.C. THOMAS (Capel) [11.49 am]:** I thank the minister for his consideration in this matter. I commend the member for Collie-Wellington for his interest in and support of the coal industry.

If the government were truly serious about the welfare of the coal industry and coalminers, it would build a coal-fired power station in Collie and the future of the industry might well be assured. I commend the work of the Coal Miners' Welfare Board of Western Australia over the past 50 years. I hope it will continue to offer money, time and support to worthy projects, as it has done in the past. I hope that the entire south west will continue to get behind power generation and electricity in the flourishing coal industry basin, as it has done in the past. I also hope that the burgeoning export market will be supported and developed by future governments of both persuasions.

**MR M.P. MURRAY (Collie-Wellington - Parliamentary Secretary) [11.51 am]:** I have a lot of knowledge about the Coal Miners' Welfare Board of Western Australia and the amount of work done by its volunteers. I especially take my hat off to the Chief Executive Officer of the Shire of Collie, who has worked tirelessly over the years to ensure that the board is run at a minimal cost and that all moneys have been returned to the

community. As I said earlier, some great projects - not just one-off projects, but projects that have been spread over many years - have been funded, which is great. I am glad that the small amendment has been made to the legislation; I can certainly live with it. It is a commonsense amendment. As I said before, I do not think that anyone wanted to delve too deeply into the books of companies. This issue has been about ensuring that the numbers are right so that there are no arguments in the future. I thank the welfare board, and the member for Capel for his small amendment.

**MR A.J. CARPENTER (Willagee - Minister for State Development)** [11.54 am]: This is an important piece of legislation. I am very grateful to all those who have played a part in bringing it before Parliament. I especially thank the member for Collie for his support of the legislation. Obviously as the local member he has a profound knowledge of the industry and of the impact and importance of the industry to the town and regions of Collie. He does an absolutely outstanding job, which was evidenced by the result of the last state election, in representing those interests in the Parliament. I also thank the newly elected member for Capel for his interest in the legislation and for the small amendment he brought to the government's attention and generated - it ended coming under the government's name - to refine the legislation in a positive way. I thank him for that. I thank all members of the house for their support for the passage of this important piece of legislation.

Question put and passed.

Bill read a third time and transmitted to the Council.