[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

ROAD TRAFFIC (CHARGES AND FEES) AMENDMENT REGULATIONS (NO. 3) 2007 - DISALLOWANCE MOTOR VEHICLE DRIVERS INSTRUCTORS AMENDMENT REGULATIONS (NO. 2) 2007 - DISALLOWANCE

Cognate Debate - Motions

On motion by Hon Simon O'Brien, resolved -

That orders of the day 456 and 457 be debated cognately.

Pursuant to standing order 152(b), the following motions by **Hon Simon O'Brien** were moved pro forma on 16 August -

That the Road Traffic (Charges and Fees) Amendment Regulations (No. 3) 2007, published in the *Government Gazette* on 22 June 2007 and tabled in the Legislative Council on 27 June 2007 under the Road Traffic Act 1974, be and are hereby disallowed.

That the Motor Vehicle Drivers Instructors Amendment Regulations (No. 2) 2007, published in the *Government Gazette* on 22 June 2007 and tabled in the Legislative Council on 27 June 2007 under the Motor Vehicle Drivers Instructors Act 1963, be and are hereby disallowed.

HON SIMON O'BRIEN (South Metropolitan) [5.50 pm]: The Road Traffic (Charges and Fees) Amendment Regulations (No. 3) 2007 and the Motor Vehicle Drivers Instructors Amendment Regulations (No. 2) 2007 were both tabled in the Legislative Council on 27 June 2007 under their respective principal acts. The twenty-seventh of June was the day before this house rose for the long winter break. It was virtually the last gasp before a very long recess. On that day the parliamentary secretary representing the Minister for Planning and Infrastructure came into this house and tabled no less than 26 papers at the start of proceedings. These covered a range of matters, including a whole lot of matters quite unrelated to what we are debating now, including matters relating to port authorities, jetties, shipping and pilotage. In the midst of these tabled papers were the two regulations that we are now debating. These are regulations to vary the charges that people have to pay for a variety of things to do with licensing of people and examination of vehicles in connection with licensing. These new price increases -

Hon Ljiljanna Ravlich: And decreases.

Hon SIMON O'BRIEN: In some cases there were decreases. The minister should be careful. If she wants to be disingenuous, she will get the chance to stand and do that when I have finished. The government is seeking to be disingenuous about this by putting in a few small decreases in some charges and some awfully big increases in other charges. That was not the extent of it. It occurred during the last gasp of the last session of Parliament, hidden amongst a large number of other unrelated tabled papers. The government tried to sneak these measures, including these big price increases, under the radar. It has visited some increases in charges that are quite unwarranted and quite burdensome on people who are already suffering, as I have reminded this house from time to time, from a lack of service in those self-same areas courtesy of the Carpenter Labor government. I think it has a darn cheek to do that. I will come to the quantum of those increases in a moment. The manner in which these increases were notified to the house, the way the government attempted to slip them under the radar so they would not be noticed, was very much like this over-taxing government visiting like a thief in the night to once again try to stick its hand into the taxpayers' pockets while nobody was looking. Fortunately, the opposition was paying attention. Accordingly, we moved for disallowance the very next day, which was the earliest opportunity. It was the last day on which we sat before the long break.

As the government knows full well, the timing for the disallowance of regulations is critical. Regulations come into effect on the day they are gazetted. In this case, these regulations were gazetted in June and the price increases came into effect from then. Everyone who has had to avail themselves of these government services, whether they want to or not, has had to pay since then. We do not get a chance to deal with a disallowance until the government brings it on in this house. The government only ever seems to want to do that on the absolute last day that it has to. I consider ourselves lucky that at least today, the final day for debate and the date on which these disallowance motions must be determined, the government has allowed them to proceed and has not sought to defer debate to a later stage of this day's sitting.

Hon Ljiljanna Ravlich: That's what you used to do.

Hon SIMON O'BRIEN: It is what the government does as well.

Hon Ljiljanna Ravlich: Very, very rarely.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

Hon SIMON O'BRIEN: I am addressing the Chair. Does the minister not have a comic book or something she can read and amuse herself with for a little while? The minister needs to be quiet for a minute. She might learn something. She has not learnt anything over the past few years. This is an important portfolio and she nominally has carriage of it. If she wants to listen, she might learn something.

I was just noting that the government has allowed this matter to be debated now at the start of orders of the day, and that is appreciated. I will reciprocate in that spirit by not speaking at any great length. I have already indicated that spirit by requesting a cognate debate in order to truncate time. Some things need to be noted. The first thing that needs to be noted is the manner in which the regulations were tabled in this place, which I have already alluded to, and the timing, which meant that the government already had basically more than three months in which to enjoy these higher charges and the revenues that flow into its coffers through these higher charges before this Parliament could do anything about it. The disallowance clock, as it were, only ticks when the house is sitting. When a government contrives to table regulations notifying increases in charges such as these, the house can deal with them only after it has sat for a certain number of days beyond that point. If we start off by having the long winter break, as we did, we are over a month and a half behind the eight ball. During that time, people are paying a lot extra that they should not have to pay. I am sure I am not the only member in this house who is continually receiving representations, particularly from parents who are concerned about how they are being poorly served and now ripped off when they try to help their young adult children obtain a driver's licence.

Before we rise for dinner, I will turn quickly to the second of these matters, the Motor Vehicle Drivers Instructors Amendment Regulations (No. 2) 2007. Quite simply, it is proposed that the fee to be charged to sit a test as a potential driving instructor will increase from \$49.40 to \$147.20. That is basically a 200 per cent increase - a tripling of the amount. For what? I thought we needed more driving instructors.

Sitting suspended from 6.00 pm to 7.30 pm

Hon SIMON O'BRIEN: We are dealing with the Motor Vehicle Drivers Instructors Amendment Regulations (No.2) 2007. The problem that offends, to my mind, is the increases in these particular regulations for two items: first, an application fee for a licence as a driving instructor has increased from \$45 to \$85.50. That is an increase of the order of 90 per cent, which would seem hard to justify on the grounds of keeping pace with inflation and certainly would seem to be far beyond cost recovery, which is the normal criterion for increasing a fee or charge. Secondly, as I noted earlier, the cost for a practical test for a driving instructor has increased in one fell swoop from \$49.40 to \$147.20.

Hon Paul Llewellyn: Could you name the section that you are dealing with?

Hon SIMON O'BRIEN: Certainly. The interjection was asking me to identify specifically the part of the regulations that increases the burden. I refer to page 2877 of the *Government Gazette* and to regulation 4, which in turn amends regulation 13 of the substantive regulations prescribing the fee variations. There will be found a deletion of the figure of \$45 and an insertion of the figure of \$85.50. That is for an application fee for a licence to be a driving instructor. Subregulation (d) shows the deletion of the figure of \$49.40 and the substitution of the figure of \$147.20. That is to amend the fee for the practical test to be a driving instructor. I notice that there are some other amendments. In one, for example, a minor fee of \$5 is reduced to \$4.80. Such things to do excite me particularly, and certainly do not move me to move motions of disallowance. However, it appears to me that the increases that I have highlighted go far beyond what should be normal cost recovery. The virtual tripling of a practical test fee does not seem realistic. I will discuss the general environment for people taking licence tests in just a moment.

What offends with these particular regulations is that these increases are of a size that cannot be justified as simple cost recovery, unless some quite extraordinary mathematical gymnastics are employed. I served four or five years on the Joint Standing Committee on Delegated Legislation and I saw this matter raised literally hundreds of times. I would be very surprised if the minister could demonstrate the defence that these charges are justifiable on the grounds that the government should produce to allow them to be passed. Moreover, I was approached by someone who is involved in the field of driver training, who highlighted these particular changes to me and indicated that they would in fact be onerous and counterproductive in reducing the disincentives for people to become a driving instructor. The government might argue in a moment that perhaps people could claim a portion of it back as a tax deduction. That is not a legitimate argument for the state to decide that it will put its hand in not only the candidate's pocket, but also the federal government's pocket, for a greater piece of revenue. As I will come to in just a moment, we will see that the government certainly does not need any more revenue.

Other regulations that are the subject of this cognate debate contain some more substantial charges. I say "more substantial" because they affect a far greater number of people. The Road Traffic (Charges and Fees)

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

Amendment Regulations (No. 3) 2007 make a number of changes to fees and charges. I certainly do not intend to go through them all, but some clearly need to be highlighted. I most certainly will do that. In the *Government Gazette* - I am referring to our friend and colleague Hon Paul Llewellyn, who I know is following this debate closely - are a number of amendments that have been introduced by these regulations; for example, the fee for a duplicate licence under regulation 39 of the principal regulations will rise from \$12.10 to \$25.80. Under regulation 40 of the principal regulations, the fee for a licence document issued in a new form will also rise from \$12.10 to \$25.80. If \$12.10 was so wrong as a cost-recovery measure, why was it allowed to be so wrong? Conversely, why do we see more than a doubling of that cost for those services?

I usually would not pay a great deal of attention or draw the house's attention to relatively small sums in fees and charges. I think that perhaps there are some greater matters we need to attend to in the context of the very difficult issues that we have to address from time to time. The Department for Planning and Infrastructure actually has some form in this respect. In 2004, the Auditor General released a report highlighting some instances in which cost recovery was exceeded by the department on some matters - not licensing matters relating to motor vehicles I hasten to add. Nonetheless, the department should be well aware of the rules that govern cost recovery. Regulations 39 and 40 are not my principal concern. What concerned me most were the figures set out in the *Government Gazette* on page 2867 under regulation 9, which lists the amendments to schedule 1 in division 2 of the principal regulations, in which, in a number of cases, the government is imposing an additional burden on a large number of people for no apparent good reason. Item 2 of the schedule states that there is an increase in the fee for -

An initial examination of a mobile home or trailer without brakes, motor cycle, motor carrier, engine change.

It is a very simple examination - a trailer without brakes, for example. The fee for that examination will go up from \$41.80 to \$58.10. The amount of \$41.80 seems a bit steep, but why should it be suddenly increasing by a factor of 40 per cent or so? That increase seems excessive and hard to justify.

Similar increases will occur for examinations of other vehicles. For example, examinations of vehicles other than those to which I have referred have increased from \$56.50 to \$83.30; that is about a 50 per cent increase. If that amount of money is multiplied by many thousands of examinations, it becomes collectively quite a burden on the motorists who require those vehicle inspections, which, of course, are demanded by this government. People are not consuming something that they want to take advantage of; they are required to go through these inspection processes. In the succeeding sections of that schedule there are similar size cost increases for similar examination services.

I invite members following the debate to go to page 2870 of the *Government Gazette*. At regulation 10 there are amendments to schedule 2. These are the amendments that most concern me: item 1 of schedule 2 relates to applications for a driver's licence, including one practical driving assessment. The first category, in which the motor vehicle is not of class HC or MC, generally relates to normal, everyday passenger vehicles; the average sedan that perhaps a new driver is taking to get his or her licence - a rite of passage for people aged around 17 or 18 years old. That is the sort of driving test that I am referring to; we have all done it, we all understand it. The cost of that test has risen from \$45 to \$68.30; again, a significant rise of around 50 per cent or just over, and for what? Where is the rampant inflation in our society today? Inflation does not seem to be running at a rate of 50 per cent or more. Where is the increase in the service provided to candidates for a driving test? There is no evidence that that has been increased. Perhaps the government is feeling a lot of pressure on this score, but that is no justification for saying that people are being provided with any additional service, which is something I will come back to in a moment.

The other key cost increase I will draw members' attention to adds more insult to injury. Item 2 covers each additional practical driving assessment -

(a) where the motor vehicle is not of class HC or MC.

This is a normal passenger vehicle. The cost of the additional practical driving assessment, in which a person has flunked and has to resit the test - again, not an uncommon thing for people to have to do - has risen from \$47.30 to \$71.80, which is a similar size increase to the other increase I have just referred to, and with the same implications. Why on earth are people being charged more to sit a subsequent examination than for the first one, which also involves the initial application? It is only a few dollars more, but what is the point? It is adding insult to injury, but it is a significant rise from \$47.30 to \$71.80. When this cost rise is applied to the number of people who sit tests, it is a great deal of money. In the last financial year, 105 016 people sat a driver's licence practical test. I am sure the figure includes some people who may have been sitting for other classes of licence and doing a practical test as appropriate, but the vast majority would have been people going through the rite of passage, going to sit their driver's test; the 17-year-olds and 18-year-olds. Quite often mum or dad are paying

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

these fees, as well as for the learner's permits and driving lessons, and those parents are being slugged with a 50 per cent increase. If that figure is multiplied by 100 000 cases per annum, that is a lot of money. For what? Where is the increase in service that is being provided? That is what has to be examined.

I ask the house to disallow these regulations because the increases are larger than can reasonably be justified. The increases are not matched in terms of criteria of cost recovery. I am sure-as-eggs certain that it is not a case of revenue needed to run the same service that has been provided year after year, or if it is to provide a better service commensurate with the increase in charges, that is not happening. I will provide some evidence to the house in a moment to show how that increase in service has not occurred.

In concluding my remarks, I ask the house to disallow these regulations because they offend by having these large, unjustified increases. It is unfortunate that when the house goes about a disallowance procedure, it does not have the opportunity to cherry pick individual provisions, such as the ones that I have highlighted. There are a range of other charges, some of them big, some of them small - there are even some decreases in charges and fine adjustment as to what the charge will be for a whole range of services provided by the department. There is page after page varying the cost of special number plates and items like that. It is unfortunate, but if we do not have the chance to selectively disallow these provisions, we have to disallow the entire regulations. We do have to throw the proverbial baby out with the bathwater. That does not leave the Department for Planning and Infrastructure in a hopeless position. For one thing, it has been using these schedules for three months since they were gazetted. Secondly, of course, fresh regulations may be promulgated to re-institute provisions that do not offend and to reset the fees that I am proposing the house throw out tonight. That is what I am asking for and I thank members for their attention.

I do not wish to take very much longer, but in closing there are some other matters that I must point out to the house. I have been saying for some time in this place and elsewhere that the government has not been providing an adequate service for vehicle examinations, drivers' practical tests and all the rest of it. Members are probably sick and tired - at least on the government side - of hearing me raise the matter time and again; but I am raising it time and again because concerned constituents raise those matters with me on and on and on, and the whole situation just seems to get worse and worse and worse.

Last year I asked a series of questions about waiting times for people wanting to take driving tests. On Tuesday, 19 September 2006 I asked when an individual on that day would be able to get a driving test booked at Willagee, Rockingham and Kelmscott. I asked that question on 19 September 2006 and the response was that as at 15 September the first available assessment dates were: at Willagee, 5 February the following year; at Rockingham, 11 December; and at Kelmscott, 20 January the following year. That does not seem a very good service when one considers people's needs. However, on 21 September I asked a related question about driving tests and waiting times, and I discovered that there were huge waiting times at a number of centres: Willagee, 22 weeks; Rockingham, 11.8 weeks; Morley, 13 weeks; and so on. I suspect that there may have been some reserve positions available at the one or two places that had a much shorter waiting time that were applied to the answer, as the answers were not consistent as I continued to ask questions about these matters.

On 17 October last year I raised concerns in a member's statement about the East Perth vehicle licensing centre. On 5 June this year I again asked how long people would have to wait for a practical driving test. I was told page 2641 of *Hansard* - that as at 5 June, waiting times were: at Welshpool, 19.4 weeks; at Kelmscott, 16.4 weeks; at City West, 18.8 weeks; and so on.

On 28 August this year I again asked a question of the Minister Assisting the Minister for Planning and Infrastructure about waiting times facing people seeking practical driving tests. Again the news was not good for someone who wanted a driving test at any time in the reasonable future. I say "reasonable future" advisedly, because the government must understand that this is about people going about an important part of their lives getting their licence and getting involved in that procedure. What is the use of not being able to book a driving test any time within cooee? How on earth do people plan to get their licence and perhaps engage the services of a driving instructor when they do not know when they will be able to do the test? How do they know 18 or 22.4 weeks in advance that that day is the day that will be good for them to sit their licence test? They may not be free to attend the licensing centre at that time. They may or may not be ready to sit the test. However, in some cases they must make a decision four or five months in advance as to the exact time they are going to book their test. If they do not attend at that time or they want to vary the time, they are in big trouble because they will be put to the back of the queue again. Therefore, people who are either under-prepared or over-prepared end up going for their licence test, incurring extra expense to keep up their practice time, inconveniencing family members, going to further expense by having driving instructors accompany them, and all the rest of it. They are then terrified that if they somehow fail the test, they will have to wait heaven knows how many months until they can have another crack at it; and so the problem starts again.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

I have parents report to me that their kids have suffered all sorts of inconvenience through that which I have just described and also through a sense of fear and panic, because of the excessive waiting times, at the consequences if they fail the test. They are therefore a bundle of nerves when they go in for the test and their fear and panic becomes a self-fulfilling prophecy. People who have had all the driving instruction and practice in the world and all the supervised and logbook practice that is required become nervous wrecks when they have to front up and take the test. They therefore fail the test. Suddenly they are out again and having to find another time to have another go, perhaps months down the track and perhaps failing again.

Hon Bruce Donaldson: Another 18 to 20 weeks.

Hon SIMON O'BRIEN: Yes. To add insult to injury, they have to pay not only for another test, which is reasonable, but also a bit extra because it is a subsequent test. That simply is not fair and it does not make sense.

Hon Bruce Donaldson: By the time they get their licence, they may be 70 years old and need to have an eyesight test!

Hon SIMON O'BRIEN: The honourable member makes a tongue-in-cheek comment, but he is actually very close on the money. I received a communication the other day from someone whose son is in year 12 and will turn 18 years of age next March. He will be finishing school this year. That sounds like every other year 12 in the state, does it not? This chap, apparently, has sat two driving tests and has failed both. Sometimes that sort of thing happens. The problem from his point of view, as his father told me, is the lack of dates available to sit the test. This is one of the problems. The minister, on behalf of the government, has told us about how the government has been and will be pouring money into this problem. However, where is the improvement in convenience or the productivity commensurate with the 50 per cent increase? It simply is not there. This is creating all sorts of problems because many employers require employees to have a driver's licence and the rest of it. The parent I spoke to said that from his personal experience waiting periods are spiralling out of control and that there is either a management issue, a rostering issue or a lateral-thinking issue that really must be addressed. The parent asked me rhetorically whether the licensing centre needed to be outsourced to assist with the backlog. Perhaps it does, but we know that ideologically this government certainly will not be using that sort of lateral thinking to try to get a better result.

Hon Ljiljanna Ravlich: How wrong you are; we have actually got seven RAC centres involved in a trial. We have another four on the books. You are just wrong.

Hon SIMON O'BRIEN: Am I just wrong because the government has seven RAC centres doing this?

Hon Ljiljanna Ravlich: Yes.

Hon SIMON O'BRIEN: Am I just wrong? Am I? There are seven RAC centres working hard so that trainee drivers can sit their practical driving licence tests.

Hon Ljiljanna Ravlich: No, vehicle inspections.

Hon SIMON O'BRIEN: Oh, I see. We are on to vehicle inspections. I am talking about driver's licence practical test fees. I am not wrong because the government has no thought of outsourcing this problem or coming up with any other solution to address the problem except for slugging the long-suffering clients of the department through increases of over 50 per cent to keep doing what has been happening and what I have been complaining about in this place for ages.

I will bring this to a conclusion because the point has been either made or not in the minds of members. I will finish by referring once again to dollars. Today I received a couple of pieces of news. In answer to a question asked earlier today, the minister told me that in 2006-07 the gross income of revenue received from applicants for driver's licence practical tests was \$5 129 632. In the last financial year the figure was \$4 037 760, which is an increase of more than 25 per cent. Yes, there was an increase in the number of candidates undertaking examinations. The figure went up from 89 728 -

Hon Ljiljanna Ravlich: A 28 per cent increase.

Hon SIMON O'BRIEN: It is not a 28 per cent increase. The figure went up from 89 728 to 105 016. Does the minister think that is about 28 per cent? I do not believe it is that figure, although I have not calculated it.

Hon Paul Llewellyn: It is in that order.

Hon SIMON O'BRIEN: No, it is not in that order. The fact is that the increase in revenue in percentage terms outstrips the increase in the number of people doing the test. They are paying more already and have been in 2006-07. As I said, with the introduction of a big pile of regulations and with these ones sneaked in, somewhere

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

in the 26 different regulations tabled on 27 June this year - still in the 2006-07 year - there are further big increases of over 50 per cent. It cannot be justified.

The final rubbing of salt into the wound came from the Treasurer as he today announced a record \$2.3 billion surplus.

Hon George Cash: How much?

Hon SIMON O'BRIEN: A \$2.3 billion surplus. A significant amount of that has come from the long-suffering

motorists.

Hon George Cash: Over-taxing again.

Hon SIMON O'BRIEN: Yes, over-taxing again with stamp duty on motor vehicle transactions paid for by many young people getting their first car and trying to get their licence. The government needs to get off their backs. The house would be doing the public a service if it were to show some understanding of the things that families have been bringing not only to me, but also to other members in this place about the difficulties they are having with an intransigent motor vehicle licensing and examination system that is not meeting their needs and is not providing the service that one would reasonably expect.

I am not interested in what the government thinks it will do in the future. It said that it would spend \$73 million or so of new money over four years. The government has got plenty of new money to spend; it can take it out of the \$2.3 billion. That is just for one year; it is not over four years. There is plenty of room to provide services at a reasonable level when it is taxing the people of Western Australia at that rate. This government has got to learn to do that without trying to revisit the pockets of the taxpayers yet again.

The government has got nothing to say that can support its position on this matter. I am sure it will tell us about all the money it claims it is spending. What it is not telling us is how it will provide a decent level of service, about how people are getting value for money, and why it has \$2.3 billion per annum of extra tax that it refuses to give back by way of increased or reasonable services. For all of those reasons I look forward to the support of the house in disallowing both these sets of regulations.

HON LJILJANNA RAVLICH (East Metropolitan - Minister Assisting the Minister for Planning and Infrastructure) [8.05 pm]: I am very disappointed that the opposition has chosen to go down this path. I say that because the opposition clearly has a lack of understanding of what we want to achieve in terms of licensing reform and, indeed, what we have already begun to achieve. Nobody liked cars being banked up at motor vehicle licensing centres around the state or drivers waiting for up to five hours to have their vehicles examined. Clearly, neither did business appreciate having to have someone wait in those queues for extended periods of time. The licensing centres were very run-down and, clearly, there were inefficiencies in the motor vehicle licensing centres. There were also difficulties in respect of practical motor vehicle driving assessments.

One of the things that I recognised when I took over this portfolio is that there needed to be changes in respect of improving a situation that was not sustainable in the short term and will certainly not be sustainable in the long term. I secured \$73.8 million from the government as a one-off appropriation to make sure the necessary changes were put into place so that the entire licensing business unit could be reformed and so we could make the vehicle inspection services provided by the licensing centres around the state more efficient. We could also make the practical process of driver assessment better. The first priority for the government was to ensure that those very long queues of people waiting to have their motor vehicles inspected were addressed. I have to say to Hon Simon O'Brien that if this disallowance goes through, it will mean that there will be no reforms. That means that the trucks and vehicles banked up - as they were, down the streets - in suburbs will be a feature again thanks to him.

Hon Simon O'Brien: How so?

Hon LJILJANNA RAVLICH: How so? Because, quite frankly, if these regulations do not go through, the member will have hijacked a reform program.

Hon Simon O'Brien: How so?

Hon LJILJANNA RAVLICH: I just want to turn to the licensing fees.

Hon Simon O'Brien: You are not going to make comments like that. You are a phoney.

Hon LJILJANNA RAVLICH: The honourable member makes the claim that these regulations were hidden and that this was sneaky -

Hon Simon O'Brien: Yes, it was.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

Hon LJILJANNA RAVLICH: - and that they were nonsense and unwarranted. If the member thought that the queues were acceptable, and he obviously did because whilst he was in office -

Hon Simon O'Brien: Don't be absurd! I have been in here telling you that they are unacceptable!

Hon LJILJANNA RAVLICH: Do not shout at me!

Hon Simon O'Brien: Let the record show that I am not shouting; you are the one who is shouting!

Hon LJILJANNA RAVLICH: I listened to the member and now he can return the courtesy and listen to me!

The DEPUTY PRESIDENT: Order, members! If the minister directs her comments to me, it is less likely that there will be interjections. Hon Simon O'Brien was heard in relative silence and I ask him to give the same consideration to other members who wish to speak.

Hon LJILJANNA RAVLICH: Mr Deputy President, I do not intend to be threatening towards anybody. I intend to put on the record what needs to be put on the record; and the decision of this house will be in accordance with the way members vote. This is the way that this house operates and it has always operated in this way. The only point that I make is that members opposite need to very seriously consider the action they will take on this matter.

The licensing fees have been adjusted from 1 July 2007. The Department for Planning and Infrastructure undertakes an annual review of its fees and charges. In 2006 the department engaged Stamfords Advisors and Consultants to undertake an independent review of its fees and charges, to ensure that all the fees and charges were set in accordance with the Department of Treasury and Finance's costing principles. Historically, that had not been the case.

The household basket of fees, including vehicle licence and driver's licence renewals, has increased by only 4.8 per cent. Other fees and charges have been adjusted to ensure that there is full cost recovery. That is very important, because facilities need to be improved to a standard, and the facilities and the level of service, which have historically been inadequate, need to be such that they can be maintained in the future.

Hon Murray Criddle: The minister said there was \$70 million available over four years, and that charges have been put up to cover the cost of that. In actual fact, this has not cost the government a cent - is that right?

Hon LJILJANNA RAVLICH: That is not true. We have -

Hon Murray Criddle: Please explain.

Hon LJILJANNA RAVLICH: I will explain. We have an ageing infrastructure and severe pressure on existing resources. One of the difficulties in a boom period, of course, is the increase in demand for services. For example, from 2004-05 to 2006-07 there has been an increase of 28 per cent in the level of demand for practical driver assessments, and the figure is considerably higher for motor vehicle inspections.

Hon Murray Criddle: But the amount of money coming back as a result of that would also substantially go up. Surely one follows the other.

Hon LJILJANNA RAVLICH: It certainly helps, but it does not cover the full cost adjustment required in order to deliver and maintain the services that the community has come to expect.

Several members interjected.

Hon LJILJANNA RAVLICH: Mr Deputy President, I will not engage members. I will put on the record what needs to go on the record, and members can accept it or reject it.

In terms of the increases in fees, some charges have certainly risen above the consumer price index rate; however, some charges have decreased. Hon Simon O'Brien went through the regulations and then put out a press release on 29 June 2007 in which he selectively chose to point out those items that had increased in cost. He paid no attention to the items that had reduced in cost. For example, the cost of an unlicensed vehicle permit decreased from \$9.10 to \$6.50, representing a 28 per cent reduction. The cost of duplicate vehicle registration papers decreased from \$10.20 to \$6.50, representing a 36 per cent reduction. The cost of a vehicle modification permit decreased from \$32 to \$14.30, representing a 55 per cent reduction. The cost of an ordinary number plate decreased from \$19 to \$11.30, representing a 40 per cent reduction. The cost of an ordinary number plate remake decreased from \$32.10 to \$13, representing a 59 per cent reduction.

Several members interjected.

The DEPUTY PRESIDENT: Order! It is not only unruly, but also rude to have cross-chamber conversations. The minister is not responding to interjections and is addressing her comments to the Chair. I ask that she be heard in relative silence.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

Hon LJILJANNA RAVLICH: Thank you, Mr Deputy President. The cost of dealers' vehicle number plates decreased from \$21.40 to \$19.10, representing a 10 per cent reduction. I think it important to put these reductions on the public record. An application for an MC class driver's licence decreased from \$43.30 to \$36.20, a 16 per cent reduction!

Hon Simon O'Brien: What is an MC class licence?

Hon LJILJANNA RAVLICH: A driver's multi-combination licence.

A driver's licence theory test decreased from \$33 to \$19.60, a 40 per cent reduction in cost. Supplementary theory tests decreased from \$22 to \$13.10, a 40 per cent reduction in cost. A driver's licence hazards-perception test decreased from \$33 to \$24.60, a 23 per cent reduction in cost. Finally, a supplementary hazards-perception test decreased from \$22 to \$17.80, a 17 per cent reduction in cost.

Hon Simon O'Brien advises the house that the cost of a driver's licence application has increased from \$45 to \$68.30; however, he is not actually providing the full picture. The process of obtaining a driver's licence includes a number of things. First, one makes an application - cost, \$68.30; sits a theory test - cost, \$19.60; sits a practical driving test and obtains a log book - cost, \$21; completes the required hours of supervised driving and finally sits a hazards-perception test - cost, \$24.60. If an adequately prepared novice driver attempts to obtain a C class driver's licence, and does not fail any of the tests, he or she will pay a total of \$133.50. The same novice driver would have paid \$131 prior to 1 July 2007. Therefore, a novice driver faces a total increase in the cost of obtaining a driver's licence of a mere \$2.50. That represents less than a two per cent increase - well below the CPI rate of 4.8 per cent.

Today, heavy and multiple combination class licence applicants pay less than they did before 1 July 2007. Vehicle examination costs have increased to reflect the full recovery of costs, and to provide for a clear association between the fee and the provision of the service. This is the first time in the history of licensing that a thorough costing of licensing fees and charges has been undertaken. This government has not been afraid to make adjustments, including downward adjustments, where they were warranted. I have just provided the house with the schedule of fees that were adjusted downwards. These new fees and charges will provide the government with a net increase in revenue of \$2.7 million.

The honourable member has gone on and on about what it is that the community gets. He says, "We haven't seen any results." "It's a scam." "The government is imposing costs for no good reason!" And so on and so forth. I have to tell members that the waiting time for vehicle inspections has significantly reduced - from 300 minutes in March 2007 to 69 minutes in August 2007. If members opposite measure the cost of that to business and consumers -

Several members interjected.

Hon LJILJANNA RAVLICH: And it is still trending downwards. Members opposite want to disallow these regulations and revert to dealers queuing for five hours. If that is what they want, they can do exactly that. Members opposite should not threaten me. If they choose to proceed with these motions, that is what will happen. I would be more than happy to go out tomorrow and tell the vehicle dealers of this state that these reforms have been defeated in the Legislative Council as a result of the disallowance motions moved by Hon Simon O'Brien, and that they can again expect to have their staff waiting in queues for up to five or six hours.

I will tell members a good story.

Hon Bruce Donaldson: It's childish.

Hon LJILJANNA RAVLICH: It is not childish.

A part of these reforms has been to deal with the backlog and potential growth. The government recognises that this state is in an economic boom, but it does not necessarily want to build more licensing centres. That does not mean that it will never build another licensing centre. The government also recognises that it is very important to give consumers choice. It has entered into a trial with the Royal Automobile Club. Currently, six RAC sites are operational and they can be found in Balcatta, Bentley, Joondalup, Northbridge, Myaree and Morley. Consumers can now take their vehicle to either a Department of Planning and Infrastructure vehicle inspection site or an RAC inspection site. Another inspection site is due to commence operating in November in Osborne Park. In addition to that, subject to a recent expression of interest, four non-RAC sites will become operational by the end of September. Two of these sites will deal with heavy vehicles. The government has introduced a range of other measures. It has implemented booking systems in Kelmscott and Warwick and that trial will be extended to Midland and East Perth.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

It has been suggested that this government is not delivering to the community. Therefore, I will inform members of another significant government achievement. The average processing time for medical assessments from date of receipt has been reduced from 21 days to four days. The government has re-engineered the medical assessment process to reduce the delays for older drivers. It has also introduced credit card facilities for all overthe-counter transactions. It would cause chaos when people who had had their vehicle serviced and waited in a queue finally reached the counter and pulled out their credit card only to be told, "No, sorry you can't use that. You will have to go to the bank and get some money or give us a cheque" or whatever. The government is also working towards the establishment of new premises in Midland and Rockingham and, as part of the whole arrangement, it has moved to revise fees and charges based on the cost-recovery model.

I refer now to the practical driver assessment. Members should bear in mind that, effectively, the funding became effective from 1 July. I will inform the house of some of the government's achievements since 1 July. Its record over three months is good. If members opposite think that it has for one moment been easy to reduce the waiting times for queues at vehicle inspection centres from five and a half hours to one hour, they should think again. It appears that they want their constituents to continue to queue for five hours. If that is the case, they should do whatever they need to do to achieve that.

The government's priority has been to address the most critical issue; that is, the five-hour wait. The concern was the safety issues that arose from cars and trucks being banked along suburban roads. Consumers and business had to meet the cost of having their vehicles queuing on those roads for so long to access the service. Our first priority was to deal with the vehicle inspections.

The government's second priority is to deal with the practical driver assessment. We know that there has been unparalleled growth in practical driver assessment; that is, a 28 per cent growth in 2005-06. We also know that one of the drivers of inefficiencies of practical driver assessment is that there are a lot of assessment repeats. In other words, people sit their test, fail and front up again. We know that access to the centres and the time it takes to get a practical driver assessment are patchy. We know, for example, that if a person wanted a practical driver assessment booking at West Perth he might have to wait for up to 15 or 16 weeks. In Rockingham, he would get a booking in two or three days; in Mandurah, probably within a week; in Midland in less than a week; and in Kelmscott within a matter of days and certainly no longer than a week.

I have given Hon Robyn McSweeney an answer to a question she raised about how long it would take to have a practical driver assessment. The simple fact is that in the past three months we have trended downwards. There is a downward trend in how long an assessment takes.

These are major reforms. As some costs have gone down, so, too, some costs have gone up. The analysis of what went up and what went down was the direct result of the work undertaken by Stamfords Advisors and Consultants. That work had not been done before and there was no truth in the pricing.

If the opposition votes in favour of these disallowance motions, it will block the government's reform program. The government will not support the disallowance motions.

HON PAUL LLEWELLYN (South West) [8.28 pm]: I have been listening to this debate very carefully. I note that these disallowance motions have been on the notice paper for some time. I thought that if either the opposition or the government wanted the Greens' support or otherwise for these disallowance motions, it would have paid us the courtesy of asking us whether we would like to talk about the strategic implications of the motions. That did not happen. That is okay. It is neither respectful nor strategic to leave the Greens out of the debate. I note, without judgement, that it does not contribute to good thinking to have sarcastic and rude comments flying across the chamber. It simply does not contribute to the quality of thinking that is needed to make a decision. This is stone cold to us.

Hon Murray Criddle: You are not on your own.

Hon PAUL LLEWELLYN: Okay.

Hon Murray Criddle: Don't bother worrying.

Hon PAUL LLEWELLYN: I am not worried about it. I am not bleeding here either; members probably will not see any blood or anything like that. I am merely making a fairly clear case about the way in which we will conduct business in this place. Without going on anymore about that sort of process, I would like to be clear about how I have seen the facts as they have been put to me.

It would seem to me that one can make a judgement about these regulations based on empirical analysis. One can ask what numerical or economic outcomes will be the result of changing the regulations from the suite of regulations that we had in place last year to the suite of regulations introduced this time. I do not know, but it may be that this suite of regulations is raising slightly more money than the previous suite. However, because a

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

complete financial audit has not been made available to me, I will rely on one or two of the examples that were put forward to illustrate how empirical analysis can inform our decision making.

In addition to having a good sense of what the financials will look like, there are tangible measurable parameters that we can take into account. One obvious thing is the trends in waiting times. I suggest that other than reference to the money, and perhaps even the quality and convenience of service, very little of the debate that I have heard has exposed whether there have been any qualitative changes in the service delivery. I think Hon Simon O'Brien rightly said that if we are to put up the prices for a licensing arrangement, there should be a measurable set of qualitative service delivery improvements that we can see. I have to take that on face value. I have been following the questions asked in question time about how many hours or weeks it will take people to get licences in various places, and I think that there appears to be a trend in the right direction; in other words, that with more investment in the licensing regime, there appears to be a reduction in waiting times. I think that is now clearly on the record.

If I am to believe the minister, I can take it on face value that in some instances the five-hour waiting times have been reduced. I do not quite know where the 300-minute waiting time had gone down to 69 minutes; was that the licensing arrangements?

Hon Ljiljanna Ravlich: Vehicle inspections.

Hon PAUL LLEWELLYN: Vehicle inspections, sorry. **Hon Ljiljanna Ravlich**: That was our biggest priority.

Hon PAUL LLEWELLYN: With the increase in wealth we will have a very large increase in the number of people demanding vehicles and we will have to put more money into a licensing program. Was the \$73 million that I noticed in the budget a one-off injection from the government?

Hon Ljiljanna Ravlich: Yes.

Hon PAUL LLEWELLYN: For a four-year period?

Hon Ljiljanna Ravlich: Yes.

Hon PAUL LLEWELLYN: Was that to fund something like a capital works program?

Hon Ljiljanna Ravlich: The total reform of licensing, so extra staff and so on.

Hon PAUL LLEWELLYN: Okay. In the context of having more vehicles and more drivers and so on, there is a justifiable need to inject capital into the licensing arrangements. I do not know whether enough money has gone into it, because I do not have enough information from this conversation, but I accept that as a good faith indication that the government has put in place an investment in the licensing reform program. I take that on face value.

When we look at the trends, I think it is clear. As I was reading through these regulations prior to this debate, I asked myself a series of questions. The primary question was: if we look at the net economic impact of this whole suite of regulations, what is the net increase or decrease in revenue that might result from it, because there are unders and overs. I could not tell members the answer, but I suspect that using the novice driver package as an analogy, if it was indicative of the whole suite of changes that have occurred, and assuming that the minister has not misled the Parliament about this, then the suite of changes in the novice driver costing has, in effect, increased marginally by \$2.50 - I believe that was the number I heard - which is somewhat less than a two per cent increase.

Hon Ljiljanna Ravlich: That is right; yes.

Hon PAUL LLEWELLYN: As I have not been privy to the whole conversation, I take it that using the novice driver regulations as a cross-section of this set of regulations, it may be fairly indicative of all the other changes that have taken place. I do not know because I have not been informed. Let us just take it on face value that it represents a cross-section of the regulations. If that is the case, it would seem that perhaps there is not an outrageous swing in the revenue-raising capacity of this suite of regulations. This is an attempt to use empirical analysis and reason to come to a conclusion without having been fully briefed, and not having investigated this.

Another question that arises in my mind relates to the capacity for this house to cherry pick regulations. I met briefly with Hon Simon O'Brien and he pointed out to me the sections of the regulations that he had some issues with. I did some calculations that I will run through. He was concerned about the 50 per cent increase in the applications for drivers' licences, where a motor vehicle is not of an HC or MC class. I could see quite clearly that there was a 50 per cent increase by comparing it with the former regulations; I did not need Hon Simon O'Brien to tell me that because I had the earlier regulations. On the basis of the number of people who will go

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

through the system - that is, 105 000 people - my calculations suggested that the revenue stream from that initiative was \$7.12 million, which was \$2.4 million more than the previous year. Simple mathematics, based on the price of \$45 per person in previous years, reveals an increased windfall of \$2.4 million to the government. I was taking this on face value. I then asked myself: if that is the case, why are there still waiting times and, in some cases, why is the wait 19.4 weeks in some places and 18.8 weeks in other places, and where is the full cost recovery? What are the substantial issues?

In one cut through this suite of regulations there is a windfall increase in the revenue-raising capacity of the suite of regulations. If there are long waiting lists, is it because an adequate full cost recovery program is not in place at those licensing facilities? Is it because resourcing is inadequate and there is no full cost recovery for that service? Arguably, that might be the case; I do not know. However, it seems to me that it needs a large-scale capital investment and a suite of initiatives or regulations that accurately represent the range of costs involved in administering a licensing program for the machinery to be working and to fulfil the principle of cost recovery.

I will take it on face value that Stamfords Advisors and Consultants, whoever they are, did a rigorous analysis of the figures. That report should perhaps be tabled in Parliament so that we can see whether there is a sound basis for the way in which the consultant thought about these issues. Assuming the underpinning alternative reference was to go out and take some measurements in the licensing facilities throughout Western Australia and to come back with some actual measured empirical costs, if they are good consultants, they would have come up with a reasonably clear set of recommendations. In fact, all these things are highly measurable. This is not something we do not know about. We know how many hours or minutes it takes to do things. We can also see where the bottlenecks are. The example of installing electronic funds transfer or Visa card facilities in licensing centres is a no-brainer. I cannot believe that they have not already been installed. I remember going to the licensing facility with my payment in the form of notes when I applied for my licence. I was astounded that there were no card facilities in places like that. It was not that long ago that we could not even pay some of our household bills without using EFT or Visa card facilities.

Hon Ljiljanna Ravlich: We are working on BPay and a range of other payment facilities.

Hon PAUL LLEWELLYN: That is very good. On the basis of evidence and what I have heard, and assuming that no-one has misled anyone, this suite of regulations seems to have sufficient unders and overs to be almost cost neutral or it reflects CPI as a suite. I have no evidence for that but I am taking it on face value. In that regard, I understand Hon Simon O'Brien's frustration, rightfully expressed, about young people. I have two children. My young fellow got his car licence and then bought a high-powered motorbike and got that licence also, without telling me. I wish he had not had enough money and had to borrow it from me and therefore had to come and tell me that he was getting a licence for a high-powered motorbike. Quite frankly, I think licences for high-powered motorbikes should cost \$5 000. They are under priced because if we did a full cost recovery analysis on the basis of young people on the road riding those machines, we would find that we are undercharging them.

Hon Murray Criddle interjected.

Hon PAUL LLEWELLYN: That is something I wake up thinking about regularly. When I hear those motorbikes being ridden down the road, that is something that regularly crosses my mind. I have made the point about my son's motorbike. On balance, I fully understand how a young person who has been waiting 18 or 20 weeks for a licence could feel frustrated and disfranchised and, rightly, disappointed about how unfair society is these days when they cannot drive their high-powered motorbikes and fast cars around and eat all the pizzas they want, and things like that. I understand why Hon Simon O'Brien made the point that it appears to be completely unfair and it targets young people. I find that disrespectful of young people at that time of their life. I cannot understand why the government increased the costs at that point. It might accurately represent cost recovery for all I know. That might be the empirical basis for it but why is it there when there are unders and overs all over the place. That is the one place where there are bottle-necks for young people. Heaven forbid, it is hard enough being young these days, given all the things young people must consider.

I acknowledge that there is more than a grain of truth in the case Hon Simon O'Brien made about these two slices of the regulations. However, on the balance of the evidence, the Greens cannot support the disallowance of this suite of regulations.

HON MURRAY CRIDDLE (Agricultural) [8.47 pm]: I want to make a couple of remarks. I understand the numbers in this place, having just worked them out! There are a couple of issues here that we need to get straight. I refer to the inspection facilities the government is installing and the \$70 million the government will be spending over four years. I want the minister to explain whether that will be recovered. I understand it will come out of state revenue. How much of that money will be recovered, bearing in mind that because we have a boom state - the minister need only look at the state budget - the number of vehicles in Western Australia is

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

increasing dramatically? There is potential for a substantial cost recovery based on the growing numbers. I wonder whether Stamfords, the consultants, took that into consideration and worked it out, because there may well be some benefits. The government might have worked out that the \$70 million is good coming from Treasury but, overall, there might be a counterbalance and we have not achieved a great deal in this area.

The other thing about inspection services is the way they are delivered throughout the state in regional WA. That is another issue we need to cover. There are frustrations in regional Western Australia. The government has covered the metropolitan area, and I understand that. When in government, the coalition was going to build inspection stations around the metropolitan area. However, we did not have the same problem. This is a problem that has arisen as a result of the growing number of vehicles in Western Australia. It has not been accommodated over the six years leading up to the present. The government has dealt with the issue to some extent. However, we have yet to see whether some of the initiatives have fully covered those areas.

I notice that the inspection fee for heavy vehicles is \$134 and \$90 for reinspection. A system is in place for heavy vehicles called accreditation. People have to spend substantial amounts of money to get accredited. The process just involves a tick off. I am not readily in favour of accreditation because I think the system is unfair. Inspectors just have to wander into a trucking centre and get out a card. If it is ticked in the right places, the officers say that the audit is okay, but they do not see the vehicles. We should bear in mind that contracts are done on heavy vehicles throughout the state and we need to have an equitable situation. From my point of view, that is something that really has to be looked at. I would like to have some appreciation of the cost recovery of the inspection services that have been put in place. I would like to know whether those heavy vehicles have been covered.

We definitely need a system in place in which younger drivers are accommodated. I am not a believer in slugging drivers to a great degree when they are going out to get their first job. I know the minister said that the fines have risen by only \$2. That depends on the number of times drivers have to go through the system. The current system of licensing requires drivers to spend a lot of money anyway because they have to do so many hours. It is quite an expensive exercise for younger people to get a licence. We need to watch that. There is a balance in the costs that have been delivered through these charges. Having listened to the debate so far, and understanding that the numbers will flow through, it is my view that this is something that the government will wear. I have not had a lot of feedback about the changes since the end of June. People may have concerns, but I have not heard them. Generally people come to me with transport issues. If that is a fact, I have missed something or people have missed me. I will watch the impact on the state government with interest to see whether people really have a grouch about this, to see how it lies and to see how it performs in overcoming those queues that the minister so passionately described to this house when making her contribution to this debate.

HON NORMAN MOORE (Mining and Pastoral - Leader of the Opposition) [8.52 pm]: I want to ask a question of the Minister Assisting the Minister for Planning and Infrastructure. I know she has spoken but she might answer by way of interjection. She indicated that the net benefit to government of these charges is about \$2 million per annum and that there is an extra \$74 million in the consolidated fund that will be used to implement the government's reform agenda. How will a \$2 million revenue reduction completely ruin the government's \$74 million reform program? How will that be the case? The minister told us that if this disallowance proceeded, the whole \$74 million reform package will be in ruins, yet it will amount to only \$2 million out of \$74 million. I think she has been having us on.

HON RAY HALLIGAN (North Metropolitan) [8.53 pm]: Unfortunately, I was not in the chamber for all of Hon Simon O'Brien's argument on the disallowance motions but I heard the arguments of the Minister Assisting the Minister for Planning and Infrastructure and Hon Paul Llewellyn. The Leader of the Opposition made a very good point. I will explain why I believe he made a very good point a little more. I can understand the minister and the government being passionate about this debate. I believe that some of the argument put forward is fallacious. It has nothing to do with a regulation that increases fees of this nature.

There are two separate issues before us. The minister told us that \$73.8 million has been allocated over four years, if I recall correctly, to reform the licensing centres. That is laudable. That may or may not overcome the practical or perceived problems associated with these licensing centres. As I said, that is a completely separate issue to the regulation increasing these fees. The fee increases are to do with cost recovery. They are not a tax. What is cost recovery? I will not spend all night trying to explain this other than to say that all it does is reduce the demand on consolidated revenue. The more costs that can be recovered within an agency, the less that agencies have to ask of the Treasurer from consolidated revenue. That is all it amounts to. Agencies are not developing or creating a profit that goes into reforming the licensing centres. That is why they are two completely different amounts and two completely different issues. Members have spoken about statistics and said that this is a 50 per cent reduction or a 100 per cent increase. I say that \$1 to \$2 is a 100 per cent increase.

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

Often percentages are part of that problem that we have when we talk about lies, damn lies and statistics. They of themselves can create problems. We certainly need to look at the amounts.

I am pleased that Stamford Advisors and Consultants has undertaken this work. I wonder whether it came about because of the questions that were asked of the Auditor General over a number of years about the problems of agencies not knowing exactly what their costs were. This goes back some considerable time. I am not blaming this government for that. The issue was around then. The previous Auditor General, Des Pearson, was asked about this issue four years ago. He was not in the position - he did not have the resources - to look into it, other than, if I recall correctly, to investigate six agencies. He came back to the Joint Standing Committee on Delegated Legislation and said that four of them did not have a clue what their costs were and had absolutely no idea how to calculate them. This can occur. Something had to be done. If the government has brought in Stamfords, and it knows what it is doing - one assumes that it does - hopefully any agency it has been associated with now has some understanding of the costs. That is fine.

Hon Paul Llewellyn talked about a suite of costs and unders and overs and the net or aggregate of these issues. I am afraid that is not the way this has to be looked at, not on a whole agency basis. Individual services have to be provided. Each individual service can be charged only up to its cost unless the primary legislation allows for a particular fee over and above that cost. If that taxing act does not exist, it is purely a matter of cost recovery for each and every service, not unders and overs. We have heard from the minister that Stamfords has come forward and said that in some instances some fees were being overcharged and others undercharged. That is fine. That is what the exercise is all about. That is exactly what I would expect to happen.

The minister also talked about the time taken to have vehicle examinations. I do not get the connection between examination times and these regulations. How do these regulations, with associated fee increases, determine how long it will take someone to go through a licensing centre? I certainly do not know the answer. I believe the minister may have added something to the debate that should not have been there. Any reforms the government wishes to undertake - and obtains moneys from consolidated revenue to do so - to reduce waiting times at licensing centres, irrespective of people's reasons for being there, will obviously be welcomed by those who use licensing centres. I repeat that waiting times have nothing to do with this regulation and the fees associated with them. Again, it is about cost recovery. If the minister wants to put forward an argument saying that we need the money to improve services, I suggest the money should come from consolidated revenue, not from the fees being charged, because that will constitute a tax. If the government wants to provide greater services without having expended money, it will be charging more than the service costs at that time. I suggest that the government should be very careful about what it does in that respect.

Hon Paul Llewellyn gave me the impression that he was talking about a time and motion study, as distinct from determining the costs of providing a service. Time and motion certainly comes into how long a service takes, and is part of the calculation of the overall cost of that service, but it is not something that an organisation such as Stamfords Advisors and Consultants would normally involve itself with to any great degree. The unders and overs come down to cross-subsidisation. If one service is used by many people and the government believes it can charge what the market will bear, that money will cover the costs of other services that people are not using. That is not acceptable. Again, Mr Deputy President, it is important for the government and Stamfords to recognise that. It would appear that Stamfords has in fact recognised it, in making the recommendation that some fees should be reduced and others increased.

Hon Paul Llewellyn also asked for some information that could possibly be tabled in this chamber. I am not sure that we need all that information, but I think it is important to get some answers as to exactly what Stamfords has done, and I would prefer the information to come from Stamfords rather than from the minister or the government. I would like Stamfords to write to the minister, and for the minister to table the letter in which Stamfords explains exactly what it has done and what it has told the agency it should be doing. When we have received something of that nature, we will be in a far better position to determine whether the figures being put forward by the agency are, in fact, fair and reasonable.

I do not have anything more to say on this. I was not here to hear the argument made by Hon Simon O'Brien, but I think there are others who are going to speak after me, and I will listen with great interest.

HON BRUCE DONALDSON (Agricultural) [9.05 pm]: This is another prime case of something I learnt a long, long time ago. When I first entered Parliament, I became Chairman of the Joint Standing Committee on Delegated Legislation. Members of that committee are blessed because they have access to explanatory memoranda that provide background information. If the increases are too great, the committee calls the agency in to explain why. Members of federal Parliament also have access to explanatory memoranda when regulations are promulgated and tabled in the house. This would have saved an awful lot of debate tonight. Has there been an annual increase in costs over the past five years or is this a catch-up? This has not been said. The average member sitting in this house does not know and has not been told. It may be a big catch-up. There may be a

[COUNCIL - Wednesday, 26 September 2007] p5744b-5757a

Hon Simon O'Brien; Hon Ljiljanna Ravlich; Deputy President; Hon Paul Llewellyn; Hon Murray Criddle; Hon Norman Moore; Hon Ray Halligan; Hon Bruce Donaldson

very good reason for this cost recovery; a user-pays system. However, Hon Ray Halligan is right: there are two issues. The \$73.8 million capital injection of funds into new programs has really got nothing to do with what we are talking about tonight. We are talking about increases in charges. After having listened, I am still confused enough to ask whether these changes are reasonable, because they have not been addressed for the past two or three years. Is there a genuine reason for these regulations because the costs have gone up? If the service will be better, will it be better because the government has raised these fees, or because it has outsourced some of the vehicle inspections to the RAC? The government has not really explained the \$73.8 million, but I am glad it has not, because we will find out another day. It would have actually muddied the waters of what we are talking about tonight.

I have always felt that in this respect, it does not matter which government is in power. Governments have to use the form of legislation known as regulations if they are to try to amend bills - goodness gracious! Two or three years later, a government might get something that really should have been done three years earlier. It is about regulations. Whether the Liberal Party or the Labor Party is in government, it is about executive government; government by stealth. When a minister stands and reads out the titles of papers for tabling, the average member of Parliament has no idea about their content unless he goes and gets one and has a look. Members do not get that opportunity. The debate tonight could have been quite different; it could have been quite short. There is no reason for explanatory memoranda to not be made available to members. I do not know what the secret is. What is the secret? No-one has ever been able to tell me. When I found out that federal members of Parliament are given the luxury of some background information, I asked "Why the increase?" It has to be supplied within a certain number of days to the Joint Standing Committee on Delegated Legislation. I can well remember when either explanatory memoranda or a comprehensive background were provided early. The delegated legislation committee used to write a letter congratulating an agency for sticking to the guidelines it was bound to fulfil. I must have said this eight to 10 times since I have been in Parliament: it is about time the government looked very closely and examined the situation with explanatory memoranda in other states. Are they supplied on demand to members of Parliament? A regulation is a form of legislation, exactly as a bill is. It is the engine room of legislation from a Parliament. The act itself is only the skeleton; it is the policy framework, but the engine room is the regulation. It is important for accountability and transparency, and the minister should look very carefully at this. I am looking at the Minister for Local Government; I can see only one minister. No, there are two ministers in the house. I will put it to Hon Sue Ellery, the Minister for Child Protection. Regulations are made by all ministers, including Hon Sue Ellery. She should have a look at the regulations, so that she can provide that sort of information to members of this chamber.

Question (Road Traffic (Charges and Fees) Amendment Regulations (No. 3) 2007 - Disallowance) put and a division taken with the following result -

		Ayes (11)	
Hon George Cash Hon Brian Ellis Hon Donna Faragher	Hon Anthony Fels Hon Nigel Hallett Hon Barry House	Hon Robyn McSweeney Hon Norman Moore Hon Simon O'Brien	Hon Barbara Scott Hon Bruce Donaldson (Teller)
		Noes (14)	
Hon Matt Benson-Lidholm Hon Vincent Catania Hon Kim Chance Hon Murray Criddle	Hon Sue Ellery Hon Adele Farina Hon Jon Ford Hon Graham Giffard	Hon Paul Llewellyn Hon Sheila Mills Hon Louise Pratt Hon Ljiljanna Ravlich	Hon Giz Watson Hon Ed Dermer <i>(Teller)</i>
		Pairs	
	Hon Ray Halligan Hon Peter Collier Hon Ken Baston Hon Helen Morton	Hon Sally Talbot Hon Shelley Archer Hon Ken Travers Hon Kate Doust	

Question thus negatived.

Question (Motor Vehicle Drivers Instructors Amendment Regulations (No. 2) 2007 - Disallowance) put and negatived.