

WESTERN AUSTRALIAN TOURISM COMMISSION AMENDMENT BILL 2003

Second Reading

Resumed from 3 April.

MR R.F. JOHNSON (Hillarys) [12.24 pm]: The Minister for Tourism and for State Development is having a good time today, because we passed over his last Bill. However, I will spend a little time on this Bill - not a lot.

A government member: Famous last words!

Mr R.F. JOHNSON: Yes. Seriously, the Opposition will not spend a great deal of time on this Bill; it does in fact support it. However, I would like the minister to clarify some areas. I am probably the only opposition member in this House who will speak on this Bill today. When the minister responds, perhaps he will answer one or two questions. This Bill has in it a sunset clause that will come into effect in 2004. The Government is obviously getting in early because it is such an important thing to do. That is fine. I accept that the minister of the day - I look forward to being that minister - will be able to review at any time -

Mr R.C. Kucera: Dream on.

Mr R.F. JOHNSON: I have heard a rumour that I might be shadowing the ex-Minister for Health in this portfolio. That is just a rumour. If it is more than a rumour, that would be great, because I would enjoy that very much indeed.

Mr C.M. Brown interjected.

Mr R.F. JOHNSON: Not at all. The problem with tourism is that it was an add-on thought by the Government. It was a portfolio that the Government did not think about when the portfolios were dished out the first time. The people involved in tourism in Western Australia were not happy, and the Premier then realised that he should stick on the tourism portfolio somewhere, and he stuck it onto the Minister for State Development's portfolio areas. Unfortunately, as the Government has classed the tourism portfolio as a minor portfolio, it has cost the tourism industry dearly, because it has not had a dedicated, full-time minister. That is not a criticism of the minister, because I know that his other workload is very heavy; I understand that. However, the Liberal Party certainly believes that this portfolio deserves a dedicated minister, because it is a very important portfolio to administer. It represents \$4.2 billion to the State's economy. It also represents more than 80 000 jobs in Western Australia, mainly through small business people. With my small business background, I was delighted when the Leader of the Opposition asked me whether I would take on what I believe is a very important portfolio.

This Bill before the Parliament today is a simple Bill. As I mentioned, it addresses the sunset clause and deals with that situation. As I see it, the main part of this Bill will increase the number of people on the Western Australian Tourism Commission board from eight to 10. The minister in his second reading speech said that this was "to provide greater diversity of expertise, knowledge and business skills to make informed decisions on a wide range of industry issues that come before it." I understand the rationale behind that. As I said, the Opposition does not in any way oppose an increase in the number of board members. However, when the minister responds I would like him to tell me how much time board members spend at Western Australian Tourism Commission board meetings, what members do outside those meetings, what expertise there is at the moment and, most importantly, whether the minister has in mind the two people who will fill the additional positions on the board. I would have thought that by this stage the minister would have some recommendations for the two extra board members. I wonder whether there are a couple of vacancies for Brian Burke and Julian Grill. They are very influential in this State, particularly with the Government. I would love to be nominated for a position; however, that would not be allowed, nor would it be appropriate. I want to know whether the minister has been advised about the two people who will join the Western Australian Tourism Commission board. I want to be satisfied that the two additional members meet the criteria outlined by the minister. Tourism is an important area and it is an important portfolio. It is a tremendous industry and one that is greatly suffering. It is fair to say that the only area of Western Australia that is not suffering from a decline in tourist numbers is Broome. When I recently visited Broome, I bumped into the chief executive officer of the Tourism Commission. I also spoke to many people who are involved in the tourism industry. Broome is enjoying an extremely good time because many people are visiting from the eastern States. When I was in Broome, I met many people from South Australia, Victoria, New South Wales and Queensland. Part of the reason people from the eastern States are visiting Broome is the direct flights between the eastern States and Broome. People from the other side of Australia are now taking advantage of the beauty of Broome. Indeed, Broome is a beautiful place. Broome is the Port Douglas of Western Australia; they are similar tourism areas.

Ms A.J. MacTiernan: Or the Bournemouth of England.

Mr R.F. JOHNSON: Bournemouth, England does not get the sun and warm seas. I really appreciate the Minister for Planning and Infrastructure's interjections. However, she should stop and think about the situation. Bournemouth does not have crocodiles either - at least, I have not seen any. Bournemouth has a lot of people with thick skin and thick hides, but I have not see any crocs or sharks. Some of the sharks in this State are not in the sea. Rather, they weave their way through the Labor Party and the ALP caucus room. Make no mistake about it. I always digress when the Minister for Planning and Infrastructure interjects; she has that effect on me. I like the Minister for Planning and Infrastructure; she is a very nice person.

Ms A.J. MacTiernan: We know how your mob like deviating.

Mr R.F. JOHNSON: No, the member's party is the one that brought in the Bill for deviation. The biggest deviates in the country will benefit from the Bill the Government has introduced. There is no doubt about it. I will get back to the Bill before the House, because it is important.

It is a shame that the Government has not done more for tourism in Western Australia, particularly for those people who are suffering. I have just returned from the south west -

Ms A.J. MacTiernan: Minister for Tourism, what did the ratings ever do for us?

Mr R.F. JOHNSON: Is the Minister for Planning and Infrastructure suggesting that the Minister for Tourism is Monty Python?

Ms A.J. MacTiernan: I am not suggesting that the minister is.

Mr R.F. JOHNSON: I thought perhaps the minister was. It was rude of the Minister for Planning and Infrastructure to refer to her colleague like that.

The SPEAKER: Members, I do not wish to order a stoning!

Mr R.F. JOHNSON: Absolutely! Mr Speaker, will you please protect me from the Minister for Planning and Infrastructure?

As I was saying, the Government should be doing a lot more for the small business people who are the backbone of the tourism industry in Western Australia, particularly those who are suffering the most. I met people in the south west who are suffering because that area is not attracting a great number of tourists. Many of the motels at which I stayed during my visit to the south west had an occupancy level of about 10 per cent, which is very distressing. That is distressing for not only the motel owners, but also their employees. Perhaps the Government and the Minister for Tourism - in what little time he has left in that position - should do what they can for tourism in general in Western Australia. It is all very well adding two positions to the board. Some people say that too many chiefs and not enough Indians run the Western Australian Tourism Commission. The commission might need more expertise, but not necessarily on the board. I am not against having good people on the board with oversight of the commission. However, the workings of the Tourism Commission are conducted within the main organisation, which is where the minister must address these issues. Other parts of the Bill will simply tidy up the Industrial Relations Act 1979. I understand that the commission wants the Act to contain the correct phraseology.

The tourism industry in Western Australia has been hampered by this Government's industrial relations legislation. Prior to the enactment of the legislation, the industry employed many young people. Since the introduction of the legislation, costs to the industry have greatly increased because of the penalty rates that must now be paid to people for some of the hours they work. The largest area of youth unemployment is in the tourism and hospitality industry. This Government's industrial relations legislation has had a negative effect on small businesses involved in tourism. Small business people in the tourism industry work very hard. This Government must address the unfair burden of costs on small business as a result of the industrial relations legislation. Exemptions from those costs should be granted in some areas of tourism and hospitality to encourage the employment of young people. Small businesses will employ fewer people if they cannot get exemptions. I believe the rate of unemployment for youth in this State is about 22 per cent. That is not good enough. So much more could be done for young people if this Government had the fortitude to stand up to the unions and deliver good government in this State. Young people who leave school and who do not enter tertiary education need a job.

Ms J.A. Radisich: They can't afford university because of the Howard Government's higher education policies.

Mr R.F. JOHNSON: They need a job because they are not all elected to Parliament by a shock and a phenomenon!

Ms J.A. Radisich: You can do better than that.

Mr R.F. JOHNSON: I like the member for Swan Hills; she has a good sense of humour and an intelligent brain.

Ms J.A. Radisich: Except when you talk nonsense!

Mr R.F. JOHNSON: I like the member for Swan Hills, even though she is rude to me. I am always good to people who are rude to me. However, she was a very lucky person, because I do not think she expected to win her seat of Swan Hills in the last election. I admire her for standing for that seat for her political party; good on her. I always enjoy listening to the contribution of the member for Swan Hills and I will be sorry to see her go at the end of this term.

Ms A.J. MacTiernan: It is you who won't be here; that's why you won't see her!

Mr R.F. JOHNSON: I will be here. The only difference is that I will be on the other side of the House after the next election.

Ms A.J. MacTiernan: We have rejected your membership application!

Mr R.F. JOHNSON: I wonder what will happen to the Minister for Planning and Infrastructure after the next election. She will probably have withdrawal symptoms because she will be sitting on this side of the House. We are keeping her seat warm.

I return to the Bill.

Mr C.M. Brown: That would be novel!

Mr R.F. JOHNSON: It is an important issue and I am trying to help the Government. A lot of legislation was scheduled for debate today. We cannot deal with all of it today; we will have to deal with the rest tomorrow. I gave myself 15 minutes to talk on this Bill and I will not talk during the consideration in detail stage, unless the minister does not answer the questions that I put to him. However, I am sure he will; I have faith in him.

The Opposition supports this Bill and is awaiting eagerly to find out who will be the two people added to the Western Australian Tourism Commission board. Once again, I ask whether the minister has knowledge of any recommendations nominating people to fill the two positions. I would greatly appreciate being provided with that information today so that I can assess whether those people will add expertise to this important area. The Opposition supports the Bill.

MR T.K. WALDRON (Wagin) [12.42 pm]: The National Party will support this Bill. However, it has concerns on a couple of matters and will be seeking clarification on the expertise that is required and being sought for the board. This legislation will remove the sunset clause. We would like the minister's comments on how effective this Act has been and the supporting evidence for that.

Before I pursue those couple of points I will make some general comments on tourism, particularly in country Western Australia where it is becoming more important as time goes on, and even more so in the smaller country communities. As those communities come under more pressure in these modern and technological times, they have great difficulty attracting industries to help boost their regions and towns etc. I feel strongly that tourism is one industry about which we must be a little smarter in capitalising on the opportunities, promoting it and achieving growth in the area. The key is to coordinate the industry in the country regions. In the past, some country areas have tended to have attractions or hold carnivals or special weekends - wildflower displays or whatever - and have tended to keep the events to themselves and not work with adjoining shires. However, over the past few years this has started to change for the better. To better coordinate tourism, shires and tourist groups have started working together as a region rather than as a local shire or individual towns or districts. When dealing with tourism away from the major tourist destinations, visitors from overseas and interstate and even Western Australians need to be offered an experience. In many cases these visitors will not visit a country town for just one day; they want to make a few days of it to take in different locations and experiences. We must ensure that we can provide something along the way to capture that market. That is extremely important.

Being able to link people through the regions is also important. I will not comment greatly on the boundaries of the regions but I am concerned - perhaps the member for Roe might want to extrapolate on this a little - about some of the new boundaries. Many people and tourists have always had a natural linkage with the southern coastal area. Now that the Esperance region has been separated from Albany and the other southern and western areas, the situation must be reconsidered. I will not comment on the other boundaries as they are, after all, only lines on maps. If the tourism industry is well marketed, those lines on maps are not there in reality. However, the coordination of linkages must be reviewed.

This Bill will increase the number of board members of the Western Australian Tourism Commission and make amendments following changes to the industrial relations legislation. I notice that the reason for the extra two board members is to allow for greater diversity of expertise and skills on the board. That is fine. Could the minister specify the sorts of skills and expertise he thinks are particularly needed? That does not seem to be specified in the Bill. Maybe it should be, but I do not know. I ask the minister to let us know more about that.

The Bill will repeal the sunset provision that is to come into effect on 31 December 2004. Has the Government conducted a review of the effectiveness of the Act, and will we get to see evidence of how effective it has been? Obviously the Act, with a couple of minor changes, will continue.

I do not wish to say a great deal more, other than that it is important that the Western Australian Tourism Commission work closely with and listen to the thoughts of many of our regional tourism groups. The many volunteers do a fantastic job. People throughout Western Australia now realise the value of tourism, particularly since the setbacks to the industry. We now need to work harder than ever to make sure that the State can attract tourists by giving them a good experience and being switched on to tourism issues in Western Australia.

MR R.A. AINSWORTH (Roe) [12.46 pm]: My concerns with the changes to the structure of the tourism bodies in this State centre on boundaries, although that is not the only area one should look at. I come from Esperance and know the value of having a very proactive person employed to promote tourism not only for our area but also in conjunction with the adjoining tourist bodies along the south coast and in the goldfields. The new boundaries that will be developed under the new structure - particularly those that will apply to my area - do not seem to have had any commonsense applied to them. I understood that part of the reason for a geographical boundary for a tourism region was to take account of the synergy between adjoining areas, the fact that a range of tourism products could be promoted as a package and the availability of reasonable physical access for tourists to move to different areas within the boundary. As a result of the new boundary of which Esperance is a part, the Government will have to provide either some new roads through the outback or some new air services so that people can get from point A to point B. If it does not do that, unless tourists have a four-wheel drive or a light aircraft, they would have to deviate, as they do now, along the south coast and up the west coast to get to some of the north west destinations. I thought that the reason for boundaries was to give some benefit to all the tourism operators within a region. Common boundaries enable operators to increase product sales; attract a greater number of people to stay in the area, particularly for longer periods; and do all those things that we know are important for expanding a tourism business and getting good value from the available tourism dollars. I do not wish to comment on the situation in other regions, as they have their views on these matters, but people in Esperance view the new boundary configuration as a retrograde step. I think that some people on the south coast who are not within the Esperance boundary would consider themselves to have far more affinity with Esperance and that they would be able to receive greater value if they were part of our region.

Mr R.F. Johnson: Not everybody is happy with the proposed zones. People in the Kimberley and Pilbara think it is ludicrous to combine those two areas in the same zone. It is miles too big and there is no synergy at all. I hear that people in the south west say the same about Esperance.

Mr R.A. AINSWORTH: I am not the least bit surprised by what the member for Hillarys is saying, but I am focusing my remarks specifically on the area within the suggested zone of which Esperance is a part. I am sure there are other concerns outside that area, and I can see good reasons for that.

Currently the Esperance area has a very good tourism manager, who is very experienced in tourism in the north of the State and elsewhere. He was also a member of the Western Australian Tourism Commission board at one stage. We are concerned that the restructure of the industry being promoted may well result in funding being shifted to other areas, and the ability of the local community to employ someone of that calibre may be reduced. We do not want to take any chance of losing that person, or the promotional activities he and his team are able to provide. When I talk about this region I am referring to the south coast and the southern goldfields, because those areas are connected. The north west is a totally different tourism product, and a totally different geographic and climatic region. The south coast and the southern goldfields combined have enormous potential for tourism growth, both in man-made attractions and in the utilisation of the natural environment. There are hundreds of points of interest to people travelling through the area, and many are currently not seen because no-one is taking people to them or the access is not good. Ecotourism, or whatever it might be called, has enormous potential in that area.

Anything detrimental to a maximum increase in tourism in the future is a retrograde step. We have considerable doubts about the proposals, particularly those for the boundaries, because we do not think it will enhance tourism activity. We see the boundary proposal as another hurdle to jump rather than something that will make it easier to capitalise on a very important part of the local economy. The tourism industry employs many people and provides a cash flow for the town during the off-season for other industries. It is an integral and rapidly growing part of the local economy that will be hampered by some aspects of this Bill.

MR C.M. BROWN (Bassendean - Minister for Tourism) [12.53 pm]: I thank members opposite for their support for this Bill. I will now deal with a number of the matters raised in the course of the debate. The member for Hillarys raised the question of the expertise on the board of the Tourism Commission today. I will go through the board members, to assure the member of the quality of the appointments. They are all my appointments, and I am very proud of them. The chairman of the commission is Alan Mulgrew, who was the

manager of Perth Airport for a decade, and manager of the Sydney airport for a decade. He is a very well respected senior business person in Perth and Sydney. We are very fortunate to have someone of that calibre prepared to spend an enormous amount of time promoting tourism in Western Australia. He has not only contacts in the tourism industry from his enormous experience of running an airport and his intimate involvement in the tourism industry but also much broader contacts in the business community. He is able to straddle all those sectors and talk to all sorts of people, including people in the resources sector and people involved in development. He is able to bring together that expertise. I was very pleased to appoint him as chairman.

The deputy chairman is Laurie O'Meara who has been the President of the Tourism Council Western Australia for a number of years, and of its predecessor body. With his son, he owns and operates hotels in the City of Perth and also in Margaret River. He has a vast amount of experience in the tourism industry and was a prime mover for accreditation in lifting standards in the tourism industry. Laurie O'Meara has driven the agenda and has been recognised Australia-wide for it.

Janet Holmes à Court is well known in Western Australia as being a major entrepreneur. She is well recognised as a senior business person in Western Australia. She has significant interests in wine tourism, which is a growing part of the tourism industry, and is able to contribute to that. She has a particular passion for culture and the arts. She has been a passionate supporter of mixing tourism and culture and the arts by working closely with the arts community to seek better opportunities for the arts community and tourism.

Mr R.F. Johnson: She has a great passion for the Western Australian Symphony Orchestra. She also has a very valid view of where it should be housed, with which I concur.

Mr C.M. BROWN: Indeed. Hers is a very good appointment.

Ms S.M. McHale: It is a pity that the federal Government did not support it, as our Government has with \$8 million.

Mr C.M. BROWN: Absolutely. I was very pleased that Janet Holmes à Court agreed to join the board of the Tourism Commission. I was also very pleased more recently that she agreed to renew her membership of the Tourism Commission.

Anybody who has been to Subiaco will know Mike Monaghan, the owner of the Subiaco Hotel. He is the President of the Australian Hotels Association. He has spent a lifetime in the hotel industry and he knows it like the back of his hand. Not too many people would know more about the hotel sector than Michael Monaghan.

Helen Creed was for many years the WA Branch Secretary of the Australian Liquor, Hospitality and Miscellaneous Workers Union, representing employees, a significant number of whom come from the tourism and hospitality sectors. It is most appropriate to appoint to the board someone who represents employee interests

Ian Mitchell is the inbound manager for Qantas. He is a very senior appointee who does not live in Western Australia, but he is involved in inbound management, not outbound management, for the major Australian airline. Ian Mitchell has kindly agreed to be a member of the board.

Sonya Mitchell is a senior tourism figure in the Kimberley who runs Slingair Pty Ltd. From a regional airlines perspective, her appointment is critical for the tourism industry. The one person whom people will not know a lot about is Anthony Quahe.

Mr R.F. Johnson: I know him quite well.

Mr C.M. BROWN: Does the member? Anthony Quahe is an outstanding commercial lawyer. He was appointed to the board of the Tourism Commission because the members of the board told me that they would like a commercial lawyer on the board. A commercial lawyer was on the board for a number of years. When that person was not reappointed, the board members asked me whether I would consider appointing another commercial lawyer who is competent in the tourism sector to ensure that when the board is making significant decisions about major contracts and other issues, it can be confident about its in-house advice and the advice that it receives through government. It would also mean that an external board member would be available to consider legal matters. I tell the member for Hillarys that it is an outstanding board.

Mr R.F. Johnson: As I said earlier, it was no criticism. I wanted the minister to put on record the expertise on the board so that I could see whether there is any shortfall. What other expertise is needed?

Mr C.M. BROWN: Sure. There was some hint that a couple of duds might be appointed to the board. As the minister making the appointments, I can say that each of them is outstanding. The State is well-served by each of the board members. From where could we draw other people? As we know, the tourism industry is multifaceted. I am sure there are people in the hospitality industry who would like to put up their hands for a

spot on the board. People engaged in ecotourism would equally like to apply for membership of the board. People involved in the MICE industry - that is, meetings, incentives, conventions and exhibitions - would also like to apply. There is a wide range of people. The extra two positions does not enable us to consider sectional representatives - because we do not have sectional representatives - but it provides us with the opportunity to look at the expertise in the sectors not currently reflected on the board and allows us to draw that expertise to the board. I do not have two people specifically in mind but I am happy to share my thinking with the member. I would seek to have an outstanding operator from the hospitality sector and a strong operator from ecotourism.

Mr P.D. Omodei: What about farm tourism?

Mr C.M. BROWN: Farm tourism is an increasingly important area. There are so many sectors in the tourism industry that it is best to have not nominees from specific sectors, but people who might have good expertise. To accommodate every sector we would need a much larger board. We looked at the question of how much larger it should be. Should it be expanded from eight to 10 members, eight to 12, or eight to 14? I was inclined to be conservative - yes, it happens on a Wednesday - and move gradually from eight to 10 members. It may well be that, some time in the future, I or whoever holds this portfolio will hold a different view. That is my or that person's prerogative. We have a good opportunity to look at a 25 per cent expansion.

Mr R.F. Johnson: How often does the board meet?

Mr C.M. BROWN: It meets at least once a month. It also travels to regional Western Australia. Board members take on specific responsibilities. The committees under the board have just been reconstituted. Most board members are now on a committee. I cannot say how often they meet but I know it is on a regular basis. In addition, there is an expectation that board members will attend various seminars, events and functions to ensure they mix with operators formally and informally to receive feedback. It is not just one meeting a month. A lot more is required of board members.

Mr R.F. Johnson: I am relieved to hear that because a good board will do more than meet once a month. I am relieved to hear they do extra work, committee work in particular. I assume it filters through to the commission itself.

Mr C.M. BROWN: The board has a number of committees. The committees have just been reconstituted. Do not hold me to this, but I believe there are three committees, all of which have a broad mandate. Board members are on each of the committees. Those committees may meet on a regular basis. The events committee meets to look at major issues to do with those events. There is a synchronisation between those committees. The chairman and the deputy chairman spend extra time on these matters. For example, I know that this week the chairman is at the Australian Tourism Exchange, where I will be on Friday, and he will also attend various major events for tourism operators. The chairman and the chief executive officer will also spend a lot of time talking with operators about how further improvements may be made to the industry. It is a very active board. I am not saying that this board is more active or less active than previous boards, because in times gone by there was also a high expectation that boards would maintain that level of activity.

Why does the minister of the day want expertise on the board? Essentially, the board is a statutory authority; many people forget that. If the minister of the day wishes to issue a direction to the commission, that can be done under the legislation, and that direction must then appear in the annual report. I do not have a problem with that, but it means that the commission makes a lot of the decisions. When the industry is asked whether it would like to have a department for which the minister makes those decisions or a commission for which the commission makes those decisions, the industry says it wants a commission. As much as the industry might love the member for Hillarys, and might like me and previous Ministers for Tourism -

Ms S.E. Walker: They don't like you.

Mr C.M. BROWN: The member would be surprised.

Mr R.F. Johnson: They would just like to see you more often.

Mr C.M. BROWN: I am waiting to see the member for Hillarys at a few events. When he gets there, he should let me know.

Mr R.F. Johnson: I go to all the ones to which I am invited.

Mr C.M. BROWN: We will have to send the member a few more invitations.

The board of the commission has excellent expertise. There are enormous amounts of volatility in the tourism industry. The tourism industry is the first to be influenced or hit by major issues. Following the collapse of Ansett, one operator rang from Broome and said that every order in his forward order book had gone, and he would also not be paid for some weeks past because a lot of his work had been done with Ansett packages and Ansett had gone bankrupt. It is a very volatile industry. Unfortunately, in the past couple of years it has had to

deal with a number of major crises, and we all know what they were. As one operator said the other day, "We have had our crises to deal with, and many businesses throughout Western Australia have suffered as a result." The member for Hillarys and I were at the Australian Tourism Export Council dinner when this person said, "Whilst we have had a difficult time, we should spare a thought for our colleagues in Hong Kong, who have had a hotel occupancy rate of three to five per cent, and Singapore, with occupancy rates of around 20 per cent." Western Australia is actually part of Australia and part of the world. As much as we may like to think we are immune from world events, we are caught up in those that affect the industry.

Mr R.F. Johnson: I think some people in the south west were a little unhappy about your tremendous support for the *SuperStar Virgo*. They feel they have been badly affected by that ship because people who would normally have winter breaks in the south west have been taking the three-day and five-day cruises. You might have some fence mending to do in the south west. Many people missed out on the normal winter breaks holiday business. The south west winter breaks holidays were announced on the same day, I think, that you made a press release on the *SuperStar Virgo*.

Mr C.M. BROWN: This is a competitive industry. Members know about that competition. Western Australia has been trying to attract cruise tourism for a long time.

Mr R.F. Johnson: That was to bring people here, not take them away!

Mr C.M. BROWN: No. The State has been trying to provide different experiences. Many operators in Exmouth were very pleased that passengers got off the *SuperStar Virgo* and spent money in that town. Many people in Broome - I happened to be there when the *SuperStar Virgo* first called there - were very pleased with that ship's visit. It is true with shifting patterns of tourism that when a new product comes into the market such as a cruise vessel or when a new product comes into a town such as a hotel, a resort or a restaurant that is versus an old establishment, a lot of competition arises. People leave and competition shifts. It is a very competitive industry in which people compete hard. It is a hard industry.

Mr P.D. Omodei: On the day you praised the visit of the *SuperStar Virgo* the south west tourist operators launched their winter breaks promotion. You can understand their anger at the minister promoting a company that takes its profit out of the State.

Mr C.M. BROWN: It is the first time that this matter has been raised with me. I have not received a single letter.

Mr R.F. Johnson: They've told me.

Mr C.M. BROWN: People might have raised it with the member, but I have received not a letter, a phone call or a representation. It is not as though I have not been in the south west. I was at the Margaret River Salomon Masters in April, and I spent another day with a number of trade ministers in Margaret River. I attended the Bunbury Business Enterprise Centre annual small business awards about three weeks ago. A number of tourist operators were present, I believe. It is not as though I have not been in the south west in recent times. I check letters that come into my electorate and ministerial offices every couple of days, and that issue has not been raised. Such correspondence has been zero. I accept that point if it has been raised with other members, but it certainly has not been raised with me.

Mr R.F. Johnson: When will you fund the sky jetty?

Mr C.M. BROWN: The Government said it would make \$1 million available for the sky jetty in Donnelly Valley, and it has done so. The federal Government said it would make \$900 000 available for that facility, and it has done so. It was originally indicated it would cost \$2 million to construct the sky jetty, but a report has suggested a greater cost. The Government has sought an appropriate project partner, and a call was made for expressions of interest. Although I am not running the expressions of interest process, I understand it was not taken up and that matter is yet to be resolved.

Mr R.F. Johnson: It would certainly help if you gave more assistance and guidance on that issue.

Mr C.M. BROWN: The first question was whether funds would be provided. They were provided.

It was always envisaged that the sky jetty project would cost about \$2 million, and the funds were provided. However, I understand that when detailed studies were done it was found that the jetty would cost considerably more than that. Consequently, the Government sought to have a private sector operator make up the shortfall and proceed on some basis. I understand we have not received any interest from a private operator.

Mr P.D. Omodei: That did not happen with the tree-top walk. The Government funded the whole project and it has been quite successful.

Mr C.M. BROWN: I am aware of what happened with the tree-top walk. I am also aware of what was said about the funds that would be provided for the sky jetty. They have been provided, but unfortunately the \$2 million allocated for that infrastructure is not an appropriate amount.

Mr R.F. Johnson: Surely, in view of the devastation to timber workers in that area the Government can come up with more funding to ensure that the project goes ahead. It would help no end in that area. The Government promised to put more funds into that area for tourism when it was trying to take away timber jobs and put them into tourism. This is a classic example of the need for more funds to be allocated to assist people in that area where much help is needed.

Mr C.M. BROWN: One of the difficulties we face in the timber area is that under Regional Forest Agreement No 1 the State was to contribute a certain amount and the Commonwealth was to contribute a certain amount. Under RFA No 2, when the coalition Government was in power the Commonwealth argued with the State. When this Government came to power the matter was still up for debate and the Commonwealth was raising questions about how its money would be spent. In September 2001, after it was known that the indicative timber yield was set at 140 000 cubic metres, the Commonwealth advertised in the newspaper that it had allocated \$15 million to assist both hardwood and softwood timber industries, and called for applications. Since calling for those applications, not one has been processed. The State Government is not talking about allocating the money. The federal minister has said that he will not allocate any money. In other words, notwithstanding that the federal Government said in an advertisement paid for by the taxpayers that that money would be made available - not contingent on the amount of timber that would be made available - the federal minister has said that he will not make one dollar available unless the cut is 200 000 cubic metres.

Mr J.C. Kobelke: You are straying a bit off the Bill, aren't you?

Mr C.M. BROWN: My remarks are straying somewhat from the Bill. However, members opposite asked why the Government does not contribute more money to people affected by the RFA. The issue is not whether the federal Government honours a commitment to this Government, but whether it honours the statement in its advertisement, which has been paid for with taxpayers' money. It should process the applications and tell the communities of the south west that it will allocate that money for both the hardwood and softwood timber industries. That would enable this Government to say that money was flowing in for the restructuring of the timber industry and, therefore, some other funds might be available. However, at this time, the Commonwealth is saying that it will not allocate one dollar. I do not know how the minister can get away with that. I could understand people getting pretty upset if the State Government advertised tomorrow that grants would be made available up to a certain amount, called for industry to submit applications and then put them in a file in the bottom draw without processing them.

The Premier has written to the Prime Minister about this issue, and I have spoken to Senator Macdonald about it. We will be taking a delegation from the industry to meet with the senator, and with the Prime Minister, if he will see us, to say that even though there is not an agreement between the Commonwealth and the State - I accept that - the federal Government should honour what it said it would do. The federal Government is now saying it will not do it. If that is the case, then it should explain to the people of the south west why it put out that advertisement, why it told the people of the south west that it would make the money available, and why it will now not make the money available, because either it did not mean it or it is simply telling untruths.

Mr P.D. Omodei: Surely you understand that the truth of the matter is that the Commonwealth is trying to force the Government's hands on volumes. It was on the presumption that there would be an announcement on volumes. That is why that advertisement went out. You know that. When are you going to stop mucking around and get on with the business of allocating volumes?

Mr C.M. BROWN: Let me correct that. The advertisement made no comment about volumes. It said zero about volumes. This advertisement appeared, coincidentally, about six weeks before the last federal election. It was paid for by taxpayers. The federal minister is now saying that no money will be available. There is no money in the federal budget. That is a misuse and abuse of taxpayers' funds, it is a misuse and abuse of the timber industry and it is a misuse and abuse of the people of the south west. That is the message I will put out over and over again. I will take the advertisement and I will blow it up and I will ask people to read it, because there is nothing in the advertisement about 200 cubic metres or anything else.

The member for Wagin asked why we are removing the sunset clause. The reason we are removing the sunset clause is that the tourism industry has said to us that it wants to maintain the Western Australian Tourism Commission as it is. We have listened to the industry and have accepted its view. The member for Roe raised the issue of zone tourism. Zone tourism is a proposal that has been put to the industry. There have been a number of proposals. There has been exhaustive consultation with the industry. No final decisions have been made on zone tourism. I should mention, however, that in coming up with this proposal the Tourism Commission looked at recommendations from the Tourism Council Western Australia, which recommended a

reduction in the number of zones. I understand the Australian Hotels Association and the federal Minister for Industry, Tourism and Resources support a move to zones. The zones idea has been widely accepted. What has not been widely accepted is the boundaries around the zones. Hopefully we can work through that issue. Zone tourism will provide an opportunity for greater involvement for the tourism industry in regional areas.

Mr R.F. Johnson: Would you accept that amalgamating the Kimberley and the Pilbara, which are two massive parts of Western Australia, is not conducive to good tourism?

Mr C.M. BROWN: People have been arguing about this throughout the State. The member for Roe argues that we should not put Esperance in with the Kalgoorlie-Boulder area and the goldfields area. The goldfields area argues that it is appropriate to have Esperance in that area. There are a lot of differing views. The challenge for the industry and for the Tourism Commission is to work through those views to see whether there can be some common level of agreement.

Mr R.F. Johnson: You have said that you went to Broome recently. If you got the same response that I got from people in the Kimberley, you would know that they are not happy about being amalgamated with the Pilbara. Some of them have told me that if it goes ahead they will ignore the tourism zone and Broome will do what Broome wants to do. However, if we incorporate the Pilbara as well, Kununurra may miss out.

Mr C.M. BROWN: The commission must weigh up all the views that have been put to it and make some recommendations. I am sure it will do that competently. I thank members opposite for their support for this legislation.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and transmitted to the Council