

# Legislative Assembly

Tuesday, 15 November 1994

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

## PETITION - HOMESWEST, MAINTENANCE, APPLICATIONS AND RECORDS FUNCTIONS RELOCATION

**DR GALLOP** (Victoria Park - Deputy Leader of the Opposition) [2.05 pm]: I present the following petition -

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

We, the undermentioned petitioners call on the State Government to reverse Homeswest's decision to re-locate the Maintenance, Applications and Records functions currently performed at the Bentley Branch Office to the Regional Office at Cannington.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 188 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

**The SPEAKER:** I direct that the petition be brought to the Table of the House.

[See petition No 163.]

## PETITION - GRACE VAUGHAN HOUSE, PUBLIC HEALTH BRANCH RELOCATION

**DR GALLOP** (Victoria Park - Deputy Leader of the Opposition) [2.06 pm]: I present the following petition -

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

We, the undermentioned petitioners call on the State Government to reverse its decision to re-locate the Public Health Branch to Grace Vaughan House. This will deprive over 200 voluntary and unfunded community groups access to an ideal, popular and safe setting for meetings, training, seminars and lectures and also lead to a loss of common focus for all these associations. We wish Grace Vaughan House to remain as a community facility.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 51 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

**The SPEAKER:** I direct that the petition be brought to the Table of the House.

[See petition No 164.]

## PETITION - ROAD TRAINS, METROPOLITAN AREA

**MRS HALLAHAN** (Armadale) [2.07 pm]: I present the following petition -

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

We the undersigned ask the State Government to reverse its decision to allow road trains up to 45 metres (140 feet) long to travel along Thomas Road, South West Highway, Bedforddale Hill Road and Albany Highway.

We believe that road trains in the metropolitan area will cause serious accidents, traffic hazards, excessive noise, and damage to our roads.

Your petitioners therefore humbly pray that you will give this matter earnest consideration and your petitioners, as in duty bound, will ever pray.

The petition bears 494 signatures and I certify that it conforms to the standing orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 165.]

#### STATEMENT - SPEAKER

##### *Premier and Wife, Birth of Daughter Emma*

**THE SPEAKER** (Mr Clarko): I am sure everybody will be happy to join with me in offering congratulations to the Premier and his wife on the birth of their daughter Emma in recent hours.

[Applause.]

#### STATEMENT - SPEAKER

##### *Agriculture, Department of, Annual Report Amendment*

**THE SPEAKER** (Mr Clarko): It has been drawn to my attention that there is a need to make an amendment to page 8 of the annual report of the Department of Agriculture, which was tabled on 18 October 1994. Accordingly, under the provisions of Standing Order No 233, I advise the House that I have authorised the necessary amendment.

#### MINISTERIAL STATEMENT - MINISTER FOR SERVICES

##### *Radio Station 6PR, Sale to Southern Cross Broadcasters*

**MR KIERATH** (Riverton - Minister for Services) [2.13 pm]: The Government has decided that radio station 6PR is to be sold to Southern Cross Broadcasters. SCB's \$4.68m cash bid for the station was nearly \$500 000 more than 6PR Holdings' cash offer. SCB has also offered more than \$6m in free community advertising and other benefits. The whole tender process has been conducted with the utmost propriety and the superior tender won. I will table the relevant documents so that they can be fully scrutinised. A rigorous examination of both bids was undertaken. In three areas of evaluation, the SCB bid was superior and in two categories, equal to that of 6PR Holdings. There has been much community debate over the question of local ownership of the station. This was a vexing problem for the Government. However, because of the superior nature of the SCB bid and the fact that media ownership in Perth has changed dramatically over the years, the Government was not prepared to throw away half a million dollars cash to benefit one group.

There is a number of very important criteria in the winning tender: SCB will be bound under contract to maintain local content; and it must retain the current format for three years and will establish an advisory board which will include a government representative to oversee the commitments SCB has made.

Cabinet accepted the recommendation of the tender review committee that the SCB offer represented the best cash value. In the area of local content, ownership and employment, the bids of SCB and 6PR Holdings were addressed satisfactorily. As an indication of the fairness of this tender process, SCB's supplementary bid, which enhanced the cash bid, was ruled out on a technicality. Despite this, 6PR Holdings' enhanced bid was still short of SCB's cash offer, which guarantees money in the bank in 14 days. The Government will make the SCB supplementary bid a condition of sale. This alternative offer is an additional \$6.995m of free advertising, including the \$6m in free community advertising. While not included in the assessment phase, the panel valued the SCB alternative bid as being worth \$4.783m to the Government.

I must emphasise here that the professionalism of the entire 6PR staff made the station a

very attractive proposition but 6PR Holdings' tender was not good enough to win. The sale has been a highly contentious issue and some have attempted to make political gain and drag red herrings into the debate. Despite repeated requests, no evidence has been presented to me which would give reason for further delaying the sale process. 6PR the radio station and its format will remain, with the only change being that ownership will shift from a government agency to the private sector.

[See paper No 513.]

## **MINISTERIAL STATEMENT - MINISTER FOR PLANNING**

### *East Perth Gasworks Site, Purchase Approval*

**MR LEWIS** (Applecross - Minister for Planning) [2.16 pm]: The East Perth Redevelopment Authority is to acquire the former East Perth gasworks site from the State Energy Commission of Western Australia for \$2m. The East Perth Redevelopment Act requires ministerial approval for purchases of property over \$1m and that the ministerial approval be tabled in both Houses of Parliament.

The land acquisition is part of a larger financial agreement between the East Perth Redevelopment Authority and SECWA whereby SECWA will contribute \$15m towards the remediation and rehabilitation of the gasworks site and the nearby Swan River area. While gas production ceased in 1972, ground contamination has been identified at the site from the previous 50 years of the gasworks' operations. The gasworks site remediation and rehabilitation is a key element in the overall East Perth urban renewal project. The cleanup operation is being undertaken in three stages. The first two stages involve the dredging and backfilling of 3 hectares of the Swan River and the remediation of 5 ha of the gasworks site.

I am pleased to advise that the first stage of the cleanup has now been completed and the second stage commenced on 1 November. This followed a successful commercial contracting process and an examination of leading edge technologies. The final stage of the cleanup operation involves the rehabilitation of the site and the development of a foreshore parkland and recreation system which will link into the adjoining Claisebrook Cove development. This later project is also well advanced and will pass a major milestone with the completion of the river inlet next month.

The East Perth gasworks site rehabilitation project will provide residents of the area and the broader community with new recreational facilities which will be a major asset for the City of Perth. The project also demonstrates the Government's commitment to the removal of environmental liabilities, the protection and enhancement of the Swan River and the creation of a more liveable city. I thank the East Perth Redevelopment Authority, SECWA and my colleagues the Minister for Energy and the Minister for the Environment for their cooperation in finalising this important agreement. I table the ministerial approval for the purchase of the East Perth gasworks site.

[See paper No 514.]

**[Questions without notice taken.]**

## **MOTION - STANDING ORDERS SUSPENSION**

### *No Confidence in Speaker as Chair of Joint Standing Committee on Commission on Government*

**MR GRAHAM** (Pilbara) [2.48 pm]: I move, without notice -

That so much of the standing orders be suspended as is necessary to enable consideration forthwith of the following motion -

As a consequence of his having disregarded and breached the standing orders of the Legislative Assembly, this House expresses its lack of confidence in the Speaker in his capacity as Chair of the Joint Standing Committee on the Commission on Government.

I have previously raised in this Parliament some of the difficulties that have arisen with the Joint Standing Committee on the Commission on Government in having the Speaker hold the positions of both the committee chairman and Speaker of the House. On 20 October I gave a speech in this Parliament which outlined quite clearly some of the problems I saw. Mr Speaker, on 25 October I wrote to you as Speaker enclosing a copy of the speech, outlining my concern and seeking your comment. I received no response. On 27 October I placed on the Notice Paper a series of questions relating to the conduct of the committee, and I received some answers in subsequent days. This is the first day the Parliament has sat after I received those answers. I make the point now that this is not something on which any political party has adopted an attitude.

Mr Trenorden: That is ridiculous.

Mr GRAHAM: I can say that the National Party has. By tradition in this place the attitude of the National Party, rightly or wrongly - and I am not arguing with its position - is to vote for and support the incumbent in the Chair. We know that is the National Party's position. This matter has not been to either party room as far as I am aware. I did not take it to the Labor party room and I have never been invited to the Liberal party room, so I definitely did not put it in there. No-one in this Chamber is bound to vote in any particular way on this motion. I invite members to vote with me for the suspension of standing orders.

Mr Trenorden: I have been here eight years, and the Labor Party has gone the same way with every such motion.

Mr GRAHAM: The question of the Speaker breaching the standing orders of this place is important and significant. No motion will have a greater effect than one asking the House to express its lack of confidence in the Speaker, and this is not something I do lightly. The Speaker is the person empowered by the Legislative Assembly to deal with standing orders and the procedures of the Legislative Assembly. This is a most serious motion.

Mr Johnson interjected.

Mr GRAHAM: I am moving the motion. If the member has a complaint he should have a go at me.

Mr Johnson: I am.

Mr GRAHAM: I am not "those guys" but the member for Pilbara. The reason I am seeking the suspension of standing orders is quite simple. If permitted, I will show in debate that the standing orders have been breached, and I refer particularly to Standing Orders Nos 377 and 379. I can produce to the Parliament questions and answers, standing orders, minutes of meetings and a whole range of evidence that show quite clearly that those standing orders have been breached. I am asking the House to give me the ability to do that. I will also raise in the debate the very serious problem of the member for Bunbury having presented to this House a report of the committee without the authority of the committee. There may be some argument on my interpretation of that matter, but the facts of life are that the member for Bunbury reported to the Legislative Assembly without the authority or the approval of the committee.

#### *Point of Order*

Mr C.J. BARNETT: It is my understanding that such matters of committees are matters of privilege and should not be referred to in the way the member has. I would also draw to your attention, Mr Speaker, that it is up to the member to debate the reason there should be a suspension of standing orders rather than the substantive merits of his case.

Several members interjected.

The SPEAKER: Order! I would not want to call to order the Deputy Leader of the Opposition. In regard to the two parts of the question, the member has said, "I could produce the minutes." I take it that that does not necessarily mean he will produce them. If he were to produce them then he might transgress the position the Leader of the House has put. He has not done so, and therefore I do not uphold that point of order. However,

I will do this now: I was going to give the member another minute before I made the point that all Speakers do, which is that in motions of this sort it is very difficult for the person who moves them to avoid debating the essence of the argument. The Leader of the House is quite correct, and everyone will be aware, as I am aware the member for Pilbara is, that it is not appropriate for him to debate the matter which he will debate if he is successful in his motion. I remind him of that and ask him to keep himself closely to the motion before the House.

*Debate Resumed*

**Mr GRAHAM:** I am happy to do that, Mr Speaker. In doing that one must get to the substance and be able to convince members in the House that there is a case to answer. I accept the point of order about the minutes of the committee, which will come out in the fullness of time. I am asking the House simply to suspend standing orders to allow us to debate this serious question: Does the House have confidence in the Chairman of the Joint Standing Committee on the Commission on Government, even knowing full well after debate that the standing orders of the Parliament have been breached?

Mr Blaikie interjected.

**Mr GRAHAM:** I have been told that I am not allowed to say how standing orders have been breached. That is one of the problems I raised on 20 October. However, as the member has asked, I will tell the House how they have been breached. The standing orders of the House are quite clear. I will not go into explicit detail, although I am happy to do so. The standing orders of the Parliament are quite clear on the procedures that have to be followed in committees. First, there is what one has to do in a committee in order to arrive at a report of the committee. Those standing orders were not followed. Second, when reporting to the House, the standing orders are quite clear about who can and who cannot report to the Parliament. There is no discretion on whether this person or that person will report. The standing orders state quite clearly that it shall be the chairman or someone selected by the committee. That was not the case in the presentation of the report of the committee on the Commission on Government.

The reason we have to deal with this matter with some urgency is that rightly or wrongly as a result of that report the Commission on Government has been appointed. Even if one holds a particularly jaundiced view about the Commission on Government, out of fairness to the appointees the House should waive standing orders and consider whether they were properly appointed. If the committee has made improper decisions or followed improper procedures, or has not reported and acted in the appropriate way in the Parliament, it follows that those people cannot have been appropriately appointed. That is of prime importance to the Legislative Assembly, given that it has a commitment to the Commission on Government and it has set up a committee to oversee the rights of the Commission on Government, which is charged with bringing about changes in our system of government. It seems to me that of all the organisations in Western Australia, the Commission on Government and the committee that oversees it should act strictly in accordance with all the rules and regulations laid down in standing orders. My argument is that that has not been the case.

Whether the Speaker is the appropriate person to chair a committee of this nature is a vexed question, which has lot of history and argument about it. My view is that it should not be the Speaker and that one of the other members of the committee should chair the committee. The essence of the argument about the reporting is that the standing orders are there to prevent any single person who decides to present a report to this Parliament from doing so without the approval of the committee. If I am allowed to have the debate on whether we should have a vote of confidence, it can be shown as a matter of fact what procedures were followed. Answers to parliamentary questions of what did or did not occur are also a matter of fact. Therefore, it would be simple for the House to determine what is or is not the case. The House will decide whether we suspend standing orders, but unless we are able to have the debate of substance, the House cannot make a decision on whether the committee has behaved appropriately.

When the report was presented it was a matter of dispute and agreements were made

behind the Chair. Dissent arose following the bringing down of that report. All of that process stems from the original decision in the committee being flawed. I take your point, Mr Speaker, about privilege. The other aspect that this House must consider is that, as far as I am aware, no member of the committee, other than the member for Bunbury and the chairman, saw the report before it was tabled in the Parliament. I certainly did not, although your colleagues, Mr Speaker, may have. That is a requirement of the standing orders; in fact, the report must be considered in detail at a meeting convened for that purpose. The answers to parliamentary questions clearly indicate that no such meeting was ever held.

The Government may well argue that an appropriate way in which to deal with this matter is through private members' time. I do not agree for the following reasons: Some matters - such as matters of privilege, great importance and public importance - are allowed under our standing orders to be debated there and then. This is one such matter, and it relates to a fundamental question. Matters of fact must be established. Firstly, did the committee breach the standing orders? I can produce an argument that it did so and that the chairman breached the standing orders. That chairman was you, Sir, and you also serve as Speaker of the Legislative Assembly. The second question that must be determined by this House is whether the standing orders are the rules by which committees of this Parliament will run. There is a simple answer to that: Yes. Every other committee I have served on has abided by the standing orders of the Parliament. When I was a backbencher in government, all the select committees on which I served were chaired by opposition members. Until recently, I have not sat on a select committee of which a government member was the chairman. I chaired another select committee this session as an opposition member, and I am sure members of that committee will recall that we were painstaking in the process we followed for adopting reports. The third question that must be determined is one of accountability; that is, to whom is the chairman of this standing committee accountable? I argue and will argue, if standing orders are suspended, that the chairman is accountable to the Legislative Assembly. The committee itself and decisions from the Chair in this place have made it quite clear that the standing orders of the Legislative Assembly are the rules by which that committee will operate. That is as it should be. The rules should also then be enforced by this House.

I will not use all the time available to me. I see no reason for a lengthy debate about whether we should or should not waive the standing orders and get into a debate on the merits of the case. I hope that sufficient members will vote for the motion to allow for the suspension of standing orders. It should not be a long debate because it concerns simply matters of fact, and at each point throughout the debate on the processes involved, I will be able to substantiate the actions taken and the decisions made, and to produce evidence of the decisions made. Those facts will clearly show that the standing orders have been breached, bent and ignored. Those basic questions I have raised must be addressed by this House. I call on members to support the suspension of standing orders and to allow both the debate and the decision.

**MR C.J. BARNETT** (Cottesloe - Leader of the House) [3.05 pm]: The Government does not support the suspension of standing orders in this matter. Indeed, if the member were serious and had the support of his colleagues on the other side of the House, I presume he would have followed the normal course of action, given notice of the motion and brought it on for debate in private members' business. If that were the case, the Government would be happy for the matter to be debated in private members' time tomorrow. Alternatively, the member can take advantage of the procedure for debating matters of public interest some time during this week to raise the issue. The Government does not support the suspension of standing orders, and certainly not during time which is precious for dealing with legislation.

*Question to be Put*

**Mr MARSHALL:** I move -

That the question be now put.

Question put and a division taken with the following result -

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Ayes (27)		
Mr Ainsworth	Mr Johnson	Mr Pandal
Mr C.J. Barnett	Mr Kierath	Mr Prince
Mr Blaikie	Mr Lewis	Mr W. Smith
Mr Board	Mr McNee	Mr Strickland
Mr Bradshaw	Mr Minson	Mr Trenorden
Mr Day	Mr Nicholls	Mr Tubby
Mrs Edwardes	Mr Omodei	Dr Turnbull
Dr Hames	Mr Osborne	Mr Wiese
Mr House	Mrs Parker	Mr Marshall ( <i>Teller</i> )

Noes (20)		
Mr M. Barnett	Mr Graham	Mrs Roberts
Mr Brown	Mrs Hallahan	Mr D.L. Smith
Mr Catania	Mrs Henderson	Mr Thomas
Dr Constable	Mr Kobelke	Ms Warnock
Mr Cunningham	Mr McGinty	Dr Watson
Dr Edwards	Mr Riebeling	Mr Leahy ( <i>Teller</i> )
Dr Gallop	Mr Ripper	

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Pairs	
Mr Cowan	Mr Bridge
Mr Shave	Mr Grill
Mr Bloffwitch	Mr Taylor

Question thus passed.

*Motion Resumed*

Question put.

The SPEAKER: To be passed, this motion requires the concurrence of an absolute majority. There being a dissentient voice, it is necessary for the House to divide.

Division taken with the following result -

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Ayes (21)		
Mr M. Barnett	Mr Graham	Mr Ripper
Mr Brown	Mrs Hallahan	Mrs Roberts
Mr Catania	Mrs Henderson	Mr D.L. Smith
Dr Constable	Mr Kobelke	Mr Thomas
Mr Cunningham	Mr Marlborough	Ms Warnock
Dr Edwards	Mr McGinty	Dr Watson
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Dr Hames	Mr Osborne	Mr Wiese
Mr House	Mrs Parker	Mr Marshall ( <i>Teller</i> )

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Pairs	
Mr Taylor	Mr Cowan
Mr Grill	Mr Shave
Mr Bridge	Mr Bloffwitch

Question thus negatived.

**MOTION - SITTING TIMES; MANAGEMENT OF LEGISLATIVE PROGRAM**

**MR C.J. BARNETT** (Cottesloe - Leader of the House) [3.12 pm]: I move -

That on 16 and 30 November and 7 December 1994, the House will meet at 10.00 am and that for the remainder of 1994, unless otherwise ordered -

- (a) private members' business shall take precedence on Wednesdays from 4.30 pm until 6.00 pm and government business shall take precedence at all other times;
- (b) Standing Orders 224 and 225, relating to grievances, be suspended; and
- (c) so much of the standing orders be suspended as is necessary to enable Bills to be introduced without notice and to proceed through all stages on any day and to enable messages from the Legislative Council to be taken into consideration on the day on which they are received.

Members will be aware that for the most part this is a fairly standard motion for this time of the parliamentary session. The first part of the motion allows for the House to begin sitting at 10.00 am on Wednesdays 16 and 30 November and 7 December. This will give us an extra three hours' sitting on each of those three days. I remind members that the House will also sit on Thursday nights, giving a further 3.5 hours of sitting time for each of these last four weeks.

After discussion with the Opposition Leader of the House it was agreed to allow 1.5 hours of private members' business on each Wednesday for the remainder of 1994. The usual practice is to terminate private members' business towards the end of each sitting or perhaps allow the Opposition two or three hours on the last sitting day of the year. In 1992 private members' business ceased for the last two weeks of the year; in 1991-92 for three weeks; in 1990 for two weeks; and in 1989 for three weeks. Our allowing 1.5 hours a week is better than terminating private members' business altogether, allowing of course that progress be made on the Government's legislative program for the rest of the year. We hope to avoid the 1992 situation where the House had to deal with 26 Bills in the last three days or the situation in 1991 where 15 Bills were dealt with in the last week, as well as the Fitzgerald Street bus bridge issue being debated.

Part (b) of the motion allows for the suspension of grievances for the remainder of the year. The final part of the motion allows for the House to deal with messages from the Legislative Council on the day they are received and for Bills to be progressed through all stages on any day. This part of the motion also is a standard measure which is introduced at this time of the parliamentary session to help progress legislation over the last few sitting weeks.

The Government would like to pass a number of Bills this year that have yet to be introduced; for example, amendments to the Stamp Act in relation to intergenerational transfer of the family farm and legislation to address fines enforcement. If the spirit of cooperation seen in this House over the past five weeks continues we can progress government Bills by 8 December this year without the need to sit until the early hours of the morning, which will enable us to spend some time with our families before Christmas. It may be necessary to return for a single day prior to the end of the year to give consideration to any amendments from the Legislative Council. I will advise members of a possible sitting date for that purpose before the end of this week.

The Government wishes to progress approximately 30 Bills during these final four weeks of sitting. To accommodate that, in conjunction with a sessional order we will need to deal with approximately eight to nine Bills in each of the weeks. It is reasonable that a fair amount of debating time be spent on all those Bills. I hope that with cooperation, and, I acknowledge, a fairly substantial amount of organisation and effort from members on both sides of the House, it should be able not only to deal with that legislation but also to debate the Bills fully.

**MR RIPPER (Belmont) [3.17 pm]:** The guillotine is supposed to overcome the need for a last minute rush to pass legislation through this place. However, in many ways, the situation today is the same as usual. Sittings will be extended in the last three or four weeks of Parliament and a much larger number of Bills passed towards the end of the session than earlier. The reason is that delays occur not only in Parliament, but also in departments, in Minister's offices and in the drafting of legislation and securing Cabinet approval for legislation. That is borne out by the observation by the Leader of the House that Bills will be passed this session which are still to be introduced.

It does not seem to me as though the time management sessional order or the guillotine has produced the result for which the Leader of the House hoped. Once again we must take extraordinary measures in order to deal with the Government's legislative program. The Opposition supports Parliament's sitting over a longer period. However, the Opposition would like to see that time spread into more sitting days rather than into longer sitting times on particular days. It is interesting that the Leader of the House has not repeated last year's exercise where private members' business was cut for a long period - I think four weeks at the end of last year plus three weeks at the beginning of this year. In effect we lost private members' business for seven weeks. On behalf of the Opposition, I am pleased that the Leader of the House has returned to a more conventional approach.

**Mr C.J. Barnett:** A new approach, because traditionally private members' business has not continued right through.

**Mr RIPPER:** It is a more conventional approach in terms of the total time lost for private members' business, but a new approach in the way that time has been deducted. If a reduction in private members' business is necessary, the way in which private members' business has been arranged for the rest of the sitting has the support of the Opposition. By convention some restriction on private members' business usually occurs towards the end of the sitting. I do not think we should always follow that convention. After all, things have changed. A royal commission report has recommended improvements in the way in which Parliament operates and it has called for less Executive domination of the Parliament.

We have also experienced a regular weekly guillotine. Given those two developments it seems possible to not have the automatic cessation or restriction of private members' business towards the end of the year's sitting. Nevertheless, if we are to have a restriction on private members' business, the proposed scheduling is a preferable arrangement to what has applied in the past. The Opposition supports longer sitting times, which should be over more sitting days. In principle, the Opposition opposes any reduction in private members' business, but if those restrictions must be introduced it believes the proposed arrangement is more reasonable than has applied in the past. Private members' business should be a defined part of Parliament's weekly routine.

A standing order should provide for it and it should continue regardless of the Government's legislative program. The Government should come to the Parliament with a proposal for extra sitting days if it has more legislation than can be accommodated.

**Mr C.J. Barnett:** That is a matter that can be raised now as well as in the committee to be chaired by the member for Scarborough.

**Mr RIPPER:** I hope reforms will come out of that committee. One problem from the Opposition's point of view is that that committee will take some time to report. In the nature of things, the recommendations contained in the report will take some time to be implemented, if that is to occur. In the meantime, with the support of the Government, reforms to parliamentary procedures could be introduced fairly quickly. One reform which should be introduced is to provide in the standing orders for a regular weekly component of private members' business. It should be at least the 4.5 hours that applied during most of the years before this Government came to power.

Question put and passed.

**MOTION - TIME MANAGEMENT SESSIONAL ORDER**

**MR C.J. BARNETT** (Cottesloe - Leader of the House) [3.25 pm]: I move -

That the following items of business be completed up to and including the stages specified at 10.00 pm on Thursday, 17 November 1994 -

Energy Coordination Bill - all remaining stages;

Energy Corporations (Transitional and Consequential Provisions) Bill - all remaining stages;

Acts Amendment (Local Government and Valuation of Land) Bill - all remaining stages;

Local Government Amendment (Elections) Bill - all remaining stages;

Western Australian Tourism Commission Amendment Bill - all remaining stages;

Statutes (Repeals and Minor Amendments) Bill - all remaining stages;

Reserves (No 1720) Bill - all remaining stages;

Reserves Bill (No 2) - all remaining stages; and

Ord River Hydro Energy Project Agreement Bill - all remaining stages.

As members can see, this week nine Bills are subject to the sessional order, which I concede is a demanding task for the week. I point out that most of the Bills, as I see them, are relatively noncontroversial Bills; however, I am sure there will be significant debate on several of them. Two of the Bills relating to local government were debated extensively last week.

We face a heavy work program over the next four weeks; but as Leader of the House I am trying to ensure that we deal with about eight or nine Bills every week so that all Bills get reasonably debated to avoid the situation which has occurred in this House in previous years where between 15 and 26 Bills have been dealt with in the last week of the sitting. That is unacceptable. A heavy work program, even with eight or nine Bills a week, is preferable to having 15 or 26 Bills dealt with in one week. A number of other Bills are not subject to time management, on which the Government would like to have some debate and progress this week; in particular, the Medical Amendment Bill, which relates to the mutual recognition of medical qualifications, which has bipartisan support.

I remind members again that the House will be sitting at 10.00 am on both Wednesday and Thursday, and on each of the nights of Tuesday, Wednesday and Thursday.

**MR RIPPER** (Belmont) [3.26 pm]: This is a regular weekly debate. I restate the position of the Opposition: We oppose the use of the guillotine. We draw attention to the fact that the guillotine was very rarely used in recent years, especially during the Lawrence Labor Government. Now the guillotine is being applied on a weekly basis. It is contrary to the spirit of the recommendations of the royal commission about the reform of parliament. The royal commission said that parliament was central to its proposals for improved accountability and would require a reform of parliamentary procedures. Instead of taking steps forward, we have a backward step with the imposition of this weekly guillotine.

The standing orders provide for the degree of scrutiny which is available for legislation for good reason. On many occasions mistakes have been made with legislation. On many occasions the Government has come to the Parliament with a large number of amendments because it got the legislation wrong in the first place. Later in the day we will see a very significant example of mistaken government legislation. My colleague the member for Maylands, our spokesperson and shadow minister on the environment, will deal with one of those government mistakes in her remarks shortly. The standing orders provide for scrutiny so that we can avoid putting into law some mistakes which the Government would otherwise bring to Parliament or push through Parliament. The imposition of a regular weekly guillotine goes against the intention of the standing

orders, and against the spirit of the royal commission recommendations for improvements to accountability.

Reforms of the Parliament are required to improve our mechanisms for scrutiny of the Executive. This regular weekly guillotine is certainly not one of those reforms which is, firstly, required or, secondly, in keeping with the spirit of the recommendations of the royal commission. We should be looking at improvements to question time. Question time should be extended to at least 45 minutes. At least 15 questions should be asked and answered.

**Mr C.J. Barnett:** You could not come up with 15.

**Mr RIPPER:** We might disagree with the definition of the word "answer", given some of the responses provided by Ministers. There should be a right of response to brief ministerial statements. A certain amount of parliamentary time each week should be available for private members' business. That should be the traditional time that has been allocated of four and a half hours, not the reduction which has occurred under this Government. Reform should be made to the way in which the key parliamentary committees operate. There should not be an automatic government majority on key committees, such as the Standing Committee on Public Accounts and Expenditure Review. This device, which the Leader of the House brings to us every week, is not the type of reform that is required. In fact, it runs completely counter to what we should be doing in this Parliament.

I will turn briefly to the number of Bills that will be subjected to the guillotine this week. The number is larger than usual. I make the same comment that has been made in previous weeks: That which the Leader of the House seeks to achieve by his use of the numbers and the guillotine can be achieved by sensible negotiation with the Opposition. The Opposition recognises the Government has a right to bring legislation to the Parliament and to have that legislation dealt with by the Parliament. We will scrutinise very carefully indeed some legislation which we believe has been inadequately discussed with the community, which denies people's rights and is fundamentally mistaken - as is our right and which is to the benefit of the Western Australian community. By and large many Bills are not controversial and no problems are associated with them. In that case the Opposition sees no reason that that legislation should be subjected to unnecessary filibustering.

**Mr C.J. Barnett:** So you can have the choice of how you want to use the time during the week. It says we are largely indifferent. There are the Bills. You choose how you want to use the time.

**Mr RIPPER:** I seek your indulgence, Mr Deputy Speaker, to continue my remarks to respond to the interjection by the Leader of the House although my time has just expired. It seems to me that that statement is not entirely correct. The time that is allowed by the guillotine can easily be taken up by Ministers and backbenchers. This is not merely a matter of the Opposition managing the program.

**DR EDWARDS (Maylands) [3.31 pm]:** I will make a few brief remarks about scrutiny in the context of the motion before us. Fortunately Order of the Day No 1 was not mentioned in the list of Bills to be guillotined at the end of the week. When we finish dealing with this motion, Order of the Day No 1 will be withdrawn and we will be given advice about a new planning Bill. That Bill on the Notice Paper at the moment was introduced in the middle of August and has been scrutinised to a remarkable degree. Finally, after the front page of *The West Australian* said that the business community was calling on the Government to reconsider this Bill, major and significant changes were made to the Bill, and at the end of the day the environment will be protected, at least in the short term.

The problem I see is that either next Tuesday, or the one after, or the Tuesday after that, the new planning Bill will be on the list that the Leader of the House produces. We will then be faced with two problems: Either it will have been drafted in such a hurry that changes must be made and we will be presented with a Bill that is constantly evolving as

it is being discussed in a very short time, or it will be presented so late that the chance for scrutiny will be almost minimal and again this Parliament will be used in a way which is totally inappropriate.

Mr C.J. Barnett: The Bill will be withdrawn and the Minister will introduce the new Bill. It will lie on the Table for seven days and then come up for debate, all going well, next Tuesday. It will not be subject to the guillotine then.

Dr EDWARDS: Will there be an opportunity to scrutinise it properly?

Mr C.J. Barnett: Yes.

Dr EDWARDS: To a certain extent I am relieved.

Mr C.J. Barnett: You sound unconvinced. I can tell that you don't believe me.

Dr EDWARDS: I will wait to see what happens. In the meantime Bills will appear before the Parliament for minimal time with very little time for scrutiny.

MR D.L. SMITH (Mitchell) [3.34 pm]: Having just returned from a Commonwealth Parliamentary Association conference -

Mr C.J. Barnett: Did you enjoy it?

Mr D.L. SMITH: Its primary topic dealt with how to improve the reputation of the legislature. Throughout the world there are problems with the reputation of Westminster legislatures. If the results of the congressional and senate elections in the United States are any indication, Americans have exactly the same problem. One of the reasons is that the people in the community, who expect parliamentarians to protect and advance their interests, simply no longer believe Parliament is being used in the way it should be. One of the available means is by being able to raise grievances in this place on behalf of our constituents; another is by closely scrutinising legislation as it passes through this place.

I have no complaint or disagreement with the notion that on occasion the Government should be able to come to the Opposition and say that it wants to introduce legislation that is so important that it should go through in a rush with very good reason, and with a limited number of safeguards such as has been indicated with regard to the second version of the planning legislation. However, to grant an opportunity to the Government of the day to suspend standing orders so that it chooses the Bills to bring to this place and the time it will allow for this Parliament to debate them, with almost no scrutiny and with the opportunity for many Bills to be passed in this place in a single day, is unacceptable.

I have no objection to the Government coming to the Opposition at any one time, as the shadow Leader of the House said, to negotiate the expedition of legislation. However, simply allowing these sorts of motions to be introduced and abused will do nothing to enhance our reputation as legislators and as a legislature. In the end we will continue to lose the respect of the community for the institution of Parliament. That will be a sad day for the institution and ourselves but, most importantly, for the responsibility we undertook to actively and faithfully represent the interests of our constituents in this place in ensuring that their grievances are heard and that any legislation or expenditure that is brought to this Parliament for approval is scrutinised in the manner that Parliament should.

Question put and a division taken with the following result -

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Ayes (25)

Mr Ainsworth  
Mr C.J. Barnett  
Mr Blaikie  
Mr Board  
Mr Bradshaw  
Mr Day  
Mrs Edwardes  
Dr Hames  
Mr House

Mr Johnson  
Mr Kierath  
Mr Lewis  
Mr McNee  
Mr Minson  
Mr Nicholls  
Mr Omodei  
Mr Osborne  
Mrs Parker

Mr Pandal  
Mr Prince  
Mr Trenorden  
Mr Tubby  
Dr Turnbull  
Mr Wiese  
Mr Marshall (*Teller*)

Noes (21)

Mr M. Barnett  
Mr Brown  
Mr Catania  
Dr Constable  
Mr Cunningham  
Dr Edwards  
Dr Gallop

Mr Graham  
Mrs Hallahan  
Mrs Henderson  
Mr Kobelke  
Mr Marlborough  
Mr McGinty  
Mr Riebeling

Mr Ripper  
Mrs Roberts  
Mr D.L. Smith  
Mr Thomas  
Ms Warnock  
Dr Watson  
Mr Leahy (*Teller*)

Pairs

Mr Cowan  
Mr Shave  
Mr Bloffwitch

Mr Taylor  
Mr Grill  
Mr Bridge

Question thus passed.

**PLANNING LEGISLATION AMENDMENT BILL**

*Withdrawn*

Bill, by leave, withdrawn.

**PLANNING LEGISLATION AMENDMENT BILL (No 2)**

*Introduction and First Reading*

Bill introduced, on motion by Mr Lewis (Minister for Planning), and read a first time.

*Second Reading*

**MR LEWIS** (Applecross - Minister for Planning) [3.42 pm]: I move -

That the Bill be now read a second time.

This is the second planning legislation amendment Bill to be brought before the House in 1994. After a great deal of consideration the Government has decided to withdraw the first Bill. This new Bill before members is the same as the first, except that all the environmental evaluation provisions have been removed. This Government remains committed to the principle of environmental evaluation taking place up front and being coordinated with the town planning process.

Since the introduction of the first Bill a number of amendments were agreed to on procedural aspects of the legislation. Unfortunately, this had the effect of making the amendments, together with the Bill, confusing and difficult to understand. The decision to remove the environmental assessment provisions from the previous Bill was made to overcome this confusion and avoid the need to move amendments from the floor of the House. The environmental matters will now be the subject of separate legislation to be dealt with in the next session of Parliament. This Bill will address the following principal issues -

Establish a new 12 member Western Australian planning commission with an expanded role and functions to replace the present State Planning Commission.

Provide the new commission with power to prepare regional planning schemes for areas outside the metropolitan region where issues of state and regional importance are involved.

Amend planning legislation to require that local government authorities amend their town planning schemes to accord with a commission planning scheme as may be prepared or amended from time to time.

Provide power to the Minister for Planning to act for a local government authority where it is in default of its obligations under planning legislation.

Provide for records to be placed on the titles of new lots where some hazard or other factor seriously affecting the use and enjoyment of the lot may exist on or near the land.

Increase penalties for offences against planning legislation from \$2 000 to \$50 000 to accord with other comparable penalties.

Adjust the provisions relating to the payment of compensation under the metropolitan region scheme to ensure that compensation may be paid only once in respect of a particular matter, and for the repayment of compensation where the reason for the initial payment is removed.

Focusing firstly on the proposal to establish a new Western Australian planning commission, the objective is to provide the correct framework and membership drawn from appropriate members of the community, local government, and chief executive officers of government departments and agencies to address the increasing need for effective statewide and regional planning. The membership will comprise -

A chairperson appointed by the Governor;

three persons appointed by the Governor representing local government interests; one each representing metropolitan councils, non-metropolitan councils and the City of Perth;

two persons appointed by the Governor having experience in urban and regional planning, business management, property development, community affairs or other related interests;

six persons appointed by virtue of their office or nominated by the Minister concerned - namely, the chief executive of the proposed Ministry for Planning; the Managing Director of the Water Authority of Western Australia; the Commissioner of Main Roads of Western Australia; the Director General of Transport; the Chief Executive Officer of the Department of Environmental Protection; and a ministerial nominee to represent regional development interests.

The model for the new commission will be similar to that of the former metropolitan region planning authority, and good reasons exist to revert to the larger and more representative model now proposed but with statewide responsibility. The powers and functions of the new commission will be increased to enable statutory regional planning schemes to be prepared, if matters of state or regional importance so require. This will enable the State to participate effectively in the planning and development of the regions as well as to coordinate the efforts of local governments which make up those regions.

The Bill also includes a capacity for the new commission to establish regional planning committees with a particular membership model. These regional planning committees will be able to plan their regions, recommend to the commission the particular form that statutory planning schemes for their regions might take, and progressively will be afforded delegated responsibility from the commission to implement those schemes. This Bill represents a major shift in decision making in planning and, over time, regions will have more autonomy to govern their affairs.

It is also proposed that four standing committees for the new commission be established: First, an executive, finance and property committee; second, a statutory planning committee; third, a transport committee; and fourth, an infrastructure coordinating committee.

The Bill also contains a range of other new or amended provisions to existing planning legislation which will assist planning practice or remedy current deficiencies. Existing planning legislation provides a general expectation that local authorities in the metropolitan region will progressively bring their local town planning schemes into line with the metropolitan region scheme, as amended from time to time. The legislation is not specific on this point, and it is timely that amendments to planning legislation be made to ensure a more predictable progression from amendments to the metropolitan region scheme to local authority zoning. A local authority is already required by present legislation to bring forward an amendment to its scheme, where the commission amends the metropolitan region scheme by removing a reservation for such purposes as regional roads, parks and recreation or other public uses. If the local authority fails to do so within the prescribed period, the Minister can act in the place of the local government

authority and amend its scheme at its cost. It is proposed to amend those provisions of sections 18A and 18B of the Town Planning and Development Act to bring about that compulsion on metropolitan local authorities whenever the metropolitan region scheme is amended. The Western Australian Municipal Association has been consulted on this issue.

Similarly, current legislation also requires local governments to review their town planning schemes every five years, to prepare a scheme when the Minister so directs, to adopt a scheme prepared by landowners, or to undertake modifications to an overall scheme, as required by the Minister, while the scheme is in the course of its approval processes. The legislation lacks any overt power for the Minister to compel compliance with these provisions, with the result that it is necessary to take action in the courts to achieve the required result - a most unsatisfactory state of affairs. This Bill provides that where local authorities are in default of their obligations in any of these areas the Minister, after serving an appropriate 90 day notice, may take action to remedy the deficiency and charge the local authority for the cost incurred.

The Bill also adjusts the provision relating to the payment of compensation under the metropolitan region scheme to ensure that compensation may be paid only once in respect of a particular matter. It also provides for the repayment of compensation where the reason for the initial payment is removed. It is proposed that the provisions of this particular part of the Bill be retrospective to amendments to the metropolitan region scheme passed since 1 July 1988. This currently affects 11 properties on which compensation of \$115 000 has been paid. It is emphasised that these provisions will relate only to those landowners who received the compensation in the first place, or those who bought reserved land at a lower price occasioned by the effect of the reservation, and will not affect properties where compensation was paid, the reservation removed and the property sold before this Bill comes into effect.

Operationally some desirable improvements are made to the existing legislation which will improve current practice, and I will refer to them briefly -

- (1) At present all contracts for services entered into by the commission require ministerial approval, regardless of amount. It is proposed that the Minister have the power to exempt the commission from the need to seek approval in every case by specifying by notice in writing those contracts which the commission can enter into without the Minister's approval.
- (2) The division of the State into 11 regions outside the metropolitan region differs from the nine regions in the Regional Development Commissions Act 1993. The Bill proposes that the two pieces of legislation be brought into alignment; the only exception being the Shire of Serpentine-Jarrahdale which, for planning purposes, is an integral part of the metropolitan region and the metropolitan region scheme and, therefore, cannot be included in the Peel region.
- (3) There has been increasing pressure for the commission to place a record on the title of properties to warn prospective purchasers of hazards on the land concerned; for example, unexploded ordnance problems on former artillery ranges, or other factors which seriously affect the use and enjoyment of the land, such as proximity to contaminated sites, poultry farms and so on. It is for this reason that the Bill proposes to give the commission the ability to impose suitable records on the title of new lots as they are created.
- (4) Penalties under planning legislation are seriously outmoded at \$2 000 and \$200 per day for a continuing offence. It is proposed to increase these penalties to \$50 000 and \$5 000 per day for a continuing offence to accord with the Heritage of Western Australia Act, the East Perth Redevelopment Act and parts of the Environmental Protection Act.
- (5) It is proposed to simplify the capacity to appeal against the failure of the commission to determine a subdivision application within a period of 90 days. The Bill proposes to enable the applicant, at any time after the 90 days has

expired, to serve a written notice of default on the commission and then appeal, notwithstanding what period might have elapsed.

- (6) The Town Planning Appeal Committee, which currently advises the Minister on all planning appeals, apparently cannot advise on appeals arising under the Strata Titles Act. This anomaly is to be rectified by the Bill.
- (7) Improvement plans are currently prepared and brought down, but cannot be amended or revoked. It is proposed to provide powers for the Governor to approve or revoke such plans, using the same procedures applying to their approval and promulgation in the first place.

This Bill seeks to provide improved performance for planning in this State pending a more comprehensive review and consolidation of all planning legislation. It will assist in improving the planning process and will set up an agency which will be better equipped to meet the needs of the coming century. This Bill is a replica of the previous legislation, minus the environmental provisions. Adequate notice of the provisions in this Bill has been given to the community. I commend the Bill to the House.

Debate adjourned, on motion by Mr Kobelke.

## ENERGY COORDINATION BILL

### *Second Reading*

Resumed from 29 September.

**MR THOMAS** (Cockburn) [3.54 pm]: As indicated during debate on the gas and electricity corporation Bills prior to the recent recess, the Opposition will not oppose the package of four Bills which splits the State Energy Commission of Western Australia into two utilities; that is, two statutory corporations which will handle its functions. The Opposition raised a couple of issues in the debate on the Gas Corporation Bill and the Electricity Corporation Bill and will use this opportunity for debate to raise a number of other matters as we consider the Bill today and tomorrow.

The main function of the Energy Coordination Bill is to make provision for two officers, namely the Coordinator of Energy and the Director of Energy Safety. As stated in the Minister's second reading speech, the Coordinator of Energy will provide energy policy advice to the Government and the Minister, and the Director of Energy Safety will advise on safety matters, such as regulatory licensing, which are currently undertaken by the State Energy Commission not so much as a provider of electricity but as a safety regulator. The creation of the new office of Coordinator of Energy is of great interest to people who must consider and pass legislation on energy policy which comes before this House. I am intrigued by the provisions of clause 6 of the Bill, which raise a number of very broad matters on which the Government will have the benefit of advice from the Coordinator of Energy. These matters will have a significant impact on the economy of the State. I hope the Government will think carefully about that appointment, because it is a potentially useful and valuable position for the Government.

I will cover a number of the functions prescribed for the Coordinator of Energy. Clause 6(c)(iv) is particularly timely. The coordinator will advise the Minister on ways of promoting and achieving open access to transmission and distribution systems. In August the Minister announced the freeing up of the gas market in this State by the desegregation of the North West Shelf gas supply agreement. Among the elements contained in that announcement by the Minister was the break-up of SECWA, so that, among other things, the Dampier to Bunbury gas pipeline would be open to third parties. That raises the very interesting subject of the rules which can be used to govern third party access to pipelines. That subject has been the topic of debate not only in this State but elsewhere in Australia. It was discussed within the Council of Australian Governments - the Premiers' Conference. The gas industry has sought its own industry rules and a number of different schools of thought exist on how third party access to pipelines can be achieved.

Mr C.J. Barnett: I was pleasantly surprised to find that the other States are not yet talking about access to the distribution system, which is foreshadowed here. I agree with the member for Cockburn that constraints exist. We are looking at access further down in the pipeline structure than is occurring elsewhere. It is a multidimensional thing, but in that respect we are more advanced.

Mr THOMAS: We may be more advanced in the decision making process, but in practice the Moomba to Sydney pipeline is more advanced on the rules of third party access. That is what I have read in the literature. In any event, a number of different types of rules and models can be followed. Very often the owner of the pipeline may have an interest in the industry. The owner may well own not just the pipeline but also the source of gas and have at the other end a market to service, enhance or protect. If it has an interest in the pipeline it may well have an interest in restricting third party access. If we want a genuinely freed up market we must have rules to allow in third parties without giving the owner the capacity to engage in restrictive trade practices. Allegations have been made in recent years in this State that SECWA has used its position, as the owner of a pipeline and a source of gas with market commitments at the end of the pipeline, to engage in restrictive practices to prevent people who would be able to put cheaper gas on the market from having access to that pipeline and, hence, being in a position to compete with it. It is said that SECWA used the section of the rules to do with the content of the gas. It is a matter which technical engineers and chemists would have to rule on, but it is argued that the specifications used for the pipeline were not used to protect the quality of gas but to keep a potential supplier out of that system. When situations like that arise there need to be ways and means of arbitrating and for decisions to be made.

The Dampier to Bunbury gas pipeline was considered not so much in this legislation but in Bills we debated a fortnight or so ago. In addition to that, third party access arises with three other pipelines in Western Australia. These include the projected pipelines in the Pilbara and that from the Pilbara to the Eastern Goldfields, and the old Wang pipeline from the Dongara region to Perth. Each pipeline has a different set of rules and a different structure for the implementation of those rules. Each pipeline is in an historically different position. The Wang pipeline exists under legislation which has made provision since the late 1960s for third party access subject to the licensee having priority. There is provision, in the event of a difference between the third party seeking access to the pipeline and the proprietor or operator as licensee, as the legislation refers to that person, for an appeal to the Minister. Different provisions exist for each of the pipelines. In the legislation for the goldfields pipeline the licensee has an interest in one of the sources of gas and in the operation of the pipeline, but most relevantly has an interest in the use of the gas at the other end of the pipeline. For example, if one of the licensees or operators of the pipeline is a mining company which will be using gas for processing at the terminus of the pipeline and a competing mining company wants access to the pipeline for an energy source for its processing functions, quite clearly there will be a vested interest in the pipeline and in the source to the extent that the first mining company is the proprietor or a partner in the licence of that pipeline, and it could restrict access to it. If we are to have a genuinely freed up energy market it will be necessary for the legislation to provide for the resolution of those conflicts and differences. So far we have not seen rules for the resolution of those conflicts of interest. Essentially we have seen provisions by which rules may be made, and ultimately the provision for resolution of disputes.

Mr C.J. Barnett: Most of that will be in the form of regulations which will come through the Parliament in the next couple of weeks and which will outline a lot of that material.

Mr THOMAS: Will it relate to just the Dampier to Bunbury pipeline, or will it be general?

Mr C.J. Barnett: Yes.

Mr THOMAS: One of the points I make is that the four pipelines have four sets of rules and four different structures. Historically, they have been established at different times.

The WANG pipeline is a remnant of the 1960s, the Dampier to Bunbury pipeline is a major asset of the State which is only just being freed up, and the Pilbara and Pilbara to goldfields pipelines are still only a prospect. Again, in that situation the proponents who are the licensees of that pipeline have a distinct interest in the outcomes, figuratively. The new Pilbara pipeline will be owned by people with an interest in determining who has access to it. To what extent does the Government envisage that the Coordinator of Energy will have a role to play? In the discussion which has taken place from a number of sources and in journals I have read on this matter, it is suggested that there be a regulating authority at a macro policy level, rather than regulation of the licensing of electricians and so on. It is suggested that an independent statutory office be set up, which has responsibility for arbitrating when differences arise between third party applicants and pipeline licensees under the rules governing third party access.

Clause 6 of the Bill states that the coordinator has a function of advising the Minister. It does not appear that the energy coordinator will act as an arbitrator where differences arise, although other legislation makes provision for the appointment of referees. It is possible that the coordinator could be appointed as a referee, but for the most part the legislation for each of those four pipeline proposals seems to result in the Minister making the decisions. Presumably, the coordinator will play an important role in advising the Minister, either generally or specifically, when such matters arise.

Mr C.J. Barnett: I can assure you they will be specific because the issues are incredibly complex.

Mr THOMAS: I understand that from my reading. It is most desirable that general rules be provided. What is good for one pipeline is presumably good for all. Although it is a mixed bag, because of the historical origins of the projects, in one year four sets of rules have been formed. It would be most desirable to formulate general rules, and for the coordinator to have some role in that. In addition to the function of advising the Minister on ways of promoting and achieving open access to transmission and distribution systems, the coordinator seems to have a broad brief to advise the Minister on all aspects of energy policy. Included in that is the use of energy policy to assist in achieving other policy objectives of government. That is a very broad function. It seems that the person will be able to advise on any aspect of government connected with energy. That could include matters dealing with the general economic development of the State.

Mr C.J. Barnett: It could be on achieving an environmental objective.

Mr THOMAS: Yes. It is a very broad brief. I wonder whether the Coordinator of Energy will act on his or her own motion to prepare advice for the Minister rather than necessarily respond to requests for briefs from the Minister, because the terms of reference are very broad.

The Minister would be aware that because of the declining production levels of the Bass Strait oil fields, Western Australia is now becoming the major petroleum producing area of Australia. However, at present the major petroleum research facilities in Australia are located in the relevant division of the Commonwealth Scientific and Industrial Research Organisation in Victoria. An essential part of the role of the gas and petroleum industries in the economic development of the State, which relates to another element of the coordinator's functions, is the proposed transfer to Western Australia of some of those facilities of the CSIRO. I am aware from questions that I have asked the Deputy Premier that the State Government is prepared to see those facilities relocate to Western Australia but the CSIRO is insisting on financial contributions from the State Government which the State Government does not think reasonable in the circumstances, and from what I know of the quantum of contributions indicated, I believe the State Government's position is correct. However, it would be most unfortunate if those research facilities were not transferred to Western Australia because the major proportion of that industry is and will in future be located in this State and there are relevant courses at both Curtin University and the University of Western Australia. That CSIRO division is the host of a cooperative research centre between it and a number of universities, and if that division were relocated to Western Australia, there would be further opportunities for research by

the relevant departments at those universities and any other universities which were teaching in that field.

The former Government also held the view, if not in precisely the same terms, that Western Australia should seek to be a leading centre for the development of the petroleum industry and the site of the regional headquarters of that industry to serve not only other parts of this State and Australia but also countries in South East Asia. Therefore, I would be interested to know what is the latest position on that proposal, because only a year ago Ministers said it would be good idea if the CSIRO relocated its oil and gas people to Western Australia, and we were wringing our hands about the fact that the CSIRO was demanding too much money. The best part of a year has now passed, and I suspect that we are not much closer to achieving that end. That is most unfortunate.

Mr C.J. Barnett: The Deputy Premier is not here, but I assure you that he and others have put an enormous amount of work into trying to achieve that end. He has given it a lot of his time.

Mr THOMAS: I am not suggesting that he has not, but I want to know what are the results.

Another function of the Coordinator of Energy is to advise the Minister on ways of using energy and sources of energy, including renewable energy. Last Friday, an article in *The Australian Financial Review* drew attention to Australia's obligations under international greenhouse treaties. Although we are seeking to develop this State as a centre for the petroleum industry and I and others in this House are seeking to protect the coal mining industry, we must remind ourselves of our international obligations to reduce the emission of greenhouse gases. We have a responsibility to develop technology to ensure that renewable energy sources become practically and economically viable. I hope the Coordinator of Energy will undertake to look at this matter in a global perspective, because even though Western Australia is contributing very little to the international climatic problems compared with Western Europe and North America, we are part of the world and do produce CO<sub>2</sub>; therefore, we must accept our responsibility as citizens of the world.

Australia has traditionally been a producer of minerals and agricultural produce, which for the most part have been exported in an unprocessed state. That has galled successive generations of Australians, and governments of both political persuasions, at both the state and federal level, have consistently sought to change the underlying economic factors so that it will become more economic to further process the minerals and agricultural produce of this country. That will necessarily lead to increased use of energy in Australia and, therefore, increased CO<sub>2</sub> production.

However, if a tonne of iron ore is processed to steel in Australia, we will produce more CO<sub>2</sub> and hence get closer to the levels to which we are in some sense constrained by international treaties and obligations. We must look beyond the terms of those treaties and obligations to their intent, which is to reduce the global amount of CO<sub>2</sub>. If Australia succeeds in processing more of its minerals here, more CO<sub>2</sub> will be produced here. If that displaces CO<sub>2</sub> which would otherwise be produced in Japan, Korea, China, Taiwan or some other place, the world will be no worse off. If we have been doing our job properly - the technology certainly exists in Australia and is as good as that anywhere in the world - it will probably be produced more efficiently, resulting in a net reduction in the amount of CO<sub>2</sub> produced in the world, even though a greater amount will be created in Australia if we succeed in replacing some of the rust belts of the northern hemisphere by more efficient and up to date technology. These matters must be researched, and Australia's position as a growing industrial economy should be argued to the national government, as it contains the people who negotiate these treaties internationally, to say we are most desirous of promoting renewable energy and we wish to mainstream renewable energy into our energy system. On the other hand we also wish to develop a growing economy and discharge our international obligations by ensuring that a lesser amount of CO<sub>2</sub> is produced into the atmosphere, but not in a way which prejudices

Australia's long term economic interest. Otherwise, those treaties which limit the amount of pollutants, particularly CO<sub>2</sub>, will mean that no reallocation of economic capacity will occur because those countries which are producing CO<sub>2</sub> at certain levels now will have what amounts to a licence to continue to do it, for the medium term anyway. Those who do not have the industry will not have the opportunity of setting up industries. That is not desirable.

Mr C.J. Barnett: Perhaps a given global level of CO<sub>2</sub> would have no more adverse effect than a higher level distributed differently, which is slightly different from the point you are making.

Mr THOMAS: I am not a physicist, much less a climatologist. I think the Minister will find the total amount counts; in a short period it is distributed evenly around the planet.

I refer now to the opening of the electricity transmission grid to renewable energy sources. I canvassed this with the Minister when we debated the Electricity Corporation Bill because it will place an obligation on the Electricity Corporation to provide third party access to its high voltage transmission lines - as I recall 66 kilovolts and above - to people who produce electricity and to where someone wants to buy it. That is desirable and is equivalent to the opening up of the gas pipelines to allow competitive producers of energy access to what is known as the natural monopoly of the distribution system. I do not think anyone would argue these days that that is not a desirable thing. However, opening up access of transmission lines of 66 kV involves the major producers of electricity and fairly substantial quantities.

I guess the Minister has in mind someone who might have access to a cheap source of gas but cannot sell it directly and might want to put in gas fired generation capacity and sell electricity direct to the grid. Other forms of electricity which could be generated in that type of situation would be cogenerational use from time to time of surplus capacity in mineral producing areas. That would be a good thing. However, those in favour of using renewable energy have for some time been arguing that producers of renewable energy should have access to the natural monopoly grid. They should be able to sell energy back to the Electricity Corporation and receive payment for that. The oversimplified archetypal model would be where someone using solar panels or a wind generator for household electricity consumption uses less than what is being produced. The meter will run back the other way; that is, rather than receiving a bill from the Electricity Corporation the householder will get a cheque.

I understand that concept has been introduced in some parts of California. People who for whatever reason care sufficiently about the planet, or think they have a good enough wind powered generation system and want to make money out of it, can set up such a system. Public spirited groups which wish to do something about the greenhouse effect will have the opportunity to do something. It means the inventiveness of the community can be harnessed and people will have the opportunity to put up or shut up in production of renewable energy, and be guaranteed a market for it.

In the past when such proposals have been made - I have been an advocate of them - the State Energy Commission has very strongly opposed them, partly because it was inconvenient. We are not talking about one or two major sources as occurs with cogeneration, use of surplus cogeneration and so on, but about dozens of people operating on a small level. My technical advisers tell me that the metering is available off the shelf. As a result of technology the metering can be measured one way or the other. It is in no sense a problem and the converting of what is usually a direct current or alternating current with different frequency to alternating current, as used by the Electricity Corporation, as it will be, is 50 hertz. That power delivered in phase is also available off the shelf, not so cheaply at the electronic end of it, but it can be used by people who have a mind to do so.

When the electricity utilities are faced with a suggestion such as I have just made, they resist because it is inconvenient and the amount of current being produced is invariably almost insignificant compared with their needs; therefore they are not inclined to be bothered. However, if sources of renewable energy are discovered in the future, as they

must be, it is providing market opportunities such as this that are likely to produce successful and economically viable means of energy from renewable sources.

When the electricity utilities are confronted with the wisdom of such propositions, they invariably say that if they are going to pay for electricity they will pay for it only at what they call total avoided cost; that is, the incremental cost of providing the last unit of electricity, which assumes that the capital and distribution system are there already so that, effectively, all that a person who is generating electricity by wind power is being paid for is the equivalent in coal or gas as the case may be - probably some weighted price for those two fuel sources as they are used in the electricity generating system. Invariably, that is never enough in my experience to make it worthwhile to come anywhere near the cost for a person who might be interested in doing some experimenting in wind or solar generated energy. As a consequence, the renewable energy sources in our energy economy will be marginalised to the extent that they are used only in places where they are displacing oil or expensive energy, where maintenance is a problem and maintenance staff are not available.

For renewable energy to work, whether it is wind or solar, it is essential to have a battery, and by using the grid effectively as a battery that problem is solved and renewable energy is mainstreamed in our energy economy. The natural resistance which the State Energy Commission has expressed in the past and which the Electricity Corporation will presumably express in the future, that it will pay only for alternative energy or renewable energy on total avoided cost, overlooks the fact that if this source of energy is used on any significant scale, it is avoiding not just that last piece of coal or that last unit of gas, but also the capital cost. The economics of electricity generating utilities in this State or elsewhere - particularly in this State over the past 10 or 15 years - indicate that if the capital cost of installing expensive generating equipment can be deferred, significant savings will be made. There is no reason that the capital cost of the alternative production of energy should not be taken into account in a pricing policy for the contribution of renewable energy to our main electricity grid.

As I indicated, the Opposition believes the most important function contained in this Bill is the creation of the position of a Coordinator of Energy. The Coordinator of Energy will not have many powers. His or her function will be to advise the Minister. The power, not only in this Act but also in most other legislation with which we have dealt, will continue to reside in the Minister. It is the coordinator's function to advise the Minister. Notwithstanding that, the coordinator has very wide terms of reference. Some of the most important matters that impinge on the future of this State and the State's place in the world are contained in the terms of reference of the Coordinator of Energy. It will be a very important function. We hope that the advice and reports given to the Minister will be made available to the public because debates about these matters are of concern to the community and the matters with which the coordinator will deal are most important. We will be looking carefully to see who is appointed, what sort of appointment is made and what sort of access the public has to the advice the coordinator prepares.

**DR GALLOP** (Victoria Park - Deputy Leader of the Opposition) [4.35 pm]: This legislation deals with energy policy and energy coordination keeping in mind that we have recently created an Electricity Corporation and a Gas Corporation. I preface my remarks by stating that, when any Government moves to deregulate the energy industry, that deregulation is based on one of two models. The first is what I call a very radical model of deregulation. Through that model, the market would determine all of the outcomes subject only to a proper regulatory regime that ensures proper competition between the players, freedom of entry, open access and a general anti-monopolistic framework. That model means that the outcomes within the energy sector will emerge from the process by which the producers and the sellers come together in the marketplace.

The problem we have with that radical model of deregulation is that we cannot always be sure that what will come out of that market process will be in the public interest. I illustrate that by looking at the objectives that must be met by the energy sector when we

are outlining policy. An article in the August 1993 issue of "Energy policy", by Chris Cocklin, deals with the reform process in New Zealand and states that four objectives must be met by the energy sector. The first is that it must be able to produce and deliver energy on a cost effective basis; secondly, that conservation and the efficient use of energy should be promoted; thirdly, that a reliable and secure supply of energy should be maintained; and, fourthly, that energy should be produced and distributed with the least possible disruption to the environment. Cocklin said that those are the four objectives that must be met in any energy policy.

When those four objectives are put alongside the radical deregulation model, it is true that the first and the fourth can probably be met. The first is cost effectiveness. There are some arguments about the fact that when there is too radical a form of market, so much risk is added to the equation that the price has to be increased so that the players can earn a proper rate of return.

Mr C.J. Barnett: A la Victoria.

Dr GALLOP: Perhaps. It is a very sophisticated economic argument about the market. However, generally speaking, in that model there should be pressure to contain costs. Also, environmental protection should be met in the sense that the rules that apply to the environment should apply to all industries, including the energy industry. One problem here may be the greenhouse gas issue, and that requires a more radical kind of approach to energy policy than just having a free market. However, a radical deregulation should be able to cope with the objectives of cost effectiveness and environmental protection in general terms.

The real problem areas that arise are these: The other two objectives that one must pursue in a radically deregulated market are conservation and efficiency on the one hand and reliability and security of supply on the other. That is where the problem emerges. If the Government allows the market to determine what will be the outcomes, it takes the risk that the outcomes will not achieve the level of energy efficiency and conservation that it desires because the price signals will not be such that it will achieve that objective and, secondly, it may undermine the reliability and security of supply by the market determining its results on a short run basis rather than on a long run basis. In other words, will the market guarantee that the public interest emerges? The evidence indicates, firstly, that policy in radical models of deregulation tends to be biased towards the short run and therefore, some of the longer run interests are not taken into account and, secondly, it may be very difficult to achieve those important conservation objectives.

The other model of deregulation tries to take that into account; that is, it says that, if the energy industry is to be deregulated, it should be done in the context of a policy. In other words, the Government has a policy for energy resources and energy management; it determines that policy centrally; and then uses the market to provide a better means to achieve an end. The market is not an end in itself; the end has been determined by government policy. This is the way to go in energy policy. We need government policy in the energy area. It provides a context within which the corporatised or privatised entities that have been set up according to the model would operate.

I will give an example of what that energy policy might have. It would certainly start with a framework which would have an analysis of international and national developments; how and when those developments relate to fuel supply and to fuel prices; and how those developments would impact upon our local energy scene. Another aspect of the energy policy would include discussion of the Western Australian scene: What fuel supplies are coming on tap; how those fuel supplies will go on tap; how they will be influenced by geological and other developments; and the new technologies that are coming onto the scene. We need that analysis on an international, national and Western Australian basis.

The next element of the policy will be the setting of priorities. There is a set of priorities for energy. It has tended to be quite similar for the previous Government and this Government. In effect, reduction of the price of energy has certainly been the major

policy priority. The means may have been varied between one Government and the other, but that has been a key priority. Energy conservation and efficiency have also been elements in the policy, although they have not been pushed as strongly as price reduction. Through off-peak tariffs and certain incentives an energy conservation scene has been developed in Western Australia that did not exist a decade ago. We need an energy priority so that we can structure our policies around it.

The most important, but perhaps most difficult, part of that policy will be to determine the technologies for electricity generation. If there is a simple policy of cost effectiveness, one technology may be chosen. If cost effectiveness is modified by long time security, another technology may be chosen. If cost effectiveness is modified by conservation and efficiency, yet a third technology might be chosen. We must choose the right priorities first before moving to the technologies.

Once the policy framework for energy is in place, the market can be used to achieve those objectives. The market becomes a means by which to achieve the end. The Government of Western Australia may determine that over the next decade it will have base load power provided by coal generation, as this Government has determined, plus the further development of a combined cycle gas station in Pinjar. It may also determine that 10 per cent of its energy demand will be met by improved efficiency within the domestic, the commercial and the business sector generally, and will develop policies to achieve that degree of power through those policies. It will then say, "In respect of the coal station, we want the best we can get; in respect of the combined cycle gas, we will go to the market to get the best we can; and in respect of energy efficiency, we will go to the market and get it by the best means." Therefore, deregulation occurs within the policy framework laid down.

We must consider energy coordination in the light of the need to have an energy policy. It is absolutely imperative that the Government does not give up its function of energy policy. On the surface the framework that has been set up in this legislation allows the Government to have an energy policy. In New Zealand the research functions and some of the other policy areas have been privatised, but that is not a desirable end result of deregulation.

We should consider the Energy Coordination Bill in the context of those general comments. The previous legislation created two new entities: The Electricity Corporation and the Gas Corporation. That leads to two areas to be dealt with, the first being the policy function. Within each of the State Energy Commission of Western Australia, the Energy Policy and Planning Bureau and the Renewable Energy Advisory Council a policy function is being performed. This Bill tries to deal with what happens with those functions. We then have the regulatory functions that ensure safety in gas, liquefied petroleum gas and electricity, and included in that are the important licensing functions.

The Bill proposes to create two new offices: The Coordinator of Energy and the Director of Energy Safety. I have two questions for the Minister about those new offices. In the Minister's second reading speech he indicates that the Government will create a new office of energy through administrative, rather than legislative, action. My first question to the Minister - the situation is not clear from the second reading speech - is this: What will be the relationship between the coordinator of electricity generation and the Director of Energy Safety in that office of energy? Would it not have been better to create a new statutory office, incorporating both the regulatory and policy functions? I will return to that point later.

My second question relates to an important issue. When the Minister talks about the Office of Energy, no reference is made to SECWA's existing policy and planning functions. It seems to be assumed that those functions will be split between the Gas and Electricity Corporations. I remember only too well not so long ago that the Minister, when in opposition, raised some interesting questions about the nature of energy policy making in Western Australia. He presented the view that too many people were involved and each had a different approach, which led to a duplication within policy making. In

effect, the model being set up is very similar. We will have a Gas Corporation which will have a vision for energy policy, and I imagine a strong policy unit; an Electricity Corporation with a vision for energy policy, and a very strong planning unit; and an office of energy which will have a vision for the energy system. Obviously, it is for the Minister to bring that together, but the pure model of corporatisation is that the energy policy goes to the Government, and it is the role of the Gas and Electricity Corporations to deliver either gas or electricity, not to make general policy. That is the issue that is left unresolved by the legislation. Ultimately it will be resolved by the power and authority of the office of energy relative to the Gas and Electricity Corporations. Ultimately that will be determined by the resources, but it is a question that should have come up in this second reading debate.

Let us now consider the Coordinator of Energy. His role is to provide advice to the Minister on energy matters, monitor the operation of the State's energy industry, sponsor research, promote the development of commercial applications of renewable energy, produce and publish information, and provide support in the resolution of disputes. He will approve of the establishment of any generating station or extension of electrical transmission lines or any new gas undertakings for the supply and distribution of gas. No doubt the Coordinator of Energy will consider energy policy. No doubt he will do what I said should be done. Energy policy is not just deregulated; it is kept in the hands of the Government, and that is a desirable result. However, I make the following observations about the legislation: First, reference is made to policy advice that will assist with the introduction of competition and ways of achieving open access to pipelines and transmission lines. No doubt, reference is made to the fact that the Coordinator of Energy will offer advice to the Government on the issues of competition and open access, but the Coordinator of Energy does not have the broad, regulatory function that I expected. The Minister will recall that I raised this issue during the second reading debate on the Gas and Electricity Corporations Bills. I will return to that later. The second reading speech states that the Coordinator of Energy has the task of approving any generating station, the extension of electrical transmission lines or new gas undertakings. I assume this means non-government power stations and non-government transmission lines or gas undertakings.

Mr C.J. Barnett: Not necessarily.

Dr GALLOP: So, if the Gas Corporation wants to extend its gas line or if the Electricity Corporation wants to build a new power station, the coordinator would have to approve of that?

Mr C.J. Barnett: "Approve" is probably the wrong word. He would advise the Minister.

Dr GALLOP: The second reading speech refers to the Gas and Electricity Corporations Bills and to the processes that are to be followed with the additions to extra capacity, but no reference is made to the Coordinator of Energy, so I assume the role that the coordinator would play will be indirectly through the Minister rather than directly.

Mr C.J. Barnett: He will provide an independent analysis.

Dr GALLOP: But in relation to non-government power stations it is actually a regulatory function?

Mr C.J. Barnett: Yes, to the extent that they may be set up under agreement Acts or the like.

Dr GALLOP: I have raised two general issues, and this leads me to the Director of Energy Safety. He assumes the safety functions which of course include the all important licensing function from the Electricity Act, the Gas Standards Act and the Liquid Petroleum Gas Act.

I assume also that the Director of Energy Safety will be involved in coordinating in the event of an emergency. The Minister may recall that when he first came to office a decision had been made before his tenure that the stocks created in the 1970s in the event of an energy crisis were dissolved; but a committee is still set up to deal with a crisis that may occur from time to time in respect of energy. No reference is made to this in the

Bill, but the Director of Energy Safety would have an important role to play should there be that type of crisis. In my time, the Energy Policy and Planning Bureau had a role to play in that interdepartmental committee when it was established. Perhaps the Minister can clarify that aspect.

I ask two questions in relation to the Director of Energy Safety. The Coordinator of Energy still has some responsibility for the inspection function under the Electricity Act. This seems to overlap the role given to the Director of Energy Safety. What is the rationale for the overlap between the Director of Energy Safety and the Coordinator of Energy in respect of the inspection function? My second question relates to the model pursued through the creation of a new department of energy safety. I raise the issue to which I alluded earlier: Why was that function not taken across to the Department of Minerals and Energy? Currently, the Department of Minerals and Energy exercises a very important regulatory function.

Mr C.J. Barnett: The Department of Minerals and Energy did not want the function.

Dr GALLOP: I will give reasons why it would be useful to create a new department. First, I make some general observations about the coordinating model that has been established. We had an ideal opportunity with the energy restructuring to create a new department of state. Indeed, when in opposition the current Minister appeared to lean towards that view. The new department of state could have provided advice to the Government on energy issues, and it could have regulated in the areas of minerals, energy and resources generally. It could have been a bit like the federal Department of Primary Industry, Resources and Energy. If we took out the resources and energy part we could have created a similar department in Western Australia. It would have been a very formidable department of state, and it would have overcome some of the problems that exist with the division of powers in the system between resources, energy policy and planning, and mines.

I begin with the Department of Minerals and Energy, which has enormous knowledge. It is a repository of enormous wisdom which has been built up over many years. That wisdom basically relates to the physical resources available to us.

Mr Kierath: Does that include occupational health?

Dr GALLOP: I am not disputing that that department has enormous knowledge, but that question is a different issue. The Department of Minerals and Energy has enormous information on reserves, new developments, and the all important technical and geological information. When developing energy policy we must have that knowledge; we cannot develop energy policy independently of geology, because the all important information on supply comes through the Department of Minerals and Energy. Also, of course, we have the Energy Policy and Planning Bureau and the Renewable Energy Council. They have been put into one category, if one likes; and we have the Department of Resources Development which has mainly provided coordination for major projects and has administered the agreement Acts. I put to the Minister that an argument exists to create a new department of minerals, resources and energy which could coordinate policy and could regulate in the area of minerals and energy. I ask the Minister to give the reasons he did not choose that comprehensive approach to energy coordination rather than the approach he has adopted, which is to create yet another office of energy.

The final point I make is that there is another aspect of regulation about which this legislation is silent; that is, the area of economic regulation. The Government has made it clear that it wants to move towards a system of open and fair access to the transmission grid and to pipelines. However, it has chosen what I regard as an ad hoc approach to the problem of dispute resolution. When a dispute occurs the Minister will set up an arbitrator - an office of referee - to consider the dispute. If I read this legislation correctly, it seems that the Coordinator of Energy will offer administrative support to that office of referee. In effect, the Coordinator of Energy will be in a position to follow the market and to see how it is working, to have a view on whether trade restrictions should apply, and to assist a referee, should one be needed, in the conduct of his duties.

This leads me to ask - in a sense I asked it in debate on the previous legislation: Why did the Minister not adopt a broader regulatory function for the new office of energy instead of adopting an ad hoc approach to that issue? I say that in the light of the fact that it will be the Coordinator of Energy who will provide support for this dispute resolution function. The Minister could have created a fair trading tribunal whose administrative and policy functions were performed by the department - that is, the office of energy - but was constituted by Statute and given a statutory basis rather than one simply created by the Minister from time to time as the need arose.

I will again go through the eight questions I pose to the Minister. First, what will be the relationship between the Coordinator of Energy and the Director of Energy Safety in the new office of energy? Second, why was the office of energy not created as a new statutory body rather than through administrative action? Third, will the staff from SECWA's policy and planning areas go across to the office of energy? Fourth, will the Coordinator of Energy have any role in approving Gas Corporation or Electricity Corporation additions to electricity? The Minister has partly answered that already. Fifth, what is the reason for the Coordinator of Energy having a role in the inspection function? There seems to be an overlap there. Sixth, why were the regulatory functions of the Department of Minerals and Energy and SECWA not merged into one? Seventh, why was the model of the new department of resources, minerals and energy chosen - a model that will see the integration of policy, technical regulation and economic regulation areas? Eighth, given that the Coordinator of Energy is to support the office of referee from time to time when it is set up, why could a statutory body not have been created, such as a fair trading tribunal, to deal with pricing and access issues generally with a view to ensuring proper competition?

**MR D.L. SMITH (Mitchell)** [5.04 pm]: As the Minister said in the second reading speech, this legislation is a natural corollary of the splitting of the electricity production and distribution and the gas distribution agencies. Government must have an independent policy source, and the Coordinator of Energy will be that source. There must be someone else to manage the safety issues which are no longer the problems of either the electricity generation and distribution agency or the gas production agency. Both are provided for in this Bill. Whether the models provided in the legislation are the most appropriate is an issue the member for Victoria Park raised in his speech. My own view is that the models which have been adopted are in a parliamentary sense the best that could be opted for, because it clearly leaves both the coordinator and the director as public servants who will be funded from the consolidated fund. There will be more than ample opportunity - perhaps more opportunity than in the past - to examine through the Budget process the efficiency and mode of operation of the coordinator and director. However, in the end, as the member for Victoria Park said, we may end up with a mishmash.

No doubt exists that the electricity generation and distribution agency will want its own policy and scientific research units to aid it in its competition with the gas distribution agency. Likewise, the gas agency will want its own policy and research units to do the same. To that extent, much of the work of the coordinator will be duplicated by those two agencies. In addition, both of those agencies will want to monitor directly the work of the coordinator and the director. They will want to monitor the work of the coordinator because the advice and policies he determines will be important instruments in their ability to compete and in what the Government may expect of them in the new system. They will want to monitor what he is doing and produce for the benefit of the Minister, the Government and, no doubt, the public, contrary views to those which may be produced by the coordinator. In the end that may be beneficial. The Opposition hopes that in the course of that occurring the advice and information being produced by both agencies and by the coordinator is made available to the public so the public and this Parliament will be better informed about the varying advice the Minister receives from those three different sources.

The reason it will be a mishmash in the end is that there does not seem to be any clear process in this legislation for the Coordinator of Energy to do anything other than

develop a policy. Having developed a policy, it seems to be a matter of his handing that policy to the Minister or the Government of the day and then playing no part in ensuring whether that policy is implemented, other than in commenting in any subsequent reports he might deliver on whether some of his recommendations or policies have been followed. Those two agencies in open competition, with policy units producing policies with no capacity or process to enforce them, are very much in the hands of the Minister as to how the policy is received and the extent to which directions are then given to the two agencies on how they should go about their work, or how they should go about sourcing the gas or producing and distributing the electricity, and the other matters that would be relevant to their competitive positions. That is an unsatisfactory situation.

The Minister should spend some time when responding to the second reading debate explaining how he expects the Minister of the day to carry through with implementing the energy policy that will be developed by the coordinator, and whether it will indeed be open to the Minister of the day to ignore that policy. It has no binding effect. It is simply a source of advice on what should be the best system to operate. As the member for Victoria Park said, in a competitive environment we cannot trust either the electricity agency or the gas agency to truly consider the immediate public interest, short term or long term, in coming to their decisions about producing electricity or obtaining gas, and how they might distribute them. In that situation we must be careful that we have some means by which the public interest can be both identified and conveyed to the two agencies to ensure that policies that protect the public interest are enforced by those agencies.

No area is of greater concern to the public than energy: Energy drives modern society. Without a consistent and regular supply of energy our society would cripple itself quickly. We must ensure that whatever decisions are made by the two agencies are absolutely in the best long term interests of the community. It is not just ensuring the supply in the short term, but in the long term. With the best will in the world for future energy development and alternative sources of energy, coal and gas - certainly gas - are two sources of energy that will be in short supply in the future. We must conserve those two sources of energy, and be very careful in how we use them. The other side of the equation is that the production of energy produces a number of greenhouse gases, and the impact of the method of producing energy and the way in which energy is used is a critical issue in the long term protection of our environment.

Two critical public interest issues which must be closely monitored are therefore the future shortages of energy and the long term protection of our environment. The primary role of the coordinator will be to provide the right policy advice on those two issues. The other matters which are referred to in clause 6 are all very important, but getting the right energy balance and protecting the environment will be two of the coordinator's most important functions, as will his being an instrument for further research and acquainting us with all the available research on the development of alternative energy sources and better means of conserving energy and making the use of energy more efficient than it is currently.

I invite the Minister in his response, firstly, to give the House some idea of how he expects policies developed by the coordinator will be implemented and what will be the relationship of the coordinator to the Minister, and of the Minister to the two agencies, in ensuring policies are adhered to. Secondly, what resources does the Minister currently envisage will be made available to the energy coordinator in his first period of operation? I presume it is the Minister's intention that the energy coordinator will be appointed and will commence his work in the current financial year. What will be the source of funding for his work in this financial year; what does the Minister envisage is the requirement for extra staffing resources and accommodation; and from where does he intend to provide that? Could the Minister confirm my impression that in future years the funding and staffing of the coordinator's office will be an item in the state Budget funded from the consolidated fund, and that we will have the opportunity to properly examine that item?

Mr C.J. Barnett: It is included in this year's Budget. There is an allocation for it to shift into CRF on 1 January.

**Mr D.L. SMITH:** I will be happy for the Minister to talk to us on that. Electricity is essential, but it is essentially dangerous for consumers and those who must work on the production and distribution of electricity. It is critically important that we have the proper safety standards. How does the Minister intend to construct the new inspectorate; what sort of funds and staffing will be available; and does he envisage that when it is a stand alone agency it will have more or fewer staff than present, or will delegate some inspectorial functions to other agencies, such as the Department of Minerals and Energy? Is it intended that all the inspectorial functions will be carried out under the direction of the directorate created by this legislation?

The issues of energy policy and safety are so important that they warrant separate, definite agencies as seems to be envisaged by this legislation. I disagree with the member for Victoria Park about incorporating it into some mega-agency. We must conserve taxpayers' funds and although the trend is to move towards mega-agencies in the belief that that is more cost efficient, some issues are so important to the public interest that the saving of a few administrative dollars is not worthwhile if it allows some areas of policy to be submerged by some megadepartment. Under the methodology proposed by the Minister in this legislation, despite his usual approach to the question of savings, he has chosen an administratively more costly way. However, in the end, the public interest is so great that that is the way to go.

We must ensure that the policy advice we are getting on energy is the best, and that its primary focus is on matters contained in clause 6 which identify the functions of the energy coordinator. Similarly, in relation to safety, the sole focus of the agency must be safety. It must take into account advice on the impact of its regulations on the cost of production and distribution and business generally; but its primary role is to make electricity and gas distribution as safe as possible. The Government, the Minister of the day and the distribution agencies can then argue and decide on the strict standards that the director suggests should be in place, what discretion should be involved in the implementation of regulations and what should be in regulations and what should be left to the inspectors' judgment in each case of what is safe or unsafe.

The Opposition should support these Bills, but the real issue, in relation to the coordinator, in particular, is how the energy policy will be transmitted into action and who has primary responsibility to make sure policies developed by the coordinator are implemented.

**MR C.J. BARNETT** (Cottesloe - Minister for Energy) [5.20 pm]: I thank the three members opposite who spoke in support of the Bill and made a number of constructive comments. In drafting this legislation the Government has not been overly prescriptive because it is, in part, an evolutionary process. Previously all knowledge and tasks were embodied within the State Energy Commission of Western Australia. The splitting of SECWA, and taking the policy unit out of its control and placing it with an independent government agency is a watershed measure, but it is a process which will evolve over time.

The Bill essentially establishes two positions, a Coordinator of Energy and a Director of Energy Safety. The Coordinator of Energy will be responsible for policy and the Director of Energy Safety will be responsible for the technical and safety regulatory matters. The appointment of a Coordinator of Energy is important and the process will not be rushed into. It is likely a transitional period of six to 12 months will apply to make sure that the best possible person is appointed to the position of Coordinator of Energy. It is a critical position, although it is recognised that part of the role of the energy implementation group will flow over into the new year. In a legislative and practical sense the Bill will take effect from 1 January 1995, but inevitably detail will have to be attended to. The energy implementation group will have a life for three or four months and its operation will gradually merge into the office of energy.

Reference was made to the rules for third party access. The member for Cockburn said that there are four pipelines, all with different regimes. That is true and as he pointed out they reflect a different history of the existing and future pipelines. However, I assure him

there is a common theme to reach a common point and the principles of non-discriminatory third party access underwrite all the decisions that have been made. Eventually, through this evolutionary process, a uniform set of procedures will be in place. It will take time and members should appreciate that the Dampier to Perth natural gas pipeline is based on existing contracts, and groups like Alcoa have certain contractual rights under the agreements already in place which cannot be ignored. We cannot reach a policy ideal in ignorance of existing contracts. One of the premises on which this legislation is based is that the Government honour all existing contracts and rights and that they be changed only where there is mutual agreement.

I refer to the priorities and objectives of the Coordinator of Energy. Over the past year the primary focus has been on deregulation, the splitting up of SECWA and, in a development sense, getting projects up and running; for example, the gas to the goldfields project, the Ord River hydroelectric project, which will be debated later this week, and the Collie power station. Unashamedly I concede that this Government came into office with a policy to get things happening. That sector needed a boost of investment and deregulation. It has meant that the environment, overall energy efficiency and management issues have not received the attention they deserve. Increasingly, the focus will be on some of the longer term issues. It is a key role and will be a priority of the Coordinator of Energy.

The transfer of the Commonwealth Scientific and Industrial Research Organisation's petroleum division to Western Australia has been supported by members on both sides of this House. I advise, in response to the question raised by the member for Cockburn, that the asking price by the CSIRO - therefore, the Commonwealth - is unreasonably high. I know the member for Cockburn has spoken a number of times in this House on Western Australia's disproportionately low share of Commonwealth science spending and his points have been well made. The petroleum, oil and gas industry will be the rapidly growing industry in the 1990s, not only for Western Australia, but also for Australia - although concentrated in Western Australia. Given that the Commonwealth will make huge windfall revenue gains from offshore development, it is not unreasonable that it should contribute more to the logical relocation of that CSIRO facility to Western Australia. The point I am making is that this Government supports that move and it will put funds into it, but the Commonwealth should contribute much more. After all, it will be the biggest single winner from offshore oil and gas development. I hope members opposite will spread that line of argument among their federal colleagues.

I cannot add further to the greenhouse argument. The principle of having global greenhouse standards is not logical. It would be to the environmental benefit of the world if more processing occurred in underpopulated continents such as Australia and less processing occurred in highly populated areas such as Japan. There must be a growing sophistication in the debate to look at geographical effects. We can have an overall global target, but the way it is distributed may give different results.

The member for Victoria Park raised a number of broad policy issues and I welcome his contribution. All of the issues are legitimate and the Government is focused on deregulation and getting projects up and running. The broader policy issues will increasingly become the focus of government and the community. The community and the Government want energy efficiency because it will provide more options in the form of off-peak tariffs, quality of service and information. All of these tasks will be addressed throughout this decade regardless of which party is in government.

A question was raised about whether there would be an overlap between the Coordinator of Energy and the Director of Energy Safety. The Coordinator of Energy will be required to perform certain regulatory tasks which will not fit into the role of the Director of Energy Safety. I do not have the detail of those tasks with me, but I will provide the information in writing to members opposite.

It was suggested that a super department be created by combining the Department of Resources Development and the Department of Minerals and Energy. I do not favour exceptionally large government departments. The previous Department of State

Development was too big to be effective and the creation of a separate Department of Resources Development and a Department of Commerce and Trade has been successful. These departments are focused on their tasks. Most of the work undertaken by the Department of Resources Development is in the mining and energy sector, but its role is becoming one of a coordinator across government. This year legislation relating to a pulp and paper mill and plantations has been debated in this House. The department is involved in projects to develop the Ord River scheme - it may not be the lead agency but it is the coordinating agency which brings together international and State agreements, expertise and coordination within different government departments. It would be wrong for the Department of Resources Development to become part of a larger department.

The member for Victoria Park said that there did not seem to be a lot of economic regulation in this Bill. That might reflect the philosophical view of this Government; that is, it is not inclined towards economic regulation. The trade practices law and the Council of Australian Governments' agreement on gas transport issues will affect it. A regime and agreed national policy will be in place.

The member for Mitchell asked how the Coordinator of Energy will put his policy in place. I see him as a very influential person within government and the community. I do not see him setting the policy. I see that as the responsibility of the Minister and the Government of the day. However, he will have many avenues available to him through the publication of annual reports and the presentation of research and discussion papers. His role will be to make recommendations to the Minister and then for the Government of the day to adopt or reject the policy he recommends. I have no desire to stifle the debate on energy issues, and I see the Coordinator of Energy as a senior influential person in government and in Western Australia generally.

As to staffing and funding issues, the policy side of the office of energy will not have initially but will probably build up to about 15 to 20 people. The electrical inspectorate will probably have about 50 people transferred directly from SECWA. The policy people will be funded out of consolidated revenue from 1 January. SECWA will continue to fund the inspectorial services for 18 months, thereafter they will be CRF funded, but at that stage there will emerge a series of fee-for-service type charges. Many of their services will be on a charging basis. I do not intend that they will be totally self-funding, but they will generate a large amount of revenue that way. I hope it will be a pretty lean operation.

I thank members for their comments and support for the Bill. It is an evolutionary process, and this is a major step forward in changing the energy industry. It will not be the last step. There may not be a lot of legislation to come, but the process and the performance will evolve over the coming years.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr C.J. Barnett (Minister for Energy), and transmitted to the Council.

## **ENERGY CORPORATIONS (TRANSITIONAL AND CONSEQUENTIAL PROVISIONS) BILL**

### *Second Reading*

Resumed from 29 September.

**MR THOMAS** (Cockburn) [5.35 pm]: As I indicated when speaking on the previous Bill, the Opposition is not opposed to these four Bills which dissolve the State Energy Commission of Western Australia and create a Gas Corporation and an Electricity Corporation. This is the last of the four Bills not opposed by us. Notwithstanding that, I wish to use the opportunity to raise a number of matters, as I did on the previous Bill.

I am interested in the split up of the liabilities of SECWA between the new Gas Corporation and the new Electricity Corporation. The Bill provides in clause 44 for the Minister to make an order for the allocation of assets and liabilities of SECWA. The clause further provides that the division of assets and liabilities will be published in the *Government Gazette*, and that the Minister may vary that division of assets and liabilities and that the variation must also be published in the *Government Gazette*. After, I think, 1 January 1995 there can be no other variation. During the debates we had the week before last on the Bills that create the new corporations, I made the comparison of a divorce. I said that what we had in this case was the parting of the ways and, as is often the case with a divorce, a property settlement. In this case the liabilities exceed the assets. The most important question is the division of the assets because of the functions the corporations are undertaking. The pipeline and gas reticulation grid go to the Gas Corporation, and the equivalent components of the electricity system go to the Electricity Corporation. There is no debate as to how the assets will be divided between the two corporations. Notwithstanding that, some interesting questions arise about the allocation of debt.

We were told that the debt of SECWA is about \$3.5b - in fact, it is \$3.466b according to SECWA's most recent annual report. The Minister has said, and I would like him to confirm if he will, that of the \$3.5b debt, \$2b will be allocated to the Electricity Corporation and \$1.5b to the Gas Corporation.

Mr C.J. Barnett: It is of that order, yes. There is some argument about \$100m or so.

Mr THOMAS: When we were discussing figures last week we asked, "What is \$100m when we are dealing with this sort of magnitude?" According to the annual accounts of SECWA in its most recent annual report of 1993-94, the interest bill of the Gas Corporation was \$210m and the interest bill of the Electricity Corporation was \$158.5m. I assume that is allocated on an historical cost basis in that whichever part of the operations incurred the debt will have that allocation. If I assume for the purpose of this debate that that is the case and that the debt of \$3.5b will be divided between the parties on the basis of their current proportion of the interest bill, the ratio would be almost exactly the reverse of what the Minister is proposing. It would be \$2b to the Gas Corporation and \$1.5b to the Electricity Corporation. Because the gas operation has such a high interest bill, it receives effectively an \$82m a year subsidy from the electricity operation, which goes a long way to assisting it to pay its substantial interest bill. After the corporations are split and the combined operation of gas and electricity is no longer, the option for cross-subsidy will no longer exist and, of course, the new Gas Corporation will have either to put up its rates or find some other way of coping with the fact that it no longer has the \$82m a year subsidy from the electricity operation.

I wonder whether the difference between the debts that will be taken on by the Gas Corporation and the Electricity Corporation includes a parting subsidy to allow the Gas Corporation to function at a level at which it can survive. Of course, I want it to survive. If there is to be a parting subsidy from the Electricity Corporation to the Gas Corporation, we should know about it and it should be done on that explicit basis. That leads me to refer to a motion, of which I gave notice earlier this afternoon, that a select committee be established to inquire into the assets, liabilities and financial prospects of both corporations. Substantial amounts of money are involved, and new organisations are being created. The debt exists, and there is no option but to allocate it one way or another. I do not take issue with that, but the debt is owed by a public corporation and we, as a Parliament, have a responsibility to ensure that the corporations established by the legislation of this Parliament will be on a sound financial footing. As members of this House, we should be in a position to satisfy ourselves that that is the case. We are unable to do that in the passing of this legislation. The week before last we dealt with the enabling legislation to create the two new corporations. This week we are debating the Energy Corporations (Transitional and Consequential Provisions) Bill, which contains a provision in clause 44 that the Minister must make and publish in the *Government Gazette* an order specifying how assets, rights and liabilities of SECWA are to be allocated to the Electricity Corporation and the Gas Corporation. It may be varied

between now and 1 January 1995 but after that it is cast in stone. That is not good enough. A public debt of \$3.5b is involved. As a Parliament, we have a responsibility to the community of Western Australia to satisfy ourselves that this allocation has been done on a proper and sound basis, and there is a reasonable prospect of that debt being discharged properly without the consumers in Western Australia paying untoward amounts for their energy services. We also must be satisfied that it has been done in a way that will not require the public to bail out those corporations.

I refer to another matter I have raised in this House on a number of occasions; namely, the lack of financial accountability of the off-Budget departments. The departments covered by the consolidated fund are scrutinised by the Estimates Committee, and in the past they were subject to scrutiny at the Committee stage of the Budget Bills. In the past we were able to scrutinise the Bills clause by clause, and now the Estimates Committees can be used to quiz the Ministers, heads of departments and other officers to satisfy ourselves that the money being appropriated in the Budget Bills is being properly appropriated, consistent with propriety and the public interest. However, we are unable to do that in this case because the SEC is not a Budget department. The only provision in this area is in clause 44 of the Bill. We are pleased to note that the Minister will provide the global figures by notice in the *Government Gazette*, and if those figures are varied between now and 1 January, that change will also be published in the *Government Gazette*. Apart from that, we do not know what it is involved. It is a potentially dangerous situation. It is well known that as a consequence of the gas sales agreements of the late 1970s and the early 1980s, SECWA accumulated substantial debts because of arrangements entered into for the purchase of gas which it was not able to on-sell to other customers but had to pay for. In the mid-1970s it was projected that SECWA may have a debt of \$7b. That situation occurred as a consequence of arrangements entered into under legislation passed by this Parliament. When those agreement Acts were passed by this Parliament, the members of Parliament at the time were not aware that these arrangements could involve the State Energy Commission and the State of Western Australia in a debt of \$7b, which it could not pay. Ultimately, the Commonwealth Government became involved in extracting the State from the agreement because national credibility was at stake, and it could not stand by and watch a State Government take action that would put the nation's reputation at stake. I am sure that none of the then 55 members of this House who passed the legislation would have had any idea of the implications of the legislation. The Minister has indicated that each of these corporations will assume debts of more than \$1b; one will assume a debt of \$2b, and the other a debt of \$1.5b. If the \$1.5b inherited by the Gas Corporation represents a parting subsidy from the electricity segment to the gas segment, we need to know that.

If it is proposed because there is no way the Gas Corporation can be viable without that subsidy, and it is necessary to do so to give the corporation a reasonable prospect of surviving, the Government should state that clearly and openly. I am concerned not only about the possibility of a parting subsidy of \$500m from electricity to gas, but also that the Gas Corporation could be in a parlous situation. This arrangement is being made as part of a move to free up the energy market in Western Australia. The gas market will be freed up before the electricity market. From 1 January 1995, all sales of gas in excess of 1 000 terajoules a year will be open to competition; that is, the monopoly SECWA has had in gas sales in the south west of this State will be open to other suppliers. If another organisation is able to supply those quantities of gas at an attractive price which is competitive with the price offered by the Gas Corporation, it will be able to do so. The Gas Corporation must provide carriage of that gas on the Dampier-Bunbury pipeline in a way that does not constitute a restrictive trade practice.

A year later, on 1 January 1996, not only new customers but all customers who purchase in excess of 1 000 terajoules a year will have similar access to that free market, and a year later, on 1 January 1997, that will include all customers who purchase 500 TJ a year, or more. According to an answer which the Minister gave in the House some time ago to a question which I had asked, an amount of 500 TJ and above comprises 87 per cent of gas sales in the State by volume and 70 per cent by dollar value. Therefore, the Gas

Corporation will inherit from the SEC a portion of the disaggregated take or pay contract and will be placed in an open market where within three or four years 87 per cent of its gas market on 1992-93 figures will be open to competition.

That is cause for concern because we have seen what has happened to SECWA in the past when it could not find customers to whom it could on-sell the gas which it was obliged to take under its take or pay contract and accumulated a substantial debt. SECWA would have accumulated an even greater debt had the arrangements not been renegotiated, and that would have imperilled the economy of the State severely. We as a Parliament have a responsibility to the people of Western Australia to ensure that the debt which has been inherited from the SEC is allocated fairly between the new corporations, or at the very least that the basis of that debt allocation is explicit and able to be verified. We must also know what will be the projected revenue streams of the new corporations, because the actions that will be undertaken by the corporations will be undertaken on behalf of this Parliament representing the people of Western Australia.

The Parliament, which is responsible for supervising the consolidated fund Budget, would not allow a consolidated fund department to enter into a debt that was one-hundredth or even one-thousandth of the debt about which we are talking and to expose itself to risk without subjecting it to the most rigorous scrutiny of this Parliament. This legislation simply indicates that the Minister has the power to divide up the assets and liabilities of SECWA and to report that division in the *Government Gazette*, but this legislation has no mechanism to enable us to make the judgments which I believe are our responsibility as members of Parliament. The member for Geraldton suggested that a committee of the Parliament could perform in regard to statutory authorities a function similar to that which is performed by the Public Accounts and Expenditure Review Committee in regard to the consolidated fund departments which come within its area of responsibility. Another possible course of action would be to refer the matter to the Public Accounts and Expenditure Review Committee, which has a wide brief and could perform that function if it were of a mind to do so. In view of the fact that the Parliament is being asked to create two sons or daughters of SECWA and to divide between them \$3.5b, it is appropriate that a select committee of this Parliament consider that matter, because we are not privy to the advice which the Minister has received from the energy implementation group, yet we have a responsibility to satisfy ourselves that the division is conducted properly.

I do not wish the Gas and Electricity Corporations any ill will and I certainly do not want them to commence their lives on anything other than a sound footing, but I find it bizarre to read in the accounts of the SEC that it has been signing for debts in a notional sense on a certain basis when on the other hand the inherited debt will be divided between the two corporations on almost the reverse basis. That is being done at a time when there will not be a monopoly and the energy market will be freed up, and if the two new corporations find themselves exposed and not able to sell the gas in that market, the debt will continue to accumulate and there may have to be a public bail-out.

The third and possibly concurrent alternative, which we as a Parliament have a responsibility to ensure does not happen, is that there will be a call upon the captive consumers of the Gas Corporation to pay higher tariffs in order to service the debt which cannot be serviced by the competitively priced gas in the areas which are contestable by other suppliers of gas, because not all of the customers of the Gas Corporation will be contestable. According to the statements which have been made, customers who purchase as little as 500 TJ a year by January 1997 will be in a contestable market, and I think the Minister has indicated that at a date which has not been specified, that quantum will be as low as 100 TJ per year.

*Sitting suspended from 6.00 to 7.30 pm*

Mr THOMAS: Prior to the dinner suspension I was referring to some matters which caused me concern in clause 44 of the Energy Corporations (Transitional and Consequential Provisions) Bill which makes provision for the deduction of assets and liabilities from the State Energy Commission in the case of some shared assets between

the Gas and Electricity Corporations. I was using this debate to refer to a motion which I have on the Notice Paper for the creation of a select committee to investigate the debt, assets and financial prospects of both those corporations. The Opposition is concerned, firstly, that the assignment of debt to those two corporations from the accumulated debt of \$3.5b of the State Energy Commission of Western Australia will not necessarily be in accordance with the historical origin of the debt; namely, that part of the State Energy Commission which has incurred that debt. That concern arises from the annual reports of the State Energy Commission which has assigned a proportion of the interest Bill to either the gas or electricity operation.

The ratio used to divide the liability of the two operations on a historical basis does not indicate that \$1.5b should be passed on to the gas operation and \$2b to the electricity operation. It should be the other way around. If the basis on which the historical origin of the debt is assumed is correct there is a parting subsidy of \$500m of electricity to gas. That raises some interesting questions. It may well be that that is how it should be distributed if it is to be done on the basis of capacity to pay. Although it appears the bulk of the debt is being assigned to the Electricity Corporation, that is also where the bulk of the joint operation income is derived. On the basis of income, using the State Energy Commission figures, it appears that the Gas Corporation is inheriting 43 per cent of the debt and only 35 per cent of the income. Perhaps the Gas Corporation is being asked to service too much of the debt if it is to be done on the basis of cash flow or capacity to pay. No doubt other factors are involved which include the other costs. Interest is not the only cost and the electricity operation tends to be more labour intensive than the gas operation.

The Opposition is also concerned about the prospects of the Gas Corporation's revenue stream in the division of assets and liabilities of the State Energy Commission between the Gas and Electricity Corporations. As we are aware, the Bill we are debating is part of deregulation of the gas market. Between 1 January 1995 and 1 January 1997 the gas market will be progressively freed up, with customers of the State Energy Commission who consume 500 TJ a year or more of gas ultimately open to competition from other suppliers of gas; that is, people who are in the gas market in competition with the new Gas Corporation. The new Gas Corporation will carry the product of those producers to market, but will not be able to do so in a manner which constitutes a restrictive trade practice. As we discussed during earlier debate, safeguards will be built into the allocation of capacity in the pipeline to third parties to ensure that the Gas Corporation does not use the fact that it owns the pipeline to protect its market against that of rival suppliers. This debt may be being allocated on the basis of capacity to pay and that may well be the most desirable thing to do in the public interest.

We are concerned that the Gas Corporation is inheriting a take or pay contract from the State Energy Commission of Western Australia; that is, it will be obliged to pay for certain quantities of gas whether or not it is able to on-sell it to other consumers. If that is the situation, and the other producers of gas can deliver gas to market at a price that is competitive with the State Energy Commission, it could well lose its market. Hitherto it has had a monopoly for the supply of gas to the south west and, in terms of the disaggregated contracts, it has hitherto had a protected market in that it was a monopoly supplier and the only option that people had was to look for alternative sources of energy rather than use gas. It is cause for concern that, in a contested market where 70 per cent of its sales will be open to competition, it is entering that market with one hand tied behind its back with a take or pay contract.

Our concern is exacerbated by what happened to the State Energy Commission during the 1980s when it had a take or pay contract and it was unable to find customers to take the full amount that it was contracted to take and to pay for and the State Energy Commission began to accumulate debt. At one stage, the prognosis for the accumulation of debt was very alarming. The basis of its arrangements with the suppliers had to be renegotiated. The position became so serious that the Federal Government had to be involved because Australia's economic credibility as a nation was at stake. We do not want to see that happen again. We wish the Electricity Corporation and the Gas

Corporation well in their endeavours. However, this Parliament has a responsibility to ensure that the debt is being allocated on a proper and responsible basis.

The transaction that will take place under clause 44 of the Bill is probably the largest single financial transaction which this Government will undertake; that is, the allocation of \$3.5b in debt. It is an enormous amount of money. This Parliament has an obligation to ensure that, given the origins of the debt and, more particularly, the future prospects of the two new corporations, the allocation is done on a proper basis. The best way I can think of to do that is to have a select committee examine the matter. We will take that up on another occasion. I use the occasion of this debate to suggest to the Minister that this Parliament should properly examine very serious matters. I hope the Government will cooperate in facilitating that examination.

**DR TURNBULL (Collie) [7.43 pm]:** The Energy Corporations (Transitional and Consequential Provisions) Bill is a very important Bill. It is the link between the existing Statutes relating to the energy industry and the new Electricity and Gas Corporations. This Bill appears to be a mechanical Bill needed to uncouple the State Energy Commission of Western Australia and rearrange it into two new corporations. However, the uncoupling process and the reassembling has huge consequences. In his second reading speech, the Minister said in paragraph (b) -

it vests in the two new corporations operational powers of SECWA that will be essential to the proper functioning of the new corporations;

Paragraph (c) states -

it facilitates the division of SECWA's assets and liabilities between the two new corporations and recognises the transfer of staff with the retention of pre-existing benefits and accruals;

Tonight I will limit my discussion on this huge Bill to its impact on my electorate. It will have two effects; firstly, the new electricity generation corporation will be released from the cross-subsidy of gas. That division of the assets and liabilities referred to in paragraph (c) is an enormous part of the Bill. You, Mr Speaker, have probably heard me say many times in this Parliament that the electricity generating industry has been subsidising the gas transmission industry and the cost of gas in the south west. The other important point that will come out of the creation of the two new corporations is the continuation of the Government's commitment to reducing the cost of electricity in real terms by 25 per cent by 2000. That will be of enormous advantage and benefit to my electorate with the processing that goes on there and in the surrounding area.

As the member for Collie, I am very pleased that the facts are out in the open; that is, that SECWA's liability of \$3b, as was discussed by the other side tonight, will be uncoupled. That liability will now be visible to accounting scrutiny. As the Opposition has said, the allocation of the largest share, \$2b to electricity generation, may appear to be a very unequal way of distributing it. However, I am sure that, by achieving a reduction in electricity costs by 2000, this debt has been taken into account and the debt will be manageable. One-third of the cost of electricity is a financing cost. In the past, Collie has been blamed for the high cost of electricity. I have told you, Mr Speaker, the previous Speaker and the House on many occasions that the cost of electricity has multiple factors of which financing is one and that the largest component of the financing cost is SECWA's debt. From now on, we will know what is the debt of the gas sector and what is the debt of the electricity generation sector. When the price of electricity is calculated, that will be taken into account.

I am very pleased to report to the House that Collie has done its part to ensure that the cost of electricity will be reduced by the substantial moves that have been made to reduce the cost of coal. I commend the Minister for the way in which the new organisations will manage the current debt and the cost of financing the new power station. The Minister, his departmental staff and the implementation committee have done a very good job in ensuring that gas will continue to play a very important part in the energy scene in Western Australia. No member would deny that. In fact, all speakers today have supported it.

Previously gas may have been subsidised, but it has been to the overall benefit of the economic development of Western Australia. Following the splitting of the State Energy Commission of Western Australia, this subsidisation will not continue. The Gas Corporation will gain some benefit because the debt has not been strictly apportioned to those areas where it historically originated, even taking into account the effect of depreciation. Collie coal will be in existence for the next 100 years. In the past few months, as a result of the losses in jobs in the underground and open cut mines and in the power station, Collie has positioned itself to be very cost competitive in the future. The Minister has had a very difficult task in balancing the energy policy and the energy industry to the ultimate benefit of all Western Australians. In that process the coalminers and power station workers in Collie have had to take many cuts to ensure that the local coal industry remains cost competitive. As I said, gas has had something of an advantage in its pricing structure. Were it not for the separation of SECWA into these two new corporations, Collie would continue down the same track along which it has been heading for a decade or more; that is, the electricity arm would be subsidising the gas arm.

The proposals in this Bill are not the best outcome for my constituents; but it is an improvement in the cost of gas and electricity production in Western Australia. I commend the Minister for the way in which he has developed the corporations. Under this legislation the policy for the corporations will be managed by the energy policy unit. It is vital that the Government continue with the policy of energy management in Western Australia. There is no more important example of what government is about than energy production, especially electricity. We are using our natural resources for the economic benefit of Western Australians. With the passage of these Bills, Western Australia will continue in a sound economic direction. This Bill will produce a better situation for energy production than has previously existed. The accounting processes are far more visible. This will be important to the companies located in my electorate as they position themselves to ensure that coal remains the most cost effective fuel for base load generation in Western Australia, as is the case now. Collie will continue to make a contribution to this very important objective for the future of Western Australia's economic development; that is, the reduction of electricity costs by 25 per cent in this decade.

**MR D.L. SMITH (Mitchell) [7.55 pm]:** I congratulate the work done by the State Energy Commission of Western Australia and the staff of the Minister in working out the division of the assets and liabilities between the energy and the gas distribution utilities in the time that has been set by this Government and this Minister. For an organisation like SECWA, with its very significant turnover and assets and liabilities, it must have been an immense task for those who were trying to divide all of the assets and liabilities between the two new agencies and to decide whether the powers that SECWA previously had should be retained by one or other of the utilities or, as this legislation does, to vest some of those powers in the new Energy Coordinator. Some people from SECWA have worked long and hard, and they deserve congratulations for all of the effort they have put in.

This Bill is important for the future competition between gas and electricity. The decisions involved in dividing the assets and liabilities between the two new organisations will determine the competitiveness, both against each other and against the private agencies which will be involved in gas, in particular, in the future. I am disappointed in a way that the hard work of the SECWA staff has not been recognised by the Minister providing to the House a better explanation of what the division of the assets and liabilities will be. It may well be that the Minister has provided that information elsewhere. If that is the case, I would be happy for him to tell us in his response where we might find a better explanation of that division. The member for Collie seems to be better aware than I am of what the division of the assets and liabilities may be. I get the impression from her comments that in her view the electricity generation side of the new equation is being saddled with a larger proportion of the debt than she believes should be the case. If that is the case, the people of Collie will again be disadvantaged by this Government.

The member for Collie has said that the people of Collie have been willing to pay the price to make sure that we have efficiency in energy and electricity generation in the future. That price has been the loss of 700 jobs since this Government came to office on the promise that it would continue with the 600 megawatt power station in Collie. As we know, only a 300 MW power station is being provided. As a result the loss of the economies of scale that would have been achieved in coal production with a 600 MW power station and the security that the coalmining companies would have gained from that decision has meant, firstly, the closure of underground mining by Western Collieries Ltd and, secondly, a very large scale reduction of the work force of both Western Collieries and Griffin Coal Mining Co Pty Ltd. In addition, the further restructuring of SECWA led to the loss of future jobs in the power generation section. One of the issues that will confront both the new utilities is how the market will judge the impact of the debts for which the utilities are being asked to assume liability as a result of this legislation and the decisions that have been made by this Government. We have the word of the member for Collie that on her understanding the electricity generation authority is being asked to bear a greater proportion of the liability than one would expect, considering the history of the liabilities. She says quite rightly that a substantial part of the liability of the old SECWA came from the decision of the previous Government to build the pipeline from the northwest to Perth and Bunbury, yet when it comes to a division of those liabilities it appears that the electricity generation authority is still being asked to pick up a substantial part of that debt.

It interests me that when we talk about purely competitive agencies competing against each other and against potential private competitors in future, in some cases we accept that there will be a need for some compensation to ensure that the competition is fair to the state agencies because they will be asked to carry as a burden some community obligations as well as to be competitive in an ordinary industrial sense. As we know, SECWA currently allows cross-subsidy between metropolitan and country consumers of somewhere near \$50m. We hope that is a community obligation which we, as a Parliament and as a State Government, will accept but the question that arises is whether in the future competition SECWA will be asked to carry that community obligation, that cross-subsidy, from its own revenue or whether the State will provide some form of subsidy from revenue to SECWA to make up for that community obligation which we expect that SECWA should carry.

Clearly that is a community obligation, but we know that a great proportion of the old SECWA liabilities arose from a correct decision to build an expensive pipeline. We always knew that the return on our investment would never be a sufficient return, but for the infrastructure and future energy requirements of the State it was worth accepting that community obligation by incurring the non-recoverable part of the investment in the interests of the future economic needs and development of the State. When trying to divide the debt at this time, if we accept that negative investment was a good investment on the basis of community infrastructure, we should not be asking the two new utilities to fully accept the burden of what has been not an investment in their future profitability but a community investment in the infrastructure needs of the State.

The burden that both the electricity and the gas utilities will carry - and the electricity has a disproportionate share of it - is the kind of community obligation that is not much different in kind from the community obligation of cross-subsidy between the metropolitan and country consumers. We accept the cross-subsidy on the basis that the productive parts of our State are the rural and remote areas; we accept as a part of policy that we want to encourage decentralisation and population, industrial and economic growth in our country and regional centres. That would not be possible if we did not have the kind of cross-subsidy that currently exists between metropolitan and country electricity consumers. That is no different from saying, "We will build a pipeline from the north west to Perth. We recognise it will not produce an economic return, but we believe it is worthwhile building the pipeline, because it will result in the development of the North West Shelf gas industry and provide for our future energy needs in a way that we could not otherwise do even if it is some 10 to 20 years before we receive an

economic return." If we are serious about the gas utility, for instance, opening up the pipeline for access to other private gas suppliers and allowing those private suppliers to compete with the state-owned utility, if we are serious about building a pipeline from the Pilbara to the goldfields on the basis of a gas supply contract that might not have been possible had the pipeline not been constructed to Perth, we must ask how the state gas utility can compete against the private suppliers if in effect it must carry the capital cost and debt which was incurred at a time when everyone accepted it could not make a profit on the gas supplies, and continue to maintain the pipeline and to do whatever is necessary to provide access by the private companies to the pipeline -

Mr Prince: Who else carries the debt?

Mr D.L. SMITH: The question is whether the utilities carry it or whether we look at the Government's acknowledging that when it invested money in the pipeline it was making a government decision against the economic wellbeing of SECWA and that somehow some of the debt should not be a burden on either SECWA or the gas utility, but should be a state responsibility.

Mr Prince: You wish to increase the amount of state debt funded from the taxpayers.

Mr D.L. SMITH: If the result were true competition between the new gas supplier and the private potential gas suppliers, and true competition between electricity and gas on a level playing field, that may be part of the price that the community must pay. The spin-off for the State is that competition leads directly to lower gas and electricity prices, and energy prices in the longer term, and that results in improved economic growth -

Mr Prince: But a greater direct tax burden on individuals.

Mr D.L. SMITH: It will result in greater economic activity and that greater economic activity will increase the tax return without increasing the rate of tax.

Mr Prince: That is a lagging effect. We will still need to increase taxes.

Mr D.L. SMITH: It is a lagging effect but in the last financial year it resulted in some \$200m extra revenue that the State did not budget for at the commencement of that year.

Mr Prince: It was used to retire debt.

Mr D.L. SMITH: It was but it could have been used to retire other debts of state utilities such as SECWA. Somewhere along the line we must examine these things and say that we want true competition, a level playing field, and a state agency that can be competitive with the private competitors that come to the market as a result of government decisions. The last thing we should do is penalise and make it impossible for a state agency to compete with private suppliers because the net result will be that the competitors who come to the market need only underprice the state agency by a little, and they will then rake off the extra profit. So, the real advantages of competition will be lost.

Since returning from my trip I have noticed that people now attribute many things to decisions which have only just been made and not put into effect. For instance, some people say that the number of projects in the pipeline and the level of economic activity in Western Australia is directly related to the decisions made to split the electricity and gas agency and to the energy policy decisions this Government has made since it came into office. The truth is that we are still passing legislation which will give effect to those decisions. To say that a decision which is yet to be given effect is creating the economic prosperity that is occurring is way off the mark.

I hope that all of these changes will lead to a reduction in energy prices in Western Australia. That has always been the key to attracting more downstream processing and manufacturing in Western Australia. I totally support any changes we can make which in the longer term will lead to a reduction in energy prices in this State. However, we should not announce the decision and say that all the things which are occurring now flow from a decision that has not yet been put into effect.

Mr C.J. Barnett: I concede that the debate about energy reform and the need to

deregulate has a history. However, I sincerely believe that even if the previous Government had decided it wanted to desegregate the North West Shelf contract, it would never have achieved it.

Mr D.L. SMITH: Why does the Minister say that?

Mr C.J. Barnett: I say that because you did not have the confidence of the various parties involved.

Mr D.L. SMITH: That is wrong.

Mr C.J. Barnett: You would never have achieved it. That is my opinion.

Mr D.L. SMITH: Almost all of what has occurred since the discussions were held and a number of decisions and recommendations were made at that time would have taken place whether there had been change in Government or not.

Mr C.J. Barnett: As you have said in speeches before, your Government would have gone ahead with a 600 MW coal fired power station.

Mr D.L. SMITH: I am certain of that.

Mr C.J. Barnett: If that had happened, it would have been physically, commercially and economically impossible to have desegregation on the North West Shelf contract. You could not have had the two: They are mutually exclusive.

Mr D.L. SMITH: They are not mutually exclusive.

Mr C.J. Barnett: I am afraid they are.

Mr D.L. SMITH: That is a debate the Minister and I can have in another place -

Mr C.J. Barnett interjected.

The ACTING SPEAKER: Order!

Mr D.L. SMITH: In any event, what the Minister and the Government have not told us about this Bill is exactly what the break-up of the assets and liabilities is. That break-up will affect not only the competitiveness, but also the relative competitiveness of those agencies in the marketplace in their bidding for money for expansion and other projects they may need in the future. The cost of money is a critical element of any of these agencies being able to compete effectively. I would like the Minister to have produced to the Parliament the results of the work SECWA has already done so that we as a Parliament would have a much better understanding of the implications of this legislation for the future of these agencies.

Just by the way, one of the statements I found most incredible on my return was a claim by Ross Drabble from Westrail that the problems we are having with the Federal Government in relation to commonwealth-state powers and talk of secession was not doing any harm to Westrail because Westrail received \$13m of commonwealth money earlier this year for railway improvements at Bunbury. Clearly what he was implying, and what the Government wanted him to imply, was that the \$13m had come as a result of current negotiations between this State Government and the Federal Government. That is totally wrong. The truth is that \$13m was part of the One Nation program that was negotiated long before the last election. Regrettably, it took from then until now for much of that money to be effectively spent by Westrail for new bridges and other rail circulation improvements around the Port of Bunbury.

I want to use this debate on Collie to get an update from the Minister on a couple of matters affecting the electricity authority. When the Government made the decision to move from a 600 MW to a 300 MW power station it blamed the lack of demand for electricity and said that past government decision making on the projected need for a 600 MW station was incorrect. The projection this Government had at the time the decision was made showed that the 600 MW would not be required and, therefore, that the capital cost of providing the extra 300 MW would be a financial drag on SECWA for some time into the future. At that time the Government produced what were high, medium and low energy demand forecasts. In relation to those forecasts that were tabled,

how is electricity demand and projected electricity demand going? My understanding is that the demand that has occurred this year is somewhere between the medium and high forecast which the Minister tabled in the Parliament at that time, and that the longer term forecast is that the State will be nearer the higher forecast demand the Government considered. If that is the case - if we are somewhere between the medium and high estimates made on the generation capacity and timetabling provided by the Government at the time it decided against a 600 MW station - then some time between now and 1998 this State is at severe risk of brownouts, simply because there is not the capacity to supply the energy that may be required.

I was interested to hear the Minister indicate in an answer to a question in the House that he now believes the commencement date for generation for the new 300 MW station will be earlier than he previously forecast.

Mr C.J. Barnett: The commissioning date is December 1998, but if all goes well during construction it will be in production several months before that. However, there may be an inconsistent supply during that period. It may be generating by mid-1998, but perhaps not consistently generating until the end of the year. The construction timetable is being accelerated.

Mr D.L. SMITH: Do we take the Minister's statement about an earlier commencement of generation as a recognition by him that the State now needs that earlier commencement to meet that energy demand? Does it in any way suggest that some of the construction work may be commenced earlier than previously contemplated?

Mr C.J. Barnett: There is no scope to bring the project forward. It is going into its design stage, and construction will start in about October next year. It will be built and probably will be available to produce electricity a couple of months earlier, but there is no capacity to bring it forward any earlier.

Mr D.L. SMITH: The second aspect I want some further comment on by the Minister relates to his response to a question today on whether the projected cost of the 300 MW station was now higher than he said originally. Has the Minister received any advice that either the construction cost or the financing cost of the station could be greater than he originally anticipated?

Mr C.J. Barnett: I have received no advice at all along those lines.

Mr D.L. SMITH: Absolutely none at all?

Mr C.J. Barnett: None at all.

Mr D.L. SMITH: Strong rumours are circulating in Collie, and I understand within SECWA, that the reverse is true; that the Minister has received advice that possibly the original construction budget, and certainly the financing cost, are probably very much on the low side, and that the Government should now start providing for a higher cost.

Mr C.J. Barnett: I don't think you are suggesting that I am not telling the truth, but I tell you I have not received advice to that effect.

Mr D.L. SMITH: If the rumour were true, it would be a confirmation of the argument that the Opposition put at the time; that is, a 300 MW station would lose the economies of scale and the Government could not possibly build half a 600 MW station for half the cost.

Mr C.J. Barnett: We are not; it is not half the cost.

Mr D.L. SMITH: The Opposition warned the Government at the time that if it opted for a 300 MW rather than a 600 MW power station, the State would pay. It would incur the extra cost not only from a smaller scale construction, but also from later making the decision for a further 300 MW station that might be required. With current energy demand forecasts, does the Minister see any prospect of the other 300 MW power station being commenced before the end of this century?

MR C.J. BARNETT (Cottesloe - Minister for Energy) [8.21 pm]: This Bill is a rather strange piece of legislation that brings about all sorts of machinery changes. It is a Bill

that is very difficult to comprehend. Members opposite, as is their right, chose to have a fairly broad ranging debate on energy matters in general. I have no objection to that. The member for Cockburn raised questions about debt allocation. His figures are correct; the debt will roughly be allocated in the ratio of \$2b to the electricity authority and \$1.5b to the gas authority. He made the point that despite that allocation, it was his information that the interest cost would be \$210m a year to gas and \$158.5m a year to electricity. I cannot verify those figures, but I accept them as given. The explanation for that would be that the borrowings have been assigned to the assets to which they relate. The major debt of the gas side of the business is attached to the Dampier to Perth natural gas pipeline, which is a relatively recent debt. The debt was raised during periods of relatively high interest rates, and it has a foreign exchange risk element attached to it that is added to the total cost. Most of the electricity debts relate to early period construction such as Muja, Kwinana and the like. It is older debt and therefore we get that odd situation, but it is appropriate that the debt be assigned to the assets to which the debt relates. That is sound commercial practice.

The member for Cockburn proposed a select committee to look into the assets and liabilities of SECWA and how they are distributed to the electricity and gas utilities to be established. The member is right in the sense that it is an important issue, and a matter of public importance. I do not think the member for Cockburn intended to imply that the job has not been done properly. I assure the member that it is the culmination of a year of work by some very experienced and competent people through the energy implementation group, and a number of leading financial consultants have worked with them. It was an exhausting and exacting task. Although a select committee might look at it, with due respect to members, I doubt that more than a very few members in this House are competent to understand the incredibly intricate financial modelling and analysis that went into that process. It has been highly sophisticated and done with great care. The decisions that have been approved by the energy implementation group, I expect, will be approved by the board of SECWA performing its proper role as a board. The members of the board and chief executives have had an input into the process. The criterion was to create utilities that were commercially viable. That principle has been followed throughout. The other principle has been to ensure that assets and debt are aligned in a correct fashion. The process has been so honest that members of the gas side of the business have actually argued that some debt should come their way because it relates to assets going into the gas business. It has been an up-front, credible process, with great credit going to the energy implementation group and senior management of SECWA and its two component parts and respective boards.

The member for Collie made a number of points about the competitiveness of coal. I agree with her that coal has a long term future. The Government would not be spending \$575m plus interest on a power station if it did not have confidence in the future of coal. The phasing out of underground coalmining, which is now complete, generates very substantial savings both in SECWA's contracts and in the long term efficiency and competitiveness of Collie's two coalmines.

I thank the member for Mitchell for his congratulatory comments concerning the work of the energy implementation group and SECWA. I agree with him. There has been some outstanding work over incredibly complex and difficult issues. He argued the case that too much debt may have been allocated to electricity relative to gas. If we wanted to fudge the figures, we would allocate more debt to electricity, because the electricity business is sound and would struggle to go wrong. If there were any difficulties, they would be on the gas side. If we wanted to ensure success, we would push more debt to electricity and less to gas. I have been tempted to do that, but every time I have suggested it, the intellectual honesty of the process has been such that people have said, "No, the debts must go with the assets." That is why gas is seen to bear a relatively high proportion of debt compared with revenue and capacity to service that debt; that is, primarily the debt of the Dampier to Perth natural gas pipeline. If that pipeline were privatised in some form, and I am open in my intent that I would like to see that achieved, we would see up to \$1b coming off the debt of the utility. That would make it

a strong cash flow business with relatively small debt obligations. The other side to that is that the pipeline will require substantial investment in upgrading compressor stations in years to come. There will be an ongoing program over the next decade.

As to demand projections, the demand for electricity through all sectors in the State is strong, but it is not stronger than was anticipated at the time of the Collie decision. If anything, SECWA's demand for electricity has moderated. During the 1990s the demand will not go through the roof because increasingly under the Government's deregulatory regime more private sector power generators will come into operation. Western Australia has a 2 600 MW electricity grid, with a further 1 000 MW at private generating capacity. The size of the grid will grow through additions to Pinjar and the 300 MW Collie power station. I expect that the growth rate of private sector generating capacity may even exceed that. SECWA is changing not only its structure, but its thinking. It is negotiating a range of backup contracts that will be very much interrelated. That will diminish the need for capacity. I do not share the concerns of the member for Mitchell.

The layout of the Collie power station facilitates a second 300 MW unit. Certainly investments in coal handling and so on have been designed for 600 MW, so there is an investment of some order in that regard. I do not anticipate a second 300 MW unit will be needed this decade. The Minister of the day will make a decision on that around the end of this decade. At that stage some major decisions will be made about whether we have a major new coal capacity or gas capacity. In the meantime we have a number of options for generating capacity. I hope that agreement will be reached with British Petroleum and Mission Energy on the cogeneration project, which will generate around 70 MW. The gas to the goldfields project will free up capacity for SECWA and there are plans for an incremental addition to Pinjar. There has been some discussion about the environment today. People would like to see some investment going into combined cycling at the existing Pinjar facility. After those things have been exhausted a decision on the second unit at Collie will become relevant. Gas will become an extremely competitive commodity within the marketplace in the next two or three years and the world market will become such that gas prices will rise towards the end of the decade. This State will enjoy a competitive advantage in overall energy costs. Compared with the rest of Australia it is seen to have a disadvantage, but it does have a strong advantage relative to the Asia-Pacific region. I thank members for their support and I hope I have answered their questions.

Question put and passed.

Bill read a second time.

#### *Committee*

The Chairman of Committees (Mr Strickland) in the Chair; Mr C.J. Barnett (Minister for Energy) in charge of the Bill.

**Clauses 1 to 43 put and passed.**

**Clause 44: Minister to make order for allocation of assets and liabilities -**

**Mr THOMAS:** In the second reading debate I alluded to what I considered was a lack of accountability in the process of the division of the assets and liabilities of the State Energy Commission of Western Australia between the new Gas and Electricity Corporations. Members of Parliament have a responsibility to put a ruler over the way in which that allocation is made to ensure that the corporations are created on a proper financial footing and have as good a prospect as they possibly can. At the same time we must ensure that the State will not have to bail them out at some future date. I accept that the Minister will respond to my concern in the third reading debate.

In his reply to the second reading debate the Minister said that the division was being undertaken with the intellectual rigour of the officers concerned and they were committed to doing that in a proper manner. He basically said that members of this Chamber would not be able to make a meaningful contribution to that process. That is something I reject. I do not question for one moment the intellectual rigour with which the officers concerned have done this job. However, members of Parliament have a duty to ensure

that it is done properly. We are talking about \$3.5b of State debt and the only provision for accountability in this clause and clauses 45 and 46 is that there will be an allocation and the Minister will publish the details in the *Government Gazette*. The Committee stage is not the time to debate the broad principles behind the clauses, but I ask the Minister to outline the degree of accountability in respect of the division of assets and liabilities. To what extent will there be specificity in the division of the assets and liabilities and will the notice published in the *Government Gazette* provide any information about the basis on which that allocation was made?

**Mr D.L. SMITH:** I support the member for Cockburn's comments. In the course of the second reading debate I asked the Minister whether he was in a position to provide some form of schedule to the Parliament which would indicate the spread of assets and liabilities. I said the member for Collie appeared to be aware of the spread of the liability between the Gas and Electricity Corporations. It appears that the Minister and the member for Collie know this information and there is no reason that other members should not be privy to it. If the Minister cannot provide the information now will he provide the answer to the question asked by the member for Cockburn; that is, will the gazettal pertain only to the manner in which the assets will be divided or will it detail what assets and liabilities will be allocated to each utility?

I come back to the question of cross-subsidy of electricity prices between country and city. It is a liability which the State Energy Commission Western Australia, in its previous form, currently has. I would like an assurance from the Minister that SECWA will continue to carry that liability in its entirety and there will be no reduction in the level of cross-subsidy between city and country electricity consumers. If that is not the case does the Minister intend to substitute that with state funds to ensure that the level of subsidy continues in the future without penalising SECWA?

My final question does not relate to this clause but it is about the powers that will be transferred from SECWA to the new coordinator. I am concerned that that is done under this legislation and it was not made clear in the Energy Coordination Bill, which was passed earlier today. My concern is whether those powers extend to the question of approval of other competitors who want to enter the electricity or gas supply industry. Will the Minister clarify whether that will be a decision for the coordinator alone or whether he intends him to act on ministerial or government advice? Does the Minister see that as an occasion for him to use the powers given to him in the Energy Coordination Bill or any other Act to actually direct the coordinator in the performance of his functions? I object to an office being established under one piece of legislation and on the same day the Minister conferring additional powers on that office that are not referred to in the Bill creating the office itself. It will make it extremely difficult for people who need to research the matter at some future date because they will have to go to several pieces of legislation to try to ascertain exactly what powers and functions the coordinator might have in the future to restore the gas works site by removing all the pollutants put there by the old SECWA.

**Mr C.J. BARNETT:** On that last point from the member for Mitchell before I return to the other points, the whole exercise, complex as it was, was designed to split SECWA. There are all sorts of issues as to whether SECWA currently has appropriate or inappropriate powers. I can refer to the current controversy of tree pruning and all sorts of things. We have not attempted to review all these functions and powers, which is why a number of powers are transferred to the energy coordinator's office. The intention is that the process will not stop and there will be a more general review of the detail, including such things as the member raised, in both electricity and gas. That will be one of the ongoing roles of the office of energy that takes over that responsibility. We originally hoped to review the whole electricity and gas legislation as part of this exercise. It became fairly obvious nine months ago that it was an impossible task while attempting to achieve what has been done.

A policy decision was made by the Government that the uniform tariff to country and remote areas would remain as part of the franchise obligation of the utility. Both utilities have a degree of market protection by the way in which they are set up, particularly at the

smaller and medium business and householder end of the market. The competition will be more open and obvious with large consumers, whether it is electricity on electricity, gas on gas or electricity on gas competition. Therefore, that will stay. I see the community service obligation quite distinctly. If one is setting up a utility which is corporatised and may eventually be privatised and it is given certain privileges in the market, one of the costs that goes with that is to provide a uniform tariff. I see that as a franchise obligation. I see other pensioner concessions and so on as being properly part of welfare policy. In many ways the way in which that money is expended should be at the discretion of the welfare Minister. I am not suggesting, and there will not be, any changes in the short term. Those types of concessions and subsidies should be seen in the context of the total community services area. The member will probably agree with that. I see that not as a franchise obligation of the power industry but as a community service obligation. One way or another it should be funded out of general revenue, whether in the form of a direct payment into the utility or in the form of a reduced dividend to the Government. We will resolve that as part of the process of our strategic development plan and in the statement of corporate intent. How it will be done is yet to be determined. I would be very clear and explicit in distinguishing it from the uniform tariff. The cost of the uniform tariff will also be made explicit at all times. I agree with the member that if we are to be dinkum about decentralisation and regional development that is one thing that should apply.

The members for Mitchell and Cockburn referred to the splitting of assets. The clause requires that they be detailed and published in the *Government Gazette*. To give some idea of the size of the issue, SECWA currently has around \$4.5b in assets. There are some 3 000 vehicles and the list of property runs to at least 10 pages. The transfer order to be published in the *Government Gazette* will comprise at least 20 pages. Additional schedules detailing assets and how they are allocated, liabilities and contract allocations, which will probably run to in excess of 200 pages, will not be published but will be available to the Opposition and to anyone who wants them. SECWA is a huge organisation to split, and that has been the size of the task. I emphasise that the transfer order and those schedules will not represent a balance sheet but a description of what is being allocated and where. I think I am correct in saying that as of 1 January the starting balance sheet will come out. The accounting task in restructuring the balance sheet is vast, as will be appreciated. All the major policy decisions have been made and have now been put in place. I have absolute confidence in the way this has been done. I do not want to allocate a whole lot of work to an officer, but I am certainly willing as this process draws to a conclusion to provide in some detail to members opposite, if they wish, a description of the methodology used in the allocation of assets and liabilities. That can be done, and I will undertake to do it to the level of detail that seems sensible. If members require more information I will undertake to provide that. Again I emphasise that this has been a huge task which is virtually complete and that it has been done on the basis of good commercial principles to make sure that the two new utilities are commercially viable. The other principle is to make sure that the debt is attached to the asset to which it really relates. It has been done on a sound basis, and I think the two utilities will be commercially viable.

Mr D.L. SMITH: If I could use one small example, the Minister for Planning announced that the East Perth Redevelopment Authority was to buy the old gasworks site from SECWA for \$2m. Is the gas or electricity utility to receive that \$2m?

Mr C.J. BARNETT: I am told it has been accounted for and it goes to the gas utility. The member will also be aware that a substantial amount of expenditure has been incurred. The Minister for Planning is not a soft touch on commercial deals, and an amount of \$15m has been progressively transferred from SECWA to the East Perth Redevelopment Authority for the purpose of contracting the removal of environmental damage and pollutants that lie there. Therefore, it is not a net win to SECWA but the \$2m that comes back will go to gas.

Mr D.L. SMITH: I took the opportunity to ask that question because I think the Minister for Planning is a soft touch. I never thought that SECWA would receive anything for

that land. I thought SECWA would be paying something to the East Perth Redevelopment Authority for the responsibilities it would be undertaking in the future.

Mr THOMAS: I thank the Minister for the explanation he has just given. He spoke mostly about assets and not liabilities, which he mentioned in passing. The explanation for the difference between the ratios of the annual interest payments and the proposed allocation of debt is between old debt and new debt. If we are to satisfy ourselves that that is the basis of the allocation - I am not suggesting for one moment it would be otherwise - to what degree will specificity be in the statement of the allocation of liabilities? Will we be talking about specific instruments? When I asked officers of SECWA for details of what was allocated to the pipeline, for example, the explanation earlier this year was that one could never really know because all SECWA had was a cash flow and debt and that such things could not be assigned to particular assets or instruments of borrowing because they rolled over and it was really one big debt. When I sought specific information that was the explanation given. I am surprised now to find that it can be assigned to particular assets, and presumably instruments of debt that can be broken up are still in existence. How much will we know of the "specificities" of the discharging of the Minister's obligations under clause 44?

Mr C.J. BARNETT: Regarding the pipeline, when the balance sheets are prepared, because of the ring fencing procedures adopted there will be a separate balance sheet not only for the gas utility but also for the pipeline within the gas utility.

Mr Thomas: I just used that as an example.

Mr C.J. BARNETT: There will be a high level of visibility about that. As to the allocation of debt, the schedules will allocate contracts, such as the JVD contract and Hadson. That will be very explicit. As to the debt instruments, the borrowings of a general nature through the Western Australian Treasury Corporation will be shared, with a certain proportion going to electricity and a certain proportion to gas. The individual debt instruments, particularly those relating to overseas loans, will be allocated quite explicitly, some to electricity and some to gas. That will be laid out in detail.

**Clause put and passed.**

**Clauses 45 to 108 put and passed.**

**Clause 109: Various Acts amended -**

Mr C.J. BARNETT: I move -

Page 66, lines 25 and 26 - To delete "Western Australian Sports Centre Trust" and substitute "Ministry of Education".

**Amendment put and passed.**

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

**Title put and passed.**

**Bill reported, with an amendment.**

## ACTS AMENDMENT (LOCAL GOVERNMENT AND VALUATION OF LAND) BILL

### *Committee*

Resumed from 2 November. The Deputy Chairman of Committees (Mr Day) in the Chair; Mr Omodei (Minister for Local Government) in charge of the Bill.

**Clause 6: Section 229A inserted -**

Progress was reported after the clause had been partly considered.

Mr KOBELKE: This clause will enable a council to make by-laws for regulating or prohibiting such conduct on business premises which in the opinion of the council is offensive or indecent. Quite clearly, the meaning of the words "offensive" and "indecent" is crucial to the meaning of this clause. The Minister was asked to give the

accepted legal meaning of those words, and he quoted from some legal dictionaries. When I asked for some definition of substance with regard to how the words would be applied in the legal system in Western Australia, the Minister was most dismissive. On one occasion when I asked for Crown Law advice on the legal interpretation of those words, the Minister responded that I should get it myself. When the member for Glendalough asked why a definition could not be given, the Minister replied that she should "have her Labor lawyers go and find out". The Minister's defensiveness on this issue is an indication that he does not understand the implications of this clause. The Government has cobbled together this clause to try to address a real social issue. The Opposition suggests this is not a solution; it simply shifts the issue from the State Government level to local government. In the second reading debate the Minister said that it was recognised that local government was better able to handle matters of morality and community standards because this sphere of government is closest to the people. However, I do not see why that equips it to handle matters of morality and community standards better than the State or Commonwealth Governments. These matters are very difficult, and this legislation will pass to local government a number of powers which impinge directly on the freedom of the citizens of this State. That should not be done lightly. I do not take a libertarian position on issues generally, and I recognise that in many areas the State has a responsibility to place limitations on people's freedom. I support the legislation requiring people riding bicycles to wear helmets, even though it is clearly an infringement on their personal freedom. However, some good can clearly be seen from that imposition. In this case, local government is being given tremendous power to take away the freedom of ordinary citizens, and no clear indication is given by the Minister that something will be gained by it. The council will decide what is offensive and indecent. The whole area is very vague, and yet local government will be given tremendous powers.

**Mr Lewis:** It will be subject to appeal.

**Mr KOBELKE:** The levels of appeal are very limited. A person may appeal against the regulation but once it has been put in place, I understand no avenue of appeal will be available. I hope the Minister will take that point up. Therefore, we will give to local government councils a tremendous power - a power which they have said they do not want. They certainly do not want to get caught up in the tangle of issues which would surround judgments about what is offensive or indecent. The Minister for Planning should also take another look at this clause, because a business enterprise may be run according to the planning, health and other requirements laid down by legislation, but this clause applies to how the activity may be conducted on the premises, and that gives this clause a primacy about which we need to think carefully.

**Mr Omodei:** It is not the use of the building but the activity within the building. Therefore, it is not a planning issue.

**Mr KOBELKE:** The Minister is not listening. A business enterprise may be established on a particular site by meeting the planning and health requirements, but this clause may affect the activity that takes place on those premises and in some circumstances cut across the range of provisions which have already been met in order to allow for the establishment of that enterprise. This clause may in some instances have primacy over the planning and health legislation which normally regulates what is considered an appropriate activity on a site.

**Mr MARLBOROUGH:** We have raised with the Minister previously our concern that local government may make by-laws for regulating or prohibiting either absolutely or unless under authority of a licence issued by the council, such conduct on any business premises which are not subject to licences and conditions issued under the Liquor Licensing Act 1988 which in the opinion of the council is offensive or indecent. It is not appropriate to hand over to 142 councils in this State the morality of this State, which is what this legislation seeks to do.

**Mr Omodei:** You said exactly the same thing during Committee the last time we sat. Can you get to some new argument?

**Mr MARLBOROUGH:** I am more than happy to go over the same ground because we have only this Committee debate to convince the Minister that he is on the wrong trail. The Minister knows that regardless of how many times I tell him he is on the wrong trail or how often I repeat what I said earlier, it is no different from what he has been advised by WAMA, which has indicated to the Minister on numerous occasions that it does not support taking on the task of policing an area that is covered by state laws. It is not interested for obvious reasons. Let us put Slic Chix in perspective: Slic Chix is a brothel.

**Mr Omodei:** Then why is it not being controlled by the police?

**Mr MARLBOROUGH:** Good question. I am saying it should be. It is a brothel. That is the activity that is carried out there.

**Mr Omodei:** Then you are talking to the wrong Minister.

**Mr MARLBOROUGH:** I am not talking to the wrong Minister at all. These activities are covered adequately by state laws. If criminal activities are taking place, they should be looked at by the appropriate state agencies, which are well known to us all - the police, the Director of Public Prosecutions, and even the Health Department. This Minister has gone to the area where he believes he will meet the least resistance. The Minister has already had discussions with the police, and the police have said, "This is too hard for us. We do not want to get into an argument about what goes on in a particular building. We do not want to have to differentiate between people who are eating off tables, off plates or off human beings. It is a no win situation for us. The health laws are not appropriate. The legal grounds under which we have to act are not appropriate, and it is too much trouble for us. We would be far better off doing other things." The Minister then said, "We do not want the burden of it in the Parliament. The only way we can overcome it is to handball it to local government". However, local government does not want it. I turn now to an example of what happens elsewhere in the world where local governments have this control. I refer to a planning and zoning regulation for the City of Newport Beach in California.

**Mr Omodei:** That would be relevant!

**Mr MARLBOROUGH:** It is relevant, because this legislation aims to lay down the guidelines by which certain activities can take place within a municipality. Unless the Minister can give me an example of how councils in Australia are policing this matter, it is appropriate to see what is happening in a place like California. Section 20.74.010 states, under the heading "Intent" -

The City Council of the City of Newport Beach finds that adult entertainment businesses, as defined in this Chapter, because of their very nature, have certain adverse impacts on adjoining areas. The adverse impacts on adjoining areas are (1) the relocation of existing commercial/residential uses because of a fear on the part of the property owners that establishment of such a business is indication of a downgrading of that area; (2) a decrease in property values in adjoining areas because of the increase in crime, relocation of existing businesses and overall deterioration of the neighbourhoods occasioned by such a use; -

That debate takes place in many council chambers on any night of the week when they have to determine standards. It continues -

(3) an increase in crime, especially sex-related offenses, in the immediate vicinity of such a use; (4) deterioration of the physical condition of structures near such a use because of the fear of property owners that establishment of such a business is a signal that the economy of the neighbourhood is unstable and the consequent reluctance to invest in such properties.

The City Council further finds that a requirement that such businesses be located more than 500 feet from residential areas will tend to mitigate, and possibly avoid, the adverse impacts associated with adult entertainment enterprises.

These are the types of debates that will take place under this Minister's proposal to hand

over to local governments the decisions that should be made by the State Government. They are the reasons we will have in this State at least 142 different ideas on what should happen in a building and how it should be used. We must also be concerned about the Bill because, as I pointed out before, the Minister intends to make it retrospective.

Mr Omodei: You know that the by-law making power begins the day it is gazetted.

Mr MARLBOROUGH: The Bill will allow a council to make a decision on an existing business and activity. The Minister can read in *Hansard* where he said it was correct. He first said it was not correct, then he said it was.

Mr Omodei: If we gazette a by-law tomorrow for the control or behaviour of dogs, it becomes operational as at the gazettal date. There is no difference.

Mr MARLBOROUGH: There is a great deal of difference. I should not have to spell out the difference. Millions of dollars are invested in existing business enterprises that will be placed in jeopardy at the whim of a council. There should be adequate state laws. We are not advocating that the law be broken, but it should be examined to see whether it is being broken by existing instrumentalities of the State Government. This clause will cause more problems than the Minister is hoping to solve. Every by-law that councils try to pass must come back to this Parliament for approval, which the Minister and I and others will argue over across this Chamber.

Mr Omodei: Where do you think it should be argued?

Mr MARLBOROUGH: I have a different view from the Minister or my colleagues of how a Slic Chix should be treated. It should not be handled in this way.

Mr OMODEI: It is a shame that members opposite have not read my response to the second reading debate on this Bill. It refutes the arguments made by the Opposition. The police cannot control this situation because under their jurisdiction a law must be applied uniformly across the State. The member for Peel and other members opposite know that what could be considered suitable for Northbridge could be considered otherwise in another part of the State. Each council will have a different opinion on how it structures its by-laws. Licensing under liquor and gaming would also mean there would be a huge impact on licensed and BYO premises across the State with various types of behaviour in various parts of a municipality.

Mr Marlborough: That is what I have been saying.

Mr OMODEI: That is true, and it should happen and can happen under the Local Government Act.

Much importance has been placed on moral behaviour. Members opposite seem to think local governments do not make decisions on moral behaviour in this State. Obviously they have not read the Local Government Act. As I described in my response to the second reading debate, section 206 provides for brothels; I quote -

(1) In this section -

"brothel" means a house, room, or other premises, kept or occupied, whether by one or more than one person, for the purposes of prostitution.

I also said in the second reading debate that the question of brothels has been taken out of the hands of local government and is being controlled by the police. To continue -

(2) A council may so make by-laws -

- (a) for the suppression and restraint of brothels, disorderly houses, houses of ill-fame, and places used for habitual prostitution, of prize fights, dog fights, or cock fights, of gaming tables, and gambling of every description;
- (b) for prohibiting a person from keeping or managing, or assisting in the management of a brothel, house of assignation, or house of ill-fame, or place used for habitual prostitution; or from permitting premises, or a part of premises to be used as a brothel . . .

Subparagraph (c), which is probably more relevant, refers to the preserving of public decency. This section of the Local Government Act could not be used for the control of a Slic Chix type of activity because it relates to a public rather than a private place. It was therefore necessary for us to amend these by-laws.

The other issue concerns moral judgments made under section 193 of the Local Government Act, which I mentioned in my reply to the second reading debate, under which councils have the control of beaches and bathing.

**Mr Marlborough:** They are public places, not business premises.

**Mr OMODEI:** The member for Peel argued that local governments were not making decisions based on moral grounds, but they do it every day.

**Mr Marlborough:** I did not argue that.

**Mr OMODEI:** The member did. Under section 228, local governments can make by-laws in relation to nuisances and offenders. They consistently make decisions based on moral grounds.

**Mr Marlborough:** Why has local government told you it does not want this amendment to the Act?

**Mr OMODEI:** The Western Australian Municipal Association has said it does not favour an amendment to provide for places such as Slic Chix, but it is not opposed to some decision making power to control the issue. Not all of the local governments in the State have supported WAMA's view. The Shire Clerk at Albany, one of my friends from Manjimup who is regarded as a fairly astute judge, believes many local governments require this ability to make by-laws.

**Mr Thomas:** At a football match last week I met a bloke who is actively involved in local government and does not like the amendments.

**Mr OMODEI:** That is very interesting. In relation to local governments making decisions that will conflict with decisions made by other local governments, in the end the by-law must come back to this Parliament and lie on the table. I have already mentioned to the member for Nollamara that under section 259(2), where a council has the power to make by-laws on a matter but does not do so and the Governor is of the opinion that for effective local government, by-laws should be made on the matter, the Governor may make the by-laws. More importantly, under section 259(3), where a council has made a by-law and the Government is of the opinion that the by-law wholly or in part is not conducive to effective local government, the Governor may make a by-law amending or revoking it wholly or in part.

If members opposite and WAMA are concerned about local governments making a by-law that is not conducive to good local government, this Parliament and I, as Minister for Local Government, have the ability to change that. As the member opposite quite rightly said, there are 142 local authorities. Not all of them must put by-laws in place. That is completely within their power. Thousands of by-laws are dealt with annually. They lie on the Table and are subject to disallowance. The Attorney General, in association with the Office of Liquor and Gaming, the police and others, has looked at this question and believes that this amendment is the best way for local government to control offensive and indecent behaviour.

**Mr D.L. SMITH:** I remind the Minister that in February - in three months - he will have been Minister for Local Government for the same period as I was and for almost twice as long as was the former member for Helena and the member for Armadale. He has had nearly 21 months to complete the drafting and to introduce the new local government Act. It is appalling that, after the work done by me and the previous two Ministers on the drafting of the new legislation and following the consultation that has taken place, in November 1994 we should be dealing with piecemeal legislation of this kind. I hope the Minister will provide us with assurances as to when the new local government Act will be introduced into this place so that we can cease dealing with these piecemeal pieces of legislation.

I have a slightly different view about section 229 from that of other members on this side. I still believe, as I said when I was the Minister, in the independence and autonomy and devolution of powers to local government. I believe that this Parliament still treats local government as the junior partner in the government of this State and that we do not fully recognise the benefits that would be conferred on communities if we gave them more power and the ability to raise funds through rates and other means to decide what they wanted to do. I support giving local government as much autonomy as is possible and to devolve to local government as much of the decision making power relating to activities in the community as is possible for us to give it. The one rider, however, is that if we are serious about autonomy, we must accept that we cannot impose on local government those powers which local government does not want. Similarly, we cannot impose on local government liabilities or financial responsibilities which local government does not want.

There are two primary faults in what the Minister is trying to do by introducing proposed section 229A. It is clear, firstly, that the spokesbody for local government in Western Australia, the Western Australian Municipal Association, does not want this power. If local government tells us that it does not want a power or responsibility, we should not impose that responsibility on it. Secondly, it is wrong to provide in the proposed section decision making powers relating to offensive and indecent conduct. All that needs to be done is to give some clear licensing power for conduct generally rather than try to fit it into this category of offensive or indecent behaviour, because local government should never have the power to make legal that which is illegal under state or commonwealth laws. The second constraint I would impose on local government is that its by-laws and powers must be consistent with the obligations cast on the community under equal opportunity legislation, under constitutional rights conferred by the federal or state Constitutions, or any rights conferred at common law. For instance, we should not allow local government to allow an apartheid system to operate within its boundaries or to allow clubs or other businesses to operate which allow things to go on that are illegal under state or commonwealth laws.

As a lawyer, I can tell the Chamber that what the Minister is implying through the proposed section is that, somehow, local government will be able to grant a licence for a business to be conducted on premises in an offensive or indecent way. My view is that, if people's behaviour or conduct is offensive, it probably constitutes an offence under our Police Act. I do not understand why the Minister is asking councils to decide what is offensive or indecent or to run the risk, in deciding what those words mean, of allowing premises to be licensed for conduct that is contrary to the law of the State. Beyond that, councils should have some control over businesses such as Barbarellas, Slic Chix and brothels that operate in certain parts of the local authority area. Local communities should be able to make decisions about those issues because, in the end, decisions made by local people are the best decisions for local communities.

The Minister could have achieved his objective through a variety of ways rather than through this proposed section. However, even if he were able to redraft it so that it is acceptable to me, he still must overcome the first principle; that is, if autonomy has any meaning at all, he cannot impose on local government liabilities, responsibilities or powers which local government does not want. I understand why local government does not want these powers. It does not want them because it would have to decide which offensive and indecent business it would allow to operate. It might also have to provide the conditions under which the licence would be allowed. It would also have to prosecute people to enforce those conditions relating to indecent or offensive conduct when the council has not issued the licence.

It will mean an enormous amount of responsibility for local government if it must employ investigating officers to go into premises as police officers do and make a decision about whether conduct is indecent or offensive and then decide whether the conditions are being adhered to and prosecute as the police now prosecute. There will be enormous divisions within communities about whether councils should issue licences of this kind in this State, and about whether they should be issuing licences in the locale

where they are being sought. An enormous amount of pressure will be applied to local councillors, by both the people who want to establish the business and those who object to it.

The current system of electing councillors is a non-compulsory voting system where between only three per cent and four per cent turn out in some cases and where, on average, in some areas only 20 per cent of the electorate turn out to local government elections, where councillors are voluntary and these days are not too long serving - between seven and 10 years, rather than 10 and 20 years as was the case in the past. Yet the Government is imposing on local government this decision making that councils do not want and do not have the time for, where the councillors will be subjected to pressures which will involve not only questions of morality but also no doubt the same sorts of incentives that are offered in relation to planning and other powers.

Local government does not want this power, nor does it think it is equipped for the powers that the Government wants to confer on it under this provision. The Government should simply accept the advice of the Western Australian Municipal Association and say, "If they do not want the responsibility, we as a State Government will retain it." The Minister should go back to Cabinet and ensure that the Minister for Health, the Minister for Police or the Attorney General introduces to this Parliament appropriate legislation to control the activities of Slic Chix. The Government should accept the responsibility to ensure that what goes on in the community is of an acceptable standard, with a proper regulatory system enforced by the organisation that has the responsibility for it - the State Government. All councils are in favour of autonomy, but the first rule of autonomy is to listen to the advice that comes from local government. It does not want this power, so why should this Parliament approve it?

Mrs ROBERTS: I will refer firstly to the operation of the restaurant, Slic Chix. In doing so I will refer to the minutes of the Perth City Council of 20 September 1993 and the report of the council officers who inspected the restaurant. It states -

Inspections of the restaurant by Environmental Health Officers of the Council's Health Department on two occasions in early and late July, revealed that no Health Act legislation is being contravened. On the latest inspection the announcer advised of the following additions to the "menu". These consisted of:-

- (i) a spa with the hostess of your choice. (A spa has been installed in the north eastern corner of the restaurant);
- (ii) a hot oil massage. (The patron is invited to rub warm oil onto a hostess of his choice);
- (iii) the "Tutti Frutti Smorgasbord". This involves a naked hostess laying on a table, having cream and fruit salad placed on her torso and the customer eating the "sweet" from the torso - no hands allowed. A fee of \$140 is charged.

The report goes on -

With respect to the practice of "Tutti Frutti", whereby a naked waitress lays on a table and has her abdomen covered with food, inviting patrons to eat this food, has been checked by officers of the Council's Health Department. Inspections reveal that in late August, this practice was being carried out, however the waitress was wrapped in clear plastic from below her pelvis to above her breasts. The waitress laid on the table and cream and pieces of fruit were applied to her torso. Approximately 16 young men then proceeded to individually eat the fruit from the waitress lying on the table.

These are not the extreme cases of what is alleged to occur at the restaurant.

Mr Omodei: Do you think it is a brothel?

Mrs ROBERTS: No. However, the Government needs to consider the types of activity. Some acts are mildly indecent, involving some nudity; others are, to put it mildly, grossly indecent. These kinds of activities also occur at the Club X Adult Cinema in Barrack

Street. The Government needs to determine that some of these acts are so bad and so immoral that they should be banned across the State. However, other activities might be best controlled by the police, as now happens for some of the activities including brothels. I note that the brothels would also come under the heading of business premises. A correct line has not been drawn between what is a state responsibility, where action should be taken for things that are absolutely, totally and grossly immoral and should not be permitted, and those which are not desirable at certain locations.

Mr Omodei: Do you think this is a brothel? If police should be involved in it, it is a brothel.

Mrs ROBERTS: I have been advised that some of the activities that occur at brothels also occur at Slic Chix.

Mr Omodei: Then it should be brought to the attention of the police. Have you brought it to the attention of the police?

Mrs ROBERTS: I believe it has certainly been brought to the attention of the police, although I have not done so.

Mr Omodei: You are much better informed about these activities than I am.

Mrs ROBERTS: The Perth City Council has drawn this matter to the attention of the police on many occasions. Much has also been made of the stand of the Western Australian Municipal Association. There have been allegations and counter-allegations. I put on record the comments of Councillor Joe North, the President of WAMA, where he questions what is meant by "offensive" or "undesirable". He says -

Councils are being asked to make moral judgments that the State is not prepared to make. Neither offensive nor undesirable appear to have any technical legal meaning and there would be a lot of doubt as to what activities might be covered by the proposal.

As well there may not be a consistent application of the solution with some Councils passing by-laws and other Councils not. Proprietors of businesses which might be affected by these types of by-laws will be able to set up in municipalities that don't have by-laws . . . it will just shift the problem around.

The minutes continue -

Cr North went on to say that it was far more appropriate for the Police to regulate this type of activity given their current powers under the Police Act.

Let us not be in any doubt about WAMA's position. I would not want the Minister to be in any doubt about the position of the City of Perth. A letter from the Perth City Council, of which I was a member at the time, sent to the Premier on 19 October 1993, states -

Dear Mr Court

At the Council Meeting held on 20 September 1993 it was resolved that;

- "(i) the Premier of Western Australia be advised that the Council strongly opposes the introduction of legislation which will allow topless persons to serve food and drink in unlicensed food premises;
- (ii) the Council urges the State Government to promptly introduce legislation to prohibit the practice, in food premises, of food being served on or consumed from visibly naked human bodies or other similar behaviour, . . ."

The above resolutions were considered by the Council and relate to an eating-house situated in the municipality of the City of Perth. The Council totally opposes the activities of these premises and the matter of the licence and registration is currently the subject of consideration by the Council.

The Minister has not chosen the words "offensive" or "undesirable" for this new legislation. The Minister, through WAMA, circulated the legislation with the terms "offensive" or "undesirable". This proposition was canvassed within other government

authorities. The City of Perth considered a lot of advice on this issue, some of which came from the then lawyers of the City of Perth. Contrary to the definition which the Minister provided from the dictionary during the second reading debate, the lawyers looked at individual cases where the meanings of these words had been considered. The council minutes refer to the decision of *Wurramura v Haymon* in the Northern Territory in 1987. The minutes, in part, state -

... the Court held that the concept of "offensive behaviour" depended upon the circumstances in which it took place and must be looked at in a contemporary light. The Court said:

"It is true that behaviour is not necessarily offensive because it offends a particular person. It is likely that personal idiosyncrasies are such that otherwise it would hardly be possible to walk down the street without committing some offence against a sensitive individual ... the law on offensive behaviour is neither for the unduly sensitive nor the totally permissive. It strikes a balance."

In the Victorian decision of *Ingliss v. Fish* (1961) VR 607 the Court found that the expression "offensive behaviour" is concerned with behaviour that was calculated to arise anger, resentment, disgust or outrage in the mind of a reasonable man.

In the South Australian decision of *Khan v. Bazeley* (1986) 40 SASR 481 the Court held that the test, when deciding whether or not an act is offensive, is an objective one, to be determined by the Court which is invested with the responsibility of determining the facts.

The legal advice received by the City of Perth was -

These three decisions I suggest are sufficient to show that the concept is a very imprecise one. That imprecision in turn leads to obvious difficulties in the area of enforcement.

That is my other area of concern regarding these amendments to the Local Government Act.

Mr Omodei: Did the City of Perth consider the behaviour at *Slic Chix* to be offensive or indecent?

Mrs ROBERTS: The decision by the City of Perth reads -

That the Western Australian Municipal Association be advised that the Council does not support the current proposal to introduce amendments to the Local Government Act 1960 to allow By-laws to be created to control offensive or undesirable activity, however, it does support similar uniform statewide legislation which is enforced by the Police Department.

In essence, that says it all. It is not true to claim that in any way the City of Perth asked for or supported this legislation. That decision was conveyed to the Government; the position was made clear. It is not a position that was asked for or supported by the City of Perth, and it is not an amendment which is supported by the WA Municipal Association or the vast majority of councillors. The concern was expressed in respect of the imprecision of the proposed terms "offensive", "indecent" and "undesirable", leading to difficulties in the area of enforcement. It makes me wonder how this amendment to the Local Government Act will operate. Given that the Minister considered this amendment as a result of the *Slic Chix* activities - as was claimed in his second reading speech - perhaps some thought may have been given by the department to a by-law that it envisaged the City of Perth or the Town of Vincent would put in place in the circumstances that would allow the Town of Vincent to control *Slic Chix*. Unless we can see the by-laws which will result from this clause we cannot judge how enforceable the by-laws are likely to be. It would be surprising if the Department of Local Government had not given consideration to some form of by-law to operate in the case of *Slic Chix*. If that is the case we should be made aware of it now, so that the public, the Town of

Vincent and other authorities can see whether the by-laws will operate effectively; and whether the Government is dinkum or just putting up something that will potentially be seen to appease some people but in practice will not work because it is unenforceable.

Mr KOBELKE: I take one more opportunity to ask the Minister to respond to the matters I have raised. The Minister indicated that the matter was covered by section 259(2) and (3) of the Local Government Act but that relates to the making of by-laws and regulations; how they might be disallowed, and how the Government has power to withdraw the head of power that might be provided by by-laws and regulations. That was not the point I was trying to make. Perhaps I was not clear, and I apologise for that.

Mr Omodei: It is to revoke; it is not about the head of power to make one.

Mr KOBELKE: I referred to the head of power that a local council would have under a by-law. I referred to that as a head of power because once a by-law is established as a regulation, the council can apply it to the terms "offensive" or "indecent" as the council judges in its opinion. It will have its officers enforcing it. That is the issue I raised.

At the second reading stage, on another occasion the Minister either misunderstood or misrepresented the case. He said that I had the Bill in one hand and the explanatory notes in the other; and that I compiled my speech by reading from one and then the other. That was not true. I had the Minister's second reading speech in one hand and the Bill in the other. At the briefing we asked for clause notes but they have not been provided. On other occasions, Ministers have made notes available. Clause notes have been provided for another Bill to be handled either tonight or tomorrow. Perhaps the Minister misunderstood what I said, because he has read things into my comments.

Mr Omodei: Is it not a fact that the Department of Local Government circular was the green one that I gave to the member?

Mr KOBELKE: I did not see that. I am aware of a circular with some notes, and I referred to that, but I did not have that note in my hand at the time. I had the Minister's second reading speech in my hand.

What will happen when one of the regulations is in place, and powers are available to local government councils to make decisions regarding what they judge to be offensive or indecent? At one end of the spectrum, it may be possible to have an incredibly broad regulation. I hope this will not be established, but as these powers allow for regulations to be made it may be possible that a very broad regulation could slip through; that is, something that said that the activities conducted on a commercial premises which related to the entertainment industry could not be conducted unless the enterprise fulfilled the requirements of the council relating to matters it considered to be offensive or indecent. If the regulation were as broad as that, an officer of a council could dictate the fine detail regarding how an enterprise could be run. That would open up a range of problems in itself, but one hopes that such a broad by-law would not be allowed through. We would end up with a more specific by-law to prohibit or regulate particular activities.

Mr Omodei: The point is that if I did not like it I would not recommend it to the Governor, and if the member did not like it he could move a disallowance motion, no matter how broad or narrow the by-law.

Mr KOBELKE: That is one scenario, and I hope that it will not slip through the net. We should consider the more likely possibility of a regulation of more limited scope. Given that the Minister said that every council could apply it differently and could have different sets of regulations we may have an instance where, using a by-law established properly under the Act, a council made a decision that people accepted as being wrong. In that situation we would need to undo it. That happens from time to time in all areas of government, but what happens to the enterprises that may have been put out of business because the regulation was applied incorrectly? The Government will be passing these powers to the 140-odd councils throughout Western Australia.

Mr Omodei: What do you suggest we should do to control those activities? If the police had such powers - and we can give these powers to the police - would not that have the same effect?

Mr KOBELKE: No, it would be quite different. It might have the same effect, but the big difference is that the Police Force, it is hoped, is run in a way which is laid down by regulations across the State. We do not have different councils applying different regulations, or even the same regulation, in different ways. They will have to establish their own policing arm in order to enforce these by-laws; whereas one hopes the Police Force has an objectivity and a set standard which would be applied across the State. The Government is providing that possibly 140 different authorities will apply the legislation in different ways, because the legislation states that it relates to conduct on a business premises which in the opinion of the council is offensive or indecent.

I return to the Minister's comment about the section of the Local Government Act that relate to brothels and a range of other matters. The sections to which the Minister alluded define in some detail the range of activities which are caught by the section; however, that does not apply in this case. In this case the council can form an opinion as to what is offensive or indecent. That goes way beyond the flexibility that exists within the section of the Local Government Act the Minister quoted. I accept that there is a degree of flexibility in the interpretation of those aspects of the Act; that it is sometimes difficult to tie down the exact meaning of those phrases and how they might be applied. To that extent moral judgments might be made. However, the Government has moved the whole matter up a notch with the wording in this clause. It will give councils the ability to make decisions based on their own opinion of these terms. That could have wide ramifications.

The Government is going well beyond the section contained in the Local Government Act. As the member for Peel pointed out, the section in the Local Government Act relating to the control of brothels was found to be ineffective. The policing under that section was not working and was therefore handed over to the police. The Government is going down that same road, but is making it worse because it is giving a much wider gambit to the councils for what they may or may not do. The wording of the Bill is general rather than specific to certain activities. It is hoped that the by-laws are specific.

Mr Omodei: Do you think Slic Chix is a brothel? The member for Peel and the member for Glendalough do.

Mr KOBELKE: I do not know. I have no personal knowledge of the establishment; therefore, I can pick up matters only third hand. However, I do not find the activities conducted at those premises acceptable, and they are activities against which I hope the Government will take action. The Opposition suggests that the way the Government is addressing the matter through proposed section 229A will not resolve the issue: It will open up the scope for a range of other problems across the State and will miss what the Government is trying to prevent at this establishment. I urge the Minister to reconsider the matter carefully. Rather than visit upon local government a range of problems which are likely to arise, the Minister should consider the legislation and decide whether the matter can be handled by the State Government with a specific piece of legislation or with additional tightening up of the Criminal Code.

Mr MARLBOROUGH: We are dealing with a single business outlet in Perth which has had a great deal of publicity recently. The activities that have taken place within that facility required the Health Department to consider its regulations, the City of Perth to consider its by-laws and its ability to get the Government to act in a certain way, and the Police Department to consider its laws.

Mr Omodei: The police visited it.

Mr MARLBOROUGH: Yes. The member for Glendalough has said previously in this Chamber that camera surveillance took place at one stage within the premises.

Mr Omodei: That was by the liquor and gaming section of the Police Force.

Mr MARLBOROUGH: That should indicate to the Minister -

Mr Omodei: That the laws which are in place are not adequate controls.

Mr MARLBOROUGH: Absolutely. I do not understand how, in setting out to rectify

that, the Minister believes he can do it by handing over this responsibility to a local government authority that does not want the responsibility.

Mr Omodei: At the same time, the City of Perth attempted to control the matter under its health by-laws, but it failed.

Mr MARLBOROUGH: If that is reason enough for the Minister to want to give it to local government to fix, let the Minister and I at least agree that the wording of this clause will not fix it.

Mr Omodei: If this doesn't fix it, no other legislation will either.

Mr MARLBOROUGH: Of course it will. I have a firm view, as does this side of the Chamber, that these are matters for state laws, and if they are inadequate that inadequacy is what should be addressed. We should spend time debating the appropriate sections of the Police Act and the Health Act to put in place the appropriate laws. I am not convinced that appropriate laws do not exist. I think the activities of which Slic Chix was initially accused of conducting did not breach the existing laws. The interpretation within those laws -

Mr Omodei: Which laws?

Mr MARLBOROUGH: The Police Act and the Health Act.

Mr Omodei: And legislation covering liquor and gaming and indecent behaviour. Once again, it is on private property. If it is a brothel - I know you claim it is - something should be done about it.

Mr MARLBOROUGH: I will come to that problem. I do not back away from that. The activities which have taken place in Slic Chix have changed a great deal since it was first brought to the attention of the public. I suggest that the previous laws under the Police Act, the Health Act and the Liquor Act were not appropriate because they were not specific enough. This clause lacks in that respect as well.

Mr Omodei: You are living in cloud cuckoo land. Where will we start and where will we stop? Legal definitions exist for offensive and indecent behaviour. I am informed by legal advisers that they would cover the situation.

Mr MARLBOROUGH: That is a nonsense. The lawyers will drive holes through any of those definitions. A court may rely on a standard application of what is offensive or indecent - I am not sure whether such an application exists - but the difficulty is in how they will be interpreted.

Mr Omodei: They will be interpreted like every other law - by the judge.

Mr MARLBOROUGH: An elected body of councillors is putting in place the by-laws that are supposed to take account of acts which in the opinion of the council are offensive or indecent. The problem arises in the determination in the minds of that group of councillors of what is offensive or indecent.

Mr Omodei: Councils don't make by-laws by themselves; they get legal advice.

Mr MARLBOROUGH: I have just indicated that councils make all sorts of by-laws, with or without legal advice. The Minister has received advice on this clause from the Western Australian Municipal Association. It does not want this clause. The Minister has ignored WAMA. Will local government act any differently from the Minister, who has taken no notice of the advice he received from WAMA? The Minister thanked WAMA for its concerns, but he continued along his path.

Mr Omodei: Does the member for Peel agree with WAMA all the time?

Mr MARLBOROUGH: Not at all. The Minister is suggesting that councils seek advice. The Minister has been given advice, and he has taken no notice of it. The Minister is accepting the point I made during the second reading debate when I pointed out that Western Australia would have 142 different interpretations of the words "offensive" and/or "indecent." The Minister is creating a nightmare. This Government's support base is in industry. Industry will be clamouring at the Government's door because the

interpretation of this clause within the legislation will cause a great many problems. Existing businesses will be redefined by newly elected councillors. The scene will change every year. This subclause is so broad that it allows for a different interpretation of the same activities taking place between not only different councils but also newly elected councils. The Minister has already agreed with me that there could be 142 different interpretations, and that will occur on a regular basis as a new power group takes over a particular council. The Minister mentioned his mate in Albany. That is a typical example of the concerns of the majority of Western Australians. That council tried to stop premises being used as a meeting place for homosexuals and lesbians.

Mr Omodei: Is the member for Peel saying that a local authority should not have a say in what is happening in its municipality? The member for Mitchell said he was confident in the ability of local government.

Mr MARLBOROUGH: That is a misrepresentation of what the member for Mitchell said. He said the community should not have any law thrust on it, particularly a law it does not want. Does the Minister support the decision of the Albany Town Council on the use of a building as a meeting place for homosexuals and lesbians?

Mr Omodei: Yes, I support it.

Mr MARLBOROUGH: Does he support its ability to close such an activity?

Mr Omodei: What has that got to do with this argument?

Mr MARLBOROUGH: It is the crux of this matter. Those are the Minister's morals.

Mr Omodei: I support local government, which is the sphere of government closest to the people, making decisions for the welfare of the community. If it means closing down a gay and lesbian bar, that should be up to the council, not the member for Peel.

Mr MARLBOROUGH: The crux of the matter is that the Minister is using this Chamber and local government to impose his own standards of morality on the community.

[The member's time expired.]

Mr OMODEI: Members opposite are concerned about those activities in one area of the State, yet the Opposition has not come up with one alternative to this issue. The member for Glendalough experienced problems with Slic Chix under City of Perth health by-laws, and the liquor and gaming squad had problems controlling the operations of Slic Chix. The Opposition is using this as a political issue because WAMA and the Labor Party think that the Government is not handling this matter correctly. The Government took advice. It met with all the concerned parties - police, liquor and gaming squad, Health Department - and it found the solution.

The member for Nollamara raised questions about the licensing of premises. If a person is not happy about the action taken by the local authority, under section 222(3) of the Local Government Act he or she can proceed to litigation.

Mr Kobelke: It is not necessary to have a licence under a by-law.

Mr OMODEI: The member should read section 222A of the Local Government Act.

Mr Kobelke: It does not say there must be a licence; the Minister is partially correct.

Mr OMODEI: The member for Nollamara related the issue to a licence. If it is a licence, people have the power to challenge the decision under section 222A and section 259, to which I referred earlier in this debate, where the Minister has power to amend or delete a by-law that is not in the interest of good local government.

Mr Kobelke: All these people will be knocking on the Minister's door trying to get him to overturn these regulations.

Mr OMODEI: No, the regulations will come to this place and lie on the Table and be subject to disallowance.

Mr Kobelke: What if a by-law catches an enterprise in its net and that enterprise feels it has been dealt with unfairly and comes to the Minister asking him to disallow that by-law?

Mr OMODEI: Any offence can be taken to court. A person can appeal against the local authority in the District Court.

Mr Kobelke: Is the Minister certain of that? The legal advice I received is that the enterprise could not take the matter to court.

Mr OMODEI: The offence is dealt with in the court.

Mr Kobelke: If a by-law prevented a particular business enterprise from operating because it prevented certain conduct from taking place, what opportunity for appeal would the proprietors of that business have?

Mr OMODEI: It relates only to the non-issue of a licence. If offences occur within the premises the council must take that to court. In this case we are talking about private premises. We are not talking about public premises. The member for Glendalough raised the issue of indecent conduct of people coming out of a place like Slic Chix. The police dealt with them for indecent behaviour. The members for Peel and Glendalough both appear to believe that the Slic Chix premises is being run as a brothel. Section 206(1) of the Local Government Act defines a brothel as a house, room or other premises kept or occupied whether by one or more people for the purposes of prostitution.

Mr Marlborough: The law no longer recognises that old English description.

Mr OMODEI: Prostitution is taken to mean sexual intercourse for money. Is the member for Peel suggesting that is happening at Slic Chix?

Several members interjected.

Mr OMODEI: Why have members opposite not brought it to the attention of the police?

Mr Marlborough: Why don't you?

Mr OMODEI: At the Committee stage of this Bill members opposite have come up with unbelievable revelations. The members for Glendalough and Peel have made allegations which they should draw to the attention of the appropriate authorities.

I am advised there is no law to govern offensive and indecent behaviour on private property. The Government is amending the local government legislation to give local authorities the ability to make by-laws to control that behaviour. The member for Mitchell clearly supported the move to delegate authority to local authorities and said that they would be capable of carrying out their responsibilities. He also referred to the time that this Government has been in office and to the fact that the Local Government Act had not been redrafted. When I assumed the office of Minister for Local Government only one chapter of the largest Statute in the State had been redrafted. The Opposition does not have a feather to fly with when it comes to drafting legislation. This Government has introduced more local government legislation in the one and half years it has been in office than the Opposition did in 10 years.

Mr Marlborough: All the work had been done for you.

Mr OMODEI: The member knows that is rubbish.

The Western Australian Municipal Association opposes the by-law making powers but it asked the Minister for Planning whether he would use town planning mechanisms to give councils the power to control behaviour on private property. The Minister for Planning advised that it was not appropriate. This Government has been confronted with planning and police issues and liquor and gaming regulations and it believes that this by-law making power will work. The previous Minister for Local Government told me that I should not be imposing laws on local government which it did not want. He spent most of the two years he was Minister for Local Government imposing his will on it.

Mr Marlborough: You could not lie straight in bed.

Mr OMODEI: I can very easily and I go to church on Sunday as well.

Councils will have the ability to make by-laws and the Government believes that this clause is one way of fixing the problems which emanated from the Slic Chix episode.

Clause put and a division taken with the following result -

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Ayes (24)		
Mr C.J. Barnett	Mr House	Mr Osborne
Mr Blaikie	Mr Johnson	Mrs Parker
Mr Board	Mr Kierath	Mr Prince
Mr Bradshaw	Mr Lewis	Mr Strickland
Dr Constable	Mr McNee	Mr Tubby
Mr Day	Mr Minson	Dr Turnbull
Mrs Edwardes	Mr Nicholls	Mr Wiese
Dr Hames	Mr Omodei	Mr Marshall (Teller)

  

Noes (20)		
Mr M. Barnett	Mr Graham	Mrs Roberts
Mr Bridge	Mrs Hallahan	Mr D.L. Smith
Mr Brown	Mrs Henderson	Mr Thomas
Mr Catania	Mr Kobelke	Ms Warnock
Mr Cunningham	Mr Marlborough	Dr Watson
Dr Edwards	Mr Riebeling	Mr Leahy (Teller)
Dr Gallop	Mr Ripper	

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Pairs		
Mr Cowan	Mr Taylor	
Mr Shave	Mr Grill	
Mr Bloffwitch	Mr McGinty	

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Clause thus passed.

**Clause 7: Section 533AA inserted -**

**Mr MARLBOROUGH:** The Opposition has indicated to the Minister that it supports the major thrust of the remaining clauses in the Bill. It is concerned that a number of the changes require more explanation than was given in the three pages of notes. Some of the clauses in this Bill require regulations which the Opposition has not seen.

**Mr Omodei:** Do you mean the regulations pertaining to the Local Government Amendment (Elections) Bill?

**Mr MARLBOROUGH:** Yes. I ask the Minister to explain what is intended by this clause.

**Mr OMODEI:** Clause 2 states -

- (1) Subject to subsection (2), this Act comes into operation on the day on which it receives the Royal Assent.
- (2) Sections 7 to 17 come into operation on such day as is, or days as are respectively, fixed by proclamation.

**Mr D.L. SMITH:** When does the Minister envisage the commencement day will occur? What matters need to be put in place before the legislation is proclaimed? Does he envisage this legislation will facilitate the imposition of rates in the current financial year or does he expect that these powers will not be applicable until the next rating year? If the latter is the case I express my regret that it has taken so long to bring this matter to the Parliament and that so many local authorities, especially in country areas, have been deprived of the opportunity for the past two years to rate, to use the power to be provided for in these regulations. These problems have been besetting the local authorities in mining regions for some time. It is regrettable it has taken as long as it has for these provisions to come before us. Incidentally, I have just read the Western Australian Municipal Association's newsletter for November. WAMA is still awaiting a response from the Minister, as Minister for Water Resources, about a motion on headworks charges which was moved in August. I encourage the Minister to respond to that.

**Mr Omodei:** What has that to do with this legislation?

Mr D.L. SMITH: The comparison is that these provisions have been delayed, as a result of which local authorities have been deprived of rating for some time. I am quoting to the Minister another example of delay in his response to correspondence from WAMA, to which I hope he will respond soon.

Mr OMODEI: Headworks charges are a very complex question on which the Government is making progress. Both the Minister for Commerce and Trade and I as the Minister for Water Resources are looking at the question of headworks charges and how they impact on country towns across the State. That is something which was probably not addressed by the previous Government.

Mr D.L. Smith: Time is running out.

Mr OMODEI: I agree with the member for Mitchell; time is fast running out. Local government has been waiting for this Bill for quite a while. The member obviously was not here when we discussed the matter during the second reading debate. The previous Government brought a Bill into Parliament on 24 November 1992, which was not acceptable to the mining industry. As he will know there were ongoing debates by a series of interdepartmental committees, and in the mining industry and WAMA, over the issue of rating in mining tenements.

Mr D.L. Smith: It was not acceptable to the current Government.

Mr OMODEI: It was not acceptable to the mining industry. As a result of the opposition to the 1992 Bill we redrafted it in 1993. Obviously issues other than differential rating have been added to the amendment Bill. We have come up with a compromise that is acceptable not only to the mining industry but also to WAMA. The member for Peel will be pleased about that. That is one area that WAMA has accepted with a concern about the multiplier effect.

Mr D.L. Smith: I just corrected the statement.

Mr OMODEI: The Bill is in the Parliament. It will not be available for this rating year but it will be for the 1994-95 rating year. The reason is that local governments must do some work on their land uses and on listing them. Likewise, I am advised that the Valuer General must also do some work. By getting this legislation through the Parliament before Christmas it is hoped that by April of next year most local authorities will have all their processes in place. I am pleased the Opposition will be supporting, if not all of the Bill, certainly the main thrust of it, and certainly not before time.

Clause put and passed.

Clause 8 put and passed.

Clause 9: Section 540 amended -

Mr MARLBOROUGH: Could the Minister explain what "characteristics of the land" means in terms of what he is seeking the council to record? My reading of section 540 in the principal Act is that each council shall cause to be recorded particulars related to the rateable property.

Mr OMODEI: The provision has been redrafted to require that where differential rates are imposed there shall be attached to or included in the rate notice details of the characteristics of the land which form the basis of differential rates. In other words, there could be a multiplicity of differential rates, and they must be described by the council, and the ratepayers or electors of the district must be advised in advance. As a result of a later clause in this Bill every year a council will have to advise its constituents in advance what differential rates there will be and the number of them. They could be based on any land use and, therefore, the term is "use and characteristics of the land".

Clause put and passed.

Clauses 10 and 11 put and passed.

Clause 12: Section 547A inserted -

Mr D.L. SMITH: Could the Minister give some indication of how long he thinks it will

take local authorities to go through the process to comply with proposed section 547A and whether he thinks there will be time between the commencement date of the legislation and the commencement of the next rating year for those processes to be put in place and completed?

Mr OMODEI: As the member for Mitchell mentioned earlier, this legislation has been demanded by local government for quite a time. Many of the local authorities are working on their differential rating definitions and have been doing so for quite some time. Therefore, I am quite confident there will be time. Local authorities have indicated to me that if the legislation is passed prior to Christmas they will have adequate time to put in place the mechanisms necessary to allow differential rating in their municipalities.

Mr D.L. SMITH: What is the minimum period that the Minister expects it will take a local authority to comply with the requirements of proposed section 547A?

Mr OMODEI: I do not have a crystal ball, but it will depend on how many categories of differential rating a municipality intends to put in place or develop. As the Minister in control of the department, I expect the department to have some model of differential rates to provide to local authorities. As each local government develops a set of differential rates, I am sure other local governments will follow suit. I am more than confident that all the provisions of section 547A can be met by local government in time for the next financial year. If they do not apply themselves, it will take much longer to implement differential rating. They have not had that opportunity in the past, and this Government is providing that facility.

Mr MARLBOROUGH: I refer to proposed paragraph (b)(ii) and the invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rates and any related matters within 21 days of the notice. How will such submissions be made? Do we assume they will be writing to the council? Will regulations cover the way in which such submissions shall be made?

Mr OMODEI: No. There is no set format for the submission. Local governments have differential rating powers now, and under this legislation the Government is giving them more power. If someone wants to object to a category, he can do so in writing but there is no set format.

**Clause put and passed.**

**Clause 13: Section 548 amended -**

Mr MARLBOROUGH: The Minister indicated that some concern had been expressed between him and WAMA about the multiplier effect on differential rating.

Mr OMODEI: The concern was that the legislation introduced by the previous Government included a multiplier of four for the lowest differential rate. As that was unacceptable to the industry, and the whole of the legislation would have floundered on that basis, the multiplier was reduced to two for the lowest differential rate. If someone wants to increase it, he must obtain permission from the Minister for a multiplier of more than two.

Mr D.L. SMITH: Will the Minister give an assurance that these amendments in their current format are fully endorsed by the mining industry, WAMA and the local authorities in mining areas?

Mr OMODEI: WAMA preferred to retain the multiplier of four; however, it agreed to the compromise figure of two, with permission of the Minister being required for a higher multiplier. With regard to the mining industry, the Association of Mining and Exploration Companies was in favour of the proposition. It has now been debated for four or five years and, although the Chamber of Mines and Energy of Western Australia is not enamoured of the decision, it recognises it is a compromise that can be lived with.

**Clause put and passed.**

**Clause 14: Section 552 amended -**

Mr D.L. SMITH: What is the intent of the amendment proposed to section 552?

Mr OMODEI: Proposed subsection (1a) replaces previous subsection (8) and refers to the use of unimproved values and gross rental values, and under paragraph (b) provides that the minimum rating rules regarding the 50 per cent limitation will now apply within each differential rating category instead of uniformly across the whole GRV and UV rating area. The essence of existing subsection (6) has been included in proposed subsection (1a). Subsection (6) will now provide a mechanism for the Minister to approve differential vacant land minimums, which exceed the standard 50 per cent rules as specified under subsection (3). The former Minister for Local Government, the member for Mitchell, will recall that councils are able to impose a minimum rate on a maximum of 50 per cent of the number of separately rated properties in the district.

**Clause put and passed.**

**Clauses 15 and 16 put and passed.**

**Clause 17: Section 4 amended -**

Mr D.L. SMITH: Will the Minister indicate the intention of this clause? It seems to be moving into the definition of improvements, all below ground works used in the extraction of minerals or petroleum.

Mr OMODEI: It is quite the opposite. The amendment provides that improvements for valuation purposes do not include any below ground works. In other words, it refers to all the structures on top of the land relating to the venture.

Mr D.L. Smith: Is it intended that all mining operations below the surface will not be included in the definition, but anything above the surface will be included?

Mr OMODEI: Yes. Those above the ground will be included. The member will recall that for a year a moratorium was placed on the application of GRVs on structures above ground when he was Minister for Local Government, and it was then extended for a further year.

**Clause put and passed.**

**Title put and passed.**

### *Report*

**Bill reported, without amendment, and the report adopted.**

### *Third Reading*

**MR OMODEI (Warren - Minister for Local Government) [10.40 pm]:** I move -

That the Bill be read a third time.

**MR D.L. SMITH (Mitchell) [10.41 pm]:** Unfortunately, the member for Peel is otherwise detained. I am not sure whether he wishes to speak on the third reading. The Opposition supports most of the amendments in regard to differential rating, although we believe it is unfortunate that the then Opposition opposed the Bill when it was previously before the Parliament, because as a result local government in Western Australia has lost a substantial amount of revenue and the opportunity to rate differentially for two rating years. However, in the end we have a Bill which is satisfactory to the mining industry but not to local government in general. No-one in Western Australia wants to impose upon the mining industry any unnecessary constraints or costs which would make it uncompetitive with its overseas competitors. We all want our mining industry to be as efficient and competitive as it can be in order to ensure that we gain as much revenue as we can for the State from our mining industry.

If I have some sympathy with the mining industry in regard to this legislation, it is that differential rating will apply to both profitable and non-profitable mines, and that is unfortunate because those mines which are unprofitable will have imposed upon them an extra rate burden which may affect their financial viability. In that case, I expect that local governments will use the discretion that is contained within this legislation to not go overboard in regard to the rates which they impose upon the mining industry.

I must say that some very profitable mines could do more to support local infrastructure

and community facilities, and had the mining industry generally acted more decisively to use its profits to support local communities, the ideas contained in this legislation might not have been forthcoming from local government in general. Despite my strong support for the mining industry, I still believe that Alcoa, for example, which makes hundreds of millions of dollars of profit each year out of the south west, does not support the south west community to the extent that it should. That is not to say that it does not do a great deal, because all of the mining companies which are making profits in Western Australia, and certainly those in the south west, do make substantial contributions to their local communities, but the extent of those contributions should be in proportion to their profit levels.

**Mr Omodei:** You cannot have it both ways. They are either making a contribution or they are not.

**Mr D.L. SMITH:** They are making significant contributions, but their contributions should be in proportion to their profits. Some mining companies are doing more than the local community could expect of them and others are not doing anywhere near enough for the communities within which they are operating. In the next few months, I will do my own survey and ask mining companies in the south west to tell me how much of their profits they are contributing to the local communities. I want to see whether my preliminary view is correct or whether I am being unjustifiably critical of some of those mining companies. I hope that in due course they will let us know exactly how much they are contributing to their local communities. Had there been a better response from some of the profitable mining companies in the south west to their local communities, perhaps WAMA and other organisations would not have been so insistent upon this legislation.

It is unfortunate that local government will get out of this legislation only half of what it would have received under the old legislation. However, it is a new liability for the mining industry and we will have to wait and see whether the level of imposition is appropriate. I hope that after we have seen how this legislation works over the first year or two, we will consider whether we can add something extra or otherwise encourage the mining industry, where it is profitable, to do more for the local communities in which it operates.

**MR OMODEI (Warren - Minister for Local Government) [10.47 pm]:** Some of the criticisms about the delay in the passage of the Bill are unjustified. The member for Mitchell knows full well that when the Labor Party brought the Bill to the Parliament on 24 November 1992, there was not a snowflake's chance in hell of getting it through the Parliament. It introduced the Bill into the Legislative Council knowing full well that some of the clauses in the Bill were unacceptable to the mining industry.

The member for Mitchell expressed concern about the impact of this Bill on marginal mining projects. Many of the mining projects are covered under the 533B sections of the agreement Acts and will continue to have the option to be so covered. At the same time, the mining industry contributes substantially to community infrastructure across the State. Local government will have to be wary about imposing rates that may cause the mining industry to withdraw any ex gratia payments which it makes. I make it very clear to the people who read both this legislation and these speeches that it is not intended that this legislation will lead to a windfall revenue gain for local government. It is meant to be put in place so that local governments can rate their constituencies on a more equitable basis. That may mean that they gain some revenue from the mining industry and lose some in other places. This legislation is not to enable local governments to screw the living daylight out of ratepayers and the mining industry. I thank members for their support in general for the Bill and still believe that the by-law making ability in clause 6 of the Bill will prove to be at least a mechanism to contain the problem. If it does not work, we may need to come back to the Parliament for further amendment.

**Question put and passed.**

**Bill read a third time and transmitted to the Council.**

**BILLS (5) - ASSENT**

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

1. Public Works Amendment Bill
2. Local Government (Superannuation) Legislation Amendment Bill
3. East Perth Cemeteries Repeal Bill
4. Mines Safety and Inspection Bill
5. Land Tax Assessment Amendment Bill

**BILLS (2)***Messages - Appropriations*

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills -

1. Government Employees Superannuation Amendment Bill
2. Occupational Safety and Health Legislation Amendment Bill

**LOCAL GOVERNMENT AMENDMENT (ELECTIONS) BILL***Committee*

The Deputy Chairman of Committees (Mr Ainsworth) in the Chair, Mr Omodei (Minister for Local Government) in charge of the Bill.

**Clauses 1 to 4 put and passed.**

**Clause 5: Sections 72A and 72B inserted -**

Mr D.L. SMITH: I was not here during the second reading debate and have not had the opportunity of reading the speeches. Will this legislation apply to all local authorities or to some for a trial period? Will this and other clauses provide for biennial elections and terms of four years?

Mr Omodei: Yes. An amendment is on the Notice Paper which seeks to provide that in the interim period between 1995 and 1997 an election be held in 1996 but with a phase-in arrangement for a four by two with biennial elections.

Mr D.L. SMITH: The frequency of elections and the terms of councils was the subject of fairly extensive discussion with local authorities, the Western Australian Municipal Association, the Local Government Association and the Country Shire Councils Association during the development of the papers relating to the new Local Government Act. Although autonomy and devolution may not be seen in the same light by all members opposite or by the Opposition in general, my view is that we should be trying to extend to local government as much flexibility as we can on the frequency of elections. I have always believed they should have a term of four years and an option of either being all in, all out or a quarter each year or half each two years. To the extent that this legislation goes some of the way towards doing that I commend the Minister for introducing it. To the extent that it does not give them all the autonomy I believe they should have in choosing when they hold elections, I hope the Minister will review the situation and perhaps one day move to all in, all out elections for local government. That would have many advantages.

Under the current system too much power is given to minority groups running for a position at the same time. Quite often single annual elections on councils do not have much effect on the decision making of a council because effectively during that year in most cases only a third of the council body changes. The other two-thirds might reflect the opinion of electors from two or three previous elections. The sooner elections are all in, all out the better because that is one of the ways in which local government voting will become much more attractive to voters. One of the primary reasons elections have a poor turnout is that electors believe they are voting for only a third of the council and

therefore whatever they do they will not change very much the decision making of the council. Much more importance will be attached to local government elections if the local community and those who are interested in local government decisions know that the election can result in an entirely new council and an entirely new attitude on council. In that situation, people would stand for councils on platforms that would make it clear to the local community what they intend to do. Unfortunately, at present many people who stand for local government make motherhood statements and people do not know what they are like until they have been on councils for at least six months.

**Mr OMODEI:** I move -

Page 4, line 31 - To insert after "resolution" the words "which has effect and".

Page 4, after line 32 - To insert the following -

(5) A resolution under section 72A(1) which contains the provision referred to in section 139A(2)(b) has no effect unless it is approved by the Minister.

I thank the member for Mitchell for supporting the legislation. The legislation allows for biennial elections or what is known in the industry as four-by-two elections. It allows for a "full spill" in the first election or for a phase-in mechanism or whatever suits the local authority. This legislation is to be passed as soon as possible to allow local authorities to put in place next year four-by-two elections.

I was interested in the comments of the member for Mitchell, particularly those relating to an option for elections every year. Had we done that, we would have extended the term by only one year. His comments relating to all in, all out elections will certainly strike a chord with some members on this side of the House. However, it was the industry's preference to have four-by-two with half in and half out at each election. The important thing will be the phasing in of those elections. The 1995 election will involve a part phase in unless the council goes for a full spill of positions. That is probably the cleanest and simplest way to go. However, some councils still believe that they should have the option to phase in. That is why, at the last minute, after approaches by a number of councils, we put an amendment on the Notice Paper. It was not my preference to amend the Bill; however, this had to happen to allow elections to take place in 1996. By 1997, after the new Local Government Act is put in place, it will be compulsory for councils to hold four-by-two elections.

**Amendments put and passed.**

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

**Clauses 6 and 7 put and passed.**

**Clause 8: Sections 139A and 139B inserted -**

**Mr OMODEI:** I move -

Page 9, lines 22 to 30 - To delete the lines and substitute the following -

(2) The resolution may include -

- (a) a provision specifying that the terms of office of each councillor, and the mayor or president where the mode of election is by the electors, will expire on the first Saturday in May in the year specified in the resolution and, in that case, any of those terms of office that would, but for this section, continue beyond that day is, by operation of this section reduced to the extent necessary to make it expire on that day; or
- (b) a provision specifying that the terms of office of each councillor, and the mayor or president where the mode of election is by the electors, will continue unaffected by this section and, in that case -

- (i) the term of office of a councillor, or mayor or president, where the mode of election is by the electors, elected to fill an office that becomes vacant on the first Saturday in May in the year specified in the resolution, is 4 years;
- (ii) the term of office of a mayor or president, where the mode of election is by the electors, elected to fill an office that becomes vacant on the first Saturday in May in the first year after the year specified in the resolution, is 3 years; and
- (iii) a term of office of either one year or 3 years shall be fixed by the returning officer for any councillor elected to fill an office that becomes vacant on the first Saturday in May in the first year after the year specified in the resolution so as to give effect to section 139(8)(aa) or (bb) in relation to the second and fourth years after the year specified in the resolution.

Mr KOBELKE: This Bill was second read on 20 October. By the time it completes its passage through this Chamber, possibly tonight, and is dealt with by the Legislative Council, it will be the middle of December. This legislation is being dealt with with undue haste. The Minister has attacked the time we took when in government to develop local government legislation. However, that involved a thorough process of overhauling the Local Government Act. The provisions contained in this Bill were an important element of that legislation. However, they were one element of a total package. The Minister has brought forward a much reduced set of proposals related to voting. This matter should be considered carefully by councils before they make their decisions about adopting one option or the other. This legislation will pass through the Parliament at Christmas time with elections to be held on the first Saturday in May 1995. This legislation, therefore, has been very ill-timed -

Mr Omodei: Why is it ill-timed?

Mr KOBELKE: Because councils must decide on the option they will adopt and administrative steps must be put in place to implement the clauses of the Bill. Councils do not meet over the Christmas break, therefore this legislation will not be considered until January or February with elections to be held in May. That is totally inappropriate.

Mr Johnson: They have been considering these matters.

Mr KOBELKE: They might have been looking at the principle, but they will not have considered this amendment until the Bill passes through the Parliament and is gazetted around Christmas or in the new year. The council elections will be held in May with nominations being called for in April. Therefore, March will be the deadline for councils to decide which option they will adopt.

I am not debating the options. There are advantages in the options being proposed by the Minister which we are well aware were widely debated when we were in government. In serving whichever interests he is with this rush, the Minister is not giving councils time to make a decision about which way they want to go and to put in place the proper procedures to ensure the whole system works effectively. Although I do not wish to speak against this amendment, it is another example of the haste with which the Minister has introduced the Bill. Why did the Minister not bring this legislation forward a year ago if he thinks it is such a good idea? The Minister has held his portfolio since early 1993.

Mr Omodei: You cannot have it both ways. You cannot say it is being introduced in haste and then say that it should have been brought in a year ago.

Mr KOBELKE: The Minister is very good at jumping to conclusions instead of listening to what a member who is speaking is saying. The fact is that it has been brought in at

this very late stage. If the Minister thought local government elections could be improved and he saw the changes as having some priority, he could have brought in this legislation many months ago.

Mr Omodei: It could not have been brought in many months ago.

Mr KOBELKE: Why not?

Mr Omodei: We have been drafting a local government amendment Bill which, when in government, you failed to do. We have had a large number of people tied up with the new local government legislation.

Mr KOBELKE: The Minister's response makes absolutely clear that the measures contained in the Bill did not have a priority with him. Now, at the eleventh hour, he seeks to slip this Bill through with this large amendment to serve the interests of whom it is not clear. If his primary and sole interest were the improvement of local government and the election system available to it, he would not be rushing the legislation through now. He would have given it proper consideration so that it could have been passed by this Parliament months ago, giving local councils time to make a judgment on how the provisions could be applied and to decide which option they wish to take up. However, we did not have that; instead, the Minister is looking after narrow interests instead of those of the whole of local government. In debate on other clauses later, the problems due to the haste with which the Minister has brought forward this legislation will become clear.

Mr STRICKLAND: I support clause 8. For many years there has been a strong push within local government to go to a four year term and a battle has been fought to have it as an option. Councils have three year terms and a few years back many councils wanted to stick with that term. Local government decided that it would be prepared to support four year terms as an option. Four year terms have many advantages. They provide a better opportunity for stability of council where half the council goes to the polls every two years. Large projects can be tackled that have to be funded over two years. That situation is supported not just by the administrations of many councils but also by the councillors.

In recent times, from what I can gather, more and more people have seen the wisdom of the argument for four year terms. The Minister is having discussions and they will form part of the proposed new local government legislation. However, at this stage the intent of the Bill is to allow people to consider the option of going to a four year term. In its original form the Bill was fairly restrictive in the way in which the option could be taken up. I put the argument to the Minister, and he accepted it, that if the intent was to encourage councillors who wanted to go to a four year term, we should not be placing hurdles in their way, such as their having to forfeit one year of an elected term. I can understand the feelings of councillors who are elected for three years when faced with the option that says, "If you go down the four year path, you will lose one of the years for which you were elected." They will then have to consider other factors before standing for election.

I strongly support the four year system. It is a good move forward. Way back in 1986 when Jeff Carr was the Minister, I approached him as Mayor of the City of Stirling and put the argument that this should be done by way of amendment to the legislation. He indicated that he had two problems: The local government association did not support four year terms; neither did the Liberal Party, the Opposition, at that stage. The City of Stirling, the Shire of Wanneroo, the Shire of Swan and the City of Fremantle were very interested in four year terms and made an approach to the then Opposition.

Mr Marlborough: Fremantle council was very progressive in 1986.

Mr STRICKLAND: The City of Stirling has always been very progressive, too. We got local government to agree to four year terms. The then Opposition agreed to four year terms. In 1986-87 I approached Jeff Carr and said, "The two hurdles are out of the way; what about delivering?" It is now 1994, and I am hopeful that we will deliver. The flexibility in this amendment will encourage more people to phase into a four year term.

Mr Kobelke: I recognise your experience in local government, and it is good that you have had the opportunity to bring forward this amendment. Did it arise through the Liberal Party room? What consultation are you aware of regarding the provisions of the amendment?

Mr STRICKLAND: When the Bill was detailed and put before the House, there were some complaints from local government. I have had a couple of councillors complain to me that although they might want to go towards a four year term, the thought of having to give up a year of their term put another dampener on the proposal.

Mr Kobelke: You are saying that the amendment you brought to the Minister was based on your experience in local government, rather than people making representations to you during the time the Bill had been laid before the Parliament.

Mr STRICKLAND: I was aware of some complaints. My experience says that if we want to move in a certain direction, we must encourage people to go that way. We should not put unnecessary hurdles in the way. That is why I am supporting this amendment, and I am glad that the Minister has accepted the arrangements I put forward. There has been correspondence between some councils and the Minister - I have not seen it - along those lines. Hopefully the argument will win the day.

Mr JOHNSON: During the two years that I was Mayor of Wanneroo, the Wanneroo City Council was talking with the then Minister, the member for Mitchell, about four year terms. One of the reasons for the tremendously low turnout at local elections is that those elections are held every year and the general public are fed up with voting every single year. When I ask people in my electorate why they do not vote at local elections they say that it is because the elections happen every year. They ask, what is the point of voting every year for the local council? Most local councils are not held in high esteem, for whatever reason. My personal preference would be a four year term, complete spill; all in, all out every four years. That does not augur well for some of my colleagues - and I have mentioned it to them privately - but councils should be judged on their performance, in the same way as the Government is judged. If people are not happy with the way the local councillors have performed they should get rid of the lot of them. The chances are that they will not get rid of them all because some of them will be re-elected. That is the way it happens.

Mr Brown: Are you moving an amendment?

Mr JOHNSON: No I am not. Many people would like to go to local elections once every four years. If we had local elections once every four years we would have a similar situation to that in the United Kingdom where there is about a 56 per cent turnout under a voluntary voting system for council elections. People will take more interest in local elections when they do not have to vote every year, because they can judge a performance and vote accordingly. More than two years ago we were talking to the then Minister, and as a local authority we were asking for a four year term. As local councillors we were sick to death of having elections every year and having only a three year term. Often during debate I hear about what the Local Government Association says and what the Western Australian Municipal Authority says but I do not hear what the public says. My prime concern is what the public wants. I do not care what WAMA or the LGA say. They are not the people about whom we should care. We should care about members of the public. Members of the LGA are councillors and they have a vested interest, as does WAMA, because they stand for election every year, or maybe every three years. We should be considering what the general public wants.

Mr Marlborough: Is it true that if we had four year terms and a total spill, in your short time in Australia you may never have served in local government?

Mr JOHNSON: It is quite possible.

Mr Marlborough: You may have been in the Australian Parliament.

Mr JOHNSON: Maybe.

Mr Marlborough: You may have lobbied here just a month after the four year term in the

Wanneroo City Council, and you would have sat there in the political wilderness for four years waiting for a state election.

Mr JOHNSON: I came here to open up businesses, not to enter politics. I had enough of politics in the UK, but I saw what was going wrong with the Burke Government for 10 years and I thought that I must get involved somewhere because I thought that something was going wrong. The general public loathes going to elections for local authorities. We must almost drag people from their houses to vote. The less frequently we have local elections the better it would be.

An Opposition member: Perhaps every 10 years!

Mr JOHNSON: That would be going from the sublime to the ridiculous. Four years is a very good term. It costs money for anyone to stand as a local councillor. It cost me about \$2 000. When I got into it I wondered what I was doing because I did not realise the cost until I got halfway into it. I thought, "What am I doing this for? I am spending money to do service for the community." I thought I must be crazy.

An Opposition member: You are!

Mr JOHNSON: Some people say that but I do not listen to them; I had the bigger vision, to try to put things right in the community. I support four year terms. It is commonsense. I would prefer to see a four year term; all in, all out. That is what the public would like, but a four-by-two is a much more sensible term than the current term. The amendment is sensible because it will provide flexibility to the people who have just been elected, or those who have a one or two year term to run. It will give councils flexibility. The local authorities have been aware of this change for the past two years. The matter has been discussed in councils so it is not a matter that has been pushed upon them. Councils are aware of this change and they are waiting for the Bill to go through so that they can act upon its provisions.

Mrs ROBERTS: I was very interested in the contributions by the members for Scarborough and Whitford. Their input reflected their experience in local government. My comments are meant to reflect well on both members. The contributions by the two members were intelligent, unlike the interjections by the member for Riverton. We have not been debating the merits of four year terms and the four by two year system. The points raised by the member for Mitchell indicated that he considered other options should be available. During the second reading debate I said that the City of Perth was in favour of having the option available for local government elections all-up every four years or half-up each two years. That proposition is not opposed by the Opposition.

The member for Scarborough stated that some councils asked for the amendment in 1986 or 1987. The position of the City of Perth was that councils should have the option of either half of the council being elected every two years or the whole council being elected every four years, and that the choice should remain with individual local government authorities. The member for Scarborough said that the proposition had been raised with the former Minister for Local Government as early as 1986. At that time, specific changes were made by the former Minister -

Mr Omodei: The reason that the all in, all out proposition was dismissed was that the majority of councils believed that there should be some continuity. The member for Whitford articulated his argument well, but that was a majority decision of the industry. That is the reason we followed that line.

Mrs ROBERTS: I agree with the member for Whitford because people who have been involved in local government know that it would be a rare occasion for all members up for election being voted out, and continuity would remain. It is probably a system which gives the public the greatest say in changing councils' overall directions, if that is what the public wants to do.

Returning to the situation in 1986-87 and the proposition having arisen that early, I recollect that the then Minister, Jeff Carr, prior to that time, implemented some of the most significant changes ever made to local government by introducing full adult franchise and restricting people to only one vote irrespective of how many properties

they owned in wards or, in the case of mayoral elections, in a whole municipality. Those significant changes to the local government election system affected the overall local government environment. At that time there was also a move to one-vote-one-value in local government authorities. The City of Perth, like many other local government authorities, was asked to amend its ward boundaries and to change its number of representatives. As the members for Scarborough and Whitford commented, that resulted in some council terms being reduced. I was one of the victims of that system, having first been elected to the City of Perth in 1986 for what was to be a three year term, but with instruction from Jeff Carr, most of the wards went to a spill in 1988. This saw me going back to an election after only two years. I was elected for a two year term. Three councillors were put onto a three, two and one year term. In 1990 I had my one and only three year term. I stood for election again in 1993, and yet again was a victim of government interference in local government with the City of Perth restructuring legislation seven months into the term. In seven years I successfully stood four times for local government.

The member for Whitford made some valid points. He said that people who stand for local government do so unpaid and with no real reimbursement not only for the time they spend involved in local government, but also for money that is spent on travelling, child care and other expenses. The member for Scarborough suggested that somehow the Opposition was attempting to put unnecessary hurdles in the way of the Government by raising the practicality of the introduction of these amendments at this stage of the year. The Opposition is not about putting hurdles in place. As the member for Nollamara asked, why did the Government not bring forward this legislation earlier with a better timetable in mind? Some months earlier would have made a difference.

I have been looking at the local government timetable which applied this year. I think the dates will be a day earlier on each occasion for 1995. As early as 5 February the clerk must advertise calling for registrations for the roll, and 20 February is the last day for the clerk to advise the chief electoral officer of registrations. By 23 March the clerk must compile and sign the owners and occupiers roll. The nominations opened this year on 24 March. In 1995 nominations will probably open on 23 March. That being the case, these propositions could not be bowled up to a February or March meeting of the council. I have some legitimate concerns about how practical it will be for councils to implement this legislation.

The Minister proposes that the biennial elections be held in odd years - 1995, 1997 and so on. I understand that the amendments moved by the Minister to clause 8 are to accommodate councils that want to move onto the system at an earlier stage and take into account people's terms of office. However, I wonder whether it would have been more advisable to select even years and to delay the process further at this stage. Local government will have some difficulty in coming to terms with this legislation and in implementing the system early next year.

Mr OMODEI: Proposed section 139A contains phasing-in provisions. Section 139A(1) provides for the transition by a council from an annual three-by-one to a biennial four-by-two election system. Section 139A(2) enables a council, when deciding to change to the four-by-two system, to have the option to also resolve that there be a complete spill of all members' seats, including that of mayor or president elected by the electors. Section 139A(2)(b)(i) merely provides that where there is an election under the four-by-two system, the term of office of a councillor and a mayor or president elected by the electors is four years. This is subject to subsections (ii) and (iii). Section 139A(2)(b)(ii) allows for an election to be held in 1996, the year after changing to the four-by-two system, and sets the term as three years, to expire in 1999. There will be four-by-two elections in 1995, 1997 and 1999. Instead of losing a year under section 139A(3)(a) the term is to expire normally, but is given only three years to bring it to a biennial election year. Section 139A(2)(b)(iii) provides for the same as subsection (3)(d), and allows for a councillor not to lose a year under subsection (3)(d); that is, expiring in 1996. However, to achieve the required half of the councillors retiring every two years, terms will be for one or three years in 1996.

It is not my preference to amend legislation once it is in the Parliament. The Government received a number of inquiries from councils, as the member for Scarborough mentioned. They brought to my attention that some councils may have lost a year if they had to go to election in 1995. Those that normally would have gone in 1996 would have lost the year and would have had to go to election in 1995.

In response to the member for Nollamara's concerns about local government being unaware of these changes, I inform him that the executive director of my department sent a circular to local government six or eight weeks ago. Last week I sent circular No 87 entitled "Biennial Election System" to all municipalities. It states -

Councils are no doubt aware that I have a Bill before Parliament to amend the Local Government Act to give councils the option of changing to the biennial (4x2) election system commencing in 1995.

The Bill contains transitional provisions to enable councils to change to the 4x2 system by either a complete spill of all positions or allowing those members with two years remaining to complete their terms.

Following approaches from some councils, I have introduced into Parliament an amendment to the Bill which will allow the Minister to approve, on a case by case basis, members with only one year remaining to complete their terms in 1996. Members then elected in 1996 would be given three year and one year terms to fit with the 4x2 cycle.

I am endeavouring to have the Bill passed by Parliament by December 1994, if not earlier.

I am aware that many councils have been considering their positions on whether to change to the biennial election system. However, councils are reminded that they will have to formally resolve, by an absolute majority, to change to the 4x2 system when the Act is passed.

The matter has been well canvassed in local government, as the member for Whitford and the member for Scarborough have mentioned, right back to 1986, just as the Government has called for four-by-two elections. In the past couple of weeks the Government has allowed for concerns from about 40 councils which have already indicated they prefer to go either for a full spill or to four-by-two elections. This amendment Bill contains no compulsion to force councils to elections. However, they know that on the proclamation of the new local government Bill it will be compulsory to go to four-by-two elections with the transfer.

Mr KOBELKE: The Minister is either not listening or is misrepresenting what people say. I made it clear when I last spoke that the issue of four year terms for local government has been around for some time. That was not the point I was making. The Minister in his own words fully supports the contention I put forward that councils have very little time to consider the detail which would apply if they opted one way or the other. The Minister said that councils would have to wait until they had this legislation before they could make a decision. They will not have the legislation before a meeting of council until some time early in 1995.

Mr Omodei: They have had access to the Bill since it was tabled on 24 October.

Mr KOBELKE: The Minister made the point that we have an amendment before the Chamber and until the Bill goes through the Parliament councils will not be in a position to know the full ramifications of the option they will choose. It has been on the agenda for many years, but the Minister has given councils very little time to consider the final form of the Act.

The Government's amendments have implications which will impinge on that decision. The Minister has made that clear with the amendment before us now. That amendment has been brought forward in order to make the proposal more attractive to councils because there would be problems if this amendment were not included in the legislation. The Minister is reinforcing the point I was making. It is regrettable that the Minister will

give the final form of this Bill to councils early in the new year for a decision, and councils will have to move quickly to implement a change if they wish to do so.

**Amendment put and passed.**

**Mr OMODEI:** I move -

Page 10, line 1 - To delete "does not contain the provision" and substitute "contains neither of the provisions".

**Amendment put and passed.**

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

**Clause 9 put and passed.**

**Clause 10: Consequential and related amendments -**

**Mrs ROBERTS:** I refer the Minister to the definition of "election day". The Minister responded fairly disparagingly when I made this suggestion before, but I refer him to section 3 of the City of Perth Restructuring Act which states that "election day" means 6 May 1995 or such other day in 1995 as is appointed under the principal Act for the holding of annual elections. The Minister may be aware of the speculation and rumour which has emanated from within the Perth City Council that the commissioners are behind schedule and they may be seeking an extension to their time as commissioners. Originally, elections for the new towns and the City of Perth would be on the first Saturday of May 1995. It is not unusual for commissioners to request an extension of time; it occurred in the case of the commissioners who were put in place in Canning, and in other situations. Given that, is the Minister aware whether the commissioners are seeking an extension of time and, if so, how long it will be? As there does not appear to be any change to the City of Perth Restructuring Act definition of "election day", legislatively the commissioners would not be able to achieve an election day after 1995 for the new towns and the City of Perth. Will a later date in 1995 be permitted under the City of Perth Restructuring Act and this Bill?

Many people in the community feel the commissioners are way behind schedule and that one year after their having been appointed, they do not have in place what one might have anticipated. Whether we are on advisory committees or not we are finding it difficult to get answers on the split of assets. We have heard time and again the commissioners saying that they are required to consider matters in the City of Perth Restructuring Act, but then saying they may consider other matters. The Mindarie tip site and other Mindarie lands jointly owned by the Cities of Perth, Wanneroo and Stirling are still question marks in people's mind. Housing developments are proposed for land owned jointly by those councils, and the possibility exists for those lands to be sold. The sale of those lands could realise perhaps tens of millions of dollars. The ratepayers of the City of Perth and of the new municipalities of Vincent, Cambridge and Shepperton should benefit equally.

**Mr Omodei:** What has that to do with this Bill?

**Mrs ROBERTS:** My question related to the definitions of "election day" in this Bill and in the City of Perth Restructuring Act. Why is there a reference to inaugural elections? Would it be possible, and is the Minister considering, under the City of Perth Restructuring Act and this Bill, extending the date beyond which the commissioners will operate? Some evidence exists that people do not feel that the commissioners are on target, and that they have been slow in clarifying matters to ratepayers, who do not believe things are in place. I present their concerns by way of this argument and I will reiterate the questions I raised in the hope that the Minister will answer them: What is the point of changing the election day; why is there a change to the inaugural elections; and does it open the way for the elections for the three towns and the City of Perth to be delayed to a later date in 1995 or beyond? Is the Minister currently considering that proposal or would he favourably consider it in the future?

**Mr OMODEI:** The fears of the member for Glendalough are unfounded. There is no relevance between the legislation she referred to and election day. Section 3 - the

interpretations section - of the City of Perth Restructuring Act states that "election day" means 6 May 1995 or such other day in 1995 as is appointed under the principal Act for the holding of the annual elections. It clearly states when the elections for the City of Perth and the three towns will be held. I am not aware of the rumours to which the member referred. I certainly have not been approached by the commissioners or anybody else about the member's concerns.

Mrs ROBERTS: Is the Minister saying that under the Local Government Act, the City of Perth Restructuring Act and this Bill there is no prospect of the council elections for the three towns and the City of Perth being held on any day other than 6 May 1995?

Mr Omodei: That will be the case unless the City of Perth Restructuring Act is amended.

Clause put and passed.

*Progress*

Progress reported and leave given to sit again, on motion by Mr Omodei (Minister for Local Government).

*House adjourned at 11 53 pm*

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## QUESTIONS ON NOTICE

## MEMBERS OF PARLIAMENT - BUDGET PACKAGES

561. Mr GRAHAM to the Premier:

- (1) Did the Government provide its members with special Budget packages containing information particular to each electorate?
- (2) If so -
  - (a) what was the total cost of producing each package;
  - (b) why were opposition members not similarly supplied?

Mr COURT replied:

- (1) All members received the complete Budget papers.
- (2) Information in relation to breakdowns by electorate for capital works can be accessed in the publication "Non-Residential Building Program for 1994-95" put out by the Building Management Authority.

## HUSSEY, ROGER - GOVERNMENT POSITIONS

925. Mr GRILL to the Premier:

- (1) How many positions or consultancies is Mr Roger Hussey presently holding with government departments and agencies or government related agencies?
- (2) What are the positions or consultancies held?
- (3) What remuneration and expenses are paid in respect of each position or consultancy?

Mr COURT replied:

- (1)-(2) Chairman of the Totalisator Agency Board - appointed by the Governor.  
Deputy Chairman, Western Broadcasting Services Pty Ltd - appointed by the TAB.  
Director, Fairplay Newspaper and Printing Works Pty Ltd - appointed by the TAB.  
Chairman, Potato Marketing Authority - PMA Board.  
Chairman, Agriculture Portfolio Review.  
Chairman, Fisheries Portfolio Review.
- (3) Totalisator Agency Board - remuneration of \$20 000 per annum. It should be noted that the remuneration of the previous TAB chairman, Mr C.W. Quin, was \$84 000 per annum.  
Western Broadcasting Services Pty Ltd - remuneration of \$2 150 per annum.  
Fairplay Newspaper and Printing Works Pty Ltd - remuneration of \$4 000 per annum.  
Potato Marketing Authority (PMA Board) - remuneration of \$1 667 per month.  
Agriculture Portfolio Review - neither remuneration nor expenses are paid to Mr Hussey.  
Fisheries Portfolio Review - neither remuneration nor expenses are paid to Mr Hussey.

## DOMESTIC VIOLENCE - (WIFE ASSAULT), BUDGETS

1249. Dr WATSON to the Minister for Police:

- (1) What budgets were allocated and spent on issues related to domestic violence (wife assault) in 1993-94?

- (2) What budget has been allocated for 1994-95?
- (3) What training/education/conference participation has been arranged for officers of the department in -
  - (a) 1993-94;
  - (b) 1994-95?
- (4) What information has been/will be compiled for public distribution in -
  - (a) 1993-94;
  - (b) 1994-95?
- (5) Have any reports related to the issue been prepared in 1993-94?
- (6) Is there any estimate of the costs associated with domestic violence (wife assault) as they impact on the Minister's portfolio?

Mr WIESE replied:

I am advised by the Commissioner of Police as follows -

- (1) (a) Salaries for two police officers to conduct domestic violence workshops.
- (b) In addition as part of their normal duties police officers attend many domestic violence situations and as such it is not possible to provide a cost for these occurrences.
- (2) Salaries for two police officers. See also (1)(b) above.
- (3a-b) (i) Recruit training includes segments on domestic violence and other dispute resolution methods. Officers attended Women in Justice seminars, domestic violence presentations and conferences.
- (ii) Recruit training as outlined in (i) will continue. The Victimology Conference in South Australia and a country community conference on domestic violence were attended by officers.
- (4a-b) (i) Cards giving victims information to enable contact with local service providers have been designed and issued for use by officers when attending domestic violence disputes.
- (ii) A domestic violence resource kit containing information and pamphlets for victims and perpetrators has been developed for use by police officers attending complaints of this nature.
- (5) Yes.
- (6) No. See (1) and (2).

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - FAMILY CENTRES**  
*Tijuana Road, Armadale; Minnawarra House*

1360. Mrs HALLAHAN to the Minister for Community Development:

- (1) Why has the Government decided not to build the proposed family centre in Tijuana Road, Armadale, given that it was to serve new home owners and families with young children in the new and rapidly growing area of South Armadale at Wungong?
- (2) What was the funding allocation for the family centre in total?
- (3) When was the decision not to proceed with this valuable community facility made?
- (4) Had tenders been called?

- (5) If yes, on what date were tenders required to be submitted and how many were received?
- (6) Are extensions at Minnawarra House to be funded from funds that would have been expended on building the family centre in Tijuana Road?
- (7) If yes, what is the funding allocation to Minnawarra House?
- (8) Where will the remainder of the funds go?
- (9) How will parents living in Wungong be served by centralising programs at Minnawarra House?
- (10) Will transport be provided from Wungong to Minnawarra House?
- (11) Has the Minister approached the City of Armadale to gain the use of premises at Townley Street, Armadale?
- (12) How convenient would this facility be to Wungong residents with young children and no family vehicle?
- (13) Will the Government be providing a community meeting place in Wungong to take the place of the family centre at Tijuana Road?
- (14) Has the Government also withdrawn from its previous arrangement with the City of Armadale to build an infant health centre at Tijuana Road?
- (15) What amount of funding did the City of Armadale agree to contribute to the infant health centre?

Mr NICHOLLS replied:

- (1) After consideration of the cost, which was in excess of the budgeted figure, and the potential benefits which could be gained by providing additional services at two locations rather than one.
- (2) \$433 000 from the Department for Community Development's budget.
- (3) After careful consideration by the Minister that a centre in Tijuana Road, Armadale would not be the best option. The Minister advised the lowest eligible contractor on 30 March 1994 that he was at that time not in a position to make a final decision on the project.
- (4) Yes.
- (5) Tenders for this project closed on 15 September 1993. Seven tenders were received.
- (6) Yes.
- (7) This has not been determined as contract drawings are still to be finalised.
- (8) It is proposed to provide suitable facilities at the Neerigen Brook School so that the preschool students could attend the school, and to lease the Townley Street facility to provide a four-year-old program. The location of Lotteries House at Townley Street was considered also to be an advantage. This will not be pursued unless the City of Armadale agrees to lease the Townley Street facility to the Department for Community Development.
- (9) The service provided at Minnawarra House will be available to the wider community of Armadale, including parents living in Wungong. The provision of services from Townley Street would also be of benefit to the Armadale community, should the Armadale council allow the Department for Community Development to lease the facility.
- (10) Not by the Department for Community Development.
- (11) Yes.
- (12) The presence of a service in Townley Street would be accessible to the

wider community of Armadale. It is located near a major arterial road and other community facilities.

- (13) Community meeting places are the responsibility of the local council and I expect that it has considered the priorities in its area.
- (14) Should a new community centre be established within the Armadale area, the City of Armadale may decide to incorporate a child health centre within that facility.
- (15) The City of Armadale allocated \$37 000.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA -  
PRIVATISATION, ELECTRICITY AND GAS BUSINESSES**

**1387. Dr GALLOP to the Minister for Energy:**

- (1) Does the Government have any current plans to privatise all or part of its electricity and gas businesses?
- (2) If yes, which parts?

**Mr C.J. BARNETT replied:**

- (1) At present there are no specific plans to privatise all or part of the electricity and gas businesses. However, there is currently a review being undertaken of the engineering services branch of SECWA to determine its future structure and operations.
- (2) Not applicable.

**STATE ENERGY COMMISSION OF WESTERN AUSTRALIA -  
PRIVATISATION, ELECTRICITY AND GAS BUSINESSES**

**1388. Dr GALLOP to the Minister for Energy:**

- (1) Are any of the Government's energy policy agencies considering the merits or otherwise of the privatisation of all or part of the state-owned electricity and gas businesses?
- (2) If yes -
  - (a) which agencies are involved;
  - (b) which businesses are being considered for privatisation?

**Mr C.J. BARNETT replied:**

- (1) No. Current attention is concentrated on the structured industry with corporatised, government owned businesses. As a matter of course, the Government energy policy agencies review the advantages and disadvantages of alternative ownership structures for state owned electricity and gas businesses on an ongoing basis.
- (2) At present there are no specific plans for privatisation; however, there is currently a review being undertaken of the engineering services branch of SECWA to determine its future structure and operations.

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - WARDS OF THE  
STATE, INTELLECTUALLY DISABLED, PLACEMENTS**

**1454. Mr BROWN to the Minister for Community Development:**

- (1) Does the Department for Community Development face continuing difficulties finding suitable placements for wards of the State who are intellectually disabled?
- (2) Does the department place these children in the care of organisations caring for the intellectually disabled?
- (3) Is the placement always suitable given the level of disability of each child?

- (4) Has the department experienced a situation where a child has regressed due to inappropriate placement?
- (5) What facilities and resources are in place to ensure the child is assisted to adjust on returning home?

Mr NICHOLLS replied:

- (1) The department does not face continuing difficulty in finding suitable placements for wards of the State who are intellectually disabled. There may be a few specific cases where finding placements may take longer because of the special needs of these particular children. Together with the Disability Services Commission, the department recruits specific foster carers to care for children with special needs or finds and funds alternative forms of suitable care arrangements.
- (2) The department, in joint agreement with the Disability Services Commission, will place a ward in the care of organisations funded to provide care service for children with intellectual disabilities, if this is assessed as required to meet the needs of the child.
- (3) The department seeks to match children with suitable carers. Where appropriate either the department or the commission provides additional support services to supplement that of carers.
- (4) I am unaware of a situation where a child has regressed due to inappropriate placement.
- (5) The department and the Disability Services Commission provide a range of support services to ensure a child is assisted to adjust on returning home. This is consistent with both departments' policy to enable families to care for children. These services may include special equipment, respite, special activities and counselling support.

**PRISONS - BANDYUP WOMEN'S**  
*Aboriginal Prisoners*

1484. Dr WATSON to the Attorney General:

How many Aboriginal women were imprisoned at Bandyup in each month of 1994?

Mrs EDWARDES replied:

The daily average muster of Aboriginal women at Bandyup to 30 June 1994 was as follows -

January	18
February	15
March	12
April	14
May	16
June	17

Figures from 1 July 1994 are not yet available as these data are compiled at the end of each financial year.

**LANGUAGE SERVICES POLICY - GOVERNMENT DEPARTMENTS AND AGENCIES, IMPLEMENTATION**

1507. Mr BROWN to the Minister for Resources Development; Energy:

- (1) Has the language services policy of the Government been fully implemented in each of the departments and agencies in the Minister's portfolio?
- (2) What funds have been specifically allocated for the implementation of the policy in each department and agency?

- (3) Have funds for the effective implementation of the language services policy been increased in the 1994-95 budget and if so, by what amount?
- (4) What funds and resources were allocated to the implementation of the language services policy in the -
  - (a) 1992-93 financial year;
  - (b) 1993-94 financial year?

Mr C.J. BARNETT replied:

- (1) To ensure that government services and programs are accessible to all Western Australians the language services policy was introduced. This requires that all public sector agencies develop and implement a language services strategy which is appropriate to their needs and those of their clients. Agencies' operational and budgetary responses to the language services policy are tailored to suit their particular responsibilities and vary according to clientele or whether they are involved in service delivery or policy advice.
- (2) The Department of Resources Development - none. The DRD does not provide for a specific allocation. Interpretation service costs are met from program expenditure.  
SECWA - \$10 262 has been allocated for 1994-95.
- (3) No.
- (4) DRD - not applicable.  
SECWA - (a) \$10 344  
(b) \$10 262

#### LANGUAGE SERVICES POLICY - GOVERNMENT DEPARTMENTS AND AGENCIES, IMPLEMENTATION

1514. Mr BROWN to the Minister for Water Resources; Local Government:

- (1) Has the language services policy of the Government been fully implemented in each of the departments and agencies in the Minister's portfolio?
- (2) What funds have been specifically allocated for the implementation of the policy in each department and agency?
- (3) Have funds for the effective implementation of the language services policy been increased in the 1994-95 budget and if so, by what amount?
- (4) What funds and resources were allocated to the implementation of the language services policy in the -
  - (a) 1992-93 financial year;
  - (b) 1993-94 financial year?

Mr OMODEI replied:

- (1) To ensure that government services and programs are accessible to all Western Australians the language services policy was introduced. This requires that all public sector agencies develop and implement a language services strategy which is appropriate to their needs and those of their clients. Agencies' operational and budgetary responses to the language services policy are tailored to suit their particular responsibilities and vary according to clientele or whether they are involved in service delivery or policy advice.

Water Resources -

- (2)-(4) Implementation of the language services strategy in the Water Authority has been undertaken as part of the authority's customer services strategy.

This strategy is an ongoing major initiative within the organisation and has produced many significant improvements in the interactions with its customers including the issues raised by the language services strategy. Funding of the language services strategy implementation has not been separated as a specific item in the authority's accounting and consequently specific funding information is not available on this work.

**Local Government -**

- (2) Nil.
- (3) No.
- (4) (a) Nil.
- (b) Nil. On one occasion during 1993-94 the department did enlist the services of Translating and Interpreting Service to assist with a ministerial response and the cost was \$230.

**LANGUAGE SERVICES POLICY - GOVERNMENT DEPARTMENTS AND AGENCIES, IMPLEMENTATION**

**1515. Mr BROWN** to the Minister representing the Minister for Health; the Arts; Fair Trading:

- (1) Has the language services policy of the Government been fully implemented in each of the departments and agencies in the Minister's portfolio?
- (2) What funds have been specifically allocated for the implementation of the policy in each department and agency?
- (3) Have funds for the effective implementation of the language services policy been increased in the 1994-95 budget and if so, by what amount?
- (4) What funds and resources were allocated to the implementation of the language services policy in the -
  - (a) 1992-93 financial year;
  - (b) 1993-94 financial year?

**Mr MINSON** replied:

The Minister for Health; the Arts; Fair Trading has provided the following reply -

- (1) To ensure that government services and programs are accessible to all Western Australians the language services policy was introduced. This requires that all public sector agencies develop and implement a language services strategy which is appropriate to their needs and those of their clients. Agencies' operational and budgetary responses to the language services policy are tailored to suit their particular responsibilities and vary according to clientele or whether they are involved in service delivery or policy advice.

**Health -**

- (2)-(3) Funding for interpreting services within the health system is no longer provided by allocation from a centrally derived budget. In future, funding for the provision of interpreting services will be included in contracts between the providers of services and the State Health Purchasing Authority.
- (4) (a) \$437 000 to interpreting services and \$96 200 to the Multicultural Access Unit.
- (b) \$670 000 to interpreting services and \$115 000 to the Multicultural Access Unit.

**Fair Trading -**

- (2) No funds have been specifically allocated. However, a number of initiatives have been developed as part of normal operations. These include -

publication in 15 languages of leaflet "Getting a Fair Deal" which advises customers of services provided by the ministry;

special grant to the Tenants Advice Service to fund project to inform non-English speaking tenants of their rights and responsibilities under the Residential Tenancies Act 1987;

poster advising customers who attend the public counter on how to access language interpreter services;

compilation and circulation to all front line and telephone advisory officers of a list of staff who speak languages other than English and who may be called on to assist non-English speaking customers; and

use of Telephone Interpreter Service to assist non-English speaking callers to the ministry's telephone advice line.

- (3) No.  
(4) None specifically, and it is impractical to identify the cost of particular initiatives which have been undertaken.

**Arts -**

- (2) Language service objectives form an ongoing part of the Department for the Arts customer service focus and are integral to the department's information; for example, Grants Handbook. No funds have been specifically allocated; however, additional translation and printing costs are incurred from time to time.

- (3) No.  
(4) Costs were absorbed within existing budgets.

**LANGUAGE SERVICES POLICY - GOVERNMENT DEPARTMENTS AND AGENCIES, IMPLEMENTATION**

1518. Mr BROWN to the Minister for Labour Relations; Works; Services; Multicultural and Ethnic Affairs:

- (1) Has the language services policy of the Government been fully implemented in each of the departments and agencies in the Minister's portfolio?  
(2) What funds have been specifically allocated for the implementation of the policy in each department and agency?  
(3) Have funds for the effective implementation of the language services policy been increased in the 1994-95 budget and if so, by what amount?  
(4) What funds and resources were allocated to the implementation of the language services policy in the -  
(a) 1992-93 financial year;  
(b) 1993-94 financial year?

Mr KIERATH replied:

- (1) To ensure that government services and programs are accessible to all Western Australians the language services policy was introduced. This requires that all public sector agencies develop and implement a language services strategy which is appropriate to their needs and those of their

clients. Agencies' operational and budgetary responses to the language services policy are tailored to suit their particular responsibilities and vary according to clientele or whether they are involved in service delivery or policy advice.

- (2) Department of Productivity and Labour Relations - No funds have been specifically allocated to the implementation of the policy. However, DOPLAR has implemented a number of initiatives including -

- Access to interpreter service for all inquiries and interviews;
- advising all staff of language aide tests;
- advising all public sector agencies by departmental circular of the language allowance;
- publication of the brochure "What are my Rights as a Worker?" in 15 languages.

Commissioner of Workplace Agreements - None specifically identified; however, costs are drawn from recurrent budget as required. However, CWA has implemented a number of initiatives including -

- Inserts in 12 languages for correspondence emanating from the office which advises of language services available;
- provision of pamphlets in 15 languages detailing role of commissioner's office;
- advice to staff on processes for communicating with people from non-English speaking backgrounds;
- informing staff of options for the use of the Telephone Interpreter Service.

Department of the Registrar, WA Industrial Relations Commission - The demand to date for the use of the translator and interpreter service has been minimal - no demand in 1993-94. Consequently specific provision has not been made and provision is made in contracts and services.

Department of Occupational Health, Safety and Welfare - Funding for implementation covered within existing budget allocations. DOHSA has always provided and continues to provide access to interpreter services. In addition DOHSA has -

- Posters identifying easily recognisable work safety signs in 12 languages; and
- training course materials for employees with non-English speaking background that teach the language and essential knowledge of occupational health, safety and welfare in the workplace.

WorkCover WA - While WorkCover has a specific budget allocation of \$6 000 for the Conciliation and Review Directorate, the expense of all other interpreter services is met from the advisory services budget in the general fund. In addition, WorkCover has in 1993-94 funded production of information brochures in six languages and published details on interpreter availability in its brochures.

Building Management Authority - No specific funds have been allocated by the BMA for the language services policy as there is no perceived requirement at present.

Department of State Services - No specific funds have been set aside because of low demand for language services.

Office of Multicultural Interests - As a policy advisory agency, the Office of Multicultural Interests builds into its budget vote an allocation for the purposes of translating relevant public documents which the office

develops during each financial year. It also makes provision for the use of interpreters or translators should this be required in their day to day business.

- (3) Department of Productivity and Labour Relations - No.  
 Commissioner of Workplace Agreements - No.  
 Department of the Registrar, WA Industrial Relations Commission - No.  
 Department of Occupational Health, Safety and Welfare - No.  
 WorkCover WA - See (2) above.

Building Management Authority - An EEO demographic survey has been conducted of every employee to ascertain the potential for the policy to be utilised in the coming financial year. This information will be useful in identifying a required budget for the implementation of the language services policy during the 1994-95 financial year.

Department of State Services - No. See (2) above.

Office of Multicultural Interests - Allocation for language services depends on planned initiatives for the financial year.

- (4) Department of Productivity and Labour Relations - One of DOPLAR's staff worked extensively on the implementation of the language allowance in the public sector during the 1992-93 and 1993-94 financial years. No funds were specifically allocated to the implementation of the policy in DOPLAR during that time.

Commissioner of Workplace Agreements -

(a) Not applicable. CWA was established on 1 December 1993.

(b) No fixed costs were identified as strategies were being developed.

Department of the Registrar, WA Industrial Relations Commission - No specific funds; see (2) above.

Department of Occupational Health, Safety and Welfare - Funding covered within existing budget allocations.

WorkCover WA - See (2) above.

Building Management Authority -

(a) No budget was allocated to the implementation of the language services policy during the 1992-93 financial year.

(b) A minimal budget was allocated to the language services policy within the BMA during the 1993-94 financial year. These funds centred on the advertising of the policy within the organisation.

Department of State Services - No specific funds or resources were allocated.

Office of Multicultural Interests - Expenditure on translating and interpreting was -

(a) \$440 in the 1992-93 financial year.

(b) The sum of approximately \$3 000 allocated for the 1993-94 financial year was not spent due to a delay in the relevant policy initiative.

#### SCHOOL BUSES - PORT HEDLAND

##### *Fares*

1542. Mr GRAHAM to the Minister for Local Government:

Since 23 June 1994, what action has the Minister, or his office, taken regarding the payment of school bus fares in Port Hedland?

Mr OMODEI replied:

It is not intended to take any further action in this matter, as the Port Hedland Town Council acted in accordance with legal advice.

**SCHOOL BUSES - PORT HEDLAND**

*Fares*

1543. Mr GRAHAM to the Minister for Local Government:

Since 23 June 1994, what further action has the Department of Local Government taken regarding the payment of school bus fares in Port Hedland?

Mr OMODEI replied:

It is not intended to take any further action in this matter, as the Port Hedland Town Council acted in accordance with legal advice.

**SCHOOL BUSES - PORT HEDLAND**

*Baker, Chris*

1544. Mr GRAHAM to the Minister for Local Government:

- (1) Did the Minister have any discussions with a Mr Chris Baker regarding the school bus issue in Port Hedland?
- (2) If so, when did the discussions take place?

Mr OMODEI replied:

- (1) No.
- (2) Not applicable.

**SCHOOL BUSES - PORT HEDLAND**

*Baker, Chris*

1545. Mr GRAHAM to the Minister for Local Government:

- (1) Did the Minister receive any correspondence from Mr Chris Baker regarding the school bus issue in Port Hedland?
- (2) If so, when was the correspondence received?

Mr OMODEI replied:

- (1) No.
- (2) Not applicable.

**TRAVEL RESERVATION SERVICES CONTRACTS (INTERNATIONAL AND DOMESTIC) - TENDERERS**

1551. Mr GRAHAM to the Minister for Services:

- (1) Was the successful tenderer for the travel reservation services contracts (domestic and international) the lowest tenderer?
- (2) If not, why not?
- (3) Who were the other tenderers for the contracts?

Mr KIERATH replied:

- (1)-(2) Ansett was the successful tenderer for domestic reservation services. Ansett offered the best overall rates, with a rebate of 5 per cent and 10 per cent respectively off the "best fare of the day" for inter and intrastate travel. Globetrotter was the successful tenderer for international reservation services. While the rebate offered by Globetrotter was not quite as high as those offered by several other tenderers - 8 per cent as compared to 9 per cent - it was able to demonstrate a management ability to obtain the best fare of the day wherever possible. Furthermore,

Globetrotter was the only tenderer to offer an independent audit of its fares in order to provide confidence that the best fare of the day has been achieved.

- (3) There were six other tenderers. It is not State Supply Commission practice to release the names of unsuccessful tenderers.

**CRIMINAL CODE - SECTION 62, UNLAWFUL ASSEMBLY CHARGES**

1602. Mr CATANIA to the Minister for Police:

- (1) How many times has the charge of taking part in an unlawful assembly - Section 62 of the Criminal Code - been laid in this State in -
  - (a) 1991;
  - (b) 1992;
  - (c) 1993?
- (2) At what locations have these charges been laid?
- (3) How many of the defendants were Aboriginal people?

Mr WIESE replied:

I have been advised by the Commissioner of Police as follows -

- (1)-(2) 1991 Nil
- 1992 One incident involving eight persons being charged in Leonora (9 June 1992).
- 1993 Three incidents involving 39 persons -  
Four persons charged at Halls Creek (April 1993)  
23 persons charged at Halls Creek (October 1993)  
12 persons charged at Fitzroy Crossing (December 1993)
- (3) All of those charged were Aboriginal people.

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - NON-GOVERNMENT ORGANISATIONS**

*Funding, Prevention and Early Intervention Objectives*

1606. Mr BROWN to the Minister for Community Development:

- (1) Is it government policy to ensure that grants provided to non-government community organisations through the Department for Community Development are used in a preventive way such as preventing family relationships deteriorating to the point where the family becomes dysfunctional?
- (2) If so, what model or criteria does the Government use to assess the level of prevention required by the funding provided to the non-government agency?

Mr NICHOLLS replied:

- (1)-(2) The objectives for each funding program differ, and range from the provision of crisis services through to prevention and early intervention. The Department for Community Development monitors agencies to ensure that they are meeting their agreed objectives.

**RECHABITE HALL, NORTHBRIDGE - GOVERNMENT PLANS**

1620. Ms WARNOCK to the Minister representing the Minister for the Arts:

What are the Government's plans for the old Rechabite Hall in William Street, Northbridge?

Mr NICHOLLS replied:

The Minister for the Arts has provided the following reply -

I have appointed a Cultural Centre Development Committee. This committee is undertaking a consultancy for "A Framework for the Development of the Cultural Centre". This study will set the parameters for development of the precinct. The study should be completed by March 1995. The development of the Rechabite Hall will form part of this study. The Western Australian Music Industry Association was negotiating with the Federal Government for funding to establish a music skills institute in the Rechabite Hall. The State Government was prepared, subject to funding arrangements, to provide the Rechabite Hall for the institute. This proposal has not gained funding approval from the Federal Government. Despite the State Government's preparedness to offer the Rechabite Hall, it has not been pursued at the state level by WAMIA for reasons particular to WAMIA.

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - FOSTER CARE**  
*High Quality Care, Resources Examination*

1628. Mr BROWN to the Minister for Community Development:

- (1) Has an examination been made of the type of professional or other resources foster carers need in order to provide high quality care for children in their care?
- (2) If so -
  - (a) when was the examination carried out;
  - (b) what were the findings of the examination?
- (3) If not -
  - (a) has the Government given any consideration to initiating such an examination;
  - (b) under what circumstances would the Government be prepared to initiate such an examination?

Mr NICHOLLS replied:

- (1) There is an ongoing examination of the types of support required by foster carers to provide high quality care for children.
- (2) The latest examination is contained in the market research undertaken by Donovan. This market research document was received by the department at the end of September 1994 and is currently being examined.
- (3) Not applicable.

**ETHNIC COMMUNITIES COUNCIL - GOVERNMENT FUNDING**

1636. Mr BROWN to the Minister for Multicultural and Ethnic Affairs:

What funds have been provided to the Ethnic Communities Council by the State Government in the last three financial years?

Mr KIERATH replied:

The Government of Western Australia has provided funding from a number of sources to the Ethnic Community Council, including an operational grant in 1991-92 of \$45 000 from Miscellaneous Services Division (Treasury). Funds provided in the last three years from the Office of Multicultural Interests include -

1991-92	Community relations grants fund	\$3 850
1992-93	Operational grant	\$45 000
	Special one off grant	\$35 000
	FECCA National Conference	\$20 000
	Community relations grant	\$1 580
1993-94	Operational grant	\$80 000

**ETHNIC COMMUNITIES COUNCIL - GOVERNMENT FUNDING**

1638. Mr BROWN to the Minister for Community Development:

What funds have been provided to the Ethnic Communities Council by the State Government in the last three financial years?

Mr NICHOLLS replied:

Funding provided to the Ethnic Communities Council by the Department for Community Development over the last three years is as follows -

1991-92	Nil
1992-93	\$9 724.75
1993-94	\$38 899.

Funds provided to the Ethnic Communities Council by the Office of the Family (closed March 1993) over the last three years is as follows -

1991-92	\$4 494.95
1992-93	Nil
1993-94	Nil.

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - FAMILY CENTRES**  
*Establishment*

1645. Mr BROWN to the Minister for Community Development:

- (1) How many family centres have been opened since 1 February 1993?
- (2) In what suburbs are the new family centres located?
- (3) When did each of the new family centres commence operation?
- (4) In which financial year was the allocation made for each of these family centres?

Mr NICHOLLS replied:

- (1) Eight family centres have been opened since 1 February 1993.

- (2)-(3)

Bayswater	May 1993
East Victoria Park	February 1993
Falcon	February 1993
Greenfields	February 1993
Joondalup	July 1993
Ballajura	February 1993
Mirrabooka	February 1993
Waikiki	April 1993

- (4) Recurrent allocations are determined in each budget, each financial year.

**POLICE DEPARTMENT - CHILD ABUSE UNIT**  
*Christian Brothers Inquiry*

1647. Mr BROWN to the Minister for Police:

- (1) Are officers of the Western Australian Police Department child abuse unit actively investigating complaints lodged against the Christian Brothers Order by persons who as children were placed in the care of the order?
- (2) Are officers continuing to interview persons and collect evidence in or in connection with the allegations?
- (3) Based on current knowledge when is it envisaged the police will be in a position to determine whether or not any charges will be laid?

Mr WIESE replied:

I have been advised by the Commissioner of Police as follows -

- (1) Yes.

- (2) Yes. However, the bulk of the inquiry work is now complete.
- (3) A final report is currently being prepared and will be referred to the Director of Public Prosecutions. The Director of Public Prosecutions will then decide if charges should proceed.

#### BUNBURY WATER BOARD - BUSSELTON WATER BOARD, CHANGES

1651. Mr D.L. SMITH to the Minister for Water Resources:

- (1) Is any current consideration being given to -
  - (a) detaching the Bunbury Water Board from Bunbury City Council;
  - (b) amalgamating the Bunbury Water Board with the Western Australian Water Authority;
  - (c) amalgamating the Busselton Water Board with the WAWA?
- (2) If there is to be no change how is it proposed to provide water to residential subdivisions in the Capel Shire, immediately south of the Bunbury boundary?

Mr OMODEI replied:

- (1) No.
- (2) Planning for the provision of water to residential subdivisions south of the City of Bunbury in the Shire of Capel is being jointly developed by the Water Authority and the Bunbury Water Board. Options being considered include -
  - extension of BWB boundary with supply from BWB ground water headworks;
  - reticulation by WAWA using bulk water supplied from BWB headworks; or
  - WAWA developed ground water source with supply to newly developing areas and possibly bulk water transfer to BWB to optimise source development.

#### POLICE - PUBLIC MEETING, BUSSELL MOTOR HOTEL, BUNBURY *Videotape*

1657. Mr BROWN to the Minister for Police:

- (1) Did the police videotape a public meeting addressed by the Premier at the Bussell Motor Hotel, Bunbury late last year?
- (2) What was the purpose of taking the video?
- (3) Has the videotape been retained?
- (4) If so, for what purpose?
- (5) Has the videotape been erased or destroyed?
- (6) If so, when?
- (7) Did the police identify those people in the audience who spoke at the meeting?
- (8) What was the purpose of such identification?
- (9) Have files -
  - (a) been opened on any of those who spoke at the meeting;
  - (b) recorded the names of any of those who spoke at the meeting?
- (10) If so, for what purpose?

Mr WIESE replied:

The Commissioner of Police has advised the following -

(1) No.

(2)-(10)

Not applicable.

**COMMISSION ON GOVERNMENT - ESTABLISHMENT**

1660. Dr GALLOP to the Premier:

- (1) When does the Government intend to formally set up the Commission on Government?
- (2) What resources has the Government set aside to allow COG to be set up and start functioning?
- (3) Will COG be in a position to make its own appointments of research and other staff?
- (4) Will the Government assure the Parliament that COG will be independent of the Executive?
- (5) If yes, what steps will be taken to ensure that this is the case?

Mr COURT replied:

- (1) The five Commission on Government commissioners have been appointed. The commission will commence operation on proclamation of the Commission on Government Act.
- (2) \$1.5m in the 1994-95 Budget.
- (3)-(4) Yes.
- (5) The Government will observe the letter and spirit of the Commission on Government Act 1994.

**PREMIER'S CAPITAL CITY COMMITTEE - CITY OF PERTH PLAN,  
CONSULTANTS**

1674. Mr KOBELKE to the Premier:

- (1) When did the Premier's Capital City Committee approach one or more consultants to develop an outline plan for the City of Perth?
- (2) Which consultants or companies were asked to make a submission for the right to undertake this work?
- (3) Was the decision to award the consultancy to Philip Cox, Etherington Coulter and Jones based on the price which they tendered for undertaking the work, the outline of the ideas which they would seek to develop or some other basis?
- (4) When was the consultancy awarded to Philip Cox, Etherington Coulter and Jones?
- (5) When was the consultancy to develop this outline plan for the City of Perth completed?
- (6) What was the total cost of developing this conceptual plan for the City of Perth?
- (7) What was the total payment to Philip Cox, Etherington Coulter and Jones for undertaking the work?
- (8) What other consultancies have been awarded for the purpose of developing particular projects outlined in the Premier's plan for the City of Perth titled "Perth - A City for People"?
- (9) For each of these particular projects, what is the -

- (a) name of the successful consultant;
- (b) title of the project which has been awarded to them;
- (c) value of that contract;
- (d) date on which the consultancy or contract commenced;
- (e) description of the work to be undertaken in fulfilling that contract?

Mr COURT replied:

- (1) Early March 1994 three consultants were approached and made presentations to the Capital City Committee on 11 April 1994.
- (2) Ian Molyneux and Associates - Ian Molyneux; Duncan Stephen and Mercer - Ron Bodycoat; Philip Cox, Etherington Coulter and Jones - Murray Etherington.
- (3) Following the presentation to the Capital City Committee a preferred consultant was selected on the basis of experience, knowledge, understanding of the project, capacity to do the work and ideas submitted for development. Following discussions the preferred consultant, Philip Cox, Etherington Coulter and Jones submitted a fee proposal. This proposal was referred to the Building Management Authority for assessment and found to be reasonable for the work involved.
- (4) 8 July 1994.
- (5) 10 October 1994.
- (6) \$148 338.
- (7) \$95 000.
- (8)-(9) 8.1 R & I Bank demolition -
  - (a) Forbes and Fitzhardinge - Project Manager
  - (b) R & I Bank demolition
  - (c) \$135 000
  - (d) 9 September 1994
  - (e) Project management of specifications, contract administration for demolition work.
- 8.2 St George's Hall project -
  - (a) I.B. Watson - Project Manager
  - (b) St George's Hall project
  - (c) \$95 000
  - (d) 29 August 1994
  - (e) Project management of restoration of portico, landscaping and a building for a cafe.

#### NORTH WEST SHELF GAS PROJECT - SENATOR CHAMARETTE'S STATEMENT

1676. Mr GRILL to the Minister for Resources Development:

- (1) With reference to the quote from a speech of Senator Chamarette in the Senate on 16 March 1994 "... the \$14 billion project, the North West Shelf, is running at a loss. While the cost of production is running from \$16 to \$22 per litre of oil or gas equivalent, it is selling at \$14 a litre. Therefore the country is subsidising an industry which is destroying our atmosphere at a colossal rate", is this statement correct?
- (2) If not, what is the true position?

Mr C.J. BARNETT replied:

- (1) Senator Chamarette's statement regarding the profitability of the North West Shelf gas project appears to be seriously inaccurate. Her assertion

that the project's "cost of production is running from \$16 to \$22 per litre of oil (or gas equivalent)" is obviously grossly incorrect. US\$22 per litre of oil equivalent is equal to US\$3 497 or AUS\$4 726.55 on a per barrel price basis. There is no doubt that the North West Shelf gas project is economically viable and will remain so for many years.

- (2) There are no sound technical grounds upon which Senator Chamarette can suggest that the petroleum industry in Australia is destroying our atmosphere. Her assertion is ill founded and she would be well aware that petroleum producing projects are all stringently controlled and monitored by environmental regulatory agencies through operational licensing and application of conditions which set strict limits for greenhouse gas emission levels during venting and flaring.

**JUSTICE, MINISTRY OF - STAVELEY, DEBRA, PRISON OFFICER, ASSAULT INQUIRY**

1681. Mr BROWN to the Attorney General:

- (1) Has the Ministry of Justice investigated a claim by Prison Officer Debra Staveley that she was assaulted by another prison officer at Wooroloo Prison?
- (2) Did Debra Staveley provide the name or names of any witnesses to the assault to the person conducting the investigation?
- (3) Did the person who conducted the investigation interview or take evidence from the witnesses named by Debra Staveley in relation to the assault?
- (4) If not, why not?

Mrs EDWARDES replied:

(1)-(3) Yes.

(4) Not applicable.

**JUSTICE, MINISTRY OF - STAVELEY, DEBRA AND PHILLIP, PRISON OFFICERS, INQUIRIES**

1682. Mr BROWN to the Attorney General:

- (1) How many inquiries or investigations have been carried out by the Ministry of Justice into activities or alleged activities of prison officers Debra and Phillip Staveley?
- (2) What inquiries and investigations have been carried out?
- (3) Who carried out each -
  - (a) inquiry;
  - (b) investigation?
- (4) When was each inquiry or investigation carried out?
- (5) Were matters of an entirely personal nature unrelated to the work of either officer examined by any -
  - (a) inquiry;
  - (b) investigation?
- (6) What matters of a personal nature were inquired into?
- (7) What was the purpose of such inquiries?
- (8) Was any information of an entirely personal nature obtained by the Ministry of Justice relayed to persons not connected with the inquiry or investigation?
- (9) If so, why?

Mrs EDWARDES replied:

- (1) Two.
- (2) An inquiry under section 9 of the Prisons Act 1981 and an investigation by the ministry's investigations unit into allegations by the Staveleys.
- (3) (a) A/Director, Community Corrections;  
(b) an investigations officer.
- (4) The section 9 inquiry was completed on 31 August 1993. The investigations officer's preliminary report was completed on 13 October 1993. A revised report was provided on 29 August 1994.
- (5) (a) No;  
(b) see (6).
- (6) The investigations officer is of the view that any work related matters with personal references into which he inquired were essential to the assessment of the complaints which he was asked to investigate. These matters involved relationships between the Staveleys and other officers.
- (7) To examine what impact, if any, those relationships may have on the performance of their duties and on the operation of the prisons in which they were employed.
- (8)-(9) Upon request the Director General referred the investigations officer's report to the Equal Opportunity Commission in the strictest confidence. The Director General also referred the report to the Parliamentary Commissioner to comment on the process but not the content of the investigation.

**"PERTH - A CITY FOR PEOPLE" - PRINTING**

1683. Mr KOBELKE to the Premier:

- (1) For each of the printed hand-outs publicising the concept plan "Perth - A City for People" being the 24 page booklet, a double folded two sided A2 sheet and the single sheet reprint from the first page of the booklet, which companies quoted for the printing work?
- (2) Who authorised their printing by the particular printer?
- (3) Who was the printer?
- (4) How many were printed?
- (5) What was the printing cost?
- (6) On what grounds was the particular printer chosen to do the work?

Mr COURT replied:

- (1) Advance Print; Frank Daniels; Muhlings; Scott Four Colour Print.
- (2) State Supply Commission.
- (3) Advance Print.
- (4) Booklet 7 000; Broadsheet 40 000.
- (5) \$39 625.
- (6) Lowest tendered cost.

**YEAR OF ART AND CULTURE - YEAR OF THE FESTIVALS OF OZ**  
*Government Plans*

1687. Ms WARNOCK to the Minister representing the Minister for the Arts:

With 1995 nationally declared "The Year of Culture" and 1996 "The Year of Festivals" what are the Government's plans for Western Australia's participation?

Mr NICHOLLS replied:

The Minister for the Arts has provided the following reply -

The 1995 "Year of Art and Culture" and the 1996 "Year of the Festivals of Oz" are constructs of the Australian Tourism Commission as a tool for marketing Australia as a tourist destination to overseas visitors. This approach is designed to improve Australia's image off shore, to broaden the range of products available to tourists, and to give Australia a competitive advantage between 1994 and 1998. For example, the 1994 theme year was "Experience the Great Australian Outdoors", and for 1997 the theme will be centred on food and wine: "Enjoy Good Living Down Under". These campaigns are essentially information campaigns and not special events-oriented. No special events are created by the ATC nor by the State tourism authorities.

Copies of the literature for the 1995 theme year are tabled for further information. [See paper No 511.]

The Department for the Arts has had an active partnership with the Western Australian Tourism Commission for several years, working to integrate the arts into the State's tourism strategies nationally and internationally. This partnership is also the conduit for proactive work with the ATC in promoting Western Australian arts to a wider - that is, international - audience. To ensure adequate coverage of Western Australian arts activities and festivals is included in the ATC's marketing material, the Department for the Arts, in partnership with the WATC, has provided information to the ATC on a regular basis over the past 18 months. A glance at the ATC literature tabled today will show that WA is well represented as a State of abundant arts and cultural activity.

Other initiatives undertaken by the department include the furnishing of all WATC overseas offices with promotional slide kits of Western Australian arts activity and briefings on Western Australia's cultural life for the overseas officers of the WATC when those officers make their regular refresher trips back to WA. Cultural tourism will be a priority for the Department for the Arts in 1995. A senior officer from the Department for the Arts will be seconded to the WATC in January to progress strategic planning which will further integrate the arts into the State's tourism agenda.

#### ELLENBROOK DEVELOPMENT - ENVIRONMENTAL CONDITIONS

1694. Mr KOBELKE to the Minister for the Environment:

- (1) Further to the answer provided to question on notice 1527 of 1994, when did the Minister set the comprehensive environmental conditions for the Ellenbrook development to which he refers?
- (2) What were those conditions set by the Minister?

Mr MINSON replied:

- (1) The date conditions were set was 13 October 1992.
- (2) Environmental conditions set on proposals are publicly available from the date they are set. A copy of the conditions is tabled. [See paper No 512.]

#### LIQUOR INDUSTRY - REVIEW

##### *Trading Hours Extension, Recommendations*

1698. Mr CATANIA to the Minister for Police:

Would the Minister advise if the Police Department agrees with the recommendations of the liquor industry review recently conducted by the Minister for Racing and Gaming to:

- (a) increase hotel hours to between 10.00 am and 10.00 pm on Sundays and to 2.00 am weekdays;
- (b) increase liquor store hours to between 10.00 am and 10.00 pm on Sundays?

Mr WIESE replied:

I have been advised by the Commissioner of Police as follows -

The recommendations of the liquor industry review is a matter of government policy and although the Police Department is not opposed to the recommendations, if implemented, they will impact on police staffing requirements and will require changes to deployment practices and rostering of resources.

#### **FIRE BRIGADE - FIREFIGHTING EQUIPMENT, ANTIQUATED**

1701. Mr CATANIA to the Minister for Emergency Services:

As there is an ongoing need to maintain bush fire preparedness and brigade efficiency through an appropriate level of equipment and training, how does the Minister intend to ensure this preparedness when firefighting equipment is antiquated in every fire station in country towns and most metropolitan areas?

Mr WIESE replied:

The contention made in the question is not fact and reveals an appalling lack of knowledge by the member of the real situation which exists in both country towns and the metropolitan area. The level of bush fire preparedness and brigade efficiency in country towns and most metropolitan areas is considered to be adequate. The level of bush fire preparedness and brigade efficiency for rural Western Australia is progressively being upgraded and strongly supported by this Government through the allocation of \$8.8m over the next three years through funding grants for fire fighting vehicles, equipment, protective clothing, communications and command system upgrades.

#### **REAL ESTATE INSTITUTE OF WA (INC) - DEREGULATION OF REAL ESTATE FEES, EXCLUDING RESIDENTIAL SALE FEES**

1703. Mr CATANIA to the Premier:

Would the Premier advise why the proposal by the Real Estate Institute of Western Australia to deregulate commission/fees for commercial and rural sales from real estate agents is accepted by the Minister but the same deregulation of commission/fees for residential sales has not been recommended or considered?

Mr COURT replied:

Deregulation of commercial and rural fees is supported by both REIWA and the Real Estate and Business Agents Supervisory Board. The deregulation of residential sale fees has been considered but it is not supported by REIWA or the board at this stage. Residential fees are subject to a maximum scale which means that a client can negotiate a fee below the scale. Deregulation of real estate fees in other States has usually occurred in two stages - commercial first, then residential. This staged approach reflects the fact that there are two discrete client groups.

The future impacts of the Hilmer report and competition policy will require a review of the scale covering residential fees. Therefore, in the longer term, the scale could be retained only if it was found to be in the public interest.

**BUSH FIRE BRIGADES - AMALGAMATION**  
*Mundaring Shire, Review*

1706. Mr CATANIA to the Minister for Emergency Services:

In reference to the report in *The West Australian* of 12 October 1994 that the Mundaring Shire had commissioned consultants to advise it on its firefighting services and had recommended that services should be amalgamated, resulting in reduced services, and as in the same newspaper it was stated that the fire danger in Perth this summer would be higher because of the dry winter, what action does the Minister intend to take to ensure an increase in services rather than decreasing firefighting services in the middle of the most dangerous period?

Mr WIESE replied:

Under the Bush Fires Act 1954, it is the responsibility of the local government authority to manage its bush fire brigades and associated by-laws. The issue of amalgamation of bush fire brigades is a matter which has to be decided by the local government authority. This would generally be done following consultation with the Bush Fires Board of Western Australia, the local fire advisory committee, local bush fire brigades and the community.

The Shire of Mundaring commissioned a consultant to review its standard of fire cover. The review concluded that there was a need to relocate some brigade stations and amalgamate others. The Shire of Mundaring is considering the recommendations and is asking the community, volunteers, the Bush Fires Board and other government agencies for comment. The review is aimed at providing a more efficient and effective fire service and is not expected to be actioned until all concerned have been consulted. It is anticipated that little or no action will occur until after the coming fire season and, if implemented, will occur over an extended time frame.

**POLICE - BUNBURY STATION**  
*Additional Officers*

1711. Mr CATANIA to the Minister for Police:

As Bunbury Police Station, as the regional office, has all calls from the Bunbury regional stations diverted to it during the night shift, when will additional officers be allocated to the area to ensure efficient operational responses during the night shift and to enable the traffic officers to patrol the highways which have claimed many lives in the last 18 months?

Mr WIESE replied:

I have been advised by the Commissioner of Police as follows -

Agreement in principle has been reached to provide additional officers to Bunbury when staff becomes available.

**ROADS - SAFETY AWARENESS MEASURES; POLICE, INCREASE**

1713. Mr CATANIA to the Minister for Police:

(1) At a time when the number of vehicles in Western Australia is increasing and road safety is a great issue, what measures has the Government taken to ensure greater road safety awareness?

(2) Have the number of police staff increased in this area?

Mr WIESE replied:

I have been advised by the Commissioner of Police as follows -

- (1) The Traffic Board of WA is continually appraising advertising initiative for release to the public as safety awareness campaigns. Following is a resume of road safety awareness campaigns that have either already been conducted or are planned for the remainder of this year -
- (a) Public Education and Awareness - 0.05 (Television - "Rethink your last Drink").
  - (b) Public Education and Awareness - Motorcycles (Radio).
  - (c) Public Education and Awareness - Fatigue (Regional TV & Press).
  - (d) Public Education and Awareness - Occupant Safety, Road Safety Awareness Week (including Road Safety Display Unit, WA Road Transport Industry Advisory Committee).
  - (e) Public Education and Awareness - Speed (Television).
  - (f) Aboriginal Road Safety (Broome/Kununurra) (Police Road Safety Section).
  - (g) Police/Honda Motorcycle Skills Enhancement Course. (Metropolitan and Country - conducted on weekends throughout the year by the Police Driver Training Section).
  - (h) "Operation Drinksafe". Conducted by the Police Traffic Branch.
  - (i) Defensive Driving Courses. Conducted by the Police Road Safety Section.
  - (j) Police Education and Awareness - "Back to School" (Press and TV).
  - (k) Federal Office of Road Safety - "Young Drivers".
  - (l) School Road Safety Tour - Road Safety Display Unit (Country Tour - Police Road Safety Section).
  - (m) Cyclist of the Year Promotion/Final Judging (Police Road Safety Section).
  - (n) "Auto Extravaganza" (Bunbury - Police Road Safety Section).
  - (o) Public Education and Awareness - Drink Driving (Radio - Traffic Board of WA).
  - (p) "1994 Murchison 1500" (Drive Safe) Economy Trial (Police Driver Training Section).
  - (q) Royal Show Road Safety Display on "Fatigue" - Police Road Safety Section.
  - (r) "Rural Safety" (Federal Office of Road Safety).

Further to the above, the Youth Family and Ethnic Affairs Unit of the Western Australian Police Department conducts road safety lectures throughout the year to students in year 11 (Youth Driver Education Program), preparing them for their initial motor driver's licence examination.

Conferences with media representatives are attended by the executive of the Traffic Branch on Monday, Wednesday and Friday of each week throughout the year.

- (2) If the member would specify the area and the time frame I would be happy to supply him with an answer.

**WESTERN AUSTRALIAN TOURISM COMMISSION - NATIONAL  
MARKETING PROGRAM**

1724. Mrs HALLAHAN to the Minister for Tourism:

- (1) I refer to the response to question on notice 1322 of 1994 and ask what is the total budget for the national marketing program?
- (2) What is the expenditure allocation for each segment of the program?

Mr COURT replied:

- (1) The total budget for the national marketing program, separate from the international marketing program, is \$5.79m.
- (2) The expenditure allocation for each segment of the program is -
  - \$1.84m Catalogues
  - \$1.9m Television and Press Support Advertising
  - \$220 000 National Wildflower Campaign
  - \$183 200 Cooperative and Discretionary Advertising
  - \$250 000 "Best of the West" Wholesale Program
  - \$300 000 Value of Tourism Campaign
  - \$150 000 Trade and Consumer Travel Shows
  - \$ 52 600 Travel Agents Windows, Training and Promotional Giveaways
  - \$120 000 Shopping Centre Promotional/Display Units
  - \$ 60 000 Travel Agents and Media Familiarisation Program
  - \$170 500 Public Relations
  - \$458 000 Collateral - brochures etc.
  - \$ 78 000 Research

**WESTERN AUSTRALIAN TOURISM COMMISSION - ACCOMMODATION  
PROMOTIONS**

1725. Mrs HALLAHAN to the Minister for Tourism:

- (1) With reference to the response to question on notice 1306 of 1994 I again ask for information on government strategies to promote other than five star accommodation.
- (2) If there is no such strategy, why is that the case?
- (3) Does it mean that all accommodation in all categories and locations in Western Australia has no vacancy rate?

Mr COURT replied:

- (1) The Western Australian Tourism Commission promotes all types of accommodation establishments, from caravan parks to five star hotels, in its tourist literature. Campaigns specifically aimed at creating demand for all types of accommodation during off-peak periods have also been conducted in the past and the Tourism Commission will continue to present these opportunities to all accommodation establishments throughout the State in the future.
- (2) Not applicable.
- (3) No.

**DISABLED - ACCESS TO GOVERNMENT BUILDINGS WITHIN CITY OF  
PERTH**

1728. Dr WATSON to the Premier:

- (1) Will the Premier guarantee that all building and other facilities proposed for reconstruction of the City of Perth will be as accessible for all people with disabilities as for those without?
- (2) If not, why not?

Mr COURT replied:

- (1) All building work constructed within the City of Perth must comply with the requirements of the Building Code of Australia in respect of access for the disabled. Part D3 of this document sets out in detail requirements for access for people with disabilities.
- (2) Not applicable.

#### JUSTICE, MINISTRY OF - McCOTTER, DENZIL, RESIGNATION INQUIRY

1736. Mr BROWN to the Attorney General:

I refer to the chaos in the Ministry of Justice which caused the resignation of the Director of the Prisons Division, Denzil McCotter, and ask-

- (a) did the Attorney General meet or attempt to meet Denzil McCotter prior to or after her resignation;
- (b) has investigation been initiated into the reasons leading to the resignation;
- (c) is Denzil McCotter under investigation in any of the numerous inquiries taking place within the Ministry of Justice?

Mrs EDWARDES replied:

The member's premise for the question is incorrect. There is no chaos in the Ministry of Justice, nor did Dr McCotter resign. Dr McCotter is on leave and has sought a transfer to another department. There certainly was not any investigation into the reasons for her seeking a transfer as she explained her request prior to commencing leave. I did not meet or attempt to meet with Dr McCotter prior to her taking this action. There is absolutely no suggestion that she has ever been involved in any of the alleged corrupt activities.

#### STATE ENERGY COMMISSION OF WESTERN AUSTRALIA - SPLIT-UP *Engineering Services Branch, Plans; Gas and Electricity Businesses, Separate Accounts*

1737. Mr THOMAS to the Minister for Energy:

- (1) What are the Government's plans for the engineering services branch of the State Energy Commission of Western Australia in the split-up of that organisation?
- (2) Will the gas and electricity businesses created by the split-up of SECWA have separate meter reading services?
- (3) Will the gas and electricity businesses created by the split-up of SECWA send consumers separate accounts?

Mr C.J. BARNETT replied:

- (1) SECWA is presently considering options for the future operations of the engineering services branch. It is expected that a decision will be made before the end of 1994.
- (2)-(3) Yes.

#### "PERTH - A PLACE FOR PEOPLE" - CONTRACT

1742. Mr KOBELKE to the Premier:

- (1) What were the terms of reference/brief for the contract to prepare a concept plan for the City of Perth which is now titled "Perth - A Place for People"?
- (2) What were the fees and terms agreed to for the contract when awarded to Philip Cox, Etherington Coulter and Jones?
- (3) Were any consultants other than Philip Cox, Etherington Coulter and

Jones contracted to work on this concept plan either as subcontractors to Philip Cox, Etherington Coulter and Jones or in addition to the principal consultant?

- (4) Is Philip Cox, Etherington Coulter and Jones professionally affiliated with the Royal Australian Planning Institute?
- (5) Who was responsible for supervising the brief and the consultant?
- (6) What procedures were followed in the tendering process from calling for tenders to selecting the consultant, including dates and any other relevant advertisements?

Mr COURT replied:

- (1) Three consultants were invited to prepare a submission on their ideas for the development of a conceptual plan for the City of Perth, including the heritage precinct surrounding the Treasury building. The submissions were presented to the Capital City Committee.
- (2) A fixed price fee of \$95 000.
- (3)-(4) No.
- (5) The commission was supervised by the Building Management Authority. The development of the brief was supervised by the Ministry of the Premier and Cabinet.
- (6) As in item (1) above. A preferred consultant was selected and following discussions, a fee proposal was submitted. This proposal was referred to the Building Management Authority for assessment and found to be reasonable for the work involved. The procurement method used did not involve tendering for the consultancy work.

#### STATE PLANNING COMMISSION - R CODES, DRAFT STATEMENT OF PLANNING POLICY No 1

1743. Mr KOBELKE to the Minister for Planning:

- (1) When was the draft document "Statement of Planning Policy No 1", which provides for revised R codes, released for public comment?
- (2)
  - (a) What has been the method of distributing this draft statement of planning policy;
  - (b) which particular industry groups have been asked to comment on it?
- (3) Who is responsible for issuing this draft statement of planning policy?
- (4) What are the proposed procedures, along with a timetable, for the adoption of this Planning Policy No 1, either in its current form or with modifications?

Mr LEWIS replied:

- (1) The draft revised R codes were released by the State Planning Commission during the first week of October 1994 for consultation in accordance with section 5AA of the Town Planning and Development Act. On 17 October 1994, however, the State Planning Commission advised of a temporary suspension of the consultation process.
- (2)
  - (a) The draft was distributed by mail.
  - (b) The following industry groups were provided with an opportunity to comment on the draft -  
Western Australian Municipal Association;  
All 143 local authorities in the State;  
Royal Australian Planning Institute;

Local Government Planners Association;  
 Australian Association of Planning Consultants;  
 Australian Institute of Urban Studies;  
 Royal Australian Institute of Architects;  
 Australian Institute of Landscape Architects;  
 Institute of Municipal Engineering Australia;  
 Urban Development Institute of Australia; and  
 Housing Industry Association.

- (3) The State Planning Commission.
- (4) The R codes will be adopted in accordance with the procedures of section SAA of the Town Planning and Development Act.

#### HOSPITALS - FREMANTLE

##### *Alma Street Centre, Resources Allocation*

1750. Dr GALLOP to the Minister representing the Minister for Health:

- (1) What financial and human resources have been allocation to the Health Department's Alma Street Centre at Fremantle Hospital?
- (2) What were the concerns raised by the eight doctors employed at the centre (see *The West Australian*, 29 October 1994)?
- (3) Have their concerns been met?
- (4) What range of functions will be performed by the centre?
- (5) What will be the professional make-up of the staff employed by the centre?

Mr MINSON replied:

The Minister for Health has provided the following reply -

- (1) The financial resources allocated to the Alma Street Centre at Fremantle Hospital by the Health Department are \$5 812 767 for operating purposes. This provides for 112 full time equivalent staff positions.
- (2) The concerns raised by the seven doctors to be employed at the centre were -
  - Ensuring that duress alarm systems are in place, and that appropriate training is available in the management of critical situations.
  - Making provision for a doctor to be employed on duty at the centre at all times, rather than on call after 11.00 pm.
  - Ensuring that procedures are in place to document and follow up any operational problems identified during the use of the building, such as soundproofing in certain areas to ensure confidentiality.
  - Ensuring that the roles and responsibilities of junior doctors are clearly defined and appropriate to their training requirements.
- (3) The concerns of the junior doctors have been met by agreement with Fremantle Hospital, covering all of the matters raised.
- (4) The centre will provide the following services -
  - Inpatient Treatment
  - Outpatient Treatment
  - Rehabilitation Services
- (5) The professional make-up of the staff employed by the centre is -
  - Consultant Psychiatrists
  - Psychiatric Registrars

Resident Medical Officers  
Registered Mental Health Nurses  
Social Workers  
Occupational Therapists  
Clinical Psychologists  
Rehabilitation Assistants

**HOSPITALS - SUNSET**  
*Beds Occupied; Staffing Levels*

1751. Dr GALLOP to the Minister representing the Minister for Health:

- (1) How many beds were occupied at Sunset Hospital on 30 June 1993?
- (2) What was the staffing level at Sunset Hospital on 30 June 1993?
- (3) How many beds are currently occupied at Sunset Hospital?
- (4) What is the current staffing level at Sunset Hospital?

Mr MINSON replied:

The Minister for Health has provided the following reply -

- (1) 153.
- (2) 237.06 FTE.
- (3) 95 - as at 31 October 1994.
- (4) 157.21 FTE - as at 31 October 1994.

**HOSPITALS - MT HENRY**  
*Beds Occupied; Staffing Levels*

1752. Dr GALLOP to the Minister representing the Minister for Health:

- (1) How many beds were occupied at Mt Henry Hospital on 30 June 1993?
- (2) What was the staffing level at Mt Henry Hospital on 30 June 1993?
- (3) How many beds are currently occupied at Mt Henry Hospital?
- (4) What is the current staffing level at Mt Henry Hospital?

Mr MINSON replied:

The Minister for Health has provided the following reply -

- (1) 324.
- (2) 511.37 total coverage.
- (3) 259.
- (4) 367.51 total coverage.

**HOSPITALS - ROYAL PERTH**  
*Restructuring Agreement*

1753. Dr GALLOP to the Minister representing the Minister for Health:

- (1) Has the Royal Perth Hospital management reached agreement with the Australian Liquor Hospitality and Miscellaneous Workers Union over the Royal Perth Hospital General Services Restructuring Agreement 1994?
- (2) Has the Health Department reached agreement with the Australian Liquor Hospitality and Miscellaneous Workers Union over the Royal Perth Hospital General Services Restructuring Agreement 1994?
- (3) If the hospital and the Health Department support the restructuring agreement, why will not the State Government support it?
- (4) Has the Minister for Labour Relations vetoed the restructuring agreement?

Mr MINSON replied:

The Minister for Health has provided the following reply -

- (1) Agreement in principle was reached, subject to endorsement by Government.
- (2) HDWA was not a party to the agreement, nor was it involved in negotiations.
- (3)-(4) The Minister for Labour Relations requested that the agreement be amended where it differed from the provisions of the public sector management legislation.

#### POLICE - MEAL ALLOWANCES

1754. Mr CATANIA to the Minister for Police:

Will the Minister supply the amounts of meal allowances paid to police officers and the police stations where these officers were stationed in the last 12 months?

Mr WIESE replied:

As there are 160 police stations in Western Australia, it would require considerable resources to collate the requested information and I am not prepared to request this from the Commissioner of Police. However, if the member would like to be more specific, I will endeavour to provide him with a response.

#### WHITEMAN PARK - SALE

1755. Mr BROWN to the Minister for Planning:

- (1) Has the Government completed the investigation into the possible sale of part of Whiteman Park?
- (2) If so, has the Government decided against selling any part of Whiteman Park?

Mr LEWIS replied:

- (1)-(2) Yes.

#### POLICE - WOMEN OFFICERS

*Roebourne, Wiluna, Kalgoorlie, Derby, Katanning*

1758. Dr WATSON to the Minister for Police:

How many women police officers are stationed at -

- (a) Roebourne;
- (b) Wiluna;
- (c) Kalgoorlie;
- (d) Derby;
- (e) Katanning?

Mr WIESE replied:

The Commissioner of Police advises as follows -

- |                |     |
|----------------|-----|
| (a) Roebourne  | Nil |
| (b) Wiluna     | Nil |
| (c) Kalgoorlie | 10  |
| (d) Derby      | 1   |
| (e) Katanning  | 1   |

**GOVERNMENT DEPARTMENTS - RELOCATED TO ROCKINGHAM  
ELECTORATE**

1761. Mr M. BARNETT to the Minister for Resources Development; Energy:

- (1) What action, since being elected, has the Minister or the Minister's department taken to relocate any portion of his department to within the electorate of Rockingham?
- (2) If none, why?

Mr C.J. BARNETT replied:

- (1) None.
- (2) Department of Resources Development officers frequently attend meetings, site inspections and other events at locations throughout the Perth metropolitan area including Rockingham. Rockingham, where much DRD business is conducted, is readily accessible. DRD officers can travel to Rockingham in 35 minutes from the DRD office in Perth's central business district. In the interests of smaller, more efficient government, this is more cost effective than establishing a separate office in Rockingham.

**GOVERNMENT DEPARTMENTS - RELOCATED TO ROCKINGHAM  
ELECTORATE**

1771. Mr M. BARNETT to the Minister for Community Development; the Family; Seniors:

- (1) What action, since being elected, has the Minister or the Minister's department taken to relocate any portion of his department to within the electorate of Rockingham?
- (2) If none, why?

Mr NICHOLLS replied:

Answer provided by the Minister for Community Development; The Family -

- (1) The member should be informed that a district office of the Department for Community Development has been located in Hunsdon House, 11 Council Avenue, Rockingham, for approximately 11 years. In addition there are two family centres more recently established, one at Waikiki and another at Wambro.
- (2) Not applicable.

Answer provided by Minister for Seniors -

- (1)-(2) The Office of Seniors Interests consists of one small office only, which is centrally located.

**GOVERNMENT DEPARTMENTS - RELOCATED TO ROCKINGHAM  
ELECTORATE**

1772. Mr M. BARNETT to the Minister for Labour Relations; Works; Services; Multicultural and Ethnic Affairs:

- (1) What action, since being elected, has the Minister or the Minister's department taken to relocate any portion of his department to within the electorate of Rockingham?
- (2) If none, why?

Mr KIERATH replied:

- (1)-(2) Department of Productivity and Labour Relations provides services to the Rockingham district from its central office in West Perth. The department's services are able to be provided in a timely and cost effective

way, with industrial inspectors undertaking investigations and inspections in the area in response to individual complaints or requests.

The Commissioner of Workplace Agreements has a small number of staff and is well placed to provide a service to the Rockingham electorate from his office's central location in West Perth.

The Department of Occupational Health, Safety and Welfare provides services to the Rockingham electorate from its West Perth office. It is considered this approach is the most efficient and cost effective use of the department's resources.

WorkCover WA is centrally located in the metropolitan area outside the CBD and is well placed to service Rockingham. Inspectors, rehabilitation, and advisory officers provide services to the Rockingham area, and include this suburb as part of a service to all outlying metropolitan regions. Any other workers' compensation needs are fully addressed by the department on an as needs basis. Relocating portions of WorkCover to Rockingham is therefore unnecessary and would create administrative duplication and costs that cannot be justified in the current economic climate.

Department of the Registrar, WA Industrial Relations Commission -

The Western Australian Industrial Relations Commission responds to industrial relations matters in the Rockingham electorate by holding on-site conferences and inspections, making action to relocate to that area unnecessary. Where necessary the commission will use local shire and court facilities for these purposes. These arrangements enable the commission to provide a responsive and speedy service to the Rockingham electorate from its Perth base, as it does for all electorates in the State.

The Building Management Authority provides its services throughout Western Australia from two sites in the Perth metropolitan area and 14 offices in country locations. This current situation is well balanced to ensure that BMA clients are well serviced, while minimising any duplication in the different offices. Any change or addition to office locations would unnecessarily add costs with no gain in services to clients.

The Department of State Services provides services to all areas of the community, including the Rockingham electorate, from its central location in Perth. While some regional services are provided from Bunbury and Geraldton, the department is able to provide officers for briefing purposes on any issues that may concern the Rockingham electorate.

The Office of Multicultural Interests is a small policy unit which provides advice to government and supports community initiatives. OMI provides community support throughout Western Australia from its Perth office.

#### GOVERNMENT DEPARTMENTS - RELOCATED TO ROCKINGHAM ELECTORATE

1774. Mr M. BARNETT to the Minister for Planning; Heritage:

- (1) What action, since being elected, has the Minister or the Minister's department taken to relocate any portion of his department to within the electorate of Rockingham?
- (2) If none, why?

Mr LEWIS replied:

- (1) None.
- (2) The Department of Planning and Urban Development functions

effectively from its head office in Perth and regional offices in Mandurah and Bunbury. Premises at Rockingham are not considered necessary.

# HOMESTYLE PTY LTD - COMPLAINT AGAINST

1782. Mr CUNNINGHAM to the Attorney General representing the Minister for Fair Trading:

- (1) Did the Minister take action against Homestyle Pty Ltd in respect of the letter of complaint dated 5 April, 1994 from Mr and Mrs Chryssanthakopoulos?
- (2) If not, why not?
- (3) Did the Minister say he had no jurisdiction to intervene and would not enter into an investigation, and if so, why?
- (5) Did the Minister advise that the matters in dispute with Homestyle were only covered by the provisions of the Home Building Contracts Act 1991?
- (6) If so, did the Minister at that time consider whether breaches of the provisions of the Trade Practices Act 1974 or the Builders Registration Act 1939 were involved?
- (7) Did the Minister refer Mr and Mrs Chryssanthakopoulos to the Trade Practices Commission, and if so, why?
- (8) Did the Minister approach the Building Disputes Committee instead of Homestyle and, if so, did he realise that the complaint was against Homestyle and not the Building Disputes Committee or its process?
- (9) Did the Building Disputes Committee deal with only a small part of the complaint against Homestyle and, if so, did the Minister investigate the rest of the issues raised in the letter of complaint?
- (10) If the Minister did not investigate all the issues, why not?
- (11) Why was it necessary for Mr and Mrs Chryssanthakopoulos to engage a lawyer in order to pursue Homestyle to comply with the provisions of the relevant Acts and to finalise their contractual obligations?
- (12) Is the Minister aware of any possible breaches by Homestyle of the Home Building Contracts Act 1991, the Builders Registration Act 1939 or the Trade Practices 1974, and if so, what action does he intend to take?

Mrs EDWARDES replied:

The Minister for Fair Trading has provided the following reply -

- (1) No.
- (2)-(3) Inquiries by the Ministry of Fair Trading indicated that the matters raised by Mr and Mrs Chryssanthakopoulos in their letter dated 5 April 1994 had already been heard and determined by the Building Disputes Committee, which is a judicial body. Neither the Minister for Fair Trading nor the Ministry of Fair Trading has the power to review decisions made by this committee.

There appears to be no question (4).

- (5) No. The Acting Executive Director advised Mr and Mrs Chryssanthakopoulos that the matters in dispute with Homestyle were covered by the Home Building Contracts Act 1991 but he did not state or imply that the matters were covered only by this Act.
- (6) Not applicable.
- (7) The Minister did not refer Mr and Mrs Chryssanthakopoulos to the Trade Practices Commission. Mr and Mrs Chryssanthakopoulos called a Ministry of Fair Trading officer regarding their allegations

that a breach of the (Federal) Trade Practices Act had occurred. This officer correctly advised them that the Trade Practices Act is administered through the Trade Practices Commission.

- (8) The Minister referred the complainant's letter dated 5 April 1994 to the Registrar of the Building Disputes Committee, as this committee has jurisdiction to deal with contractual disputes where the contract value is between \$6 000 and \$200 000 and all workmanship disputes.
- (9) The Minister has been informed by the Registrar of the Building Disputes Committee that at its hearing on 21 January 1994 the committee dealt with all the matters detailed in the complaint form completed by the complainants and lodged with the committee on 6 December 1993. However, several items had been crossed out by the complainants and a signed notation added to the effect that these items had been attended to or would be attended to.
- (10) Not applicable.
- (11) It is open for Mr and Mrs Chryssanthakopoulos to take whatever actions they see fit to pursue their legal rights in this matter. The Registrar of the Building Disputes Committee sent Mr and Mrs Chryssanthakopoulos a second complaint form following referral of their letter to the Minister dated 5 April 1994. The second complaint form has not been returned to date. Had the form been returned, the additional issues in dispute could have been dealt with by the Building Disputes Committee and thus the homeowners may have considered that the services of a lawyer were not called for.
- (12) No. The Minister is not aware of any possible breaches of the legislation specified.

#### MOTOR VEHICLE THIRD PARTY INSURANCE - \$50 LEVY

*Harn, David, Exemption*

1784. Mr McGINTY to the Minister for Police:

- (1) Has Mr David Harn of 17 Braybrook Place, Craigie, been exempted from paying the \$50 third party insurance levy for his Mitsubishi L300 vehicle?
- (2) If so, what was the reason for the exemption?

Mr WIESE replied:

I am advised by the Director, Police Licensing and Services as follows -

- (1) As at 3 November 1994, there is no record on the Police Licensing and Services vehicle database of any vehicle in Mr David Harn's name. However, if the member could provide the licence plate number, I will endeavour to provide the information as requested.
- (2) Not applicable.

#### POLICE - WILUNA STATION *Officer in Charge, Previous Positions*

1789. Dr WATSON to the Minister for Police:

- (1) Has the present Officer in Charge, Wiluna Police Station, previously held the position of officer in charge at any other country police stations?
- (2) If so -
  - (a) name the stations and the years he was posted there;
  - (b) provide details of the total sum paid for meal allowances for -

- (i) sentenced prisoners;
  - (ii) unsentenced prisoners;
- for each year served at each police station.

Mr WIESE replied:

The Commissioner of Police advises as follows -

(1) Yes.

(2)	(a)	Northampton	19.1.80	-	9.5.82
		Koolan Island	20.2.85	-	28.12.87
		Meekatharra	29.12.87	-	3.1.91
		Kambalda	4.1.91	-	7.1.94
		Wiluna	8.1.94	-	present

- (b) (i) Payments of sentenced prisoners' meal allowance is the responsibility of the Ministry of Justice. The Police Department does not maintain accounting records for these items of expenditure.
- (ii) Payment of meals for unsentenced prisoners claims by location and financial year -

Position & Station	Date	Amount \$
OIC Wiluna (8.1.94)	Jan - June 94	3 630.55
	July - Sept 94	929.06
	Total for Wiluna	4 559.61
OIC Kambalda (4.1.91-7.1.94)	Jan-June 91	38.16
	July 91 - June 92	no claims on record
	July 92 - June 93	no claims on record
	July 93 - Dec 93	no claims on record
	Total for Kambalda	38.16
OIC Meekatharra (29.12.87- 3.1.91)	Jan-June 1988	1 511.69
	Jul 1988-June 1989	1 148.80
	Jul 1989-Jun 1990	2 419.32
	Jul 1990-Jan 1991	1 138.50
	Total for Meekatharra	6 218.31
OIC Koolan Island (20.2.85-28.12.87)		no claims on record
OIC Northampton (19.1.80-9.5.82)		no claims on record

#### ROCKINGHAM ZIRCONIA PLANT - GOVERNMENT ASSISTANCE

1793. Mr RIPPER to the Minister for Commerce and Trade:

With reference to the Minister's statement in his media release of 20 October 1994 that purchase of the Rockingham zirconia plant by Hanwha Corporation of Korea followed assistance given to the former owner by the Department of Commerce and Trade to find a new owner, what form did this assistance take?

Mr COWAN replied:

The former owner, ICI Pty Ltd, was given the following assistance -

contribution of \$6 533 (30 per cent of cost) in 1992-93 towards the development of a study on alternative uses for the plant and feasibility, for promotion to potential investors (nationally and internationally);

contribution of \$1 050 (30 per cent of cost) in 1993-94 towards the use of a technical consultant to assist with investor inquiries on alternative applications of the plant;

contribution of \$2 450 (50 per cent of cost) in 1994-95 towards a financial/engineering consultant to update the 1992-93 feasibility study market assessment data;

use of the Austrade investment promotion program and overseas offices in identifying and arranging meetings with potential investors;

coordination by the Department of Commerce and Trade of state government agencies responsible for regulations and approvals associated with zirconia plant's operation.

#### **BUSINESS REGULATION RED TAPE - SIMPLIFICATION INITIATIVES**

1795. Mr RIPPER to the Minister for Commerce and Trade:

With reference to the Minister's statement in his media release of 19 October 1994 that "initiatives were also under way to simplify business regulation red tape", what business regulation red tape has actually been dispensed with since he assumed responsibility for this portfolio?

Mr COWAN replied:

The Regulation Review Panel has achieved simplification or abolition of unnecessary regulation and is investigating a number of other government regulations for possible abolition. Since I have been Minister for Commerce and Trade, the attestations in the Stamp Act and the Waterways Conservation Act have been approved by Cabinet for removal. Furthermore, business registration procedures are now available in country locations and all new legislation submitted to Cabinet now has a standard review clause indicating what impact the relevant legislation will have on small business. Issues currently under investigation by the panel include -

- The Bread Act
- Official attestation of government documentation
- Partially registered occupations
- Credit (Administration) Act 1984
- Builders' licence fees
- Corporations Law review
- Employment agent's licence
- Australian labelling

I expect recommendations on the above matters from the panel in due course.

#### **CAPE PERON STUDY - COMPLETION**

1796. Mr M. BARNETT to the Minister for Planning:

- (1) Is the Cape Peron study complete and before the Government?
- (2) When will it be provided to the public?

Mr LEWIS replied:

- (1) No.
- (2) It is expected that the Cape Peron study will be forwarded to the Government for public release shortly.

#### **BUSH FIRES BOARD - FUNDS FOR SPECIFIC PURPOSES**

1805. Mr CATANIA to the Minister for Emergency Services:

- (1) Is it appropriate for the Bush Fires Board to request funds for specific

purposes when it has no intention of using the funds for the purpose identified in the request?

- (2) Is it acceptable for funds allocated for specific purposes to be channelled into other areas of a department's operations if not used for the specific purpose identified?

Mr WIESE replied:

- (1)-(2) I am advised by the Chief Executive of the Bush Fires Board that he is not aware of any circumstances where appropriations have not been expended on the identified specific purposes.

#### FIRE BRIGADE - FUNDS FOR SPECIFIC PURPOSES

1806. Mr CATANIA to the Minister for Emergency Services:

If the Government, in response to budget submissions has provided the Western Australian Fire Brigades Board, as part of the budget allocation, sufficient funds to enable it to fill country long service leave reliefs and the funds are not used for that purpose, then what happens to the funds not expended?

Mr WIESE replied:

I am advised by the Acting Chief Executive Officer of the Western Australian Fire Brigades Board as follows -

The Western Australian Fire Brigades Board is expending its long service leave relief funds, in most cases, not only on the maintenance of staffing levels during long service leave reliefs but also for unforeseen relief caused by resignations, long term sick leave and transfers. It is anticipated that the budget allocations for this area will be expended. Section 45 of the Fire Brigades Act 1942 deals with an annual budgetary deficit or surplus. If the amount received by the WAFBB in any year from contributions exceeds the expenditure based upon the estimate for the year, then the excess shall be treated as a credit in favour of the estimated income of the ensuing year, and the rate of contribution for the said ensuing year reduced proportionately.

#### WORKPLACE AGREEMENTS COMMISSIONER - WORKPLACE AGREEMENTS REGISTRATION, ASSESSMENT

1826. Mr BROWN to the Minister for Labour Relations:

- (1) Prior to, at the point of, or subsequent to the registration of a workplace agreement does the Commissioner for Workplace Agreements assess and compare the relative value of the workplace agreement and the relevant award?
- (2) In carrying out any assessment referred to in (1) above, does the Commissioner for Workplace Agreements base any comparison on the total number of hours, days of the week and times of the day worked by the employee under the award and the workplace agreement?
- (3) In carrying out any assessment under (1) above, does the Workplace Agreements Commissioner take into account additional ordinary hours worked by the employee under a workplace agreement or any hours worked under a workplace agreement which would attract a higher rate or loading under the award?

Mr KIERATH replied:

- (1)-(3) Before registration the Commissioner of Workplace Agreements satisfies himself that the parties appear to understand their rights and obligations under the agreement and that they genuinely wish to have the agreement registered. By exercising their choice to move from the award to the

workplace agreement, the onus is on the parties to assess their relative value. I am advised that the commissioner may make some assessment of differences between awards and agreements to assist in satisfying himself in respect of the parties understanding the agreement and their desire to have it registered.

**WORKPLACE AGREEMENTS COMMISSIONER - NEW EMPLOYEES OFFERED EMPLOYMENT SUBJECT TO WORKPLACE AGREEMENT**

1827. Mr BROWN to the Minister for Labour Relations:

- (1) Has the Minister seen a report in the 24 October 1994 edition of *The West Australian* which stated in part that the Workplace Agreements Commissioner, "Mr Cooper conceded that it was not an offence for an employer to offer new employees workplace agreements without the choice being covered by an award"?
- (2) Is it government policy that an employer should be able to offer new employees workplace agreements without such employees being given the choice of being covered by the relevant award?

Mr KIERATH replied:

- (1) Yes.
- (2) The Workplace Agreements Act does not prevent new employees being offered employment subject to a workplace agreement, just as employment can be offered to new employees subject to an award. I am advised that in most instances workplace agreements offer improved conditions over awards.

**WORKPLACE AGREEMENTS COMMISSIONER - WORKPLACE AGREEMENTS, BUSINESS RESTRUCTURING, NAME CHANGE AND REHIRING EMPLOYEES**

1828. Mr BROWN to the Minister for Labour Relations:

- (1) Has the Minister been acquainted with the statement made by the Commissioner for Workplace Agreements that "there was nothing to stop the business restructuring, changing its name and rehiring employees on workplace agreements"?
- (2) Is it government policy to support the existing arrangements outlined by the Workplace Agreements Commissioner where a business may restructure, change its name and rehire existing employees on workplace agreements?

Mr KIERATH replied:

- (1)-(2) I do not believe the Commissioner of Workplace Agreements made a statement; however, a question was directed to the commissioner along these lines. Such arrangements may be possible but avenues could be available to employees for unfair dismissal, or redundancy entitlements, depending on the circumstances. If any such actions could be shown to be contrary to section 68 or 70 of the Workplace Agreements Act 1993, then an employer could be prosecuted for an offence.

**STATE PRINT - SICK LEAVE ENTITLEMENTS; EXPENDITURE**

1840. Dr GALLOP to the Minister for Services:

- (1) What is the current total value of employee sick leave entitlements at State Print?
- (2) What will happen to these sick leave entitlements if employees at State Print are transferred to the private sector?

- (3) What will be the total cost to Government of -
  - (a) contracting out and completing current work in progress;
  - (b) relocating the State Law Publisher;
  - (c) past superannuation liabilities;
  - (d) proposed redundancies;
  - (e) annual and long service leave payouts?
- (4) What is the budgeted expenditure for State Print in 1994-95 as provided in the Budget program statement?
- (5) What is the projected expenditure for State Print in 1994-95 as provided to State Treasury as at 30 September 1994?

Mr KIERATH replied:

- (1) \$893 486 as at 31 October 1994.
- (2) Options on this issue are currently being developed. Consultation with the affected employees will occur as soon as possible.
- (3)
  - (a) Nil - works in progress will be completed by State Print prior to any handover.
  - (b) Cost estimates are still to be determined and will depend on accommodation arrangements, etc.
  - (c) These liabilities will only crystallise when an employee leaves the public sector. The total liability, should all State Print staff leave the public sector, is estimated at \$2.3m.
  - (d) Redundancies are yet to be determined and will depend on the outcome of the privatisation process.
  - (e) Total accrued liability as at 31 October 1994 was approximately \$1 359 723.
- (4) \$12 185 000.
- (5) \$16 638 000 - estimate only, and will depend on the outcome of privatisation.

**COMMUNITY DEVELOPMENT, DEPARTMENT FOR - MELISSA INQUIRY**  
*Officers, Charges*

1860. Mr BROWN to the Minister for Community Development:

- (1) Have the charges laid against two officers of the Department for Community Development following the Melissa inquiry been dealt with?
- (2) What was the nature of each charge laid against each officer?
- (3) What charges were dismissed?
- (4) What charges were proven?
- (5) What penalty, if any, was imposed in respect of each charge an officer was found guilty of?

Mr NICHOLLS replied:

A similar question - 1646 - has previously been answered. While the officers were employed by the Child Welfare Department at the time the offences took place, they are not currently employed by the Department for Community Development. The charges referred to were laid by the Public Service Commission. This question should therefore be redirected to the Minister for Public Sector Management.

## QUESTIONS WITHOUT NOTICE

### RADIO 6PR - SALE TO SOUTHERN CROSS BROADCASTERS

575. Mr McGINTY to the Premier:

Before I ask the question, on behalf of everyone on this side of the House I convey my congratulations to the Premier and his wife on the birth of Emma. I realise the Premier probably did not have much sleep last night and so I will give him a reasonably easy question to begin with.

I refer to the Minister for Services' brief ministerial statement announcing the Government's decision to sell radio station 6PR to an Eastern States company, and point out that this is the third commercial radio station to fall into interstate hands. I ask -

- (1) Why is the Government spending thousands on a radio advertising campaign on 6PR exhorting Western Australians to keep local business in this State when the Government's actions in selling 6PR to an interstate buyer demonstrates that it does not practise what it preaches?
- (2) Will the Premier withdraw the Birthmark campaign from 6PR now that it is not wholly Western Australian owned?
- (3) Why has the Government reneged on its broadcasting policy, which states "a substantial portion of broadcasting services provided in WA should be owned, managed, programmed and staffed by Western Australians"?

Mr COURT replied:

- (1)-(3) I thank the Leader of the Opposition for his comments. I am always wary of easy questions. I understand that Southern Cross Broadcasters is a public company and I realise that it is seen as an Eastern States based company. We did everything we could in the tender process to encourage local people to purchase the station. We cannot have it both ways. If we put something out to open tender and there is one offer, an Australian offer, that is superior to another offer, and that offer meets all the requirements relating to local content, local management, etc, that offer must be considered.

As the Minister said in his statement, certain specifications were put into the tender documents which were met equally by both bids. If 6PR Holdings had purchased the radio station, there is no guarantee that it would not have on-sold tomorrow. There is no certainty about anything.

I am not aware of advertising on 6PR relating to the Birthmark campaign. However, I do not envisage that there will be any change to the policy of advertising on all commercial stations where it is appropriate for that type of advertising. We have gone through the process. Our main goal was to get the station out of the public sector. We do not believe that the Government should own a radio station. All of the specifications were laid out and the tender documents have been tabled.

### NORTH PERTH MIGRANT RESOURCE CENTRE - CLOSURE THREAT

576. Dr HAMES to the Minister for Multicultural and Ethnic Affairs:

Before asking the question, I point out that, while the new fans are very good, they make it very difficult for us in the back to hear. I ask the Minister responding to speak loudly.

What were the concerns expressed regarding the Federal Government's threatened closure of the North Perth Migrant Resource Centre?

Mr KIERATH replied:

The federal Minister, Senator Bolkus, gave the North Perth Migrant Resource Centre two weeks to convince him why it should not be closed. That is the attitude we have come to expect from the Federal Government. It is a stand and deliver attitude, not one of consultation. We have heard many promises from the Federal Government in other spheres. In the area of broadcasting, it made certain promises to replace a service with another facility. We are still waiting. It closed the first facility and we are waiting for the second one to be given to us. There has now been a threat to close this resource centre. My fear is that this one will be closed before the new one is opened and people will have nowhere to go. I have faith in the community. I thank the member for Dianella for his strong interest because he has been championing the cause of the North Perth Migrant Resource Centre and has been lobbying me for it to stay open. I hope Labor members in this place and Federal members give it the same support. However, I understand they have been very scarce on the ground. The North Perth Migrant Resource Centre provides many facilities.

Mr Catania: You have only just found out where it is.

Mr KIERATH: It is interesting that the member for Balcatta should interject because he is on record for trying to get the centre closed and the member for Dianella wants the centre to stay open. He has been trying to get it closed and have it shifted to the northern suburbs.

Mr Catania: That is untrue. I have always supported it and been on committees there for a number of years. You are as stupid as you look.

*Withdrawal of Remark*

The SPEAKER: I direct the member for Balcatta to withdraw and apologise.

Mr CATANIA: I apologise and withdraw.

*Questions without Notice Resumed*

Mr KIERATH: Many services, both federal and state, are provided to the migrant population through the resource centre. Those services are provided through commonwealth legal centre funding, the Commonwealth Department of Housing and Regional Development, the Department of Training, Homeswest, Crisis Accommodation, city housing programs and so on.

Mr Catania: You don't know what they do!

Mr KIERATH: The federal Minister has brought the process to a sudden halt. I can understand the sensitivity of the member for Balcatta because he has been lobbying to have the centre moved to the electorate of Cowan or Stirling to bolster the marginal federal Labor seats. It is an interesting aspect because if there were serious concerns about the performance of the centre -

Several members interjected.

The SPEAKER: Order! I formally call to order the member for Balcatta.

Mr KIERATH: I am trying to bring my comments to a close but the member for Balcatta cannot keep his mouth closed even for a few moments.

If the Federal Government were determined to make the centre go through a performance assessment the proper process would have been to refer the matter to the Settlement Planning Committee. If the matter stood up, the State Government would have to support it. This decision comes from the left field. It is a political decision coming from the office of Senator Bolkus. It has not come from the bureaucracy or from departments. The

matter defies any assessment on that basis. It has something to do with the impending federal election -

Several members interjected.

The SPEAKER: Order!

Mr KIERATH: It is not about providing proper resources to the migrant community. The State Government will stand by its commitment to provide resources to migrants in this State - as it has always done and will continue to do - despite the Federal Government abandoning the migrant resource centre in its hour of need.

Several members interjected.

The SPEAKER: Order! Reluctantly I call to order the member for Balcatta for the second time.

#### RETAIL TRADING HOURS - DEREGULATION

577. Mrs HENDERSON to the acting Leader of the National Party:

I refer to the widespread concern in the retail industry at the prospect of deregulated trading hours, and the fact that the Government has undermined business confidence by procrastinating on the issue.

- (1) Given the National Party's policy on this issue, why has it been unable to prevail upon the Minister for Fair Trading to use his commonsense and resolve this issue as a matter of urgency?
- (2) Given the public claims by a number of National Party members that they will cross the floor on the issue, is it National Party policy to ensure that the matter does in fact come before Parliament and is not simply dealt with by way of regulations imposed by the Minister for Fair Trading?

The SPEAKER: Order! I presume that the Minister for Primary Industry is the acting Leader of the National Party.

Mr HOUSE replied:

I do not, and I think it would be a bit risky to do so. I have not forgotten how big he is, and he has been away for only one week.

The question should properly be addressed to the relevant Minister. The Cabinet and members of the Government have been working through the issues over the past few weeks. We will continue to do that, and we will continue to consult with the relevant people in the industry. We will make an announcement in good time.

#### ECONOMY - NEW INVESTMENT, ACCESS ECONOMICS MONITOR

578. Mr BRADSHAW to the Premier:

- (1) Is the Premier aware of the latest Access Economics monitor on future economic trends?
- (2) If yes, what implications will its findings have for WA?

Mr COURT replied:

- (1)-(2) The Access Economics investment monitor has shown some very significant trends that are occurring with new investment throughout Australia. Western Australia is experiencing extremely strong growth in both potential and new investment, and it is the type of investment that is coming to this State that is most significant. Of the total \$111b new and potential investment in this country, Western Australia will account for \$26.4b; that is, nearly one in four investment dollars in future will be coming to Western Australia. A large part of that investment will go to

downstreaming and value-added processing industries. The new investment has flowed from the energy and the industrial relations reforms that we are experiencing in this State.

The Leader of the Opposition has commented that Western Australia risks becoming a quarry. That approach is yesterday's thinking. That is where we would stay if we had to live under the industrial relations regimes that the Labor Party would like to inflict upon us. It is very much yesterday's thinking because the new investment will go to value adding and into further processing. Of the \$26.4b new or potential investment in this State, some \$9.3b will be in the manufacturing sector. The new investment in the manufacturing sector in this State is more than that in New South Wales and Victoria combined. The two major States, New South Wales and Victoria, account for only \$8.46b. Traditionally, Victoria and New South Wales are seen as the manufacturing States. The important point is that the Western Australian economy is now becoming far more diversified. We are experiencing value adding and downstream processing, tourism and specialist manufacturing industries; and the beauty of the diversification is that it will enable us to have sustained economic and employment growth in future. Therefore, the figures are encouraging and it is quite exciting that this State has such a large degree of new investment coming to it.

#### BANKWEST - PRIVATISATION

579. Mr RIPPER to the acting Leader of the National Party:

I draw the acting Leader of the National Party's attention to the Federal Government's offer of tax compensation to Western Australia if it undertakes the privatisation of BankWest by 30 June 1995.

- (1) What is National Party policy on the privatisation of BankWest?
- (2) How does that policy address the possible loss of Federal Government compensation because of the State Government's delay in making a decision on privatisation?
- (3) As with retail trading hours, is it National Party policy to once again be an obstacle to the speedy resolution of this issue?

Mr HOUSE replied:

(1)-(3) One risk a day is enough; two risks is carrying it a bit far!

I was interested to read comments by the Leader of the Opposition regarding BankWest. A report appeared in *The West Australian* either today or Saturday that the Leader of the Opposition gave cautious approval to the sale of BankWest. I presume that the Opposition policy is that it will support the sale of BankWest, although the leader does not spell out that policy in detail. As with all other issues in government, a number of lengthy discussions take place. There are Cabinet considerations and party room considerations, and this issue will be discussed and considered - as with all other issues - and the Government's position will be made clear in good time.

#### ORD RIVER - HYDRO-ELECTRIC PROJECT

580. Mr DAY to the Minister for Resources Development:

I refer to an article in *The West Australian* on Saturday, 12 November entitled "ALS bid halts Ord project". Can the Minister advise the House of the current status of the Ord River hydroelectric power project?

Mr C.J. BARNETT replied:

It was the case that the Aboriginal Legal Service, on behalf of the

Miriuwung and Gajerrong community, sought and achieved an interim injunction last Friday in the Federal Court which had the effect of stopping work on the Ord River hydro scheme. At that stage the Western Australian Water Authority was about to start work on the spillway plug. Negotiations, with which I was not directly involved, took place over the weekend between the Ord River hydro consortium and the Miriuwung and Gajerrong people and their representatives. The parties reached a land use agreement. As a result, the interim injunction has been lifted and work is continuing this week on the project. The agreement will allow the project to be completed in total including the spillway plug, the cofferdam and the transmission lines to both Kununurra and Argyle.

I am not privy to the land use agreement reached between the consortium and the Miriuwung and Gajerrong people but I understand it involves a commercial settlement of about \$130 000 a year for the life of the project. The settlement has been reached and, therefore, work is progressing. It is not a unique situation. In resource development projects in this State there have been many precedents of settlements of this nature being reached. The agreement will allow the project to go ahead. The amount of money involved is significant at \$130 000 a year, or thereabouts, and I hope that members will join with me in the hope that the money will be used effectively for the benefit of the community. The amount should be seen in the context of the project. The capital cost of the project is of the order of \$70m; the Water Authority will derive in excess of \$1m in payments through its contract to supply water, and the State Energy Commission will save between \$2.5m and \$3m on fuel costs in the operation of its diesel power plant. There will be substantial benefits. It is the largest renewable energy project in the State and it will allow further development of the Ord River development to proceed.

Mr Thomas: Did anyone else have the opportunity to put in a bid?

Mr C.J. BARNETT: The member can ask a separate question about that.

Settlement has been reached and the project will proceed. As a result of some delays in settlement, the cost of the project to the consortium has increased, and there may be some negotiation at the margin with both SECWA and Water Authority contracts. That is a commercial matter between those parties. In the size of those contracts, the cost will be marginal should any change occur.

#### WATER AUTHORITY OF WESTERN AUSTRALIA - CONTROLLED MARKETING CONTRACTS

581. Mrs ROBERTS to the Minister for Water Resources:

I refer to a leaked Water Authority memorandum dated 20 October 1994 which indicates that Controlled Marketing, a company in which prominent Liberal Chilla Porter has an interest, received two contracts to handle customer queries on water restrictions and the sewerage infill levy without tender processes being observed.

- (1) Given the Minister's undertaking the last time he breached the tender processes; that is, "I give the House a commitment that the Government's requirements will be adhered to in the future", why did he allow the tender procedures to be breached on two further occasions?
- (2) Did the Minister approve the Water Authority's communication strategies, which included the contracts to Controlled Marketing?
- (3) What action will the Minister take this time, or will he again give glib assurances that he has no intention of observing?

Mr OMODEI replied:

- (1)-(3) I was hoping that the member would ask me that question, because it needs some clarification. The member for Glendalough was present at the launch of Water Week when water restrictions were announced. I am sure she will concede that the Water Authority did a good job in ensuring, at least, that the community was aware of water restrictions both leading up to and after the announcement. The one oversight leading up to the announcement was that officers of the Water Authority realised time would be tight for setting up responses to queries. After consultation with officers of the Water Authority, they moved quickly to employ Controlled Marketing to control that issue. That decision has been justified. Since 1 November between 400 and 700 calls a day have been received on water restrictions. It was something the Water Authority had not counted on. It had the capacity to handle only about 100 telephone calls a day.

The member will know that the Water Authority handles \$230m worth of contracts a year, so it is not unusual that those sorts of things happen from time to time. The issue is whether tenders were called at the time. I requested that information from the officer. I am not aware of every contract that the Water Authority puts out, nor do I check whether contractors have political connections, be they Liberal, Labor or Communist. I am advised by the officer that the normal process requires the preparation of a brief calling for three written quotations, but time was not available for him to follow that procedure. As a result of the exceptional circumstances, the Water Authority sought an exemption through the proper channels. In both cases an exemption was sought, and given, by the appropriately delegated officer, who is the manager of supply. I hope that satisfies the member for Glendalough. The Government was about to make a decision that would impact on many people in the community. The Opposition should welcome the initiative of the Water Authority to ensure that inquiries were responded to in an appropriate way.

#### CONSULTANTS - ENGAGED BY GOVERNMENT *Reports Tabling*

582. Dr CONSTABLE to the Premier:

I draw the Premier's attention to his undertaking over three months ago to table on a regular basis information concerning details of all consultants engaged by the Government. Can the Premier advise the House when the first report will be available?

Mr COURT replied:

I cannot give an exact date when the report will be available. In answer to questions we have provided the names of consultancies working in different areas, but if the member for Floreat puts the question on notice I will give her an exact answer.

#### BUNBURY - JETTY, PRESERVATION ASSISTANCE

583. Mr OSBORNE to the Minister for Planning representing the Minister for Transport:

The Minister is aware of the efforts of the Bunbury Timber Jetty Preservation Society to retain the Bunbury timber jetty. Two weeks ago the jetty was again damaged by fire and the need for a government response to the society's requests for assistance is urgent. Will the Minister advise what action he will take to assist the timber jetty society to achieve its objective?

Mr LEWIS replied:

I thank the member for notice of the question. The Minister for Transport has provided a response. The Department of Transport is currently assisting the Bunbury Timber Jetty Preservation Society, together with the City of Bunbury, to determine a viable means by which the structure can be transferred to the City of Bunbury. The basis of these negotiations is in line with the Government's policy, which has been announced previously. The City of Bunbury will take over the ownership, control and responsibility for the ongoing management of the jetty for recreation and tourism purposes in return for a lump sum payment that would be the equivalent of the estimated cost of the demolition of that structure.

#### COLLIE POWER STATION - COST

584. Mr THOMAS to the Minister for Energy:

I refer to the Minister's record of confused statements on the cost of the 300 MW coal fired power station at Collie.

- (1) What is the current estimated cost of the power station including the cost of interest during construction?
- (2) Has this varied since the Minister's early estimate of costs and, if so, why?

Mr C.J. BARNETT replied:

- (1)-(2) The turn-key cost of the project, that is, the contract value, is \$575m. It is estimated that interest payments will be of the order of \$200m. The final interest burden cannot be determined until the project is built. It will depend on timing of contracts, and completion dates. The project may be commissioned several months earlier than December 1998, so that will determine its final cost. Nothing has changed since I last informed the House.

#### POLICE - FORRESTFIELD STATION, BUILDING PROJECT

585. Mrs PARKER to the Minister for Police:

Will the Minister outline the progress on the construction of the Forrestfield police station project, for which provision is made in this year's Police Department budget?

Mr WIESE replied: I am very pleased to outline the Government's progress, because it contrasts with the total lack of progress of the previous Government. The Valuer General has concluded his valuations of the proposed site. The Police Department has asked the Department of Land Administration to make an offer to the council for the land. That part of the process is on schedule. The draft plans for the building have been completed, and tenders for the building project will be called in March 1995, and construction will commence in April 1995. I hope to maintain that schedule.

#### POLLS - ON GOVERNMENT POLICIES

##### *West Coast Field Services Commission, Information Tabling*

586. Dr GALLOP to the Premier:

I refer to the Premier's statement during the Estimates Committee on 23 August 1994 that the Government has commissioned West Coast Field Services to regularly poll community attitudes to government policies, and that he would provide the cost, nature of the poll, questions asked and results to the Parliament.

- (1) Given that the Premier made this statement four months ago and was reminded of it on 14 September 1994, why has he failed to be

accountable to the Parliament and to table the information, or is this yet another glib undertaking which he has no intention of honouring?

- (2) Will the Premier commit himself to tabling this information by the week's end and, if not, why not?

Mr COURT replied:

- (1)-(2) When the member asked for the information to be tabled previously, I said that we had not received the information. I will find out whether it has been received and, if so, it will be tabled by the end of the week.

**LOCAL GOVERNMENT - COUNCIL RATES IN ARREARS, RECOVERY**

587. Mr TRENORDEN to the Minister for Local Government :

- (1) Is the Minister aware that a number of councils are commencing action to recover unpaid rates very shortly after the minimum prescribed period for payment of 35 days?
- (2) What options are available to small business and those ratepayers unable to pay within 35 days?
- (3) Does the Minister propose new arrangements under the new Local Government Act?

Mr OMODEI replied:

I thank the member for some prior notice of the question. The Department for Local Government has provided the following answer -

- (1) Under the provisions of the Local Government Act council rates are due and payable 35 days from the date councils advertise their rates in the *Government Gazette*. After the expiration of 35 days the rates are in arrears and rates may be recovered by legal process. Few councils commence proceedings at that stage, preferring to wait until 31 January when the penalty interest can be imposed. However, a council is legally able to commence recovery after the 35 day period and some do.
- (2) Most councils have by-laws or other arrangements allowing payments of rates by instalments or are willing to negotiate payment arrangements on an individual basis recognising ratepayer hardships or difficulties. Any ratepayers in such circumstances should approach their council.
- (3) I propose formalising the payment of rates by instalments at the ratepayer's discretion under the new Local Government Act. This will ensure that ratepayers have such a right, compared with the current situation where it is up to each council to decide whether to make such a facility available.
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