

Legislative Assembly

Thursday 1 June 2000

ESTIMATES COMMITTEE B

The meeting commenced at 9.00 am.

The CHAIRMAN: For the information of members, this Estimates Committee will be reported by contractors to the Hansard office. The daily proof *Hansard* will be published in two parts tomorrow, part 1 at 9.00 am and part 2 at 8.30 pm. This year Hansard ask ministers, members and advisers to make their corrections on the daily proof *Hansard*. Hansard will forward the transcript to the minister's office for distribution to advisers. The cut-off date for corrections will be indicated on the transcript.

As has been the practice of previous Estimates Committees, members should not raise questions about matters of general concern which do not have an item of expenditure in the consolidated fund. The Estimates Committee's consideration of the consolidated fund's estimates of expenditure will be restricted to discussion of those items for which a vote of money is proposed. We are dealing with estimates of expenditure and that should be the prime focus of this committee.

While there is scope for members to examine many matters, questions need to be clearly related to matters of expenditure. For example, members are free to pursue performance indicators which are included in the *Budget Statements* while there remains a clear link between the questions and the estimates. It will assist in the committee's examination if questions and answers are kept brief, without unnecessarily omitting material information. It is the intention of the chairman to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point.

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information I ask the minister to clearly indicate to the committee which supplementary information she agrees to provide. If supplementary information is to be provided, I will seek the minister's cooperation in ensuring that it is delivered to the Committee Clerk by 12 June 2000, so members can see it before the report and third reading stages.

If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers and accordingly I ask the minister to cooperate with these requirements. I caution members that if the minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information which the minister agrees to provide will be sought by 12 June 2000.

It will greatly assist Hansard staff if, when referring to the program statement volumes or the consolidated fund estimates, members give the page number, item, program and amount in preface to their question.

The CHAIRMAN: Minister, is there anything you wish to say at the beginning or shall I just hand it over to questions from members?

Mrs EDWARDES: I can, I suppose, preface some of the questions by indicating that the Zoo is going from strength to strength. We have continued to increase the number of attractions and on World Environment Day against next Monday we will have the opportunity of opening up another new attraction in the rain forest. The other pleasing aspect about the Zoo is the increasing number of visitations, particularly from local people as it has extremely strong support, as well as the ability of conservation program in the recovery of species and relocating them back out into the wild. That has been a very, very successful program, so I open it to questions.

Division 47: Zoological Gardens Board, \$5 305 000 -

Mr Masters, Chairman.

Mrs Edwardes, Minister for the Environment; Labour Relations.

Mr B.W. Easton, Chief Executive Officer, Perth Zoo.

Mr R. Bredekamp, Budget and Accounting Officer, Perth Zoo.

Dr EDWARDS: My first question relates to page 1544 where the appropriation and forward estimates are laid out. Where it says -

Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 -

Why is that increasing quite nicely?

Mr EASTON: It is actually an adjustment to the CEO's salary, I understand, which is not an increase to the CEO, but apparently was under the estimates in the previous year, so it is really an adjustment to bring it to the level which had been approved on my appointment 12 months ago.

Dr EDWARDS: Does it mean that in 1999 the CEO was getting \$81 000 and in 2001 the CEO will be getting \$141 000 or is it more complicated than that?

Mr EASTON: The CEO does not receive \$141 000. I think that figure is to include all costs of office, including the vehicle, etcetera.

Mr BREDENKAMP: That is right. Other associated on-costs, superannuation and general administrative costs would be included in that figure as well.

Dr EDWARDS: It is just that in comparing it to the same line in other budgets, obviously the figures are different, but in other budgets they are pretty much constant whereas this on the left of the page starts at \$81 000 and on the right of the page ends up at \$155 000. Where will it be in the five years after that? Will it be \$300 000?

Mr EASTON: It is interesting that those increments or those units are by way of \$7 000. As you know, the salary is set by the Salaries and Allowances and Tribunal over which obviously the minister and myself have no control. I presume that that is built in as a provision in terms of increased costs or likely increases if there is an adjustment to CEOs' salaries and/or costs of office such as the vehicle cost increasing. There is certainly no reclassification or additional allowances for the CEO at the moment or planned.

Dr EDWARDS: Can we get further explanation on it?

Mrs EDWARDES: Yes. I am happy to provide that by supplementary information, as to how it has been calculated.

Dr EDWARDS: On the same page under "Significant Issues and Trends" it says -

Perth Zoo continues involvement in the CRC.

When does that CRC expire?

Mrs EDWARDES: We were actually very fortunate to have them have their meeting here recently in Perth and I had the opportunity of talking with them. It finishes up at the end of this year or the middle of next year?

Mr EASTON: 30 June sees the end of the fifth year and during the sixth year it has to be decided to continue it or not continue it.

Mrs EDWARDES: As a State we were pleased to support their application for an extension for another term. It actually becomes a new CRC, even though it is an extension of it, so we are supporting a new CRC following the completion of the six years and also we are creating some more collaborative partnerships here in Western Australia to participate in that Cooperative Research Centre.

Dr EDWARDS: Would it be still for the conservation and management of marsupials?

Mrs EDWARDES: Yes. This is the one that we are talking about, purely. There are other CRC programs obviously.

Dr TURNBULL: On the development of the Zoo and the Zoo's continuing capital works programs on page 1545, about the fourth dot point where it says, "Continuing Capital Works Program," I want to ask a far-reaching, speculative question on capital works programs and future development. Do you have any comments on the proposal of having a country zoo as part of the Zoo development and are there any public comments at all as to where that preferred location could be?

[9.10 am]

Mrs EDWARDES: No, we have not identified a preferred location, but of course a considerable amount of work has been undertaken in the endeavour to provide for a different zoo environment for visitation and a regional or country zoo, as you have identified, is one way of being able to provide that. It does need to be fairly close for access to the CBD area or on extremely good transport routes and there are obviously a number of other considerations that we need to take into consideration.

Mr EASTON: It is correct that in other States there are country zoos and many of them have been developed over the last 20 years. I understand for a number of years it has been a distant proposal to consider a country zoo and there have been a number of approaches to me since being chief executive through the Peel Development Commission. The point that I have made to the Peel Development Commission and the other interest groups which have visited me, and I have visited them, is -

Dr TURNBULL: Including Boddington.

Mr EASTON: Including the Honourable Member as part of that delegation, we have said we are happy to provide advice as to the proposal but in view of the enormous capital outlay that that would represent and the fairly long time period within which such a proposal would need to transact animals from other countries, you would be looking at least at a 10-year program. At this point there is no active proposal as part of the Perth Zoo capital development program to have a country zoo, but we are always open to discuss that as a longer term opportunity or possibility.

Dr TURNBULL: As you have already visited Boddington, which I thank you for, the next invitation I will extend is to the minister one day, a few months down the track.

Mrs EDWARDES: I look forward to an extended visit on the next occasion.

The CHAIRMAN: Minister, could I chip in by suggesting that an alternative approach would be to maybe do a joint venture with the private sector, and immediately what comes to mind is Martin Copley and his Karakamia and Paruna Sanctuaries.

Mrs EDWARDES: Yes. There are many opportunities or ways in which it can be done and it can be a joint venture with a strong business plan attached to it which includes private sector funding. It could be something that would be able to be done with joint ventures in partnership with local councils and other groups in and around the particular regions. We have been looking at the respective proposals that have been coming forward but at this stage there are no plans in the budget process.

Dr EDWARDS: On page 1547 under "Output Measures for Conservation and Biodiversity", at the bottom of the page it says that there was lower than expected breeding in 1999-2000 which resulted in an increased cost per animal. My question on this relates to the annual report where you describe a situation in November 98 where some animals died and one was injured when they ate meat that had barbiturates in it. Has that all been fully resolved and can we be reassured it is unlikely such an occurrence will happen again?

Mrs EDWARDES: Yes. That was absolutely horrific and a terrible situation for the Zoo as well as its staff and for the potential breeding stock. I will get Brian to respond to the completion of that investigation.

Mr EASTON: Yes, it was a terrible case where an unscrupulous meat trader bought dead horse meat from a veterinarian surgeon and that particular animal had been injected with various sorts of drugs and that meat was on-sold to a scrupulous meat trader, who did not check the background, and in turn the Zoo received the meat which was diseased and heavily full of chemicals. The hunting dogs that died as a result of that, including one which escaped for a while, has decimated the breeding colony and we are now faced with the prospect of either transferring the balance of the colony or the pack out of the Zoo, or what I am preferring to do is look for new breeding stock to come in. It is quite a shame because it is difficult to breed hunting dogs and we probably had the best breeding pack in Australia at the time.

It is very difficult though to bring a male in. It is quite complex in a breeding sense, so we would have to do it very sensitively, but we have one keeper at the Zoo who is passionate about hunting dogs, has done a lot of research and has put a case to me which is very convincing. He has convinced me to the point we are now out looking for new breeding stock. We deal scrupulously with credentialled food providers and this is just one person who got in the way of that process.

Dr EDWARDS: Were those animals particularly sensitive or was it any animal that was fed that meat?

Mr EASTON: No, they are a very hardy animal.

Dr EDWARDS: That is what I thought. On page 1551 under "Major Initiatives for 2000-01" the first dot point is "Launch of a public appeal to raise funds for the upgrade of the orang-outang exhibit." I want to ask about sponsorships. Where does the sponsorship money come into? What do people have to do to join the directors' clubs, to be platinum sponsors, to be bronze sponsors, diamond sponsors? How is that money truly accounted for, because presumably it goes into funds that are separate to the apportionment from Government?

Mrs EDWARDES: I will ask Brian to respond to it, but sponsorship is, of course, very important to the Zoo and the community as well as organisations really appreciate the opportunity of being able to support a particular program, either bringing in the mate for Memphis. It is, I suppose, the old adage that money for animals is much more easily obtained than money for other types of programs within Government. We have been very successful with a good team through the Zoo Board.

Mr EASTON: This year the Government in this budget has increased the allocation of CF to assist us in dealing with our debt relief. That allows us to ensure that we will not be using any sponsorship funds, which is always the danger, sponsorship funds being caught up in your normal ongoing recurrent demand, and this debt relief will certainly allow us to make sure that the sponsorship moneys will go directly into new capital projects. We have found this year because of the Olympics that it is a very tough time to get sponsorship funds - not just our organisation, many organisations - and that is largely from the corporates who are buying up corporate boxes over in Sydney.

WA always has a difficult time with sponsorship because we do not have the same corporate profile that Melbourne and Sydney both do, but despite that, as the minister says, we try to net between 6 and 7 hundred thousand dollars a year, which is quite a considerable net return. We have Adopt an Animal which we are working on very hard. The figures in Adopt an Animal have just gone through the roof, and Friends of the Zoo, which we are hoping to boost considerably. Melbourne has something like 40 000 members. In addition to that there are the corporate sponsorship opportunities which we work pretty hard to obtain.

[9.20 am]

Dr EDWARDS: What would be the total value of this sponsorship?

Mr EASTON: We have not actually gone on to a Platinum and Gold system yet. It is something we are looking at.

Dr EDWARDS: This says you have, the annual report.

Mr EASTON: It is one that is being developed by the Perth Zoo Society and is being marketed now to corporates. We have started with a Conservation Guardian Club for donations individually of \$2 500 per year and that proposal, which was reported on, is something I am still looking at. It is there but the sponsorship year we are having is a difficult one and I am not sure if that is the year to really push it.

Dr EDWARDS: How is the money all made very accountable? Presumably it is kept in a separate account? Have people in the past donated money that is used for the day-to-day running and administration?

Mr EASTON: It has happened.

Dr EDWARDS: It is difficult to get people to donate to do that. Most people want to donate for an animal's welfare or some specific project.

Mr EASTON: I think as the relatively new CEO in my second year, that is one area that has been of considerable concern to me, which I have discussed with the minister on a couple of occasions. We have now gone on to a system where we can guarantee that the funds you donate to Perth Zoo will go into a project. The orang-outang project this year is one where we can go out in good faith into the community and say, "This is a high profile project. It is going to be an outstanding exhibit. We encourage you to donate to it." We have the best breeding colony of orang-outangs in Australia, if not the world, and the second oldest orang in captivity, so we will give that guarantee to people that those funds will be directed into the project, or projects. Sometimes it is a bit of an amorphous situation where you are finishing one project and starting another, like the Nocturnal House is on the books to be done this year, but it is a pool and that pool will definitely go into project activity.

Mrs EDWARDES: Are you able to come on Monday?

Dr EDWARDS: Yes.

Mrs EDWARDES: I think one of the most significant changes that has happened is of course getting rid of all those old cages, particularly the monkey ones. That has just been a fantastic revival and direction of the Zoo.

Dr EDWARDS: My final question is: were the members of the board whose terms expired earlier this year reappointed or are there some new members?

Mrs EDWARDES: No, they were reappointed. There will be a change that hopefully, if it has gone through Exco, I will be able to announce on Monday.

Dr EDWARDS: Two terms expired in February this year and one in January.

Mrs EDWARDES: They were reappointed, so it is a good solid team, but I will be able to make a further announcement on a change to the board on Monday.

Dr EDWARDS: What does it cost to service the board?

Mr EASTON: They are a very economical board. It is interesting because the members are so dedicated to the Zoo and the reporting about animal matters and they are such a disparate group of community representatives that they really do not venture beyond the Zoo in terms of any costs. We feed them fairly ordinary sandwiches when they arrive at lunchtime once a month and I think the total cost for the whole board operation is simply their fees.

Mr BREDENKAMP: It is basically just their fees. That is the only thing that is paid to the actual members. I can get the exact amount if you need to know.

Dr EDWARDS: That would be good.

Mrs EDWARDES: I am happy to provide that by way of supplementary information.

Dr EDWARDS: What about the people with the foundations and the societies? Do any of those get paid sitting fees?

Mr EASTON: No, no fees. It is all voluntary.

Mrs EDWARDES: It is fascinating. When you see the volunteers at the Zoo, they often volunteer as well at Kings Park or Rottneet or in some of the CALM activities, say for instance the herbarium. We have an amazing array of skills and expertise with the people who put in their time.

Dr EDWARDS: When would you anticipate the new board would be up?

Mrs EDWARDES: I think as soon as the Bill is through the Parliament, then we will be wanting to put that in place as quickly as possible. Once we have an idea as to the progress, then we will call for expressions of interest and see if we can have an orderly handover.

Division 45: Botanic Gardens and Parks Authority, \$12 987 000 -

Mr Masters, Chairman.

Mrs Edwarde, Minister for the Environment, Labour Relations.

Ms M. Broderick, Acting Chief Executive Officer, Botanic Gardens and Parks Authority.

Mr R. Romeo, Acting Manager for Business and Finance, Botanic Gardens and Parks Authority.

Dr EDWARDS: On page 150 under "Output Measures" at the top of the page we have, "Quantity, total annual visitor numbers," and that is going up, which is a good thing to see. The reason stated for the variation is increased public awareness of facilities at Kings Park. My question is, does that include absolutely everyone; people who go to all sorts of functions and your tourists and all your visitors?

Mrs EDWARDES: Really what you are wanting to know is how are those figures actually established, etcetera?

Dr EDWARDS: Yes, a headcount.

Mrs EDWARDES: Before I ask Marcelle perhaps to respond on that, can I just again reiterate my comments in the Parliament of last week of a strong congratulations to the Botanic Gardens and Parks Authority and the Chief Executive Officer in Dr Steven Hopper and all the team on their very successful wins this year, both at Chelsea as well as in the Japan Flora 2000. It is outstanding and when you think of the opportunities that provides for increased visitation to Perth of those people who see just a window of Perth, particularly those who are interested in landscapes and our unique environment, it is pretty impressive.

As well with Chelsea, part of the display was a boab tree. I did not explain this in the Parliament last week but the boab tree was taken over there and will be left behind at Kew Gardens and that is creating a very strong partnership between ourselves and Kew Gardens and is quite exciting, so again congratulations to everybody. They have done a superb job of increasing public awareness of what we have here as a unique environment in Western Australia.

Ms BRODERICK: The visitor numbers are an estimate. We cannot actually provide an exact figure because we have so many different points of entry to Kings Park and the Botanic Garden. The figures are calculated based on estimates from the Tourism Commission in terms of international visitors on the assumption that a vast majority of those visitors at least come to Kings Park once during their visit. We also use statistics from the Australian Bureau of Statistics and a combination of both traffic and people counters within the gardens and on the roads. Over the last year we estimate approximately 65 000 people have come to the special events that have been happening in Kings Park and Botanic Gardens. It is a combination of those figures.

[9.30 am]

Dr EDWARDS: Do you think those numbers will continue to grow, given the improving facilities?

Mrs EDWARDES: That is what we are working on in terms of the upgrade of Kings Park itself. If you look at what we have done in terms of Fraser Avenue, the access points for visitors to easily cross Fraser Avenue, get down onto the scarp, the memorial, the upgrade there, we are continuing to do so in small things, pathways, and in things such as waste management, improve that in terms of aesthetics, seating. The water garden is proving to be a tremendous success; not only in terms of functions, weddings and parties, 21sts and the like, but just with families. If you go up there on a Saturday or a Sunday, it is amazing to see the little kids playing in the stream that has been created there because it is something that they can enjoy and is relatively safe whilst parents are onlooking.

The continuing upgrade of Kings Park is something that is exercising the mind of the authority. And there are a number of other opportunities that we are looking at. We are also looking at how we can improve the kiosk facilities there. I use the kiosk facilities on a regular basis myself and it is very popular. You do have to queue, particularly at lunchtime, but perhaps the standard of the provision of the goods and services there is something that can be improved. That is what we have been talking with the particular lessee about on how we could do that, how we could perhaps better locate or reposition that area and how we could better reposition an interpretive centre there. We have one there with the sale of the books and other information relating to our flora in Western Australia but again it is something that we want to improve to better provide for visitors' experiences there at the park.

Ms BRODERICK: Regarding the redevelopment of the Fraser restaurant complex. Plans are not yet final and negotiations are still under way with the lessees who have a long-term lease there. The proposals include having better facilities for families and an improved coffee shop arrangement for visitors and also to re-align the public facilities such as the toilets and the shop and so on so there is a better traffic flow and improved outdoor and indoor seating for visitors.

Mrs EDWARDES: If you have been up there and you have sat there, it is a bad location connection with the toilets. In winter there is no ability to really enjoy yourself up there. There is no protection from the wind and I think we can do better.

Dr EDWARDS: On page 152 under "Major Initiatives for 2000-01" it talks about refinements to the authority's organisational structure. What do you have in mind there, Minister?

Ms BRODERICK: The organisation has new legislation. The Botanic Gardens and Parks Authority Act of 1998 outlines the functions and powers of the authority in much more specific detail than the previous legislation, being the Parks and Reserves Act. The organisation has reviewed its internal functions and the divisional structure particularly in relation to the powers and functions of the new Act and done an analysis of where we are doing well and what things we can improve on.

The organisational structure that is currently under consideration would be a move from four divisions to three in an effort to gain better efficiencies within the organisation. Plant Science would be changing to a science division which would have a broader focus. The Corporate Development area would be changing to having both an internal and an external focus and that would be changing to be called "Corporate and Business Services". The third area would be an amalgamation of what is currently two divisions, being Visitor Services and Living Collections. The amalgamation would be called the "Botanic Gardens, Parks and Recreation Directorate". That is to try and get better alignment and better efficiency within the Operations and Visitors Services area.

Mrs EDWARDES: Obviously in connection with the new Act as well as taking on the role of Bold Park reflecting that.

Ms BRODERICK: Bold Park certainly has a major focus within the authority in terms of both the restoration, public access and public safety features. The management of Bold Park would largely fall within that third division that I outlined, Botanic Gardens, Parks and Recreation.

Dr EDWARDS: In general terms, what were the strengths and what were the weaknesses of the organisation? You said you looked at the strengths and the weaknesses of the organisation. Can you outline them just in general terms?

Ms BRODERICK: In terms of the strengths of the organisation there has long been recognition that the area of conservation, scientific research and so on have played a major role both within the authority and its impact outside in terms of restoration of bushland and saving species that may well have become extinct without that research. There has also been recognition that we have a huge amount of public goodwill on our side and we have a lot of volunteer and staff commitment and dedication. They were the strengths that we had.

Our areas for improvement that we identified were in budget management and how we sourced alternative revenue, how we serviced and surveyed our visitors to ensure that we provided the best possible facilities within our available resources, recognising that we were the best or rather the most visited tourist attraction within the metropolitan area - we like to think we are one of the best - and trying to capitalise on the fact that many people know and love Kings Park and Botanic Gardens but maybe do not know enough about all of the facilities and so on and then incorporating the Bold Park management. We went through an analysis in relation to the legislation and determined that a change in our organisational structure would better enable us to fulfil those functions.

Dr TURNBULL: I would like to ask a question about the Mount Eliza escarpment restoration. It is on pages 154 and 155 where you have "Major Achievements", the first dot point there with the restoration of the Mt Eliza scarp, and then over on "Major Initiatives for 2000-01" is the completion of the removal of the woody weeds and the restoration work. As far as I can see from an ordinary lay person's point of view, that is one of the most important items that you are really involved in for Kings Park. In terms of finance, what sort of proportion are you putting to that cost of restoring the scarp?

Mrs EDWARDES: You are correct. It is one of the most important aspects that the park has been involved with for a number of years. We have been talking about the upgrade of Fraser Avenue and improving visitors' experience of the park, but the issue for the scarp was clearly one of safety because of the potential for rocks falling and the potential to create damage, if not injury, but you had a lot of the feral species along the scarp as well which needed replacing. It is quite an extensive undertaking. The work requires the men and women to actually harness themselves and hang down over the scarp in carrying out the work. We are very fortunate to have actually had on our team somebody who was experienced in that who was able to do so and train others who were engaged in that work.

It is a slow process if you were looking at it from a visual point because if you look up the scarp, you can see where all the removals have been taking place and of course the replanting and the protection of that replanting, as well as the soil and the rocks, at the same time. That visual will remain there for quite some time until obviously those plants start to fully take and grow but it is a major undertaking by the park and one which will prove to be very successful on its completion. Work started last financial year and it is a four-year program.

[9.40 am]

Ms BRODERICK: The works are over a longer term. It is difficult to exactly quantify the amount of money that will be spent but it will be in the vicinity of about \$3.5m in total, but that also includes some of the works right at the top of the scarp where it starts to abut between the bushland and the parkland in terms of walls and so on, so it is quite difficult to give you an exact figure. Approximately a thousand of the woody weeds have been removed and that is mostly complete and the replanting, as the minister has indicated, is now under way, with about 130 000 new native shrubs and trees to be put in there.

Dr TURNBULL: So it is \$3m over four years.

Mr ROMEO: There is \$2.196m allocated in this year's capital budget to continue to carry out the works on the Mount Eliza Scarp, including all the issues that the minister has raised and Marcelle has pointed out.

Mrs EDWARDES: If you or anyone would like to actually have a full briefing up there on the scarp and actually see the work -

Dr TURNBULL: I have been to one and that was why I was so impressed with it, because I realise that in terms of cost it is very high cost for the park but it is absolutely essential because that visual appearance shows up all around the city and the suburbs. Certainly it was deteriorating quite markedly.

Mrs EDWARDES: I will send a notice out and see how many other members of Parliament would like to do that and we will do a full briefing, not just one the scarp but where we see the park going.

Dr EDWARDS: What amount of money is Western Mining putting into that project?

Ms BRODERICK: WMC, which was Western Mining, was a major sponsor in the research and now in the restoration. Their contributions were both in cash and in kind and it was over a three-year program. The exact figure I think was \$600 000.

Mr ROMEO: I do not have the exact figure with me but I can provide it.

Ms BRODERICK: It was certainly within that order.

Mrs EDWARDES: We will provide that by way of supplementary information. The major part of the program though has been funded by the State.

Dr EDWARDS: On page 152 under output 2, "Conservation and Scientific Research", we have the cost of the output and the operating revenues. What is the sum of money of grants from universities and what is the relationship between Kings Park and the universities? Are there any joint appointments to Kings Park staff lecturer at universities? Do the PhD students bring any money to the Botanic Gardens or is that a cost?

Mrs EDWARDES: I will ask Marcelle to respond on the specifics. Dr Kingsley Dixon, as you are well aware, conducts the scientific research program in Kings Park and is so highly regarded that he alone attracts one of the highest number of PhD students in this area and we are very fortunate to have him at Kings Park.

Dr EDWARDS: But does he have a joint appointment to do that?

Ms BRODERICK: He is an adjunct professor, as is the CEO, Dr Steven Hopper and another staff member, Dr Ray Wills.

Dr EDWARDS: On page 155, again under the same output, the fifth dot point from the bottom of page 155 is "Promotion of the application of in vitro technologies including cryogenics and tissue culture for the conservation of some of Western Australia's most endangered plant species". My first question is: is the Botanic Gardens and Parks Authority doing any work on salmon gums? My second question is: in terms of overall Government activities, how do you make sure that they are not duplicating the work that other agencies such as CALM or the herbarium or the universities may be doing?

Mrs EDWARDES: The herbarium is under the Department of Conservation and Land Management. However, the work that is done between the Zoo, CALM including the herbarium and the university, as well as Kings Park and Agriculture is coordinated. They work very closely together on some projects in a collaborative sense. Some projects are broken up, with each of them doing their own little bit and then coming together. With others they complement each other. Certainly we would want to work to ensure that there is no duplication.

Ms BRODERICK: I am unable to answer the question on the salmon gums but I will certainly ensure -

Mrs EDWARDES: We can provide that by way of a supplementary.

Dr EDWARDS: On page 156 under "Operating Revenues" in the middle of the page, it talks about user charges and fees. The trend obviously is upwards which I think, being realistic, we all probably welcome. What happened in 1999-2000 though? It was a lot higher than the other years.

Mr ROMEO: In 1999-2000 there was actually an injection from the Friends of Kings Park from sales they carried out at the park which bolstered that figure up by approximately \$490 000. In fact the figures quoted for 2000-01 and the outer years are the most accurate figures. It was just that 1999-2000 has been inflated by the amount of sales that were carried out by the Friends of Kings Park which were handed on to Kings Park itself.

Dr EDWARDS: Is there the potential for the Friends to have more sales or do they have other sales and put the funds into their own accounts?

Mr ROMEO: There is more scope for the Friends to have more sales but with the introduction of the GST that is an area that has to be reviewed because they are a separate entity to us and there may be GST implications. The reason they have not been included in the forward estimates is primarily because of the uncertainty surrounding the GST. It may be better for them to carry out their own sales and then donate the money to us.

Ms BRODERICK: Another aspect of the new legislation is that the authority is now able to set up a foundation that will be established in this coming financial year. That will certainly impact positively on our ability to generate revenue in terms of donations, bequests and channelling funds from the private sector.

[9.50 am]

Division 44: Conservation, \$71 697 000 -

Mr Masters, Chairman.

Mrs Edwarde, Minister for the Environment; Labour Relations.

Dr W.J. Cox, Executive Director, Department of Conservation and Land Management.

Dr J.C. Byrne, Director of Corporate Services, Department of Conservation and Land Management.

Mr K.J. McNamara, Director of Nature Conservation, Department of Conservation and Land Management.

Dr EDWARDS: On page 251 under the heading "Recurrent" it says -

Less Retained Revenue - Section 23 A Financial Administration and Audit Act.

Can you explain the rationale for the difference in the sums of money? Obviously I know it is to do with setting up the new commission, but can you give us some overview of all the things that you have had to consider in doing that and where debt fits and retained revenue fits?

Dr BYRNE: Details of retained revenues are at page 41 which is Net Appropriation Determinations and the various lists of that information, etcetera. I also note it is a very big jump from one year to the next. That relates to the transaction to the Commonwealth for goods and services tax where we pay the goods and services tax and get a recoupment, make the payment and recoup and include it for the future year.

Dr EDWARDS: Still on page 251 under Forward Estimates and Capital Works, can the minister provide a complete breakdown of all projects that will be funded from the following allocations: \$14.6m in 2001-02, \$4.7m in 2002-03 and \$3.5m in 2003-04?

Mrs EDWARDES: Yes, I can. If I can just go through some of that detail, for 2001-02 you have conservation and land acquisition in \$700 000, firefighting fleet replacement in \$1 350 000, tourism facilities in \$1 600 000, plant and equipment \$2 941 000, tourism roads \$2m, Gascoyne Murchison \$2 700 000, the recoup of Wellington Dam in \$9.5m, Gnangara Park development, \$600 000. That adds up to \$21 391 000. Then you are taking off the revenue. There is \$2m as a Main Roads Department grant, mining compensation \$2.5m, vehicle sales of \$300 000 and Commonwealth funds towards land purchases of \$2m and that gives you your funded by appropriation of \$14 591 0000.

Similarly in the break-ups for 2002-03, you have conservation land acquisition \$700 000, firefighting fleet replacement in \$1 350 000, tourism facilities in \$1 600 000, plant and equipment in \$2 941 000, tourism roads in \$2m, Gascoyne Murchison in \$2 700 000, Gnangara Park development \$170 000. That adds up to \$11 461 000 less your revenue, Main Roads Department grant of \$2m, mining compensation of \$2.5m, vehicle sales \$300 000 and again \$2m from the Commonwealth funds towards land purchase.

In 2003-04 the break-up is, conservation and land acquisition \$200 000, firefighting fleet replacement \$1 350 000, tourism facilities \$1 600 000, plant and equipment, \$2 941 000, tourism roads \$2m, Gnangara Park development \$250 000, less the revenue that we receive back, Main Roads Department grant of \$2m, mining compensation of \$2.5m and vehicles sales \$300 000. That gives you your \$3.5m.

Mr KOBELKE: The Wellington Dam presumably was the payment made through the Water Corporation.

Mrs EDWARDES: Yes.

Mr KOBELKE: Is the Water Corporation then paid the \$9.5m out of your budget?

Mrs EDWARDES: Not as yet, but it is proposed to do so. At the moment an agreement is being finalised between the Water Corporation and ourselves in order that we manage it, but to all intents and purposes we are managing that area of land.

Dr TURNBULL: When do you expect the transfer to be completed?

Mrs EDWARDES: In a year or so, but the important thing is, the management of the land is won for conservation.

Dr EDWARDS: On page 252 at the bottom of the page under "Major Policy Decisions" I wish to ask a number of questions relating to that list. With the Gascoyne Murchison strategy, how much was spent on the strategy by CALM in 1999-2000? Why is there only \$400 000 allocated for 2000-01 and the amounts for the next three financial years? Will you provide a breakdown of expenditure for each year?

[10.00 am]

Mrs EDWARDES: The \$3.2m in last year's budget papers comprised the reimbursement of \$1m for each of 1997-98 and 1998-99 plus \$1.2m for 1999-2000 and that was part of the Government's allocation of \$6.8m over six years for the acquisition of land in the Gascoyne Murchison region for addition to the conservation reserve system. The reason for the reimbursement of the \$2m was that for the first two years of the program CALM funded acquisitions from funds scheduled for debt repayment. An amount of \$1.323m comprising \$487 393 State funds and \$835 726 in Commonwealth funds has been spent to date this financial year with a further \$1.277m committed to negotiated but unsettled purchases at this present time.

Your second question is, the figures referred to are not for the purchase of land for the reserve system. Rather, the allocation is for the management of the areas that have been acquired as well as for the implementation of off-reserve conservation measures on pastoral leases in accordance with the Gascoyne Murchison strategy and those funds are being provided on a phased in basis over three years, rising to the \$1.05m identified in the strategy.

The proposed allocation of the \$400 000 for 2000-01 comprises \$320 000 for the reserve system management, primarily through CALM's Mid-West region and also its Goldfields region with support from its Environmental Protection branch and CALM Science, plus \$80 000 for off-reserve conservation measures, also through a combination of the same organisational units at CALM. The breakdown of this expenditure in future years will depend primarily on the distribution of the lands acquired for the reserve system. Out of the total of \$1.05m, \$750 000 is earmarked for the reserve system management, of which approximately \$630 000 is to meet direct management costs through CALM's Mid-West, Goldfields and Pilbara regions, with the remainder providing support through the Environmental Protection branch and CALM Science. In addition, \$300 000 is earmarked for off-reserve management, once again to be spent predominantly through those relevant regions.

You did not ask the details on the number of leases being purchased but I could identify that. The total number of leases

purchased, that is settled to date, is six whole leases and parts of nine other leases. CALM will continue to carry out the normal processes leading to the reservation. That includes consultation with the Department of Minerals and Energy, Water and Rivers Commission, other relevant agencies and local authorities, as well as addressing the Native Title considerations. It is intended that each of the acquired areas will be declared as one of the CALM Act categories of national park, conservation park or nature reserve. The estimated cost of management of the acquired areas upon completion of that acquisition program is in the order of \$750 000 per annum. So it is quite a significant investment towards the conservation estate in that particular region.

Dr EDWARDS: When do you think those national parks, conservation parks and nature reserves will be declared?

Mrs EDWARDES: As we continue to complete the process of going through the settlement. For the ones that have already been completed, that is in the process of occurring.

Dr COX: I would suspect the first of those will unfold next financial year and then be on a rolling basis as we acquire properties that can be amalgamated into either national park status, conservation park status or nature reserve status.

Mrs EDWARDES: It is amazing. The investigation of some of the estate or newly acquired estate or about to be acquired estate really holds some treasures for our history and Aboriginal culture and it is something that, in some of those areas, does need to be dealt with fairly sensitively and there is strong cooperation with the local Aboriginal communities.

The CHAIRMAN: Minister, I have recently written to you on the issue of extensions to the Kennedy Range National Park. Are you able to give me any verbal update on whether in the short term there are any plans to extend the national park I believe in the north-west and the north-east?

Mr McNAMARA: The minister has mentioned that parts of nine pastoral leases have been purchased. The majority of those are parts of leases adjacent to the Kennedy Range National Park and upon completion of the consultation process that has been outlined it is intended that the national park will be extended to include the parts of those leases.

Dr TURNBULL: I would like to ask a question in relation to the fire management. I was trying to find something that I could put it under. Part of it of course relates to the fact that in your capital budget you have the replacement of firefighting equipment. What concerns me is how do you envisage the management of firefighting to be once CALM is split up? My understanding is it will go under Conservation, so therefore I wanted to know what is the budget item for firefighting for the next three years? We have already had the budget for replacement of equipment but I am looking at the budget for the actual firefighting. Do you have that divided between your different regions because we are talking about the regions of Gascoyne, of course, and the area of firefighting cost I am interested in is the South-West, and whether you have any increase for that?

Part of the reason why I am asking this question is that with the split-up of Conservation from Forest Production, many of the people who are involved in firefighting are people who are related to Forest Production and where is the budget going to be managed for the payment of those people who are actually Forest Production involved, but when they are out firefighting will they be being paid by Conservation and will that come under Conservation's budget?

Mrs EDWARDES: I will ask Dr Cox to respond in terms of the structure and the like. You would be aware that fire protection was one of the key components of the restructuring that exercised our mind, particularly when you look at the large estate which will be held under the Department of Conservation. As well the requirements for once the Forest Products Commission takes over the control of their aspects of any logging coups, again how that is going to be managed, and then the rejuvenation. It was felt because of the huge and extensive aspect of the conservation estate under the Department of Conservation that it was far better to retain fire control protection and prevention within the one agency and to outsource that to the other agency to be reimbursed. I will get Dr Cox to respond to that.

Our commitment, though, in terms of fire protection has been reflected in the budget in extra funding. That extra funding is as a result of the outcome of the Ferguson report where they indicated there were perhaps some other methods or ways that we could actually improve our fire protection services. Also too there is the ongoing concern by those in the metropolitan area as to when some of the burning-off occurs by the department. That is a critical area because if you do not maintain a very strong program, then you have the real potential for wildfires and wildfires will kill off our conservation estate far quicker and more viciously than any burning-off program.

As such, one of the recommendations that was coming through in terms of the Ferguson report was ways in which, through the windows of opportunities that are provided, we could better and increase our activity so that we can maintain a high and strong level of prescribed burning but at the same time meet all the meteorological conditions and environment conditions of the impact of that prescribed burning program at the same time. Sometimes it is a fine balance and things can occur, as we have known over the last number of years. For instance, winds will change at the very last minute and there might be equipment failure. A number of circumstances can occur which might still lead to some smoke over Perth, but in the long run I think everybody would agree there has been a marked reduction of the impact of prescribed burning on the metropolitan region by the department and they have done an outstanding job in this regard, but we do need to make sure, and we have put the extra funds in, that we can ensure our prescribed burning program is such that we are not leaving ourselves open to wildfires.

We saw the horrific burn of the Beekeepers Reserve over the Christmas, New Year period last year. Unfortunately nature beat the department and its program for providing appropriate buffers up there. That had been worked through with the beekeepers' association and, as I said, unfortunately nature beat us to that.

Dr TURNBULL: Most likely not nature. Most likely two-legged.

Mrs EDWARDES: I thought in actual fact, from memory, it was actually lightning strikes that occurred on that occasion. That has an impact then in terms of the beekeepers for the next seven to eight years. We are again working with them and have provided relief to them in terms of the waiver of their fees for that period of time until such time as they can actually utilise that land back again. So there are economic impacts if we do not continue to work through a very strong prescribed burning program and that is why we have increased the funding to the fire protection to ensure that we can improve upon our response to that.

[10.10 am]

Dr COX: The minister has already provided a very comprehensive answer. In summary the proposed Department of Conservation will have responsibility for fire management throughout the State in terms of the conservation reserves that are vested in the proposed Conservation Commission. You asked specifically the question about funding for that. It sits within each of the outputs, so later on this aggregates into a budget called "Fire Management", but in terms of the Parliamentary appropriation papers, on page 253 the fire component is one of the costs of providing nature conservation services, sustainable forest management services and parks and visitor services. In turn, some of the funds that are set aside for those purposes in fact come from the Forest Products Commission. You may remember the legislation provides for a memorandum of understanding between the Forest Products Commission on the one hand and the Department of Conservation on the other hand. A component of that MOU is the fire services to be provided by the Department of Conservation to the Forest Products Commission and in return for those services there will be a fee charged by the Department of Conservation to the Forest Products Commission. So the fire services are fully funded, as they have always been.

Once they are fully funded the expenditure of those funds is under the immediate control of the output directors or the purchasers of the services, that is, the Director, Nature Conservation, Director, Sustainable Forest Management, Director, Parks and Visitors Services. The implementation of that though is under the control of the Director, Regional Services, within which the current unit called "CALM Fire" sits.

Undoubtedly we are going to have to think of a new name after the legislation goes through, but the equivalent fire unit will be retained and will operate exactly the way it currently operates, with one exception, and that is when there is a fire or when there is prescribed burning, staff of the new Forest Products Commission will be expected and required as part of their conditions of employment to participate in fire management. We must have access to those resources at peak fires otherwise those fires may get away from us. That is the broad structure and the minister has indicated the additional funds that are available as a result of the recommendations that come from the Ferguson Committee report.

Dr TURNBULL: In terms of either money or anticipated teams to be able to deal with the fire, particularly the prescribed burns, what is the increase that comes from the Ferguson report money, because the only way to get the required amount of prescribed burning done and to catch up on the backlog - I have been and seen the areas which are in need of burning but which have not been burnt yet, and they have not been burnt because the meteorological conditions have not been sufficiently favourable. Therefore it has been left a year, two years, even three years and longer from when it should have been burnt. The only way to catch up on that is to have more discrete teams to actually do the prescribed burning, so that on a favourable day, instead of only having two burns in the South-West you actually have three major burns. Is the extra money being allocated under the Ferguson report recommendations sufficient to put in the extra teams that are necessary for that?

Dr COX: The Ferguson Committee recommendations are in part very much the area that you have focused on; that is, they identify that some areas of the southern forest in particular have in fact got fuel loads that are higher than one would like and the only way to address that is to have more frequent prescribed burns during the days when you can burn, and the only way you can do that is to put more teams into the field on those days and the funding that has been made available by Government is exactly for that purpose. It is to hire additional seasonal workers to help out with a seasonal workload peak.

Dr TURNBULL: What is the amount of money that has been allocated?

Dr COX: The amount specifically for fire is of the order of \$600 000 to \$700 000.

Dr TURNBULL: For 2000-01?

Dr COX: And for each year thereafter.

The CHAIRMAN: I am pleased to point out that that was a recommendation of the select committee into Perth's air quality, so we can pat each other on the back, member for Maylands.

Dr EDWARDS: What do you anticipate the revenue from the Forest Products Commission will be for fire, or is that included in that 600 000 to 700 000?

Dr COX: No, it is not. The \$600 000 to \$700 000 figure I provided is specifically a CF grant to the Department of Conservation for additional fire services. The funding that comes by way of revenue from the Forest Products Commission to the Department of Conservation is given later on in the financial statements. A small component of that is the fire component. I cannot give you specific numbers at this moment but I am sure we can provide, with the minister's concurrence, that information.

Mrs EDWARDES: I am happy to provide that by way of supplementary.

Dr EDWARDS: On page 252 under "Major Policy Decisions during 1999" we have restructuring arrangements relating to the management of forests and \$1.5m in this coming year's budget and in the forward estimates. Can I ask, can you provide a breakdown of the expenditure of that \$1.5m, but can I also ask does the Forest Products Commission get \$1.5m as well? In one of the other budget documents where the Premier gives the overview, he talks of \$1.5m being allocated for the creation of the Forest Products Commission and the Conservation Commission. Is that \$1.5 each or is it all appearing in here?

Mrs EDWARDES: I will get Dr Cox to respond, but my understanding is that the Forest Products Commission does not get any consolidated fund money whatsoever.

Dr EDWARDS: Not even to start up?

Mrs EDWARDES: As such, these funds here are primarily as the cost of that restructure and the extra offices, admin, etcetera.

Dr COX: The \$1.5m in terms of the appropriation requests that are in front of Parliament and this committee and that are summarised in terms of page 252 where these initiatives are described, effectively is specifically for the Department of Conservation, because that is the item we are currently discussing with this committee. In the previous financial year though, 1999-2000, a sum of \$1.5m has also been made available as a supplementary appropriation and that in fact is being utilised to set up both new organisations. So in 1999-2000 \$1.5m maximum. We may in fact not be able to spend all that money, given the time constraints. We in fact are positioning both organisations to go into a new format in the year 2000-01.

What we see in these papers is that from 2000-01 onwards it is the Department of Conservation which receives \$1.5m quite specifically to undertake its roles, and as part of its role, of course, there is a one-line budget item that sits in here for the new Conservation Commission, which gets of that \$1.5m an allocated sum a net of \$600 000. As we have set up these two new agencies, we in fact have accommodated for the Forest Products Commission in terms of its capacity to provide services and the reason why it is not sitting in these appropriation papers is that it is a self-funding organisation. It at the end of the day will be paying money to Government by way of tax equivalents and a dividend. It does not require consolidated funding.

The CHAIRMAN: Minister, in the next division I am going to be asking you a question about the Swan coastal plain lakes EPP and the deficiencies of that policy, but on page 252 there is \$250 000 allocated every year for the next few years, conservation of environmentally important wetlands. Can I ask, how is that money proposed to be spent? Is it actually on purchase of the land containing the wetlands or is it management of wetlands that are either within or outside of the conservation estate?

[10.20 am]

Mr McNAMARA: Those funds will essentially be used for management of wetlands. They will be used in part to provide better support for the Wetlands Coordinating Committee that is established under the wetlands conservation policy for Western Australia that was released, I think, in 1997 and the majority of the money will be used for wetland research and management and monitoring projects in the field with an emphasis on Ramsar wetlands but not exclusively Ramsar wetlands.

Mrs EDWARDES: Can I just add to that just as an update in terms of information and in terms of our extensions and additions to the Ramsar sites in Western Australia, we have agreed to extend and add to and presently are awaiting a response back from the Federal Government in respect to our nominations.

Dr EDWARDS: Going back to restructuring arrangements relating to the management of forests, is CALM the agency at the moment looking at contract buy-outs and how many applications or expressions of interests have there been, how many have taken place and how many are predicted to take place in the next financial year?

Dr COX: CALM at present has invited the industry, that is, anybody who has a timber contract, to apply for a business exit. The administration of that though does not sit under this appropriation item. The administration of that sits under the Deputy Premier through the Department of Commerce and Trade, but for general information there are four applications that have been processed to date and on which decisions could shortly be made. There are an additional six that have put up their hand that have not yet been assessed.

The CHAIRMAN: Could I ask the total volume of timber involved? You clearly cannot give away proprietary information at this stage, but total volumes of the karri and jarrah that might be involved.

Mrs EDWARDES: Can I ask Don Keene to perhaps respond to the four which have been assessed as against dealing with the six that are to be assessed? I think it would be more appropriate. Don Keene is the acting general manager of the forest products division at this stage.

Mr KEENE: It is about 10 000 cubic metres of those four.

Mrs EDWARDES: Yes, I think given the fact that the other six have not been assessed as yet, it is more appropriate to leave that process to go through.

Dr EDWARDS: Can I ask for clarification? We started the question by talking about timber contract buy-outs and then

we got on to business exits. According to the information released late last year, the closing date for applications for business exits was early May this year. Does that mean they have now closed? Presumably timber contract buy-outs are a separate entity even though they might end up in the same program.

Dr COX: That is why I think I looked a little bit hesitant when you first asked the question. We do not talk about buying out contracts. What we talk about is applications for business exits, a consequence of which is that the contract in fact is null and void so the end result is the same. We certainly went through an expressions of interest process that yielded an initial four and a subsequent six, but the answer is that if additional people want to apply for a business exit, they will always be considered. There was an initial round, but subsequent applications will be considered.

Dr TURNBULL: Just in relation to that one, which is a question you might not be able to answer, but what about the Witchcliffe Mill? Is that involved in any of the four applications or the six?

Dr COX: It is not one of the four.

Dr EDWARDS: On page 252 again under these "Major Policy Decisions" we have "Management of the Expanded National Parks Estate" and I ask: how many new national parks will this funding cover, what is the area of these new national parks, what is the average cost per hectare of managing these new national parks and how much of this funding will be spent on each new national park in each of the next four financial years?

Mrs EDWARDES: These are in respect to the new national parks arising out of the regional forest agreement and so therefore we are talking about 12 new national parks. It is 72 300 hectares of new national park. Costs are still to be calculated and, of course, will depend upon the management planning outcomes. \$250 000 has been allocated in 2000-01 for those planning purposes.

Dr EDWARDS: The first allocation is just for planning.

Mrs EDWARDES: Absolutely; you have to start on planning to know where you are going.

Dr TURNBULL: Under the "Significant Issues and Trends" on page 252, the encouragement of the non-Government sector to provide tourism services and facilities, in relation to Potters Gorge, is it possible at this stage to make any comment about where the proposed project is at?

Mrs EDWARDES: I will ask Jim Sharp to respond in more detail. I had the opportunity yesterday of talking to Roseanne Pimm as the Shire President of Collie who chairs a committee and who has been very helpful in terms of support and advice on the development of Potters Gorge. I think the reason why it has not occurred to date is that we are waiting for the changes to the ability to extend the level of tenure available under the CALM Act and once that goes through the Parliament, then I think you will see that project definitely up and running. It is the limited tenure that is currently available that is putting a hold on the question of investment by the company.

Dr TURNBULL: Is there any timetable on when you would expect the changes to through the Parliament?

Mr SHARP: As I understand it, they are under current consideration in terms of the length of lease period that is available. The proponents are re-evaluating their business plan and cash flows based on the understanding of time they will have to amortise their investment. We are still currently talking to them about that. There possibly might be other mechanisms to be used in relation to the length of lease that is provided, but currently as designated forest it is only 20 years.

Dr TURNBULL: The changes there are necessary to go through to Parliament.

Mr SHARP: It is changing the lease period from 20 years to make it consistent with other conservation lands which are currently 21, plus 21 which is an aggregate of 42 years.

Mrs EDWARDES: Which is currently before the Parliament in the amendments.

Sitting suspended from 10.30 am to 10.44 am

Dr EDWARDS: Following up on the question that the member for Vasse asked, and this relates to some information that Dr Cox gave, with the 10 000 cubic metres volume of contract buy-outs, do you have a breakdown for jarrah and karri?

Mr KEENE: This process is part of the WA FISAP, which is the Forest Industry Structural Adjustment program, leading from the RFA.

Mrs EDWARDES: We need a breakdown of the 10 000 cubic metres between jarrah and karri.

Mr KEENE: As I remember, and I need to check this, it is all jarrah.

Mrs EDWARDES: We will confirm that by way of supplementary.

Dr EDWARDS: Also arising from page 252, "Restructuring arrangements relating to the management of forests" can the minister say anything about the review of royalties, who will be conducting it, the terms of reference and when there will be an announcement?

Mrs EDWARDES: No. It is not under my responsibility and it has been conducted by the Minister for Forest Products, given the fact that essentially it is still under the Department of Conservation and Land Management.

Mr KEENE: An advertisement has gone out calling for people wishing to conduct that on an independent basis.

Dr EDWARDS: In about six to eight weeks you will have found someone?

Mr KEENE: I cannot remember exactly when the expressions of interest close but it is in the next two or three weeks.

Mrs EDWARDES: Can I provide that by way of supplementary information? I will do that through the Minister for Forest Products.

Dr EDWARDS: The Minister for Forest Products does not have a division.

Mrs EDWARDES: No. I have the division, so I will need to get the information from him and I will provide it by way of supplementary information.

Mr McNEE: On significant issues and trends, Minister, dot point 4, I was interested in the increasing interaction and the conservation of flora and fauna on private land. I do not care much what you do with public. I am pretty interested in what you are thinking about private though.

Mr McNAMARA: There has been for some time a considerable increase on the part of various private land holders and pastoral lessees and others to increase conservation activities on their lands under various voluntary schemes such as the Land for Wildlife program or via formal agreements or memoranda of understanding, for example, with mining companies that hold extensive pastoral leases. Another good example is the private sanctuary that is being developed by Mr Martin Copley at Karakamia and Paruna Sanctuaries and commencing a similar type of approach at Faure Island. It essentially relates to an increasing trend towards off-reserve conservation initiatives undertaken generally in a cooperative way.

Dr TURNBULL: In relation to people who have private property who have had their land designated as a wildlife reserve, have there ever been any discussions with the Local Government in relation to the cost of the rates that the local land holder has to pay?

Mr McNAMARA: There is not a designation "wildlife reserve" as such. There are certainly discussions that have been taking place about forms of rate relief for people who enter into schemes like covenanting schemes. The Minister for Primary Industry did appoint a working group on native vegetation conservation that reported earlier this year. The report was released in April. It addressed issues such as rate relief or rate adjustments to encourage voluntary conservation efforts, but I think it is an area where further work needs to be done.

Mrs EDWARDES: It is obviously one of the key issues. If we are wanting to encourage private land holders to actively maintain a conservation estate in whatever way, we can in some way provide for some benefits and/or incentives to do so. To date we have been able to do that through the Land for Wildlife scheme and also the interpretation through the State Taxation Department in terms of some relief back in that respect as well. It is something that we need to be very conscious of in terms of providing a level of support for people who are individually and independently of Government maintaining some aspect of the conservation estate.

[10.50 am]

Dr TURNBULL: Is the lack of rate relief a barrier to people applying for the Land for Wildlife scheme or schemes that CALM administers?

Mrs EDWARDES: No, not that I am aware of, but it is something we need to be conscious of. A lot of people are putting a lot of money in personally to the maintenance of the conservation estate and willingly doing so. They themselves wish to actively participate in that. They do not want to hand it over to Government in many instances. In this way we are significantly adding to the State's conservation estate.

Mr McNAMARA: Land for Wildlife is very much a voluntary scheme that does not have any effect on the title of property so there is no inhibition or disincentive to enter the Land for Wildlife program as a result of rate issues but it can be a disincentive for people who might be looking at covenanting options which obviously have a permanent effect on the title of the property.

Mr THOMAS: Is there any experience of it enhancing the value of the property?

Mrs EDWARDES: We tend to believe there is obviously an enhancement of the property by the addition of the conservation estate. Our discussions with the State Taxation Department though have not been able to quantify that.

Dr TURNBULL: Out in agricultural areas it does not improve the value at all. One of their arguments is that it actually decreases the value so the rates should decrease, but I personally do not think that is a reasonable argument. I think the argument should be that because they are taking the effort to help the conservation estate, they should be given rate relief in recognition of that, rather than the rate relief is in recognition of the fact that the value of their property has dropped.

Mrs EDWARDES: There are mixed views on that though because if people are doing the right thing in terms of preserving an aspect of their property for conservation purposes, they do not want their property to be devalued because of doing so. Therefore, in the way that you would go about that, there is a divergence of opinion. That is something still, though, that needs to be worked through in much more detail - a whole of Government approach, not just from our department.

Dr EDWARDS: On page 255 under "Output 1: Nature Conservation, Major Achievements for 1999-2000" and again in 2000-01, it talks about the State salinity strategy. What is the total amount of funding allocated through the Department of Conservation this year to fight salinity, and can we get a breakdown of that?

Mr McNAMARA: Budget paper number 3 at page 96 through to page 101 gives on a cross-agency basis the expenditure on the State salinity strategy. The items for the Department of Conservation for 2000-01 in that part of the budget papers are \$1.3m for revegetation with woody perennials, including the oil mallee project, \$4.9m for the protection and management of native vegetation and wetlands on Crown lands, \$3.3m for the natural diversity recovery catchments program, \$1m in 2000-01 for the major biological survey we are conducting through the agricultural region, \$325 000 for the monitoring program that we have put in place across the wetlands and the flora of the region and \$195 000 in terms of landholder support and advice, primarily through the Land for Wildlife Program.

Dr EDWARDS: Is there any money in that or any additional money through CALM from the Natural Heritage Trust, NHT?

Mr McNAMARA: None of the figures I have given include funding from the Natural Heritage Trust. Those figures are entirely State Government funding through the department.

Dr EDWARDS: Do you have a figure of NHT money channelled through CALM for salinity or related purposes?

Mr McNAMARA: It can be difficult to apportion funding such as Natural Heritage Trust funding that might come for endangered species or a wetlands program as against salinity or other outcomes, but in overall terms funding from the Natural Heritage Trust that has come through this department last year and during the current financial year is in the vicinity of \$7m or so and a good proportion of the Bushcare money in particular has contributed in the area where salinity is the major issue.

Mrs EDWARDES: Again we can only respond in terms of our particular agency in terms of that because there are funds that go into other agencies, again for NHT. Dr Cox has just pointed out to me on page 98 of the Economic and Fiscal Outlook Budget Papers it actually identifies \$7.5 m for the Forest Products Commission in 2000-01 for maritime pine planting.

Dr EDWARDS: On the same page, page 255, "Major Achievements for 1999-2000" -

Developed drafting instructions for a new Biological Diversity Conservation Act.

When is that Act likely to be introduced into Parliament?

Mrs EDWARDES: Again in the consultation process which is very important he has been very much part of the development of this Act, but of course there has been the development of the amendments to the CALM Act which are currently before the Parliament, which interrupted the work. You cannot do everything all at the same time and much as we would have liked to have continued and have had it into the Parliament by now, the amendments to the CALM Act of course took priority and precedence over that.

Mr McNAMARA: The drafting instructions for a Biodiversity Conservation Bill have been prepared and are with Parliamentary Counsel for drafting in accordance with the Government's legislation program priorities. When a Bill does become available, the minister has given commitments that it will be released for public consultation. We will be undertaking more directed and targeted consultations with stakeholder groups as part of that process.

The CHAIRMAN: Minister, the intention is that that will be a Green Paper?

Mrs EDWARDES: No, not necessarily.

The CHAIRMAN: How will the public consultation occur once the Bill has been drafted in draft form?

Mr McNAMARA: I do not think final decisions have been taken on the precise form of that. The commitment is that the Bill will be available for public comment. The precise form that will take has not been determined.

The CHAIRMAN: I guess the question is that if it is introduced into Parliament and then is made available for public comment, it is a complex procedure to change it then whereas if it is made available beforehand, obviously we can change it before introducing it to Parliament.

[11.00 am]

Mrs EDWARDES: That is not the intention. Most of the pieces of legislation that I deal with in fact go out in parts as we are drafting them to the main stakeholders and as such you get very good feedback as we are developing and proceeding with the drafting. For instance, although it is not part of this debate, with the Environment Protection Act amendments, one of the reasons for the length of time in the development of the drafting is the fact of going out regularly and consistently to the respective main stakeholders for consultation purposes.

The CHAIRMAN: Can I make the small point, and I am not sure how you can act on it, that you seem to be differentiating between stakeholder consultation and public consultation, so I am wondering what is the public consultation that might occur?

Mrs EDWARDES: I am conscious of your point and as we develop how we are going to proceed with that, we will interweave some element of public consultation.

Mr THOMAS: The practical result is that it will not be considered in the life of this Parliament.

Mrs EDWARDES: It is unlikely to be introduced this year. It would be nice to think that now that we have a free run, that

would occur, but the practicality of it is that it is unlikely to be introduced. However, the consultation process will well and truly be out there and will have started.

Dr EDWARDS: Under the "Output 2: Sustainable Forest Management" at the top of page 257 it says the forest area managed is 1 870 000 hectares and I ask, how much of this area will be logged in 2000-01 and how much of the logged area will be (a) karri forest and (b) jarrah? How many cubic metres of first and second grade karri saw logs and first and second grade jarrah saw logs will be produced in 2000-01 and what is the estimated area of old growth karri forest and old growth jarrah forest that will be logged in 2000-01?

Mrs EDWARDES: If I can respond to that, annual logging plans of course, as you would be well aware, are rolling documents. They are amended throughout the year as detailed coupe level planning proceeds. The area to be logged is identified in the plans as a gross indicative area within which detailed harvest planning and subsequent operations may commence during the period. You would be well aware of how that occurs in terms of the individual assessments that take place with an identified coupe, so it is always a much smaller area that ends up being harvested than is proposed or identified in the plans. The actual net area finally harvested during the year will depend upon the proportion of the areas that are thinned, that are harvested to shelterwood, harvested to gaps and the areas of buffers or temporary exclusion areas between the harvested patches.

The indicative logging plans for the period 2001-02 to 2002-03 for the Swan and Central Forest Regions and the period 2001-03 for the Southern Forest Region are being finalised at the moment for release for public consultation in line with our commitment for that to occur. Based on harvesting levels from previous years, approximately 20 000 hectares of jarrah forest will be harvested, using a range of silvicultural treatments which includes the gap creation, the shelter wood and the thinning process. It is expected that approximately 1 700 hectares of karri forest will be harvested.

The production levels for 2000-01 are estimated as karri, first, second, high and premium grades, 148 000 cubic metres, and for jarrah, first, second, high and premium grades 324 000 cubic metres. Under current indicative plans the approximate area of old growth within which harvest planning is proposed to occur for year 2000-01, Swan and Central Forest Regions, jarrah, 1 700 hectares, nil for karri; 2001 Southern Forest Region, jarrah, 600 hectares and for karri 900 hectares.

Dr TURNBULL: I would like to ask a question in relation to the changes of the management of the dieback program. It is very much perceived amongst the general public that the new dieback program is actually not going to provide as much protection for the forest, that the decision has been to allow certain areas of forest to suffer from the ravages of dieback while protecting a few very discrete areas. I would like to ask, what sort of activity is being involved in involving the general public and informing the general public as to what are the effects of the changes in the dieback program?

Mrs EDWARDES: There was a major review in terms of dieback which was released a number of years ago. I think it is four years ago. It is a bipartisan support in respect to the acceptance of all of those recommendations and I think it was something like 31 or 32 recommendations and we are committed to each and every one of them. I established an advisory committee under the independent chairmanship of Dr Owen Nicholls to work through those recommendations and look at how we can implement each of those recommendations.

The report, which was released publicly and is available on the Net so anyone can access that report, contains some aspects of what you are talking about. Perhaps in respect to some of the detail you have responded I will ask Alan Walker to provide some more detailed information on how the management of that is to occur, but can I just re-emphasise that it is really only a very initial step and there is still a long way to go for that committee to come back to us in respect of the implementation of all those recommendations.

Dr EDWARDS: Can I ask by way of supplementary, is it possible for Mr Walker to give us information about funding in the area of dieback as well?

Mr WALKER: I do not think I will be able to provide precise answers to those questions.

Mrs EDWARDES: We can come back to that.

Mr WALKER: In relation to the new protocols, the strategies that have been developed in response to the Dieback Review Panel's recommendations are firstly to manage areas that are considered uninfested and protectable and to establish a set of protocols founded on good science and logic that enable land managers to identify and manage protectable areas, and in the long term that a management system of hygienic access will be developed for those protectable areas; to also use accredited interpreters, supported by a vegetation health service, to provide accurate and up-to-date maps of the disease presence, and through that progressive identification of protectable areas that would enable activities to continue to minimise the introduction and spread of disease in those areas.

A protectable area is defined under the protocol as an area generally situated in areas greater than 600 millimetres of rainfall on soils that do not include calcareous soils, normally dune systems, determined to be free of the pathogen *Phytophthora cinnamomi* and positioned in the landscape and of a sufficient size that a qualified interpreter would judge that the pathogen would not autonomously engulf those areas in the short term. In other words, they need to be an area of about four hectares with an axis greater than about 100 metres in size and also in areas that human vectors, the source of introduction of the disease would not be easily facilitated, so those areas of protectable forests or protectable vegetation would be identified and then managed intensively to prevent the introduction and spread of disease.

Mrs EDWARDES: Can I add to that information that report I have sent off to the Environmental Protection Authority as well as to the National Parks and Nature Conservation Authority and the Lands and Forests Commission for advice back to me on those recommendations.

[11.10 am]

Dr TURNBULL: What you are really saying, I think, is, although in the papers here it says that 300 contractors and 130 staff have already attended the special preparation accredited competency-based training program, on page 257, you are still not fully implementing this yet because my question was really relating to what action are you going to take to educate the citizens, the public, as to the efficacy of this new policy?

Mrs EDWARDES: I think from my discussions with Dr Owen Nichols they are applying their minds very much to that at the moment as a committee, as to how we can get out updated information on a regular basis to people on the ground. More immediately we have provided a guideline to all the Local Governments to assist them, as well as to local community groups to help them provide some protective management in some of the areas that they also look after and identify. The point I can make is, on page 257 right at the bottom you actually have the fact that -

130 staff and 300 contractors have attended a specially prepared, nationally accredited competency based training program -

and we will be wanting to obviously get that out in to the wider community through the skills and expertise that they have developed.

Mr WALKER: The Dieback Consultative Council is a body that includes a wide cross-section of community interests and through that mechanism the information available on new procedures or processes and protocols that might be being developed would be able to feed into the community through the representation on the Dieback Consultative Council.

Dr EDWARDS: Can I ask as a supplementary question the total funding for dieback in this budget?

Mrs EDWARDES: I will provide that by way of supplementary information.

Dr EDWARDS: Can I also ask, on page 257 with those same two dot points dealing with dieback, how far progressed is the mapping given that you are saying in this dot point that productivity has improved by 30 per cent?

Mr WALKER: The mapping is done on a needs basis, so it is not a system of systematic mapping across the whole of the forest. Mapping is done ahead of activities that have the potential to cause introduction and spread of disease and so the areas that are scheduled for timber harvesting or mining or other activities such as road making are areas that have been targeted for mapping of dieback presence. That then allows hygiene to be implemented, so the actual target area to be mapped each year varies according to the area that is going to be subject to disturbance. The improvement in productivity relates to the efficiency, cost effectiveness, of the actual production of the maps themselves.

Dr EDWARDS: What do you do with areas that you identify are dieback infested, for want of a better word? What do you do about containing it?

Mr WALKER: The strategy is to in fact focus on the areas that are uninfested and to put most effort into keeping those protectable. The areas that are known to be infested is a situation which cannot be altered readily. In fact it is beyond our knowledge at the moment, and so there the presence of the disease may cause a significant impact on the vegetation or in many cases there is actually only a relatively minor impact on the vegetation. Only certain select species of understorey are actually killed and it is almost unnoticeable to people who are not trained to be able to detect the disease, so in fact it is not actually a crisis or a massive plant death situation in all of the areas that are infested. In some areas that are particularly susceptible and have soil types that favour the disease to affect large number of plants, you get that graveyard effect, as we call it, but in many areas that are infested that will not actually occur.

Dr EDWARDS: Is there a need to manage what happens in those infested areas so that people are not transferring it to other areas?

Mr WALKER: Very definitely. That is the aim of separating, vehicle access mainly, but separating access between areas that are known to be infested from areas that are known to be uninfested.

Mr TRENORDEN: Minister, my question is at 255 on the successful Western Shield program. A very small point but in a regional area it gets some interest. Is the baiting program still financed at the same level or is there more activity in baiting planned?

Mr McNAMARA: The program is operating across about 3 and a half million hectares currently and on current plans it is intended to keep it at more or less that level. We are investigating a cheaper bait product and if we can achieve that then that would give us the scope to expand the program as we would like to do.

Mr TRENORDEN: Is there any conflict in the priorities of the areas to be baited? Is that still an ongoing issue?

Mr McNAMARA: I am not aware of -

Mr TRENORDEN: Particularly foxes and cats. I am aware over the last 12 months there has been some minor conflict about where the baits are going to go.

Mrs EDWARDES: In terms of its location within an area as against being in the middle, as against on the perimeters?

The CHAIRMAN: No, I think it is the interaction with urban or near urban areas and the use of Pindone to prevent dogs being poisoned.

Mr TRENORDEN: Yes, that is right.

Mr McNAMARA: I am not aware that we are using Pindone in our Western Shield program. I am aware of some instances of Pindone being used, or wanting to be used, in some near urban parks and golf course sorts of situations, but my recollection is that that has probably involved Agriculture Protection Board staff and their interaction with those activities rather than ourselves.

Mrs EDWARDES: When we do the baiting though there is a consultative process that takes place.

Mr TRENORDEN: That is basically what I am saying. There are some people who say that their domestic cats and dogs are more important than looking after their environment. I am actually arguing that the environment should be looked after and if the domestic dog or cat happens to go, I think that is unfortunate as long as there has been a consideration to minimising that risk, but particularly in my world, all the Avon National Park where you are successfully bringing a lot of activity back which has been appreciated, there are still some people not wanting you to do it.

Mr McNAMARA: We do advertise extensively, as I think most will see, in the newspapers and the regional newspapers as well. We have direct notifications to neighbours, we have good signage in our baited areas and I did review a report in the last couple of months about the instances of deaths to people's dogs and so on and in most cases people readily acknowledged that the dogs were where they should not have been.

Mrs EDWARDES: I suppose in terms of supporting that, there is not the contact with me or my office by people where that may have occurred and so therefore that would reinforce what Keiran has said, that people have understood what we have been doing.

Mr TRENORDEN: Or maybe they do not get the support at the local member level either, Minister, but nevertheless, can I ask the question, are there any statistics on how you are going in the question of eradication of particularly cats and foxes?

Mrs EDWARDES: This is the good news story.

Mr TRENORDEN: You are not going to get rid of them, but are you winning the fight against feral cats and foxes?

Mr McNAMARA: Where we bait we quite readily win the fight against foxes. They readily take the dried meat baits and we reduce foxes to such a negligible level that the fauna recovery is quite outstanding. We have had three species of mammal come off the threatened species list in this State in recent years as a result of that and I am very confident that that will happen with more species in years ahead - extremely confident. Cats do not take baits as readily as foxes. They prefer live prey and our baiting trials have had variable success according to seasonal conditions and different geographic locations around the State. We are still pursuing means of better controlling cats, but that is still an area of active scientific investigation where we do not have yet a measure that is equivalent to what we have for foxes.

Mrs EDWARDES: Some of the animals that we have relocated - chuditch, we were talking earlier about that, is a prime example in terms of the growth in their numbers. It is phenomenal, and of course you would be aware that we for the very first time in Western Australia have released 20 bilbies back into the wild as well.

Mr TRENORDEN: Yes. It is the cats I worry about, Minister, but I will not extend the question. I gather from the answers that we are not actually winning the argument.

Mrs EDWARDES: On cats?

Mr TRENORDEN: On cats.

Mrs EDWARDES: Varied successes.

[11.20 am]

The CHAIRMAN: Minister, can I just return to the issue of domestic dogs and cats taking CALM baits. Correct me if I am wrong, but I understand that CALM only lays baits in CALM estate land. There is no private land in which Western Shield operates and therefore my understanding of it is that domestic dogs and cats that might take CALM baits have actually trespassed into CALM land.

Mr McNAMARA: Our baiting program is on predominantly CALM lands but there are areas of Department of Land Administration managed lands and some Water and Rivers Commission lands in amongst the Western Shield program that we include in the program. We encourage local groups of farmers through their APB groups and their land care groups to complement our baiting and certainly there are groups of farmers who do so, but that is their baiting program.

Dr EDWARDS: On page 265 under "Cost of Services" we have an item for advertising and promotion and the estimated actual for 1999-2000 is \$20 000. Given that the WA Forests Today brochure cost \$80 000 alone, what was the actual expenditure on advertising and promotion for 1999-2000, or what is it estimated to be?

Mrs EDWARDES: The \$20 000 relates only to the estimated cost of advertising job vacancies intersector. Other

advertising promotion costs are included in services and contracts. From 1 July 1999 to 30 April 2000 CALM's actual expenditure on advertising and promotion was \$232 818.74.

The CHAIRMAN: Minister, if I could jump back to the question of dieback, I have not actually seen the detail of the new prescriptions, but I am curious to find out what CALM is doing, if anything, in relation to feral pig control, because the understanding I have is that they are a major source of the spread of the dieback fungus because of their behaviour in primarily wet areas of the forest. Is there any comment that can be passed on in relation to pigs?

Mr McNAMARA: Feral pigs are a scattered but probably an increasing problem for us in the South-West forests and more recently into some of our wheatbelt reserves, I am aware. They can be a difficult animal to control, but we do our best through our regional staff to maintain trapping and baiting programs to control pigs. We do have systems of people shooting pigs under a CALM authorisation. Probably the most difficult aspect to deal with is that there are those in the community who choose to recreationally shoot pigs who will go and release pigs to create populations for them to shoot.

The CHAIRMAN: Is there any anecdotal or other evidence about the involvement of pigs in the spread of dieback?

Mr McNAMARA: I am not particularly expert in that area, but my general understanding is that pigs and other mammals are implicated in the spread of dieback - pigs probably more than some others because of the habitats they choose to occupy.

The CHAIRMAN: When you say "other mammals" do you mean introduced mammals or native animals?

Mr McNAMARA: My understanding is that the indications are in places like Two People's Bay, Fitzgerald River and so on that you get the implication of animals like kangaroos and bandicoots and the like.

Division 46: Environmental Protection, \$20 390 000 -

Mr Masters, Chairman.

Mrs Edwardes, Minister for the Environment; Labour Relations.

Dr B.R. Jenkins, Chief Executive Officer; Department of Environmental Protection.

Mr M.D. Rosengren, General Manager; Department of Environmental Protection.

Mr G.S. Ticehurst, Manager Finance and Administration; Department of Environmental Protection.

Dr EDWARDS: On page 495 at the very bottom of the page under (a) it says the FTEs dropped from 281 to 257. What is the reason for that, what impact will that have on the ability of the department to carry out its work, is it fair to say that the impression from outside is that the work that the department undertakes looks to be getting increasingly complex and how will you cope with a decrease in staff numbers?

Mrs EDWARDES: Before I ask Dr Jenkins to respond to that, can I just make a preliminary comment because there was reported in the paper that there was a major reduction of funds for the department and again that is simply not the case? When you are comparing the budgets for the department with previous years, as was the case last year with the previous year, you need to take into account the one-offs and, of course, also too the carry forward of the expenditure which was not able to be completed in any one particular year. This Government in particular has made a major commitment towards the clean up of contaminated sites and, as such, it is large sums of money; for instance, the total recurrent services in terms of your Omex site, your Morangup site and the like cannot be ones which are included in the ordinary recurrent expenditure from year to year because they are one-off expenditure and therefore you need to compare apples to apples and, as such, the budget reflects that.

[11.30 am]

Dr JENKINS: With the full-time positions that are indicated in here for 1999-2000, that includes a range of project-based positions for programs that were either accelerated because of carry-overs or undertaken as one-offs; for example, the national pollutant inventory was established during the course of the year. That had special Commonwealth funding, so there were five people from that program that are recorded in 1999-2000, but the establishment of work in the Kalgoorlie trial that was part of that program is not continued into the future work. It is just the ongoing work for NPI. There are a number of programs like that where the staff numbers have gone up on a temporary basis and will come down again for the next year.

Dr EDWARDS: There is still a difference of 24 FTEs. That is 10 per cent.

Mrs EDWARDES: If you like, we can provide by way of supplementary information again a comparison of the one-offs and the carry-overs not only in terms of dollars but the FTEs which show quite clearly the commitment to environmental protection by this Government is not being unduly reflected in any of these one-offs.

The CHAIRMAN: Member for Maylands, are you happy to receive that as supplementary information?

Dr EDWARDS: Yes, thank you very much.

Mr KOBELKE: I have exactly the same issue, just extending it a little bit. Could we have by each of the outputs, 1 to 8, the number of FTEs in the 1998-99 year? Of course the 1999 we already have. I am taking them off each output. I have put them together off each output into a table. What I am saying is from that we can see 1999-2000 and 2000-01. Could

we also have the 1998-99 year and alongside that an explanation as to the programs which have been completed or changed which resulted in that reduction in FTEs?

Mrs EDWARDES: I think we can identify it in terms of the project, the numbers of the FTEs and the division under which or the output under which they fell.

Mr KOBELKE: And the 1998-99 figure as well. Is that possible?

Dr JENKINS: Certainly that is possible. If you go back to five years ago, I think the number of FTEs in the department was 130. Over the last five-year period there has been a doubling of both the budget and staff in relation to the Department of Environmental Protection so we can certainly give you that historical comparison.

Mr TRENORDEN: Total change of direction, Minister, page 474. You will be very surprised to hear me say that I have concern in this area. My electorate basically surrounds the metropolitan area, as you know, and there are lots of holes in the ground in my electorate and there is always something -

Mrs EDWARDES: What are you talking about, if I may?

Mr TRENORDEN: The department have a responsibility for the State's involvement in waste management. I am constantly up against people deciding there is a hole in the ground in my electorate and they want to tip something into it and the whole process that goes through. It seems to be that there is some way of measuring the need of the waste management and also there ought to be, in my view, a planning process in which we can actually say, "In some areas it is just never going to happen," and other areas where you can get down to a maybe and maybe even some positives and say, "Yes, these places are highlighted," because I would prefer to go through the process of arguing the rationality of that type of management over, "Oops, here's a hole. What can we tip into it?" which is the current process.

Mrs EDWARDES: I would agree to having a much more coordinated strategy. Of course the issue that we faced in your electorate a year or two years ago was a new class 4 landfill site. I have a very strong view that unless you have community acceptance and support of such a landfill site, it does not happen. We have seen that with Mount Walton. We have seen strong support by the local council and the community up there for Mount Walton. It is Government operated and I believe that it will always remain Government operated. It should always remain Government operated well into the future because of the type of material that is there and have a similar view to class 4 landfill sites. If we are ever going to have a class 4 landfill site go into private hands, the commitment by the community is absolutely critical. If it is not there, then again it does not happen.

I have established the Waste 2020 task force under the chairmanship of Dr Ken Michael. One of the tasks that they obviously are going to come back to me with some recommendations on is of course dealing with a coordinated strategy in terms of the planning of sites, not just sites for landfill operations but also sites for secondary waste treatment programs, because we also have the difficulty in many locations as to some of the composting sites and other types of secondary waste treatment programs as well. Again it is a very critical area. If we do not get some very strong secondary waste treatment programs operating in Western Australia, and we have a large number - but again in terms of site locations - then we will never effectively reduce our commitment to landfills into recycling of secondary waste treatment. That is one of the key aspects that this task force is going to have to look at and come back to me on.

Mr TRENORDEN: What involvement will that process have in looking at strategies like the recent Avon Ark planning process? There have been considerable Government funds and community consultation on a planning process for the Avon region, which does mention this issue in passing within it. I would be comforted to hear you say that those sort of plannings are going to be taken into the process. The other one is that it is not only the class 4 that give me pain. Some years ago, you may recall, they were dumping tyres in Toodyay at an alarming rate, with in one case a landholder just saying, "Yes, you can put tyres on my land." It did not go to council; it did not go through your own agencies and so forth, so there is a general concern with my electorate where all sorts of things seem to turn up where there is a hole in the ground.

Mrs EDWARDES: With some of our waste depots now, they are required to be licensed. That was not the case back in those days. Therefore the dumping of tyres needs to be licensed and there are condition in respect to that. All of those reports, strategies and the like that have been developed over the last number of years are ones which are presently before the task force, for them to take into account. There is no intent upon duplication. There has been a considerable amount of work and some valuable work that has been done. What I was concerned about was the bringing together of all of that valuable work and making sure there was a coordinated approach. That is one of the key functions that they will have to undertake.

You mentioned tyres. On my visit to the Globe Conference, I had the opportunity of talking to the Government agency there in respect of product stewardship. It was highlighted to me that they probably have one of the best product stewardship programs in the world. There is still a critical problem internationally as to what we do with tyres. We have trialled here in Western Australia them going into road making but of course we have a big problem with our resource industry because you have huge tyres with a lot of the steel contained within them, but it is an issue still internationally. There have been some successes. I fed back into the Waste 2020 task force as well the product stewardship program that operates in British Columbia.

Mr TRENORDEN: I am pleased to see, Minister, just as an aside, that a number of the road reflectors are made of two tyres pressed together. I think that is a good example of how they could be used but obviously there is only a limited amount. I myself spent some time a couple of years ago looking at purposes for tyres but much of it has to be commercially driven

of course: mats and all the rest. Tyres are under control but our concern in the Avon is more about people wanting to get rid of things and pressures of costs in the metropolitan area I presume. That is only an assumption in my case. The easy way out is to drive out in the bush and find a hole.

Mrs EDWARDES: Whether it be a hole or one that is already there or created, those waste depots need to be licensed with conditions.

[11.40 am]

Mr KOBELKE: I would like to continue on with waste management. As you know, I have a particular interest because of the Atlas tip in my electorate. On page 488 we have got the commencement of Waste 2020 project. I remind you that at least year's estimates I raised my concerns that the Government was not dealing with this. It was a looming problem, managing the waste from metropolitan Perth, but you now have indicated that the project started in 1999-2000 and that it is to be completed in 2001. Can you give actual dates on that and what is the style of the expected outcome in terms of the project?

Dr JENKINS: The task force has now met on at least three occasions to my knowledge. There is a mixture of people from industry, Local Government and State Government who are involved, trying to come up with a broad strategy of how we manage waste in Perth. You would be aware from the work done with the Select Committee that there is substantial concern with further landfill disposal on the Swan Coastal Plain and you would be aware of all the work that has been done to license all of those facilities and in some cases close down landfills that do not meet the necessary design requirements; but that is only dealing with past problems.

What we need is a new vision for how waste is managed in Perth and in Western Australia. That clearly is not going to be through creating more landfills but by getting more recycling and more secondary waste processing. The major emphasis of the group is having people who are familiar with waste management technologies who can move Western Australia into a higher standard of waste management. There needs to be some work undertaken from a technical point of view to support the Waste 2020 strategy. There are a number of consultancies that have been agreed at the most recent meetings. The funds for those have been identified and made available and that work will then feed back into the strategy group.

We expect that there will be an initial report coming in September-October but, as I mentioned before, that is subject to getting those time lines agreed as part of the consultancy, so the time lines will be dependent upon how quickly the consultancies can be completed and that information absorbed by the group that Ken Michael is running and then converted into a strategy so we would expect some initial work available later this year but clearly there might be further work that needs to go beyond that to actually formulate an overall strategy.

Mrs EDWARDES: Can I add to that because there were some concerns last year in terms of waste newspaper recycling that Western Australia is actually leading Australia in waste newspaper recycling?

Mr KOBELKE: As the percentage recovered?

Mrs EDWARDES: Yes.

Dr JENKINS: We just headed the US, so Western Australia is now the leading newspaper recycler and the leading country in the world and we are very close to what is the limit in terms of technology of recycling newspaper.

Mr KOBELKE: Very much relating to this matter, Mr Chairman, on page 501 where we have the waste management recycling fund, we see there it raised some \$3.6m in 1998-99 to \$5m in 1999-2000, but it is to fall in the forthcoming year to \$4.6m. Can we have some explanation of that or is that just a hope that we are actually going to improve recycling? Because obviously if the volume of rubbish is generally increasing; why are we not picking up more in the landfill levy?

Dr JENKINS: The change between 1998-99 to 1999-2000 is one of timing. It is a full year versus a partial year. The estimated actual is slightly above what was the budget estimate for that particular year. The change between the estimated actual for 1999-2000 and 2000-01 is a comparison of actuals versus estimates, so we may have for 2000-01 a slightly higher figure, but because of the program being in place we are now starting to get a reduction in the amount of waste going to landfill.

Mr KOBELKE: I do not want to push one particular issue but I have to put it on the record because it shows how the system actually cannot be working because, as we know, quite clearly what has happened at Atlas in Mirrabooka is that many hundreds if not thousands of tonnes of waste that went to the landfill there simply did not have to pay the landfill levy of \$3 as putrescible because it was treated as inert when the Murdoch study showed clearly it was putrescible. Are we concerned that there are actual licensed landfills where we are not collecting the full amount of the levy due to issues such as that?

Mrs EDWARDES: I will ask Dr Jenkins to respond to that. However, what has been highlighted, particularly through the Atlas process, is that there is often treated waste and whether or not there is a need for consideration of a third category of levy as far as that is concerned so that where you actually do have some form of treatment, which is obviously a benefit to the environment, that is reflected and taken into account.

Mr KOBELKE: Minister, those thousands of tonnes were dumped illegally. They were never prosecuted but clearly they were dumped illegally.

Dr JENKINS: If you look at the issue in relation to Atlas and the landfill levy, the levy is based on the waste going to a type of landfill, not the type of waste. Atlas are paying their fair requirement and they are not actually getting the benefit of the waste that has been diverted, so in some respects they are actually paying more because there is material that has been going out as compost which still has the cost of the landfill levy as the material comes into Atlas.

Mr KOBELKE: Sorry, you are talking about the rubbish that goes to Calingiri?

Dr JENKINS: We are talking about the compost that goes to Calingiri.

Mr KOBELKE: I think it is rubbish, but the point I was talking about was the fact that we know illegally at night thousands of tonnes over a considerable period was dumped in the Atlas site quite contrary to their licence but because, as you said, they are only licensed as to inert landfill, they are only charged the \$1. In fact I do not know if they are even charged that because I am not sure about the sheets of what went over the weighbridge.

Dr JENKINS: We have certainly checked the weighbridge information and are reasonably confident that weighbridge data is accurate. In terms of the disposal operations that you are talking about, there have certainly been investigations in relation to some of the operations at Atlas and you would be aware that in terms of some of their operations there has been successful prosecution in terms of dealing with in particular their dust management, but there is no point in taking a case forward unless you have prima facie evidence that you can actually prosecute. You would be aware in relation to that specific issue that that is not occurring and has not been occurring at Atlas for a number of months now while we are trying to resolve a way forward in terms of meeting a range of community concerns, trying to facilitate the diversion of waste from landfill, but also making certain that Atlas meet their licence requirements.

Mr KOBELKE: Minister, if I come back to that decline if I can, and using Atlas simply as an example and taking up Dr Jenkins' comments there regarding the weighbridge, the fact is that the official statistics that you have, as I understand it, do not take account of the thousands of tonnes of water that were added to the waste, so if you are actually weighing in and weighing out and not actually weighing the amount of water that goes in, then you do not really have an accurate record of what may have stayed on site illegally in Atlas as opposed to the figures that show you what went off to Calingiri.

[11.50 am]

Dr JENKINS: They get charged on the amount coming in across the weighbridge. The amount that comes out to Calingiri does not come into the equation.

Mr KOBELKE: How do you know how much has been deposited at the Atlas site?

Dr JENKINS: It is the amount of waste that has been treated at the landfill that incurs the landfill levy, so it is the material coming across the weighbridge that is the crucial component.

Mr KOBELKE: I am talking historically, not now. What is coming across the weighbridge to the secondary waste treatment plant, part of that went off to Calingiri. Part of it was dumped illegally at Atlas as putrescible waste in an inert site.

Dr JENKINS: Yes, and they have paid a landfill levy on both -

Mr KOBELKE: Of \$1.

Dr JENKINS: As the material comes in.

Mr KOBELKE: How do you know how much went locally if you are not weighing what goes off site to Calingiri?

Dr JENKINS: No, but they are paying a landfill levy on both. You are aware that there is a rebate in relation to the amount that is recycled. There is not a rebate in terms of the secondary waste processing in the amount that is diverted from landfill.

Mr KOBELKE: Is it possible, Minister, to have the actual figures for the Atlas site for the current financial year and the last financial year with respect to what was the total levy paid by categories and the total amount paid to them for the recycling undertaken from the fund?

Mrs EDWARDES: I am happy to provide that by way of supplementary information.

Dr EDWARDS: On page 501 where we have "Waste Management WA", when was Waste Management WA officially formed or implemented, who is the auditor and what issues is the auditor raising about Waste Management WA?

Dr JENKINS: Certainly the accounts are audited by the Auditor General and I am not aware of any specific issues that are being raised by the Auditor General in relation to Waste Management WA.

Dr EDWARDS: I had thought when it was set up that because of the conflict of interest - the operator, regulator split and you being Waste Management WA - the Auditor was also looking at other issues.

Dr JENKINS: Sorry, are you talking about financial auditing or are you talking about technical auditing?

Dr EDWARDS: Technical auditing.

Dr JENKINS: I am sorry. The EPA is the technical auditor in terms of Waste Management WA proposals.

Dr EDWARDS: Does not the EPA, to have their separation as well, then appoint their own auditor, or is that only the financial auditor?

Dr JENKINS: No, they have appointed consultants in relation to each of the proposals that have been approved by the EPA and there is a separate consultancy for each proposal.

Dr EDWARDS: Are there any issues they have raised over the management of Mount Walton?

Dr JENKINS: No.

Dr EDWARDS: It has been suggested to me that out at Mount Walton there has been a flooding problem. Has that been drawn to your attention?

Dr JENKINS: There certainly was at the time of the major rainfall which occurred in that area, surface flow had occurred on the site and that was at a time where we were digging the major hole. You can see there is quite a substantial expenditure in 1999-2000 and that was for a major waste disposal operation. When the hole was dug there was certainly a collection of water in that pit. That has either evaporated or soaked into the site and that certainly had to occur before any depositing of the waste occurred at Mount Walton. There is not an issue in terms of waste management.

Dr EDWARDS: Is that pit dug for the arsenic?

Dr JENKINS: There is a range of wastes which are going in there. There is certainly arsenic trioxide coming from a number of gold producers and that is one of the major components. But I think there are about 20 different types of wastes going in at the current operation.

Dr EDWARDS: Is it possible to get a list of the wastes going in, by way of supplementary information?

Dr JENKINS: That is not a problem.

Mrs EDWARDES: I am happy to provide that by way of supplementary information.

Dr JENKINS: That is for the current operation which has just been completed?

Dr EDWARDS: Could we get it for this financial year?

Dr JENKINS: There has only been the one operation.

Mr TRENORDEN: Minister, back to the question of the 2020 project - again, waste management. I did a lot of work a few years ago, and so did the Avon Community Development Foundation who are continuing to promote the issue, of attempting to follow some of the European examples - German and Italian examples - of transporting waste to a central site and trying to turn it into commercial activity. It seems to us that some of the plans that are being put in the metropolitan area of collecting are working against the process. To me it seems like 10 years ago the idea was to separate it and put it out on a separated basis. There are other people now who are going the opposite way and saying it should go into one bucket and go to one site and have one lot of activity on a holistic view. Has that second view been taken into account, because I think it is the way we should be going.

Mrs EDWARDES: It depends upon the type of process that is engaged. Again, you can have a process whereby all your organics can go in and you might get from restaurants the odd fork or bit of plastic - whatever.

Mr TRENORDEN: Cuttings from the gardens, etcetera.

Mrs EDWARDES: Yes, plus you could have food products from hotels, restaurants - that type of material - and you can have a separate sorting of that. There are other processes whereby it can be thrown all in together and be sorted out as it goes along the way, with various products coming out of it. But it depends upon the type of process - and there are many processes. The South Metropolitan Regional Council is looking at one particular type of process, as are others. The critical issue I have asked the task force to look at is the economics of some of these processes. Now we have gone from local councils to regional councils, it might very well be that we need to look at a combination of regional councils to come together so we can make the most of some of those processes.

The CHAIRMAN: Minister, I think the member for Avon is asking about the sort of process that Global Olivine, for example, have put forward where, with no prior recycling, all waste goes in and then after recovery of valuable metals the rest is essentially burnt to produce electricity, mulch. There are a few options.

Mrs EDWARDES: That is only one type of process that is available.

Mr TRENORDEN: Mr Chairman, the point I am trying to make is, I visited RMIT a few years ago, and it seems to me that they have proved and others have proved without doubt that you can put a process into effect which will almost pull anything out of a conveyor belt by a range of means. What worries me is if we continue doing both process, there will never be enough mass for what seems to be the logical process to work; that is you have all of it in one place, cost-efficient transport, and a better recovery because there is more of it in one place.

Dr JENKINS: Your comment is very well founded. Some of the technologies that are now being used elsewhere in the world do take on board waste from entire cities and you need that scale of operation for them to be economic. One of the things that is very uncertain in relation to Perth is whether we should be looking at the smaller scale technology like the segmented units that EDL have, whether we should be looking at the Global Olivine type plants which do require a much larger volume, whether we are looking at secondary waste processing such as has been proposed at the Atlas site where, again, you have a one-bin system but they have a less sophisticated means of separation at a lower cost, and then how do you cover the transport costs?

There is a balancing act between scale of operation, distance it has to be transported, and this is one of the areas that the Waste 2020 committee is looking at and does require some technical evaluation and analytical advice to try and work out a way forward. If you look at the costs of a lot of the European technologies, they are vastly in excess of what Western Australians are currently paying for wastes at the moment. But you are quite right: the technology exists. What is the most cost-effective way for Western Australia is certainly being tested by the Waste 2020 group.

[12 noon]

Mr TRENORDEN: All I would want to be assured of is that at the end of the process there is some evaluation of the product. I did witness myself in Chicago where it is going into one place and they are generating power, etcetera, from dead green waste, to a situation where I have also seen in Canada where they are making environmental mulch for highways and so forth. The point is that I think there needs to be an evaluation of the value of that end process in the project, and not look at the negative process of cost, cost, cost. It has to be cost, cost, cost, less whatever the value at the other end of the process is.

Dr JENKINS: That is being recognised in the studies that are being undertaken.

Mrs EDWARDES: One of the particular technologies which is being looked at here for Western Australia, and particularly by the South Metropolitan Regional Council, I had the opportunity of looking at when I was in Vancouver, is a compost product which was being sold at \$US400.

Mr TRENORDEN: That is the point I am making.

Mrs EDWARDES: Therefore, the value adding to that was enormous. Again, you have to look at the mass in particular and that is the point we have put to the task force. They have to look at broader than regional councils; they have to look at the whole. There might need to be a mix and match of technologies for specific product and specific waste.

Mr KOBELKE: Does the department collect information from the major councils in Perth as to their costs and, if so, is it possible to have that as supplementary information? I qualify that by saying if there is commercial confidentiality perhaps we could have a band of, "Their collection costs range from this to this. Their disposal costs to landfill are this to this." Do we have any idea? It comes back to the same issue in terms of which councils may look at different methods because they are near the higher or lower end of the cost structure.

Dr JENKINS: We do not have that information specifically at the moment, but I am certainly happy to inquire to see whether we can collect it.

Mr KOBELKE: I am not saying universally; just the price ranges.

Dr JENKINS: No. There certainly is a range of costs across Perth. What I am not certain of is whether we can get access to the information to make certain it is in a comparable form to be able to compare one to the other, but we are certainly happy to attempt to provide a response to the member's question.

Mrs EDWARDES: Perhaps if I ask for that question to be put on notice by the member, because that is not within our knowledge or ability to be able to provide. I am reluctant to do it by way of supplementary information, so if the member is happy to put it on notice -

Mr KOBELKE: I will. But I would have thought, with the commencement of Waste 2020, that sort of information would be starting to be gathered.

Mrs EDWARDES: Local councils are represented on that body. If you are happy to put it as a question on notice, we will seek to provide the information.

Mr KOBELKE: One other matter on the same issue. You would be aware, Minister, from the complaints I have forwarded - or at least I think Dr Jenkins is aware - of the problems with diverting green waste to a special collection and shredding and used for mulching, which is excellent in concept, but one of the difficulties that arises is that often the site used for storage of it can be adjacent to homes in residential areas, and it can quite severely impact on some people who have allergic reactions. Has the DEP done any investigation to set standards or guidelines for the storage areas for such green waste which is diverted for recycling?

Dr JENKINS: There are certainly conditions which are placed on facilities like that. The biggest issue is the length of time that the material stays on the site itself and, clearly, the longer it lasts there the more odorous it can become. We are certainly aware of those issues and take those issues on board in relation to specific sites.

Mr KOBELKE: Have those requirements and guidelines been given to councils and have they been asked to conform?

Dr JENKINS: Yes.

The CHAIRMAN: Minister, still on the waste management issue, but very local issue, the South West Local Government Association has voted itself out of office and will cease its operations shortly, but I am aware of the fact that they have a waste recycling program where there are some funds coming from the waste management levy. On the one hand I am being told that because SWLGA, the South West Local Government Association, is folding so that project must automatically fold, and yet my logic tells me that all that the people handing out the money, namely, DEP as I think it is, need to do is to find some other father or mother to look after that particular project. Could I get some comment from you please?

Mrs EDWARDES: Yes, absolutely. I am really, really disappointed that the councils took the decision that they took to disband the South West Local Government Association. The value of that association was to coordinate the programs between all of those local councils in that south-west region. Some of the councils, Bunbury in particular which as a major regional centre had the opportunity of doing it better, was very much behind in what it was they were doing for waste management and yet it was their pulling out that started the downfall of the South West Local Government Association. My request to those local councils is that I get a commitment from them. I want a commitment from them that they continue all of those programs that have started in that south-west region and more. I do not want them to stay stagnant and I certainly do not want them to fall behind.

They are presently meeting this morning. I will meet with them in a week's time to discuss their level of commitment. We will continue to support them, but it is for them to do. It is not for us to do. They have to work out how they are going to manage those programs and continue to carry out those programs and I have made it very clear to them that we will continue to support them, but I want their commitment and undertaking that they will continue the programs that have started that were going to be carried out into the future and I want to know how they are going to continue the level of coordination across the whole of the south-west local councils and continue the program forward.

The other question I have asked them is their commitment to the South West Recycling Awards. This year's is going to be on 10 June. I want again a commitment that they will undertake and continue that particular program because that has been a very informative program for all those other local councils, groups, individuals, organisations, whether it be industry, schools or the like, as a commitment to waste management. Very much a part of waste management is education and awareness and those recycling awards add to that as one element of that component. We need to make sure that they take that on as a task as well. Once they meet today, I hope they will come back to me when we meet in a week's time and give me those commitments.

The CHAIRMAN: I interpret what you are saying as meaning very strong support for a continuation of those regional projects.

Mrs EDWARDES: Very strong.

Dr JENKINS: There certainly are discussions going on with the member councils at the moment as to how to facilitate a long-term outcome. The department is actively involved with trying to make certain that the recycling continues.

Dr EDWARDS: I want to go back to page 495 and the FTE question and the statement at the bottom of page 495 about the numbers of FTEs and ask, how do the salaries for the different levels of people employed in the DEP compare to the same levels of people employed in other departments? For example, it has been suggested to me that down at the level 3 range the salary in the DEP is quite a lot less than somebody might receive as a level 3 in another department and indeed at the top of the range there is also a big differential.

[12.10 pm]

Dr JENKINS: It is now very hard to compare across all of Government because there are varying rates for different levels. There certainly are departments where a level 3 would get paid more than a DEP level 3. There are also departments where level 3s would be paid less than a DEP person. Because there is such a variation across Government, there will be instances of differences across levels.

Dr EDWARDS: How do you monitor that to make sure that you are not losing staff to the private sector or to other departments?

Mrs EDWARDES: It is very hard not to lose staff to the private sector when they do have the ability to pay far more than the constraints of Government actually provide. That is the good news and the bad news. The good news in terms of having some of our experienced and well-trained staff go out to the private sector is that they do know the public sector processes and they do know what those requirements are. That is a positive, but it does provide for a drain.

Dr EDWARDS: It also means you will not be getting it back the other way either.

Dr JENKINS: The reverse is actually happening in some cases. One of the things that we have done is introduce our principal environmental officer range. Previously technical people could only go up to level 6. They can now go up to level 7 and to level 8 and we have actually had some people return from the private sector to the DEP to take up positions at levels 6, 7 and 8 which we are delighted to see occur, so that has certainly been a very successful move. The other thing we have done in trying to attract senior people is have a number of contract project management positions and that gives us a greater flexibility to make certain that we have market rates to attract the right sort of people. For example, for the project manager of the North West Shelf work, certainly the salary there is competitive with private sector approaches, so there is a number of strategies we have undertaken to make certain that we can maintain the technical competence of the department.

Mr TRENORDEN: Minister, you will not be surprised to hear me ask a question on page 488, "Major Initiatives for 2000-01", the second dot point, Morangup. When are we likely to actually physically see some activity? Unfortunately, I was not able to be there when you announced it. What is the likely time span involved?

Mrs EDWARDES: Given the fact that the funds are committed for 2000-01, we are starting the work now so that we can start spending the funds as soon as possible. That consultancy is being carried out at the moment. I received a report back last night to indicate that we expect we will have the completion of that current review on the assessment of the

contamination by the end of July. It was previously advised that it would be the middle of July and we were hopeful that that will then allow us to work out the best options for the clean up of that contamination. That consultancy work at the moment will actually involve some physical activity. The drilling will actually commence this week.

Mr TRENORDEN: Obviously you are going to need to work out the extent of the contamination. I presume you have a fairly good idea. That will obviously relate back to the amount of expenditure.

Dr JENKINS: Yes. The estimate that was put up for funding was certainly based on our understanding of the extent of contamination there. There certainly needs to be further work done that the minister has referred to to actually finalise the overall remediation strategy.

Mr TRENORDEN: I understand your problem is, it has been there for some time.

Dr JENKINS: That is right.

Dr EDWARDS: On page 474 under "Major Policy Decisions" we have implementation of the air quality management plan and I ask why is this plan being delayed? Is not the draft finalised and why will it not be implemented until the next financial year?

Mrs EDWARDES: The plan, as I understand it, at the moment, is back before the committee to finalise the plan.

Dr EDWARDS: Do you anticipate it will be released in the near future?

Mrs EDWARDES: Yes.

Dr EDWARDS: But then it will not be implemented until 2001-02. If you look at page 474 that appears.

Dr JENKINS: Yes.

Dr EDWARDS: Why is there that delay there?

Mrs EDWARDES: Again, once it has gone through the committee on 16 June there is community consultation, public consultation, that needs to take place, and after last week's motion in Parliament, I am sure you support extensive community consultation.

Dr EDWARDS: I think you can use consultation to hold things up.

Mrs EDWARDES: I think that is an unfair comment, because we have been very genuine in our process, particularly one such as air quality management, because it is often a change of behaviour that is required by people in the community. Governments can only do so much. This one is going to require changes in patterns of behaviour by others and recognition of those changes of behaviour.

Mr McNEE: Minister, on page 488 I would just like you to give me a little clarification. Dealing with the ChemCollect program, which I notice in dot point 2 deals with the collection of chemicals and so on and you are saying you have done it here and there, and then down a little bit further you go on to say, "Completion of the program in the far north, the wheatbelt and south of Great Eastern Highway." Does that mean you go out and collect the chemicals? Is that what you do? The question I am asking is - south of Great Eastern Highway. There is a hell of a lot of wheatbelt north of the Great Eastern Highway. The far north, I take it, is probably, as I am looking at it, the far north.

Mrs EDWARDES: Yes.

Mr McNEE: What happens to that area that is north of the Great Eastern - I do not know whether you are connected with the drum Muster or not, and it is not mentioned here, but there has been a lot of criticism that all we have done is paid some money and got nothing back. I think in the last few days there has been a letter I have had from someone - I have not seen it - which I think is saying that something better is happening, but if drum Muster is outside of the thing, Minister, that is fine.

Mrs EDWARDES: That is all right. We will incorporate it.

Dr JENKINS: ChemCollect is part of a program that has been agreed nationally with both Commonwealth and State Governments, also the National Farmers Federation and the Ag-vet chemicals manufacturers, the arrangement being that if the Commonwealth and the State remove all of the organochlorines that are currently in rural areas, then there will be an introduction of product stewardship where the chemical manufacturers and the users will take responsibility for any future disposal of the chemicals. So it is an excellent partnership between Government, industry and the users to solve a problem.

Drum Muster is part of that in terms of recycling a lot of the containers. It is a separate program from ChemCollect but it is a related program in terms of trying to get a whole package of product stewardship involved to solve what we see as being one of the most significant issues of the toxic organochlorine chemicals in rural areas. What we are trying to do is phase the collection program, so clearly we want to do it region by region, and you will see the progressive coverage of the various regions. Areas that are not covered in 1999-2000 and 2000-01, if they are not picked up in those times, will be picked up in the following year.

Mrs EDWARDES: That other thing is I have just signed an agreement with the Northern Territory Government as well.

They are going to be contracting us to actually carry out the ChemCollect program. So when we get up to the north it will go across the board.

Mr TRENORDEN: It says "completion", so does that mean you have the process down pat? You are fairly certain that you have identified the chemicals, you have arranged the transportation and, more importantly, the communication to people who might have a drum down the back of the shed, and you think that you have the situation where the future will be manageable?

[12.20 pm]

Dr JENKINS: There was a lot of work done about three or four years ago through the Scheduled Waste Management Group which the Commonwealth, States and industry people were all involved in which there were surveys undertaken in all of the major rural regions throughout Australia, so it was certainly undertaken in rural Western Australia as well. That gave us a very good understanding of how much material would be required and therefore that gave us the ability in planning the ChemCollect program to actually have all the facilities and costings available for Governments to make the decision on how much it would cost to collect, to transport and also to destroy that material.

Dr EDWARDS: On page 478 under "Major Initiatives for 2000-01" there is a dot point that says, "Finalisation of Perth Bushplan with other agencies." Can the minister say whether or not the MOU to do with Bushplan has now been signed and what does that do to the role of the EPA and the DEP?

Mrs EDWARDES: I will get Dr Jenkins to comment on where the MOU is. The respective ministers have just recently received the report from the committee which was being chaired by Libby Matiske, and as such Bushplan is really being coordinated by Planning. So as to the outcome of that, that is really with Planning.

Dr JENKINS: Thank you, Minister. The MOU is not finalised but certainly well advanced. What we have been looking at is what the roles of the various players need to be and certainly we are getting some practice with some of the negotiated solutions at this very moment. The EPA has established what it considers its role in the overall process should be. That has been documented and will be publicly available shortly.

The CHAIRMAN: Minister, as I warned earlier, I have a query relating to the environmental protection policy, on the Swan Coastal Plain - I think it is now called Wetlands - document. In my submission to that document I stated that because of the criteria that were involved in assessing wetlands, there were a number of wetlands of low conservation value that were listed and therefore protected, and conversely, there were a number of small but high value conservation wetlands that were not listed. My main question related to when was a functional survey of wetlands on the Swan Coastal Plain likely to be done so that we could determine exactly what wetlands were or were not worthy of preservation or management. Is there any funding allocation within the current budget for what I call a functional analysis of wetlands on the Swan Coastal Plain?

Mrs EDWARDES: I will get Dr Jenkins to respond in a minute to some of the more specific elements of your question. This was one that I was concerned about the time frame that was given for public consultation. The revised draft came to me back in December of last year and I have asked the EPA since to develop the admin procedures in order to address the many concerns that were raised during that public consultation phase. Also one of the biggest concerns was that there was not sufficient time, so we have extended that process out for public consultation back to me, not to the EPA, but I have extended that to include a three-month public comment period on the draft admin procedures as well so that we can actually have the two come together back to me. As I understand it, it was the Water and Rivers Commission which had actually done the initially mapping.

Dr JENKINS: There is certainly some misunderstanding about what is protected and what is not protected in relation to the proposed wetlands EPP. As you would be aware, the Swan Coastal Plain Lakes EPP defined areas that would be protected based on a volume of water that existed in 1992. That covers a range of the major wetlands on the Swan Coastal Plain, but there are also other wetlands that have conservation value. Some of them are associated with Bushplan sites, some of them also have their own conservation significance.

There was work undertaken by the Water and Rivers Commission on trying to get a broad coverage of the range of wetlands; not just lakes but also areas that are seasonal wetlands. That has been the most detailed analysis that has been undertaken, but if you look at what is proposed in the wetlands EPP, any wetland that would actually be protected under the policy would have to go through an individual analysis. When the EPP comes into place, what it provides is the mechanism for getting it registered under the EPP for protection. It does not place it on the register so at the time of the process of nomination and review that is when the more detailed analysis would be undertaken.

The importance of having the administration procedures available at the same time as the environmental protection policy illustrates the role of people who wish to nominate, the role of the landowners, the role of the EPA and also the associated agencies in terms of getting the wetlands onto the register. When the EPP comes into force, there will not be additional wetlands that will be preserved but there will be a mechanism where people can nominate, have the functional analysis undertaken and then go through a process which involves the landowner and the EPP and determining whether the wetland warrants registration under the EPP and the protection that will provide or whether some other process is needed.

The CHAIRMAN: Two questions arise from that. Firstly, are all the wetlands just under the current EPP Swan Coastal Plain Lakes automatically going to transfer over to Swan Coastal Plain EPP wetlands and, secondly, does the administrative process you have just talked about with an assessment also include applications to have wetlands removed from the existing lists?

Dr JENKINS: There certainly is the ability to transfer lakes into the register. That is part of the administrative procedures. In terms of removal, if there are not wetlands on the register, then the process for being not registered is really part of the administrative procedures.

The CHAIRMAN: If there are wetlands on the register -

Dr JENKINS: You mean lakes that are currently protected.

The CHAIRMAN: Lakes that are going to be transferred over -

Mr KOBELKE: Can I suggest, Mr Chairman, that you are dominating this and these are not matters specific to the budget? You can have a briefing from the minister any day of the week. You are really making sure the opposition does not talk about -

The CHAIRMAN: Thank you, member from Nollamara. As Chairman, I think I am entitled to one or two questions.

Mr KOBELKE: You have had a dozen already. You have passed your quota.

The CHAIRMAN: Thank you, member for Nollamara. The question was lakes that are on the current EPP transferring over to the new one, then justification for them being removed from that list.

Dr JENKINS: Because there would need to be a transfer process to put them on the register, that would be the time in which people could challenge the conservation status to actually go onto the register.

Dr EDWARDS: On page 479 under "Environmental Impact Services" we look at quality and it talks about environmental conditions and audit compliance. I want to take a bit of a leap to the Motorplex site because it has environmental conditions on it. Can the minister confirm that soil is being taken from lot 15 Bird Road, Mundijong to the Motorplex site and if so, what is the purpose of that? The DEP has been contacted about it. Do you want to take that on notice?

Dr JENKINS: I was not aware that there was actually material - I thought it was going the other way; that was the issue.

Dr EDWARDS: It was told to me it was going that way.

Dr JENKINS: I am certainly happy to provide more detail. I do not have that detail with me at the moment.

Mrs EDWARDES: I will provide it by way of supplementary information. It is something that is not known to me.

Mr TRENORDEN: At page 473 the Mission statement under Part 8 talks about -

To ensure, with people across the community, that our environment, with the life it supports, is protected for now and into the future.

With these issues that are on the first dot point, important issues like Perth's airshed, the North West Shelf, salinity in the Wheatbelt - and that is my particular interest - etcetera, does your agency get involved or do you consider it other people's responsibility to attempt to get private enterprise money into the process and talk to the people like the Federal Government about tax deductions for specific activity? Do you consider that part of your role or do you just consider that is a Treasury-type role?

[12.30 pm]

Dr JENKINS: It is really a whole of Government role of which we have a role to play, plus other agencies having a role to play. We have certainly been looking at mechanisms which can enable the protection of remnant bushland as part of maintenance of evapo-transpiration to make certain there is not further clearing occurring and therefore not having salinity reduction. A lot of that involves discussions. We do not have those funds but we have certainly been involved with negotiations with the Commonwealth and with their funding arrangements and with RAFCOR in relation to their arrangements. We do not have a unique role but it is certainly a role we have with other agencies in trying to secure an overall solution.

Mr TRENORDEN: It is a growing role, is it not? If you go back to the salinity question and clearing and so forth, you and a number of other agencies are involved. Planning is involved and Agriculture WA. A whole range of people are involved and it is getting confusing about who you talk to and who takes the action, but I would like to think that some of the involvement of commercial moneys might be holistic and that your agency is thinking of being a part of some of the more innovative ways to protect and conserve.

Mrs EDWARDES: You have your Salinity Action Council as well under the chairmanship of Alex Campbell and so, of course, you have the ability to be able to provide through that forum the links to the Federal Government as well as through the private sector.

Mr TRENORDEN: With things like the north-west, for example, you must have an opportunity with those major corporations up there to get them involved.

Mrs EDWARDES: We do and we have; for instance, in one of the studies that we are doing dealing with oil and gas exploration the industry are very much involved in respect to that. I will get Dr Jenkins to respond but we do actually access.

Dr JENKINS: We are also looking at a range of mechanisms where there are multiple benefits. One of the areas where Western Australia can contribute not only in terms of salinity reduction but also in terms of greenhouse mitigation is by tree plantations. We have certainly been looking at how you could establish a carbon-rights system which would provide both a greenhouse benefit and a salinity reduction benefit and would encourage commercial interests to undertake that work rather than Government interests. I think there is a range of mechanisms that are certainly being considered and we certainly see it as part of our role to assist in all of that.

Division 48: Productivity and Labour Relations, \$10 091 000 -

Mr Masters, Chairman.

Mrs Edwardes, Minister for the Environment; Labour Relations.

Mr J. Lloyd, Chief Executive Officer, Department of Productivity and Labour Relations.

Mr G. Van Lendt, Principal Finance Manager, Department of Productivity and Labour Relations.

Mr KOBELKE: Minister, the first question relates to the point on page 1134. I will just allude to the fact that the introduction on an earlier page talks about the need for modern technology for high quality information but the second dot point on page 1134 is quite specific and says, "An electronic daily labour relations update was introduced to provide the public sector with timely information on labour relations developments." That being the case, how is it, Minister, and I did ask you this as a question in the Parliament, that when you increased the minimum conditions of employment weekly wage from \$346.70 to \$368 as of 1 March, it was some two months or more later before the system was actually updated, which meant many employers and employees actually could have been paying and receiving the wrong rate of pay because the site was not updated.

Mrs EDWARDES: It was a very pointed question and I asked the department to follow through on that.

Mr LLOYD: The minimum wage was at two places on the department's Internet site. The main place where it occurs was changed. It was an oversight that we did not change the other reference to it. Once that was drawn to our attention, it was changed straightaway.

Mr KOBELKE: Two months later and that was the site I got into automatically with the wrong wage rate. You have no way of measuring how many hits there might have been and people getting the wrong information.

Mr LLOYD: Yes, we do get information about the number of hits but of course there is no information on what part of the site they are actually going to as far as I know.

Mr KOBELKE: With respect to workplace agreements which is what those minimum conditions would largely apply to, does the department have an enforcement policy to go around and ensure that employers are aware that the minimum wage rate has been updated for those employees on a workplace agreement on the minimum rate?

Mr LLOYD: No.

Mr KOBELKE: Are there any complaints coming in, or do you actually log the number of complaints or inquiries regarding minimum rates of pay in workplace agreements?

Mr LLOYD: Some of the inquiries of course would involve the Commissioner of Workplace Agreements. There is a role for that office in some of this.

Mr KOBELKE: I am specifically talking about when the minimum was updated and people on the same workplace agreement obviously therefore qualify for the higher minimum but if there is no way of actually informing employers or employees of that, they may therefore receive a rate of pay below and that will not change until they are advised of it.

Mr LLOYD: People are informed of course. There are announcements of the adjustment to the minimum wage rate both through the media and also through our Internet site. Our staff who answer inquiries on Wageline are advised about the new rates and how they apply, so if inquiries come in there the people are given the correct information but we do not go around and check with employers because the workplace agreements of course are confidential and we do not know the parties to them to go and check.

Mr KOBELKE: On page 1131, the dot point there is, "Assisted 79 public sector employers with the development of 192 workplace level agreements." One may query as to whether it is "assist" or "impede". As you are aware from answers you have given on questions on notice, Minister, 105 of the 192 agreements were out of time or had not been renewed and 92 per cent of the 105 expired back in 1998 or earlier. I am wondering whether you are actually taking any action to try to speed up the processes for the agreement to be reached and registration of new agreements when the old ones expire.

[12.40 pm]

Mrs EDWARDES: As you would be aware, agreements take at least two parties and in some of the instances the unions are not committed to progressing those negotiations as quickly as they might. I think the quality of some of the union representatives as well tends to impede some of those negotiations as against ourselves. With those that were identified, the mere fact that there had been an expiration does not mean that there is not an agreement which is operative. There are many examples whereby it has certainly not been the public sector delay which has caused the negotiations to go on for

longer than we would like them to but, rather, the union's inactivity or even once accepted or even agreed, they back away from that. Therefore, it is a two-way process here.

Mr KOBELKE: Of the 192 workplace level agreements mentioned in here, the Government or one of its departments is the only single party to all of those and yet you are saying it is all the other individuals who are at fault. You have not covered the fact that where individual agreements have been concluded with an agency such as the Health Department, it then can be delayed for a month or a year because it has to go through the other processes of DOPLR and the Cabinet subcommittee. How can you blame the union for that? If the union actually comes to an agreement with the employer and then six months or 12 months later they are still waiting for DOPLR and the Cabinet subcommittee to agree to it, how can you blame the union for that?

Mrs EDWARDES: There are many instances. I could go back through and perhaps, Mr Chairman, I will provide by way of supplementary information details again for the member's benefit of each of those agreements because there are many instances where it certainly has not been the public sector process which has delayed it. However, the agreement between a department and the union or the employees does not necessarily mean that that is going to come in. There may be claims for retrospective payments. In actual fact, a recent decision of the Court indicates too that they do not have the capacity to apply it retrospectively. There are many things about some of those agreements with which we do have some concerns and they need to be taken into account.

Can I say that even once that is confirmed by Cabinet, it then requires the union to go and register that agreement? The delays that have taken place in terms of that registration again in some instances are not acceptable.

The CHAIRMAN: Is the member wishing for that supplementary information to be provided?

Mr KOBELKE: Yes, please, if the minister would. Minister, perhaps by way of supplementary information also, can you give me one ruling or statement by the Western Australia Industrial Relations Commission which has berated unions or employee organisations for delaying the process? We all know there have been very strong statements by the Commission berating the Government for its undue delay, obstinacy and a whole range of processes to simply impede and stop registration of agreements. That is very clearly on the record from the Commission. We have not seen the Commission in my memory use such strong words against a party as it did against the Government. Would you be willing to provide me with one statement or determination by the Commission where it actually berates or finds fault with the unions for delaying the processes?

Mrs EDWARDES: In terms of the provision of the supplementary information that I have already committed to, I will provide the details and the facts as to the delays.

Mr KOBELKE: If there is a single statement by the commission, would you include that as well?

Mrs EDWARDES: I will give the full information that is available.

Dr TURNBULL: I would like to go to page 1125 in relation to "Significant Issues and Trends". I have two questions that I want to ask in this respect. Throughout the whole of this division there is quite a lot of comment about different material being provided for different groups and different issues being addressed. Does the Department of Labour and Productivity do their own research for these items? Do they commission research or do they actually collate the outcomes of research? The sorts of issues I am thinking of are highlighted in dot point 2 on that page where it says -

The way in which work is performed is constantly evolving and offers opportunities for employees and employers to benefit.

Miss the next section -

Modes of employment such as tele-work, remote workers and job-shares will be joined by other variations of workplace structure.

The question of workplace structure that concerns me very much is in relation to services in country areas beyond the regional centre. One of the factors put around in the last decade, I suppose, has been that tele-servicing and tele-work and remote workers linked by computer and by Internet is going to bring very great advantages to the country. I have not found that. Unfortunately what we find is that the regional centre says that the availability of Internet connection, of tele-servicing, means that the service can be located in the regional centre and delivered to the outlying town, whereas our argument is that the service can be located in the outlying town and supplemented by work from the regional centre.

I have two very strong examples in my town. One of them is Homeswest where the service requirement for the officer related to the services in Collie was only the equivalent of about .2. We agree that the service requirement was only about .2, but the argument was then put that she should be located in Bunbury where she could do more work. Our argument was that she should continue to be located in Collie and have Internet connection to Bunbury so that she could do work from the Bunbury office, but the Internet connection was not sufficiently powered, the delivery screen in Collie was not sufficiently detailed enough -

The CHAIRMAN: Member, you will have to ask your question fairly soon.

Dr TURNBULL: I am giving the example so that the minister gets a good idea of what I am talking about. Therefore, that office was not provided with the necessary equipment to ensure that she could perform tele-work and be remotely located

and continue to keep the office open in Collie. We have a good example as well in the Water Corporation where an officer is located in Collie.

Mrs EDWARDES: That might be out of my area.

[12.50 pm]

Dr TURNBULL: Where you have other variations of workplace structure in the year 2000-01, can DOPLR review the services provided by Government in small country towns to ensure that the personnel can stay there, being supplemented by tele-work and other Internet connections?

Mrs EDWARDES: I think I will get Mr Lloyd to respond.

Mr LLOYD: I think there are two questions. The first question you asked was about the material which we publish. That does mainly come from our internal sources. We do it ourselves. We, of course, examine a whole range of various organisations, Internet sites and publications and often collate that. We do not actually contract out very much research work from the department.

On the second issue about tele-work, the reference in there really applies equally and perhaps more strongly to the private sector. What we are trying to highlight is that tele-work is increasing. It is not dramatically used, but from the information we get, both in Australia and overseas, tele-working is becoming more common and it has been used in a number of cases to provide that flexibility, where the person who might otherwise have had to stop working - it can be women raising young children - has an opportunity to use tele-work flexibly and work from home, stay connected, earn an income and that sort of thing.

As regards public sector agencies, they can enter agreements to introduce tele-work if they so desire, but it would be beyond the reach of my department to tell them what to do and how to do it in particular regions. We do anticipate that it will, right across the workforce - both the private and public sectors - be used more in the years ahead.

Dr TURNBULL: Do you have any figures at all on the public sector?

Mr LLOYD: No, I do not. I could perhaps get the figures on the number of agencies who might be doing it and who might have had agreements, where they have in their agreements the provision to allow for it.

Mr KOBELKE: Minister, my question relates to the dot point on page 1134 which is the mention of the celebration of the 100 years of working women. What is not mentioned there is the Crockett and Preston report and I just for the record, Minister, remind the committee the Crockett and Preston report was initiated by you and found that women in Western Australia were disadvantaged because of your labour relations policy and the gender wages gap.

Mrs EDWARDES: No, it did not say that at all.

Mr KOBELKE: The gender wage gap was higher in WA than in Australia as a whole and the factor which contributed to that widening was your industrial relations policy and workplace agreements. I would like to know what follow-up you are taking on the Crockett and Preston report and when we might actually see some determination that you will give women a fair go in this State, because they have certainly suffered under your industrial relations policies.

Mrs EDWARDES: I think you have taken a very broad brush approach there and I take issue with it.

Mr KOBELKE: I have read the report very carefully.

Mrs EDWARDES: In respect to the fact that Western Australian women are paid less on average than their counterparts in Australia, that is true and factual, although it has improved from the time when that report was carried out to when the latest statistics have been carried out, so there is already starting to be some level of improvement - and I will provide by way of supplementary information those particular details if I may, Mr Chairman. I established a gender task force upon which the unions, public sector, agencies and industry are represented and they are still to come back to me with some of their recommendations. However, I am not sitting back just waiting for their recommendations. I have already asked the department to provide me with advice on what can be done in the meantime to ensure that there is an opportunity to better reflect gender pay equity.

One of the areas which has been highlighted to me as the reason for the huge differential in some of those areas is particularly the resource industry, and there are quite some significant wages which could very well reflect the differences, although I do not accept that it answers all of the reasons for the differences. In some areas we have actually identified that there are some cultural differences. We have a commitment to equal pay and, where there are some cultural differences which are then not being reflected in equal pay for the same job or value of work that is being carried out by a male and a female, then that is one of the issues I have asked the department to come back and advise me on how we can best change perhaps some of that culture, although I do not know how widespread it is. It would appear to be in some respects minor. A lot of it is just anecdotal evidence that I am relying upon, and that anecdotal evidence is coming from some of the unions and one could ask the question as to what they are also doing about it themselves when it is brought to their attention - which I have asked.

Mr KOBELKE: Just following up on that, Minister, clearly the factors that you mentioned are important, but a clear one that you can do something about is workplace agreements, which seriously disadvantage people on low income and the majority of people in low income positions are women. What do you intend to do to try and make workplace agreements fairer and increase the minimum wage, other than what you did in March, for people on workplace agreements.

Mrs EDWARDES: I think you have recognised the fact that we have increased the minimum wage, and that was -

Mr KOBELKE: Still \$50 a week worse off though.

Mrs EDWARDES: - something that was a recommendation of the commission that I accepted. I think that also needs to be recognised, that we did accept the recommendation which came out of consultation undertaken with a number of the key stakeholders.. The other aspect of it though is something you have never recognised, and that is that workplace agreements provide flexibility for women. Women generally are the main beneficiaries of workplace agreements, because they want to have the opportunity of getting home earlier for their kids. They do not want to be on an award where they have to take a set amount of time for lunch. They want to be able to come in later after they have dropped the kids to school, they do not want a full hour lunch and they want to get home early for when the kids get home from school.

Mr THOMAS: Not too many of them want to be paid less though.

Mrs EDWARDES: The workplace agreements provide flexibility, and I note your comments this week that you are going to abolish workplace agreements.

Mr KOBELKE: Absolutely.

Mrs EDWARDES: What you are going to do for every single -

Mr TRENORDEN: Sitting in Opposition for another four years.

Mrs EDWARDES: Absolutely, because what we will see is back to the bad old days, back to unions taking control again of workplace relations in Western Australia, and the consequence of that is loss of investment, loss of jobs. Under our labour relations system in Western Australia we have a very strong record, a strong record of growth.

Mr KOBELKE: Not as good as Labor.

Mrs EDWARDES: A strong record of growth and strong record in terms of employment and investment, and what you are going to do is send Western Australia back to the bad old days and you are not going to allow industries and organisations to be able to compete in the global work environment.

Mr KOBELKE: In the 90s Labor's employment job growth was better than yours by a mile. Better by a mile.

The CHAIRMAN: Members and Minister, I ask you to please keep to the subject matter at hand, which is estimates relating to the budget. I think we might make this the last question, recognising that we are due to break at 1.00.

Mr TRENORDEN: Minister, this is probably a sizeable question just before lunch, but from page 1131 on for several pages, and particularly back on the bottom of 1134 where it talks about "develop information/knowledge and ensure there is a call centre", there seems to be enormous opportunity within your agency to get on the Net, on the new online facility.

Mr KOBELKE: They are, but they do not update it.

Mr TRENORDEN: There are quite a few points it makes through here about delivering regional services and so forth, and particularly the dot point on page 1134 where you talk about 146 000 calls coming into a call centre. It would seem to me that you are one of the agencies that does have a great capacity to be able to give a better service online. Though you do talk about online here, I would have preferred to have seen a coordinated description in here about how the service might be delivered.

Mrs EDWARDES: Mr Chairman, the answer probably requires a bit of a longer answer than, "Yes," and I am in your hands as to whether or not we can provide an answer on our return.

The CHAIRMAN: I am in the hands of the committee. If the committee is happy to break now and return at 2.00, then I will seek an answer from the minister to that question, but I do point out that this session must finish at 3.00. We still have this division and three others to complete in the hour. We will adjourn.

Sitting suspended from 1.00 to 2.00 pm

Mrs EDWARDES: Do we have an answer to the question before lunch?

Mr LLOYD: We do have a Web site. We have had one for several years. It provides quite a range of information, information about various entitlements and obligations of employers and employees. It has links to other agencies' Web sites. It has information on actual wage rates in the key State awards, so it is quite a broad information Web site. We are currently having it upgraded. In the coming year I will institute a study to actually make the award information more accessible over the Web. At this stage you have to know what award you are covered by to be able to reach your pay rate. We will try to introduce a system where you get to that on the Web, rather than having to know it before you come on to it. It is quite an extensive one. We have over 100 000 hits a month.

Mr TRENORDEN: Are you going to make it interactive? If you can reduce 70 or 80 per cent of the contacts where people are seeking the information and then make the phone call for the precise information, the interactive bit I think is very important.

Mr LLOYD: We are going to do that. We are linked of course to the West Australia Online Initiative announced in the last few days. We are going to improve that interactive element of the site.

Mr KOBELKE: I have a couple of questions, if I may, with respect to output 4, Fair Treatment, starting at page 1135. Firstly, with respect to the output measures, "Building and construction industry compliance checks 400", what exactly does that apply to? Is that the task force or was this a special survey done of compliance within the building and construction industry and, if so, can we have some details of it?

Mr LLOYD: This is the first Building Industry Task Force and the contact they have with the industry. It is anticipated that will be the number of requests they have to investigate complaints.

Mr KOBELKE: Moving over the page to the first dot point, "Through a re-engineering of the compliance resolution process, 15 to 20 per cent of inquiries are being resolved at the workplace without the need to proceed to formal investigation." Is that because you have a cut-off similar to what the Commonwealth has asked you to administer, that if the loss of wages is under \$10 000, simply no action is taken and it is left up to the aggrieved employees to take their own action?

Mr LLOYD: No, it is certainly not. The process refers to placing greater emphasis on trying to have the two parties resolve the issue. One of the key initiatives taken which is in line with what other States do is to introduce a 21-day period - a cooling off period - where the employer and the employees attempt to resolve their differences. If that is not achieved, then we come back into it and pursue the matter to finality.

Mr KOBELKE: What is the arrangement with the Commonwealth? This is just one part of it I assume, so I assume the figures are all put together.

Mr LLOYD: Yes.

Mr KOBELKE: Or do you keep separate figures in terms of the agency arrangement you have with the Commonwealth?

Mr LLOYD: We have a contract and we have certain obligations under that.

Mr KOBELKE: When we talk of figures there, are they included in those or not, the 15 to 20 per cent of inquiries etcetera? Do you really deal with them as two separate entities, or for most of your figures, are they really taken as a single operation?

Mr LLOYD: These figures, I am 90 per cent confident, relate just to the State inquiries.

Mrs EDWARDES: We can confirm that.

Mr LLOYD: The number of award inquiries federally is very small.

Mrs EDWARDES: I will provide confirmation by way of supplementary information.

Mr KOBELKE: Is it correct that the agreement with the Commonwealth is that if the amount of underpayment of wages is less than \$10 000 then you are under that contractual arrangement not to prosecute?

Mr LLOYD: The arrangement is that that cannot as I understand it be handled in the Small Claims Tribunal. The Commonwealth imposes a requirement as to how they handle the breaches in their jurisdiction and we comply with that. The matter of course is pursued but not as I understand it in the small claims jurisdiction.

Mr KOBELKE: It comes down to the fact that if the loss of wages is not in excess of \$10 000, then there will not be any prosecution type action taken by the department?

Mrs EDWARDES: Can we re-emphasise that this is federal and there are very few that are brought to the department's attention?

Mr KOBELKE: I am seeking confirmation of that before I relate it to the State.

Mr LLOYD: You cannot say that they would not be prosecuted. The important issue is which jurisdiction it goes to and whether they require legal representation and issues like that, but there is no policy of which I am aware which says that under a certain figure you do not prosecute.

Mr KOBELKE: But is it not part of the agreement that you comply with the Commonwealth's requirement and they do have a dollar amount below which the level of action taken is substantially less.

Mr LLOYD: There is a dollar amount as to where the matter is dealt with but as to the action, that depends on the case. It is determined by the circumstances of the case. There is certainly no direction which I am aware of which says they are not to be pursued.

Mrs EDWARDES: Perhaps given the interest, I will again provide by way of supplementary information the exact agreement with the Commonwealth as to the question that the member is talking about.

Mr KOBELKE: If I may continue on the same line, what is the number of prosecutions which have been instigated in the current year?

Mr LLOYD: I do not have a figure at my disposal.

Mrs EDWARDES: We can provide that by way of supplementary information.

Mr KOBELKE: My concern is, Minister, because I receive this from many quarters, that the department is very loath to

prosecute. In fact I think in the previous year there were two, and many employees are aggrieved that they cannot get the department to prosecute. The most recent one to hit the news was a disabled worker who worked as an attendant at a carpark who was having great difficulty in actually getting the department to actually act in any prompt way.

What are the guidelines for the department to actually get in and take action? We have indicated already there is a 21-day cooling off period so for the first 21 days the department really tells the two parties to go away and try to sort it out. What is the way in which the cases are handled from there when you do have an employer who is not wishing to actually pay underpayment of wages when there is a prima facie case that that is what has happened?

Mrs EDWARDES: I will ask Mr Lloyd to respond as to the practice of the department. In respect to the particular case that you are referring to, I understand the matter is presently before the court.

Mr KOBELKE: But after many months.

Mr LLOYD: The approach is that the rectification of the underpayment is pursued. The employers are told of the rights and the obligations they have and we of course inspect the records and calculate the amount of underpayment. We find in the vast majority of cases that employers do comply and make restitution.

In cases where they do not do that, we do follow matters through to prosecution. What we often find is that once we have prepared the legal documents and prosecution is imminent, then the employer has a change of mind and will then at that late stage rectify matters but if that does not happen, then we definitely do go through to prosecution. In fact in the re-engineering process we have established a group of employees to develop expertise in the prosecution area. We make sure that we are effective in that part of our duties.

In respect of the carparking one, the difficulty there was that the employers were refusing to release information to us. We have pursued that and are still pursuing it. There was some doubt about whether they were employees or not and given that, the employer was refusing to cooperate with us. We had to go to Crown Law for advice about the actual relationship and are certainly doing all we can to pursue that case.

Mr KOBELKE: Minister, Mr Lloyd indicated that once DOPLR pursues a case, then generally restitution is made. The complaint I get is that restitution is usually only a very small fraction of the actual amount owing. Do we have any figures to know in what percentage of cases restitution is for the full amount according to the audit undertaken by DOPLR? Let's say even 95 per cent or more of the amount which is calculated as owing.

[2.10 pm]

Mr LLOYD: I would have to come back on that.

Mrs EDWARDES: Can we provide that by way of supplementary information?

Mr KOBELKE: Yes. At page 1128 the very final dot point is about the department's approach to measuring labour productivity being revised to maintain consistency with the ABS and the Productivity Commission. Minister, your predecessor launched the Productivity 2000 strategy or campaign and I am wondering whether you are still maintaining that because it relates to the statistics as to whether or not the target is met or what advance was made towards meeting the targets of Productivity 2000.

Mrs EDWARDES: Can I perhaps ask Mr Lloyd to refer to the dot point that you have raised on 1128 as to what approach we are taking in the department and how it is actually going to improve the benchmarking?

Mr LLOYD: That point refers to the Bureau of Statistics redefining how they measured State product, therefore that required us to revise our productivity measures. Also the Productivity Commission changed some of their measures as well and we felt it important that we be consistent with what they require. The practical result is that there is no great change to WA figures and WA still has the highest level of productivity of all the States and Territories.

Mr KOBELKE: The Productivity 2000 program has been scrapped, has it?

Mr LLOYD: No, Productivity 2000 is still a program. It is a matter which the agencies are aware of. The productivity performance of WA, as I say, has been excellent.

Mr KOBELKE: Just to remind the minister, Productivity 2000 was about achieving a world's best practice in terms of productivity using UN development index. I think your predecessor was quite misleading in suggesting that WA was doing very well on that UN development index when the development index does not include WA. I do not know whether any calculations have been done to see how WA would sit, given that we are part of the Australian figures, and obviously internal comparisons might be made of WA to the rest of Australia and then through that, used to compare WA internationally, but I would certainly appreciate, if any of that sort of calculation has been done, if it can be made available because I have drawn a blank on the questions I have asked on notice of you on that issue.

Mrs EDWARDES: I do not know what my predecessor said and, member, I would love to take your word for what you are saying that he said, but I will not and I will go back and check the actual facts of it, but can I just go back to something I said before lunch? If you are interested in productivity in Western Australia or even Australia, the Labor Party's policy on abolishing workplace agreements is going to have a big impact in respect to that. Not only are you going to reduce the level of competitiveness for industries and organisations, you are actually going to take away a valuable choice and right for workers as well.

Mr KOBELKE: Minister, you are as much in the dark on Labor policy as you are of the statements of your predecessor.

The CHAIRMAN: I remind both of you to please be relevant to the budget.

Mr KOBELKE: The dot point at the bottom of the page is measures of labour productivity and what I am saying, Minister, is the clear statements made by your predecessor regarding Productivity 2000 were a measure of productivity in relation to UN development index and I am saying, can you provide any figures which actually show how the work had been done to put the productivity in WA, which is very good, on that index as a part of the national figures so that we can actually have valid comparisons because the UN development index does not include the State of WA and yet that is the assertion that your predecessor has made?

Mrs EDWARDES: I indicated that I would go back and check and provide the information back to the committee by way of supplementary information.

Mr KOBELKE: 1124, the first dot point, "Labour relations reform is an ongoing process," perhaps picks up part of what the minister was saying of a more political nature a moment ago so I will give her another opportunity. Minister, in last year's estimates you indicated that you were very happy with the third wave of industrial legislation and its successes. Another year on and in view of this ongoing reform process, do you have any way of gauging the success of those proposals such as the secret ballots or even use of the 2A arrangement of workplace agreements? There are four or five key components to the third wave. Can you give us an assessment of their success at this stage?

Mrs EDWARDES: I suppose you can take the global position and that is the one that we do have high living standards, we do have higher real wages, we do have a reduction in strikes and the 700 000 new jobs that have been created nationally indicates that the changes in labour relations that we have introduced are working.

Mr KOBELKE: Have any secret ballots been conducted under that legislation?

Mrs EDWARDES: None.

Mr KOBELKE: None at all.

Mrs EDWARDES: But the strikes have reduced and there is every indication that the fact of the secret ballot provision has actually had a benefit in that regard.

Mr KOBELKE: We also had an alignment of the sun and the moon and the earth. Would that be used for legislation as well?

Mrs EDWARDES: I do not think so. The sun will rise again tomorrow.

Mr KOBELKE: Have there been any complaints or investigations or convictions under the third-wave legislation?

Mrs EDWARDES: Can I take that and provide it by way of supplementary information?

The CHAIRMAN: Yes.

Mr KOBELKE: Minister, the Ayres report, I think, was October 1998. Are any elements of the Ayres report being considered for implementation and if so, what are those?

The CHAIRMAN: Could you refer to the section of the budget papers?

Mr KOBELKE: We are dealing with the dot point on page 1124, "Reform an ongoing process". There were two reviews. The first one was the Ayres report.

Mrs EDWARDES: A number of the recommendations of the Ayres report have been implemented already.

Mr LLOYD: One of the main initiatives is that the agencies on the portfolio have particularly looked at their delivery of services in the regional areas and have reported to the minister and adopted initiatives like sharing where it is possible office accommodation, making available in offices of each agency leaflets, pamphlets and information about the other agencies, sharing some telephone numbers that are for people to contact to come into Wageline or the information of the other agencies. It is really about improving the cooperation and cohesion of a delivery of the portfolio's services in the regional areas.

Mr KOBELKE: But no internal structural change between agencies.

Mrs EDWARDES: No. There have been a couple of the other recommendations, and again I will provide by way of supplementary information the recommendations and what we have done in respect to each one of those recommendations for the Parliament's information, but you might like to look at this again under the next division of WorkSafe and I can actually give you greater detail about the issue between WorkSafe and WorkCover.

Mr KOBELKE: The other major report, of course, was the Fielding report of July 1995. To my knowledge, nothing has actually come out of that in terms of any changes. Is the minister still considering that and is there under consideration the implementation of any of those recommendations?

Mrs EDWARDES: Yes, there are. It has been broken up into a couple of different aspects; ones where there are quite readily full agreement between the major stakeholders and others which are going to need major changes to legislation

which, of course, given the tight Parliamentary time frame, we are not progressing with. I would have to come back to you, though, in terms of any of those recommendations of the Fielding report that have been implemented because I thought there were actually some, from memory.

[2.20 pm]

Mr LLOYD: I think some of them were used in implementing the second or the third wave. I cannot recollect off the top of my head which ones they were but some of the recommendations I have a feeling were comprehended within that.

Mrs EDWARDES: I will provide that information by way of supplementary.

Mr KOBELKE: I thank you for that. Minister, in terms of your earlier answer, the fact is there was common ground and agreement between all the various parties with respect to some of the Fielding recommendations about three years ago, so it is not as if it is something we are waiting to happen. The Government has been sitting on the fact that you have had the Fielding report for now nearly five years. You have had agreement between the major parties for something like three years. What is holding matters up is that we cannot actually see some decision to implement issues such as, for instance, a requirement for the commissioners to give determinations in a timely fashion?

Mrs EDWARDES: I think the areas where there was agreement though were going back to each of all those stakeholders at the moment on consultation on how they are to be implemented, so the fact there is agreement on the recommendation, you need agreement on how they are to be implemented.

Mr LLOYD: We have had consultations with the major parties. They are proceeding and there is nothing much more I can add.

Mr KOBELKE: On page 1125 we have the Regional Forest Agreement. There is \$2m for three years here for workers assistance packages. Can we have some guidelines as to how people qualify to receive that assistance and how it will be administered?

Mrs EDWARDES: I can provide that by way of supplementary information as to the guidelines, although it was publicly available when we did announce the actual process and package.

Mr KOBELKE: I was hoping it would be more than that, Minister, because when you announced the package there was next to nothing. It was just a vague promise. I am hoping by this stage, now that we have money in the budget, you can actually give what are the specific qualifications that will apply to individuals to qualify, the maximum amount available for an individual worker. All those issues have not been announced publicly.

Mrs EDWARDES: With respect, they have, but I am happy to reprovide that information.

Mr KOBELKE: Page 1129 where we are talking about fair treatment in the workplace. Minister, I would like to find out how we can improve the fairness for Government employees given that the Government obviously has a fair ability to actually influence fairness in the workplace. I find it totally unacceptable that the Government has two different employees working for the same agency, doing identical work, and yet you pay them quite different wages simply because one is on a workplace agreement and the other is under an enterprise agreement. How can you justify the fairness of that given that you are trumpeting in here that you are about the fair treatment of people in the workplace?

Mrs EDWARDES: It is called choice and what you are going to do under your announced policy to date is actually take away that choice, and that I do not regard as being very fair.

Mr KOBELKE: Why do you pay someone additional money simply because you want them on a workplace agreement when there is no greater productivity, they work exactly the same shift, do exactly the same work?

Mrs EDWARDES: That does not happen in every single instance of a workplace agreement and an EBA, but can I tell you that that is choice and that is fair and what you are going to be providing is no choice and a level of unfairness to a group of workers who have already made their decision as to what they would like to see and they would like to be on a workplace agreement.

Mr KOBELKE: Minister, you will find we are not going to shackle people like you are but we also want to see fairness, which you are denying people, but we will move on. You obviously are not able to give an answer as to why you treat people quite unfairly in treating them differently.

Mr KOBELKE: Page 1136, the third dot point from the bottom -

The BITF has developed a protocol with WorkSafe to clarify each agency's responsibilities on construction sites.

I am wondering if you have some explanation of that protocol and whether you are willing to make that available as a supplementary answer, Minister.

Mr LLOYD: The protocol is to really clarify the responsibilities and roles of the task force and WorkSafe in coming onto a site where there may be an occupational health and safety issue at that site. It is to ensure there is no confusion, tripping up, and to ensure that for those on the site, the service they get from the Government is clear and not complicated or confused.

Mr KOBELKE: Is there a public document or just between the two agencies?

Mrs EDWARDES: It is just between the two agencies as to how they operate in practice, but again you might like to ask the Commissioner for WorkSafe how he sees the protocol.

Mr KOBELKE: Minister, are you willing to make a copy available?

Mrs EDWARDES: I will take that upon advice from the two respective agencies. It is not my document, that is why I will take advice.

Division 51: WorkSafe Western Australia, \$12 357 000 -

Mr Masters, Chairman.

Mrs Edwardes, Minister for the Environment, Labour Relations.

Mr B. Bradley, WorkSafe Commissioner, WorkSafe Western Australia.

Mr B. Dellar, Director Corporate Services, WorkSafe Western Australia.

Mrs EDWARDES: May I make a short comment. It relates to the budget, but a point the member made in his budget speech last week where he indicated the funding for regulatory services had been reduced from \$9.88m down to \$9.44m. What I indicated then was that there needs to be a comparison of like with like. This time last year the budget estimate for WorkSafe Western Australia's regulatory services for the forthcoming 1999-2000 financial year was \$9.224m. In comparison, the estimate for 2000-01 financial year is \$9.444m, which is an increase of \$220 000, so we have actually allocated an additional 2.38 per cent to the department's regulatory service's program.

The reason why you do not compare the budget estimate with the estimated actual is that the estimated actual figure includes retained revenue whereas the budget estimate does not. Under net appropriation, WorkSafe Western Australia actually directed its extra revenue to the regulatory services program in 1999-2000 and the figures show it is possible for agencies to access significant additional funds through the retention of additional revenue, and the opportunity to retain such additional revenue applies equally for 2000-01. If you actually examine the figures further, the estimates for information which you made a comparison with in 1999-2000 was \$3.9m and the estimated expenditure which is on page 1 533 is \$3.6m, which is some 6.9 per cent decrease, and again I think that is a further indication that the department is actually directing its resources to regulatory functions as against what you were trying to imply in terms of publicity.

[2.30 pm]

Mr KOBELKE: Thank you, Minister, for being able to guess the question I had asked first and I thank you for the part of the answer that you have given. The fact is that if we look to 1998-99 on regulatory service, we see we have gone from \$10.5m to \$9.9m, page 1 533, the same figures. I think the figures speak loud enough for themselves without the gloss you put on them, Minister. What we see is clearly there has been a reduction over the three years in what has gone into regulatory services. I accept what you are saying, that the department was able to put additional moneys in in the previous year and that is great, but I think we should be seeing additional moneys in this year as well. Clearly there is a reduction of 7 per cent in real terms, whereas the Information Services has increased by 13.6 per cent, again in real terms, for the 2000-01 over the last year.

As you have taken up the point I have made there, I want to go on to "Key Effectiveness" on 1535, 1537 which is the outcomes from those dollar amounts. The pages are connected so we need to do both. On 1535 when we look at the key effective indicators, we have 100 per cent and then when we go over to the next one, you see "Output One" so I presume that is to be the same, 100 per cent. I really do not have any idea what 100 per cent means there, Minister. I seek some explanation.

Mr KOBELKE: Does it simply mean that you set the bar and you have to jump the bar 100 per cent, but it does not tell you how high the bar is?

Mr DELLAR: For next year we have actually changed the performance indicators, the outputs that have been developed. They focus on the eight priority areas which we have, is what we are going to measure against that agreed criteria to achieve 100 per cent.

Mr KOBELKE: Minister, are we able to have the agreed criteria so we know what we are actually measuring?

Mr BRADLEY: You might recall when I was here last year I indicated we were going back to core work and part of that core work was to get back to an inspectorial function. One of the criticisms that I have detected since I have been appointed was that there was little to no consistency in what our inspectors were doing, so we had a planning day last year and we developed a new mission and vision which is incorporated in the budget papers this time around. Part of that was then to identify priority areas on which we needed to focus the attention of the inspectorate on. The idea was to get consistency when an inspector entered a workplace so that I had some degree of confidence and the minister would have some degree of confidence that when an inspector went to a workplace and then left that workplace, a number of items was going to be examined. That is the purpose of going through the priority areas and for each of these priority areas we have developed a work plan and that work plan will be taken by inspectors for implementation during the course of this 12 months.

Mr KOBELKE: I thank you for that, but again, Minister, is it possible then to have the agreed criteria so we can see exactly what we are measuring? Someone is going to meet 100 per cent of the measure, but we do not know the measure. Perhaps you can consider that and return to the question later, if you like.

Mrs EDWARDES: I will come back to it.

Mr KOBELKE: On page 1 534 we see that the number of investigations to be carried out has actually dropped by 300 from 8 300 to 8 000. I take that as reflecting the reduction in moneys, but if the minister can give some other explanation for it, I would appreciate it.

Mr BRADLEY: Yes. Again that is a reflection more in terms of each inspector examining these eight priority areas. We have assessed that because the inspector will be spending more time in each workplace when they attend, there would be a slight reduction in the number of investigations that they undertake.

Mr KOBELKE: It is the same issue, but now on page 1 537 because it relates directly to it, under point (a) there near the top of page 1 537 -

The effectiveness measure for Information Services is based on the notion that increased awareness and understanding of occupational safety and health should result in positive changes to safety behaviour in workplaces. Information may be provided by inspectors in the course of investigations in workplaces or through various other information mediums.

It seems to me that if the number of investigations is being reduce and yet we are saying safety is very much tied to investigation in the workplace, then we are actually threatening to undermine the results that we seek in improving safety. It seems to me that is not logical.

Mrs EDWARDES: It is a pretty simple answer. Not every time a WorkSafe inspector goes out is an investigation.

Mr KOBELKE: No, but I am taking the logic of your own papers, Minister. On page 1534 we see that investigations are to drop. What you then have in your "Key Effectiveness Indicator" in 1537, which also relates to the preceding page, is that that understanding of health and safety is to be promoted by inspectors in the course of investigations in the workplace, so if you are reducing the number of investigations, it seems to me fairly obvious that there is the potential there to not convey the amount of information necessary and therefore not be able to achieve the health and safety outcomes you are seeking.

Mr BRADLEY: I will attempt to explain. The inspectors are not the only medium of getting information into the workplace as you can appreciate and the comment there is designed to accommodate our other activities in the information sector. Of course the focus of one of our campaigns is the ThinkSafe campaign. As you know, it has been very successful and that campaign is designed to change the culture. We are encouraging people to think safety, not just at work, but at home, in their leisure and also on the road, so it is coupled together and our information arm is trying to complement what our inspectors are providing to the workplace as well. Inspectors are part of the medium and probably account for a great percentage of imparting that knowledge, but by the same token we are complementing that through other avenues like the WorkSafe Week, the ThinkSafe Cultural Change campaign and radio advertising as well.

Mrs EDWARDES: As well there is the recent campaign in terms of dealing with health and safety reps as well.

Mr KOBELKE: I will leave it there, thank you, except to comment that I think the logic in the document itself indicates there is a problem, but perhaps that was not expressed as well as the minister might have liked.

Mr TRENORDEN: I might be able to represent some other point of view, Mr Chairman.

Mr KOBELKE: You are for accidents in the workplace, are you?

Mr TRENORDEN: I can tell you a little story. At 1532, the fourth dot point talks about a consolidated approach, which I presume we have just been listening to. It is the reinforcement of occupation safety and health. In my electorate, Minister, a couple of years ago an individual was prosecuted. He engaged a tractor, ran over himself and was prosecuted by WorkSafe after they pursued everyone else in Pingelly for a prosecution. Particularly where the person was absolutely aware and admitted to everyone that he was at fault and will bear the problem because he will be not permanently disabled, but will still hurt for the rest of his life, does that reflect a different attitude in that area where at the time it was said that prosecution must go ahead no matter what?

[2.40 pm]

Mrs EDWARDES: I think there has been, particularly in the area of farm safety, a major change, whereby the department or the commission is working much more closely in respect to the farming industry to improve their occupational health and safety level. The statistics are not good and they do need to improve.

Mr TRENORDEN: I do not want to argue that. They do.

Mrs EDWARDES: We have put in place a very strong network in an endeavour to do that.

Mr TRENORDEN: I am not concerned, because you are right, safety in farming is not that crash hot, but there have been some good moves in the last couple of years to improve that. I am just more concerned where the Act said that the prosecution must be pursued even though there was a pretty senseless outcome.

Mr BRADLEY: Yes, I think we can point in the past at one or two prosecutions where we have gained some notoriety which we probably did not really appreciate at the time. I believe that is history now and we have moved on. I have spent a great deal of my time talking to the farming industry groups and also visiting farming centres. We have very much a

well-documented prosecutions policy out in the market place that everyone can see and take heed of, but I believe we have come a long way from that time and we are exhibiting a degree of commonsense in the taking of those matters further.

Mr KOBELKE: Safety promotion programs are on page 1537, but also I mention over the page, 1538, to the "Fundamentals in Excellence". What I would ask, Minister, is: is the ThinkSafe campaign the only major campaign that you are running that has advertising education or are there other aspects or parts of the campaign coming under different labels?

Mrs EDWARDES: The Health and Safety Representative Campaign is one that we launched at the time in May 2000 and that is a very important campaign because it was critical that we re-emphasise the very strong role that health and safety reps have to play within a workplace and the benefits that that has in respect not only to the employees but also the employers as well.

Mr KOBELKE: What I am after is, can we have for the current year and for the 2000-01 for both the ThinkSafe campaign and the Health and Safety Representatives Campaign and any other minor campaigns you are running the objectives of the campaign, the timing of the major promotions and the cost? When I say "the timing" it might be going all year, it might just go for a certain part of the year.

Mr BRADLEY: I can pretty much give you the bulk of that information. The ThinkSafe campaign we ran from 29 August 1999 to 25 September 1999, a personal protective equipment TV and poster campaign. The cost of that campaign was \$92 000. From 7 November 1999 to 5 December 1999 we ran a sprains and strains TV campaign. The cost was \$88 000. From 14 May to 10 June we are currently running our Safety and Health Representative Campaign. The cost of that campaign is estimated to be \$158 000. The reason I say an estimate is that we are still waiting on the final accounts for the production costs there. We have just commenced a ThinkSafe, FarmSafe campaign, 6 May to 30 June and that is going to cost us \$40 000.

The proposed budget for the ThinkSafe campaign, we are going to run a campaign emphasising consultation which we estimate to be about \$130 000. I have not got the timing of that. The same with the campaign focusing on hazardous substances. The estimated cost there is \$108 000. There will be a campaign focusing on electricity, bearing in mind that is one of our priority areas. Basically all these are focusing on priority areas. That is looking at \$108 000. We also will do a further ThinkSafe, FarmSafe campaign for which there will be an allocation of \$40 000, so that budget will come out about the same as it was last year.

Mr KOBELKE: Have the costs of this been partly offset with contributions from other agencies or business, and if so, what is the extent of those contributions towards the campaign, such as WorkCover. Are they contributing any money to any part of those?

Mr BRADLEY: No, there are no contributions from any other agency in any of those figures.

Dr TURNBULL: I was looking at the significant trends and issues on page 1532 and the improvements in the overall reduction for lost time injuries and diseases of 38 per cent over 11 years and of 20 per cent over the last five years. Do you have a division between the lost time injuries as separate from diseases?

Mr BRADLEY: No.

Dr TURNBULL: At any place in your records do you have any -

Mrs EDWARDES: We will provide that by way of supplementary information.

Mr KOBELKE: My question relates to the dot point in the middle of page 1535, which is the Government's target for reduction in fatalities. Again, the minister has some notice of the figures that I have used arising from a question on notice 1835. What those figures indicate, Minister, is that while you have seen the number of deaths declared fall from 17 per year to 14.5 per year using a five and six-year average, what we find is the deaths compensated less journey claims has risen from 27.2 per annum to 42.3.

The figures themselves I am not taking as absolute, Minister, because I appreciate it is very difficult collecting in this area. My primary concern is that our actual collection of data - and it reflects a bit the previous question from the member for Collie - is highly deficient and not reliable and that we really do need to do a much better job in collecting statistics which largely rely on the workers compensation system. Part of that can be addressed, Minister, by the move taken by ministers nationally to have coroners actually report - and they do not at present - on a standard basis across Australia on fatalities that may be work related, but also I think WorkSafe itself could make a big improvement by establishing clear definitions as to whether or not a death is to be counted as a workplace death. I am wondering, Minister, if you will give some undertaking to develop a clear set of criteria or guidelines so that we do not have simply a haphazard approach as to whether or not a death is counted as a workplace death.

Mrs EDWARDES: I will ask the commissioner to respond following my comments, particularly in respect to WorkSafe's position. You made, I think, a fatal number of assumptions in the production of your statistical information. I pointed out at the time that when you are talking about some of those compensated deaths that you are talking about in terms of workers compensation not the year in which the death occurred, and you indicated the mere fact that it was over five years was something that provided you with a bit of an average, but if I go back to some statistical data - I will come to that in two secs. You just mentioned the national objective. We set that down as labour ministers in 1999, the need for improved coverage of work-related deaths, so we have a commitment to it and that also included -

Mr KOBELKE: But it has been on the agenda since about 1997, I think, Minister.

[2.50 pm]

Mrs EDWARDES: Again, we have committed in 1999 to it, including non-fatal injuries and disease, by national data sources as a means of better performance monitoring nationally over the next five years. There are some differences between the collection of the data between the different States. We have immediate reporting, whereas some States do not have any reporting required for up to five days and that makes a bit of a difference when you are trying to look at some comparative performance.

As part of that exercise the National Coronial Information System has been developed and Western Australia should be linked to that this year as well, which was another point that you raised. In respect of some of the statistical information, as to the number of deaths investigated as each was a potential work-related fatality, in 1989 to 1990 there were 21, including four natural causes; 1990 to 1991 included two natural causes; 1993-94 included two natural causes; 1994-95 included one suicide; 1995-96 included four not work-related; 1996-97 included three not work-related; 1997-98 included five not work-related and 1998-99 included eight not work-related. The total number of deaths investigated from 1988-89 to 1998-99 is 192. I can go on and provide further statistical information which only goes to highlight even further the flaws in your assessment.

Mr KOBELKE: All the figures you have given do not attack the premise of my argument at all. Deaths investigated was not part of the argument I used. What I am saying is that there are criteria for investigation. There are no criteria for declaring the death as a workplace fatality.

Mrs EDWARDES: Would you like me to continue to go on with all that information then? I am very conscious of the time and you might have further questions. I am quite happy to provide that by way of supplementary information. That is only the basis and the premise for saying that your assumptions were flawed for the outcome that you were attempting to get to. To use the statistical information in that way, I think you need to be a little bit firmer on those particular premises.

The CHAIRMAN: Can I ask the member for Nollamara? Do you wish that information to be provided by way of supplementary information?

Mr KOBELKE: If the minister is willing to do that, I would very much appreciate it. Is she willing to add to that the exact details of the agreement with the ministerial council in this area which she alluded to a moment ago?

Mrs EDWARDES: I think it is publicly available, yes, absolutely.

Mr BRADLEY: Maybe I can assist the member with what has occurred at the national level as well. Primarily what the national commission put before the Labour ministers was, as a national objective, the need for improved coverage of work-related deaths, non-fatal injuries and disease by national data sources as a means of better performance monitoring nationally over the next five years. That is a public document so there is no difficulty.

In terms of the criteria that we use, I suppose you have to look at the purpose of the statistics in the first place. It provides a measure of the extent of the problem, so it is used for comparisons between given time frames, industry classifications and age groups, and it enables research and analysis of causal factors to be undertaken which can lead to the development of preventive strategies. That is the purpose we use the data.

As a prerequisite, WorkSafe would say that we aim to collect all cases which fall within the ambit and jurisdiction of the Occupational Safety and Health Act and also the Mines Safety Inspection Act. That is where we start. Admittedly some subjectivity is taken into that. The concern we have with specified criteria is that if we become too rigid the very obvious ones could still fall through the gap. That is the premise that we undertake at this stage. We focus on our legislation. Then we work forward with that and if we feel that there is a work-related death, that is included in our statistics.

Mr KOBELKE: Could I take it then, Minister, that you are not willing to have work done to develop a specific set of criteria to be used to judge as to whether or not a fatality is work-related?

Mrs EDWARDES: We are part of the national program. We will continue to work to improve the collection of our data.

Mr TRENORDEN: On page 1539 there is an interesting little glitch in operating revenues in the 1999-2000 budget, under the "Other" criteria. The \$285 000.

Mr DELLAR: The "Other" revenue is moneys we collect from information projects such as WorkSafe Week, sales of Codes Of Practice and Guidance Notes.

Mr TRENORDEN: Why was there a \$250 000 jump in the current financial year? It goes from \$71 000 to \$285 000 and back to \$30 000 so there is one event that occurs currently this year or several events maybe in this current budget.

Mr DELLAR: That again relates back to the assessed revenue through to retained revenues, which increased through the collections for all of these additional projects. We were able to pick up significantly more revenue in the information projects area and also in the sale of videos and other material, whereas the assessment this year varied because there were some special campaigns where we sold videos, as you probably appreciate, and also we were selling the Codes of Practice and Guidance Notes at a significantly higher price than what is charged currently.

Mrs EDWARDES: Can I perhaps provide the answer by way of supplementary information?

Mr KOBELKE: Just going back to something I asked the minister earlier, that was the agreed criteria on page 1535, is she willing to make those available as supplementary information?

Mrs EDWARDES: We will provide that by way of supplementary information.

Mr KOBELKE: The driver fatigue on page 1532 I think is \$40 000. I am very glad to see that we do have the money there. Has that program already started? Secondly, is the \$40 000 adequate to do the job or is it really that that was all you were able to get out of the budget to do it?

Mrs EDWARDES: The program has long started and is one that is jointly done with the Department of Transport.

Mr BRADLEY: The amount this year we have received is \$60 000. Yes, the program has commenced. The purpose of this funding is to audit the implementation of the fatigue management plans. Basically our inspectors are visiting workplaces and draw attention to the fact that they are not adhering to the Code of Practice and issue a notice to develop a fatigue management plan. This money is to allow us to employ two persons to follow up that they are preparing the plans.

The CHAIRMAN: Thank you, members. Thank you, advisers. Thank you, Minister.

Sitting suspended from 3.00 pm to 3.10 pm

The CHAIRMAN: I will read the Chairman's statement into *Hansard*. For the information of members, this Estimates Committee will be reported by contractors to the Hansard office. The daily proof *Hansard* will be published in two parts tomorrow, part 1 at 9 am and part 2 at 8.30 pm. This year Hansard asked ministers, members and advisers to make their corrections on the daily proof *Hansard*. Hansard will forward the transcript to the minister's office for distribution to advisers. The cut-off date for corrections will be indicated on the transcript.

As has been the practice of previous Estimates Committees, members should not raise questions about matters of general concern which do not have an item of expenditure in the consolidated fund. The Estimate Committee's consideration of the consolidated funds estimates of expenditure will be restricted to discussion of those items for which a vote of money is proposed. We are dealing with estimates of expenditure and that should be the prime focus of this committee. While there is some scope for members to examine many matters, questions need to be clearly related to matters of expenditure. For example, members are free to pursue performance indicators which are included in the *Budget Statements* while there remains a clear link between the questions and the estimates.

It will assist in the committee's examination if questions and answers are kept brief without unnecessarily omitting material information. It is the intention of the chairman to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point.

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information, I ask the minister to clearly indicate to the committee which supplementary information he agrees to provide. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the committee Clerk by 12 June this year so that members may see it before the report and third reading stage. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available. Details in relation to supplementary information have been provided to both members and advisers and accordingly I ask the minister to cooperate with those requirements.

I caution members that if a minister asks that a matter be put on notice, it is up to the individual member to lodge the question on notice with the Clerk's office. Only supplementary information which the minister agrees to provide will be sought by 12 June this year. It will also greatly assist Hansard staff if, when referring to the program, statements, volumes or the consolidated fund estimates, members give the page number, the item, program and amount in preface to their question. I now ask the minister to introduce his advisers to the committee in respect of division 52.

Division 52: Lands; Fair Trading; Parliamentary and Electoral Affairs, \$27 831 000 -

Mr Baker, Chairman.

Mr Shave, Minister for Lands; Fair Trading; Parliamentary and Electoral Affairs.

Mr A.A. Skinner, Chief Executive Officer; Department of Land Administration]

Mr G.J. Searle, Director Service Delivery, Department of Land Administration.

Mr M.P. Smith, Manager Financial Services; Department of Land Administration.

Mr SHAVE: I would just like to make a few preliminary comments, if I might, to put it on the record. I want to make it very clear that this budget recognises the importance to the State of a world class land system. People would know that there are few areas of the economy that do not impinge on the area of land titling. If you have a stable and a good land system, then you have the capacity to attract investment and to produce a sound basis for the economy to thrive. In the information age land information is as much a fundamental infrastructure as service infrastructures such as roads and utilities. The use of satellites to determine land usage, to determine the effect of farming on land, to determine the effect of bushfires and all other areas are now done through the satellite system. It is recognised throughout Australia that we have

one of the most sophisticated systems in Australia and in the world in this area and it is not unreasonable to understand why, because with the size of Western Australia and the huge land mass that we have, when you realise that Western Australia is something like five times the size of Texas, it is very, very important to have a land system which supports those areas of the economy and of society that it is properly serviced with a good land system.

It is also important to note that most of the wealth that is generated in Western Australia is generated in country and regional areas, so from an economic point of view it is critical that we maintain a land system that is sound and a system whereby people are happy to invest and a system which provides security particularly for people coming from overseas to invest. If you look at the sorts of problems that we have had in Asia over the last 12 months or two years, there is a very, very strong argument for overseas groups who are looking to invest in areas of an economy to look very, very closely and favourably in Western Australia.

In terms of the financial position and the budget highlights I will defer those comments in favour of Mr Skinner, but I would like to in these opening remarks make the comment that I am very pleased with the job that the department has done over the last 12 months. They have a very difficult job to do. 93 per cent of the land area of Western Australia is Crown land and DOLA is responsible for seeing that the land is used to meet the State's needs, as I have talked about previously in the industrial, commercial and residential area. DOLA also supports a range of Government initiatives such as the Regional Forest Agreement, the Westrail rail freight sale, the Harvey dam, the corridor expansion and our capital works program for 2000-01 includes \$5.3m of development activity, so we are facing an exciting 12 months in this area and I look forward now to answering any questions that anyone may have.

Mr TRENORDEN: Minister, in past years there has been some interest overseas in purchasing our system. Is that continuing? Is there any capacity to sell our system?

Mr SHAVE: We believe there is and, as some members of the committee would know, I have personally been to Vietnam and other overseas destinations such as Bangladesh, but it is very exciting because a lot of these developing nations do not have the sort of infrastructure that we have and we are looking favourably and in fact have introduced a number of systems into a number of different countries in a number of different locations and I would be more than happy for Mr Skinner to comment further on that.

Mr SKINNER: Yes, DOLA International, our trading arm, has been operating overseas for a number of years and with our partners we have secured contracts in Vietnam, Bangladesh, China, Sri Lanka and Solomon Islands. Just as recently as two weeks ago, minister and members, a delegation from Nepal visited us. They discovered through the Internet our system, communicated with us and they were funded to come down and research what we are doing and they are at a stage now where they are looking at advancing their land tenure system. Obviously with their terrain it introduces some interesting concepts for us to grapple with, but nevertheless we look on building that both as a collegiate organisation and also in respect of the potential business opportunity through an aid-funded agency and we are giving them advice about how to secure World Bank finance or Asian Bank finance to help achieve their objectives.

Mr TRENORDEN: Is there a unit within DOLA for that? Could you just give us an idea how big it is?

Mr SKINNER: The unit consists of one person full-time and another person assisting. We do most of our work through contract. What we do is we take people off other duties where appropriate if they are to be sourced from DOLA. Obviously you put your best people onto these sorts of projects, but we have collaborative arrangements with other jurisdictions and the private sector obviously where we will buy in resources, whether they be commercial valuers or whether they be Government people from other jurisdictions, and we form partnerships to deliver those services, but in DOLA it is a very small unit. and operates very effectively. In fact it has been assessed as one of the most successful Australian agencies in both the private and public sectors in securing AusAid funded projects internationally.

[3.20 pm]

Mr SEARLE: The DOLA International Group has pushed quite aggressively into some of these areas. We have very positive feedback in a range of countries, including the Philippines and Nepal. We currently have a proposal with the Vietnamese Department of Land Administration which they look like pursuing with AusAid in order to get another project up in Vietnam.

Mr BLOFFWITCH: What is the Government doing to improve the ability of business to acquire State Government information about land, its characteristics and conditions? I am sure that if you are doing something, it will certainly assist business and greatly cut the costs to allow them to become more efficient and more competitive.

Mr SHAVE: Specifically what we are doing in the area of commerce is to emphasise the importance of the land information getting out to the private sector and wherever possible to provide that information in a manner that can be transferred with modern technology so that people wanting to deal in titles, people wanting to get access to information, have the ability to do so. I have attended a number of meetings in relation to this matter and the actual specifics of the way this is operating within the department I would be more than happy if Mr Skinner were to comment on.

Mr SKINNER: The issue primarily is not just DOLA. DOLA is one of the prime suppliers of that information, but I think the prime delivery mechanism at the moment the member is probably referring to is an initiative through the WA Land Information System of which I am chairman. That is a combination of 27 Government agencies and Local Governments working together to allow integration of land information to value add for the private industry and to the business of Government.

What we are looking at doing in the next few months is actually issuing a brokerage tender to allow private sector suppliers to take on a brokering service. At the moment if they want to secure land information from agencies, they have to go around to each of those 27 agencies plus Local Government and negotiate a contract and the terms or conditions of that licence or contract. What we are looking at doing is, these suppliers will get a three to five-year contract, non-exclusive, to make sure that level playing fields apply. They will then sign one contract with the Government to be able to access at agreed prices and conditions the information they need to do their business.

Mr SHAVE: I just want to mention to the members that some of the questions they may have may apply to LandCorp and I do intend introducing the Chairman and the Chief Executive of LandCorp subsequent to these discussions on the activities of the Department of Land Administration. I know the member for Avon is particularly interested in the initiatives that are taking place with regard to the industrial park in his electorate in the seat of Avon which he has been largely instrumental in getting for his constituents and I would be more than happy, after Mr Skinner and Mr Searle have spoken on the specific issues related to DOLA, to then entertain any questions that anyone may have in relation to LandCorp.

Mr TRENORDEN: You have an important issue on page 805, Minister -

Negotiations continued with Local Governments with a view to establishing partnership arrangements for the management and use of Government land, particularly roads and reserves.

You know that has been a very prickly issue for years and I hope that is not in the budget papers as some sort of motherhood statement. Minister, there has been considerable conflict with Local Government over reserves in particular in recent years, so could you give us an outline of what is intended in that particular dot point?

Mr SHAVE: Whenever you are dealing with issues related to land, you have a lot of different areas to negotiate. Quite obviously you have to negotiate with the Department of Environmental Protection; you have to talk to the local councils and any development that is done in any particular shire involves the discussions being held in conjunction with the Local Governments involved, so negotiations do continue with Local Governments on an ongoing basis. The management and use of Government land, particularly roads and reserves, is very, very important. You have a situation where a road has been gazetted for a reserve and then 20 years later it is not appropriate to use it for that reason, so you will find the situation where I quite often receive representations from local shires to make sure that the land is properly used and when those people come to me, we look at it in a realistic manner. If there is a need to change the usage and to use the land so it better serves the community, then we make those decisions and Mr Skinner might like to comment further on that.

Mr SKINNER: It is perhaps relevant, if I could, to quickly put in perspective the percentage of reserves that are actually vested in Local Government. Of all the reserves in Western Australia 1 per cent is actually vested with Local Government, 51 per cent are Aboriginal reserves, 40 per cent national parks and conservation reserves, 3 per cent unvested and another 5 per cent various vesting, so even though that seems relatively small in respect of Local Government, it is a very important relationship because it is directly related to the local community. We see that as being a very strong partnership that we want to build on. There is considerable confusion on occasions with people in dealing with roads and reserves as to where the demarcation between Local Government and State Government starts and finishes. We want to break some of those barriers down so we can work more cooperatively and I guess seamlessly and, as we work in an electronic era, to allow facilitation of a lot of those actions and recordings online to work better.

We are arranging meetings at the moment with the WA Municipal Association to build on those partnerships. At the moment the organisation has a good, healthy relationship with WAMA and a varying relationship with some of the Local Governments, and we set out our future plan in our strategic plan. We mailed out to all of you, I believe, in the last few weeks a copy of where we want to go and the partnership with Local Government we see as quite crucial to our future.

Mr SEARLE: The relationship between DOLA and Local Government is not limited to things like roads and reserves. We are actually working with Local Government on a whole range of issues, most particularly the upgrading of the cadastral base of the State is being done in conjunction where appropriate with Local Governments. This year we have done a project with Victoria Park to upgrade the cadastre in that area and that is about the fourth Local Government that has done that. Another issue where we are liaising very closely is rural street addressing. DOLA has been driving a significant initiative through Local Government to ensure that rural properties have a local based street address for a whole range of uses, but particularly emergency services.

The working relationship with Local Government is critical in getting the implementation of that on the ground, so DOLA's relationship with Local Government covers a whole range of areas. Roads and reserves are important, but the information requirement, particularly in terms of digital photography, aerial photography for their planning and land use, is another major relationship we have with Local Government.

Mr TRENORDEN: There have been two very serious fires in my electorate over recent years and one of the critical points was that people did not know with the smoke and the flame and the mayhem that was going on how to get to particular locations, so how do you intend to do that? There was initial talk about putting something on the ground, but in the fire and the smoke and mayhem that may not necessarily be the best point either.

Mr SEARLE: If I may, this happens to be something I know a fair bit about. The nature of the Rural Street Addressing Project is to allocate a distance-based street address to every property in rural Western Australia, the intention being that once you have located the right road, you can actually locate the gateway through the smoke because you know exactly how far it is from where you currently are. This system is currently being implemented.

We have a reasonable degree of coverage and I can provide as supplementary information a map as to the areas that have been covered so far and the plan for next year, but the working relationship with Local Government is critical in terms of putting that in place. It has been funded by a number of agencies contributing to the cost, including Australia Post, the Electoral Commission and a number of others who escape me at the moment. So it is in fact a major step forward and of course the adoption of GPS with the Americans turning off selective availability will mean that that will be accurate to within a few metres and that will also assist emergency services.

[3.30 pm]

Mr TRENORDEN: I was wondering if GPS will be a part of it.

Mr SEARLE: It is certainly an option.

Mr McGOWAN: Minister, on page 802 it details some of the things that have happened involving the release of land in the Kalgoorlie-Boulder and Broome areas, which I assume that the department has been involved in, and the negotiation of agreements with some of the Aboriginal people in those areas. Can you just detail to us what those agreements are, what land has been released for development and what the basic agreement was that was entered into with those people by the Native Title process?

Mr SHAVE: The specific issues, the Native Title process is actually run out of the Premier's Department through that particular unit. Not insignificant is the fact, of course, that DOLA provides the backup infrastructure and information in relation to those issues and it works very, very closely with the Native Title unit. The actual representation in court and at the hearings is undertaken through the Premier's office, so I do not specifically intend to go through the case by case advice on what has actually happened in relation to a specific area, but I am aware, as the member would be aware, that there has been some land released recently and will be released in Kalgoorlie-Boulder and Broome over the next 12 months and the other areas around the State are subject to the Native Title process.

There is the Government's intention in relation to the City of Kalgoorlie to provide a top class golf course for the City of Kalgoorlie. I have been personally involved in those negotiations. A sum of \$3.5m was put aside for the golf course initially and what had been originally proposed was that there would be an 18-hole golf course in Kalgoorlie. What I have been doing is meeting with the people involved and they have made it very, very clear, to properly facilitate what Kalgoorlie-Boulder needs, you really need either a 27-hole or a 36-hole golf course.

Mr TRENORDEN: With some water.

Mr SHAVE: With some water, and of course what you have to be a little bit careful of is the kangaroos eating the grass when you provided the grassed golf course. Notwithstanding that I have had some concern raised with me that if we are going to provide a 27-hole or 36-hole golf course, the requirement for the course will be in the vicinity of \$10m to \$15m. What I have been saying to the department is that it is not unreasonable, when you have an area such as Kalgoorlie, which is a very, very productive centre in terms of this State's economy, if there is some Government land that has been freed from the Native Title process which is currently happening in Kalgoorlie at the moment, that we look at using the funds from those particular sales to provide for the golf course. Some people would say, "I think that that is probably a bit unreasonable," but if you are a reasonable person you would say -

Mr McGOWAN: Minister, I asked you what agreements have been -

Mr SHAVE: Excuse me, you asked the question. I will answer it -

Mr McGOWAN: I did not ask about golf courses.

Mr SHAVE: I will answer it as I want to answer it.

The CHAIRMAN: Order, member. The minister is in the process of answering the question.

Mr McGOWAN: Point of order, Mr Chair, on the question of relevance.

Point of Order

The CHAIRMAN: Yes, the member for Rockingham?

Mr McGOWAN: I asked what are the agreements that have been entered into in relation to the Native Title Act process on page 802. I did not ask about golf courses and kangaroos and the growing of grass in Kalgoorlie. It is obviously of interest to the minister and he obviously has his own personal interests up there, but that is not relevant to the question.

The CHAIRMAN: Member, there is no point of order, I am sorry. Relevance normally relates to the question and not the person who is answering the question. The minister is providing an answer. Please bear with the minister.

Debate Resumed

Mr SHAVE: Mr Chairman, I am disappointed in the member for Rockingham, inasmuch as he cannot recognise -

Mr McGINTY: Get on with it, will you?

The CHAIRMAN: Order, members.

Mr SHAVE: Mr Chairman, if I could just clarify, as I was saying, in regard to the golf course, because it is important to the people of Kalgoorlie, even though the member wants to dismiss it, the price of the golf course probably will come in between \$10m and \$15m. What I have said to the local clubs up there is, if they are prepared to amalgamate and they are prepared to put the land that they currently vest into a proposal to provide the infrastructure that is necessary, we as a Government in conjunction with the local shire will do whatever is possible to provide that infrastructure.

When you talk in terms of the importance of that to the other land holdings in Kalgoorlie, quite clearly if there is a top class facility adjacent to the other land that DOLA controls in that area, then it is quite proper and reasonable to assume that the value of the Government's land in the area will increase, because it is going to be adjacent to a lot of the developments and I think that is in everyone's interests. Mr Chairman, it is a very important issue and I think it is quite proper for me to point that out to the committee.

The CHAIRMAN: Minister, if I could just follow up on the line of questioning by the member for Rockingham, is it proposed that this golf course concept will include a residential component, for example, on the perimeter of the golf course?

Mr McGOWAN: I never asked about a golf course.

Mr SHAVE: It is.

Mr McGOWAN: You are following up on a question I never asked.

The CHAIRMAN: You asked a general question regarding land in Kalgoorlie.

Mr McGOWAN: Let us talk about the tennis courts in Kalgoorlie.

Mr McGINTY: What about bocce? Have you any of them up there?

The CHAIRMAN: Order, members.

Mr SHAVE: Mr Chairman, it is. I find it disappointing that the member for Fremantle, Mr Chairman, can make a mockery of this issue of land and the importance of land to country people.

Mr McGOWAN: You are making a mockery. I asked you about an agreement.

Mr SHAVE: I think that he should take this a little bit more seriously, but having made those few comments, Mr Chairman, in terms of the residential component on the golf course, that will form part of the development. I believe that it will enhance the value of all of the land in that particular area. I also believe in terms of the Government's involvement from a tourism aspect, that that is very, very important also. It is very, very important, Mr Chairman, that when we look at land development and what we do with the land and how we use it, that we look at it on a global basis. We do not just look at it and say, "There is the land. We need to do that." We look at it in terms of what is it going to do for the economy, what is it going to do for the local community, and that was the comment I made in my opening speech. The member for Rockingham was kind enough to reflect on Kalgoorlie-Boulder, which is very close to my heart, and I thank him for that.

Mr SKINNER: In respect to Kalgoorlie in particular the initial project that we are looking at will be some 600 residential lots to meet growth. The minister has referred to the new community facilities and I will not add to that, but in respect to Native Title, perhaps if it is sought I could give an explanation on some of the Native Title procedures throughout the State.

Mr McGOWAN: Really I just asked about page 802 There have been some agreements. I have not read about them anywhere and I was wondering what the details were.

Mr SKINNER: The agreements, as the minister indicated, actually are led by Premier and Cabinet. We play a supporting role. There have been some favourable outcomes from our perspective and we enter into those processes in good faith in regard to some of the benefits, if they are to be sought as supplementary, we would need to check with Premier and Cabinet as the recorder of those agreements. I am not quite sure, Mr Chairman, of the protocol on that but I can respond generally.

[3.40 pm]

Mr McGOWAN: Just a general response. I might place that question on notice.

Mr SKINNER: In respect of Kalgoorlie, there have been benefits provided to the Aboriginal community in respect to provision of land for community facilities for Aboriginal purposes, together with State funding for some infrastructure development to meet community expectations by the Aboriginal claimant communities. Just to run through some of the land development and the aspects of development of land, a number of subdivisional proposals, primarily the subject of a right to negotiate, have been or are being progressed under the amended town site provisions of the Native Title Act. Proposed development in Cuballing, Menzies, Leonora, Merredin, Ongerup, Newdegate, Lake Grace, Pingrup and Hopetoun are able to proceed as no objections were received from Native Title parties, but the process has been followed. The proposed development in Wagin, light industrial, was able to proceed as objections received were withdrawn following consultation and agreement.

Mr McGOWAN: These are the agreements that are being referred to in here?

Mr SKINNER: Yes, and they vary in nature. An objection received in relation to the proposed Exmouth Marina residential development is currently with the independent person for determination in that case and the parties have agreed to accept

that determination. Consultations are proceeding at various stages in relation to proposed developments in 17 other town sites throughout the State, including developments in Karratha and Port Hedland. It is expected that agreed outcomes will be reached over the Karratha and Port Hedland matters without referral to the independent person for determination; again a very positive outcome, I think.

Negotiations and consultations commenced in April-May with Native Title claimants covering major proposed industrial and infrastructure proposals at Maitland and at Burrup, Shire of Roebourne and Bedarri, the Town of Port Hedland, and the CEO of LandCorp has just passed me a note also to indicate that the Kalgoorlie industrial Mungari Estate has just cleared Native Title as well.

Mr McGOWAN: That was via agreement that is being referred to there? Is that correct?

Mr SKINNER: Yes.

Mr TRENORDEN: Minister, I would like to ask a question about the Avon Industrial Park, which is a LandCorp issue obviously. Page 802, Chairman, the third dot point, development of land in the regions. Can you give an indication to what is happening with the financing of the industrial park? Has an agreement on the budget been struck that will enable the immediate financing of infrastructure within the park?

Mr SHAVE: Yes, member. I think it is probably more appropriate to handle that matter when the LandCorp people are here.

Mr McNEE: Minister, on page 802 you talk about your new digital land information and it mentions certain areas you can help in, it says, for decision-making in key areas such as emergency services, resource and environment. I thought there was some assistance out of the digital system that was going to give some information on salinity. Perhaps I should not ask that sort of question but it has gone across my mind. I have been reading this and I was wondering if you would be able to comment on that.

Mr SHAVE: I notice the member for South Perth is here today and from my observations of one of the local papers, that has been something he has raised. I will ask first Mr Skinner to comment and then Mr Searle because both of them have been involved in this issue and salinity is a very important issue. It is important that we are aware of the level of salinity, the problem we have, and certainly with the technology that DOLA has it is in a very well-placed position to provide the information that might be needed for the benefit particularly of the Environmental Protection people, so I will ask Mr Skinner to comment first and then I will ask Mr Searle if he would comment.

Mr SKINNER: To answer the point on page 802 that you originally raised, and I will deal with that first if I can and then come back to the specific of salinity, the issue of land information being available to support decisions is actually the area again of the WA Land Information System and the integration of data to allow sound decisions in the community. The basis of whether you site a road or a port or a dam and that sort of infrastructure is very much influenced by the quality of information you can generate to base that decision and location on, so therefore things like vegetation, contours, ownership, all the things that go into an integrated Land Information System are vital to both Government and private sectors in the work they do in the community.

All too often I think it is undervalued as a form of infrastructure. Land information is a form of infrastructure and it is vitally important for those reasons. What we are looking at now is increasingly the provision of that online and in respect to the WA Land Information System there is a potential now to do customised mapping through the WA Atlas, which is available on walis.wagov.au. It is a great site. That provides whole of Government and Local Government information to allow that aggregation and integration and interpretation of data. That is vital and I think it is essential, if people have not been to see it, that they visit that.

More specifically in regard to salinity DOLA has been heavily involved in salinity through a range of reasons, both in the provision of land information directly, and that has been done basically for salinity monitoring and management. We have been doing height mapping over agricultural regions to help farmers plan water courses, is another example of our application of land information, and of course satellite imagery to monitor salinity in partnership with six other agencies. That totals \$1m annually that is put into that.

If I can on the salinity, it is covered through things like land monitor support, through the provision of processed satellite data over the agricultural region for three-year monitoring of salinity. There is also completion of height mapping over the agriculture region to two-metre accuracy, covering Esperance region, Albany area, Augusta and Manjimup areas, Mukinbudin and the eastern region Busselton to Gingin. Again we have provided in this area \$150 000 in this year's budget and have allowed further expenditure of about \$200 000 if resourcing within the department is made available, which we will be doing, and of course land care support through the land care groups, through the provision of air photography and topographic data in digital form to assist management, and that is provided only on a cost recovery basis, and now we are increasingly providing online access for digital air photography, through Image Web server technology and we are looking at providing that on a cost recovery basis as well, so we have been doing a lot of work in supporting salinity. We are also represented on the salinity group.

Mr TRENORDEN: It is outstanding stuff. I have seen a lot of it and it is very good and it has helped people enormously.

Mr SEARLE: Two key roles from a DOLA perspective in the salinity action plan are the identification of heights, because recharge areas are a critical matter and they are height-determined, and the second one is the processing of satellite data.

DOLA's remote sensing group is without doubt the leading remote sensing analysis group within the country and what they are able to do, from interrogating the digital signatures returned from the satellite images, is to identify the nature of the ground cover, so not only can they identify by the brightness reflectance values those areas that are affected by salt but they can also identify variation in crop growth across a paddock, which provides a whole new range of tools to a farmer in terms of applications of fertiliser and those sorts of things.

Mr TRENORDEN: Economic viability for farmers.

Mr SEARLE: Absolutely, so they do not waste the application of fertiliser in their paddocks, and in fact DOLA's skills in this area are at such a level that they provide crop predictions for the Australian Wheat Board across the whole of the Australian continent, not just WA.

[3.50 pm]

Mr McGOWAN: I have one more question, and you might have to provide supplementary information. It will be difficult to answer here. It is to do with the budget in this financial year and each of the next three forward estimate years for advertising, consultancies and travel for departmental officers. Have you set aside certain amounts for each of those?

Mr SHAVE: I will ask first Mr Skinner to comment on that and then Mr Smith. But I do want to point out to the member that when you talk about what you are going to budget in future years on travel and consultancies, particularly in the Lands portfolio, if you are running the prospect of getting technology put into some of these developing countries and you are suddenly successful, it is very difficult to say next year or the year after we would anticipate that we are going to spend \$1m, \$2m, \$3m. To give you an example of that, when I visited Hanoi recently and talked about the possibility of providing the Vietnamese with certain information and providing a system of land information and registration to the particular prefecture, they operated in quite an interesting way.

There is a lot of autonomy, and in an area such as Vietnam you have to try and get in on the ground floor, get one particular area to accept it and then, of course, you get the opportunity to go next door. It is not a matter of going and dealing with the central Government, because the bureaucrats in the old South Vietnam or Ho Chi Min City think differently to the bureaucrats in Hanoi, and there is no coordination in terms of their land administration. In fact, there is no title system in many circumstances. To talk about what you might spend if we were successful to get a development going in Hanoi, assisting them with a project, what we would do is look at the cost in terms of the time to administer what they require and then weigh up what was needed to be spent in sending people over there.

A lot of that will be very fluid. It is going to be very difficult for anyone to make an estimation along those lines, but I will get Mr Smith to give you whatever information he can. However, I make the point that expenditure is a difficult area because we just do not know. If we were to establish something in Hanoi on a permanent basis and we ended up getting 20 or 30 different areas to set up land titling systems with them and for them - and that is what we are currently endeavouring to do - then the cost of sending people over there and getting people to administer what is required would cost a certain amount of money.

I can say that whatever the cost is, the way we progress these particular matters is try to make them at least cost neutral, so if we are going to spend the money, we either want to make a profit out of it or we want to recover our costs through obtaining grants from the World Bank or getting the Vietnamese to put something in, if they so wish. The problem with these developing countries is that very often it is all one way. They like to think that developed countries such as Australia are there just to provide aid to them, without the country actually benefiting at the other end. That is a bit of a problem, but I will ask Mr Skinner first to comment further, and then Mr Smith.

Mr SKINNER: We will take that as a supplementary and provide the information sought. By way of explanation, in respect to travel, the minister has touched on that area. The other thing is that, as an administrator of land across Western Australia, we obviously have a lot of internal travel, and a lot of that has been generated by Native Title, often at very short notice; attendance at mediations and consultation processes.

Mr McGOWAN: But you do budget for these things?

Mr SKINNER: We do budget, but in respect to Native Title, for example, we obviously have regard to the fact that for some of those we cannot accurately forecast all our estimates, as the minister has indicated. In respect to advertising and payment of that, there are elements of advertising that DOLA is statutorily required to do, and there is quite a bit of that in respect to Land Titles processes; notices before we do certain actions. Of course, advertising for Native Title has been a tremendous impost on our budget.

Mr McGOWAN: If I could seek information on the other point which I forgot before: I notice here you have budgeted \$6.5m this financial year - page 801 - on capital expenditure, and that is going up in each year after this. Can you give us a breakdown on what those budgeted amounts are to be spent on for each of the four-year forward estimates? It is a similar sort of question. I want to know what you are going to spend that money on. If you put in the budget that in 2003 you are going to spend \$24m on capital items, you must have an idea of what it will be. If you can provide that by way of supplementary, I would appreciate it.

Mr SKINNER: Certainly we have budgeted that out and estimated it, and we will provide that detail.

Mr SMITH: Essentially, a lot of that stuff relates to some of the e-commerce initiatives we are looking at doing in the future. There will be some land development as well, but the e-commerce initiative is in terms of capturing the Crown titles

for all Government lands so that we can better manage the Crown estate. We will certainly take that as a supplementary question.

Mr BLOFFWITCH: Minister, can I search a title on the Internet at the moment and, if I cannot, when do you think I will be able to do it, and what other information via the Internet is DOLA supplying? Being from a regional area, of course, it is not as easy to jump into the Titles Office and search a title, so it would be very handy if we could do that.

Mr SHAVE: Yes, and I would like Mr Skinner to make a few comments, but I will get Mr Searle to comment on that also.

Mr SKINNER: It is highly relevant. I think it is important to set a scene on this. We have a very efficient electronic titling system at the moment. Unfortunately it is not digital and it is not online. The decision - and very well supported by the previous Government, and it was the vision at the time - to create a Register 2000 was a \$13m project for image-based archival and retrieval systems for the Land Titles system. That was brought into production in 1991-92 and has proved to be very efficient, and has bought us a significant amount of time. It has been very successful with the industry in particular, but what it has not facilitated is private individuals getting access over the Internet.

Of course, when that was first scoped and developed, the Internet was hardly even thought of, certainly not its applications in a business sense, the way it is now. What we have now done is review that. We do have paper-based titles backing up that image system which are still done and, bear in mind just briefly that we make some 300 000 changes to land titles every year - that is one every 30 seconds - and we do land title searches electronically at the moment - 1 000 000 land title searches a year, and that is one every 10 seconds. But they are not online. Our move is to capture these paper documents, and we are about to let a tender. We have reached agreement and have CAMS approval - Contract and Management Services - to proceed with that contract. That is in our budget; the money is provided - \$6.5m over two years - to capture that and that will then allow us to move into the SmartRegister. I think at this point it is probably relevant as the project sponsor and director that my colleague Grahame Searle deals with the particular of that SmartRegister which is the online digital system.

[4.00 pm]

Mr SEARLE: It is right at this point of time that you cannot search a title in Western Australia over the Internet, but if you are a regular DOLA customer, you can in fact search titles on line wherever you are in Western Australia using our customer remote searching system, so it is possible to do it.

Mr BLOFFWITCH: If I go into the DOLA office, I can do it there. Is that right?

Mr SEARLE: No, conveyancing agents and settlement agents and solicitors and banks can sit in their office and currently dial up the DOLA systems and download images. However, DOLA is very focused on the need for online service delivery and particularly in a State the size of Western Australia. That is our focus. SmartRegister is the major component. There are 900 000 titles in Western Australia. There is a significant task of work in converting those into digital format and the contract for that is currently being negotiated. We have in fact already developed an online shop at DOLA and the first of those products was released about a month ago with fishing hot spots, which is using our satellite data, but this year in this set of budget estimates we are looking at things like getting our tourist maps online and being able to be downloaded over the Internet, the manuals, for titles production to be online so anyone wanting to transact in titles can download that; geodetic mark information for surveyors online and, more particularly, aerial photography online. So we hope to have the whole of the Perth metropolitan region current photography online on the Internet available to be downloaded and paid for over the Internet.

Mr BLOFFWITCH: It will be digital, will it?

Mr SEARLE: It will be.

Mr BLOFFWITCH: That will be nice and clear and accurate.

Mr SEARLE: Yes, and that is to supplement our accuracy. We will also have available satellite imagery of the more remote parts of Western Australia. Given the size, photography is not an appropriate means of coverage.

The CHAIRMAN: Just a quick follow-up question on that. Will it be possible to lodge transfer of land documents electronically or not?

Mr SEARLE: It will eventually but certainly not in this budget period.

The CHAIRMAN: No, because there would be problems in terms of satisfying yourself, of course, that the signature on the transfer was the correct signature of the relevant party.

Mr SEARLE: Absolutely; digital signatures are currently not that widely accepted to be able to put that into play at this point in time. I should add though, if I may, that the Australasian registrars of titles do currently having a working party meeting to work through the issues of electronic conveyancing, so hopefully in the next couple of years we will come up with a report that will enable that to proceed and hopefully include the whole of the settlement process in that transaction.

Sitting suspended from 4.05 pm to 4.20 pm

Mr TRENORDEN: On page 805, the first dot point is, "Work has commenced on a land demand forecasting model". I am pleased to see that, Minister, but could you give us some description? Is that going to include rural, certainly in my part

of the world, and urban land? I presume obviously it is going to be residential, light industrial, commercial and heavy industrial. It is a painful issue within my own electorate, planning the demand and particularly convincing people that there is a demand.

Mr SHAVE: I will defer to Mr Skinner in a minute, but I do want to make the point that it is a difficult area and I think particularly, member for Avon, in your particular location it is important because I think there is going to be a significant increase in the number of residential people living in your area.

Mr TRENORDEN: There certainly is.

Mr SHAVE: I think people have focused mainly on the coast and the development of land up and down the coast but I do see the Avon area as a particularly attractive location. That is one of the reasons why I have been very keen to see that the industrial park that you have been working so hard to establish is coming to fruition now. When that land is opened up I think that is going to help your situation for your electorate but I will certainly get Mr Skinner and Mr Searle to comment on that further.

Mr TRENORDEN: It obviously creates some pressures.

Mr SKINNER: I think it is fair to say that in the past DOLA's methodology in doing this was not overly scientific. I would be the first to admit that. We relied on contacts, with our regional managers going out and meeting with local members, meeting particularly with Local Governments as a prime source of information about land demand, doing no sophisticated surveying of potential public customers to try to determine that. With due acknowledgment to LandCorp, we were aware that they had quite sophisticated land forecasting modelling and we were prepared to try and learn some of their experiences and share that. We have worked quite hard now to develop a land forecasting model and to introduce that in a more scientific way. It allows forward budgeting in a far better way.

The difference from us to LandCorp is important. I think that is one of the things that you as the local member understand. Unlike LandCorp perhaps we are not just driven by commercial objectives. We do have an obligation to make land available through a range of towns which a commercial developer or a private developer probably would not approach.

There are elements of community service obligation in that but DOLA's role is actually more balanced in trying to make our money go as far as we can across a balance of land developments. I would ask the director of service delivery, Grahame Searle, to make some comments as well.

Mr SEARLE: The key factors here are not just the forecasting model but also the evaluation model for land development. It is not only making sure that there is a market and a demand for a particular type of land but also that the development of that is not going to be too burdensome in terms of whether it makes a profit or loss within that particular development.

Mr TRENORDEN: What about the identification of the actual land though? That is part of the debate. I guess in the metropolitan area that is consequential to a degree but if you get a place like Avon or Bunbury or Geraldton, there is an extra element. Somebody has to make a decision about where the land is going to be.

Mrs SEARLE: Absolutely. What DOLA has done in its land administration services area is actually go to a regional model. We now have regional models with dedicated teams working in each of the six regions within the State. Those regional managers are establishing direct relationships with Local Government in particular, to work with Local Government in terms of both the demand forecasting and the allocation of land in terms of siting and where it suits the planning at a Local Government level as well. We are working very hard on establishing those regional relationships, rather than being just one big department that Local Governments have to deal with.

The other point I have been reminded of is of course that DOLA develops Crown land, so it is where there is Crown land that is available and where that land is freed from the restrictions of native title as well which has been a significant issue that we have had to work through across the State. That can sometimes limit the availability of land, especially in the short term.

Mr McNEE: My electorate, Minister, is on the southern end of Gingin and the Bindoon area, pretty much in a development phase and there are lots of questions being asked about utilisation of land and so on. If I am on the wrong tram, please tell me, but I have had complaints. I understand about WALIS. I would like to know what WALIS is. I understand town planners use it quite frequently. If I say "complaint" that is not quite the right word. In the discussions I had with some of the shires they mentioned to me that there is a charge for the use of the thing. They probably did not use the word "club" but if you belong to some thing or another you can get it cheaper. I would like an explanation of that because I frankly had not heard of it but it is quite an important issue around my electorate.

Mr SHAVE: It is a very big issue and it is very important to your electorate. I will get Mr Skinner to give you an overview and then perhaps Mr Searle would like to make a few comments on it.

Mr SKINNER: WALIS was something I did allude to earlier on. It has been up until this point of time a cooperative arrangement. It has no statutory basis and it has been in existence for probably 15 years. Originally those organisations which provided land information got together to work out how they could provide information better, allow it to be integrated and allow it to be timely, accessible and reasonably priced.

It is information which agencies gather to do their business primarily, so DOLA gathers cadastral information as part of its

business and it is then making that information available elsewhere in Government. That is how it originally started. Then it grew to the point where Government-using agencies, those agencies like Resource Development etcetera who want to use information, joined the WALIS cooperative arrangement, so that they then got the benefits and the basis of cost of extraction and distribution without paying a commercial charge for that.

Then increasingly Local Governments became involved and Local Government has now been represented for a considerable number of years through the WA Municipal Association to represent all Local Government. Up until this point in time, if Local Government - and you have correctly touched on that - wanted information, they had to pay for it at the same commercial rates that private users would pay for it.

State Cabinet quite recently has approved a change to that policy. There was a review undertaken independently by Treasury to assess the impacts of national competition policy, changes in Government structures and particularly the relationship to Local Government. As a result of that review, the State Cabinet approved to come into effect from 1 July this year the basis that Local Governments will get land information on exactly the same footing as other State Government departments, so they will not be disadvantaged.

The other side of that coin, if I can just comment, is that therefore there will be obligations on them as providers of information. They gather and hold some very important land-related information that they also contribute on a reciprocal arrangement on the same basis. We are going through with the WA Municipal Association right at this very moment this month on a training program and looking at the introduction so that Local Governments know and understand the new pricing policy and what it actually means for them and the benefits. They will start now using information for smaller councils. It means they do not have to necessarily engage another private sector agency to try and provide that data for them and also some of the bigger councils like the City of Stirling or Wanneroo-Joondalup actually take DOLA's data in particular, take it once and then maintain it so that it is a duplicated data set.

What this will encourage through price equalisation, so to speak, is that it will be to their benefit. As DOLA's systems come up in particular, they will take our data on a regular update without having to maintain and duplicate data sets. What happens is that that duplicate data set then often is not made available to the rest of the community and we start having I guess haves and have-nots. This policy equalises all that.

[4.30 pm]

Mr SEARLE: For my sins I am a Victorian. I have only been in Western Australia a couple of years. The thing that impressed me most when I arrived in Western Australia was in fact that WALIS was in existence and had been in existence for so long and that Western Australian Government departments took a sharing attitude to data and would rather work cooperatively than develop fiefdoms and kingdoms in terms of land information. I think that is a really excellent thing that has been going on and WALIS has been the focus and the forum that has enabled that.

Not only does it work in terms of the distribution of information, but it also works in terms of the State Land Information Capture Program where, through the WALIS forum, departments meet and discuss what their priorities are to capture data across the State in the next 12 months and actually agree a priority list to fund that data capture. I think that is the key differentiator between Western Australia and the other States and it has worked very well. The expansion to include Local Government I think is critical. Local Government do hold a lot of source information at the base level about individual parcels and their incorporation in the scheme is a great initiative.

The CHAIRMAN: Minister, I have a question concerning the last dot point on page 802. It refers to the management of DOLA's intellectual property rights, so to speak, and the fact that intellectual property rights are generating some revenue streams for DOLA. Is it the case that all such property is owned by the Crown in the right of the State of Western Australia? What steps are taken to protect the intellectual property owned by the State, particularly in relation to intellectual property developed by consultants, in other words, outsourced entities, so to speak? Perhaps you could explain that, Minister.

Mr SHAVE: This is more an administrative area, while it obviously impacts on the budget on a global basis, but I will ask Mr Skinner or Mr Searle. If you would prefer to handle this, I am more than happy for Mr Searle to handle it.

Mr SEARLE: DOLA has been very conscious of its intellectual property and capitalises on it in a number of ways, but it also protects it as extensively as possible both through copyright and through contractual agreements. Wherever work is done for us by a contractor, there are clauses in that contract protecting the intellectual property for DOLA within that contract. We are actually value adding in terms of things like StreetSmart, the street directory now produced by West Australian Newspapers, DOLA's intellectual property, but commercialised by a private sector organisation, so again we have protected our intellectual property, but given the private sector the opportunity to market and capitalise on that input of intellectual property.

The CHAIRMAN: Perhaps I should not refer to this directly, but I heard on the radio this morning of a company based in Townsville, Queensland, that is now marketing a streetscape system for all houses, ideally ultimately for all houses in Australia, whereby all pictures of all houses will be on the Net. There will be streetscape scenes on the Net. It just seems incredible to think that they can access this sort of information. Has DOLA been contacted by this company to see whether or not it can obtain any of its intellectual property resources to develop this system over here?

Mr SEARLE: DOLA gets approached by large number of commercial organisations almost on a daily basis in terms of access to our information and the ability particularly to onsell that information. We have had approaches from an organisation who are interested in streetscapes. Whether they are in fact the same one I cannot tell you, but we are regularly

contacted for our land information in general. Street Address is a key data set that a large number of private sector groups want access to and our digital aerial photography there has been a significant number of approaches.

Mr TRENORDEN: Page 807. Could you tell me what the SmartPlan system is? I ask the question because I see it is collected under "Land Information". That obviously is not part of the planning process. You are part of the process, but you are not planners.

Mr SHAVE: Once again this is an area that is being implemented by Mr Searle and I will ask him to speak to your question.

Mr SEARLE: DOLA is currently running three major IT projects, but two of them that are particularly important are SmartPlan and SmartRegister. Basically SmartPlan is redeveloping the cadastral base for the State in a new system. Where our systems in the past have been mainframe based systems for the cadastral base and a series of complementary hard copy maps, we are now converting all of that information into a new system under the heading SmartPlan which is being built for us on contract by ESRI and that will provide a digital cadastral map base which will be updated in real time and have the ability to be distributed over the Internet so people can come in and search and download the cadastral base or portions of it in real time. It will also then have the ability to link directly to the title system so you can access the map. You will be able to access the map base, point to a particular parcel of land and then download the title information for that parcel and pay for it, using your credit card.

Mr TRENORDEN: Would it not be useful also, with your descriptions earlier of WALIS and other organisations to have Local Government planning issues in there as well, so if you are looking at a block, you know how it is zoned?

Mr SEARLE: One of the prime goals in DOLA's strategic plan, which hopefully you have all seen, but it has certainly been circulated widely, is to try and focus through online service delivery the range of conveyancing related information through one window or doorway or whatever piece of jargon you wish to use, so you can actually dial in and choose which sets of data you want access to. Things like whether there are rates outstanding, the amount of the rates, the planning information, the title information, you should be able to get through one interface and that is something DOLA is working on quite constructively with a range of other Government departments, both local and State-based departments.

Mr TRENORDEN: It is an important issue in my electorate too because Local Government has different planning rules from Local Government to Local Government. What happens in the Avon region is, people decide from Perth they want to live in a particular area and they ask questions about the requirements of Local Government and State Government and to a lesser degree Federal Government, and find out when they purchase these places the rules are not as they seem. Really what I was asking you is, are you going to be able to gather that holistic information on a database because people will in the future search databases for places to live, places to grow grapes, places to do whatever they are going to do, and they will want all the information?

Mr SEARLE: Our intention would not be to create a single, central database. The effort in both creating those databases and maintaining them is excessive.

Mr TRENORDEN: You can have your linkages, can you not?

Mr SEARLE: Exactly. What we would be intending to do is establish a distributed network whereby each of the agencies which had responsibility for the data provided that data and what we would be intent on providing is a gateway in a set of distributed networks that would enable that data to be collected and brought back together for delivery to the client. The electronic "advice of sale" system which DOLA currently operates with the Water Corporation and State Revenue is designed particularly to do that. It goes and gets information from those systems and brings them back and provides them to our customers for conveyancing type purposes. Expanding into Local Government is in fact a really difficult area, given the diversity of systems within Local Government. They do not necessarily talk with one voice. It is a bit difficult.

Mr McNEE: Minister, in my electorate it seems to me in the time I have been there we have changing demands for uses for land. They want to establish horticulture industries up there now. I am just looking at your point there at page 805 and it fits in with the question from the member for Avon. 805 -

Work has commenced on the development of a land demand forecasting model.

That is what the public are looking for. They want to move perhaps from Spearwood to Gingin and they want to carry on their vegetable growing enterprise. The trouble is getting a block that has sufficient water. It would be good to be able to tell people, "All right, this land here is suitable for doing what you want to do. It now has a water allocation." I realise that is running over to the Minister for Water Resources, but it does seem we need to tie all these things together because it seems to me there is some difference of opinion between the purchaser of the land and Government departments. We need to tease through all of that and see where we are at.

Mr SHAVE: I have actually been dealing with an issue up in the hills just this side of Northam. Mr Skinner may not have been aware, but one particular gentleman wanted to subdivide his property and put vineyards in the area. Of course water becomes a critical issue, so when we are looking at those sorts of issues they are done in conjunction with the Environmental Protection people, but also with the local shire. I will ask Mr Searle to comment further on it, but this gentleman has been trying desperately for some two to three years. He has done all the tests and he believes that he can establish a successful industry up there, wine growing industry, although I would have thought in that location with the frosts it would get a bit cold, but he is convinced that it can work and he wants to do it. At the end of the day you have also got to have regard for the other people who have been using that land and adjacent pastoral land for specific uses over 50

or 100 years. I will ask Mr Searle to comment on that, but the water issue is generally the issue that prohibits the establishment and number of these proposals and that can cause problems. Would you like to comment further?

[4.40 pm]

Mr SEARLE: DOLA gets involved in a wide range of land development activities and what we have tried more and more to do over the last few years is to establish working parties with a range of Government departments sitting on them, so particularly with the Fisheries things that have just happened across the north of the State, there are working parties in the Ord and those sorts of things where DOLA is involved as part of the land use planning activity. We try and make sure we get as many people around the table as we can to start with. It does not always work to the satisfaction of those people wanting the land, but more and more there is a cooperative working arrangement between departments to try and facilitate those sorts of development activities but we are not always successful.

The CHAIRMAN: Minister, a question following on from earlier questions regarding the same thing. I refer to page 802, the second dot point from the bottom of the page. Minister, it is all very well and good to say that the land titles system will go online, but many constituents have complained to me over the years about the fact that if they want to search specific things it is a two or three-step procedures. For example, if they want to search a title to land to determine whether or not there are any restrictive covenants registered on the title and then what the terms and/or conditions of the covenants are, they have to search the title, of course, then search the restrictive covenant.

The same applies in respect of caveats, of course. They may see a notation in the encumbrance box to the effect that there is a caveat registered on the title. They then have to search the caveat and in many cases a statutory declaration sworn in support of the caveat to find out why it was the person believed they were justified in registering the caveat. What is the possibility of, for example, making these restrictive covenants, the full text of the covenants, and also the full text of the stat decs sworn in support of the caveats available online as well? That way it would truly be more of a one-stop shop. I would not expect mortgages, for example, to be available online, but I cannot see why restrictive covenants and caveats and for that matter easements cannot be available online, the text of the documents.

Mr SHAVE: I will ask Mr Searle to answer that question, because that is specifically an area that he is handling.

Mr SEARLE: Within the SmartRegister project we have got a number of different things we are trying to explore. Particularly in terms of caveat endorsements, we are trying to expand the caveat endorsements to get as much relevant information available on the title to try and limit the need for people to then go and see the caveat. The nature of the claim, for instance, we will be bringing forward onto the title, so that hopefully that will limit the number of times people need to access the image of the caveat itself. Easements are a much more difficult problem because there is such a spatial component to the vast majority of easements. The intention of SmartRegister at the moment is to give as much information as possible in the endorsement but then to provide direct access to the image at the same time so it will just be, we hope, a matter of pushing a button to get the image of the document you require as well, which will be far more efficient than the current process.

The CHAIRMAN: The same applies with restrictive covenants? Did you deal with restrictive covenants?

Mr SEARLE: Yes, again, the intention is to bring as much of that information forward as possible. The Torrens principle is based on not having to go behind the title and the intention of the SmartRegister is to try and bring that information forward as much as possible. In some cases the information is just too complex and there will be a need to go to the supporting documentation.

Mr TRENORDEN: Have you got a time span you are talking about?

Mr SEARLE: The first phase of SmartRegister is currently in acceptance testing. We are currently negotiating the contract to do the data conversion of the 900 000 freehold titles we have. Our expectation is it will be about two years before all of that data is collected and checked, but we believe the first of the titles, which will be strata titles, because they do not have a diagram currently, should be online towards the end of this calendar year.

The CHAIRMAN: If I could just return, Mr Searle, to the issue of caveats. Earlier this year there was a report in *The West* regarding a constituent of mine who was complaining about the fact that it seems too easy for people to go out and register caveats on titles to property. It seems it is just a matter of swearing a stat dec, giving DOLA the impression that the person who swears it has a very vague equitable estate or interest in the property and DOLA, without perhaps checking too hard, will register the caveat on the title of the property. Then, of course, it is a devil of a job in certain circumstances to get the caveat off the property. Would you comment generally in response to that, because it is very much a topical issue, particularly in circumstances where the caveats are lodged as part and parcel of Family Court proceedings. That is one well-known example, of course. What are you planning to do to free up the system, so to speak?

Mr BLOFFWITCH: The other thing that I would like to add is why is it as the owner -

Mr McGINTY: Come on, this is a farce and a joke.

The CHAIRMAN: Order, members.

Mr BLOFFWITCH: You think it is a farce and a joke. I do not.

The CHAIRMAN: Order, members.

Mr McGINTY: Can I say it is a great pity that such good department as this is being used so politically.

The CHAIRMAN: Order, members. The member for Geraldton will come to order. The member for Fremantle will come to order as well.

Mr McGINTY: Stop this face, Mr Chairman. It is getting beyond a joke. It is about time you started to conduct this in a proper way so that we can deal with all the matters which are before us.

The CHAIRMAN: The member for Fremantle will come to order.

Mr McGINTY: It is about time you starting chairing this meeting -

The CHAIRMAN: I formally call the member for Fremantle to order for the first time.

Mr McGINTY: You have not got the power, and you know that.

The CHAIRMAN: Mr Searle?

Mr McGINTY: You know you have not got the power to do that.

The CHAIRMAN: Order, member.

Mr McGINTY: Why did you do it?

The CHAIRMAN: Order member.

Mr McGINTY: You are making more of an ass of these proceedings.

The CHAIRMAN: No, not at all. No, I have the power. I was advised last year by the Speaker that I do have the power to do that, that the standing orders in respect of proceedings in the Chamber apply equally to committees.

Mr McGINTY: What a joke you are making of this whole thing.

The CHAIRMAN: I am waiting on an answer to a question, member. Mr Searle, if you could respond to the answer.

Mr BLOFFWITCH: If I could also ask you, why is it that as an owner of a property, as I discovered one on a property that I own in Perth, someone can lodge a caveat and as the owner I am not notified?

Mr SEARLE: There are a number of questions there and I will try and go through them in some sort of order, if I can.

Mr SHAVE: Do not be rushed by the member for Fremantle.

Mr SEARLE: Thank you, Minister. The first issue is the issue of the lodging of the caveat. DOLA's role is not to ensure that the claim that is established in the caveat is in fact valid. DOLA's task under the Act, if it is supported by an appropriate statutory declaration, is to record the caveat. We do not look behind the claim in the statutory declaration, we just make sure we have a declaration. The second part of that question was the difficulty in removing those caveats. There was an amendment to the Act in 1996 which makes the task significantly easier to remove a caveat. If the registered proprietor lodges a declaration and an application under section 138B of the Transfer of Land Act we will then send notice to the caveator giving them 21 days to establish the nature of their claim or else we will remove that caveat by a court action. That makes the process much easier for the owner, whereas in the past they had to go directly to the court, and reduces their cost.

In terms of notification of the caveat, the Department of Land Administration will send notice of a caveat to the address for service of notices on the title. I can only suggest that maybe the Honourable Member has changed address since he purchased the property and therefore the caveat notices may have been sent to the old address, but we do send notices.

Mr BLOFFWITCH: No, probably the lessee was at the property and he would have got the notice, not me. So that is handy, is it not?

Mr SEARLE: But DOLA does send a notice to the address for service of notices of all caveats that have been lodged.

Mr McGOWAN: Considering it is now 10 to five and we have spent an hour and 50 minutes on this particular division, would it be appropriate that we move on to the next division now, considering we do have time limitations on these matters?

Mr SHAVE: Is LandCorp the next division?

The CHAIRMAN: Yes, we do have to deal with LandCorp matters.

Mr SHAVE: I am as keen as mustard to do that.

The CHAIRMAN: Beyond that, we are sitting of course again tonight from 7.00 till 9.00 pm, but it is up to the members, of course.

[4.50 pm]

Mr SHAVE: Mr Chairman, I am happy, if the members have got any more questions on the Department of Land Administration, that they finish them up by say 5 o'clock and then if we have half an hour for any questions on LandCorp and move on to the next division after that.

Mr TRENORDEN: I have a number of questions on LandCorp.

Mr SHAVE: That is fine, but I think it is quite appropriate that if you have any other questions on DOLA, to try and frame those questions to finish at 5.00 please.

Mr BLOFFWITCH: Salinity is a very big problem. What projects do DOLA have? Are they doing it on their own, some of these projects, or are they working in conjunction with other departments?

Mr McGOWAN: You really are dredging the bottom of the barrel now, are you not?

The CHAIRMAN: Order, members.

Mr McGOWAN: What a joke of a question.

The CHAIRMAN: Order, members.

Mr McGOWAN: Are you not embarrassed even asking that?

Mr BLOFFWITCH: You do not think salinity is a problem?

Mr McGOWAN: Are you not embarrassed by that?

Mr BLOFFWITCH: You do not think salinity is a problem?

The CHAIRMAN: Order, members.

Mr BLOFFWITCH: That is what sort of a goose you are.

The CHAIRMAN: Order, members.

Mr McGOWAN: Just detail your property that it affects so we can get some -

The CHAIRMAN: Order, members.

Mr SHAVE: Mr Chairman, it is a major problem and I know that the member for South Perth would be very disappointed with the light-hearted way the Labor members are treating this issue because it is a major issue and I will ask Mr Skinner and Mr Searle to make some comments in regard to it.

Mr BLOFFWITCH: Thank you.

Mr SKINNER: I did detail some of this earlier on, but to summarise in particular the question that you asked, it is a whole of Government approach. The State Government has put considerable money into dealing with salinity and to try and make it as effective as possible and avoid duplication it has got together a Salinity Council with private farming representation as well as Government representation. Sitting below that is a chief executive officer coordinating group, of which I am a member, and then below that again is a senior officers group. They meet regularly to deliver the outcomes set by the Salinity Council and in DOLA's case, as I had indicated previously, that obviously includes provision of land information and in particular again satellite imagery to help both monitor changes to ground properties and also to allow for the provision of information for on-the-ground management by land care groups.

Mr SEARLE: The major project involved in that is called the Land Monitor Project. It is through the provision of processed satellite data for the agricultural region. It is using a three-yearly monitoring of salinity. It is in fact a seven-agency partnership and it costs about \$1m per annum to provide that data.

Mr SHAVE: I would like to, Mr Chairman, thank Mr Skinner and Mr Searle and I would like to apologise to these two people for the behaviour of some of the people at this committee meeting.

Mr McGOWAN: It is just a pity you used them as pawns. You should not have done it -

The CHAIRMAN: Order, members.

Mr McGOWAN: They did not deserve it and you should not have done it.

The CHAIRMAN: Order, members.

Mr McGOWAN: You should not have done that. Your questions were just stupid.

The CHAIRMAN: Order, members.

Mr TRENORDEN: Minister, the reference is page 802. The Avon Industrial Estate is not reflected there. It must be a typing error, Minister. Minister, has agreement been struck in this budget on the financing of the Avon Industrial Park between LandCorp and Commerce and Trade?

Mr SHAVE: Yes, Mr Chairman, I am pleased to announce that the funding is in hand. I know that Deputy Premier Cowan has a few minor issues to resolve but in general principle the proposal is going ahead. Mr Holt would be more appropriate to talk on this issue other than yourself.

Mr HOLT: Probably not many people know about the Avon Industrial Estate, acquired back in 1993. It is 400 hectares, 18 kilometres east of Northam and it is what we call a special industry estate, not unlike Robb Jetty and Jervoise Bay. It

is different from the Canning Vale type industry category. We have been looking to commence development for quite a number of years. The catalyst for development has to be industry wanting to come into the estate. The Ashton group at one stage seemed very promising but then that went away.

Mr TRENORDEN: Not totally. They are still there. They will be there in October.

Mr HOLT: They have come back. Right throughout that a group called the Avon Community Development Foundation, which is 10 Local Government authorities in the Avon, have been contributing funds to a trust fund in an endeavour to get up the Avon Estate, encourage employment and investment in the Avon. That seems now to be imminently going to happen in that there are a number of prospects for people who wish to acquire land and develop industries in the Avon Estate. It is quite a complicated funding arrangement that has been agreed. LandCorp, as you may be aware, under its statute has to achieve a minimum hurdle rate of return on any of its projects. That minimum hurdle rate is lower than what a private developer requires.

In this case we have run the feasibility on the project. There is a substantial gap in terms of its commerciality. The real benefit for this estate is the employment and investment stimulus that it gives to the region as well as the State, particularly given that industry that is coming in there may otherwise not locate in WA. The ACDF, Avon Community Development Foundation, has agreed to provide \$400 000 in funding. There is further support through the Department of Commerce and Trade and the regional headworks fund in the order of \$1m and LandCorp will be contributing equity of around \$450 000 for a total development that is in the order of \$1.95m.

That project is one that will only happen once we get one of these prospective land purchasers committing. We are doing everything we can to get everything lined up. The Department of Commerce and Trade has undertaken to provide their funding. The ACDF has similarly. As soon as we get a signed contract from one of those land purchasers, we will be pressing the button and accepting tenders that have already been called for development works and for the various consultancies.

Mr GALLOP: Mr Minister, I note that LandCorp has provided a dividend to the Government in 1998-99 of \$10m. The estimated dividend for 1999-2000 was \$22m and the budget estimate for 2000-01 has doubled again to \$40m. My question is what is the basis upon which LandCorp will earn that return and pass it on to the State Treasury? Secondly, when looking at the \$40m, what percentage is that of the total profit that is expected to be earned by LandCorp this year?

[5.00 pm]

Mr SHAVE: I am pleased that you have asked the question, Leader of the Opposition, and it has disappointed me somewhat over recent months that the media particularly has not acknowledged the fantastic job that LandCorp is doing in terms of the profits it is making as an agency. I will get Mr Hughes to give you some detail on that, but just in round terms as you know I ordered a review of LandCorp a couple of years ago and we changed direction with regard to LandCorp's charter.

I will ask Mr Hughes just to elaborate on that slightly. The preliminary advice that I have is that LandCorp will have a massive increase in profits this year probably in the order of \$60m to \$65m and that has been achieved through a lot of hard work and the people at LandCorp are to be commended for the work that they have done. I have taken the attitude, as the minister, that if the agency makes massive profits, as it is going to do this year, it is appropriate that the funds are returned to Treasury and that they are used for things such as schools, hospitals, police station and every other area of general infrastructure that the State needs.

I also would point out that LandCorp is very, very heavily involved in developing areas in regional Western Australia where other developers may not be prepared to participate. That, of course, is vitally important for Western Australia and it is very, very important when you look at issues such as the golf course in Kalgoorlie. LandCorp is considering at the moment becoming involved in that, but there are a number of other developments such as Marlestone Hill which is a success story in itself. We are doing developments on the fascine in Carnarvon. We are doing developments around the Exmouth boat harbour.

I will ask Mr Hughes to comment on a number of those issues and the general philosophy and shift in focus that LandCorp is involved in since I became the Minister for Lands. My concern as the Minister for Lands when I took the portfolio over was that LandCorp was involved in some areas which I was not altogether happy with. I was not happy with LandCorp being involved in residential subdivisions in areas where the marketplace itself is very competitive and it was my view that LandCorp should shift to other areas which were more important both to the economy and to the people of Western Australia. I will get Mr Hughes to elaborate on some of those points now and he can talk to you about the general philosophy. He can talk to you also about the profits that are projected to be made by LandCorp this year and the issues around the fact that we are having a very, very large dividend being paid to Western Australia in the next 12 months.

Mr HUGHES: I am sure Mr Holt may like to contribute some detail after me, but, Leader of the Opposition, it is more a benefit of overall reform over the last three years in that there was a review in 1997, new legislation in 1998 and we have had a rationalisation of assets. We sold something like 80 per cent of our residential front land which is better left to the realm of the private sector. We sold our share in the Joondalup shopping centre and those moneys are going back into more appropriate projects such as industrial and regional projects.

We started in about 1997 with, I think, \$107m worth of debt. At the end of 1998 we had \$40m and at the end of 1999 that was zero and is projected to be zero this year and next year. The profit is more a dividend to the State from a reform agenda. It is not just a return for this year. We have generated better profits. This year we will do in excess of 20 per cent

on assets, which some private sector organisations would like to earn, so it is not just a one-off special dividend in a single year. It is a result of an overall approach.

Mr HOLT: Just to amplify on what the chairman has indicated, this result is one that has been a couple of years in planning. It is not something that has just happened overnight without a lot of hard work. Within LandCorp we have an asset base of about \$500m. We have gone through our balance sheet and identified in excess of \$200m of our assets for disposal as no longer being core to our activity. We have achieved disposals to date in the order of \$160m and it is in part that rationalisation and also our trading activities that have generated in many ways what is a reform dividend. At the same time some of those things we have disposed of include all of our residential joint ventures so we were in the residential development game on the fringe. We now are only involved in two; one in Leda that we are in the process of finalising our departure and one in Thornlie which was essentially a trade-out situation because it was not worthwhile to our partner to acquire our interest. We have also disposed of very substantial in globo land parcels; not just residential land but also industrial.

Mr GALLOP: So the answer to the question is assets sales.

Mr HOLT: I think the asset sales have largely gone towards the reduction of our debt. As you heard, it is now zero and we expect to maintain that in the future. Our trading activities have been very profitable and at the same time we are budgeting for development expenditure in the coming year of nearly \$80m and acquisition expenditure of \$74m so we are very much an ongoing trading concern.

Mr SHAVE: I will get Mr Hughes to comment further because he wants to make a comment but I would like to make a further comment on that also.

Mr HUGHES: I think it is relevant, Mr Chairman, that whilst we are paying that dividend this year, it is a result of a program over several years and also we are now competitively neutral so as well as making a profit in the order of \$60m this year which is somewhat in excess of the \$38m last year, we have also paid tax equivalents pursuant to competitive neutrality. The State really has benefited from something in excess of \$80m into the coffers so we are doing it on a level playing field in a similar way to other private sector organisations.

Mr SHAVE: Mr Chairman, one of the areas that concerned me greatly when I became the minister was the availability of industrial land at a competitive price. When you are competing with other States such as Victoria and New South Wales and you get a group that comes in, either a small business group or a large business group, at the end of the day what they do is look at the location and look at the price and ascertain who is going to give them the best value. One of the concerns I had when I became the minister was that we were involved in a number of these projects, these joint real estate development deals, which were within LandCorp's charter at the time and I was concerned that areas such as Canning Vale were going to rapidly be filled up and that there was going to be a demand there.

I make no apology for the fact that I spoke to the Chairman regarding this issue and that there has been a minor amount of criticism in regard to LandCorp purchasing some industrial land in Spearwood because some people in the marketplace believe that that should be left to the private sector. I do not share that view. I believe that the Government has to have a ready supply of heavy industrial land and light industrial land at any time at a reasonable price so that people are encouraged to come and invest in Western Australia. I would like Mr Holt, if you would be kind enough to, just to elaborate the purchases that have taken place in regard to industrial land acquisitions. Of course this shows the attitude of these people. They do not understand how important -

[5.10 pm]

Dr GALLOP: Minister, it is for the members to ask you questions, not you to ask your own department a question.

The CHAIRMAN: Order, members.

Mr SHAVE: Mr Chairman, I am not asking my own member a question. I am asking him to elaborate and give the figures on the comments that I have just made. It is an important issue. It is irrelevant to these people because many of them do not understand business and commerce but it is important.

Dr GALLOP: But you understand mortgage broking very well, do you not, Minister?

The CHAIRMAN: Order, members.

Mr SHAVE: But it is important to the business people out there in Western Australia and they have a right to know about it.

Mr HOLT: LandCorp is the State's major industrial land provider. As the minister indicated, Canning Vale, the premier industrial estate in Perth, was filling up. We saw an urgent need to remedy the long-term supply situation. The minister was a very strong supporter of the authority going out very actively and securing the long-term future of industrial land supply. We went into a tender process on land at Bibra Lake adjoining the Amcorp processing works and we acquired 89 hectares of land for \$16.25m, a very high price I suppose but we estimate that there will be some thousand jobs generated out of that development once it is fully complete. The major benefit is the employment and investment spin-off benefits which cannot be captured through the sale of land.

The other major transaction is the Forrestfield marshalling yards, 63 hectares of land which we acquired from Westrail for

\$17.25m. That one, along with the Bibra Lake acquisition, is going to meet the next five to 10 years' supply of industrial land in those areas. There are other development activities and there are longer term strategies which I will not go into now.

The CHAIRMAN: This particular asset was sold some time ago under the previous State Government but the minister would recall my complaints to you over the last three years regarding the decision of the previous State Labor Government to sell the Joondalup golf course. At the time of its sale of course it was then a public golf course. The actual existence of the golf course was used as an illuminant or an incentive for people to buy within that residential subdivision known as Connolly. Of course the minister responsible for the then JDC, as I think it was called, gave a directive to the board of the JDC to sell the golf course. I understand that in part recompense for that, so to speak, LandCorp has made some moneys available to assist in enhancing the verges and the district of Connolly in general. Could you please advise, Minister, as to how much money is left in the kitty, so to speak, and for what purposes that money can be expended to enhance the amenity of the suburb or district of Connolly?

Mr SHAVE: I have just been advised by Mr Holt that he does not have the exact figure at hand but he will provide that figure by way of supplementary information.

The CHAIRMAN: Minister, can you please advise as to whether that sum came from the proceeds of sale of the golf course? Are you able to answer that question?

Mr SHAVE: I suspect not. I would suspect the money has already gone, knowing the last Government, but Mr Holt may have a different position.

Mr HOLT: There were two elements of funding for the residents of Connolly. One was for upgrading verges and the other was to provide a community facility. Both of those initiatives were funded from the consolidated fund, rather than from LandCorp. The sale proceeds from the golf course went through to the consolidated fund. We really had no mandate I think to provide funding for those two initiatives. We had ceased marketing land in Connolly. It was all gone. The sale of the golf course was not an internal LandCorp decision so therefore there was no basis for LandCorp itself to allocate funding for those purposes. It came through the consolidated fund.

The CHAIRMAN: I understand that but is it the case that LandCorp is holding the balance of the moneys set aside in a special fund? For example, on page 821 there is reference to internal funds and balances. Would the moneys be somewhere within that balance or that figure?

Mr HOLT: No. Those funds are still there and it is a matter of the Connolly community and the City of Joondalup to resolve how they are best applied to meet the needs of that group.

The CHAIRMAN: I have another question in relation to that fund which is being held in that account referred to on page 821. It seems that the City of Joondalup will not agree to contribute on a dollar for dollar basis in respect of that part of the funding that was initially earmarked for the purposes of constructing a community centre in Connolly. If that is the case, it would seem that the community centre will not proceed of course. There is not enough money. The residents believe they need around \$500 000 plus the land of course, but \$500 000 to build the actual bricks and mortar component. If that is the case, is it permissible for the residents to agree to transfer that sum into the verge enhancement account proper, so to speak, and to use those funds for the further enhancement of the verges, parks etcetera in the golf course subdivision in Connolly?

Mr HOLT: I think, Chairman, it is really a matter of Government through the minister making those sort of decisions on representations from the community, rather than LandCorp taking that decision.

The CHAIRMAN: I see what you are saying. I have quite a few questions regarding the Joondalup regional city centre but do other members have some questions?

Mr MASTERS: Minister, there are only two pages of information relating to the WA Land Authority which is not a great deal to go on but I am interested to hear you talk about the Marlestone Hill development which was actually I believe a Labor Party concept put into place by our new Government, but I ask: why was it that the Marlestone Hill development could not be developed by the private sector but had to be left to the Government sector in order to progress that?

Mr HOLT: I think in terms of the background chronology you are quite correct. It was part of Bunbury 2000. With the change of Government, the Bunbury community had been quite strong in their view that that project should proceed. It was one that was seen as worthwhile. I think Bunbury had gone backwards and it was a recognition that Bunbury as the second city of WA deserved better treatment. Marlestone Hill was seen as one way of reversing some of that backward step in Bunbury. It was a very complex project, involving some 30 hectares of largely contaminated land. There was a multiplicity of landowners primarily within the State Government. There was the then SECWA, the Water Authority, railways and a range of oil companies as well which were leasing land for oil containment or oil tankering.

There was a major clean-up cost associated with making that land ready for redevelopment. There was a major decontamination exercise required to be expedited and also moving some of those users off the land needed to be done in a coordinated way. As well the Bunbury community had to be brought along with the concept. For those of you who know the area it is right on the fringe of the Bunbury CBD. In fact now it is a composite part of the Bunbury CBD. It is a mixed use development. By "mixed use" it has got commercial, retail, residential and tourism components. I think importantly if the private sector had undertaken that development, you would not find anywhere near the level of community infrastructure that is there and will continue to be put there as the project is completed.

I think it is really the Government's wish - and I think of either persuasion - to see that there is that community infrastructure put in. You only get one go at these sort of developments and they have to be done well. LandCorp through its Joondalup involvement I think had built up a good name in terms of high quality developments that were receptive to what communities wanted. Marleston has now become our flagship regional project and, as you may be aware, was voted Australia's best urban renewal project by the Urban Development Institute of Australia only this year.

We get a lot of visits from other people to see it and we believe that because of that componentry, and the riskiness of that project is one the private sector may not have embraced, we were able to do things and experiment a little bit. Those demonstrations, if you like, have shown that you do not need to live in Perth to have a good lifestyle. You can have all the diversity of lifestyle opportunity. We are now replicating what is happening in Marleston in Geraldton and Carnarvon on a lesser scale. We hope one day to get a project under way in Albany. The Mandurah ocean marina is also just commencing.

Mr MASTERS: How does LandCorp go about determining whether or not the private sector has an interest in developing land? You mentioned of course that that is perhaps LandCorp's role, particularly in terms of the development of industrial lands and for that matter urban renewal developments, but how does LandCorp go about determining that? Do you go to the private sector and say, "Here it is, fellows. Are you interested in developing this lock, stock and barrel?" How do you go about doing that? How do you make that determination? It is pretty much a philosophical concern that many free enterprise minds raise all the time of course: "Why should you be involved in this game at all?"

[5.20 pm]

Mr HUGHES: It is probably easier to answer that with two or three examples. Marleston Hill we were just talking about and the short answer to that is, Marleston Hill was complex, contaminated, a lot of public land and a difficult clean up. Therefore nobody would have taken the risk. The other good meter is the lack of interest test in that if you have a parcel of land and the private sector is passing it by, there is every chance that there is no viability or too much risk.

The CHAIRMAN: If I could interrupt you there, that is assuming the private sector knows that the land in question is on the market or that it is possible that it may be sold.

Mr HUGHES: Yes. Another example is Mandurah Marina. The infrastructure there will not be viable, nor would Carnarvon, nor would Batavia Coast, Geraldton, so someone has to go in and put in the infrastructure, but at the other end of the scale the private sector market would have been aware of, say, the Mount Henry Hospital site. That was prime land. It was an asset that the taxpayer owned over 80 years or however long a term and low risk, reasonable return and that return should go back to the taxpayer. What we have changed recently is, LandCorp has not really had a role to go out into the metropolitan area, buy urban land in competition with the private sector and then subdivide it in competition with the private sector.

Mr TRENORDEN: Minister, the matters that have been spoken about for the last few minutes are very important, I appreciate. The difficulty I have is, listening to the requirements. Does that not preclude a lot of areas from the activity you are talking about? If LandCorp has to achieve a commercial return, I assume it precludes a lot of residential activity I would like to have in my part of the world. For example, the Wundowie town site, which is the next beautiful valley heading east from Chidlows and so forth. I am not trying to knock what you are saying has occurred in these places, including some of the places down around Medina and so forth. I think it is fantastic, but it seems like the current rules preclude a lot of rural Western Australia being in the process.

Mr HUGHES: I think the main reason is transparency. Prior to the new Act in 1998 there was not that transparency. Profitable projects were subsidising not so profitable projects, so that if you have a hurdle rate, albeit low, 7 or 8 per cent, at least there is a line in the sand under which the statutory authority has to look elsewhere for funding. A good example of that would be an industrial area that may break even or Mandurah Marina. I think that will probably achieve a low rate of return or break even, which means the authority needs to be protected for a hurdle rate.

Mr TRENORDEN: If I could just follow this a little, if you are talking about marinas, and I understand on page 821 there are a number of marinas; in each of those marinas I understand there is a small CSO component.

Mr HOLT: Correct.

Mr TRENORDEN: Is there not some ambiguity in this budget process where there is a CSO project? I guess there are some seven or eight marinas. I cannot remember exactly, but I remember seeing this listing a few weeks ago, all with a CSO component and the CSO component basically talks about those matters you just talked about. How is it that any listings here are not going to include an Avon or a Moore in the process because of that question you were talking about, transparency?

Mr HOLT: We look at projects generally that communities identify as priorities for themselves, whether that is then coming through local members, through ministers. That is how projects almost self-select. The Mandurah Ocean Marina has been around for some 30 years as a concept. Marleston Hill was around for, I understand, 20-odd years as a concept, so a lot of these things have a very long gestation period. When we get involved, it is together with the community. We will ultimately run a feasibility over the preferred development option.

If that feasibility shows that it cannot meet our minimum hurdle rate, we then turn to Government and say to Government, "Is this a priority project for you?" If it is, we will need to have supplementary revenue provided through the budget,

because we are a Government trading enterprise outside the budget sector, and in the majority of cases Government would agree that, yes, it is a priority. They will agree to the community service obligation arrangements and projects proceed. The reason generally those projects are worth doing is because of the externalities, the broader employment, investment, tourism, lifestyle opportunities that are provided.

Mr TRENORDEN: Mr Chairman, I do not argue about that, but I do think it brings into question the definition of a CSO and I think that is a debate that needs to occur. You have a number of CSOs in this current budget and I do think it does, Minister, bring into question not particularly you, but the different way that different agencies view what a CSO is and how they acquire a CSO within their agency.

Mr HOLT: The common link in all CSO arrangements is the Treasury Department. . Treasury administer CSO arrangements very rigorously. They have issued CSO policy guidelines. You have to get through the Treasury net in terms of CSOs before you qualify for a CSO, so each agency does not interpret them independently. They all have to be dealt with through the Treasury process. They may be different in character.

Mr TRENORDEN: I think we may debate this at some other time.

Mr SHAVE: If I could just make a comment on that also, one of the problems you have with an organisation such as LandCorp is that there is always ongoing pressure from other areas of Government to get LandCorp involved in their particular area, whether it is the Health Department or the Police Department. If they have assets, very often they say, "We would like you to take this asset on or that asset on," and LandCorp has a responsibility to make sure that any proposal that it undertakes is viable. If it is not viable and it cannot meet the terms of its charter, then you have to go and look at the CSO alternative and come up with a proposal that is suitable. It is not something that LandCorp should not do because it should do it.

Mr TRENORDEN: No. I am not at all saying that.

Mr McNEE: In my electorate there is a shortage of land in areas, for example, Seabird, Cervantes, and Dandaragan. The problem is, we have two blocks and we cannot get any more. They are the worst two blocks in Dandaragan. The reason nobody has bought them is because they are the worst two blocks. We have other Government departments racing around trying to develop areas. One of the problems is, there is not any land, so we need to overcome that hurdle. It says here you have to maximise your returns. I think we are putting the horse before the cart. If you go to a place like Cervantes or Seabird which is servicing a very solid industry in the rock lobster industry. It is a solid, wealthy industry and I am proud to have wealthy industries in my electorate and I am really pleased to see them doing well, but I think it is a shame when I go to Cervantes and they complain to me. If it is only a couple of people who want to build a factory or something, and I think down at Seabird there has been a problem like that, we need to attack that problem and whilst I agree and I support the big ones, we need these smaller ones and how long is it before Government policy allow us to do something in those areas?

[5.30 pm]

Mr SHAVE: It is appropriate that I respond to that. Mr Chairman, it is not really a LandCorp area. It is more an area of DOLA, because DOLA basically handles land in that area. What I will do, Mr Chairman, is arrange for one of DOLA's senior officers to meet with the member and work right through this issue.

Mr McNEE: Thank you.

Mr SHAVE: Mr Chairman, I seek leave to, firstly, thank Mr Hughes and Mr Holt and congratulate them on their effort over the last 12 months, and to all of the people at LandCorp for the terrific job they are doing.

Division 53: Fair Trading, \$7 794 000 -

Mr Baker, Chairman.

Mr Shave, Minister for Lands; Fair Trading; Parliamentary and Electoral Affairs.

Mr P.J. Walker, Chief Executive Officer, Ministry of Fair Trading.

Mr G.D. Newcombe, Director of Projects, Ministry of Fair Trading.

Mrs J.E. Butler, Manager Financial Services, Ministry of Fair Trading.

Mr McGINTY: Minister, perhaps it is no surprise to you that I want to focus initially on the question of finance brokers. I think it is true to say that you have presided over losses of the order of \$150m to mainly elderly investors. It is clear from the Gunning inquiry that your department is significantly at fault and you have not shown that leadership -

The CHAIRMAN: Order, Member! Can you please ask the question and refer to an item of expenditure.

Mr McGINTY: I am referring to page 503, the expenditure on the department. Minister, my question to you is, why will you not resign?

Mr McNEE: What a dopey question.

Mr McGINTY: I think it is a pretty realistic question.

Mr McNEE: That's not a question.

Mr McGINTY: Why won't you resign? There's nothing dopey about that.

Mr McNEE: A lot of rubbish!

Mr McGINTY: Under the Westminster system, you should have been gone now.

The CHAIRMAN: Order, Member! That is not an appropriate question to ask in this session, I am afraid. It does not directly relate to an item of expenditure.

Mr McNEE: It's an insult to the system.

The CHAIRMAN: It is a very general question and it relates to a general discussion or general debate and, as I read out in my chairman's statement this afternoon in this session, you are raising a matter of what could be described as general concern. It does not directly relate to an item of expenditure in the consolidated fund.

Mr McGINTY: Can I ask the minister this question? Minister, today Ross Fisher was banned for life from the finance broking industry as the result of an enforceable undertaking extracted by ASIC. That was in respect of fraud and misrepresentation in relation to the borrower Kennedy; in other words, exactly the matters that I raised in my parliamentary speech last November. Your response at the time was to stand up and defend Mr Fisher and you read out to the Parliament a letter from him. Can I ask you why has the Ministry of Fair Trading or the Finance Brokers Supervisory Board taken no action against Mr Fisher?

Mr McNEE: How does that relate to the budget?

Mr McGINTY: I would have thought that was painfully obvious how that related to the budget.

The CHAIRMAN: Order, Members! Before the minister responds - he may not respond to that - you referred to the case of Mr Ross Fisher. Is that correct?

Mr McGINTY: Yes.

The CHAIRMAN: Do you know whether or not he is subject to any criminal proceedings at the moment? What is your understanding?

Mr McGINTY: Are you trying to look for something to rule that question out of order, because there is nothing apparent in the question that has been asked?

The CHAIRMAN: No, there may not have been anything apparent in the question that has been asked, but it may be implicit, of course, in terms of the information preceding it. The answer may refer to matters which may somehow prejudice a trial of Mr Fisher in respect of any criminal prosecution that may be on foot at the moment. I think I should, first of all, clarify whether or not Mr Fisher has been charged with any criminal offences at all, and perhaps that should be clarified. You would be well aware of Standing Order 91 which deals with the issue of sub judice, and there are many rulings on this point which indicate quite clearly in circumstances where there are outstanding criminal charges affecting a person, it is not appropriate to ask questions in relation to that matter or any matter touching upon that matter which could prejudice the fair trial of that person. Perhaps there should be some clarification as to whether Mr Fisher has been charged with any -

Mr McGINTY: Nobody is suggesting that is the case. You are making that up.

The CHAIRMAN: No, I am not. I am asking for clarification.

Mr McGINTY: Nobody has suggested that is the case. You are the only one who has suggested it.

The CHAIRMAN: No. You referred to fraud. I understand that fraud is a criminal offence, and I think that should be clarified. Perhaps that question could be put to one side until the minister makes inquiries with his staff to determine whether or not -

Mr SHAVE: I would like to comment on it. The member for Fremantle is very well aware that that matter has been referred to the police and he is aware also - or he should be aware - that there are three matters before the Finance Brokers Board in regard to MFA Finance. It would be totally inappropriate for me to be making any comment regarding that person in this Chamber or in that Parliament in relation to this matter. He is a lawyer, he knows that is the case, and it is a disgrace that he has raised the issue here today.

Mr McGINTY: Why has the Finance Brokers Supervisory Board and the Ministry of Fair Trading not taken action against Mr Fisher and it was left up to ASIC to rub him out?

Mr SHAVE: Mr Chairman, I have made the comment that the member for Fremantle knows that there are ongoing investigations in relation to Mr Fisher.

Mr McGINTY: What are the matters, Minister?

Mr SHAVE: I do not intend to get into discussion on detail on Mr Fisher or anyone else who is the subject of investigation at the moment. It is not appropriate to do that, and I will not be doing it.

Mr TRENORDEN: At page 508 there is a dot point talking about the -

Completion of the national competition policy review of the Retail Trading Hours Act 1987.

The minister may be aware that the ACCC, I think, are authors of the publication that was sent saying that trading hours needed to be expanded. What is the current status of that review?

Mr McGINTY: Get him into more hot water!

The CHAIRMAN: Order, Members!

Mr TRENORDEN: It is an important issue for me. It does not matter if it is hot water or not. It is a question I have asked him.

[5.40 pm]

Mr SHAVE: Mr Chairman, there are a number of issues to look at here. One is we have received something like 1 500 submissions in relation to the issue of trading hours. In excess of 90 per cent of the people who have made submissions have been opposed to a variation of the existing level of trading hours. The position is that this Government gave an undertaking prior to the last election that it would not be varying trading hours. There are some views expressed from the national competition policy people that limiting or restricting trading hours may be anti-competitive

There is also the capacity, when looking at those reviews, to take into account the public interest. People in Western Australia need to know, some people need to know, and are not aware that in rural Western Australia if country shires want to write to the Government and extend trading hours, they have the right to do that. If the local shire or town or city wants to ask the Government in cooperation with their Chamber of Commerce to extend trading hours, we are prepared to look at those issues. That is a very, very sound policy. What has happened, of course, is that very, very few regional areas have asked for an extension of trading hours because they have found that in their view it is not good for their community and that should be their right.

With regard to the metropolitan area, prior to the last election the Government introduced two tourism precincts, one on Fremantle and one in Perth. The argument being put to the Government by the tourism industry was that if you did not have 24-hour trading, you would have a problem with tourists coming here, particularly people from South-East Asia because they would think it was a foreign city if they could not shop on the weekend, so the Government did agree to creating the two tourism precincts. The interesting thing as a result of that is that even though we do have these tourism precincts, a lot of the shops in the central business district are not opening on the weekends.

If you are looking for availability for people, people have the ability in the metropolitan area to trade seven days a week now, if they so wish. In the country areas if the shires or the cities want to trade seven days a week, they can do that also. We believe that as a Government we have an excellent balance at the moment in regard to trading hours and it is not my view that the current Government would be looking at varying those trading hours either in this term of Government or after the next election. That issue will be debated in our party room prior to the next election and when the Government puts out its policy position, the people of Western Australia will know exactly where we stand.

I believe that what has happened as a result of our foresight in creating these tourism precincts is we have allowed a level of supermarkets to develop places such as Dewsons, Cucumbers and a group outside of the Coles Myer group to start to develop which has put competition back into the marketplace. I think that that is very, very healthy and I think that the existing structure on trading hours is very good and I think that that is the general view of most of the members of Parliament in the current Government; not all of them but most of them.

The CHAIRMAN: Minister, just as a follow-up question too, if I can, you would be aware that the City of Joondalup, the Local Government body, is considering making an application to have the City of Joondalup area declared as a tourism precinct for the purposes of taking advantage of a slight deregulation in retail trading hours. You have indicated, of course, that at the moment the Government appears to be wanting to hold the status quo in respect of the existing framework and structures. I am just wondering, are you able to comment at this stage as to the likely outcome of any such application should it be put to you for approval?

Mr SHAVE: As you know, Mr Chairman, I do not like to pre-empt any decision that would be made. I did meet with people from the local group up there as a follow-up to your previous request. The difficulty you have is that when you say, "We will do it at Joondalup," do you then say, "We will do it out at Midland" or "We will do it at Garden City"? You really need to look at the submission as the submission is. My general view is that it would be difficult to get support for such a concept and I did express that to your people, but I will not pre-empt any submissions that are put in. They will be assessed in a proper manner by the department and we will look at any application, but I think there is a difficulty there.

Some of your constituents and business people who we met gave me certain reasons why Joondalup should be a basket case, if I can use that term, in terms of having specific issues related to Joondalup that do not relate to Garden City and do not relate to Midland and other areas, but it is something that we are always prepared to look at but, as I said, I do not know that it would be strongly supported at the political level.

Mr McGINTY: Minister, my question relates to Clifton Partners Finance. You would be aware that, having had a number of matters of improper conduct raised, they are in the process now of selling their loan book. My question is: what is the role of the Ministry of Fair Trading and the Finance Brokers Supervisory Board in overseeing that transaction? Is there

any role that you are undertaking in that and do you see it as an appropriate thing for your department to become involved in any aspect of the supervision of that transaction?

Mr SHAVE: In answer to the member's question, a finance broking licence cannot be sold, transferred or loaned to another party. Any person who negotiates or arranges loans of money must be licensed as a finance broker and a licence does not confer on a licensee the right to carry on business unless he holds a business certificate in respect of that licence. In respect of Clifton Partners' proposals I received a fax at my electoral office today in regard to the proponents that the licence was proposed to be transferred to. The allegations that were made in that facsimile obviously would cause some concern. I am not sure that the member for Fremantle has not received the same facsimile. He may well have. It is a detailed view of why the Government should not undertake to transfer the licence, if that is the proposal.

What I have instructed my senior ministerial officer, Annabel Gomez, to do is to refer the facsimile that I received this morning to the Board and to the Ministry for evaluation. All of the allegations contained in the transfer will be evaluated and they will make a decision. The Board will then make a decision on whether a licence should be issued or if the licence is a current licence and they are trading in their own right, whether in fact something should not be done in regard to that area. It is a matter that is under consideration. As I said, I received the facsimile this morning. The person who sent the facsimile made some serious allegations. It was not signed. It was a blank piece of paper put through on my facsimile machine with no trace of the facsimile number and so I will have it all evaluated and the Board will make a decision whether that company is fit and proper to trade.

Mr McGINTY: Is the question then, Minister, that any sale of the loan book would be ineffective so far as your department is concerned until such time as there is a finance brokers licence attached to the person or the company doing the business, because I think Clifton Partners had a loan book of about \$140m?

Mr SHAVE: Mr Walker is prepared to answer that. I would have thought that if a business wanted to sell its book or transfer its book, they may well. If there is a licensed broker in the business, they may well have the capacity to do that.

Mr McGINTY: I do not think Braysich or Scook are licensed finance brokers.

Mr SHAVE: Yes. The member for Fremantle is then aware of the fax that I received today.

Mr McGINTY: I am not aware of your fax but I am aware of some of the facts that underline this issue.

[5.50 pm]

Mr SHAVE: I will ask Mr Walker to respond specifically to the question that you have asked.

Mr WALKER: Following the recent publicity I wrote to the registrar of the Finance Brokers Board requesting that they give consideration to that issue. I am now advised that lawyers for Knightsbridge have informed the board that there will be no change in ownership of Clifton Partners and therefore in their view no need to apply for a licence. Clifton Partners will change its name to Knightsbridge Finance Pty Ltd. Notwithstanding those matters, I am aware that those issues will be considered by the board.

Mr McGINTY: Can I ask, because this has me a little confused now, as an elaboration on that; can you put it perhaps in simpler terms for me to understand? Clifton Partners will retain a finance broker's licence. Knightsbridge will take over Clifton Partners. Is that the nature of the transaction? How does the issue of a finance broker's licence fit with these facts, is my question?

Mr WALKER: To make it clear, what has happened is the registrar of the Finance Brokers Board has received advice from lawyers acting for Knightsbridge. What they have indicated is that there will be no change in ownership of Clifton Partners and therefore no need to apply for a licence. They are saying that in effect Clifton Partners will change its name to Knightsbridge Finance Pty Ltd and Mr Kim Clifton will remain as the person in bona fide control. Mr Kim Clifton and Mr Andrew Parkinson will be the directors. That is the advice that was very recently received. That will be considered. Obviously other legal advice will be taken by the board and indeed by me as well and the board has indicated that they will certainly be considering this particular transaction.

Mr McGINTY: Mr Clifton is a licensed finance broker so there is no need for a further licence to attach to that transaction that you have just described. Is that correct?

Mr WALKER: I am not sure of Mr Clifton's current licence status. That obviously is being handled by the Finance Brokers Supervisory Board.

The CHAIRMAN: Minister, just a follow-up question. I assume that this transaction that has been referred to must be documented or recorded or evidenced in writing. Is it the case that that document, the contract, so to speak, will be put to the board for the board to peruse, review, analyse, to determine whether or not -

Mr SHAVE: I would expect that anything they do in view of the current publicity will be scrutinised and I would expect that the board would ask for those sorts of papers. I do not propose to dictate to the board on how they should conduct themselves, but I am happy for Mr Walker to elaborate further on that.

Mr WALKER: I do not think I can add much more, Minister, other than it has been brought to the attention of the board. Certainly the registrar has indicated, they will be looking into the matter and certainly I have an interest from the ministry's point of view in terms of that particular transaction.

Mr McGINTY: To conclude on this particular matter, Knightsbridge, as you are no doubt aware, was a company which was formed less than a month ago and the two entities which are the shareholders in Knightsbridge are basically controlled by Dean Scook; that is one person, Boldray Holdings, and the other one, Jeff Braysich. They were the two people who formed Knightsbridge less than a month ago.

The issue that worries me in all of this, and my question is whether you will make sure this is drawn to the attention of the board in looking at this matter, is that having formed the company less than a month ago, Scook, who was charged by the forerunner of ASIC with offences relating to failure to disclose material facts in a prospectus and incurring additional debts when the company was unable to pay its debts, having essentially sent Mobitow into one of the more dramatic failures on the Perth second board in, I think it was, the late 1980s, he then entered into a Part X arrangement under the Bankruptcy Act - this is Scook - in 1993 and ended up paying out about 5¢ in the dollar for the \$1.8m that he was essentially bankrupt for. He does not seem to me to be the sort of person who ought to be associated with taking over any finance broker's business in this State. Can you ensure that that is a matter which is drawn to the attention of the Finance Brokers Supervisory Board?

Mr SHAVE: In general terms, all of the issues the member for Fremantle has raised have been forwarded to my electoral office and they are in the process of being forwarded to the ministry on the basis that I am asking the ministry to provide the board with the information that has been faxed to my office.

Mr McGINTY: Including the fact that he is now out of the company that he formed less than a month ago.

Mr SHAVE: I do not have the memo in front of me, but I can assure the member for Fremantle that the allegations he is making now have been brought to my attention and the Board will be dealing with them.

Mr MASTERS: Minister, on page 508 in the middle of the page there is a dot point which states, "Completion of the review of the Painters Registration Act 1961." A couple of years ago I wrote to you and made very strong representation on behalf of a person who was a fence painter. He did not want to paint anything except fences. He was very good at the job, he gave a five or 10-year guarantee, but under the Painters Registration Act he had to be licensed to paint everything, which meant a big examination, a lot of money, a lot of time, a lot of grief. He had no joy in all of this and I ask two questions: one is will that sort of flexibility, the ability for the Painters Registration Board to issue licences for different types of painting jobs, be included within the review. Secondly, could you advise me what is the public consultation process that will occur once the review is completed?

Mr SHAVE: Mr Chairman, I will have one of my senior officers obtain all of that information and meet with the member to give him an overview of all of that.

The CHAIRMAN: Minister, I have a couple of questions. They are quite general questions, but they seem to be following the same theme of this evening's questions. What representations were made by you in your capacity as the then member for Melville, and of course you are now the Minister for Fair Trading, to the then Minister for Fair Trading, now Attorney General, in relation to inquiries and investigations with respect to complaints about finance brokers in general? Perhaps you could answer that question to start with.

Mr SHAVE: Mr Chairman, neither the Ministry of Fair Trading nor myself have been able to locate any representations from me as the member for Melville to the then Minister for Fair Trading in relation to the matters raised by the inquiry. On 14 December 1993 I wrote to Mr Allen Tenger, Acting Commissioner at the Ministry of Fair Trading on behalf of a constituent, a Mr S.D. Avey, forwarding a copy of a letter Mr Avey had written to the Commissioner for Consumer Affairs, Dr Martyn Forrest, in December 1993 and asked for Mr Avey to be given time to allow him to renegotiate his employment with the licensee of A1 Real Estate, a Mr Gough, in order to avoid any breach of the Real Estate and Business Agents Act. I received a reply to my letter from the Ministry of Fair Trading advising -

The main aim at the ministry in this matter is to resolve an alleged breach of the Real Estate and Business Agents Act 1978 without the matter ending up as proceedings before the courts or the Supervisory Board.

On 10 February 1994 I wrote to the acting commissioner of Consumer Affairs, Dr Chris Whittaker, noting that despite a meeting having been arranged between Mr Avey, Mr Gough and the registrar of the Real Estate and Business Agents Supervisory Board in December 1993, investigations were still being undertaken that were having an impact on Mr Avey and Mr Gough's business and asking for the acting commissioner's help to bring the matter to a satisfactory conclusion as soon as possible. I then received a reply from Dr Whittaker dated 1 March 1994 to the effect that Mr Avey and Mr Gough had met with the registrar of the Real Estate and Business Agents Supervisory Board and advised him that they had legal advice that their business affairs complied with the Real Estate and Business Agents Act 1978. Further, the letter advised that the investigation of the matter by the ministry was on hold until the ministry had obtained its own legal advice on the matters raised by Messrs Avey and Gough.

It is understood that in evidence to the Gunning inquiry on 30 May 2000, a Mr Wallace, an investigator with the Ministry of Fair Trading who was reported in *The West Australian* of 30 May as raising the allegation that I stopped the investigation concerned, admitted under cross-examination that the investigation was in fact completed. I have some papers that I would like to table for the committee in relation to that matter and if people care to read the papers, they will reveal that I asked for this matter to be brought to a conclusion as quickly as possible and the headline that appeared in *The West Australian* newspaper was a clear defamation of myself and contrary to the terms of what happened in relation to this matter, so I do not know what you would like me to do with those.

The CHAIRMAN: Minister, it is not possible to table the documents in the Estimates Committees. However, you can leave them on the table. Members can peruse them. Copies can be taken.

Sitting suspended at 6.02 pm to 7.05 pm

Mr McGOWAN: Minister, just before the break you attempted to table a range of documents in relation to Mr Wallace's allegations at the Gunning inquiry and you gave an explanation as to what exactly took place in relation to your office. Are you saying to the committee that you or your office did not make any phone calls to the ministry in relation to this matter?

Mr SHAVE: You are a new member of Parliament, member for Rockingham. When a constituent comes into the office and has an issue, if they have a complaint to make, what I do is say, "You have made that allegation or complaint. Whilst you have told me verbally what you think, I would like you to write it down on paper and make a written complaint and I will forward it on" or it may be that if the person says, "I need to meet someone to discuss this matter" someone from my office might well ring up and say, "Could this person come in for an interview?" That happens with probably every member of Parliament in this place since I have been the minister.

Mr McGOWAN: So you could have called and addressed the issue with the ministry on behalf of these people.

Mr SHAVE: Let me finish the answer. You are talking about 1993. I do about 30 a week. That is 1 500 a year to different Government departments. Over a seven-year period I have made somewhere in the range of 5 000 to 10 000 representations on behalf of my constituents since 1993, either in the way of phone calls or in the way of letters written. If you are asking me whether I could have made a phone call, anyone can make a phone call.

Mr McGOWAN: You may have made a phone call.

Mr SHAVE: Perhaps I could also conclude by saying that I think it is more likely that no phone call was made because I wrote to the department and put the request in a written form. It would seem to be a matter of duplication if you were to write and ring someone at the same time. That is a bit of a nonsense. Some people may double up and do that sort of thing. It is not something I generally do.

Mr McNEE: I am not actually raising a question, Mr Chairman. I think the minister is being very gracious in answering the question. If I were the minister, I would not. It is not a trial we are having of the minister. We are supposed to be asking questions out of the budget statement. They do not sound to me like questions. I just raise that point, Mr Chairman.

The CHAIRMAN: I understand. Member for Rockingham, can you please refer to the item of expenditure in this division please.

Mr McGOWAN: If I can just clarify this, Mr Chairman, before the break at five minutes to six you asked a question directly related to the one that I am asking now. I am following on from your question which you asked. I note that you did not rule your question out of order at five to six before the break. In the light of the fact that you did not rule your question out of order, and I am referring to page 504, "Investigation into Global Finance and Grubb Finance. Gunning Inquiry into Fair Trading Boards". I am relating my question to that particular item of expenditure.

Mr SHAVE: Mr Chairman, I am happy to further answer the question.

The CHAIRMAN: Minister, if I can first of all respond to what the member has said, at the time I asked that question no objections were raised. However, at the time you asked your question, there was an objection raised by the member for Moore. If you read Standing Orders, I am obliged to deal with objections that have been raised. Members, please bear that in mind. If you object to a question being asked, of course, please raise your objection in a timely manner.

Mr McGOWAN: In relation to page 504, "Gunning Inquiry into Fair Trading Boards and Committees", Minister, you cannot rule out that you did not call the ministry in 1993 on behalf of these individuals and pressure the ministry or raise this issue with the ministry to try to slow down or stop inquiries in this fashion.

Mr SHAVE: I am saying that I did not.

Mr McGOWAN: A moment ago you said you may have.

[7.10 pm]

Mr SHAVE: Just hang on. What you are doing is skilfully twisting the truth. You asked first of all whether I would make a representation in a verbal manner to someone and I explained to you that the representation I made was in a written manner and therefore it would not be necessary for me to ring anyone. What you then have done is gone further to try and twist the situation by suggesting that I was going to ring and put pressure on someone. It is not something that I do and I totally reject the allegation you have made.

Mr McGOWAN: If I can expand upon what I had to say -

Mr SHAVE: You can do whatever you like.

Mr McGOWAN: Are you saying you never would actually ring about an issue at the same time as you wrote a letter?

Mr McNEE: Mr Chairman, I raise the point. We are supposed to be talking about things. We are not having a trial. If we are going to continue this line of discussion, I am going to move that we move on to the next section because there is obviously nothing of any value that anyone wants to talk about. I will be moving that we move on to the next section.

Mr BLOFFWITCH: I would like to ask my question first.

Mr McGOWAN: If I can finish that particular of line of questioning -

Mr McNEE: This is not -

Mr McGOWAN: The minister said he was happy to answer questions.

The CHAIRMAN: Order, members! The member for Moore has raised an objection. I have to rule on the objection I suppose for the record. When I read out the chairman's statement this afternoon I made it clear that members should not raise questions about matters of general concern which do not have an item of expenditure in the consolidated fund. I can see, member for Rockingham, that you are trying to frame your question to make it somehow relevant in relation to that particular budget estimate concerning the costs of the inquiry into Global Finance and Grubb Finance. If you could make your questions perhaps more specific, rather than general, then perhaps the member for Moore will not continue to object to the question.

Mr McGOWAN. Minister, in the light of the item on page 504 do you sometimes make a written request and a spoken request on behalf of people and, secondly, who was the Minister for Fair Trading in 1993 when this issue arose?

Mr SHAVE: I understand the minister was Minister Foss.

Mr McGOWAN: I will just clarify my question then. Do you sometimes make a phone call as well as a written request on behalf of a constituent and, secondly, would it be unlikely for you to have contacted a minister personally and spoken to a minister personally face to face in relation to an issue on behalf of a constituent?

Mr SHAVE: Every member of Parliament in this Parliament comes to me as a minister and makes both verbal representations and written representations.

Mr McGOWAN: So you would have done the same thing.

Mr SHAVE: Let me finish. Do not put words in my mouth. In regard to the issue that you are talking about, if I had wanted to ring Minister Foss and put a request in, the appropriate thing would have been for me to mark it on my file. There is nothing on my file. Did you not listen?

Mr McGOWAN: Will you table your file?

Mr SHAVE: Did you not listen to what I read out. I have tabled the papers. I have tabled the papers.

Mr McGOWAN: Where is the file?

Mr McNEE: Mr Chairman, I raise a further point of order?

Point of Order

Mr McNEE: This is getting to be an inquisition, a trial. Whatever you like to call it, I don't give a damn. I am saying that we are discussing the budge papers. What I am saying to you is that it has got absolutely nothing to do with the budget papers. I will certainly move, Mr Chairman, that we move on to the next section, whatever it is - Parliamentary Affairs.

Mr MARLBOROUGH: Not before the member for Geraldton asks his questions.

Mr SHAVE: Mr Chairman, if there had been any phone calls made to the minister at the time, the appropriate thing for any ministerial officer to do would be to note it on the ministerial file that a representation had been made.

Mr McGOWAN: He was not a ministerial officer.

Mr SHAVE: Let me finish. You are talking about the representation to Foss. He was the minister.

Mr McGOWAN: Mr Wallace was the one I was actually talking about.

Mr SHAVE: Up until two weeks ago, to the best of my knowledge, I had not met Mr Wallace. I might have met him at a Christmas party because I meet 200 or 300 of the members down at the Ministry of Fair Trading once every 12 months but as far as Mr Wallace is concerned he is not someone who I have had any meetings with to the best of my knowledge.

Mr McGOWAN: What you have done is note on the file -

The CHAIRMAN: Order, members.

Mr SHAVE: Mr Chairman, what the member for Rockingham has done is switch from a representation to Minister Foss. Now he is talking about a representation to Mr Wallace. Let me say this: if I had made a verbal representation to Mr Wallace I would have expected that he would have noted that on his files. That is there for everyone to see. You can FOI that. Mr Chairman, if I had rung Minister Foss, I would have expected that he would have noted it on his files.

Mr McGOWAN: That is rubbish.

The CHAIRMAN: Order, members. Member for Rockingham, you have had a fair go now.

Committee Resumed

Mr BLOFFWITCH: Yes. On 508, the fourth dot point -

Completion of the Small Business Safeguard Reference Group review of the adequacy of fair trading protection for small business.

Is this the review where we are looking at incorporating the Trade Practices Act into the Fair Trading legislation?

Mr SHAVE: I will firstly let Mr Walker respond to that and then Mr Newcombe will make some comments also.

Mr WALKER: Small business in WA is not currently protected by either Commonwealth or State Fair Trading legislation. The Small Business Safeguards Reference Group was appointed by the minister in October 98 to evaluate unconscionable conduct in relation to small business activity. The reference group that was established for that has recommended that there be protection for small businesses from unconscionable conduct by larger business through changes to both the Fair Trading Act and also the Commercial Tenancy (Retail Shops) Agreements Act. They also recommended there should be new mechanisms for advising small business about alternative dispute resolution. That is in part because of the expensive court proceedings that they currently attract.

Also the recommendation was that there should be increased access for small business to a tribunal for dispute resolution rather than going through the court system and that there should be an expanded role for Fair Trading dealing with small trader disputes. At the moment the Fair Trading Act and the Consumer Affairs Act preclude the Ministry of Fair Trading from assisting small business. The minister has recently sought comment from both the Minister for Small Business and the Attorney General in relation to those proposals and the minister is likely to take the proposal to Cabinet shortly.

Mr BLOFFWITCH: What about seeking opinions from members of Parliament? I have some very definite views on what is wrong with our Trade Practices Act. In the report the Federal Government did into finding a balance, the one thing they mentioned was predatory pricing. The one thing they did not amend was anything to do with predatory pricing. There are a million problems out there and I would welcome the opportunity to talk to the Small Business Council.

The CHAIRMAN: Minister, my question relates to page 516. Under the heading of "Major Achievements for 1999-2000" there is a reference to the implementation of a centralised telephone advice service to provide high quality advice. Could the minister please explain this initiative and the benefits that derive from it to consumers.

Mr WALKER: The establishment of a call centre has been a real success story in terms of the ministry. We receive about 10 000 telephone calls a week in terms of customer advice and complaints, in relation to REVS - encumbered vehicle scheme - and also in relation to the business registration system. That does not include our general calls through administration. Those calls are increasing continuously. Last year there was an average of 3500 calls per week in relation to consumer complaints and advice. The average is now running at about 4300 calls, so that is a challenge that we have been able to meet, largely because we have established a new call centre arrangement.

I am pleased to indicate that as of yesterday when people ring Fair Trading they will not be put on hold and they will not get taped messages. They will actually speak to someone who 90 per cent of the time should be able to provide advice and on other occasions will refer them to someone else. There was an independent survey conducted towards the beginning of 1999 that did produce very good results in terms of feedback. In terms of our telephone advice situation 93 per cent of people were either satisfied or very satisfied. We are currently conducting another survey and we hope those results will be similar. The outcome of that survey is expected towards the end of next month.

[7.20 pm]

The CHAIRMAN: I have a follow-up question, minister. It is the same issue, I suppose. You mentioned in your answer the number of calls received concerning encumbered vehicles. In the third dot point on page 516 there is reference to an increase in the use of online inquiries to this register of encumbered vehicles. Is there any plan to expand this register to include, for example, a system of registering encumbrances concerning vessels, boats, motor vessels, pleasure craft? I am wondering whether that has been considered.

Mr NEWCOMBE: There is a review of the Chattel Securities legislation to be undertaken next year and that will review chattel securities generally. Our view would be that if there is an increase in the sorts of securities which are lodged, online would be the way to go and the current technology which we have is capable of handling that as well. We have certainly been pushing online lodgment in relation to REVS and that has had a significant impact on the waiting time and the number of abandoned calls involved.

Mr McGINTY: Minister, my questions relate to the cost of the Gunning inquiry. Could you remind us what the estimated cost was when the inquiry was announced? It appears from these budget papers that the cost has blown out significantly. Could you tell us if that is the case and what is now the expected cost of the Gunning inquiry?

Mr SHAVE: I will let Mr Walker tell you the estimates originally and the amount involved. I can advise the member that because of the complexity of some of the matters involved, I will be going to Cabinet in the near future for a further \$600 000 to be used in relation to this inquiry.

Mr WALKER: In 1999, the current financial year, \$420 000 is budgeted in terms of the operations of the Gunning committee. That was the initial estimate for this year, with an additional \$180 000 projected to be spent next year. Since the initial establishment of the Gunning committee of inquiry, additional resources have been engaged, additional staff employed and it is certainly apparent that there will need to be an additional submission to Cabinet some time in the coming

months in terms of providing additional funding to that committee. I would anticipate that would be in the order of another \$200 000 or thereabouts, perhaps \$300,000, depending on the scope of the inquiry. There has certainly been a change in the scope and obviously it is determined by the number of submissions which the committee receives and the manner in which they deal with those.

Mr McGINTY: I refer you to the bottom of page 512, cost of special investigation. The figures you are now talking about are dramatically less than the budget papers show. There is a number of special investigations?

Mr BAKER: Supervisors, I think you are talking about.

Mr WALKER: That figure refers to the supervision costs, that is, the supervisors who have been appointed in relation to Grubb and Global Finance.

Mr McGINTY: How much are they? That is what that figure is, is it?

Mr WALKER: Yes, it is.

Mr McGINTY: That figure was just a little bit short of \$3m, if you look at last year and this year, so that is the total amount of money being spent on the liquidators for Grubb and Global.

Mr WALKER: It has not been spent to date, but that is the amount of finance allocated.

Mr McGINTY: You mentioned going to Cabinet for between \$200 000 and \$300 000 extra. The minister said he would be going to Cabinet for \$600 000 extra. Which is correct?

Mr WALKER: In relation to Gunning the original funding provided was an amount of \$600 000. It is likely as a result of the modus operandi for the committee, the number of submissions, etcetera, that will probably not be sufficient. At this stage we are unable to quantify that. We will need to establish that. There have also been some costs incurred by the ministry in relation to legal counsel and other matters and so that will be also the subject of that supplementary Cabinet submission.

Mr McGINTY: What do you anticipate the total cost of the Gunning inquiry to be at this stage, including the additional funds that you are going to approach Cabinet for?

Mr SHAVE: I did say that there would be Cabinet submission for an extra \$600 000 because I thought that was the figure that Mr Walker was going to recommend and I misunderstood the advice he just gave me, so I apologise for that, but he has now clarified that. In terms of the extra money that is needed, Mr Walker will be guided by what Mr Gunning requires. What initially happened was that the chairman wanted extra support staff as the inquiry got under way and asked for assistance. The Premier and the Government have made it very clear that whatever is required by Judge Gunning and his committee to complete their activities and their work, we will be providing that.

What Mr Walker has just been indicating to the committee here is that when you are looking ahead over a two or three-month period, it is not always possible to ascertain exactly what the committee will require and quantum of the money involved. I think the best way of answering the question is to say that, as I mentioned, whatever the committee wants and whatever Judge Gunning wants in terms of financial support, we will be providing it.

Mr McGINTY: Can I just get some clarification on that? There is \$600 000 last year and next year in what was planned. There is now a Cabinet submission being prepared for an extra \$200 000 or \$300 000, I think you have said. Is that all or are there any other costs associated with this and, secondly, can you provide us with a detailed breakdown of all of the costs incurred by Gunning and, finally, is Mr Gunning's fee of \$50 000 which was announced at the beginning still at that level?

Mr WALKER: To take the last part first, yes, my understanding is that the chairman was receiving \$50 000 and each of the other members \$40 000 each. There has been no change in respect to that. In relation to the other, the supplementary Cabinet submission has not been finalised yet. That will be the subject of ongoing discussions with the Gunning committee of inquiry in terms of the length of involvement because obviously in terms of payment of their staff, etcetera, we will need to have some indication from them as to a likely date. The inquiry currently has a report date of 1 September.

Mr McGINTY: Has there been any indication that is going to be met or likely to blow out?

Mr WALKER: There has been no request or indication at this stage.

Mr McGINTY: Right; so the all-up cost you would anticipate, if the additional funding application is about \$300 000, is that the cost of the inquiry would have gone from \$600 000 to \$900 000.

Mr WALKER: At this stage it is too hard to pre-empt but I would imagine there would be supplementary funding of that order.

Mr McGINTY: That would bring the total cost though to \$900 000, does it?

Mr WALKER: That would be correct.

Mr SHAVE: If it is required. I want to make it very clear that Mr Walker has not come up with any final figures and it is just a supposition that that would be the figure. I would also like to comment, because the member for Fremantle has raised the issue of the \$2.9m in respect of the supervisors, the Government has indicated that in the case of Grubb and Global

Finance there are some serious discrepancies within the trust accounts and particularly in the transfer of money. In relation to Global Finance the trust account has run over. I think on 84 occasions it has gone into overdraft and in fact on one occasion I think in excess of \$6m was overdrawn.

The allegation is that some of the money from that trust account was used - and I make the point "allegation" - to top up other trading accounts that Mr Grubb held or Grubb Enterprises held with the bank. I have been to Sydney two weeks ago to point it out to the Federal minister. This is not a matter of passing the buck. The reality is that the liquidator has far more powerful laws and regulations under the Federal Corporations Laws to undertake an inquiry or an inspection of some of the players involved in these matters and I have sought a sum of \$900 000 from the Federal Government to assist with the proceedings that need to be taken over the next six to 12 months against both the bank and some inspections against some auditors and company directors.

[7.30 pm]

That is still under discussion with the Federal Government. People need to know that when Grubb and Global went into liquidation, there was no money in Grubb or Global within the company structure and the liquidators were not prepared to proceed and undertake the functions that they were charged to do because there was no money there to pay them. What is happening at the moment is that the State Government is paying for work that should be paid for by the Federal Government and there is a very strong case, I believe, to involve the Federal Government in spending moneys.

Of the \$1.5m that has been spent to date, some of the work that is being done is work that effectively should have been paid for by the Federal Government and, as I have said publicly when I was interviewed, I do not believe that the Federal Government at this time is meeting its responsibilities and it needs to look at the issue very closely. I think it is in the public interest, Mr Chairman. If any of these people acted illegally, I think it is important that they are charged and convicted and I would have thought that it was in the Federal Government's interest to make sure those charges and those convictions came as quickly as possible to serve notice to other people who may be interested in involving themselves in illegal acts to make sure that those people know that they face the same future.

The CHAIRMAN: Minister, I have a follow-up question regarding the anticipated cost of the inquiry. I think it is fair to say that the cost will vary, of course, depending upon the length of the inquiry, which in turn can be influenced by the number of witnesses called before it. Can you please advise as to whether you have received any legal advice regarding the capacity, power or jurisdiction of the inquiry to have ministers of the Crown assist in matters related to its terms of reference?

Mr SHAVE: It is a very interesting issue, Mr Chairman, because there were people that attacked the inquiry when the inquiry started and said that the inquiry did not have any teeth and in fact I know there was attack on Gunning's personal credibility, but the legal advice, Mr Speaker, that I have is that the Gunning committee does have the power to summons the minister to attend. That is not necessarily because I have already offered and volunteered to attend any time Judge Gunning would like me to attend the hearing. I do not have a problem with that at all.

The Gunning committee has indicated it intends to take a wide view of its terms of reference and that should be supported by the opposition. If the Gunning committee believes that the actions of the minister have in any way impacted on the effectiveness or the efficiency of the Finance Brokers Supervisory Board or the Ministry of Fair Trading in carrying out their functions, then that would clearly come within the committee's terms of reference and the committee would be able to comment on that in their report.

Mr McGINTY: That is not what the Premier said yesterday.

Mr SHAVE: The Gunning committee is also required to report any allegation, not finding, of criminal, corrupt or improper conduct to the appropriate authority. If the minister's actions were of this character, they would be covered by this part of the terms of reference. The Gunning committee can take evidence from the minister and consider and report on any actions of the minister that come within its deliberately, and I mean deliberately, broad terms of reference. The Gunning committee is, in effect, a judicial inquiry and, as such, it has all the necessary powers to obtain evidence relevant to its terms of reference.

Mr McGINTY: If I can just ask you about the costing, if I can go back to that, I will come back in a minute to the terms of reference issue. You indicated you have asked the Federal Government for \$900 000 to fund the legal action against the St George Bank.

Mr SHAVE: That is not just to look at St George, if I can interrupt you, because I do not have the individual split-up in front of me, but I also want a public examination under the Federal legislation of a number of directors and auditors of Grubb and Global and the evidence that I have had put before me suggests that those people should be put before a public examination as quickly as possible. One of the problems you have with the supervisor doing it is that there is a view that the lawyers acting for the various parties might be able to argue that under the State legislation it is outside the powers of the supervisors, and I have the agreement from the liquidators and once again this is Federal responsibility.

What I have said to the people involved is, "You give me a summary of where you believe there is a case for action and a public examination and where the problems lie," and that has been given to me, and I have now said to the liquidators, "You go ahead and start with these examinations under the Federal law," and if ASIC and other people want to sit back and let the State Government pick up that cost, then that is something we are going to do because we want to see some of these people brought to account, but the proper process would be for ASIC to fund what we are doing. That is the argument that

I have put to the Federal minister because the control of the liquidator is the function of ASIC, the control of the supervisor is the function of the State Government. ASIC should, in my view, be providing funding right now to resolve some of these issues.

Mr McGINTY: The cost of funding the various legal actions in relation to Grubb and Global, they are not contained in this budget?

Mr SHAVE: No. I got the figures of what we would need in terms of the liquidators and got estimates. Sometimes they have not used one chap, it does not look as though he is going to use exactly what he wants, and the other chap looks as though he is going to need more than what he has, but the urgency of the public examination of one particular director and the urgency to move against St George Bank has caused me to get Cabinet approval to use some of the funds that have already been granted to undertake that process. I have gone to Cabinet and had Cabinet approve that either last Monday or the Monday before, so the liquidator will be moving forward with the action against St George Bank with our support and the liquidators will be moving against some of the auditors and company directors with our support.

What you do with the public examination is you bring them out of the corner and they cannot hide because the penalties for not disclosing the truth under the Federal legislation are very severe. I do not have them in front of me but they will compel these people. One particular director who thinks he has been immune up until now is going to find, when the public examination takes place, that it is not as friendly as he thought it was going to be.

Mr McGINTY: What is the best estimate you have of the cost of the various legal actions? You have mentioned a figure of \$900 000 that you have asked the Federal Government for. Is it more than that? It would be, would it not?

Mr SHAVE: We have looked at about three or four areas where we can take actions. We have preliminary advice on the initial costs of setting up those cases and then it comes down to how long the actions go and of course that is a guesstimate then. You just do not know. In the case of St George Bank, I think the information clearly shows there are problems there, but how do you know how St George Bank's lawyers are going to react? They may take a position that they want to contest what is being alleged and that is their right under the law. If they take a particular legal position, people would know that could take considerable time. If they take a more pragmatic approach if they believe they are in the wrong, we might well get some relief for some of the investors a lot quicker than if you go through litigation.

Mr McGINTY: I understand that, but do you have a figure that broadly you are working on as to what you would expect in the ordinary course of events?

Mr SHAVE: I have some preliminary figures and, as I say, they are preliminary advice to me. What I do know is I still have \$1.4m there to work with and we are going to work with it and do what we need to do.

Mr McGINTY: What do those preliminary figures indicate to you is the likely cost of this legal action?

Mr SHAVE: I am not going to go to the break-up of that, because they were estimates, and start saying they are concrete figures.

[7.40 pm]

Mr McGINTY: No, I am not asking -

Mr SHAVE: You see, I am a little bit distrusting of you, member for Fremantle, because I could well say a figure and you could walk out of this committee and say, "That is ridiculous and I have spoken to a QC down town who has told me it is going to be four times that amount so the Government does not know what it is doing," so I am not going to put a figure on it but I have been given some confidential advice on it and we will work through it.

Mr McGINTY: You have asked the Federal people for \$900 000, which I presume is for their share of it, so we are talking about something in excess of that.

Mr SHAVE: Yes, I would expect so.

The CHAIRMAN: Minister, in respect of any funding for any action against St George Bank, on the basis that that action is successful in due course or it is settled at some stage, is there not a prospect that some of those costs will be paid by St George as part of the overall settlement or court judgment?

Mr SHAVE: There is no doubt about that. In fact some of the money that the State Government is spending at the moment in relation to these matters, if there is a judgment found against St George Bank, some of the money that has already been spent on this inquiry could well be awarded against that bank in either a court decision or in a settlement. If the view that has been expressed to me is correct that St George Bank have been in error, then I would certainly be seeking some of the money that has been spent to date in regard to the matter because the greater percentage of the money that has been spent to date has been in relation to Grubb and because of the complexity and the fact that he did not keep decent records and there is money gone all over the place and St George Bank was Grubb's banker, if the trust account had been kept in order then a lot of the problems that occurred may well not have occurred and a lot of the people that lost money may well not have lost money and on that basis, on the advice I have been given by my lawyers, that is something we would look at. The cost of any court proceeding, the cost of some of the areas of investigation we have done in regard to those overdrawn trust accounts, all of those issues will be taken up with St George Bank in due course.

The CHAIRMAN: Have you been given a specific estimate as to the cost of the legal action against St George?

Mr SHAVE: No, I said that.

The CHAIRMAN: I think you mentioned that earlier.

Mr McGINTY: He would not answer me so I would be disappointed if he answered you.

Mr SHAVE: When you say I could not answer you, member for Member -

Mr McGINTY: I said you would not.

Mr SHAVE: You know very well as a lawyer that if the bank decides to take a particular line, the cost will be well in excess of the cost involved if they take a pragmatic decision to resolve the matter quickly.

The CHAIRMAN: Minister, in any event if you could just confirm that the Government would use its best endeavours to recoup all its costs associated with that action.

Mr SHAVE: That is right.

Mr MARLBOROUGH: If I could just take the minister back to the legal advice you have just read on the record and if I could ask for the record, do you actually support that legal advice?

Mr SHAVE: I am not a lawyer by training. The legal advice that has been given to me has been given to me by my legal people and I accept that is their view. It may not be correct but I accept that it is their legal view and at this point in time, on the advice I have been given, I am not going to disagree with it.

Mr MARLBOROUGH: Minister, I just think it is important. It is one thing to read it on the record. It is another thing I think, in the light of the debate that is going on at the moment, for both the community to be aware of your own position in respect to that because it may go some way to clearing up the confusion which I think has been highlighted by the Premier's view of what the Gunning inquiry guidelines are. In the light of your answer that you are not going to reject that legal advice, that is that the Gunning inquiry ought to be open to inquire into the role of the minister, and in the light of the confusion caused by yesterday's statement by the Premier which seems to indicate, unlike the legal advice, that the Gunning inquiry's present guidelines are not broad enough to do that, do you not think it would be appropriate for you, in the light of your support or non-rejection of that legal advice, to actually change the Gunning inquiry guidelines immediately so there is no confusion either amongst yourself and your own leader and amongst the public at large?

Mr SHAVE: The guidelines do not need to be changed because as a result of a press release today from the Gunning inquiry, the Queen's Counsel assisting the Gunning inquiry -

Mr McGINTY: He is not a Queen's Counsel.

Mr SHAVE: The barrister made it very clear that the inquiry was at liberty to subpoena me. I accept that advice and the issue is a dead issue anyhow because I have offered to go to the inquiry. All they have to do is ask me to go. I have also, member for Peel, suggested to my staff that as the actual inquiry comes under the Premier's Public Sector Management area and it is an inquiry instigated under his authority, albeit that I promoted the proposal initially. We put it under the Public Sector Management area -

Mr MARLBOROUGH: You got a bit of a shuffle on, actually.

Mr SHAVE: Yes, there was a little bit of encouragement. What I have said to my staff is to advise the Premier of my willingness to answer any questions and it would be appropriate, seeing that the inquiry has been formed by him, for him to let Judge Gunning know that. It is not a problem. I have been on every television station, I think, and just about every radio station and said three or four times in Parliament that I am more than happy to go and talk through the issues.

Mr MARLBOROUGH: Minister, following that, I agree that you have enunciated your position of being willing to front the inquiry on numerous occasions and I agree that you have been saying that now for at least the last two or three weeks, in Parliament and outside of Parliament, but still we have a level of confusion that still exists at the Premier and ministerial level. In the light of the legal advice you have now read onto the record, in the light of a question I have asked and you have indicated that you have no objection to that legal advice which says you can be brought before the committee, when you look at the expense that this inquiry is going to, when you look at the end result being whether or not pensioners in the main will receive proper justice, do you not think it is appropriate for you now to simply clear the record?

It does not matter how many times you have said you are willing to front, the Premier as of yesterday has said the inquiry does not have the ability to make a finding against you. It seems to me there are two parts that can be cleared up fairly quickly. It is one thing fronting, and you have indicated a willingness to do that and we are supportive of that. Whether you front or not still leaves the other part of the equation, that is, the ability of the Gunning inquiry to find anything against you if there is anything, and I am not suggesting there is, and to be able to publish a finding against you. I think it can be very easily cleared up if your support of the general thrust of the legal advice you have is followed through, not just in reading it onto the record. Let me just read you once again the Premier's one-paragraph quote as of yesterday. In reply he says -

I thank the Honourable Member for notice of this question. It is well established that special inquiries under the Public Sector Management Act of 1994 cannot make findings or recommendations about the conduct of a minister.

Your whole general demeanour seems to be, "I am happy to front. If there is an adverse finding or a good finding, I am

happy to cop it on the chin. If I get a bouquet, I will laud that as well." There is confusion. Your Premier does not think you probably ought to cop anything but bouquets and therefore he says they cannot make an adverse finding against you. You have indicated tonight that you are nearly there. You have sought legal advice which supports your public announcements that you want to front the inquiry. The legal advice supports you.

[7.50 pm]

Mr SHAVE: Mr Chairman, I understand what the member for Peel is saying. The Premier has said publicly if Judge Gunning wants the terms of reference of his inquiry expanded in any way to assist him with this matter, we as a Government will agree to it. That is it. Do not ask me to tell Judge Gunning what to do. He is the lawyer. He has been on the bench for 20 years. If he comes to the Premier and says, "I want to be able to do this, this and this," the Premier has said, "Sir, I will accommodate you." It is as simple as that. You are going round and round in circles. You are asking me to do something. I am not running the inquiry. What I am saying is that I will support the Chairman on the inquiry, unlike the Labor Party supporting him, I might add.

Mr McGINTY: You are pretty safe in doing that.

Mr SHAVE: Yes. You gave him a nice old running over when he first started.

Mr McGINTY: You made sure you were protected.

Mr SHAVE: Apart from that, Mr Chairman, as far as the Government is concerned, as far as I am concerned, if Judge Gunning wants extra powers, he can have extra power. It is something that the member for Peel needs to take up with the Premier. The Premier formulated the inquiry. That is where we are.

The CHAIRMAN: Minister, I have a question in relation to page 508. On page 508 there is a reference to a major achievement being the enactment of the Real Estate Legislation (Fidelity Funds) Amendment Act. Could you please explain how a benefit can be derived for the community from this amendment to that Act please?

Mr NEWCOMBE: Mr Chairman, the Real Estate Legislation (Fidelity Funds) Amendment Act changed the time period in which persons could make claims against both the real estate and settlement agents' fidelity funds. The period had been one year and there was evidence that that was preventing people from making claims. The amendments expand that up to three years and up to six years at the Board's discretion where they believe there are circumstances warranting it, so the legislation has clearly expanded consumers' rights where they have suffered a loss, either in relation to settlement or a real estate transaction, to make a claim against the relevant fidelity fund.

The CHAIRMAN: Minister, in relation to the transitional aspects of that Amendment Bill, that three-year period is retrospective, so to speak, from the date of the passage of that Amendment Bill. Is that right?

Mr NEWCOMBE: Effectively, yes.

The CHAIRMAN: For example, from today's date it is possible to back three years.

Mr NEWCOMBE: That is correct.

Dr TURNBULL: Does that then allow the Suresale people to be involved in approaching a fidelity fund?

Mr NEWCOMBE: It depends on the time frame for the claim. Possibly, yes.

Dr TURNBULL: You know which cases I am talking about.

Mr NEWCOMBE: Yes. There is an education campaign being implemented to advise consumers of the changes in the time frame periods, so any person who falls within that time frame period would be encouraged to make a claim and certainly Suresale could be.

Dr TURNBULL: You know of Suresale ones which would fit within that time frame.

Mr NEWCOMBE: We have not received the claims as yet and the person will need to come forward, but certainly some of those would fall within the time frame. Whether they are valid claims otherwise is a matter to be determined.

Mr McGINTY: Minister, if I can follow on from the question by the member for Peel, as he had read out to you yesterday, the Premier said that essentially the Gunning inquiry cannot make findings or recommendations about the conduct of ministers. Two months ago you said, "The Gunning inquiry has the capacity under its terms of reference to report on any actions of the minister." Is the Premier wrong or were you wrong?

Mr SHAVE: I think it is a legal technicality. I can only go on the legal advice I have been given. The legal advice I have been given is that they can report. I have read into the record the legal advice I have been given. If you have a doubt on that, then I think what you should do is take it up with Chaney from the Gunning inquiry and get his clarification on it.

Mr McGINTY: Are you saying the Premier is wrong in what he said yesterday?

Mr SHAVE: I am not saying the Premier is wrong about anything. I am just telling you the legal advice that I have.

Mr McGINTY: That you can be called before the inquiry, but that is not the point. The point is whether there can be a report, a finding or a recommendation in relation to you as the Minister for Fair Trading and the Premier said no, that cannot be done. You are tending to suggest that it can be done.

Mr SHAVE: I read into the minutes that the legal advice that I had is the Gunning committee can take evidence from the minister and consider and report on any actions of the minister that come within its deliberately broad terms of reference. I cannot be any clearer than that. That is the legal advice that I have.

Mr McGINTY: Your legal advice is at odds with the Premier's.

Mr SHAVE: That is for the lawyers to look at.

Mr McGINTY: No, it is not.

Mr SHAVE: That is for the lawyers to look at.

Mr McGINTY: There is a clear conflict there.

Mr McNEE: Point of order, Mr Chairman. I am having some difficulty in tying this in with what we are actually supposed to be talking about. I think those questions are ones which should be in the other place just over there whenever we sit again. I have better things to do than sit here and talk about that sort of nonsense when we should be talking about these sort of issues.

Mr McGINTY: Leave then.

Mr McNEE: I just raise the point with you, Mr Chairman.

The CHAIRMAN: Just in relation to that point, we have laboured on this point for long enough now. I think the minister has indicated the counsel assisting the inquiry -

Mr McGINTY: You are a bad chairman.

The CHAIRMAN: He does have the power. The minister's advice -

Mr McGINTY: The Premier was wrong.

The CHAIRMAN: That is why he has the power. The minister has said that he will attend, if required to attend. I think we have laboured long enough. I think the member for Fremantle can appreciate what it is like obtaining different opinions from different lawyers, of course, but I think at the end of the day we have laboured enough.

Mr McGINTY: Can I move on to another issue?

The CHAIRMAN: To another area, yes.

Mr McGINTY: Minister, again in relation to finance brokers, can I ask whether you have ever requested files or copies of files? I think there was a newspaper report to that effect during the course of the last week in relation to complaints or matters that have been raised in relation to the financing-broking issue with the Finance Brokers Supervisory Board.

Mr SHAVE: As a result of some allegations that you made in Parliament and outside Parliament, unfortunately for you, which were incorrect - and that, of course, is going to be very expensive for you - what I endeavour to do when I speak to Mr Newcombe who is a lawyer by trade, I say, "Is this file a departmental file or is it a board file?" If he says it is a board file and I should not have access to it, I quite obviously decline access to it. If it is a Ministry file that I have every right to access to, he advises me of that accordingly and, of course, with the sensitivity of the legal action that you and I are going to have on an ongoing basis between us, that is the appropriate thing for me to do.

Mr McGINTY: In relation to files relating to finance brokers, can you provide perhaps by way of supplementary information the information on what files you have had access to?

The CHAIRMAN: Is there an objection, member for Collie?

Dr TURNBULL: Is it a matter that is before the court?

The CHAIRMAN: I am not sure.

Mr SHAVE: Can I just answer the question? The advice that Mr Newcombe has given me is that I have not had access to any specific files, to his knowledge, and he is the person that provides them to me at any time, but from time to time I have been provided with information off a wide-ranging number of files that are Ministry files, not Board files.

Mr McGINTY: The question is will you provide by way of supplementary information what files you have had access to that relate to finance brokers?

[8.00 pm]

The CHAIRMAN: Just perhaps before the minister responds, I think that the member for Collie has raised an objection. I think it is something we should consider. Standing order 91 sets out - this is under the new standing orders, of course, what is known as a sub judice convention, and there is reference in there to the disallowance of certain questions, particularly in circumstances where they relate to criminal matters that are still being dealt with, but also in circumstances where they relate to civil matters where the matter concerned has either been set down for trial or otherwise brought before a court. I think that must be on some sort of an interlocutory application. I am just wondering in relation to the question you just asked, member for Fremantle, does that in any way relate to the action involving yourself and the minister?

Mr McGINTY: It was not intended to do that.

The CHAIRMAN: It does not, but it does not touch upon it either. I just wanted to clear that up.

Mr McGINTY: I am asking about a comment that appeared in the newspaper about the minister accessing files in relation to finance brokers. That is what my question is about.

The CHAIRMAN: Yes.

Mr McGINTY: I want to know which files he has accessed in that way.

Mr SHAVE: There was an argument at a time that I should not have access to Board files. Some subsequent advice that we have received from the Solicitor General is that it is quite proper for me to have access to those files. That was always a concern, that I behaved in a proper manner, but I might just ask Mr Newcombe to clarify that and just expand on it to try and resolve the question you are asking me. Would you like to just explain to them exactly what your legal interpretation of my rights are and also what basically you have provided or have not provided to me?

Mr NEWCOMBE: Advice has been obtained from the Crown Solicitor's Office in relation to the minister's right of access to documents either from the Ministry or the Board and that advice has confirmed, that he is entitled to access to that information in terms of his responsibilities as the minister administering that legislation. As a matter of course, files are not provided to the minister, whole files, and Finance Brokers Board files are not provided to the minister but individual documents might be provided where they are relevant to an answer to a Parliamentary or ministerial question or otherwise in relation to his duties as a minister.

Mr McGINTY: Parts of Finance Brokers Board files have been provided to the minister.

Mr NEWCOMBE: Individual documents, yes.

Mr SHAVE: You may find that I am asked a question by a member in question time which says, "Has the minister or the department received a letter from a Mr Smith in relation to a finance-broking matter?" Then the department has to go to the file and find out because I have to tell the answer to the Parliament. That is just the normal process.

Mr McGINTY: There has been considerably public debate, Minister, about the legal advice on the "Who is a client?" question and certainly what has come out in recent times is that the Ministry or the Finance Brokers Supervisory Board or its officers have refused to handle or not properly dealt with complaints from lenders on the basis that they are not a client of a finance broker. I think that is the essence of it. Can you tell us whether the legal advice that exists was provided in house and whether it related to the Code of Conduct or whether it related to the Act?

Mr SHAVE: Yes, I will get Mr Newcombe to give you the specific answer, but the advice, as I understand it, has also been provided to the Gunning inquiry and the barrister and the committee people have access, as I understand, to that legal advice. The Ministry's position in relation to that will be given to the Gunning inquiry over the next two weeks and some of the issues that have been raised by people who have been concerned about the position that the Ministry has taken will be discussed in the Gunning inquiry. Would you like to answer anything further? I will just let Mr Newcombe complete a further answer to that.

Mr NEWCOMBE: The issue was first raised by in house legal officers of the Ministry, but there were subsequently two Queen's counsel opinions from different Queen's counsel which impacted on the same matter. The advice is not to the effect that investors can never be clients of brokers, simply that it is a matter of fact to be determined in each circumstance. That is the position in relation to the advice. As the minister said, it is with the Gunning committee and they are fully aware of the advice.

Mr McGINTY: Because that did not quite answer the question I was putting to you, perhaps I can put it this way: is there a power under the Finance Brokers Act for the Finance Brokers Supervisory Board to act against brokers for fraudulently or grossly misleading behaviour in respect of the people they get money from?

Mr NEWCOMBE: There are two issues. One is whether there has been a breach of the Code which the Board administers. The Code was amended in 1999 to remove the issue about a client. If there has been a breach of the Code, then certainly the Board can taken action. If there has been misleading or deceptive conduct, it may or may not fall within the terms of the Fair Trading Act and there may be grounds for action. That would be by the ministry, not the board.

Mr McGINTY: The impression I have is your officers, Minister, have been saying you are a lender and because of the Code of Conduct there is nothing the board can do, up until it was changed last year. Putting the Code of Conduct to one side, there is clearly action that the board can take in respect of actions by finance brokers towards lenders, is there not?

Mr NEWCOMBE: It depends on the circumstances of each case and I think we would not accept that persons were simply told that they were an investor and therefore there was nothing that could be done. The normal position in relation to matters which are being investigated was that the complaint would be taken, the investigation would be undertaken and in the normal course of the investigation process, legal advice would be sought. If that legal advice was to the effect that in the circumstances the person was not a client, then there may not have been action that could be taken for the breach of the Code of Conduct, but it was not an automatic dismissal.

Mr McGINTY: Putting the Code of Conduct to one side if we can and just looking at the provisions of the Act, surely there is power for the Finance Brokers Supervisory Board to intervene where they see conduct by a broker which they regard

to be unconscionable. Is it a prerequisite that there be a conviction for breach of the Act for the Finance Brokers Board to act?

Mr NEWCOMBE: No, there are circumstances in which the board could inquire to determine whether to hold an inquiry into whether the person should continue to hold a licence, which might be for breach of code or breach of the legislation.

Mr MCGINTY: Forgetting the code, just looking at the legislation, is it not the case that the board has quite wide powers to revoke a licence or otherwise discipline a finance broker?

Mr NEWCOMBE: There are provisions in the Act which might allow that, but in general the focus is on the code.

Mr MCGINTY: I know, and that is why I think you have got into so much trouble, I must say, with due respect. If you look at the provisions of the Act, which is what I have looked at, it seems to me that in a great number of the financial broking cases that have featured very prominently, there was in fact the power there for the Finance Brokers Board to exercise its powers to discipline the finance broker involved.

Mr SHAVE: I do not think my officer should be forming a view on that in view of the Gunning inquiry. I think that matter is something the Gunning inquiry should and would address, and if that is the member for Fremantle's view, he should express that view to the Gunning inquiry.

Mr MCGINTY: Can I ask you as minister whether that is your view?

Mr SHAVE: I am old enough and wise enough not to get into what is legal and what is not legal. I leave that to people who get paid \$250 an hour to tell me whether it is or it is not.

Mr MCGINTY: Why will you not make that advice public?

Mr SHAVE: It is not a normal procedure for legal advice to be publicised.

Mr MCGINTY: This is hardly your normal circumstance.

Mr SHAVE: It is not a normal procedure and the advice I have is that it is information that is Government information and it should remain so. The Gunning inquiry has the advice there. If Judge Gunning wants to make an assessment of that legal advice and if the barrister wants to say they have a different view on the advice, they have that capacity to do that.

Mr MCGINTY: Can I put it to you, Minister, you would be embarrassed if that advice was made public and that is the reason you do not want to make it public?

Mr SHAVE: No, I think you are just clutching at straws.

Mr MCGINTY: Not at all.

Mr BLOFFWITCH: On page 508 there is a Real Estate Legislation Fidelity Fund. I just ask the minister to explain how the legislative amendments will benefit the public.

Point of Order

Mr MCGOWAN: He asked that question. Did you not ask that question? Point of order, Mr Speaker. If you ask the same question twice -

Did he write it out and then he gave you a copy of it as well, did he? Did you ask that question?

Mr MCGINTY: We all know the minister is giving you guys written questions to ask. He obvious -

The CHAIRMAN: Order, members. Order! Order!

Mr SHAVE: Mr Chairman, that is a terrible allegation to make, to suggest I would be giving questions to people.

The CHAIRMAN: Do you want the member to retract that, Minister?

Mr SHAVE: Perhaps the member was out having a cup of tea, but if the question was asked while he was out at the toilet or having a cup of tea - I am not sure we are allowed to do that, Mr Chairman. Providing these gentlemen are prepared to accept that, is it proper for Mr Newcombe to give that advice now?

[8.10 pm]

The CHAIRMAN: I think the member can check the draft proof of *Hansard* tomorrow, but the member may well have another question, of course.

Debate Resumed

Mr MCGINTY: If I can go back to the Gunning inquiry, Minister, we know the reporting date is 1 September so the inquiry will obviously be drawing to a conclusion over the next several weeks. The indication has been that the central players in the finance brokers scandal, namely the brokers and the borrowers, will not be called to give evidence. Given this is an inquiry although officially run out of the Premier's Office, in fact run out of your office, are you content that the major players will not be giving evidence?

Mr SHAVE: I am not sure you are absolutely right. In a media statement today the counsel assisting the Gunning inquiry, Mr Chaney, responded to some of the suggestions that the committee did not have any power to call material witnesses and, as he said, we have the power to subpoena any witness we feel may be able to help in our inquiries, and I am getting to your point but I need to make these points and I reiterate many times that during the inquiry if the committee feels any evidence warrants further investigation, it has been referred to appropriate investigative and prosecuting authorities. There is no limit on whose conduct could be the subject of reference to an appropriate authority. Mr Chaney pointed out the inquiry still had a long way to go. He said the calling of brokers, valuers and others who had been mentioned in evidence so far was still under consideration.

I think what you are finding is happening with the inquiry, because they are working very closely with the fraud squad, is if they know that a Mr Smith is under a current investigation by the fraud squad I do not think Gunning sees the need to call them other than to make sure the matter is appropriately investigated, so you have the fraud squad, as I understand it -

Mr McGINTY: That might be why they have not called one dodgy broker yet. They are all under investigation by the police. I would have thought that was the reason to call them.

Mr SHAVE: You have ASIC, the fraud squad and the Gunning inquiry looking into all these issues. If Mr Chaney or Judge Gunning wants to call a dodgy broker, I do not have a problem with that at all. He has called three brokers already.

Mr McGINTY: Who are the three brokers he has called?

Mr SHAVE: Weir, Brunton and Barry Barr.

Mr McGINTY: Not one person there has been questions raised in the Parliament about over the last six months has been called.

Mr SHAVE: If you have an issue with that, you should take that issue up with the Gunning inquiry. I am not going to interfere with the Gunning inquiry. What Mr Chaney has said is they have the capacity to call all those people and it is still under consideration, but I am not going to start dictating how he runs the inquiry.

Mr McGINTY: The indications, Minister, are they will not be calling any of those dodgy brokers.

Mr SHAVE: That is not what he says here.

Mr McGINTY: Yes, if you read what he said in his report in this morning's *The Australian* newspaper, it is still under consideration.

Mr SHAVE: That is right. "The calling of brokers, valuers and others who have been mentioned in evidence is still under consideration."

Mr McGINTY: Does it not worry you as minister that they are not going to get to the bottom of this matter?

Mr SHAVE: You keep saying it is not under consideration and I am saying I have it in front of me that it is under consideration. Either you cannot read or you are very, very slow on the hearing because there it is on the paper and the matter is under consideration. If you have an issue with that, I am sure Mr Chaney would be more than happy to talk to you. Why do you not go and have a meeting with Mr Chaney and express your concerns to him?

Mr McGINTY: Can I say this for the record now, an inquiry into finance brokers that does not deal with the shonky brokers, the shonky valuers and the shonky borrowers is no inquiry, and for that matter, the minister.

Mr SHAVE: You can make any allegation you like, member for Fremantle. Allegations you make about me have a long -

Mr McGINTY: Not one of them has been wrong yet.

Mr SHAVE: -long time ago ceased to worry me.

Mr McGINTY: We will see what the police think of these matters.

Mr SHAVE: I do not have a high level of regard for your views or your integrity.

The CHAIRMAN: Minister, just a general question. Several weeks ago I appeared on behalf of a young couple in a hearing before the Building Disputes Committee. During the course of the hearing the chairman raised some concerns about the funding, of course, for the Building Disputes Committee, enabling it to meet in a timely manner and deal with these disputes in a timely manner. Can the minister please advise as to whether there have been any recent legislative changes which will hopefully result in more funds being made available for this committee to enable it to get on with its statutory duties?

Mr SHAVE: I would like to point out that at 5.30 we started working on this section and by 8.30 this evening we will have been looking at these issues for a two-hour period. We might consider the last item that we have to discuss in regard to Parliamentary and electoral affairs.

The CHAIRMAN: I think most members would agree with that suggestion. We do not want to waste time in the Estimates Committee.

Mr McNEE: I think it is about this point we should be looking, Mr Chairman, at Parliamentary and electoral affairs.

Mr MARLBOROUGH: I have a non-brokers' question I would like to ask the member for Perth.

Mr SHAVE: Before you do, I know that you are probably thinking about your question but Mr Walker was going to respond to the question the chairman asked, so perhaps it might be appropriate if he did that first. He has to respond to the chairman's question. Then he is going to respond to your question.

Mr WALKER: The Legislation Amendment Bill was introduced in Parliament last week. It makes provision for a building licence fee and other measures which will assist the Building Registration Board and particularly the Building Disputes Committee to do its work. Members have probably realised that there has been some delay in terms of some of the disputes that have been submitted to the board. The new Bill which was introduced last week does remedy that in terms of providing the Building Disputes Committee and the board with a secure source of funding. It also provides for a system of mediation which will accelerate complaints which come before it. Certain functions of the board will now be able to be delegated by the board and exercised by officers or the chairman or the deputy chairman of the board when they sit alone. Essentially I think it is good news in terms of the builders and those who have got complaints. It is also thought to be a fairer system in that those people who participate in the work of the Building Disputes Committee are making a contribution.

Dr TURNBULL: Can I ask a question in relation to the membership of the new Building Disputes Tribunal? Will there be a totally new membership and will the minister ensure that that is widely canvassed to appoint those people? I would like to suggest that no member of the current Building Disputes Committee actually becomes a member of the Building Disputes Tribunal, part of the reason being that the Building Disputes Committee was seen as perhaps not sympathetic towards the complainant. I feel that in setting up the new tribunal, it would be a good idea for justice to be seen to be done by having new members.

[8.20 pm]

Mr SHAVE: In answer to the question that the member for Collie has asked, I certainly would not be prepared to exclude people who are currently serving on that committee from serving on the new committee because I think that would be virtually saying that the people had not done a reasonable job. They have a very difficult job to do and it is a bit like when you make an application to the Minister for Planning. One person is happy and says he does a good job and the other person who loses the appeal says, "I am very unhappy with the way this whole thing has been conducted and the minister has made the wrong decision."

You are always going to find with one of these committees or adjudicating bodies that you do not always get treated as you would hope to be treated and therefore you have some discomfort at the decision that has been made, but what I will do with the member for Collie prior to forming the committee or the tribunal is to take any representation that she might like to make in regard to the type of person who should be on that tribunal. If there are people who she thinks are reasonable, I would welcome the opportunity to consider them.

One of the problems we are finding with a lot of these committees and tribunals particularly is to get what we would consider a better level of female representation. I am constantly and the minister concerned is constantly trying to come up with ladies and people who are suitable for these committees. Member for Collie, if you have some people who are suitable we would consider them but we will also consider people who are on the existing committee as being people who could be considered for the new tribunal.

I certainly would not be looking at transferring everyone just straight from the committee to the new tribunal. It will be a slightly different structure and probably because it is a tribunal rather than a committee, there may be some questions of law and some questions of appropriate legal representation. All of those issues will need to be discussed but I will get Mr Walker and Mr Newcombe to work through those issues with you before we name anyone.

Mr MARLBOROUGH: Minister, I want to ask you a question about the Real Estate Fidelity Fund, particularly with regard to an article in this morning's *West Australian* on page 41 regarding a transaction of a legal nature between Mr Michael Joseph Harris, who was the agent, and a Mr Phelps. The end result was that Mr Phelps was awarded \$90 000 from the fidelity fund. This event occurred in 1994. When did the matter first come before the Real Estate and Business Agents Supervisory Board? That is my first question.

I am concerned that the article reports on what I believe to be, if it is reported correctly, a possible problem with what constitutes a consumer. Let me quote part of the report that concerns me. The article reads -

The board awarded Mr Phelps compensation from the fidelity fund after finding that Harris had been acting in his capacity as a sales representative when he met Mr Phelps. The board concluded the theft only qualified as a real estate transaction by the skin of its teeth.

This was after he had sold a property to Mr Phelps and then over a period of three months drew money out of an account -

It is believed that if the board had been considering a commercial (not residential) contract we would probably not have been anywhere as lenient," board chairman David Dawe said, "but this is a socially remedial legislation which governs the fidelity fund which in my view is to be construed with at least a degree of sympathy for claimants like Mr Phelps.

I do not have the full article. It would appear from a layman's point of view that this person would be a consumer. He bought a piece of real estate from a real estate agent. The real estate agent signed him up to a deal. The particular person could not read or write. He could only just sign his name. The article says the real estate agent then ripped him off. He had access to his bank accounts and milked them of more than \$89 000 over three months.

A claim is made to the fidelity fund. He has dealt with a real estate agent but I am seeing the chairman of this board saying,

"We nearly did not help this bloke." Can somebody explain to me why that may be the case? Is it time? Is it a problem, as we have heard earlier, with the interpretation of the act? Is the act not broad enough in trying to protect consumers?

Mr SHAVE: The issue is a legal issue and I will ask Mr Newcombe to comment on it. The initial advice he gave to me was to ask that the matter be put on notice but you have then elaborated and he may be prepared to address the later issues that you raised in your question. If he is not, then we will need to respond in a written manner but I think it is a little bit dangerous for Mr Newcombe to be talking about a specific case and forming a view without all of the evidence in front of him, but he may like to make some comments on the issue.

Mr NEWCOMBE: The only comment I would make is that it is possibly about the definition of "real estate transaction", but certainly I am not aware of the facts of that case and the Real Estate Board is an independent authority, so it would be preferable if we were given time. We will certainly look at the matter.

Mr MARLBOROUGH: The fidelity fund itself comes under the minister.

Mr NEWCOMBE: No. The board administers the fidelity fund as well. They sit independently. They conduct the hearings and they produce the decisions, so without seeing the decision or having a chance to discuss this, I am not sure of the issues, but we are happy to do that.

Mr McGINTY: Minister, you read some legal advice to the committee before regarding the terms of reference of the Gunning inquiry. Can I ask whether that was provided by an in-house staff lawyer or whether it was provided by Crown Law?

Mr SHAVE: The advice that I received was from an in-house legal officer who then discussed the matter and the terms of the statement with the Solicitor General. The Solicitor General has indicated verbally that he is comfortable with me making that statement. The memo on the bottom of my comments is that the Solicitor General has approved of the comment.

Mr McGINTY: The Solicitor General disagrees with the Premier. Can I ask you then, in relation to the funding of legal action which we spoke about a little bit earlier, does the ministry have guidelines, in relation to finance brokers only, for when they will fund legal action or is that a decision taken outside of the ministry? If there are guidelines, what are they?

Mr SHAVE: It would depend. Are you talking about Global or Grubb? What are you talking about?

Mr McGINTY: You are starting now to fund some legal action in relation to finance brokers, but not others.

Mr SHAVE: The legal action that has been funded in terms of Grubb is in relation to an action against the bank who have been internally involved in the actual transactions that have been taking place. In terms of the other actions that have been taking place, such as an inquiry into the auditors, it is for the purpose of an examination. Do you have anything further to add to that, Mr Walker?

Mr WALKER: Yes, Minister. The ministry obviously funds its own legal staff from in-house resources. In terms of the supervisors, that funding is channelled to the supervisors to do their work. More particularly in relation to - I think the nub of your question - the liquidation aspects, funding will be provided to the liquidators and they will engage the professional expertise they require.

Mr McGINTY: The action against St George Bank will be funded through the liquidator.

Mr WALKER: That is correct.

Mr SHAVE: The liquidator is taking the action.

Mr McGINTY: What I am trying to get to here is, in what circumstances will you fund legal action to recover moneys?

[8.30 pm]

Mr SHAVE: If the liquidators of those two companies - and they are the companies about which we have been looking at the funding - put any recommendation to us in terms of those liquidations, we will consider our position on the funding on a case basis. What we are doing is saying we are prepared to assist because ASIC will not meet their responsibilities and fund the liquidator. We believe it is in the public interest for that to happen and that is where we are with it up to date. But the actual action against St George Bank is being taken by the liquidator because we want to use the Federal Government legislation to make sure that we are not obstructed by issues that might be applicable if the supervisor were taking the action. You wanted to comment further?

Mr WALKER: Yes. Thanks, Minister. I think it is also useful to indicate that, as the minister elaborated earlier in terms of the quantum of that, the minister and the Government are also considering options which will minimise the taxpayers' exposure through the notion of litigation funding insurance arrangements and the like, so there is a range of options that can be taken in terms of actions, the exposure in terms of direct legal payments by the State, other litigation funding scenarios, insurance and those arrangements as well.

Mr McGINTY: That relates only, though, to the companies.

Mr SHAVE: Yes, at this stage. In the case of Grubb there is, I think, \$100 000 that he is required to deposit, and I think the money is there at one of the banks, and I or the ministry have suggested that those funds might be appropriately used in these matters, too.

Mr McGINTY: What I am getting to is, why in relation to Blackburne and Dixon -

Mr SHAVE: I know what you are getting to. What you are asking and what you have been asking in the Parliament over the last month or two is why the Government is not funding every individual legal action against brokers, particularly in the case of MFA Finance, because what you are trying to establish is that the Government is not behaving in an appropriate manner in regard to MFA, and the Premier does not agree with you on that.

Mr McGINTY: What is the guideline then as to when you will fund legal action in respect of companies other than Grubb and Global?

Mr SHAVE: I think the Premier has made it very clear to you that the Government is not going to fund every individual legal action that is taken by lenders on an individual basis against individual brokers and borrowers.

Mr McGINTY: Will it fund any of those?

Mr SHAVE: That is a decision that the board will make and the ministry will make and I will be bound by the recommendations the ministry makes to me.

Mr WALKER: If I may, Minister, the other thing that is important to recognise is, there is a very important differentiating factor between Grubb and Global and the others, and that is those two are in liquidation with liquidators appointed. Blackburne and Dixon is not in liquidation.

Mr McGINTY: They have gone with massive losses behind them. MFA have gone out of the industry with massive losses behind them.

Mr WALKER: Yes, but if you are going to use liquidators to undertake work, then it is important that liquidators be in place and the companies need to be in liquidation.

The CHAIRMAN: Minister, on the same point, there will be other factors I think would be taken into account and one of them is, of course, the likely success or otherwise of the litigation, and the other is that even if the litigation is successful, is there any powder, so to speak, in the bullet at the end of the day because the liquidator may not be able to recover anything at all to pay out?

Mr SHAVE: You are the legal people and I noticed that Mr Newcombe was nodding to some of the comments you were making. I will be guided by the advice I get from the legal people.

Mr McGINTY: It is not decipherable from the budget papers in the way in which they are presented. Could you tell me what is the total allocation that is made to the finance broking section of the Ministry of Fair Trading, or that is accountable for by finance broking activities, and could you tell me what the staffing is in areas that deal with finance brokers?

Mr SHAVE: I will ask Mr Walker to give whatever information he does have on file and any other information that he does not have on file will be provided by supplementary information.

The CHAIRMAN: That undertaking is noted.

Mr WALKER: Currently there are seven FTEs in terms of finance and valuations supporting the Finance Broking Supervisory Board. There are, of course, the supervisors.

Mr McGINTY: No. I meant just the FTEs.

Mr WALKER: Seven, with a proposal to increase that to 11 and a half. Advertisements, etcetera, have been lodged in newspapers, so we are hoping that very shortly there will be 11 and a half FTEs to handle some issues, the supervision of Grubb and Global and other matters.

Mr McGINTY: The seven FTEs, what are they?

Mr WALKER: In terms of the finance and valuations industry branch there are a whole range of people.

Mr McGINTY: There are seven.

Mr WALKER: Seven of them; registrar, investigations, licensing, project policy, briefing and legal officers, but I can certainly take it on notice and provide that information to you when I get the detail.

Mr McGINTY: I would appreciate that. Can I go to the board? What expenditure is incurred by the board?

Mr SHAVE: Mr Chairman, I was prepared to take the question. We are now going on with a whole lot of other questions and we do have another section to deal with.

Mr BLOFFWITCH (Acting Chair): I am in the hands of the committee. While there are questions to be answered, I cannot move on.

Mr SHAVE: I did speak to the chairman about it and he was going to look at the issues. Are you anticipating he is coming back in a minute?

Mr BLOFFWITCH: Yes, he is coming back, but that is beside the point. If members have questions, they have to be asked.

Mr SHAVE: Yes, that may be so, Mr Acting Chairman, but without deferring from your ruling, there is another section that has to be dealt with and it would be inappropriate if it was not dealt with, and we have been dealing with this now for in excess of two hours.

Mr BLOFFWITCH: That is up to the committee members.

Mr McNEE: I am quite happy to move to the Chair we move on to Parliamentary and Electoral Affairs. I have been wanting to do that for some time.

Mr MARLBOROUGH: You cannot do that.

Mr McNEE: Why can I not do that? Of course I can. You blokes did it when you were going -

Mr MARLBOROUGH: The best way to handle it is to ask the question. The truth of the matter is you have no questions to ask so we will just keep on asking questions about the brokers.

Mr McNEE: Just make sure they come out of here and not out of -

Mr MARLBOROUGH: Write the questions down that you want to ask.

Mr McNEE: If you want to ask those questions, get over here and ask them over here next week or whenever we sit again.

Mr MARLBOROUGH: There is no use putting up a banner and not have anything -

Mr McNEE: Don't worry. I have been around long enough to know what you are doing.

Mr McGOWAN: You had two and a half hours on -

Mr McNEE: They were good questions.

Mr McGOWAN: They were rubbish questions, and we have had a half-hour less on this section.

Mr McNEE: And you have wasted your time.

Mr WALKER: Based on our projections for 1999-2000, the total is about \$670 000, for 1999-2000.

Mr McGINTY: This is for the Finance Brokers Board, is it?

Mr WALKER: That is to support the work of the Finance Brokers Board, that is correct.

Mr McGINTY: That does not include the seven FTEs, does it?

Mr WALKER: Yes, it does.

Mr McGINTY: Apart from those seven FTEs, which will go to 11 and a half, what is the administration of the board? How much money is spent on it?

Mr WALKER: I do not have that detail. My understanding is that is included in that sum I just gave.

[8.40 pm]

Mr McGINTY: Is it possible by way of supplementary information to provide what fees are paid to members of the board and what the total cost of the board is apart from the seven or 11 and a half FTEs?

Mr WALKER: Certainly, yes.

Division 54: Western Australian Electoral Commission, \$12 593 000 -

Mr Baker, Chairman.

Mr Shave, Minister for Lands, Fair Trading, Parliamentary and Electoral Affairs.

Dr K.W. Evans, Electoral Commissioner, Western Australian Electoral Commission.

Ms F. Colbeck, Deputy Electoral Commissioner, Western Australian Electoral Commission.

Mr G. Harrington, Manager Corporate Services, Western Australian Electoral Commission.

Mr MARLBOROUGH: Minister, I am delighted to meet your officers of the Electoral Commission.

Mr SHAVE: I am delighted to have them here.

Mr MARLBOROUGH: It is the first public airing I have been aware you have allowed them to make because you have done nothing with electoral reform in the last 12 months. They must have the easiest job.

#What item of the budget is that?

Mr MARLBOROUGH: I am leading into it.

#What if there had been a one vote, one value? That will straighten you blokes out.

Mr SHAVE: That is very disparaging of you, member.

#Mr McGINTY: We would not want to have electoral equality, would we? We would not want to have equality.

#Why not?

#Mr McGINTY: It must be mortally embarrassing -

The CHAIRMAN: Order, members!

Mr McGINTY: They ask about the corrupt electoral system here in Western Australia. These people know no shame.

The CHAIRMAN: Order, members.

Mr McGINTY: No shame. It is the only place -

#I Thought this was going to be quiet.

Mr McGINTY: It is the only place in the whole of Australia where we have a corrupt electoral system.

The CHAIRMAN: Order, members!

Mr McGINTY: It is not based on voting power of the people.

The CHAIRMAN: Order, members. The member for Peel -

Mr McGINTY: It is based on the voting power of (inaudible) and trees and iron ore mines. That is what -

The CHAIRMAN: Order, members! The member for Peel has the call.

Mr MARLBOROUGH: I must say, Minister, I know you have had a lot on your plate this year with other matters other than electoral reform but you have now had the electoral reform portfolio for a fair number of years and I know that initially there was an indication, I think with the change of Government, that electoral reform in terms of one vote, one value and other anomalies that exist in this State with the present country weighting as against the city, the ludicrous situation that we have in Mandurah where Mandurah is classified by the Electoral Commission still in this State as a country electorate, they get two members of Parliament for the one member they get in Rockingham and Kwinana, and nothing has been done to alter it. I know that public servants are highly qualified and certainly public servants in this role are highly qualified and highly paid to do a job, but, Minister, you obviously have not given them any instructions. Could you please tell us where the instructions meet the rhetoric in your document there?

Mr SHAVE: Member for Peel, this sounds like a maiden speech.

Mr MARLBOROUGH: No, I have been waiting to meet these people.

Mr SHAVE: It was a sterling presentation but let me just say if you are going to talk about what you refer to as electoral reform, I have noticed quite interestingly that over the last 12 months your supposed push for one vote, one value has waned somewhat and a number of your colleagues in the country have gone very, very quiet on the issue of one vote, one value, as you call it, and in fact I am wondering whether the new country Labor Party will have as its platform, member for Peel, "one vote, one value", as you call it. It would be interesting to find out, Mr Speaker, because I am going to make sure that the people in Kalgoorlie and Burrup and the country regions of Western Australia at the next election know that the city based Labor Party, which purports to represent country people as well as city people, actually want to wipe out their members of Parliament.

I was interested when this debate was held and you were in full flight, the Labor Party, about the general views of some people in the country area who were Labor Party members of Parliament. I wonder whether the member for Pilbara still supports the city-based Labor Party centralist Government that wants to wipe out the representation that he gives his people in his electorate, and I wonder whether the media might like to ask the member for Kalgoorlie and the member for Eyre whether they support the process of wiping out country members of Parliament to give the city-based Labor Party more centralist control, because I think -

Mr MARLBOROUGH: We do not have the control. We are not in Government.

Mr SHAVE: You will not be if you keep going along this path that you are going, but notwithstanding that -

Mr MARLBOROUGH: Now you are telling us you have done nothing to save us.

The CHAIRMAN: Order, members! We are running out of time.

Mr SHAVE: Mr Speaker, I am a very caring and compassionate person and -

Dr TURNBULL: I would like to call on the chairman to please call the meeting to order.

The CHAIRMAN: Yes, order, members.

Mr SHAVE: Mr Speaker, what one person calls electoral reform, "one vote, one value" as electoral reform, another person says it is depriving people of the democratic right of proper representation.

Mr MARLBOROUGH: It is funny how the rest of Australia can live with it.

Mr SHAVE: Member for Peel, you have to realise that the circumstances in Western Australia are a lot different to other areas around Australia. Western Australia happens to be five times the size of Texas and it happens to produce a disproportionate share of wealth for this country and people in country areas -

Mr MARLBOROUGH: Got to get wealth (inaudible)

Mr SHAVE: Absolutely. Absolutely, because that is what makes the world go around.

Mr McGINTY: That is right, a billion-dollar a week Social Security bill.

The CHAIRMAN: Order, members!

Mr SHAVE: Mr Chairman, people in country areas -

The CHAIRMAN: Order, member for Fremantle.

Mr SHAVE: The current Government, Mr Chairman, believes that people in country areas are entitled to a reasonable level of representation and under your so-called proposal of "one vote, one value" they would not get that.

Mr McNEE: Minister, after elections you look at the postal voting and I was wondering with today's technology if it is possible to speed that process up and the counting and so on.

Mr McGINTY: Your electorates are so small out there in the bush you would not need it, would you?

The CHAIRMAN: Order, members.

Mr McNEE: Do not annoy me, Jim, or I will give you a wallop.

Mr SHAVE: There are a number of initiatives that the commission is undertaking. It is a very serious issue and I am sorry that Dr Evans had to be subjected -

Mr McGINTY: It is not doing anything about fairness in the electoral proceedings.

The CHAIRMAN: Order, members.

Mr SHAVE: I am sorry that Dr Evans -

Mr McGINTY: It is the worst system in the world.

Mr SHAVE: - had to be subjected -

The CHAIRMAN: Order, members!

Mr McGINTY: Both houses, the Upper House and Lower House, are a disgrace.

#It is a very difficult decision.

The CHAIRMAN: Order, member! The member for Fremantle, come to order.

Mr McGINTY: We had this announcement before the election that we were going to get a fair electoral system. We have not got it.

The CHAIRMAN: Order, members.

[8.50 pm]

Mr SHAVE: I am sorry that my officers have to be subjected to this barrage, but I will ask -

Mr McGINTY: If you introduced one vote one value you would not have to put up with the embarrassment of it.

Mr SHAVE: I will not be bullied by the member for Fremantle, because it is a bit like being attacked by a paper plate, but I will ask Dr Evans to give some detail of what is contained in the current Electoral Bill that is before the Parliament.

#At least he keeps his pants on.

The CHAIRMAN: Order, members!

Mr SHAVE: I am sure that those people that are taking this matter seriously -

Mr McGINTY: What a waste of time.

The CHAIRMAN: Order, members! Member for Fremantle, come to order.

Mr McGINTY: You cannot take this seriously.

The CHAIRMAN: Come on, Member, order!

Mr SHAVE: Those people who are taking this matter seriously will be interested in the information.

Mr McGINTY: There is nothing serious about this. This whole system is corrupt and a joke.

Dr TURNBULL: I would like the chairman to please manage the committee.

The CHAIRMAN: Yes, certainly.

Mr McGINTY: You have been told off.

The CHAIRMAN: Come to order please, member for Fremantle.

Mr McNEE: No, I think it is you who has been told off, member for Fremantle. If you cannot behave yourself, go home.

Mr McGINTY: What a joke! The WA Electoral Commission throughout the whole of the country is a standing joke.

The CHAIRMAN: Order, Member.

Mr McNEE: Take yourself off to Fremantle then. Get out of the way. We are interested.

Mr SHAVE: I will ask Dr Evans to outline some of the initiatives that are occurring.

Mr McGINTY: Anything about electoral fairness?

The CHAIRMAN: Order, Member!

Dr EVANS: In terms of postal voting we do have -

Mr McGINTY: The answer is no, is it not?

Mr McNEE: You have been told no 100 times.

The CHAIRMAN: Order, members.

Dr TURNBULL: At least have the courtesy to not talk while Dr Evans is speaking.

The CHAIRMAN: Order, members. We are running out of time.

Dr EVANS: In terms of postal voting we do have a proposal in a bill which I hope might be introduced in the next few months into the Parliament, which is to speed up the process. Two things will do that: (1) is we are hoping we can start processing postal votes up to three days before the commencement of the poll on the Saturday morning. That will mean if we can process them and open the ballot papers but put the ballot papers uninspected into sealed ballot boxes, at 6.00 o'clock on the Saturday night we will be able to count those postal votes and our estimate is that there could be another 30,000 to 40,000 votes - these would be postal votes - counted on the Saturday night and included in the figures. We have made another change which will speed up the processing and reduce the cost of doing it, which is a little computer system, but in terms of the counting of votes and the speed with getting them onto the tally boards, that is what we are proposing.

The CHAIRMAN: Minister, a very quick question. I refer to page 438 under the heading "Major Initiatives for 2000-01". The third dot point refers to the implementation of electoral education programs specifically targeting Aboriginal electors. There has been some today, federally, at least, about the idea of indigenous Australians being given a guaranteed number of seats in the Federal Parliament. What is the minister's view in respect of any such proposal as it could apply to the State Parliament?

Mr SHAVE: We have not had that proposition put to us and as such it would not be appropriate for me to comment on it until the Government considered it as a whole. A personal view that I hold might not be held by some of my colleagues and until the Government formed a position on that it would not be appropriate for me to give a view one way or the other, but I would like to ask Dr Evans to clarify part of the other question that was asked in regard to initiatives and what is being proposed in other areas.

Dr EVANS: The bill that we have prepared does a number of things. I think I will try and recall what I can. The major part of the bill is to introduce a system of registration for political parties. Western Australia is the only electoral jurisdiction apart from the Northern Territory in this country that does not have registration, and so we are proposing to set up a system. It is modelled along the system that operates in Queensland and it has requisite capacity for people who are disaffected by decisions the commissioner might make to finally have an appeal to the Supreme Court.

Parties or groups, if this legislation passes, that wish to be registered will need to have 500 members who are on the electoral roll signed up as members of that group. They will need a constitution which indicates that the purpose of the party is to get members elected to Parliament. Parties that are actually represented in State Parliament will have a different process of registration. They will be registered on the proclamation of the act but will be required to provide some information to the commission after that time. That is the major new initiative in the bill, but there are other things such as tidying up some of the old-fashioned provisions that are in there, deleting, for example, the term "registrar" which occurs quite a lot of times in there. We have not had registrars for quite a few years now that we keep the electoral roll centrally and in electronic form. That is just an old-fashioned approach. People once upon a time were registrars, I gather, scattered around the State, particularly in country areas.

The other thing is to try and change the understanding of what is an early vote and what is a vote cast on election day. We do have a confusion with postal votes and oral postal votes, as they are called, which are really votes made before election

day when people turn up to an Australian electoral office or our office or certain courthouses. What we are attempting to do is to clearly distinguish between early voting, which will be by post or by people attending before election day, and other votes cast on election day. That is another change. There are several other things.

Absent voting: we have put in place a computer system so that in polling places where previously there would have been a large number of people casting absent votes we will have the whole State roll on a computer base. Rather than cast an absent vote, the person will be able to cast an ordinary vote. This will have several benefits. One certainly to the elector, is they will not need to give a written declaration. From the commission's point of view, that written declaration then does not have to be checked later on. The person will get an ordinary vote. We are only doing this in the metropolitan area in polling places where there are large numbers of absent votes. They will be collected and again they will be counted on the Saturday night. We are anticipating we might get up to 20 000, of what would have been previously absent votes that would not have been counted until three or four days after, counted on the Saturday. There are other minor amendments to modernise the Act.

Dr TURNBULL: On page 442 in the "Output Measures" in relation to cost, it has the average cost of conducting Local Government elections is \$2.50 and the average cost per elector of conducting statutory election is \$8 500. Do you have an explanation for that and does that \$8 500 include the cost per elector of the subsidy to parties that receive over a certain percentage of votes and how much is that?

Mr HARRINGTON: There is actually a spelling mistake in there. It should be "the average cost per election" for "the statutory election" and the one underneath, which is the union elections, should be "cost per election", not "cost per elector".

Mr McGOWAN: Minister, a moment ago you were relaying how you thought it was appropriate that country members have more representatives in proportion to city electorates. I just want to ask you in light of that statement, does it concern you that a range of country members do not have electorate officers in their electorates and they have their electorate officers in Perth, a range of them opposite Parliament House? Does that concern you as to how they may be representing their electorates considering that fact?

Mr SHAVE: That is a decision that those people need to make individually. My preferred position is to have my electoral office in my electorate, but it is a democratic society and people have the right to make whatever decision they wish to make. If people have an electoral office in the city and not in their particular electorate, I would not have thought it necessarily means that they do not represent their people, but from my personal point of view, and this is only a personal view, I prefer to have my electorate office in my electorate.

Mr McGOWAN: Minister, if someone is elected to represent an area and you are saying the country needs more representation, surely they should have their office, their staff, their accessibility in that country area and you should put in place rules to ensure that that takes place in the future. I know a number of your colleagues have their electorate offices in the centre of Perth and that just makes a mockery of your whole argument about country representation.

Mr SHAVE: That is a decision the individual makes.

Mr McNEE: Questions are supposed to be short.

Mr McGOWAN: If you knew anything about representing the country, you might be qualified to speak on the matter.

Mr SHAVE: I would like to respond just quickly. He has talked about this criticism that the member for Rockingham has thrown at country members of Parliament. He might also be interested, if he did a bit of checking, to note that there are city members of Parliament that do not have their offices in their electorates, so I do not know why you are picking on country people.

Mr McGOWAN: Minister, I was interested in how many schools in the last financial year might have visited the Electoral Educational Centre. Are you upgrading the displays and suchlike?

Mr McGINTY: I hope they did not think our system was a good one.

Mr SHAVE: Mr Chairman, I draw your attention to the time, but I will ask Dr Evans, if people will be kind enough and courteous enough to allow him to answer the question.

Dr EVANS: The attendance by schools would be in the order of 230, I think, in the last financial year. We are continually spending money on upgrading the displays at the Electoral Education Centre. We have spent about \$50 000 in the last year on modernising displays. There are still things to be done there, but our aim is to keep it modern and keep attracting young people to the centre.

Committee adjourned at 9.00 pm
