



WESTERN AUSTRALIA

# **Parliamentary Debates**

**(HANSARD)**

THIRTY-FIFTH PARLIAMENT  
SECOND SESSION  
1999

LEGISLATIVE COUNCIL

Wednesday, 12 May 1999

# Legislative Council

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**THE PRESIDENT** (Hon George Cash) took the Chair at 4.00 pm, and read prayers.

## **STANDING COMMITTEE ON PUBLIC ADMINISTRATION REPORTS ON DAIRY ADJUSTMENT ASSISTANCE SCHEME**

### *Endorsement of Recommendations - Motion*

Resumed from 6 May on the following motion -

The Legislative Council endorses the recommendations of the third and sixth report of the Standing Committee on Public Administration into the dairy adjustment assistance scheme and in particular requests that the Minister for Primary Industry pay further assistance to former vendors, in accordance with the guidelines recommended by the committee in its sixth report, as soon as is administratively possible.

**HON KIM CHANCE** (Agricultural) [4.03 pm]: Last week, at one stage of my address to the Parliament on this matter, I raised the issue of the scope of product which was covered by the licences in the form in which they were first issued. Members may recall that I referred to advice from the Crown Solicitor which limited the scope of compensation which could be paid to former milk vendors for those products which, for ease of reference, I will refer to as white milk. I told members this last week, but it is necessary to refresh their memories. When we look at the range of products which was handled by these vendors, and which formed an integral and important part of their incomes, we find that much of the product handled by them was milk product as defined in the Act as milk product, but which was not white milk; that is, the range of coloured milks, yoghurts, ice-creams, etc. My understanding of the Crown Solicitor's argument to the minister was that it would be impossible under the specifications of the three distribution adjustment assistance schemes to compensate for those products because they were not licensed products. The definition of "milk product" in the Act under which these licences were first issued - that is, the Dairy Industry Act, 1973 to 1983 - casts real doubt upon that, and suggests that regulations may have been promulgated under that Act which had a much broader meaning than that which has been taken by the Crown Solicitor.

Subsequently, and immediately after I had finished my address on this matter last week, I was handed a copy of the relevant regulations. At the end of my speech, it is my intention to seek leave to table these regulations. Page 648 of the *Government Gazette* of 1 March 1974 contains a proclamation under the Dairy Industry Act which lists the products which are described as dairy product for the purposes of the Act. It is interesting to observe what is listed specifically in those regulations. It includes skim or separated milk, condensed milk, dried milk, malted milk powder, flavoured milk, yoghurt, butter and cheese, ice-cream, and "ice-cream mix" as defined in section N.04 of the Food and Drug Regulations. All of those products "shall be dairy produce for the purpose of the said Act". It is possible that a later regulation narrowed the scope of products which could be so defined. I looked at other documentation to check whether such a change had been made. Having conducted a test under normal due diligence for those new regulations, I was unable to find any later regulations which narrowed the scope. I am not telling members that they do not exist, but a test conducted under normal due diligence was unable to find them. The only other way of doing that is by going through every regulation which has been promulgated since 1973-74 to find out whether that narrowing of the scope was included in an omnibus-type regulation. On the face of it, at least at the time these licences were issued, it seems as though a much broader scope of product was subject to the licensing. The key words are: What products were subject to the licensing. Clearly, this is an argument which is peripheral to my principal argument. This is an argument about whether the Crown Solicitor's advice to the minister was correct in limiting the number of products which could be subject to adjustment mechanisms under the distribution adjustment assistance scheme. My principal argument is that, irrespective of what is possible and what is not possible under the DAAS, it is the opinion of the committee, and of the Opposition, that the vendors should be entitled to full compensation, regardless of what the DAAS can and cannot do.

As I finished my contribution last week, I was making the point that a complete hash had been made of the allocation of values in the additional assistance which was approved some time ago. Of course, the hash related to the inflated value that resulted from the consideration of the committee's sixth report for household rounds and the undervaluation of those rounds, which in the main were shop rounds. Historically the value of a shop round - that is, the capital value of a shop round as traded on the market - was roughly 2.5 times the value of a household round. Notwithstanding the higher per litre margin paid for household rounds, the sheer cost of operating such a round made it worthless in capital terms. I do not need to explain that more fully.

I say that a "hash" was made of the interpretation of the committee's report because it was turned on its head by the final determination of what the capital value would be under the additional assistance arrangements. A household round was judged to be worth approximately 2.5 times the value of the shop round. It was a complete muck-up. It was an error that could have been made only by someone who was not paying any attention to the task in hand, or, if I can impute a lesser motive, it was made deliberately because those involved did not like being told by a committee of this Parliament what they should and should not do.

Hon Tom Helm: That sounds like Monty.

Hon KIM CHANCE: I am not lining up the Minister for Primary Industry in this process. The minister acts as every minister acts; that is, according to the advice he or she has been given. Members can make their own judgment about what the committee thinks of the quality of that advice from reading the tenth report. Having exonerated the minister from responsibility on that matter - that is a reasonable thing to do - he should be well aware of the outcome and what the

committee thinks of that outcome. He should also take those actions that he believes appropriate in the knowledge of those facts.

Because what the Government did in the end resulted in an effective misreading of the committee's recommendations, which provided for a clear choice in respect of both household and shop rounds of a multiplier ranging from a factor of two to a factor of four, and because that misreading led to the choice of two years in the case of both calculations, the resultant calculations were absurd. In fact, under the prescription, the ratio was reversed. Whether that bungling was the result of incompetence, laziness or something more malicious is uncertain. However, the House must be aware that I drew this matter to the attention of both the minister's office and the Dairy Industry Authority before the final offers were sent to vendors, and certainly before any vendors had accepted the final offer of assistance. It is my view, and I have never seen anything put forward to challenge it, that not one thing was done to address those mistakes that I so clearly outlined to both the DIA and the minister's staff. They included the reversal of the calculation of capital value for shop and household rounds.

This issue has been a litany of injustice and cruelty to these hardworking and honest small business people. I do not think anyone of us can say that we have never hurt an innocent person by mistake, but I know the members of this place well enough to believe that if they made a mistake of this nature and could fix the damage, they would do so. I wonder why we have acted differently as a group. Every member in this place would fix this matter if he or she could.

Our actions have hurt these people very badly. The amazing thing is that we have agreed that we have caused this damage. A bipartisan standing committee drawing on the best legal advice available to it has told this House in no less than three unanimous reports that our actions have caused harm. Why can we not fix that harm? Why have these people suffered from years of deprivation - some have lost their homes and every one of them has lost his or her business - but still have had to wait four long years to get to this point? With the authority of the Parliament the Dairy Industry Authority has collected levies amounting to well over \$5m of the target sum of \$7m that was intended to go to these people. Yet, by 30 June last year only \$3.1m had been paid out. Why is that the case? I do not know and nor has the committee been able to determine why that has happened.

It is time to close the book on what has been an extremely sad case. It is time that as a Parliament we conceded our mistake; it is time we put our egos to bed; and it is time we tried to do justice for these people.

I seek leave to table the regulations to which I referred earlier.

Leave granted. [See paper No 1040.]

**HON J.A. SCOTT** (South Metropolitan) [4.17 pm]: I support this motion. I participated in the debate when the legislation was put to us as a Bill that would deregulate the milk industry because the Government did not want to be involved in such regulation. I very soon discovered that that was not what happened as a result of the legislation. In fact, the regulation regime carried on but all the power was removed from the vendors and handed over to the dairies.

I am amazed at the audacity of the legislation, and therefore will support the motion. In effect, the legislation removed from a group of small business people in our community the right to trade. It was not as though they were dealing in marijuana, selling tobacco or doing something harmful. They had their livelihood removed from them so that the industry could be rationalised and deregulated. As legitimate business people they should have received fair compensation. They were not only losing their asset - that is, their ability to trade - they were also being refused the ability to carry on the type of work they had been doing.

They lost their assets because they were paid for those assets only partially rather than fully. I have heard various descriptions of what percentage of the value of their assets they were paid, but clearly they were substantially underpaid, and in many cases they were paid less than half of what their businesses were worth. In effect, the Government has mugged this section of the community. What the Government has done here is little different from what has been done to the old ladies who have had their bags snatched or the people who have had their homes broken into and their assets stolen. This is a straightforward theft of people's assets by means of the legislative process. However, the Government was not satisfied with going that far; it also said that these people could not continue to carry on the same business. What we have here is robbery that has been legalised by regulation. What really annoys me is that this was said to be a deregulation of the industry. As I have said, not only was the industry passed on to the dairies, but also the stolen goods were passed on to the dairies. The dairies became de facto dealers for the stolen product - in this case, these people's assets, their business - and the dairies were able to on-sell those stolen goods with the blessing of the Government. The dairies did not pay for those assets. They gained control of those assets via this legislation. That is a downright disgrace. The Dairy Industry Amendment Bill 1994 is probably the most unfair Bill I have ever seen go through this Parliament. The committee in its reports has tried to redress that balance and to bring some decency into what has been done to these people, who did not say they wanted to get out of the business but who were forced out of the business.

The other outrage is that not only did the deregulation not occur, but we were promised that the new legislation would result in a more streamlined industry and that the beneficiaries would be the consumers. That has not occurred. Prices are no cheaper and services are no better now than they were before. The Government based its argument largely on its belief that the dairy adjustment assistance scheme should not pay for products other than the white milk products that were delivered to people's homes and to retailers. However, we all know, and the Government knows, that by taking away from those people the right to deliver a variety of goods, it has become uneconomic for them to deliver or on-sell products like orange juice, yoghurt and chocolate milk. It is like saying that if we cut the legs off a top tennis player, he could still use his arms and, therefore, could still play tennis, so he should not grizzle. It is just nonsense.

The committee reports that are referred to in this motion are an attempt to both redress the nonsense that has occurred and

provide a fair basis by which the milk vendors and their families can get on with their lives and not feel ripped off by the people in this Parliament, whom they would expect to protect their rights. When I consider the impact of the Dairy Industry Amendment Bill, it is little wonder that people are getting fed up with the political process in this State, because they can see that people who have been stopped from carrying on a legitimate and worthwhile business have not been adequately recompensed. This motion must be carried unanimously if we are to start to restore some level of justice to this issue. I support the motion.

**HON BARRY HOUSE** (South West) [4.26 pm]: In approaching debates of this nature, I always adopt the overriding principle that if the property right of an individual is removed or amended in the public interest, that individual has the right to be compensated; and if a Government does not adhere to that principle, it is morally wrong, and I cannot defend it. That is the position in which I find myself today. I have been a member of the Public Administration Committee, which has considered this issue at length over several years and has come down with the three reports that have been mentioned. It is obvious from our consideration of this issue that there have been inequities. Some people have been handed a windfall, and we have not heard much from them - surprise, surprise; the two companies involved have also, possibly inadvertently, been handed a windfall, and it is a bit hard to extract dollars back from them by way of recourse; and some people have been seriously disadvantaged. We have heard from previous speakers how that has impacted upon their lives both financially and physically, and in various other ways.

The dairy adjustment assistance scheme was set up to consider what adjustment was necessary post-deregulation. That word "deregulation" in this case is probably a misnomer; it was probably re-regulation rather than deregulation. It has always been the case that DAAS was not set up to provide compensation, and that is understandable. However, we have now reached the stage where the payment of compensation must be considered, because the adjustment mechanism has not worked. One of the frustrating things about this exercise is that it appears that DAAS has an adequate pool of funds - I am not sure of the current figure, but it is around \$4m - that should be made available to reimburse the probably fewer than 15 people who have been seriously affected by this situation. It has been only through legislative restrictions or, more likely, through interpretation of the DAAS guidelines that this compensation has not been able to be distributed fairly. It was determined that the value of the rounds would be based on their white milk content only, and I endorse the comments made by previous speakers on that issue. However, it is clear that the capital value of the milk vendor's business relates to more than the white milk content. That is obviously a situation in which the anomaly arises. The real value was based on the vendor's coloured milk products and other dairy products in addition to white milk. That obviously has not been taken into account and is where a lot of the anomalies have arisen or there has been a straight miscalculation.

I accept the position that to some extent the minister's hands have been tied by the legislation and by the interpretation put on the distribution of these funds by the arbiter. As I have mentioned, the irony is that the money is still in the fund but it cannot be accessed. I support the position that the vendors should be compensated. I am sure that if we asked the vendors, they would not really mind which pot the money came out of, whether through the dairy adjustment assistance scheme or some other pool of money, because a dollar is a dollar. If they have been disadvantaged, they should be compensated. If the only way to do that, as the committee alluded to in the last report, is for the minister to go to Cabinet and seek an ex gratia payment for the several vendors clearly identified, so be it; the money can come out of some other pool. I would certainly like to see this running sore sorted out.

Through this miscalculation or oversight a serious anomaly has occurred and people have been unfairly disadvantaged. As I mentioned at the beginning of my speech, if their property rights have been infringed - and in this case the property rights of both the asset and the ability to trade were removed - the vendors are entitled to compensation. Throughout every means of legislating and all the other things we do in this Parliament, a principle that I hold very dear is that if the public interest overrides the personal ownership of a person or organisation, that person or organisation is entitled to some sort of fair and prompt recompense.

**HON DERRICK TOMLINSON** (East Metropolitan) [4.33 pm]: Hon Kim Chance advanced the proposition that a mistake was made. I do not think that we can deny that. I suggest that a serious mistake was made. It was not necessarily a mistake to deregulate the distribution of milk through licensed vendors. That is a value judgment. However, the mistake made by the Parliament was to approve the dairy adjustment assistance scheme. It embraces a series of mistakes or errors of judgment which were pointed out to us as individual members of Parliament, as legislators and as political parties in this Parliament.

The mistake that the vendors pointed out to us at the time we approved the dairy adjustment assistance scheme was to provide financial assistance or compensation, as it were, for only that part of the business to which their licences related; that is, the sale of milk or something called HiLo. I confess that I do not know what HiLo is; all I know is that my wife insists that I drink it. I prefer the stuff called milk.

Hon Ljiljanna Ravlich: It is low fat milk.

Hon DERRICK TOMLINSON: The licence was for a person to be a vendor of milk and that low fat milk, as Hon Ljiljanna Ravlich has called it. The error of judgment that the Parliament made, and which was pointed out by the milk vendors, is a consequence of history. The licences for vendors belong to a time, which the younger members of this House would not remember, when the milko delivered milk to the household in the still of the night with his billy. Our billy was on the front step. It was bulk milk delivered in bulk. It eventually came in bottles and then Tetra packs, the current containers. That was the milk vendors' livelihood.

To my recollection, two things happened about 1951 when something new came on the market. I think I was in sixth standard at primary school. This magical product called Dairy Choc arrived. One could buy it at the local delicatessen. Because it became popular, milk vendors started to deliver Dairy Choc to affluent households. Most of us still had our

sixpenn'orth of milk in our billy cans - by "milk" I mean the real stuff out of cows. At the same time as the diversification of milk products happened, a change occurred in marketing trends, from the vendor delivering to the household to the vendor delivering to a retailer. Two trends occurred simultaneously: The diversification of milk products - the things that have been called coloured milks or flavoured milks - and the arrival of Dairy Choc, which became the 101 varieties of coloured and flavoured milks that one can buy at one's local delicatessen or supermarket now, together with yoghurts and cheeses of various kinds. I understand that some vendors delivered fruit juices as well.

The licences still related only to the milk and the HiLo but the value of the vendor's business related proportionately less to the HiLo product and proportionately more to the other milk products, and decreasingly to the household buyer and increasingly to the retailer. A milk vendor became less of a milk vendor and more of a distributor, but the value of his or her business was not related to the value of milk or the HiLo sold but the turnover of the whole of the products distributed to various customers. There is the error that we compounded in approving the dairy adjustment assistance scheme. The payment through DAAS was for the loss of that part of the business which related or was subject to regulation, the milk and the HiLo. Other products from the dairy to the retailer were not subject to regulation. Any person could have contracted with a dairy to distribute those products, but only licensed vendors could be the distributors of the milk and the milk products. It was convenient for the dairies to use the licensed vendors to be the distributors of the other products. The value of the vendors' business became increasingly dependent on the value of other products. However, the DAAS related to that historical licence to be a vendor of milk - the white stuff from the cow.

Hon Kim Chance: Notwithstanding that the historical regulation included flavoured milk?

Hon DERRICK TOMLINSON: I understand that. There is the mistake. The beneficiaries of deregulation were the dairies. They were no longer constrained in the contracts that they may let for the distribution of their product. They could choose their contractors. They could choose the area of the contract. They were not bound by the regulation. They were the beneficiaries of deregulation, of the loss of the licence and therefore of the loss of the monopoly of the distribution which pertained to the milk vendors. There is another mistake. If the dairies were the beneficiaries why were the dairies not party to the compensation to the vendor for the business that was taken away from him or her? I do not know why the dairies were not compelled to contribute to the payment; but they were not.

We then come to the issue of whether the vendors should be compensated. The conclusion of the sixth and the tenth report of the Public Administration Committee was that the vendors were entitled to compensation. I agree with the findings of the committee. However, there is a problem with the limit on the legal authority of the minister to use the funds from DAAS for the purpose of compensation for that part of the value of the vendors' business which was not regulated by the licence. Can a fund which belongs to the dairy industry and which was established for the purpose of the compensation of persons who were adversely affected by the decision to deregulate the distribution of milk be used to compensate the other part of the business? I hope the minister will respond to that.

My understanding is that the legal advice is that it cannot. Hence, the question of why so much money is still available when there are persons who are aggrieved and who are entitled to compensation by decision of a committee of this House. Why cannot that money be used? There may be a legal constraint. However, that legal constraint should not be used as an excuse for not compensating aggrieved persons who are adversely affected by a decision of this Parliament. Therefore, I support a recommendation that the minister comply with the recommendation of the Public Administration Committee. That might mean, as Hon Barry House has said, going to the Executive Council and asking for an ex gratia payment. That act of grace is justified and I strongly support the recommendation of the sixth and tenth reports of the Public Administration Committee.

**HON B.M. SCOTT** (South Metropolitan) [4.45 pm]: I will speak briefly on this motion as a member of the Public Administration Committee. Having gone through the pain and anguish of the milk vendors through this difficult period it is incumbent upon me to express my views in this Chamber. The situation has been clearly outlined by previous speakers, and I endorse the sentiment that Hon Barry House has made clear: that if a property right is removed an injustice is committed.

I would like to put before the Chamber an analogy of the Government saying to pharmacists that it would regulate pharmacies so they could operate only with a pharmacist present during opening hours and could only sell medication. That would create an injustice similar to that which has been done to milk vendors. It would be a similar situation for somebody selling petrol. We know that the petrol stations and pharmacies rely on a range of other products but the commodity that is licensed is the petrol, or in the case of a pharmacy it is the medication for prescriptions. However, we know that pharmacies could not rely entirely on that specific area of their business.

I stress the other point that was made by Hon Derrick Tomlinson: The dairies found it convenient to use vendors to distribute other products. This then made up a large part of the vendor's business and formed a part in the way the licence was framed. In a way there is a moral obligation to recognise that part of the licence component.

A mistake was made in the DAAS arrangement. However, even though Crown Law advice to the minister is that the remaining \$4 175 874 of the \$7m set aside for DAAS cannot be used in this instance to compensate for the money lost by distributors for their licences, the Parliament must recognise its moral obligation for the mistakes that have been made and some recommendation should go to Cabinet to assist the distributors - if not by way of these funds then by way of an ex gratia payment. Although it may be difficult for some people to agree that the Minister for Primary Industry pay further assistance to former vendors, if we look broadly at the terms and guidelines recommended by the Public Administration Committee in its sixth report we see that the Cabinet has the ability to recognise the injustice that has been done. I would be happy as long as the number of people did not extend widely and the compensation was not used for litigation to broaden the spectrum of claims. I agree that there should be an ex gratia payment and would be keen for it to be taken from the

allocated fund. Therefore, I recommend that members agree that the Legislative Council endorse the recommendations made by the Public Administration Committee.

**HON M.J. CRIDDLE** (Agricultural - Minister for Transport) [4.50 pm]: I have had a longstanding connection with this issue, which goes back to the third report of the Standing Committee on Public Administration, which was presented in November 1997 and its sixth report in June 1998. One of the many recommendations was that the Minister for Primary Industry go through an arbitration process; that issues in dispute go before that arbiter. I was involved with Hon Kim Chance as two members delegated by the committee to meet with some of the vendors. We heard the situations that were very difficult for them, and that was referred to in the first report. As a result, a recommendation was made to the minister to have an arbiter look at the matter. Following the third report, recommendations have come back from the arbiter. The outcome has been that some people have accepted the increased offer; in fact, 29 applications have been finalised, and 27 offers accepted. Seven vendors are not happy at all, and 12 others have not applied, but this may be due to the amount they received from the sale of their business, other than that which is available from DAAS. I have been asked about the amount of funding available. Of the \$7m in the fund, as at 28 February 1999, \$5 213 942 has been expended. A considerable amount of money has been provided to those who have applied.

Hon Kim Chance: The last take-up was in the former household round that got that money.

Hon M.J. CRIDDLE: As has been pointed out by Hon Kim Chance and other members throughout the debate, the dispute between the household round and the shop round must be addressed. No doubt, the arbiter would address that if he had the opportunity again. As to the issue of white milk, the legal advice indicates that is what the distribution adjustment assistance scheme covered. Up to this point, the adjustment has been paid on that. Mention was made of the legal definition within the Act. I notice a recommendation that the Act be changed or an ex gratia payment made. Changing the Act would be a very long process and would involve considerable time. The second method may well solve the problem. The issue of property rights was raised, and there is a continuing debate about it. That is another issue that must be settled once and for all.

I thank members who have participated in this debate. As I said before, it is an issue in which we were involved early on as a government as a result of a report that was put forward. The problem was apparent long before this Government came into office. It led to there being some disgruntled people around the place. As a result of the third and sixth reports of the committee, as at 30 November over \$100m - I apologise, I meant \$1m; I am used to building roads! - over \$1m has been paid to 27 distributors and vendors by way of further assistance. Over \$1m has been paid specifically to milk distributors and vendors leaving the industry as allowed for under the Dairy Industry Act 1973. The legal advice from the Crown Solicitor is that the assistance may be given. It relates to the sale of licensed product; that is, white milk and whole milk.

The independent arbiter, Mr John Negus, recommended to the minister that further assistance payments be based on two years' gross profit on the licensed product, and key industry people have indicated that at the date of the deregulation of the milk distributor-vendor sector, twice the gross profit on the licensed product was a fair value of a distributor-vendor's total business. Figures supplied to the minister by the Dairy Industry Authority of Western Australia indicate the percentages of unlicensed product to be much lower than those claimed by some distributors. I can only assume that that figure I have been given is correct. Of the seven milk vendors who are still dissatisfied, who have already received over \$850 000 in total, there is potentially in excess of \$500 000 in further assistance payments available to be made. However, to date apparently they have not availed themselves of that opportunity. The sixth report stated that the committee's interest ceased at 30 June 1998. We talked about that, and then the tenth report was produced.

For quite some time comment has been made about, and consideration given to, the fact that - Hon Derrick Tomlinson has made the point loud and clear, as have most others - dairy processing companies have benefited quite largely and that some opportunity should be made to get some recompense from these companies. That has been addressed on only one occasion. The House should deal with this decision. However, the legal ramifications, based on the opinions and legal advice regarding the whole-milk industry, is the crucial factor. I will be interested to see the result of the vote of the House.

**HON HELEN HODGSON** (North Metropolitan) [4.58 pm]: Given the time, I will not give an extensive summing up. I simply thank all members for their support. I am gratified to hear the comments of the minister in responding on behalf of the Minister for Primary Industry. Ultimately this issue will end up back in his court, so we must send a message from this place to the responsible minister that he must look at finding a legal way of compensating these people fully for the damage we have done to not only their livelihood, but also their health and personal circumstances. I trust that we will shortly have an outcome that will send a message to the minister.

Question put and passed.

[Questions without notice taken.]

## ORDERS OF THE DAY, ARRANGEMENT

### *Motion*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [5.40 pm]: I move -

That Order of the Day No 6 be taken before Order of the Day No 1.

Order of the Day No 6 is the Energy Coordination Amendment Bill and is to do with consideration of the committee report. I wish to deal with that as soon as possible in view of the need for the Bill to be progressed. All that is required today is the

adoption of the report. I would then hope that the House might give leave to proceed to the third reading of the Bill so that I could respond to some issues raised by Hon Mark Nevill last night and then have the Bill returned to the Assembly. That is the purpose of this motion.

It had been my intention to begin Order of the Day No 1 and then proceed down the Notice Paper until such time as we ran out of time tonight. It has been brought to my attention - in fact, I had worked this out myself - that the movers of the first four disallowance motions would probably move that they be adjourned, so that we would get to Order of the Day No 5, which is there because of the quite unusual use of standing orders yesterday. Because I can count and because I did not want to embarrass members by their having to get up to move that their particular motions be adjourned after they had put them on the Notice Paper and brought them here for obviously very good reasons, I propose, after we have dealt with Order of the Day No 6, to move to Order of the Day No 5. I give an assurance to the House, if it agrees to the motion, that I will move to Order of the Day No 5 after we have dealt with Order of the Day No 6.

Another reason I seek to do this is that Hon Christine Sharp came to see me earlier this afternoon and explained the circumstances behind her intention to deal with this Bill. Although I take exception to being asked to deal with a Bill at one day's notice - I suspect that members opposite would also take exception if I were to do the same - and I will be speaking against the Bill, following her explanation to me and her indication that because Hon Jim Scott raised the matter at the management meeting last week I was, in a sense, given some notice, even though I did not believe the Labor Party would support the motion yesterday, I would seek to deal with Order of the Day No 6 and, if it is agreed to and disposed of, I would move that we deal with Order of the Day No 5.

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [5.43 pm]: I take the opportunity to commend the Leader of the House for the approach he has adopted and indicate that it has the support of the Opposition.

**HON CHRISTINE SHARP** (South West) [5.44 pm]: The Greens (WA) accept the proposition that the Leader of the House has made. I am assuming that he intends to deal with Order of the Day No 6 in a timely way and so give us time for other business this evening. In the light of the cooperative approach that he has shown, I am pleased to support the motion.

The PRESIDENT: Procedurally, may I just say that it will be very timely if the member agrees to it because it is almost a procedural motion that will be moved in due course. I anticipate that, but one never knows.

Question put and passed.

### **ENERGY COORDINATION AMENDMENT BILL 1997**

#### *Report*

Report of Committee adopted.

#### *Third Reading*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [5.45 pm]: I move -

That the Bill be now read a third time.

I wish to take a moment to respond to a question raised by Hon Mark Nevill last night when he sought an assurance from me as the minister representing the Minister for Energy. I refer to the member's comments concerning section 55 of the Energy Corporations (Powers) Act 1979 and its application to the proposed gas distribution and gas trading licensing arrangements as provided for in this Bill.

During the committee stage debate on the Bill on Tuesday evening 11 May 1999 he sought, first, advice as to whether section 55 of the Energy Corporations (Powers) Act could be deleted; and, second, an assurance that the need to obtain approval from the Coordinator of Energy under section 55 of the Energy Corporations (Powers) Act would not be sought by the Government in addition to the requirement to obtain a gas distribution or trading licence under the Energy Coordination Amendment Bill 1997.

In my response to the first question last evening, I advised that section 55 of the Energy Corporations (Powers) Act would be reviewed by the Government once the proposed gas trading and distribution licence regime came into force.

As to the second question, I gave a commitment to respond to the member. This matter was addressed under the original Bill submitted to Parliament in 1997. I refer to clause 9(1)(a) of the Bill. This provides that section 55 approval is not required for the holder of a licence granted under the Energy Coordination Amendment Bill 1994, as amended.

Question put and passed.

Bill read a third time and returned to the Assembly with amendments.

### **HIGH CONSERVATION VALUE FOREST PROTECTION BILL 1999**

#### *Second Reading*

Resumed from 21 April.

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [5.47 pm]: The Government does not support the Bill. On 4 May 1999 the Prime Minister and the Premier signed the Regional Forest Agreement for Western Australia's south west forest. I have already described to the House the content of the Regional Forest Agreement, with its 150 885 hectares

of increased formal reserves, its 12 new national parks and its protection of over two-thirds of the State's old-growth forest. Members have had outlined the economic package which goes with the RFA to assist the timber industry in restructuring and increasing downstream manufacturing in this State with smaller volumes of timber. The package delivers, balances and addresses both the social and economic needs of our community as well as the conservation of the environment.

This is not a simple Bill for the purpose of approving the RFA, as outlined by Hon Christine Sharp. We have before us a Bill which seeks to overturn the most extensive forest, land use, and planning process ever undertaken by a Government in this State, a process which was undertaken with the combined resources of the Commonwealth and State Governments. The RFA process has taken over three years at a cost of more than \$10m. Had it been the view of either the Commonwealth or the State Government that forest utilisation has no place as a sector of Australia's economy, neither Government would have embarked on this process; in fact, as we all know, the Commonwealth Government has undertaken similar processes in all forestry States for the purpose of ensuring that forests are conserved at a standard exceeding the most stringent of international conservation objectives, while at the same time providing for a viable native-forest-based timber industry as a fundamental component of the economic structure of the State. As has been said before, it covers the whole of the timber industry, from the felling of trees to the end product, and part of that includes chipping.

The Bill is an over-simplified attempt to engage in a land use planning process without proper regard for the role of Parliament in such processes. The Bill makes no mention of how the social and economic consequences of increased reserves should be dealt with in the event that Parliament does not approve the RFA. The Bill seeks to take Western Australia back to the start of the RFA process. It has one sole purpose; that is, to perpetuate a debate which has been characterised by its aversion to any factual and scientific argument and its total reliance on emotion. It takes away one of the objectives of the RFA; that is, the certainty that both the community and the industry want.

I turn now to the contents of the Bill and the definition of "high conservation value forest". First, Hon Christine Sharp refers to the Department of Conservation and Land Management's mapping and its definition of old-growth forest. I wish to emphasise that the old-growth definition is agreed nationally and the mapping in the comprehensive regional assessment was done jointly with the Commonwealth Government. The Bill states that all of this old growth is to be called high conservation value along with all forest identified on the register or interim lists of the National Estate. This does not reflect in any way the differences in value that occur across the region, nor does it reflect the fact that many conservation values are not associated with old-growth forest. The Bill proposes that forest which happens to have a local attachment should be defined as high conservation value. The schedule includes as high conservation forest part of Kerr forest, which is an area which was intensely cut and then regenerated in the 1950s and 1960s. The Bill recognises that intensely managed forest can retain a high conservation value, and suggests that areas identified by local citizens, for whatever reason, should be regarded as high conservation value regardless of their scientific values. Either way there are no sound reasons for timber harvesting to be held to ransom through the provisions of this Bill.

Hon Christine Sharp mentioned the trapping of chuditch but made no mention of the fact that more chuditch were trapped in areas logged in the previous decade than in the area she seeks to protect.

Hon Norm Kelly: It is easier to catch them.

Hon MAX EVANS: No; traps will catch them anywhere. In fact, the one chuditch found in the area planned for harvesting -

#### *Point of Order*

Hon TOM HELM: Mr President, I bring to your attention Standing Order No 83 in regard to reading a speech.

The PRESIDENT: Standing Order No 83 also reads, "Except when introducing a Bill or by leave of the President". I do not know whether the Minister for Finance is reading word for word whatever it is that is in front of him. However, the minister knows the rules as do other people in this place. If it is that Hon Tom Helm wants the House to apply Standing Order No 83 literally I invite him to think through the consequences. Hon Tom Helm might not read his speeches. However, I detect from time to time that some other members might be reading speeches. It is something members should consider. The minister is not entitled to read his speech verbatim. He is entitled to refer to copious notes. I assume that is what the minister is doing. I trust, however, that when I raise the issue of Standing Order No 83 in the near future Hon Tom Helm will support me.

Hon TOM HELM: Every time, Mr President.

The PRESIDENT: Thank you.

#### *Debate Resumed*

Hon MAX EVANS: The Regional Forest Agreement examined the conservation values of the forest and its long term planning. This Bill will upset the planning process. If it is passed in both Houses - God willing it will not be passed in the other place - the political ramifications will be serious. The Government followed a process that was put in place in 1992 by the previous Government. Other States have already put in place legislation to protect the forest industries, the forest and the manufacturing industry that follows. If we want to say that in future that cannot be done or we can come back to Parliament to debate ad infinitum what has already been passed and to use the numbers to repeal Acts it will be a sad day, particularly as this was put in place many years ago and the other States have already followed the process. I understand New South Wales and other States are still attending to this, and Victoria has broken up its forests into parts, whereas we are trying to cover the whole of the south west. Hon Tom Helm has taken great interest in this debate, although there are probably no forests to worry about in the Pilbara because they have been blown away by the cyclones!

Hon Tom Helm: The Pilbara rain forest is a unique sight that is worth saving.



Hon MAX EVANS: Is that so? That is very nice. The debate could go on and on because of the numerous views on this. Hon Dexter Davies and others have some very strong views on what has gone on in the forest and about the future planning for this State. The review process is not limited to five years; the harvest can be reviewed from time to time. We were given figures on the reduction in the timber cut from now until 2003, and a new mark will be set in 2004. That has happened in the past. Hon Christine Sharp will know that, generally speaking, in the past jarrah has been cheap. The timber industry will look for alternative uses. So many buildings are now being constructed using pinewood and metal. The cost of pine has balanced out. Pinewood is very cheap, so it will continue to be used.

The jarrah harvest has been reduced by 187 000 cubic metres per annum; the karri harvest will be reduced by 54 000 cubic metres per annum. The current harvest of jarrah sawlogs is 362 000 cubic metres per annum and the karri sawlog harvest is 206 000 cubic metres per annum. It is all very well for the Labor Party to say it wants to run its next election campaign on this issue. However, it was still saying the other day that it had to decide whether it would support this Bill, because it was a Labor Government that started the process. Does the Labor Party really want this Bill to go ahead? The Labor Party has its own views on what will happen. Maybe members opposite can tell us off the top of their heads how Hon Christine Sharp's Bill will fit in with the plans that came out of their state conference meeting on the weekend. We will wait to see what the end result will be. As we said the other day the figures that came out of the Labor Party's conference should be subject to the intensive review to which the present Government's figures have been subjected

Hon Ken Travers: If the Government made all of its deliberations public we would know.

Hon MAX EVANS: They are not our deliberations; it is whether the Labor Party's proposal will be economically viable. The figures have come off the top of someone's head. It seems to be a headline-grabbing policy by the Leader of the Australian Labor Party. He seems to be in election mode with a new green policy. Maybe the Labor Party can share it with the Greens (WA). It is not a case of looking at the figures which were used and matching one with the other.

Several members interjected

The PRESIDENT: Order! Hon Ken Travers will get his opportunity. He can have 45 minutes to talk about this in a moment.

Hon MAX EVANS: It has been put to me that Hon Christine Sharp's Bill has a great deal in common with state agreement Acts. They have been important to this State. Most, though not all, of the mining companies in the past were locked into the parliamentary process, so that they had some certainty in the future. The proponents of the Burswood Resort Casino wanted something locked into legislation so that they had an exclusivity agreement until 2001. That is how agreement Acts work. It is important we keep those. Many people wanted me to amend the Casino (Burswood Island) Agreement Act in order to allow for slot machines. However, we cannot overturn state agreement Acts without giving it careful thought. Companies which invest millions of dollars will not enter into agreements if they think they will be changed. If this Bill were passed, and the Labor Party changed its policy, it might stop future capital investment in the State. Our policy requires a lot more capital investment in the timber industry to get better value out of cutting logs. The industry will get more bucks for its wood. That will be better for the furniture industry. Jarrah is so good that at the end of the day all the good jarrah will go into furniture and for export. A state agreement-type Act is not the right style of legislation for the RFA, because of where we want to go in the future.

A lot of work has gone into the RFA, and Hon Christine Sharp has her view on this. She wants to take over the forest debate. The Government will not support that. We do not think the Bill is well drafted, although it is not for me to make any further comment on that.

*Sitting suspended from 6.00 to 7.30 pm*

Hon MAX EVANS: Before the dinner suspension I made casual mention of the Labor Party, and I will be interested to see where it stands on this Bill: Does it have a commitment to follow the Bill through, or does it have its own plans? I can hardly wait to see!

The Labor Party's plan will reduce the jarrah harvest to about 187 000 cubic metres per annum, and the karri harvest to 54 000 cubic metres per annum. Parliament needs to be aware that the current harvest of jarrah is 352 000 cubic metres per annum, and the current karri harvest is 206 000 cubic metres. These figure are for sawlogs. Rather than reading out all this information, I table some papers released by the Minister for the Environment outlining statistics on the Labor Party policy.

[See paper No 1041.]

Hon MAX EVANS: In considering this matter of forests, whether it be Hon Christine Sharp's Bill or Labor Party policy, people are not worrying about labour problems. The Government should be supported as it has worked through this process to maximise the restructure of the industry so people retain jobs. The Labor Party wants people redeployed, re-trained and relocated, and the Government wants people to stay in the areas. Even if they come out of the industry, it is important people stay as part of the south west, where they contribute as back-ups for the volunteer fire and bush fire brigades. They are an important part of the protection of the south west.

I quote some interesting words of the environmentalist, Dr Patrick Moore, a forest ecologist and founder of Greenpeace, who made the following statement in a recent article in the *Tappi Journal* -

Looking at the forest industry from the perspective of an environmentalist, there is no more renewable or sustainable primary industry in this world than the forest industry. It is the most sustainable of all the major

industrial enterprises in our society. Wood has always been the most renewable and sustainable material resource in civilisation: It is today, and will be 10 000 years from now.

Hon Christine Sharp referred to state agreement Acts. I remind her that state agreement Acts are always made between State Governments and non-government authorities, not between the State and Federal Governments; therefore, state agreement Acts are not applicable to this process.

This legislation is simple and should provide more detail. I am not certain whether it was prepared in a rush. The Government does not recommend any changes to the member's legislation. The Government does not support the legislation. The RFA process has been long as it started when the State and Federal Governments came together in 1994. Some government members will speak about the build up to this agreement, and former Prime Minister Keating's contribution in the early stages. Members should not support the legislation. Let us get on with it and let the RFA work. A lot of time and effort has been directed to the process, and the Government is happy to review its progress.

**HON J.A. COWDELL** (South West) [7.35 pm]: I support the second reading of the High Conservation Value Forest Protection Bill. I do so not because the Bill is an ideal instrument, or because of any unreal expectation of its passage. I do so because the Bill signifies this House's reservations about the Regional Forest Agreement as presented by this Government. I do so because Parliament should translate public opinion into action. At the very least, this Chamber must be a voice for the public. It is the overwhelming view of the majority of Western Australians that there should be no logging in old-growth forests. I recognise that only a change of Government in this State can start to undo the harm which will be done by this RFA, and this Bill will contribute to that process of change.

I now refer to some of the Bill's detail. I recognise that some questions may arise regarding which regional forest agreement is referred to in the Bill; that is, the 1999 one or a prospective agreement. This may be unclear. Despite the fact that old-growth is defined within the Bill, I am not sure it is sufficiently defined to have the effect sought.

The Bill seeks to retrospectively submit to Parliament the agreement for disallowance. I am not sure, given the technicalities of the disallowance process, that this is a viable option. Of course, doubt arises about the effectiveness of this state legislation as it seeks to override a commonwealth-state agreement. Obviously, if it had been prospective legislation, whereby affirmation of both Houses was required prior to the formal entering into the agreement by the Commonwealth and the State, the legislation may well have the effect envisaged. I am under no illusions that this is an ideal instrument to achieve what is required. I have no unreal expectation as to the passage of the Bill. I hope it will pass this Chamber, but I expect the Government to bury the Bill in another place. Were it to be carried by another place, difficulties would be faced with assent and proclamation.

I start by acknowledging the difficulties of a Bill of this nature. However, I support the second reading of the Bill because there is a need to express the reservations that both this Chamber and the people of Western Australia have with respect to the Regional Forest Agreement. I read the Premier's case for the RFA and the more I read, the more I felt that the review proposed in this legislation is necessary. The Premier, in glowing terms, referred to the agreement as part of a national blueprint for balance, certainty and sustainability in forest management. He clearly stated that it would be a binding 20-year agreement. He made the claim that -

For the environment, it establishes a world-class reserve system which is comprehensive, adequate and representative of the forests' biodiversity, old growth and other natural and cultural values.

It was a very sweeping statement in terms of adequacy and satisfying all the values that our society holds. Then the Premier dazzled and blinded us with a range of figures when he said -

The RFA sets aside an additional 150 885 hectares in formal conservation reserves, creates 12 new national parks and 25 additions to existing national parks, and conserves a further 45 700 hectares of the region's old-growth forests, including 100 per cent of rare or depleted old-growth ecosystems, where possible on public land.

I am not sure what the "where possible" means in that regard. The claims continued -

More than two-thirds or 67 per cent of old-growth forests in the region will be protected in RFA reserves. . . . The total area in conservation reserves throughout the south west forest region will now be 1 047 200 hectares.

A truly beautiful set of figures. It continued -

The expected long-term sustained yield for jarrah first and second-grade sawlogs is 286 000 cubic metres per annum from 2004. Members would be aware that industry presently has contracts for 482 000 cubic metres per year until 2004.

The Premier was pleased to announce that the industry had graciously agreed to an immediate step-down to an average annual sawlog cut of 324 000 cubic metres until the year 2003.

Hon Simon O'Brien: That is all jarrah?

Hon J.A. COWDELL: That is right. More was to come. The Premier said -

Western Australia's native forest-based timber industry employs more than 20 000 people directly and indirectly -

That figure has been much debated in this Chamber, in the search for the additional 15 000-odd in the community somewhere. It continued -

and has an annual turnover of more than \$850m.

The Premier went on in sweeping fashion -

Already tourism provides more than 7 000 jobs in the region and the tourists who make nearly 2.4 million visits there spend about \$250m a year.

The Premier claimed that the RFA will create other opportunities for the expansion of tourism. That is an interesting claim in its own right. The Premier also said -

Despite huge plantings of 25 000 hectares . . . in each of the past three years, the demand for planation timber is set to exceed supply until the year 2015.

Therefore, we cannot expect any change in that time. The Premier then established a benchmark for the Government's policy, which was of course a former Labor Administration. He referred to a jarrah sawlog cut of 594 000 cubic metres in 1987. Perhaps it should be noted in passing, that the benchmark of 1987 at that figure is not a relevant benchmark for 1999.

I read the Premier's speech, and then an address was made to this Chamber by the Minister for Finance in defence of the RFA. That was both yesterday and a few moments ago. It was the same, or at least a similar, mantra of figures with a few additions, reshuffles and asides. A few additional figures were presented; the minister said, for example, that of the 347 000 hectares of old-growth forest in the south west region, 232 800 hectares are now protected in formal reserves, which is an increase of 45 700 hectares. He said that 150 885 ha would be added to the formal reserve system, bringing the total area in conservation reserves throughout the south west to that magic figure of 1 047 200 hectares, which he proudly said was an increase of 12 per cent on an already very high base. Members were then dazzled by information on the 12 new national parks and the 25 additions to existing national parks. The minister remarked that it was a big change.

Members were told that the Australian Labor Party's forest policy, which had been adopted at the party's state conference on Saturday, would, if adopted by the Government, have a devastating effect on the whole economy of the south west and the environment. The ALP could not win either way because it would be bound to destroy the economy and the environment at the same time. I am not sure the Labor Party can claim credit for that feat with this particular policy. The minister's analysis of the impact of the ALP's policy, indicated that 3 400 jobs would be put at risk. If members believe the figure quoted by the Premier of 20 000 jobs, it means that 16 600 jobs would be secured by the policy, because the minister referred to direct and indirect jobs. He said that the Labor Party's policy was about short-term gain, rather than sound forest management. In fact, the Government's policy is more short-term than that of the ALP. Much mention was made of the comprehensive \$59m industrial development plan, which will include assistance for both the timber and tourism industries. He mentioned a figure of \$41.5m as a timber package which includes low-cost loans to install value-adding equipment and new technology, to expand local manufacturing and to provide assistance with marketing, as well as money for redundancy packages, business exit, contract and buyback support. The minister finished his speech with a flourish, saying on behalf of the Government that it had also added a lot more to national parks since it came to government, than did the Labor Government in all its years of just talking about it.

I was greatly taken by that comment because in each of my first five years as a member in this Chamber, at the annual estimates committee hearings I asked what new national parks and/or nature reserves had been created in the current financial year and what area they covered. In the first five years I got the official government response that nothing had been added in each of those five years. With statements such these, Parliament needs to review the situation and take a close look at the other claims that are made in the figures and arguments presented by this Government in support of the RFA. However, why would Parliament want to review what is clearly such a perfect package?

Yesterday, and in his speech again this evening, the Minister for Finance suggested that a review was needed of Labor's new policy. He said that the ALP has a responsibility to submit its policy for independent scrutiny. While at the same time demanding that Labor submit its policy for independent scrutiny, he is presently in this Chamber resolutely resisting any parliamentary scrutiny of this RFA and any possibility of the Parliament's adapting the RFA that has been presented to us. The impressive set of figures that the Premier and the Minister for Finance presented were the Government's own figures: 347 000 hectares of old-growth forest and, after this agreement, 232 800 hectares in formal reserves. The only problem is that that leaves 114 200 hectares open for clear felling; that is, one-third of the total of old-growth forests will be logged under this RFA. That means that after all the RFA consultation and so-called scientific survey by the Government over an extended period, only 45 700 hectares will have been added to the formal reserve system. The Government has increased the old-growth reserve system by a mere 13 per cent.

Some very pertinent examples were presented to this Chamber the other day by the proponent of this Bill, Hon Christine Sharp, about the minuscule amount of karri that was being reserved, and the swap of various areas of karri in Hawke block for what was to be opened up in Charlie block. An area of 150 000 hectares was to be added as new reserves - not even the area projected in option A in last year's discussion paper, which canvassed the setting aside of an additional 165 000 to 187 000 hectares. However, it is not even 150 000 hectares, because it is 150 000 hectares less the 50 000 hectares of proposed conservation reserves that were put in place in 1992, and are now being removed as reserves. The outstanding icon blocks of karri forests such as Sharpe, Giblett and Hawke have been identified by the Australian Heritage Commission and have been entered on the interim list of the National Estate. Many of these icon blocks are still standing because they were protected by the RFA. However, their fate is to be clear felled as quickly as possible because the industry is less interested in the low quality areas, and significant areas have been opened up.

The initial set of glossy figures presented by the Government is less persuasive when one looks closer at the substance of

those figures. The same is true with respect to the issue of sustainability. The jarrah cut has been set at 324 000 cubic metres until 2004. This is claimed as a great advance, but that is the actual present cut, not the entitlement, and means that the industry is giving up nothing in the period to 2004. Last November the EPA stated that the cut must be reduced to 250 000 cubic metres, but it will remain at 324 000 cubic metres, which is the actual cut as opposed to the allowable cut.

Where is the structural adjustment package headed? How much is to be expended on each category as outlined by the minister? It seems that precious little will be devoted to worker retraining. This Parliament wants to know how much is being allocated to each of the categories as outlined by the minister, certainly in terms of exiting from the industry or buybacks. The issue about the expenditure on developing the tourism industry also arises. The figure of \$17.5m was mentioned, which was a sweetener for the adoption of the RFA. However, that remarkable amount of \$9.5m which was announced last month to purchase the catchment area at Wellington Dam had already been expended. If that is taken off the \$17.5m, and an amount of \$2m is also taken off for the sealing of a mine road that had been allocated last April, in the end there is not much of a sweetener for the redevelopment of industries. All these are part of the government package. How could we doubt the absolute assurances of the Minister for Finance? I will quote the minister's speech from yesterday's uncorrected proof. I am sure he will correct me if he has been recorded incorrectly.

Hon Max Evans: I have already sent back some comments.

Hon J.A. COWDELL: He said -

The RFA, which was signed last week, is a comprehensive plan based on proper forest management of all the State's forests. It was the result of careful and considered analysis of all the options, based on the best available information. It meets the objectives of sustainability, certainty and the creation of comprehensive, adequate and representative reserves. Many people are involved in this issue; not only political people, but also industries, conservationists, federal government representatives and scientists.

It reminded me distinctly of the *Yes Minister* sort of explanation written by a public servant of the excuses for a policy that goes wrong: "It appeared like a good idea at the time. It was a valuable exercise that provided much needed information in the development of future government policy." It was one of those delightful summaries which would lead us to support this legislation and a far closer examination of the Government's claims and this RFA. Public opinion on this matter is clear, and the Chamber should give some voice to the public view by supporting the Bill. Labor believes that there is a better way and that there are alternatives that have already been presented to the Chamber. I refer, as the minister has referred, to the Labor policy which was adopted at our state conference last weekend; that is, that -

Old growth forests form an irreplaceable part of WA's unique natural heritage. With so little of our original old growth forest remaining the time has come to end logging of this unique community asset. Against this background, Labor is committed to the following principles:

1. No logging in old growth forest -

The PRESIDENT: Order! I say to people in the public gallery that members of Parliament in the Legislative Council are delighted that you are able to attend to listen to the debate. However, you must listen to them in silence, and it is pretty obvious that you have been given that message. There is another rule, however - members of the public cannot make signs or signals, and I would appreciate it if they abided by that rule so that everyone can remain here and hear whatever is said tonight on this matter.

Hon J.A. COWDELL: I was canvassing an alternative that, certainly, Labor members would advocate. That is, that -

. . . Labor is committed to the following principles:

1. No logging in old growth forest with these areas protected in reserves;
2. Tailored employment plans for every individual currently employed in the native timber industry affected by this policy change;
3. A sustainable timber industry in the native forest with an emphasis on value adding and manufacturing;
4. Increased emphasis on the utilisation of plantation timber;
5. Proper accountability and transparency in forest conservation and management.

Specifically, the Labor Party committed itself to phasing out -

. . . logging in all old growth forest (as defined in the National Forestry Policy Statement, 1992) by 2003, allowing current contracts until 2003 to be honoured.

On gaining government Labor will place an immediate moratorium on the logging of high conservation value old growth forest and place these areas into National Parks and reserves . . .

I believe that the people require some action of this Chamber to give voice to the concerns and sentiments of the overwhelming majority of people of this State.

I recognise that we can do only so much with this legislation. We cannot reverse the Regional Forest Agreement from the crossbenches or even the opposition benches of the upper House. What is needed is a new Government in 2000. Why do we need a new Government? We need a new Government to ask the Commonwealth to reopen aspects of the RFA. I note

that the RFA contains some provision for reviews throughout its life and that there is some flexibility, but that flexibility is likely to be exercised only by a new Government in this State. We would also need a new Government if there were to be an approach to the Commonwealth for an agreement to widen the aspects of the RFA that could be reviewed. A new State Government could look at the abrogation of the RFA by state legislation, although we are significantly restricted by the operation of an existing commonwealth-state agreement. Administrative devices may be used, including the instrument of state royalties, but once again only a Government with a different view on the issue could effectively exercise that initiative. It may be that with the 20-year agreement we need a change of government at commonwealth and state levels to give full effect to the wishes of the people in saving all remaining old-growth forest.

As I said to begin with, I support the Bill in that it indicates to the public our support for the public's views and that we believe that the RFA should be rewritten.

**HON GIZ WATSON** (North Metropolitan) [8.06 pm]: I also support the Bill. Some matters are of extraordinary importance. There is no doubt in the community's mind that saving the remaining old-growth forests in this State is one of those issues. I shall raise briefly some salient points and touch on what we have lost and what is currently reserved. We know that 53 per cent of our forest is regrowth which has been logged or mined and is currently affected by dieback and other associated impacts. Thirty-seven per cent of the forest that existed before white settlement has permanently gone by way of clearing for agriculture, settlement or infrastructure. That leaves us with 10 per cent. Of that 10 per cent - that is, the remaining old-growth forest, which is 347 000 hectares - 45 per cent is total old-growth forest in genuine conservation reserves; 13 per cent is old-growth forest in road, river and stream buffers; and 42 per cent is old-growth forest currently available for logging. We have precious few old-growth forests left in this State.

There is no doubt that the level of community concern is not only enormous, but also growing. The RFA process, although it ultimately was boycotted by a large portion of the community, attracted 30 000 submissions. Those 30 000 submissions are an indication of the enormous concern in the community. With the Bill, we are asking for something that was originally foreshadowed in the 1992 national forest policy statement, which committed that the RFA would be passed by Parliament before it was finally signed off. It also gave a commitment that there would be a moratorium on logging in high conservation value old-growth forests until the RFA was completed. That has not happened. We know that logging continues in areas that have already been heritage listed.

The RFA process has been a sham and a scandal. Why? I will touch briefly on some basic issues. The eight-person steering committee which directed the Western Australian RFA process was made up entirely of bureaucrats and dominated by appointees from pro-logging and pro-mining government agencies. There were no independent community, conservation or scientific representatives on that committee. That was one of the fundamental reasons.

A government member interjected.

Hon GIZ WATSON: We were not invited to the steering committee; that is the fundamental point. The role offered to independent scientists, members of the conservation movement and members of the general community was by way of participation as defined by that steering committee. It was so severely limited that people made a decision that they would not support the sham process. Another significant sector of the community that was not involved in that steering committee which had a key role in both the current and future economies of the south west was the tourism industry.

As I mentioned before, there was a commitment that logging of high conservation value old-growth forests would not occur while the RFA process went on. That commitment was not honoured. There was a commitment in the 1992 national forest policy statement that mining would not be allowed in any new areas set aside to create the comprehensive, adequate and representative forest conservation reserve. That commitment also was not honoured.

The science involved in the RFA process was a sham. I quote from a couple of notable scientists who submitted two scientific papers strongly questioning the scientific credibility of the Western Australian RFA process. The first quote is from a paper called "Credible science? Evaluating the Regional Forest Agreement process in Western Australia" by Drs P. Horwitz and M. Calver. An extract from that document reads -

*It was clear that the Regional Forest Agreement process had involved scientists, albeit selectively, but that it had not facilitated scientific debate, failed to adhere strictly to norms of peer review, and failed to be explicit regarding many methodologies employed. We concluded that the process could not be checked, and therefore failed to achieve what would notionally be regarded as credible science.*

The second paper was delivered to the Australian National University National Symposium on the RFA by Professor Harry Recher entitled "Science, Social Harmony and Biodiversity Conservation: Perspectives on the Future from Western Australia". The quote from an abstract of that document is as follows -

*In Western Australia, the data base used to develop options for the CAR system in the southwest forests is inadequate causing considerable concern among the local scientific community on the long-term impact of the options proposed for a system; of forest reserves on both the ecological sustainability of the timber industry and the conservation of forest biodiversity.*

The third criticism of the RFA process was that information was either withheld or not provided in a timely manner, including access to reference material and maps.

What will be the outcomes of this RFA process as it has been presented to us now which will lock Western Australia into a 20-year program for the forests? It will result in recognised high conservation value old-growth forests being logged. We know that under the RFA process, recognised high conservation value forests in Jane and Giblett blocks have not been put

aside; we know that icon blocks will be lost. We know also that the process represents a total dismissal of community opinion and of the broad based, growing and energetic opposition to the continual clearing of old-growth forests. That opposition will continue. The signing of the RFA will only increase the energetic, persistent and very brave opposition to loss of trees and forests in our south west.

We had an opportunity to get it right, to provide a win-win situation and to listen to current community opinions on conserving our heritage. In Western Australia we have very little remaining by way of either built or natural heritage. I consider the proposal to continue to log any of our old-growth forests equivalent to bulldozing the cathedrals of Europe. We have very few icons of extraordinary significance which are recognised by the community not only for their intrinsic value but also for their value to future generations because of the important role they play in stabilising the climate and providing fresh water and air. Members should think very carefully about what their grandchildren will think of them if we continue down this path.

I finalise my comments by saying that the most horrific image for me to come from this RFA process came from turning on the television and seeing our Minister for the Environment gleefully rushing to timber workers to shake their hands. It would be delightful if we saw this show of support for workers in other areas. I had to ask myself whether she really considers herself a Minister for the Environment.

Greens (WA) members view the recent decision of the Australian Labor Party's State Conference as a welcome improvement of Labor's position on old-growth forests. The point I make is that by the year 2003, how many of the high conservation value forest blocks will remain? There is a deal of kudos to be gained out of taking a stand that says "no clearing of old-growth forest", but when one looks at the fine print, the year 2003 is still a long way off and there are a helluva lot of trees that will fall before then.

**HON JOHN HALDEN** (South Metropolitan) [8.17 pm]: It is difficult in this debate, by virtue of the comments already made, not to feel obliged to put forward the political position of one's party and to have to defend that position. In doing that, we lose much of what is necessary in this process. To start with, I want to put my personal position on the record. It would not surprise members in this House that I support a proposition which protects old-growth forests as quickly as is possible. I am happy to say that if I were not bound by Caucus I would support any proposition in which this Parliament was involved that would protect old-growth forests. However, in this situation the Labor Caucus supports this Bill. I could therefore make platitudinous comments that are no more than rhetoric - and many of us, including myself, are well known for making those from time to time - however this issue is more important than that.

For the sake of being a bit of a killjoy about what is occurring in this House, with Mr President's concurrence I may stretch by a modicum the odd standing order. I want to highlight some of the problems that I foresee with the Bill. Bearing in mind that I do not object to the Bill and would prefer a Bill of this type, from my own lay perspective I envisage problems with the Bill. Although I have announced my opinion, if we are going to pass a Bill and I am to be part of that process, I want a Bill that will work, will be effective and will achieve the outcomes intended by the mover of the Bill. In that respect I must draw attention to some problems that I foresee with the Bill. It is surprising that the Government did not highlight these matters. I thought it would, but I can imagine why it did not. It wants this Bill to be passed with its problems intact and to go to the other place where the numbers do not exist to pass it. It is trying to ridicule the legislation and to highlight some of its problems. I do not know all of the problems in the Bill, but there are some.

I spoke to Hon Christine Sharp today. That approach was very late, but my interest in this matter came about in some respects by accident. I think - I cannot speak for the Australian Democrats - the member has the numbers tonight to have this Bill passed. She has agreed to listen to what I have to say about making this better legislation; that is, legislation that can stand the test of the government bureaucracy that will paw over it to find every possible problem and flaw and to ridicule the cause that the member so ably represents in this place.

Some of this is technical, and I am sorry for the boredom that will probably eventuate. The first issue I raised with Hon Christine Sharp relates to clause 6, which has some problems. The Bill proposes to bind the Commonwealth. It is state legislation proposing to bind commonwealth legislation, and that is a real problem. It is well established that state legislative power cannot interfere with the Commonwealth's rights, either statutorily or at common law.

Hon Greg Smith: Unfortunately in some cases.

Hon JOHN HALDEN: If that were not so I can imagine the horrendous consequences for this State. Fortunately, Hon Greg Smith's views have not held sway for some time, nor are they relevant on many matters.

As a State Parliament we can pass legislation that prescribes, if necessary, the State Government's position, but it cannot prescribe the Federal Government's position. If there is an agreement between the State Government and the Federal Government, or if the Federal Government imposes its will upon the State in whatever way it chooses - there are a number of ways - this legislation will not have any effect. It is a real problem. In spite of the desire to achieve an outcome as stated in the second reading speech that the agreement should come before Parliament for approval, we cannot approve what the Federal Government does. It has never happened; it cannot happen. If this were to become law, I suggest that the whole issue would be embroiled in High Court challenge after High Court challenge.

I refer to the second reading speech and Hon Christine Sharp's statement that -

The Standing Committee on Ecologically Sustainable Development reported to this House last year on the Regional Forest Agreement process. The committee explicitly examined the issue of resource security for the timber industry and it found that in fact the industry already enjoys a high level of resource security . . .

Security, be it resource security or any other form of security, will not be enhanced by protracted High Court challenges.

Hon Barry House: Will you adopt the same logic for the native title issue?

Hon JOHN HALDEN: We will deal with the issues one at a time. I have my views about that.

The PRESIDENT: Let us go back to the Bill before the House. I remind members that this is a limited-time debate and time marches on.

Hon JOHN HALDEN: Having said that, and not wanting to destroy the impetus for this legislation, I will point out some other problems. Those problems relate to vagueness in the Bill, in the concept, in the drafting and in the definition. If we leave the QCs that loophole, when they get together to paw over this they will drive a logging truck through it. Members know who will have the money to employ the smart QCs from Melbourne, Sydney, Perth or wherever. We cannot have legislation that will allow the slightest degree of misinterpretation. If we do, we will not promote this issue any further.

I will not go into great detail about this issue. I believe that I understand the standing orders, but I am sure I will be corrected if I am wrong. There is some vagueness in the Bill. Clause 3 refers to maps, reports and other matters. What will be the legal status of those documents? The wording is not tight enough. The Bill later refers to areas of old-growth forest. In making law in this place we cannot have broad generalities; we must deal with specific, defined, obvious quantities, so that the legal system knows to what the Parliament was referring. If it does not, there will be nothing left by the time the QCs get through with it.

Clause 3(c), which refers to local communities, is also vague. What does "local community" mean? That term needs greater definition. Is it the local government body? One would not necessarily want some of the local government boards I have visited making decisions in this matter. We need a specific definition. The same clause refers to local communities being involved in the identification of areas of high conservation value. What is the process to establish that? There is no definition. This legislation must be specific and exact. Some people have invested enormous sums in the exploitation of this natural resource. If we pass legislation to curtail, modify and control that, they will use the enormous resources at their disposal to drive the proverbial truck through it. With regard to other problems, clause 3(b) defines "logging operations" as "an operation preparatory or incidental to the felling of trees for commercial purposes". We almost need to also define the words "preparatory or incidental", because if we do not the definition will lose its clarity and be enormously vulnerable.

Further problems arise with clause 6. Clause 7(b) refers to "an interim or final injunction to restrain any threatened breach of section 6". Clause 6 (1) states that a person must not undertake logging operations in a high conservation value forest unless 28 sitting days have elapsed since the RFA was last tabled. The interesting dynamic there is that if the Parliament chose to vary the 28 days to 14, which is shorter, or to 56, it would be in breach of its own Act, although that might be for very good reason, and an injunction could be taken out against the Parliament. That would be novel, and I do not know that it would necessarily work or has worked to date, but it needs to be outlined with greater clarity. I can give a couple of other examples of the problems that exist in this Bill.

I have not made those comments to be a killjoy. I want to be constructive and to say to Hon Christine Sharp that she will have the Labor vote tonight on the floor of this Chamber, but -

Hon Simon O'Brien: But!

Hon JOHN HALDEN: I will do the butting; I am making the speech. If we do not have comprehensive, thorough, extensive and well-researched legislation in this area, it will not achieve the ends that Hon Christine Sharp desires and the ends that I, with some variations - I bet they are not great - desire. I have said before to Hon Christine Sharp that if this Parliament can pass this Bill tonight at the second reading stage, it can also choose to examine the problems that may exist. I concede that I may be totally wrong about those problems. We have a committee system that can look at these matters. We can pass the policy of the Bill tonight, and refer the Bill to a committee to be investigated and improved -

Hon N.F. Moore: Hang on! You desperately wanted to deal with it today.

Hon JOHN HALDEN: I am making the speech. Who said the Leader of the House could interrupt? He should go back in his box. He has been grumpy all day.

Hon N.F. Moore: I can say whatever I like. I cannot believe the speech you are making.

Hon JOHN HALDEN: I can make any speech that I like.

Hon N.F. Moore: I know, and it changes every time you open your mouth!

The PRESIDENT: Order, Leader of the House and Hon John Halden! Every other member will vouch for the fact that other speakers have been heard in some cases in complete silence, and in one case in relative silence. I do not need any interjections. I am listening to what Hon John Halden has to say, and in due course I will listen to whoever the next speaker may be. Let us get on with the debate.

Hon JOHN HALDEN: I will appreciate the opportunity of being heard in silence. We have an opportunity to cover the bases. I bet Hon Christine Sharp that if this Bill were to get to the other place, the Minister for the Environment would spend every available resource - physical, financial or whatever - to discredit this Bill, because she would like nothing better -

Hon J.A. Scott: She will do that anyway.

Hon JOHN HALDEN: Of course she will, but she will look for the cheap options, not the substantive ones. No opportunity

should be given to the minister that could be avoided in that process. It is clear that to establish the policy of the Bill and to have a quick review, by whichever committee the member wants, would be in the interests of sound legislation and in the interests of the cause that Hon Christine Sharp represents. I would never say that she purports to represent, because that would be an insult to her. Those of us on this side of the Chamber, and I believe also some members opposite, if we disregard the stupid and inane interjections made by some other members opposite, support, albeit perhaps in different ways, the proposition that Hon Christine Sharp has put toward. However, let us do it properly. Let us not see this Bill lost by virtue of some technicality or legality. Let us not lose the principle. Let us get the Bill right and get it to the other place, and if the Government of the day wants to use its numbers there, it will use them, but let the Bill stand and fall not on the technicality but on the principle. I have avoided the rhetoric and ideology in this debate, because it is important that we get the principle right. I can imagine what the Minister for the Environment is doing and has been doing in the past few days. That opportunity should not be provided to the Government. This House has an obligation to pass good legislation for the Government to consider in the other place. I hope that Hon Christine Sharp will consider my argument. I will not be disappointed either way, and it would have been easier tonight to have yelled and screamed, to have put rhetorical arguments, and not to have pointed out the problems and been a party pooper or killjoy, but if Hon Christine Sharp wants to get it right and to push the cause, she should ensure that the i's are dotted and the t's are crossed.

**HON BARRY HOUSE** (South West) [8.38 pm]: The High Conservation Value Forest Protection Bill seeks to achieve some degree of parliamentary scrutiny for the Regional Forest Agreement that was signed last week. I have the utmost respect for Hon Christine Sharp's commitment to the environment. She and her partner live their commitment to the environment. They run an environmental business that is aimed at enhancing the environment, and they deserve credit for that, and Hon Christine Sharp deserves credit for her commitment. Where we disagree is that I do not believe the member goes the extra step further and gives other people in the community the credit due to them for their commitment to the environment, just because they happen to be committed to other issues as well.

I will go back a step and remind the House of the origins of the RFA. The RFA originated in the Federal Parliament and was initiated by a Labor Government led by Paul Keating. The RFA process is a Labor Party initiative. The RFA process was established in the Federal Parliament and was subject to federal parliamentary scrutiny. It was subject to a federal parliamentary debate as recently as a month ago to confirm the RFA process, and that was agreed to by the Labor Party and the coalition Government. I am not sure what the other parties did on that occasion but the RFA process has already been subject to federal parliamentary scrutiny.

Hon J.A. Cowdell: The framework, yes.

Hon BARRY HOUSE: That is right. The RFA signed in Western Australia is only one of the RFAs throughout Australia. Western Australia is not unique with its RFA; many others have been signed and many others will be signed in the months to come. To say that it has not been subject to parliamentary scrutiny is not correct; it is a bit of a furphy.

The opponents of the RFA process will not accept any process; in fact, they will not accept any elected body in Australia if it does not agree with their point of view. That is the situation in which we find ourselves today. If people have an extremist point of view, they will never be satisfied with the outcome. That is why, whatever the outcome of the process that is determined by an elected body, whether a State or a Federal Parliament or even a local government - examples of which we are seeing in our community at the moment - those people will never accept the legitimacy of that process. They will always stand outside the process and run extremist campaigns in public and in the media. They have a receptive media - the media will always pick up their arguments because they sell, they are good news because they represent an extremist, confrontationist point of view. That is what we have here. Those people cannot command enough votes in elected Parliaments around the country to govern in their own right. Therefore, they will never have the responsibility which goes with their point of view. It is easy to stand back on the sidelines and pick holes, to be totally negative and to take an extreme point of view. I am not saying that extreme points of view are not valuable in our society; they are because they raise issues and points of view which are valuable in a general debate in our society. However, those people will never be satisfied by any outcome that is produced by a democratic process because they are extremists and zealots; they will never accept anybody else's point of view; they accept only their own.

Several members interjected.

The PRESIDENT: Order, Hon Norm Kelly and Hon Simon O'Brien!

Hon BARRY HOUSE: The point I am making is that even if this Chamber is representative of the people's vote in this State, which can be debated one way or the other, the fact is that the minority forces of the Greens (WA) and the Australian Democrats do not command a majority. Therefore, they will never be in a position where they have the responsibility of implementing their extreme points of view. It is easy for them to take those minority points of view and the high moral ground. They are the popular decisions with select minority groups in our community. The Government must make decisions. Those people do not have to make decisions but merely raise issues. I am not saying that is not valuable, in the sense that they are here to raise issues, but they fall down because they will not accept the democratic right of an elected body to make decisions on the community's behalf. By making general motherhood statements that nobody can really oppose, that they will always get acceptance - hence the 87 per cent support for their view. The 87 per cent arose from people being asked whether they believed in old-growth forest being woodchipped. I am surprised it was not 100 per cent.

[Interruption from the gallery.]

The PRESIDENT: Order! Ladies and gentlemen, I say again, please do not spoil it for those who want to stay in the gallery and listen to what is going on. Everyone has observed the rules to the nth degree. Please do not spoil it. There are people



in the gallery who want to stay and listen to the debate. If there are interjections and noise from the gallery, I do not have any option but to ask for the gallery to be cleared. That will not serve any purpose for anyone who is interested in what is going on. As the former President used to say, one of the rules in this place is that if people come into the public gallery, they do so on the understanding that they agree to listen to the debate. If they do not like what is being said, they have the option of leaving. However, the elected members on the floor have the opportunity and the right to speak. Please do not do a disservice to those people in the gallery who want to stay.

Hon BARRY HOUSE: The easiest thing in politics is to be populist and to strike a chord with the emotions of the general public on any issue, whether it be health, law and order, education or even the environment. I have been in this place in opposition. I can assure members that it is much easier being in opposition. One can always take the extreme point of view, be negative and oppose what is happening. However, the hardest thing of all is to be responsible and to deliver an outcome. It is easy to take the extreme position and argue a case, knowing that one will never have to put it into practice.

I have the utmost respect for Hon Christine Sharp, the mover and promoter of this Bill, and her commitment to the environment, because she lives conservation. However, she seems to dismiss the fact that other people live conservation. I dispute the fact that I am not as mindful of the environment as she. I try to live it in my work and my life. I own a property where I will be planting 15 000 trees this year. The forest on the side of Mowen Road has been cleared for the widening and upgrading of the road between Margaret River and Nannup. In the past couple of days a constituent came to me concerned and even alarmed at the fact that some of the timber heaped on the side of the road, with the millable logs already taken out, was to be burnt. He wanted the opportunity to gather some firewood and also some wood-turning material. Through cooperation and negotiation with the Augusta-Margaret River Shire, I was able to arrange for at least half of that residue material not to be burnt immediately. It will be advertised and will become available to the general public so that people can take firewood, wood-turning materials and whatever.

The shire needs to burn half the timber to get in there and upgrade the road before winter sets in. That is a reasonable outcome to a reasonable request. As a representative of the area I believe that that is living conservation; it is implementing what one believes. On Sunday and Monday I was involved with a group of people who are walking from Cape Leeuwin to Cape Naturaliste. I joined them for a couple of days and logged away; it was hard work. Part of that walk was through the Boranup Forest, south of Margaret River. The tourism industry of Western Australia considers this to be a magnificent forest for all the values it represents, and it is a magnificent forest. The forest was logged 120 years ago and from what we can gather it was nearly clear-felled. The forest has regenerated into what it is today and it is held up as a tourist icon.

Members should never accuse me and my colleagues of not having an interest in the environment and conservation. However, we also have a broader interest. I maintained throughout the debate on the Regional Forest Agreement that the Liberal Party is the only party which has considered the broad range of stakeholder interests in the forest debate; no other party has. The fact is that, as consumers, we do not individually own a specific right to the values the forest represents. Many people want access to the forest for different purposes; for timber harvesting, biodiversity, tourist values, beekeeping, water catchment etc. Everybody has a right to the forest; no-one has an exclusive right.

When people say the RFA is a flawed document it is worth referring to its background and some of the papers which have been released as part of the process. It is worth reiterating exactly what the Regional Forest Agreement is. The background document states -

The Regional Forest Agreement (RFA) for the South-West Forest Region of Western Australia is part of a national blueprint for balance, certainty and sustainability in forest management.

It is not purely for environmental purposes. The document continues -

Planning for RFAs between the Commonwealth and individual States began back in 1992, -

It was a Keating Labor Federal Government initiative. It continues -

- when the Commonwealth, State and Territory governments signed the National Forest Policy Statement, agreeing to working together towards a shared vision for Australia's forests.

As well as the WA RFA, the Commonwealth has signed two RFAs with Victoria for the East Gippsland and Central Highland regions, and another with Tasmania. Three more RFAs will be signed in Victoria, with others to be completed in NSW and Queensland. They are all scheduled for completion by the end of 1999.

This is one agreement under the process established in the Federal Parliament. The background continues with what we all know -

The WA RFA is a 20-year agreement between the State and Commonwealth governments on the future use and management of the forests of WA's South-West, subject to five-yearly reviews.

The statement that we are locking something irretrievably into a 20-year circle is not correct; the agreement is subject to five-yearly reviews and if something happens in the meantime to affect the balance of the agreement, I am sure it will be taken into account. The Western Australian RFA meets each of the three objectives, the first of which is -

\* to protect environmental values in a world class system of national parks and other reserves, based on nationally agreed criteria

National parks are an important aspect which have been overlooked by some people who have tended to think that the RFA is just about biodiversity; it is much more than that. The second and third objectives of an RFA are -

- \* to encourage job creation and growth in forest-based industries, including wood products, tourism and minerals; and
- \* to manage all native forests in a sustainable way.

It is not just an environmental document, it is a document which takes into account the environmental, economic and social aspects of the forest area of the south west region - an electorate shared by Hon Christine Sharp, me and other members. The background document continues -

For the environment, it establishes a world class reserve system which is Comprehensive, Adequate and Representative of the forests' biodiversity, old growth, and other natural and cultural values.

I could spend a lot of time talking about what the RFA has done in establishing a reserve system. I could go through the range of new national parks which have been created through this RFA, but I will not do that. Suffice to say that we already have a very comprehensive reserve system in Western Australia. The reserves we have locked away never to be logged cover an area approximately half the size of the metropolitan area of Perth. People say that that is a small area which is being eroded before our eyes, but it is not a small area. In this RFA the Government has exceeded the requirement of 60 per cent; 67 per cent of the existing old-growth forests will be retained in reserves. That is also well above the 10 per cent of pre-1750 old-growth forest in Western Australia required to be reserved.

If people have a problem with the RFA, they should direct it at the initial RFA process established by the Keating Government in 1992; it set those guidelines. The guidelines are actually very generous because Western Australia exceeds the international requirements. Let us not ignore the fact that the timber industry exists only because of the demand for timber products. If there were no demand for timber products, logging in old-growth forests and plantations would disappear tomorrow. There is a demand and there is no sign of that demand diminishing. If the demand is not met from the resources in Australia, people will go elsewhere for it. They will go to the eastern States or overseas. I will almost guarantee that harvesting practices in Indonesia are not as sustainable as those in Western Australia if one applies the same criteria. I will almost guarantee that harvesting processes in other places around the globe are nowhere near as sustainable as those in this State. It is a cop-out to say that we will stop harvesting timber from local sources and go elsewhere for it. That does not wash either.

I will focus on the consultation because it appears that this is an area of which the opponents of the RFA process have been critical from the start. Once again, it comes down to the fact that it does not matter how much consultation takes place, it will never be enough because if people come from an extreme position, they will never be satisfied. This paper further states -

Consultation with national, State and regional interest groups, regional community organisations and interested members of the general public has been integral to the RFA process, from the signing of the initial Scoping Agreement to the end of the formal public comment period.

The RFA Steering Committee which managed the process - representing the Prime Minister, the Premier and relevant State and Commonwealth portfolios - was advised by a Stakeholder Reference Group representing 60 different organisations, as well as Aboriginal interests.

In this State, the only body that had a chair available for it all the time, but would not take that chair, was the extreme conservation movement. It would never come to the table to put its point of view in a constructive, informative way. It always used the tactics of extremism. It used the media and never committed itself to the proposal. It always wanted to stay outside the process and to be able to criticise any stage of the process, which it has consistently. The paper further states -

The scientific assessments - particularly the extensive Social Assessment - involved widespread consultation with business and community groups, service providers and voluntary groups, to ensure that the RFA tapped into local knowledge and reflected issues of local concern.

All reports produced for the RFA have been publicly available through 25 information points in Perth and throughout the region (mainly public libraries) and on the Internet, with thousands of copies distributed directly to interested Western Australians.

Therefore, it is also totally wrong to say that information was not available for consultation, and that information was not available for people to gather what they wanted from the process and to provide some input to the Government. The paper continues -

The joint RFA discussion paper, "Towards a Regional Forest Agreement", released in May 1998, attracted hundreds of people to open days, and, 30 000 public submissions which governments took into consideration when finalising the agreement.

It is worth reminding members that the final outcome of the RFA was none of the three options presented. It was "greener" than any of the options presented in that initial paper. That re-emphasises my main point that it did not matter what the Government did in this case; the extreme conservation groups were always going to criticise it. It probably did not satisfy anybody because the timber industry is not completely satisfied, and nor are the other stakeholders. This indicates that in an elected Government, someone must make decisions and determine outcomes. The Labor Party may be in a position some day well down the track to display some responsibility and deliver on its rhetoric. It is easy for it to propose these things from the extreme sidelines when it knows it will never have the responsibility of delivering on its promises and catering for

the whole community, rather than just a specific interest group. The RFA has been framed in a difficult environment, and I am confident that a reasonable outcome has been achieved for all the stakeholders.

It is not correct to say that it has not been scrutinised properly or sufficiently. It has run the gauntlet of public comment for months, indeed years, and the time comes when the responsibility must be taken by the elected Government. If we believe in democracy, we must have an elected Government and that Government is elected to make decisions. Therefore, the community, rightly or wrongly, has an opportunity every few years to cast its vote on that elected Government. I suggest that those decisions are made on not one specific issue, but a whole range of issues. While this process has not totally satisfied anybody, the end result was a very responsible document that will produce some certainty for the industry and for forest management in the future.

I would dearly love the promoters of this Bill to give credit where it is due. Last week in the urgency motion, Hon Christine Sharp gave some credit to the changes that were proposed for the Department of Conservation and Land Management. Members cannot dismiss a whole document without referring to some parts of it and saying that they approve of the changes the Government has proposed. Scant recognition has been given to some aspects of the RFA, including the changes that will be made to CALM, which I support, and the provision of extra national parks and reserves which will put this State in a comfortable position in the future.

**HON NORM KELLY** (East Metropolitan) [8.07 pm]: The Australian Democrats support the principles of this Bill. Like Hon John Halden, we have concerns about some of the details contained in the Bill, but we totally support the principles, which revolve around two main issues. Firstly, it recognises a need to protect high conservation value forests. The minister stated that high conservation value forests are not based simply on scientific values. To fully identify such forests, other values, such as community values, must be considered, and that is neglected in the Regional Forest Agreement. Secondly, the Bill will allow parliamentary scrutiny of the RFA document. This scrutiny has been denied to the Western Australian public by both the state and federal coalition Governments.

Hon Barry House referred to the national forest policy statement and went to some lengths to try to blame previous Labor Governments for any problems in the current RFA process. However, the basis of this RFA is the scoping agreement which was signed on 3 July 1996 by the Premier of this State and the Prime Minister. That outlined the details of how the RFA process will be carried out. This scoping agreement contains two very important aspects. The first is the need for environmental assessment. I quote from the appendix at point five, which states -

The Commonwealth and Western Australia agree to define a joint or cooperative environmental impact assessment of the draft RFA(s) which is in accordance with the principles of the draft national agreement on environmental impact assessment and meets the statutory requirements of both Governments.

Since the scoping agreement was signed, the state Minister for the Environment has said, "But there are no state statutory requirements to assess a draft RFA, anyway." Therefore, we must ask why the Premier has misled people by signing the agreement when, in the Government's opinion, there are no statutory requirements to provide an environmental impact assessment of the agreement. The second aspect of the scoping agreement to which I refer is at point eight on the same page, which states -

Both governments agree to jointly conduct the following steps as part of the RFA:

Step (e) states -

Production and release for public comment, a draft RFA report which integrates the conclusions of the environmental, heritage, economic and social regional assessments and ecologically sustainable management, and which is consistent with the requirements of the EP(IP) Act.

As I pointed out the other day in another speech on the Regional Forest Agreement, that promise in the agreement has been broken. What the Government purports to be a draft RFA, which is actually just a consultation paper which was released in the middle of last year, was released for public comment more than six months before the assessments were finalised. The agreement clearly states that the draft RFA report is to go out for public comment at the conclusion of the assessments. The Government has clearly broken its promise to the Western Australian public that it would allow a draft RFA to be put out for public comment. Even when it released the consultation paper in the middle of last year, which attracted more than 30 000 submissions, the Government refused to release any detail of those submissions until the RFA had been signed. Obviously, it feared that statistical analysis of the submissions would show overwhelming opposition to the way in which the Government was heading with the agreement process. Even when we received the analysis after the signing of the RFA, we saw no statistical analysis of those 30 000 submissions. I am told that about 27 000 submissions opposed the RFA process, but of course there is no detail in the RFA. For months we have heard the Minister for the Environment bleating, "Wait till the RFA is signed; you will see the detail." The detail is not there.

Another aspect about scrutiny of the RFA was detailed in the Standing Committee on Ecologically Sustainable Development's report on the RFA, which also recommended that the Government hold true to the scoping agreement and put out a draft RFA for public assessment. It called also for the establishment of a forum to try to conciliate opposition occurring within the community in order to sort out all the problems. I remind members that the committee comprises members from every political party represented in the Chamber, including the Liberal Party, and it unanimously decided to make those recommendations. It is clear that there are major problems within the coalition parties in regard to the final outcome of the RFA.

The only other parliamentary scrutiny, apart from the Bill, is the RFA Bill which is currently in the Federal Parliament. It

is interesting to read the federal RFA Bill because we see that the federal coalition Government is setting out to exempt south west forests from the protection of federal environmental protection laws. I am certain that all parties that have good regard for the protection of the environment will oppose such exemptions when they are debated in the Senate. At this stage the Bill provides the only avenue for proper parliamentary scrutiny of the RFA process and of the now signed RFA.

In identifying areas for protection to be defined as high conservation value forests, we do not say that all forests defined in the schedules and in the definitions necessarily will be locked up for ever. All that the Bill says is that identified forests should be protected until Parliament has had the opportunity to debate and decide on the RFA. It is not a case of trying to lock away areas for ever; it is about putting in place a moratorium until a proper scrutiny process is achieved - a scrutiny process from which, as I have said, the Government has totally backed away in the Premier's broken promise.

The next matter is the forest industry structural adjustment package. Once again, we find that the details were not available when the RFA was signed, even though we were promised that the detail would be there. Hon John Cowdell referred to some of the falseness in the figures contained in the forest industry structural adjustment package about funds that have already been allocated. Only today I received a copy of the memorandum of understanding, signed by the state Minister for the Environment and the federal Minister for Forestry and Conservation, on how the FISAP money will be distributed. Some of the detail is a cause for concern. There are two primary objectives for that FISAP money. The first is to -

assist in fostering the continuing development of an efficient, competitive, sustainable and environmentally-sound native hardwood timber industry in Western Australia.

The second point refers to -

... necessary restructuring in the native hardwood timber industry ...

Hon Barry House referred to the national forest policy statement and said that we should refer to it all the time. In the national forest policy statement there is emphasis on ensuring that there is conversion from dependence on a native forest timber industry to a plantation forest timber industry. That memorandum of understanding between the State and Federal Governments ignores that, because it places emphasis on continuing the native forest based timber industry.

There are three main elements of the FISAP: Firstly, industry development assistance; secondly, business exit assistance; and, thirdly - it is a bit of a worry that it is last in, I presume, the order of priorities - worker assistance. I fear that workers who lose their jobs will not be adequately compensated, even though compensation has been promised by the Government. The guidelines for business exit assistance and the principles underlying that part of the FISAP are that -

Assistance will be provided to businesses whose departure from the industry will enable other businesses with good long term prospects to remain and invest in value adding opportunities.

It is interesting to read that today, the same day on which we see in *The West Australian* that Whittakers Limited, the timber company, has finally been put into receivership. That article refers to the RFA and funds that might flow out of that FISAP. When we read the principle about enabling other businesses with good long-term prospects, we must ask how much of the money might go to Bunnings Forest Products Pty Ltd. What company has a monopoly on procuring first-grade sawlogs ahead of any other timber company in the State? It is Bunnings. We must admit that it is a pretty good long-term prospect for the company. It will be interesting to see whether all the money that Bunnings has poured into the Liberal Party in recent years yields a good return for it in the next few years. The Australian Democrats will definitely look at that matter with interest. As I said, these companies donate money.

Hon W.N. Stretch: How much have they put into the Labor Party?

Hon NORM KELLY: About \$20 000 a year. In the coalition parties it has been up to \$110 000. That is the sort of money I am talking about here, Mr President. Companies of this stature investing that amount of money expect a return, otherwise they are negligent in their duty to their shareholders. We will wait with interest to see if any money flows back to Bunnings.

The timber industry has been told, in the formulation of the forest management plan of 1994-2003, that it needs to restructure because there will be a downturn in the availability of timber. If the industry has not been able to adequately restructure and plan for that downturn, why should the people of Western Australia subsidise the companies in that industry for that failure?

The Australian Democrats see difficulties with the Bill. Hon John Halden referred to constitutional difficulties. We also see problems with the definitions in clause 3 of the Bill. It is difficult to identify the effects on local communities when forests in their local areas are declared to have high-conservation value. As I said before, we are talking about placing a moratorium on these forests - not locking them up - to ensure no logging occurs until the RFA has been given the scrutiny that so far has been denied.

An obvious amendment is required to the definition of "Regional Forest Agreement" simply to facilitate the fact that the RFA has now been signed. We are concerned about the wording in clause 6 on the ratification procedures for the RFA. The current wording could tie up the RFA in the parliamentary process for up to nine months. The Australian Democrats believe that it may create a far too lengthy period of uncertainty, especially if agreement is reached earlier. We could perhaps improve the Bill by ensuring when there is such agreement that ratification can occur far earlier to give security to the interests of all people concerned.

I would like to respond to a few comments by Hon Barry House, who referred to extremists who made motherhood statements and the like. Even with the often quoted figure of 87 per cent of Western Australians being opposed to the continued logging of old-growth forests, I realise that it can be difficult from a simple two-line question to get an accurate

indication of opinion on an issue. It is difficult to determine the knowledge that people have on an issue when they respond to such a question. However, a figure of 87 per cent would indicate that even if some people were not well informed when asked that question, there are still a significant number, being the majority, of Western Australians who are opposed. In my experience when people become better informed about what is happening in our native forests, they increasingly realise the need to discontinue any logging of old-growth forests.

I have visited the forests in the south west a number of times recently with people who are new to those forests. They have a look around, see the reality of what is occurring and become easily convinced that it is not right. It does not take much for people to wander through these forests and to see the difference between a virgin forest, a regrowth forest, an old-growth forest and the like. It does not take them long to understand the effect a regrowth forest has on the biodiversity of an area. If people go tramping through the Boranup Forest or the like, they will not see the biodiversity of flora and fauna in those areas because those forests do not have the old-growth trees with nesting hollows in them that a proper multi-aged forest has; that is what we are talking about. When logging occurs in these forests it should be, at the most, a very selective process so that it does not result in an even-aged forest. This Government, with its clear-felling practices, is wiping out on a massive scale all possibility of diverse flora and fauna being able to regenerate in those forests.

Hon W.N. Stretch: That is a motherhood statement.

Hon NORM KELLY: I know Hon Bill Stretch will get an opportunity to respond, but I advise him that I have done a great deal of study during the years on this issue.

Hon W.N. Stretch: Have you sat down and watched the logging plan being prepared with the officers who do it?

Hon NORM KELLY: Yes. I have been to the offices of the Department of Conservation and Land Management and seen how the officers work out its silvicultural practices and logging plans and how it applies those logging plans in the forest.

Hon W.N. Stretch: Did you not see any habitat trees in those places?

Hon NORM KELLY: In a clear-felled area there is no corridor; if it is clear-felled there are no trees. There should be at least three or four habitat trees per hectare but that does not always occur. As has been shown in the clear-felling process, about 90 per cent of the animals in the area will be killed in the logging process. Hon Barry House said that these are motherhood statements; however, has the member looked at all sides of the argument? Has he looked at the proposal by the Western Australian Forest Alliance last year as its alternative to the options proposed by the Government? That is definitely not a motherhood statement. It is a detailed plan of action which would have the effect of keeping jobs and forests. It needs significant change by this Government to accept that; however, even then, the Minister for the Environment was not willing to discuss possible changes or to come to the table, sit down and discuss any argumentative points she may have had about that proposal. It was just sent off to her CALM cronies who, in reply, debunked the whole proposal. These are the cronies who talk about sticking to the facts and the science. When WAFA present a proposal, CALM just debunks it without that scientific backing.

This Bill provides the opportunity for proper scrutiny of the RFA. This is the critical part of the intended achievement of the Bill. It will fix a promise broken by the Premier in the signing of the scoping agreement.

Hon Greg Smith: What promise did he break in the statement?

Hon NORM KELLY: The member may not have been around at the time. I will not prolong debate; he can read the *Hansard*. It is clear that the member is involved in a committee study of the RFA and is well aware that it refers to the environmental impact assessment on the release of an RFA report. He has signed off on it and has supported the recommendation that these things should occur. As such, because the Premier has backed out of his promise, it is extremely important that this House supports this Bill.

**HON GREG SMITH** (Mining and Pastoral) [9.29 pm]: I will not take long because many other members would like to speak on this matter. One thing that bothers me about having this debate is the fact that the RFA was arrived at through an extensive scientific and consultation process. As Hon Norm Kelly pointed out, I am a member of the ESD Committee which inquired into the RFA process and there was nothing in the report that suggested there was anything wrong with that process. There were perceptions of something being wrong because of the involvement of CALM, which is a preserver of forests and chops them down. That perception is due to be changed with the restructuring of the Department of Conservation and Land Management.

Paul Keating made a speech on 13 November 1995 about forests that succinctly summarises what happens in the forest debate. It states -

The same national interest also demands that we use the forests intelligently for the things we need and for the communities that live with them.

Our forests have economic significance. They are an important renewable resource, contributing to the wealth of the nation, and providing us with essential commodities.

Many Australians, and many Australian communities, depend on our native forests for their livelihoods. Whatever we decide are our priorities, their interests must be attended to.

This perception of irresolvable conflict between the environmental and commercial values of forests has produced deep divisions in the Australian community. The debate presents itself as a conflict between absolutes: the

absolute necessity to protect these priceless parts of our environment, and the absolute necessity to protect Australia's economic interests and the well-being of Western Australian working men and women.

The conflict is easily understood. No Australians want to see these forests destroyed or damaged beyond repair. Nor do they wish to see the economic interests of Australia damaged and the livelihoods of their fellow Australians threatened.

We on the Government side number ourselves among these Australians.

No policy is going to satisfy everyone. Neither side of this debate can expect to get everything they want. The aim is to see that Australia is the winner, that the Australians of next century are the winners. In the end, the essential goal is the protection of the long term national interest. . . .

Our cause will be greatly advanced if, on both sides, the debate is conducted with the national interest in mind. We should all remember that no-one in this conflict has a monopoly on truth or virtue, or a mortgage on concern for the future of our forests. Those who presume they do and claim it exclusively will only debilitate the efforts of people of good will to find the best solutions.

That speech was made after the national forest policy statement was released. It sums up what we were trying to do with the Regional Forest Agreement process. It was obvious from the outset that it was impossible to satisfy the extremes at both ends.

When Beth Schultz and Peter Robertson appeared before the committee I asked them what forests they wanted placed in reserves and whether it was possible to put some lines on a map and then try to negotiate our way through it. They said they were not prepared to do that. It is very hard to make people happy when they are not prepared to nominate a starting point.

Hon Derrick Tomlinson: What did they want?

Hon GREG SMITH: I am glad the member asked that question. Since the Greens (WA) introduced this Bill we have established that they want the lot. It has become obvious during the debate and during the committee's inquiry that the environmentalists want every piece of forest put into reserves. That means there will be another protest 12 or 18 months down the track for another forest to be included. People in the timber industry are sick and tired of dealing with moving goal posts. That is why they are keen to see the RFA implemented, and nothing will reverse that process now.

There is no consistency on the part of the environmentalists. They were fighting for Hawke block to be included in a reserve. They have achieved that, but no appreciation has been expressed. Part of the Giblett block has been included in a reserve, so they want more. If we pass this Bill, in 12 months we will have people camped somewhere else wanting another forest area included in a reserve.

We must produce timber products in Australia; there is demand for them and people are using them. The "not in my backyard" syndrome is evident here. People do not want a prison in their neighbourhood, but they also do not want criminals on the street. The committee spoke to people who were living on a block completely denuded of timber but there was forest all around them. They were comfortable with their cleared block, but they wanted the forest around it retained. The NIMBY principle extends not only next door; we now see it throughout the State. The same people in St Georges Terrace who are protesting about forests consume tonnes of paper and have jarrah desks. If their consciences are clear about the fact that we are clear felling forests in third world countries on an unsustainable basis, they have a very selfish attitude. At the end of the day, we must produce timber commodities. Our forestry industry is the most ecologically sustainable industry of its type in the world.

[Interruption from the gallery.]

Hon GREG SMITH: I do not know of any others that are managed as well as ours. No-one presented evidence to the committee of a forest industry that is better than ours.

Hon Tom Helm: We have well-managed logging.

Hon GREG SMITH: We have well-managed logging and well-managed forests.

The RFA was arrived at as a result of the National Forest Policy Statement, which was signed by Carmen Lawrence and Paul Keating. The criteria were agreed to after an extensive process involving experts, not people who had a bit of bush or forest behind their home. The experts looked at what we should keep to ensure we have a world-class reserve system, and the RFA process has produced just that for Western Australia: We have a world-class forest reserve system and we should be proud of it. We have 2 328 square kilometres of old-growth forest in reserve, and that is a substantial area. I have a sheep station of 60 000 hectares and we are talking about 232 800 hectares. I can ride a motorbike day after day around my property and never travel over the same piece of land twice.

Several members interjected.

Hon GREG SMITH: That is an enormous area to have in permanent reserve, never to be touched. We are not moving the goal posts, but the environmentalists keep saying they want more. They have not said that 232 000 hectares in permanent reserves is enough. I have asked how much is enough, as has the timber industry since the 1980s, but we still cannot get an answer. It is obvious that they will have enough when there is none left to get.

Several members interjected.

Hon GREG SMITH: I do not mean that as a Freudian slip. Once they have the lot, they will be happy. Then they will move into the mining industry.

Hon Tom Helm: They cannot have the mines.

Hon GREG SMITH: One of the arguments that has been put by the Greens and the environmental lobby groups is that it is not all old-growth forest but includes rocky outcrops, creeks and swamps. In an area the size of the national parks that will be created, we will have those sorts of things. I have a photograph of the Mt Franklin, Mt Roe and Mt Lindsay National Parks, which comprise 215 000 hectares. We can see from that photograph that those national parks have rocky outcrops, creeks and swampy areas. They have a whole ecosystem. What we are preserving is an ecosystem.

Hon Ken Travers: You have learnt something from being on the committee!

Hon John Halden: Now that you have shown us the picture, can you read it?

The DEPUTY PRESIDENT (Hon W.N. Stretch): Order! The people in the gallery have been very forbearing and patient and are setting a fine example to the members of the House. I suggest members take a leaf from their book and listen to Hon Greg Smith, who has the floor. Most members have been heard in comparative silence. We are getting near the end of the day. I ask members to please restrain themselves and show some dignity.

Hon GREG SMITH: Thank you, Mr Deputy President. I lived for 10 years of my life in the Grampians in Victoria. I had friends in the forestry industry. We were involved in the tourism industry. It has been argued that if we continue to have a forestry industry, we will not have a tourism industry. That is just a furphy, because the tourism industry has developed very well side by side with the forestry industry. The suggestion that we can put all the timber workers out of work and suddenly employ them in the tourism industry is another furphy. I cannot see the drivers of the logging trucks becoming waiters in some restaurant in the south west where there is a tourist development. The tourism industry is finite as well and will not keep growing and growing. The tourism industry has grown at 30 per cent over the past five years, while the forestry industry has been in operation. It is not as though one cannot exist with the other. They can exist together.

People do not go to the forest to see miles and miles of just old-growth forest. They go to see the changes in the environment and the biodiversity. Animals require all these things. Some animals live in the rocky outcrops. Other animals nest in the big trees. This debate contains many lies. That is the only word I can use for it. People pick the words "old-growth forest" and say we have not preserved all the old-growth forest. A figure was quoted by the environmental movement last week about old-growth forests. An additional 45 700 hectares of old-growth forest has been put into the national estate. It is not as though any old-growth forest has been taken out. Sixty-seven per cent of all old-growth forest is now in permanent reserves, and 71 per cent of it is in reserves if we include what is on private property, and on creeks and roadways and those sorts of things.

I do not know where this debate will end. If it will not end until the environmental movement has been able to put every square kilometre of forest in reserve, it will go on forever. It is essential that we maintain a timber industry and forests. I have three young children. Nothing would make me more unhappy than to think that I could not take them to look at old-growth forest and they could not take their children to look at old-growth forest. If I thought there was any chance of that occurring, I would go over there and vote with the Greens! I am very comfortable with the fact that an enormous area of this State is already preserved and locked up in a world class reserve system, never to be touched. We should not keep moving the high jump bar and keeping this level of uncertainty over an industry that wants to invest, restructure and keep people in jobs. Some of the south west communities will die if we remove the timber industry. People talk about the New South Wales RFA. Bega is now dead. The RFA killed that town. People said that the timber workers would all be employed in the tourism industry. The people of Bega know differently. That town has disappeared. To claim that we can stop logging in 2003, put a heap of old-growth forest into reserves and everything will be all right is just not true. That is why we support the RFA. As Hon Barry House said, it is easy to make these decisions by jumping on the bandwagon of some group and saying, "Let us lock it all up." We have made a responsible decision. The Australian Labor Party has been foolish in locking itself into the statement that it will stop logging in all old-growth forests in 2003, because that is a decision it will live to regret. The only conclusion I can reach from that statement is that the Labor Party is obviously confident it will not be back in government in 2003.

[Resolved, that the House continue to sit beyond 10.00 pm.]

**HON DEXTER DAVIES** (Agricultural) [9.46 pm]: I oppose the High Conservation Value Forest Protection Bill. My views on this issue are well known. As Hon Norm Kelly and others have mentioned, I was on the Ecologically Sustainable Development Committee and signed off on all those recommendations, and I stick by that situation. As other speakers have indicated, other processes take place in making a decision about the final outcome. I was pleased to hear Hon John Cowdell read out the five points in the Labor Party's forests policy. I am glad the mail got through when we sent the Labor Party a copy of our policy, at its request.

Hon Ljiljana Ravlich: I missed that. Can you repeat it?

Hon DEXTER DAVIES: The five major points outlined by Hon John Cowdell were taken directly from that policy. People are well aware of my view and of the view of the National Party with regard to phasing out the logging of old-growth forest, and we stick by that. The process of phasing out logging in old-growth forest can take place, as was pointed out, through the management of the forest. I thought people would be very pleased with the proposal to split the Department of Conservation and Land Management into two separate areas of conservation and forest management, and to make that process more transparent. The energy of my party and of the Coalition will be concentrated on trying to achieve that

objective and to reach a satisfactory outcome. Once again, I remind Hon Norm Kelly that he would make far greater use of his resources if he stopped making snide remarks about other parties that have contributed to that process and concentrated on trying to contribute to the outcomes and the issue that we are dealing with.

My party and I have been criticised for the process we went through. We put forward our views well in advance of the signing of the agreement so people could take us on in the process and we could openly participate in the debate. We put our views so as many principles as possible that we promoted could be included in the agreement. We wanted some influence on the issue, and not to score points afterwards. I make that point clear.

It sounds good and rolls off the tongue nicely to say that the RFA is locked away for 20 years. It is an agreement for 20 years, but will be reviewed every four years to consider ecological sustainable forest management. Many influences will ensure that this requirement will be met and it will be reviewed. It is clear that an independent review of sustainable cuts will take place in the next 12 months. To say the agreement is locked away and is not open for review is wrong. That point was not referred to by any member on the other side of the House. It was stated that it would be locked away for 20 years with no further chance for anyone to influence it. That is misleading and does not contribute to the outcome of the debate. Opportunities arise through forest management and the process of royalties, but these were overlooked by members opposite in concentrating on the theatre of what is taking place rather than the issues and outcomes. That upsets me.

I listen to all debate, and I try not to talk for the sake of it or only to score points. The National Party has taken a real interest in the issue and tried to achieve some outcomes and drive the debate before the agreement was signed. That is when it chose to participate, not afterwards. I also make that point clearly.

I have concerns about where this process will go if this legislation is passed. I do not support any retrospective legislation, and I did not propose that anyone support such a measure before I came into this place. I find it very difficult to support any retrospective legislation. I give a commitment, along with other people with a genuine concern for conservation, to this process. My background in farming is extensive. We have seen enormous degradation of farmland, and in the past 20 years we have poured time, money, effort and research into trying to reverse that degradation. People have enormous concern about that process, and have put their heart and soul into that work. Our efforts in the wheatbelt are there for anyone to see. We will continue with that work, along with other industries. I place on record that our efforts are genuine.

Hon Tom Helm: Will this proposal stop you having to spend money down the track once you have made a mistake?

Hon DEXTER DAVIES: No.

Hon TOM HELM: Why not? If you save the forest, you do not need to spend money in that way.

Hon DEXTER DAVIES: That is a very simplistic approach. People were laughing about the last speaker in this debate, and Hon Tom Helm adopts a very simplistic attitude. Everyone recognises that this situation is very complex. I am sure that Hon Ljiljana Ravlich recognises that it is not a matter of taking one action and forgetting about the rest.

Hon Tom Helm: No.

Hon DEXTER DAVIES: There was never going to be a 100 per cent winner on any side of this agreement. The best outcome can be arrived at by working on what we have achieved and developing some realistic outcomes. We have worked toward that goal. I suggest that energy be directed to the avenue still open to work towards those outcomes.

**HON DERRICK TOMLINSON** (East Metropolitan) [9.56 pm]: I commend members on the way in which they have handled this debate. In the main it has been a very responsible presentation from the majority of members. A couple of members allowed themselves to slip into vituperation, but that is unavoidable for some people. This is a serious matter. We are talking about trying to achieve a balance between two competing values: The value of conservation versus the value of the utilisation of a public resource. Those values themselves are diverse. The value of conservation is very difficult to define and limit because the reasons for wanting to conserve a forest have many dimensions. Likewise, the value of the utilisation of a public resource has many dimensions. The government propaganda keeps on saying that it is not a black and white issue. Those competing values of conservation versus utilisation come into focus in this debate upon the old-growth forest. On the one hand is the value of conserving them, and on the other is the value of using the resources in the old-growth forest.

The Regional Forest Agreement process, when the Keating Government initiated it in 1994, was designed to achieve a balance between those two competing values. It is an issue which should be tackled responsibly, as has been the case in this debate. I was particularly impressed by the presentation by Hon John Halden who commenced with a revelation of his position. My position was summed up by one of my colleagues in the other place in private conversation. He described it to me as a parallel with the debate of some 30 years ago about whaling. He said that we are undertaking a very similar process in the resolution of competing values. That debate was resolved through the abolition of whaling. It may not happen while I am a member of Parliament, but I foresee the day when this debate will have a resolution along the lines Hon Chrissie Sharp and others are advocating; namely, there will be no logging in old-growth forests.

The problem with that resolution is that ageing is continuous. I wish I could say that ageing is an even process, but it is not; I find that it accelerates at certain stages. Because ageing is a continuous process, in 100 years' time the forests will be in the 100-year cycle of logging. Those forests will be old-growth forests and we can argue that there shall be no logging in old-growth forests. Somewhere in the resolution there will be a definition of the areas which, for the time being, are deemed to be old-growth forests. That is because those old-growth forests will become senescent forests. Those senescent forests will probably die and the whole process will begin again.



Let me turn to the analysis of the Bill by Hon John Halden. Mr President, I make the same request that Hon John Halden made, that we push the boundaries of standing orders for the purpose of this debate. I know that the convention of the House is that the second reading debate is about the principles of the Bill and that the details of the Bill are the subject of the committee stage. As Hon John Halden stated, to get to the principle of the Bill, one needs to consider the detail. Hon John Halden introduced one of the concerns that I have about this Bill when he described it as an attempt to bind the Commonwealth. Article B of the Regional Forest Agreement as signed between Premier Court and Prime Minister Howard states -

This Agreement is a Regional Forest Agreement, for the purposes of the Export Control Act 1982 (Cwth), the Export Control (Hardwood Wood Chips) (1996) Regulations (Cwth) and the Export Control (Regional Forest Agreements) Regulations (Cwth).

Can this Parliament make laws which are binding upon the Commonwealth? There is an interesting legal debate to be entered into there. Furthermore, can this Parliament make laws affecting or controlling an agreement reached between the Executive Governments of the Commonwealth and the States? The RFA is a legitimate agreement reached between the Executive Government of the Commonwealth and the Executive Governments of the States. The Bill that Hon Christine Sharp has introduced attempts retrospectively to control that agreement. That involves a legal issue that would entertain the minds of QCs for some time.

Let us turn to the second matter that Hon John Halden raised, which is clause 6 of the Bill. Let us go through the process that clause 6 requires. Clause 6(1) establishes a prohibition -

A person must not undertake logging operations in a high conservation value forest unless -

The prohibition is on the logging of high conservation value forests. The offence is to undertake logging in those high conservation value forests at certain times. The requirements, firstly, are that the RFA executed on behalf of the State of Western Australia and the Commonwealth be tabled in both Houses of Parliament. Agreement is reached and then it is tabled. Secondly, 28 sitting days are to elapse after the tabling. In that time there shall be no logging in high conservation value forests. According to the conventions of the program of sittings of this House, 28 sitting days means that it sits on the Table for a minimum of 10 sitting weeks. If we then follow the convention of two weeks sitting and two weeks in recess it is a total of 16 weeks. After a minimum of 16 weeks - if it ran through a spring or an autumn session it would be considerably more - Hon Norm Kelly estimated it could be a minimum of nine months under some circumstances. When it has sat on the Table for 28 sitting days, each House may approve it by resolution after 14 sitting days of the notice of the motion. After the passage of 28 sitting days, which may require the passage of a minimum of 16 weeks or, depending on circumstances, nine months, from that time, and after a further 14 sitting days, the question may be resolved. That is another five setting weeks. Let us assume there is a two-week recess, so that is another seven weeks. The minimum time before the matter can be debated and resolved is 23 weeks. Clause 6 says that in that 23 weeks a person must not undertake logging operations in a high conservation value forest. The definition of high conservation value forest is contained in clause 3 and reads -

- (a) old growth forest as shown on the map entitled "Old Growth Forest" and published by the Department of Conservation and Land Management in 1998 as part of the *Comprehensive Regional Assessment Report*;

I assume that refers to map 14, "Old Growth Forests". Map 14 is described on page 166 in the comprehensive regional assessment report as being the extant area of old-growth forest - although one must recognise that it is a continuous process, but is now extant. According to table 13, the "Present Reservation Status of Old Growth Forests", there are 2 987 hectares, of which 1 818 ha or 61 per cent is reserved and 1 169 ha are in the area of public land outside the reserves. The forests within the reserves are protected from logging. The forests outside the reserves, even though they are old-growth forests, are open to logging. Under clause 6 of the Bill a person must not undertake logging operations in high conservation value forests which are defined as those old-growth forests. Clause 3 continues -

- (b) in a place that is on the Register of the National Estate or the Interim List for the Register of the National Estate established under the Australian Heritage Commission Act 1975 of the Commonwealth; or
- (c) one of those areas of State Forest defined in Schedules 1 to 3, being areas identified by local communities having high conservation value.

It refers to its having high conservation value for the local communities. For the minimum time of 23 weeks during which this agreement must sit on the Table of both Houses before it can be resolved, there shall be no logging. Any person who logs those old-growth forests - not those in the reserves, but those identified on this map; those in the reserves and outside the reserves - commits an offence which incurs a penalty of \$500 000. This question must then be asked: If logging is taking place in those parts of old-growth forest which are not reserved, can this Bill, if it passes into law as Hon Christine Sharp intends, stop the logging which is already under way as a legitimate and authorised process? Hon Christine Sharp says yes; we stop all of the mills, all of commerce and all of the practice for the minimum period of 23 weeks that the agreement is before the Houses. Hon John Halden shakes his head and says no; Hon Christine Sharp says yes. We have disagreement.

Hon John Halden: You are wrong; we are in agreement!

Hon DERRICK TOMLINSON: I wish I were as persuasive as he is. I turn and smile at Hon Christine Sharp and say, "He is wrong, isn't he?" Hon Giz Watson says yes. Hon John Halden must have been smiling at the wrong member. This Bill poses a legal question.

The PRESIDENT: Order! As Hon Derrick Tomlinson has said, this has been a useful and serious debate so far. Let us not have any interjections. I am interested in what is being said.

Hon DERRICK TOMLINSON: There is a legal doubt about that which must be resolved, in the same way as there is a legal doubt about whether a decision of this Parliament can be binding upon an agreement between the Executive Government of the State and that of the Commonwealth. I am not quite sure whether there is consistency between what Hon Christine Sharp indicated in the second reading speech and what is in the Bill. I put to members that there is a difference between the intention, as expressed by Hon Christine Sharp in the second reading speech, and the reality as contained in the language of the Bill. When it comes to the interpretation of the Bill, it will not be the opinion of Hon Christine Sharp that will be up for judicial interpretation, but the words in the Bill. We cannot accept her intention as being the definitive statement. That will be in the language of the Bill. That is what will be tested. In the language of the Bill, there is a difference of opinion, even amongst the Opposition. I also echo the point made by Hon John Halden and taken up by Hon Norm Kelly; that is, to consider the fate of this Bill. This Bill will pass this House. There is no doubt about that - 17 beats 16 every time. On the other side of House we have 17 votes indicated by members of the Greens (WA), the Australian Democrats and the Australian Labor Party -

Hon J.A. Scott: Don't you have a conscience vote?

Hon DERRICK TOMLINSON: I have a conscience vote on everything. It is a pity that cannot apply to other parties in this House. I repeat: This Bill will pass this place. Hon John Cowdell confronted the reality: Once it passes this House, it will go to the other House and there it will be at the will of the Government as to what will happen. It could languish on the bottom of the Notice Paper; it could be dealt with and defeated. Perhaps, as Hon John Cowdell said, this will not be resolved until such time as there is a change of Government in both the State and the Commonwealth. That might be in 2001 or 2005; I will not even attempt to predict the will of the electorate. The electorate makes up its mind on the day.

We are going through a little piece of theatre in Parliament on a very important matter to be resolved, the tension between two competing values. A Bill has been brought into the Legislative Council, which has some drafting flaws that will make it of doubtful legal validity. We then go through a very responsibly-handled, protracted debate. We then will vote and divide on party lines, and the Bill will be passed. Then it will disappear. That is the effort, the theatre, we have gone through. It has been an interesting debate, but a futile one. I regret that it does not progress the resolution of this very important issue. It has taken a day of sitting in this House, a day of theatre, which people have come to observe, a day when perhaps those people who came to observe the theatre had high expectations that their value will prevail. It will not; it will resolve itself in a stalemate. Perhaps we are observing a farce. I think it is a tragedy. It does not have a happy ending. It does not resolve anything, but at least the players have acted out their parts. I think we should now proceed to a vote.

**HON J.A. SCOTT** (South Metropolitan) [10.20 pm]: Far from being a waste of time, this debate has been described by the member for Cottesloe, who is a minister in the current Government, as the most important issue of the decade. The comments of Hon Derrick Tomlinson fly in the face of the outward image that the members of the Liberal Party profess in this House: that they have an independence. He said that the Bill will go to the other House but no further. The instructions have clearly gone out from the Executive. He knows what they are and the so-called independence and ability of free speech for members of the Liberal Party will be curtailed, because they know full well that they will not get their pre-selection if they cross the floor of the House.

Hon Derrick Tomlinson interjected.

Hon J.A. SCOTT: Hon Derrick Tomlinson has just said what is to be the fate of this Bill. He seems to know already what will be its fate in the other House.

Hon Derrick Tomlinson: I gave you a couple of scenarios.

Hon J.A. SCOTT: That is what the member said would happen.

Hon N.F. Moore: How about getting on with it?

Hon J.A. SCOTT: I will get on with it. I understood there was a change of plan.

The debate that has been put forward so far on the RFA and the Bill has largely been based upon the line that we must balance the needs of conservation with the need for jobs. The reality of this claim that we must balance them by setting aside values of high conservation value forest for logging is fallacious, because, firstly, the growing and cutting of timber are two jobs; forest creates more jobs than only cutting timber. According to Dr Judy Clarke, there is sufficient timber now to move the industry out of old-growth forests altogether. Her findings have never been refuted by the Government. The Government has often claimed they are false, but it has been unable to point out how they are false. It is a very simple proposition; if one grows trees and cuts them, more jobs are created than by only cutting them, providing that one has sufficient areas of forest; that is, plantation and agro-forestry outside the native forest. We also know that a steady loss of jobs has taken place in this industry for more than a decade. That has not been because areas are being set aside for conservation. The real loss of jobs has come about, firstly, from mechanisation, and if anybody looks at the graphs of job losses in the timber industry, they will see that it has been in decline for a very long time.

Hon Barry House: The jarrah cut halved in the last decade.

Hon J.A. SCOTT: It may have halved in the last decade, but the problem with that is the next point which goes with that mechanisation. In the past decade, a shift has occurred in the ratio of timber that is taken for woodchipping and that which is taken for sawlogs. A 1993 CALM report indicated that only 14.8 per cent of the logs that were taken out of the forest went into sawn timber. I can provide Hon Barry House with a copy of that report.

Hon Barry House: Was that done by the same research assistants you had look at it?

Hon J.A. SCOTT: It was CALM's annual report; is that good enough for the member? I too have some doubts about some of the data that has come out from CALM at times, so I share that scepticism.

Hon Simon O'Brien interjected.

Hon J.A. SCOTT: I am talking about the total taking of logs of all types from our forests. We see the huge bulk of the timber that is taken out of the forest going to woodchipping and providing only 49 jobs. The simple way to create more jobs in the forest is to shift that line back towards what it was once before; that is, to put more jobs into the timber industry by having more sawn timber. The reason that that line is able to be removed is because we have allowed good quality logs to be used for woodchipping. The assessment process does not exist. In fact, what occurs is that the small millers are able to take the premium logs and volunteer to pay the premium price, and then Bunnings takes what it likes for sawn timber and everything else ends up as woodchips. That is hardly a process which is getting the best value out of the forest. I have mentioned in this place before in another debate that the process was challenged when a small miller went to the Diamond chip mill, took a couple of the chip logs away, turned them into furniture-grade sawn timber and sold them on the open market.

Hon W.N. Stretch: Has he gone on doing it?

Hon J.A. SCOTT: He has certainly continued to complain that good quality logs are being woodchipped. The problem with taking good quality logs for woodchipping is that before too long, if the rotation rate is too high - and it is - one runs out of bigger trees and older timber which is good for sawn timber and particularly for furniture-grade timber. We are allowing woodchipping to cut us out of jobs in the forest. I see no problem with it being used for thinnings and so on, but it has always been claimed - this has been the most deceitful attempt by the spin doctor of all time, Dr Shea - that only forest residue was used, and the impression given was that CALM was going through the forest picking up all the boughs and the thinnings, and the bits that were left over from the ends of the sawn production were used for woodchips, and everything else was turned into sawn timber. That was a lie that went on for far too long, even though it was pointed out time and time again to the Government. Even if all the woodchipping jobs were lost, the jobs in the sawn timber industry and the furniture industry, where most of the jobs are, would not be lost. It is an absolute fallacy that jobs must be lost in this process. I believe that processes are available by which jobs will increase and will be sustainable. Not only will the jobs be increased and sustainable, but we will also have the ability to conserve all of our high conservation old-growth forests. The woodchip machines would not even take boughs that had a bend of more than about 20 degrees; they took only nice straight logs. The claim about taking branches and so on was doubly silly, because the equipment would not even take it. There were few attempts to do anything about that.

Hon Barry House: Do you support whole-bole logging?

Hon J.A. SCOTT: The sawmiller whom I mentioned, Tony Drake, was very enterprising. I looked at his mill. He complained that the system was such that he could not get offcuts that were left at the base of trees. He had a special splicing machine to make a higher-value product.

Hon W.N. Stretch: Was it a jarrah or karri forest?

Hon J.A. SCOTT: He took several types of timber. Certainly, being based in Manjimup, he would have an opportunity to get a bit of both.

Hon Barry House: I am giving you the opportunity to say something positive about the RFA.

Hon J.A. SCOTT: I certainly agree with the splitting of the Department of Conservation and Land Management. I said that in my first speech about forests. CALM should be split not because of the perceived conflict of interest but the actual conflict of interest. The other crazy aspect of the woodchip industry is that in 1992 CALM asked Gary Inions to carry out a study of why we had lost 30 per cent of our share of the Japanese woodchip market in the preceding five years. He came up with two main reasons for that. The first was that Japanese buyers wanted to diversify their supply routes, so in order to bargain down the prices, they initiated huge areas of South America to be planted with Australian blue gums - hundreds of thousands of hectares - when we had 5 000 hectares of blue gums in Western Australia. It could be seen that we were rather backward in doing something about plantation and agriforestry timber if Australian blue gums were able to be tested and grown in South America in such huge quantities. Secondly - this is the interesting part that disturbs me - the Japanese market preferred to plant young plantation timber for their woodchip mills. They did not want old-growth timber for woodchips. That is why our woodchips are almost at the bottom of the scale in terms of their value - a really low-value product.

Hon Barry House: It is still worth more than when it is burnt.

Hon J.A. SCOTT: It is not worth as much as when it is standing up as a 400-year-old tree which has ongoing values. The Japanese did not want old-growth timber - it is also why it is lower-valued - because it was more difficult to bleach and they would have to use chlorine bleaches. Of course, they no longer wanted to use environmentally unsound practices in their country. Basically, they did not want old-growth timber woodchips, but we would not take the message and get the woodchipping industry out of old-growth forests. That is where the real damage is occurring and that is what, unfortunately, the RFA will allow to continue. That scenario could have enabled the RFA to be a win-win solution for everybody. We could have considered maintaining our share of the woodchip market by getting it out of old-growth forests, increased the amount of older timber going into the furniture and sawn timber trades, decreased the amount of native forest that was required, and, in particular, protected old-growth forest and heritage-value forest.

The other aspect about which I am concerned in respect of the RFA is the reliance on CALM for much of the data. We certainly have had good reason not to believe much of the data. I have listed just a few examples that sprang to mind. We had information about Hilliger block which was being logged just prior to the RFA. People were trying to prevent that area from being logged. CALM and the Minister for the Environment said that Hilliger forest was not an important area because it had dieback in it. I would have to defer to my colleague, Hon Christine Sharp, but I think it had the second highest biodiversity in the State. It certainly had very high biodiversity levels and it should have been protected. That was lied about.

Then we had the scenario in Giblett forest in which two areas, G7 and G8 blocks, were accidentally logged. CALM did not know which block was being knocked down, nor did the timber company. It seemed to get away with that pretty well. The Government did not chastise it. It just protected it and said, "It was just a little mistake; they didn't know where they were." It did not think, "How many other areas are they knocking down if they are so poor at knowing where they are cutting down forests and they do not have woodchip agreements with the Federal Government covering those areas? Perhaps they were incompetent and need a bit of a gee-up." No, instead of that, the then minister, Hon Peter Foss, claimed that the timber was not used for woodchip. I checked that. By going through all the destination dockets - the information was not provided on a print-out; it was decided to make me go and look at the actual dockets - I found that most of it went to woodchips or to the Diamond chip mill. That was a lie. Then there was the business about the cow. I wonder how many members remember the wonderful cow diagram. In the cattle industry a cow was made out of all the different things we get from a forest. The front leg was depicted as being made of woodchips. However, the truth is that the rest of the cow was made of woodchips and the front leg was made of everything else. That was a lie.

I tabled maps in this Parliament that proved that the Department of Conservation and Land Management was deceiving people. Not a thing was done about it by any minister in this Government. I was approached by people from the tourist industry who were disturbed by CALM showing them maps of the remaining high value forest because the tourist industry was concerned about whether sufficient old-value forest would be left to benefit its industry. CALM provided them with maps which showed all the splendid areas of the forest to which they could take tourists. However, a real map was procured from CALM from which it was obvious that areas depicted on the other map as having high forests did not contain a single tree. The Yeagarup dunes were shown as being covered by what was described as virgin karri forest.

Hon Kim Chance: Were they old-growth dunes?

Hon J.A. SCOTT: I took photographs of those maps showing a sign indicating that it was a CALM old-growth forest and tabled them in this Parliament. What was done about CALM's showing false maps to people? Not a thing. These deceptions have gone on and on. Hon Derrick Tomlinson said that this Bill would prevent logging in old-growth forests for certain periods. The designation of not only old-growth forests but also the forest types was severely mauled by CALM. In reality much more valuable forest exists than CALM has indicated and more forests have high conservation value than CALM is letting on.

Hon Barry House: An area designated high conservation value does not necessarily mean that it has tall trees, because it can still have biodiversity.

Hon J.A. SCOTT: I agree; I have no problem with that concept. However, I am saying that false claims have been made, and in some instances straight out lies have been spread about the nature and management of our forests. Frankly, the department's name in the community is - I will not say "mud," but - on a par with low grade woodchips!

Hon Barry House claimed that people who want to do something about the level of destruction in the old-growth forests are extremists. He used that word quite a lot. Extremists are usually people who follow ideas that lack any logic or middle ground. Anyone who is examining the planetary level of the ecology and the break down of the whole of the earth's system to determine the survival of our species and the planet can hardly be called an extremist. Extremists are those who want to eke out the last dollar, even if it means killing us all. Not only are they extremists, but also they comprise the fringe; the 10 per cent who agree with the Regional Forest Agreement. It may not even be 10 per cent.

Hon Barry House said that it was easier in opposition to make claims and criticise government policy. If he continues to take the line that a huge bulk of Western Australia's population are extremists - even his National Party colleagues - he might enjoy his life here much more in the coming years.

Hon Barry House: I would be equally opposed to the 10 per cent who wanted to take every strip of wood out of the forest. The fact is that 80 per cent of people have a balanced approach.

Hon J.A. SCOTT: A balanced approach involves an equal percentage of views. I think Hon Barry House said that the RFA is about enabling tourism, ecology, beekeeping, logging and mining, which is allowed in every area regardless of its environmental value.

Hon Barry House: I should have included that.

Hon J.A. SCOTT: The difference between logging and mining and other industries such as tourism, an interest in biodiversity, beekeeping, etc is that they do not smash down forests and destroy their ecological integrity; whereas clear-felling does.

Hon Barry House: How would we meet the demand for timber?

Hon J.A. SCOTT: We have said that over and over again. We easily have the capacity to far exceed the amount we are getting from our forests through agro-forestry, which will help to reduce salinity, and the growth of plantations. We should

also be encouraging downstream processing by establishing pulp mills rather than allowing woodchipping of low grade products to sell overseas. Downstream processing in Western Australia will bring greater value to our products. I read somewhere recently that we are spending more on importing than what we receive for our forest products. We are importing \$1.5b worth of forest products from overseas, not because we are importing more forest products, but because we are importing processed forest products. We are getting our woodchips back as paper. If we do that processing ourselves we will create jobs and alter that balance of payments. We must re-examine the motives and principles behind the RFA because it does not tackle these issues appropriately. It makes some steps forward but it does not satisfy the people of Western Australia.

Hon Derrick Tomlinson made a great show of the fact that the forest ages and then it becomes senescent. He is referring to forests that the RFA will create, such as plantation forests and planted monoculture forests that result from clear-felling. Native forests do not contain trees that are all the same age. Some trees grow to old age and fall down while others are growing. It is true that sometimes major events such as big fires occur in karri forests and that a whole area will regrow. That has some similarity to clear felling, but a lot of difference as well.

The other aspect that seems to be forgotten is that many of the forest practices occurring in the old-growth areas mitigate against the full ecological value of the forests. It is simplistic to say that because the tall trees grow back, whether they are replanted or they regrow, we will get back the same ecology we had with the same health.

I am dissatisfied with the RFA proposal. I am also dissatisfied with the process that has been followed. I do not believe that what was called consultation by members on the other side of the House was what I would call consultation. It is not consultation to get a huge number of people to make submissions, to ignore them and then to make a decision at an executive level without releasing it for feedback from the community, particularly when that issue is as important as this is to the people of Western Australia.

This Bill deserves support. If the Liberal Party is as it says it is - one that allows members to vote on conscience - I look forward to seeing those members who want sustainable forests and employment in this State support this Bill.

**HON CHRISTINE SHARP** (South West) [10.51 pm]: I am pleased to do my best to reply to the issues that have been raised during this debate. I am very grateful for the opportunity that has been provided to take the debate through the second reading stage and, hopefully, to completion this evening. I therefore will not repeat many of the issues which have been raised and which I have addressed several times already.

I first refer to the arguments that the Minister for Finance put on behalf of the Government when he was defending the approach used in the Regional Forest Agreement process, which he called the most scientific of approaches. No-one could doubt that many scientists have been involved in the process, that a lot of money has been spent and that very sophisticated data has been manipulated. As all members know, the basis of this approach is the Joint ANZECC/MCFFA National Policy Statement criteria. It is important to get a perspective on why, although the RFA has met the minimum standard of the JANIS criteria, it has not met community expectations. The JANIS criteria are national guidelines for conservation reservation standards and are being applied in RFAs throughout the country. The criteria work on a proportional basis with 15 per cent pre-European forest, 60 per cent current old growth and 100 per cent rare old growth. Those measurements are in percentage or proportional terms.

When we put that into a Western Australian context, we understand why people find the process unsatisfactory. In fact, as we all know, Western Australia is the driest third of the driest continent. Very little of our land mass is covered with forest, let alone tall forest. About 18 per cent of the land mass in New South Wales is covered by forest; Tasmania has 43 per cent coverage; Victoria has 22 per cent; Queensland has 6 per cent; and Western Australia has 1 per cent. Obviously, 60 per cent of 1 per cent is a much smaller proportion than we would have if nearly half the land mass were covered in forest. That is why people have this sense that the forests are very important; there is a sense of relativity in that the overall land mass of forest in our State is very small.

The second disadvantage of the JANIS criteria system is that it works on disturbance factors. In fact, the more the forest is disturbed, the less is placed in reserves. That is also very unsatisfactory. Several years ago discussions were held between the Department of Conservation and Land Management and the Commonwealth Government to set a level for a wilderness category. The minimum was 8 000 hectares of totally undisturbed forest. If we had that area, under the JANIS criteria we would be allowed a huge reservation called a wilderness area. Because the undisturbed area in this State that came the closest was 1 000 hectares below that, we did not achieve a wilderness category. A whole chunk of land that could have been set aside did not meet this rigid criteria set on a national basis.

So much of our old growth has gone - we have only 10 per cent left - and the criteria state that 60 per cent of what is left will be reserved. We are talking about 60 per cent of 10 per cent, which leaves us with very little. Ironically, if it had not been so disturbed, if we had not been exploiting it so much, much more would have been set aside. It seems to work in a strange way. When I look at the region in which I live - the central forest region - I see virtually nothing undisturbed. As I have said previously, less than 1 per cent of the original north west-type jarrah old growth is now protected. The JANIS criteria have not served Western Australia very well. Of all the States in Australia we have fared the worst using those criteria.

The second point that I want to address that the Minister for Finance raised at the beginning of the debate relates to the analogy with state agreements. I have compared this Bill to state agreement Act models that from time to time come before the Parliament. Every time this State enters into an important agreement using a legal obligation to provide for our natural resources, it has been standard for that agreement to come before the Parliament. I agree with the minister that state agreements provide certainty. The reason they provide certainty is that they involve the Parliament. Why did the Burswood

Casino want the certainty of a state agreement Act in respect of a relatively minor issue? The Government does not wish to provide the certainty of that parliamentary approval process for something as enormously significant as the future of our state forests. Without the approval process of Parliament, there can be no certainty, and therefore the logic of the minister's statement really supports what this Bill is attempting to achieve.

I now deal with a point made by several speakers about the constitutional aspects of the Bill. The understanding I have gained as a result of several separate pieces of advice that I have received from various lawyers is that this Bill is perfectly in order; there is no constitutional problem whatsoever with it. In fact, it is a cleverly constructed Bill. Members will understand that this State Parliament cannot fetter the Commonwealth's constitutional rights. However, this Bill is not seeking to fetter in any way any constitutional right of the Commonwealth Government; it is seeking to constrain or to fetter a contract or an agreement that has been entered into by the Executive of the Commonwealth Government and the Executive of the State Government, and it has every right to do that. Agreements are contracts, and contracts can be frustrated by either state or commonwealth laws. The RFA reiterates that point specifically. Although it is a general constitutional point, it is specifically covered in the agreement. Clause 18 of the agreement says -

This agreement does not purport to impose on either Party or a third party any obligation that is inconsistent with a law of the Commonwealth or of Western Australia.

Section 94 of the agreement states -

This Agreement does not purport to impose on either Party or a third party any obligation that is inconsistent with a law of the Commonwealth or of Western Australia or any Government Agreement existing at the time of this Agreement or any of Australia's international obligations.

This Bill is basically seeking to involve the Parliament, in a perfectly proper way, in ratifying an important legal obligation that the Executive Government is seeking to impose upon the natural resources and the community of Western Australia. Without Parliament being involved in and providing that approval, just as it does normally with state agreements, there will be no certainty. It is this Parliament that will provide the certainty. If this Bill does not pass through the Parliament, mark my words: It will be a sign that the RFA will not last and that it will be undone because it will not have the democratic support of sufficient people to be able to continue under future Governments. Although the RFA seeks to do that, it will not be able to do so.

As the Standing Committee on Ecologically Sustainable Development said in its report in this place last year, without the support of the community in a sociopolitical sense, there will be no agreement. It does not matter what the Executive Government tries to foist on a reluctant community, ultimately democratic values will persist, and they will persist either in the long term or the short term. I hope, for the sake of the remaining old-growth forests, that the mechanism of this Bill will provide the means for bringing that to resolution in the short term while some old-growth forests outside reserves are still standing, because to protect them into 2003 is not the point. Therefore, this Parliament is the last bastion of an attempt to bring consultation into the RFA process. In asserting its right to do so, this Parliament is asserting its paramouncy over Executive Government, and long may the paramouncy of Parliament continue.

I now cover the concerns raised by Hon John Cowdell about the definitions of old growth provided in the Bill. Without repeating those in great detail, the Bill provides the best possible clarity with respect to a definition of those areas of forest for which it is important that a moratorium be in place until the RFA is settled.

The Department of Conservation and Land Management's old-growth mapping is clear. Hon Derrick Tomlinson has shown members a copy of that this evening. The National Estate interim list of heritage blocks is also clear. Between those two categories, there is a great deal of overlap in that much of the area that is in the National Estate interim list, although not all of it, is also on CALM's old-growth mapping.

The third category of areas protected under the Bill are those designated in the schedule. Again those are clear areas. They are the Kerr, Hester and Wellington National Parks. I have tabled the maps for the specific areas. We could not argue that the areas of forest about which we are talking are not clear.

Although we were unable to provide one single definition which covered everything, through a series of definitions the aim of the Bill is to set aside, under a temporary moratorium, all those areas which we consider have been contentious. These are areas which the community has demonstrated, by one means or another, a clear desire to protect.

I come to the issue of the old-growth forests under the RFA. There are 55 000 hectares of old growth in new reserves. However, 9 300 hectares of old growth have also been revoked. That means that under the RFA, just over 45 000 hectares of old growth are being put into new reserves. That is 13 per cent of the remaining old-growth forests. That means that one-third of the remaining old-growth forest will be available for logging. I have tried to put this in the overall context of the huge mass of Western Australia, this desert State over which we in this place preside, and that is why these areas are tiny when compared with our land mass and why, in terms of our bio-region, they perform not only an important ecological role, but also an important social role for the future of Western Australia.

Hon Greg Smith interjected.

The PRESIDENT: Order! I know Hon Greg Smith is saying something. I do not know what he is saying - I cannot hear it from here - but I ask him to stop interjecting.

Hon CHRISTINE SHARP: Hon Barry House said that we need to accept that there is a demand for timber products and that places a certain obligation on us to log. The first and most obvious point is that we have considerable reserves of timber

in our plantation estate, and there is almost universal agreement that in future we need to look to our plantations for the provision of our bread and butter timber needs. It is a tragedy that the RFA did not factor that in as a serious scenario for our State Government to follow, and that is one of the most fundamental flaws of the RFA. However, the issue of demand for timber products is very misleading. Hon Barry House brought up the famous Wilson Tuckey argument that it would be very wrong of us not to log our old-growth forest because that would mean we would be logging other people's old-growth forest. However, as Hon Jim Scott said in his speech, this is a very misleading statement, because when we talk about the importation of wood products, which Wilson Tuckey likes to talk about frequently, 58 per cent of all the wood products that Australia imports is in the form of paper products. That is, we export raw material in the form of woodchips, and we import processed paper products. We then call ourselves the clever country! I dismiss that argument as highly misleading.

It is also highly misleading to look at the cut that has been taking place in Western Australia over the past few years, because the level of cut has not been demand driven. It has not even been timber industry driven. It has basically been CALM driven to keep its income in a healthy state compared with its expenditure. The cut has been at such a level that we are experiencing a glut, particularly in jarrah, and all the jarrah mills in the State have huge stockpiles which they are unable to sell.

Hon Greg Smith talked about moving the goalposts and said that the Greens want the lot. We do not want the lot. We just want the lot of the old-growth forest. That is what we clearly want. We want all the old-growth forest to be in reserves, but that is not the lot. That leaves nearly one million hectares for the timber industry. In fact, we are asking for just a fraction of the forest, not the lot, with the enormous possibility of building an environmentally friendly new industry that is based on ecologically sustainable forest management. I seek leave to table a chart showing how little is left of our old-growth forest.

The PRESIDENT: Order! Can Hon Christine Sharp advise me what the document is about?

Hon CHRISTINE SHARP: It shows the relative proportions of old-growth forest.

Leave granted. [See paper No 1042.]

Hon CHRISTINE SHARP: I move now to the point raised by Hon Derrick Tomlinson. He said that we cannot constrain the Commonwealth Government. Of course we cannot constrain the Commonwealth Government. This Bill is not seeking to constrain the Commonwealth Government. This Bill is simply seeking to assert our right as a State Parliament to constrain the State Government. This Parliament has every right to do that. Indeed, it is very improper that this Parliament is not being given that role.

Hon Derrick Tomlinson also seemed to be confused about the area that this Bill will cover. This Bill seeks to put a temporary moratorium on 218 000 hectares of state forest, which comprises 33 000 hectares which is covered by the three areas listed in the schedule, 145 000 hectares of forest not protected in formal reserves as yet, and 40 000 hectares of National Estate listed blocks which are not covered under CALM's old-growth mapping. Therefore, the total area that will be protected under moratorium in the High Conservation Value Forest Protection Bill is 218 000 hectares. Some of that area is already in conservation estates. Hon Derrick Tomlinson also asked what would be the effect of the Bill if it were enacted, and would it stop logging in those areas. He seemed to think there was some confusion about that. If and when this Bill is enacted, yes, it will stop logging in those areas, and that is the purpose of the Bill. However, the reason that there was some nodding and shaking of heads was the way that the question was crafted. He also said that the Bill would stop milling and various other things. Clearly it would not do that, because the mills do not rely on a one-to-one basis on how much logging is taking place in a particular month. The mills have large stockpiles. According to the calculations of the Western Australian National Party, an enormous stockpile of timber is at the logging landings ready to go to the mills. We do not need to cut a single extra tree to keep many mills busy for many months, if not years. This Bill will not stop the mills, but it will definitely place a temporary moratorium on those blocks which are listed, and that is the point of the Bill.

Hon Greg Smith: That is an untrue statement.

Hon N.F. Moore: I think the member is trying to wind up.

Hon CHRISTINE SHARP: The last point Hon Jim Scott raised was that the market is not demanding our old-growth woodchips, which is clearly demonstrated in a report commissioned by Bunnings Forest Products before the expiry of the Woodchipping Industry Agreement Act. It commissioned a report by ACIL consultants on the market demand for Western Australian old-growth woodchips. That report showed clearly that Western Australian old-growth woodchips were the least desirable for the Japanese market of a whole range of international feedstocks for paper pulp production. The report concluded that the Western Australian Government be asked for the renewal to be an automatic process when the woodchipping licence came up for renewal, and not be thrown to open tender, which would cause the company to cancel its contract until a new agreement was reached. The company was concerned that if it temporarily cancelled its contract, it would not be re-awarded by the Japanese buyer because it was known that the Japanese did not really want our karri and marri woodchips; that is, they would be happy to cancel the long-term contracts to which they were bound to 2003.

One of the most extraordinary aspects of the Regional Forest Agreement - which indicates how it desperately requires scrutiny - is its lack of mention of woodchips. The RFA process was undertaken so the Commonwealth could lift its controls under the Export Control Act. The export controls pertain to the export of woodchips, and virtually nothing else. However, the RFA makes no mention of our commitment to the woodchip resource. What is the volume upon which we are lifting these export controls? No mention is made of that aspect. It is extraordinary that this is not clarified in a document which purports to resolve this matter.

The PRESIDENT: Order! I have listened closely to Hon Christine Sharp's comments, and in the main she appears be

responding to issues raised by members in debate. However, she is now going off on a tangent. She is certainly talking about the RFA, but at best in an incidental manner to the Bill. The member is meant to respond to what members have said in debate on the Bill. The member is winding up, but appears to be heading off on another tack.

Hon CHRISTINE SHARP: I will wind down rather than up, Mr President.

In conclusion, despite the fact that certain members have sought to make various insinuations that the Bill is somehow improperly drafted, will raise constitutional challenges or has other implications, my legal advice is that this is an extremely sound Bill. It is a clever and well-constructed Bill. We must understand that this Bill is very urgent. If it does not pass, we will lose the last chance to protect many areas of heritage forest. This is it - the last chance is with Parliament in the form of this Bill.

I am afraid that the Labor Party's interests reside in coming to the rescue if and when it takes government, which it very well might do over this issue at the next election; however, it will be too late by then. We must make a distinction between whether the interest is to change Governments or to do something to protect the forest blocks before it is too late. The story is not over. I know from incidents at Lane Poole block only a few days ago with a serious threat of violence to protestors since the RFA was signed, that the RFA has totally failed to resolve the conflict. This Bill is an attempt to bring about conflict resolution and to reach a true regional forest agreement. Without a regional forest agreement, there will no certainty. Either we have the certainty proposed by this Bill, or we face the Regional Forest Agreement which we know presents no certainty.

To conclude: I am absolutely delighted that it looks as though this Bill may pass this place this evening if we resolve outstanding matters. Everything I have had to do with this Bill so far has been like it has wings. It will be a little time before it comes up in the Legislative Assembly.

Hon Barry House: About 53 years!

Hon CHRISTINE SHARP: We will see. I feel enormously optimistic. I feel very proud of this Bill. I am thankful to the Australian Democrats for their support, particularly Hon Norm Kelly who was enormously helpful and supportive. I thank the Australian Labor Party, and my colleagues Hon Jim Scott and Hon Giz Watson. I also thank the Leader of the Government for facilitating this debate tonight.

Several members interjected.

Hon CHRISTINE SHARP: I commend the Bill to the House.

Question put and a division taken with the following result -

#### Ayes (14)

Hon Kim Chance  
Hon J.A. Cowdell  
Hon Cheryl Davenport  
Hon John Halden

Hon Tom Helm  
Hon Helen Hodgson  
Hon Norm Kelly  
Hon Ljiljanna Ravlich

Hon J.A. Scott  
Hon Christine Sharp  
Hon Tom Stephens  
Hon Bob Thomas

Hon Ken Travers  
Hon Giz Watson (*Teller*)

#### Noes (13)

Hon M.J. Criddle  
Hon Dexter Davies  
Hon B.K. Donaldson  
Hon Max Evans

Hon Barry House  
Hon N.F. Moore  
Hon M.D. Nixon  
Hon Simon O'Brien

Hon B.M. Scott  
Hon Greg Smith  
Hon W.N. Stretch

Hon Derrick Tomlinson  
Hon Muriel Patterson (*Teller*)

#### Pairs

Hon Nick Griffiths  
Hon Ed Dermer  
Hon Mark Nevill

Hon Murray Montgomery  
Hon Peter Foss  
Hon Ray Halligan

Question thus passed.

Bill read a second time.

#### Third Reading

**HON CHRISTINE SHARP** (South West) [11.31 pm]: I move -

That the Bill be now read a third time.

Question put and a division taken with the following result -

#### Ayes (14)

Hon Kim Chance  
Hon J.A. Cowdell  
Hon Cheryl Davenport  
Hon John Halden

Hon Tom Helm  
Hon Helen Hodgson  
Hon Norm Kelly  
Hon Ljiljanna Ravlich

Hon J.A. Scott  
Hon Christine Sharp  
Hon Tom Stephens

Hon Ken Travers  
Hon Bob Thomas  
Hon Giz Watson (*Teller*)



## Noes (13)

Hon M.J. Criddle  
Hon Dexter Davies  
Hon B.K. Donaldson  
Hon Max Evans

Hon Barry House  
Hon N.F. Moore  
Hon M.D. Nixon  
Hon Simon O'Brien

Hon B.M. Scott  
Hon Greg Smith  
Hon W.N. Stretch

Hon Derrick Tomlinson  
Hon Muriel Patterson (*Teller*)

## Pairs

Hon E.R.J. Dermer  
Hon Mark Nevill  
Hon N.D. Griffiths

Hon Peter Foss  
Hon Murray Montgomery  
Hon Ray Halligan

Question thus passed.

Bill read a third time and transmitted to the Assembly.

**ADJOURNMENT OF THE HOUSE**

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [11.36 pm]: I move -

That the House do now adjourn.

*North West Highways - Adjournment Debate*

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [11.37 pm]: I raise with the Minister for Transport an issue that has been regularly raised with me in recent times by a number of people exposed to problems with north west highways. Today I received specific representations from a resident of Broome, who writes to me in terms that are consistent with the feelings raised with me by a number of people with regard to the maintenance of roads in the north west. The letter reads -

We have driven the Highway 1 Perth, Broome, Exmouth route 7 times since November and feel a certain intimacy with every inch.

. . . Departmental Heads tend to travel by the quickest method ie. aircraft & therefore . . . sadly miss the "grass-roots", so to speak.

The changing scene is quite extraordinary for those who have "time to stand & stare". I would guess there is nowhere on earth comparable with Highway 1 Carnarvon to Derby & beyond.

We usually travel straight through, which means day & night driving. The condition of the road verges concerns me greatly. Main Roads Department I believe is responsible for Highway 1.

I do realize the enormity of that task & responsibility. However, it is obvious to me that certain regular upkeep has lapsed in the last few years. Cleared verges in the past did allow drivers clear vision ahead which protected native fauna & straying stock as well as the driver & passengers in any vehicle.

Perhaps it ceased with the advent of this particular political persuasion. Irregular areas are serviced, but unfortunately they are not continuous & a rare occurrence. The present situation in many areas has scrub & high grasses right up to the bitumen. Guide-posts are disappearing behind a green mantle. (not growth resultant from the recent rains)

You & I know the areas which are swallowed up when a fire starts in these northern regions. (pastoral fire-breaks are of minimal value when the road-sides are set ablaze)

I have not set my fingers or this machine in motion for over two years . . . -

I think the writer is talking about their typewriter. The letter continues -

- but a recent Main Roads Project somewhere in the Goldfields I think, was funded to remove road-side rubbish. The verges etc. in northern areas would have to be slashed for anyone to see the rubbish . . .

My question . . . What has happened to the funding allocation which existed to provide a safer environment for drivers, fauna and straying stock on Highway 1 north of Carnarvon to Derby?

Slashing/mowing & grading used to be an ongoing activity.

With a magnificent wet season the regrowth will be incredible. It will add to the already dense verge growth in many areas.

The travellers are already heading north in their vehicles & the usual problems will arise with hundreds of miles between road-houses. I believe a hazard exists, which has potential ramifications directly a result of no ability to see dangers & take appropriate evasive actions.

Your assistance in activating remedial actions immediately will make for a safer & less exhausting journey for all who travel Highway 1 north.

I did see that someone has sprayed weed killer around the guide-posts on Broome Road from the road-house into Broome leaving grass etc up to the verge in between each guide-post.

I am receiving regular complaints from people in the north west about the maintenance of highways and highway verges in particular. I ask the Minister for Transport in the strongest possible terms for some indication of what is going on in his administration of the Transport portfolio that appears to have stripped Main Roads of the capacity to provide appropriate levels of road maintenance in these regions and leave drivers on those highways unsafe with the absence of adequate road maintenance.

*Minister for Mines, Goldfields Mining Activity - Adjournment Debate*

**HON TOM HELM** (Mining and Pastoral) [11.40 pm]: This afternoon Hon Greg Smith directed a Dorothy Dix question to the Minister for Mines. It related to an announcement the minister made at a meeting of the Chamber of Minerals and Energy of Western Australia this morning. I want to bring to the attention of the House the opportunity the minister has had to open up the goldfields, in particular to people who wish to prospect, explore and mine in the area but who cannot because so much land is tied up in leases in the eastern goldfields region particularly. The handouts the minister gave the Chamber of Minerals and Energy this morning showed there was no opportunity for the smaller prospector, miner or explorer in the region to go onto leases held by some of the major mining companies. I am not attacking the major mining companies, particularly at this time, for what they are going through.

The minister has within his power the ability to encourage more employment in the goldfields, and he has not done that. In fact, the minister has made it easier for exemptions to be granted so that no-one can move on leases between Esperance and Broome. That is what has been put to me by certain prospectors in Kalgoorlie.

The minister also presented a protocol that he says will help to resolve the problems that are created by the native title issue, to which he keeps alluding. I repeat that difficulties exist with native title. However, it does this Government and this minister no good to keep sheeting home the problems of unemployment in the goldfields area singularly to the native title issue.

I have put some proposals to the minister and his department, both privately and publicly. The minister is refusing to listen to or to respond to those proposals. He finds perverse pleasure in attacking those people who for 200 years or more have been raped, pillaged and massacred in this State. The minister claims that the problems facing the mining industry all relate to native title and have nothing to do with commodity prices or the fact that leases are tied up from Esperance to Broome.

This is an opportune moment to widen the knowledge of the House. I met with some geologists this afternoon and explained to them my view that perhaps they are being encouraged to target native title claimants in our State. I also spoke to the drillers who protested at the ALP State Conference in Kalgoorlie on the weekend and explained that they should look a little further than the native title issue. The minister did not take the opportunity this morning to raise that matter. In fact, he has put in place measures that will help to maintain unemployment levels in the goldfields and will do nothing to encourage further exploration, mining and prospecting in the goldfields.

*North West Highways - Adjournment Debate*

**HON M.J. CRIDDLE** (Agricultural - Minister for Transport) [11.45 pm]: I want to cover the points raised by the Leader of the Opposition earlier. He was referring, of course, to a national highway in the north of the State and that is the responsibility of the Federal Government. However, this Government well and truly recognises that there has been significant rain in that area and that the growth is prolific. If the grass were mowed at this stage, there would quickly be another regrowth. Generally, slashing of the growth on the side of the road occurs at the end of the wet season in order to prolong the value of slashing done on those highways. I will take up the issue and let the member know the result of my investigations as soon as possible.

*Answer to Question on Table 2 of Budget Document - Adjournment Debate*

**HON JOHN HALDEN** (South Metropolitan) [11.46 pm]: In question time today I asked a question of the Leader of the House representing the Premier relating to table 2 on page 226 of the *1999-2000 Economic and Fiscal Overview*. The purpose of the question was to elicit information. Towards the bottom of the page is an indication that the total deficit this year in the general government sector will be \$638.4m.

*Point of Order*

Hon N.F. MOORE: I understand there is an Order of the Day which deals with the budget, and it is probably not appropriate to debate it now.

The PRESIDENT: There is an Order of the Day relating to tabled papers, which covers budget matters. However, the member is seeking clarification of a question he asked today. Am I right or wrong?

Hon JOHN HALDEN: You are correct, Mr President.

The PRESIDENT: Hon John Halden knows that he cannot debate the budget as such, but a question in respect of the budget is not out of order. I assume he is clarifying an issue raised.

Hon JOHN HALDEN: That is right, I am seeking clarification from the Minister for Finance.

The PRESIDENT: I do not want to put words in the member's mouth, otherwise someone will tell me I got it wrong and the member is debating the budget. He is entitled to clarify a question, but he may not debate the budget.

Hon JOHN HALDEN: I am sure you, Mr President, will pull me up if I breach the standing order.

*Debate Resumed*

Hon JOHN HALDEN: My question referred to growth of \$509m in general government net debt from 1998-99 to 1999-2000, as shown on page 226 of budget paper No 3. My question was: Given that capital outlays are expected to increase by only \$156.9m, will the Treasurer explain the reasons for the remainder of the increase in net debt?

It is my understanding from the table in the publication referred to that the answer is self-evident. In that case, I did not expect to be asked to place the question on notice. I suggest that the answer to my question is that the total current outlays have caused a significant blow-out in the budget in this area, and not capital expenditure. I am starting to answer my own question but if the answer is so evident, it is almost an insult to this House for the Treasurer to ask me to place the question on notice, bearing in mind the plethora of Treasury advisers at his disposal. The answer is probably in the order of \$471m.

Hon Tom Helm: In deficit?

Hon JOHN HALDEN: No. It is an increase in current expenditure. It causes embarrassment to the Government in that the debt has risen by virtue of capital outlay. Given that the budget paper states that the net debt has increased by \$638.4m - I could be wrong here; I concede that, and that is why I have invited minister to correct me - when I asked a simple question with a self-evident answer in the same documents to which I referred, it is not appropriate to be asked to place the question on notice. It then becomes a matter of why the Government would not want to identify the blow-out in current expenditure referred to in the table. That contradicts another point in the budget speech that the blow-out was the result of capital expenditure.

My point is this: There is always an opportunity for members to be asked to place a question on notice, because it is an answer; however, had I been given a simple answer in question time - my reading of the budget may be wrong - it may have assisted me and other members with our queries. In this instance, the Treasurer is playing fast and loose with his obligations to this House when he asked that the question be placed on notice. The answer is in the documents. It is beyond the realms of comprehension that, as I said before, with the plethora of public servants and the absolute brilliance of the Treasurer's economic skills being displayed daily, he could not have provided a suitable answer, one which can be elicited from the table.

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [11.52 pm]: I have picked up the reference to the \$638.4m. The government financial statistics are done in line with the format required by the Australian Bureau of Statistics. That is a long way from the format in which the Government figures have normally been provided in its accounts which come out in its mid-term report. The outlays of \$8.914b comprise the capital and recurrent expenditure. That combines all amounts for the total public sector. Table 1 refers to the total public sector, including the statutory authorities and the non-financial sector. The amounts in the five tables come to - I will not attempt to add them all now - the figure in table 1; that is, \$10b. That figure is for the general government sector, which comprises all of the consolidated fund agencies, as we used to refer to them, and the trading and financial authorities. That does not tie up with the budget figure. Personally, I would not present these figures in this format. As I said, we must comply with the format specified by the Australian Bureau of Statistics, as do all the States. The mid-term report must also now be presented in this format. I do not know how all those figures can be reconciled, because off the top of my head, I cannot do it.

Hon John Halden: Whether you refer to table 1 or 2, the original explanation for the blow-out in the budget was the increased capital expenditure of more than \$600m. The figures in both tables 1 and 2 show the increased level of net debt, by current or recurrent expenditure, is not capital.

Hon MAX EVANS: It comes back to the budget situation set out on page 5 of volume 1 of the *Budget Statements*. It sets out the consolidated operating statement showing amounts for revenue and expenses and the equity of the trading authorities, which is given at \$171.3m. This is a completely different figure from the others. I cannot reconcile them now.

Hon John Halden: I agree with that.

Hon MAX EVANS: I will not even try.

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [11.54 pm]: In regard to the question asked by Hon John Halden of me in my capacity as minister representing the Premier, which I asked him to put on notice, that was not because of a lack of desire to answer it, but because apparently the information provided to me was not ticked off by the Premier. It is necessary for ministers to satisfy themselves that the answers are correct. At times the responsible minister is not available on the day that the questions are asked. That is the reason I asked for it to be put on notice - not the strange suggestion made by the member. If the member wants me to take time during question time to provide reasons, I will.

*Hon Tom Helm - Adjournment Debate*

Hon N.F. MOORE: I will respond to Hon Tom Helm's adjournment speech because every time we sit now he spends 10 minutes at the end of the day telling me how to run the Department of Minerals and Energy. The pity of it is that by his own admission he has a limited understanding of the mining industry. We have in place a committee called the Mining Industry Liaison Committee, or MILC, which was set up by the previous Government and which was a good move. It brings together representatives of the Chamber of Minerals and Energy, the Association of Mining and Exploration Companies, the Department of Minerals and Energy and the prospectors' association. They meet regularly to look at the legislation that runs the Western Australian mining industry. I add for the benefit of the member that in 1978 the Labor Party committed itself to getting rid of the Mining Act 1978. When it became the Government in 1983 it was committed to getting rid of that

legislation, but it did not. It is very good legislation and is regarded around the world as being the best, but it is constantly updated by meetings of MILC. The matters raised by the member -

Hon Tom Stephens: Why did we commit ourselves to getting rid of it in 1978?

Hon N.F. MOORE: Because the Labor Party hated it and thought it was not giving the prospectors a fair go. However, it did not change it. It accepted it because it recognised after it became the Government that it was a good Act. I will spend much time tomorrow giving Hon Tom Helm some serious detail which will help him understand the problem he seems to be raising. The issue of prospectors' access to existing mine tenements has existed for a long time. The MILC group has considered this on a number of occasions and cannot reach agreement. I have sought on a number of occasions to reach agreement on this issue. I have sent it back to the committee on several occasions to reassess it. Agreement has still not been reached. I am now considering whether I will make a unilateral decision as the responsible minister to change the rules in regard to prospectors going on to mining tenements. I have had countless meetings with prospectors. I have a great deal of admiration for many of them, but I do not believe that all prospectors these days are those old-fashioned people who walk around with a wheelbarrow, a pick, a dolly pot and a little pan from one part of the country to the other. They drive four-wheel drive vehicles, they have satellite navigation equipment and they have the most up-to-date technological equipment that any mining company would have. Today they are a different breed altogether. When I invited them to drinks at my office, I brought in an esky of cans of cold beer because that is what prospectors used to drink when I knew prospectors, but they all drank chardonnay. The cans all remained in the esky; there was not one beer drinker among the lot of them. I am aware of their concerns and I am seeking to get some consensus on how they might get onto existing tenements, but a number of issues exist other than simply going onto the tenement and taking a mineral that the primary tenement holder might not want them to take. It is all to do with things such as duty of care, insurance and a whole range of issues not concerned with mining. They must be sorted out and I am looking at that.

Today I launched a new package to assist the mining industry because it is going through a tough time. Commodity prices are a problem; there is no question about that. I have always acknowledged that and so has the Chamber of Minerals and Energy. Problems exist with native title and they are to do with the mines of the future, not those of today.

That is something that Hon Tom Helm needs to understand: If we cannot get exploration taking place, we will not find the deposits which will become the mines of five years down the track. That is the problem with native title. The problem of commodity prices is affecting companies which are mining now and producing minerals now. That is the difference that Hon Tom Helm needs to understand. Today I have allowed mining companies which have ground to include in their expenditure conditions some of their expenses which currently are not part of the expenditure condition requirements. I will not go through them now, but there are several things on which they must spend money - for example, shire rates. Shire rates on a mining tenement are not counted as expenditure for expenditure condition purposes. I am allowing them to do that. We are saying, "You can keep your ground, but you may spend less money on some of these obligations that you have", and then, I hope, they can spend the money that they save on exploration or doing some more work.

Hon Tom Stephens: Are you going to make sure they have no gold royalties and no gold taxes?

Hon N.F. MOORE: The Leader of the Opposition should not talk about gold royalties. When the gold royalty was brought in, he had the opportunity to say that he would get rid of it when his party formed a Government, but he did not take advantage of that opportunity. When the Labor Party says that it will get rid of the gold royalty at the next election it will have some credibility. Right now it has none. We are seeking to provide some additional support to the mining industry in very tough times. Hon Tom Helm talks about exemptions. This package today has nothing to do with exemptions. Exemptions are issued to mining companies which seek to be allowed not to pay any money on a tenement for one year because of a certain set of circumstances. Hon Tom Helm talked about Sons of Gwalia Ltd and about how it had been given \$28m of concessions. I will give an example of one year in respect of Sons of Gwalia. In 1995, the company held 356 tenements in Western Australia. It had expenditure commitments of \$9m, and it was given exemptions of \$3.7m - about one-third of its commitments - but on those 356 tenements it actually spent \$156m.

Hon Tom Helm: On all of them?

Hon N.F. MOORE: No, not on all of them. What Hon Tom Helm has not worked out is that we give companies capacity to work on amalgamating several leases as a project, because some leases are bigger than others, and on many occasions it is necessary to have a number of leases that make up a project. We say that if that project is not viable at the moment and that can be proved, the company will receive an exemption in respect of all leases that cover that project area.

Hon Tom Helm interjected.

Hon N.F. MOORE: I am talking. I have only a few minutes. That company, which is being criticised by Hon Tom Helm for getting all those exemptions, spent \$156m in that year when we gave it exemptions of \$3.7m. Hon Tom Helm must work out what it is actually expending its money on. He will find that most companies, even though on some tenements they get an exemption, may be spending tens of millions of dollars on other leases that they happen to have. Every year, that particular company also spends - it will tell Hon Tom Helm if he asks it - \$20m on exploration and it has done so year after year, and here we have Hon Tom Helm saying that it is sitting on land and doing nothing with it.

Hon Tom Helm interjected.

Hon N.F. MOORE: He should go and argue with it -

The PRESIDENT: Order! The minister did not interject on Hon Tom Helm.

Hon N.F. MOORE: Tomorrow, if I am given leave to make a ministerial statement, I will go through a list of issues raised by Hon Tom Helm when he criticised the way in which the Department of Minerals and Energy gives exemptions. I will explain to him in the utmost detail how the system works. I will explain to him that his allegation of corruption, either on the part of the department or on my part, is totally unjustified. If he thinks that corruption is going on somewhere -

Hon Tom Helm: Collusion.

Hon N.F. MOORE: - he should go outside the House and say it loudly so that someone somewhere can write it down, because I will then sue him and them. I look forward to that, because I take a lot of pride in the way in which the Department of Minerals and Energy has worked ever since it was set up. It has enormous credibility in Western Australia. It administers probably the best legislation in the world, and it does that without fear or favour. I am sick of people such as Hon Tom Helm, for their own political purposes, denigrating the public servants who work in that department and denigrating me, who seeks to administer the Mining Act without fear or favour as well. I hope that when I go through this information tomorrow Hon Tom Helm will at last understand that dedicated people in the community are doing a good job; they are not in the pocket of any mining company nor are they giving exemptions for no reason. They are legitimate and proper exemptions.

*Hon Tom Helm, Misrepresentation*

**HON TOM HELM** (Mining and Pastoral) [12.06 am]: Mr President -

The PRESIDENT: Hon Tom Helm cannot speak again on the adjournment debate; it is finished. If he claims to have been misrepresented he can rise but he must make his point very clearly.

Hon TOM HELM: The minister accused me of using privilege to call him corrupt. If the *Hansard* records me as saying that at any time, I unreservedly apologise. I have used privilege twice in 30 years. I would never use it to attack anyone in this House. What I would say to a person's face in this Chamber I would say outside. I used the word "collusion"; I did not mean to call anyone in this House corrupt. If I did I apologise.

Hon N.F. Moore: What is the difference between collusion and corruption?

Hon TOM HELM: Corruption is a bit different.

Hon N.F. Moore: Is collusion all right?

Hon TOM HELM: If the word "corrupt" is in the *Hansard* and I have not corrected it; I apologise. I did not mean it and I would never attack anyone in this place under the protection of privilege.

Hon N.F. Moore: Except for the two times to which you have admitted.

The PRESIDENT: Order! Hon Tom Helm has raised the point on which he claims he was misrepresented and it is well recorded.

Question put and passed.

*House adjourned at 12.06 am (Thursday)*

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### QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

#### COMMITTEES AND BOARDS - APPOINTMENTS

508. Hon KEN TRAVERS to the Leader of the House representing the Premier:

- (1) Can the Premier supply the House with details of the appointment of the following people to a board, or a committee, linked to a Government agency -
  - (a) Barry MacKinnon;
  - (b) Les McCarrey;
  - (c) Craig Lawrence;
  - (d) Ian Laurance;
  - (e) Peter Leonhardt;
  - (f) Russell Allen; and
  - (g) Peter Jones?
- (2) For each of the above persons who have been appointed to a board, or a committee, linked to a Government agency -
  - (a) what is the name of the Board or Committee;
  - (b) what is the term of the appointment; and
  - (c) what is the remuneration received by each person?
- (3) Do any of the people listed in (1) above -
  - (a) have consultancies with the Government, or
  - (b) have links with companies that have consultancies with the Government?
- (4) If so, will the Premier provide details of these consultancies?

Hon N.F. MOORE replied:

- (1)-(2) I refer the Member to the Register of Government Boards and Committees, tabled in Parliament on 24 November 1998.
- (3)-(4) Of those listed in (1), firms relating to Mr Russell Allen (Freehill, Hollingdale and Page) and Mr Peter Leonhardt (PricewaterhouseCoopers) at various times provide consultancy services to government. Details of consultancies are tabled regularly in Parliament in "Reports of Consultants Engaged by Government". With regard to Mr Peter Jones, I refer the Member to the response to Legislative Council Questions 171 and 172. Of the others mentioned in (1), none is currently providing consultancy services to government.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, INTERNET WEB SITES

875. Hon KEN TRAVERS to the Leader of the House representing the Government:

- (1) How many Government agencies and departments have Internet web sites or home pages?
- (2) For each site, can the relevant Minister state -
  - (a) who designed the site;
  - (b) who maintains the site;
  - (c) what was the tender cost of designing the site;
  - (d) what was the actual final cost of designing the site;
  - (e) what is the cost of maintaining the site; and
  - (f) whether tenders were called for -
    - (i) designing the site; and
    - (ii) maintaining the site?
- (3) If yes to (2)(f)(i) above, can the relevant Minister state -
  - (a) the date tenders were called;
  - (b) the date the contract was awarded; and
  - (c) how many tenders were received?
- (4) If yes to (2)(f)(ii) above, can the relevant Minister state -
  - (a) the date tenders were called;
  - (b) the date the contract was awarded; and
  - (c) how many tenders were received?
- (5) If no to either (2)(f)(i) or (2)(f)(ii) above, why not?

**The answer was tabled. [See paper No 1037.]**

## GOVERNMENT CONTRACTS, CANCELLATION

1023. Hon LJILJANNA RAVLICH to the Leader of the House representing the Government:

For all Government departments and agencies under Ministerial control -

- (1) How many contracts were cancelled in -
  - (a) 1996/97; and
  - (b) 1997/98?
- (2) What project was the contract awarded for?
- (3) What was the value of the cancelled contract?
- (4) Who was/were the contractor/s?
- (5) Were any costs incurred by the department or agency as a result of the contract cancellation?
- (6) If yes, what was the cost?
- (7) Has the contract been re-awarded?
- (8) If yes, to whom?
- (9) If not, when will it be awarded?

Hon N.F. MOORE replied:

Considerable resources would be required to collate this information. If the member has a specific enquiry regarding the performance of a contract I will be pleased to look into the matter and advise the Honorable member.

## FORESTS AND FORESTRY, PROTECTION OF VEGETATION COMPLEXES

1221. Hon CHRISTINE SHARP to the Minister for Finance representing the Minister for the Environment:

With regards to the vegetation complexes which are poorly represented in the current reserve system, namely Dwellingup, Lowden and Yarragil (from Havel's classification's) -

- (1) What percentage of each of these three types remains as old growth according to the Regional Forest Agreement ("RFA") data base as of February 1999?
- (2) How many hectares of each of these three types occur naturally within the RFA region?
- (3) What long-term protection of these vegetation associations will be provided under the RFA?

Hon MAX EVANS replied:

Forest ecosystems are the basis for determining the adequacy of representation of vegetation units and of old growth under the RFA process. Targets for the level of representation of vegetation complexes do not apply under the RFA process. There are four Dwellingup vegetation complexes, one Lowden vegetation complex and two Yarragil vegetation complexes. The data for each of these have been combined in the following answers.

- (1) 2.3% of the extant area of the Dwellingup vegetation complexes is old growth.  
0.5% of the extant area of the Lowden vegetation complex is old growth.  
1.5% of the extant area of the Yarragil vegetation complexes is old growth.
- (2) The extant area of the three vegetation complex types are: Dwellingup - 378,800 hectares; Lowden - 4,750 hectares; Yarragil - 110,500 hectares.
- (3) These vegetation complexes occur in the northern jarrah forest where the targets for protection under the Nationally Agreed Reserves Criteria are 15% of each forest ecosystem and 100% of viable examples of old growth. Under the RFA process these targets will be considered, as will the flexibility provisions of the Nationally Agreed Reserves Criteria, in determining the final reserve design for the RFA. Whilst there is no target for the protection of vegetation units finer than forest ecosystems it should be noted that the current reservation level of the pre-1750 area of these three vegetation complexes is:

Dwellingup	16.0%
Lowden	5.7%
Yarragil	28.3%

The reservation levels for old growth in these vegetation complexes is:

Dwellingup	50.8%
Lowden	96.2%
Yarragil	93.8%

## GOVERNMENT MEDIA OFFICER, SOUTH WEST

1250. Hon BOB THOMAS to the Leader of the House representing the Premier:

- (1) Does the Government have a media officer based in the South West?

- (2) If yes, in which town is the officer based?
- (3) If this is a contract position, who currently holds this contract?
- (4) When was the contract advertised?
- (5) What were the names of the companies or individuals who applied for the position?
- (6) What is the period of the contract?
- (7) What is the remuneration paid under the contract?

Hon N.F. MOORE replied:

- (1)-(7) Media related services are provided to the Ministry of the Premier and Cabinet through South West Corporate Communications based in Bunbury. South West Corporate Communications is on a Contract and Management Services Common Use Contract for public relations, marketing and marketing communications services. The request for tenders for the common use contract was advertised in The West Australian on Saturday 17 January 1998, major regional newspapers during the following week, and The West Australian on Saturday 24 January 1998. The common use contract commenced on 22 April 1998 for an initial period of one (1) year expiring on 23 April 1999. Four (4) further 12 month extension options are exercisable. South West Corporate Communications charge \$6,579.74 per month for the services they provide to the Ministry of the Premier and Cabinet.

#### COLLEGES OF TAFE, RECOGNITION OF PRIOR LEARNING GUIDELINES

1284. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Employment and Training:

- (1) What are the guidelines governing "Recognition of Prior Learning" at TAFE?
- (2) Can the Minister for Employment and Training table the guidelines for "Recognition of Prior Learning" at TAFE?
- (3) If not, why not?

Hon N.F. MOORE replied:

- (1) The Department of Training has published a document titled *A Framework for Recognition of Prior Learning in the Vocational Education and Training Sector of Western Australia*. This document forms the base of all training providers of vocational education and training in Western Australia to develop their own processes and procedures. It has been distributed widely throughout the State.
- (2) The document is available for tabling. [See paper No 1038.]
- (3) Not applicable.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, EVALUATION OF LANGUAGE SERVICES POLICY

1299. Hon LJILJANNA RAVLICH to the Minister for Tourism:

- (1) Have all Government departments and agencies under the Minister's control taken steps to evaluate its Language Services Policy?
- (2) How was the evaluation conducted?
- (3) Who conducted the evaluation?
- (4) What changes have been made as a result of the above activities?
- (5) Will the Minister table the respective Language Services Policy?
- (6) If not, why not?

Hon N.F. MOORE replied:

- (1) The then Office of Multicultural Interests conducted an evaluation of the Language Services Policy to determine the effectiveness of its implementation by public sector agencies in the provision of access to interpreting services for their customers.
- (2) The evaluation comprised four methodologies - surveys; case studies; focus group sessions and consultations.
- (3) The evaluation was conducted by the then Office of Multicultural Interests.
- (4)-(5) The report and recommendations are currently being considered by the Minister for Citizenship and Multicultural Interests.
- (6) Not applicable.

#### GOVERNMENT CONTRACTS, REIMBURSEMENT OF UNSUCCESSFUL CONTRACTORS

1323. Hon LJILJANNA RAVLICH to the Leader of the House representing the Premier:

For all Government departments and agencies under the Premier's control -



- (1) How many contracts have reimbursed unsuccessful contractors in -
  - (a) 1995/96;
  - (b) 1996/97;
  - (c) 1997/98; and
  - (d) since July 1, 1998?
- (2) For each contract which reimbursed unsuccessful contractors, can the Premier state -
  - (a) the contract number;
  - (b) the date the contract was awarded;
  - (c) the project the contract was awarded for;
  - (d) the successful tenderer;
  - (e) the unsuccessful tenderer/s;
  - (f) the original cost of the contract;
  - (g) the actual final cost of the contract;
  - (h) the amounts paid to unsuccessful tenderer/s; and
  - (i) the names of the unsuccessful tenderer/s?

Hon N.F. MOORE replied:

- (1) Nil.
- (2) Not applicable.

#### CONSULTANTS' REPORTS, TABLING

1365. Hon TOM STEPHENS to the Minister for Transport representing the Minister for Fisheries:

I refer to the Report on Consultants for the six months ending June 30, 1998 and ask -

- (1) Will the Minister for Fisheries table the "Economic Strategy for Farmed Barramundi in the Kimberley Region" prepared by McIntyre Management and Marketing during the period December 1997 to March 1998?
- (2) If not, why not?

Hon M.J. CRIDDLE replied:

- (1)-(2) Yes I will table the finalised report as part of the package associated with Expressions of Interest for participants in barramundi farming in Lake Argyle. It is anticipated that the package will be released by August 1999 following advice from the Department of Environmental Protection.

#### LEEWIN NATURALISTE NATIONAL PARK, BEACH ACCESS FEES

1445. Hon BOB THOMAS to the Minister for Finance representing the Minister for the Environment:

- (1) How much revenue has been raised by the introduction of new access fees for people visiting beaches within the Leeuwin Naturaliste National Park?
- (2) How many infringement notices have been issued for non-payment of the new access fees since their introduction last November?

Hon MAX EVANS replied:

- (1) \$15 093 has been collected from the sale of day passes and annual local passes applying only to the Leeuwin Naturaliste National Park. Other passes, such as Annual All Park Passes, Four Week Holiday Passes and Goldstar Passes also apply to the Leeuwin Naturaliste National Park as well as to other national parks. In addition, \$95 000 worth of works has been committed by the two local shire authorities as payment for annual park passes issued to local residents this financial year. These funds are to be applied on works which benefit the national park.
- (2) No infringement notices have been issued. However, numerous warning notes have been given out informing owners of vehicles not displaying a pass of the requirement to purchase a pass.

#### ONSLow SALT PONDS, LEVY BANKS

1452. Hon TOM STEPHENS to the Minister for Finance representing the Minister for the Environment:

- (1) Does the Minister for the Environment have any concern about the impact on the Onslow area of breaks in the levy banks around the recently constructed salt ponds?
- (2) Is the Minister concerned to hear of local claims that these levy banks have not been built to a sufficiently adequate standard?
- (3) What steps will the Minister take to have the levy banks assessed to make sure that they are constructed to a sufficient standard so as to protect the environment of the Onslow area?

Hon MAX EVANS replied:

- (1) I am advised that damage to the Onslow Salt levee banks recently occurred as a result of cyclone Vance, however, I am not aware of any impact to the Onslow area caused by the breaks.

- (2) The Onslow Salt levee banks were designed by professional engineers taking into account local conditions, including cyclone events. It should be noted that the conditions experienced during cyclone Vance were extreme. Wind speeds recorded during cyclone Vance were higher than any other previous recording in Australia, causing huge storm surges in the Onslow area.
- (3) The Onslow Solar Salt Project was formally assessed by the Environmental Protection Authority (EPA) in 1990 at the level of Environmental Review and Management Programme. The potential environmental impacts resulting from the construction of the levee banks were considered as part of this assessment. Further assessment by the EPA is therefore considered unnecessary. I am advised that Onslow Salt Pty Ltd have engaged qualified engineers to assess and repair the levees, and to review the design parameters. Should the levee design differ significantly to that originally outlined in the assessed proposal, the proponent must refer the modified design to the EPA for assessment.

#### NORTH WEST CAPE, PETROLEUM EXPLORATION PERMIT

1494. Hon GIZ WATSON to the Minister for Finance representing the Minister for the Environment:

With regards to the North West Cape area and the renewal of petroleum exploration permit EP 359 -

- (1) Is the Minister for the Environment aware that this permit has been granted over an area of the Cape Range National Park?
- (2) Is the Minister aware that this permit has recently been granted over a number of areas proposed to be included in an extension to the Cape Range National Park?
- (3) Is the Minister aware that this permit has been granted over part of Ningaloo Marine Park?
- (4) Does the Government support petroleum exploration and mining in national parks and marine parks?
- (5) If yes, will the Minister provide reasons?
- (6) If no, will the Minister explain what action will be taken to prevent exploration and mining in national parks and marine parks?

Hon MAX EVANS replied:

- (1)-(3) Yes.
- (4) Under legislation and Government policy, petroleum exploration and mining may be permitted in national parks but are subject to EPA assessment. Legislation and Government policy exclude petroleum drilling and production from sanctuary, recreation and certain special purpose zones in marine parks, but petroleum drilling and production can take place elsewhere in marine parks, subject to EPA assessment. In addition, marine parks are accessible for seismic surveys, subject to EPA assessment. Notwithstanding these general provisions, Government policy announced in 1994 prohibits drilling for petroleum exploration and production in Ningaloo Marine Park.
- (5) In respect of national parks, it is Government policy to consider petroleum exploration and production proposals on individual merit and to be subject to EPA assessment to determine if such proposals should be approved or not and if approved, to determine what conditions should be applied. In respect of marine parks, Government policy was established via passage of the Acts Amendment (Marine Reserves) Act 1997 and is detailed in the 'New Horizons - the way ahead in marine conservation and management' policy.
- (6) See answers to questions 4 and 5.

#### PORT KENNEDY, ENVIRONMENTAL SURVEY RESULTS

1518. Hon J.A. SCOTT to the Minister for Finance representing the Minister for the Environment:

- (1) When was the fisheries study for Port Kennedy commenced?
- (2) When will the report on this study be released?
- (3) When did the penguin study for Port Kennedy commence?
- (4) When will the report be released?
- (5) When did the marine ecological survey for Port Kennedy begin?
- (6) When will the results of this survey be released?
- (7) Why have no results been released to the public on any of the above studies so far?
- (8) Will the Minister for the Environment provide an assurance that these reports will be released well before any decision is taken regarding a marina at Port Kennedy?
- (9) If not, why not?

Hon MAX EVANS replied:

- (1) Consultants for the proponent of the Port Kennedy development (Port Kennedy Resorts Pty Ltd) commenced the study late in 1996.

- (2) The proponent has advised that the report will become public after the report is presented to the Minister for the Environment, with referral to the detailed design plans for the marina.
- (3) Consultants for the proponent commenced the study late in 1996.
- (4) The proponent has advised that the report will become public after the report is presented to the Minister for the Environment, with referral to the detailed design plans for the marina.
- (5) The baseline study of the marine environment has not commenced.
- (6) Not applicable.
- (7) The results of the studies are being used in the engineering design for the marina and will be referred to government with referral of the detailed design plans for the marina. There is no requirement for the proponent to have released the results to the public.
- (8) The proponent has advised that the reports will become public after presentation to the Minister for the Environment, with referral to the detailed design plans for the marina.
- (9) Not applicable.

#### MINING, REWARD AND NORTHERN ORE BODIES

1525. Hon TOM HELM to the Minister for Transport representing the Minister for Local Government:

In regard to the open pit proposal of the Reward and Northern Ore Bodies and floor pillars at Mt Charlotte in Kalgoorlie, by the operator Kalgoorlie Consolidated Gold Mines (KCGM) for the owners Homestake Gold of Australia Ltd and Normandy Mining Ltd, did KCGM seek or gain approval from the City of Kalgoorlie-Boulder in relation to the open pits proposal under section 5.13 of the Town Planning Scheme of February 1997 for the City of Kalgoorlie Boulder?

Hon M.J. CRIDDLE replied:

This question should be directed to the City of Kalgoorlie-Boulder.

#### BIODIVERSITY STRATEGY

1542. Hon J.A. SCOTT to the Minister for Finance representing the Minister for the Environment:

- (1) Does Western Australia have a State Biodiversity Strategy?
- (2) If not, why not?
- (3) Is the Minister for the Environment aware of any other States that do not have Biodiversity Strategies?
- (4) If yes, which ones?

Hon MAX EVANS replied:

- (1) No.
- (2) I refer the member to the answer to question on notice 249 on 8 April 1997. At that time the Nature Conservation Strategy had not been completed because in court action taken against the Government by non-government conservation organisations on some aspects of forest management, the question had arisen as to the legal duties created by policy documents of the Department of Conservation and Land Management such as the proposed Nature Conservation Strategy. Completion of the Strategy was therefore held in abeyance. Following finalisation of the litigation, the 1992 Draft Nature Conservation Strategy is now being reviewed in light of the 1996 National Strategy for the Conservation of Australia's Biological Diversity, developments at the Commonwealth level and in other States and Territories, and the proposed Biodiversity Conservation Bill that is intended to repeal and replace the Wildlife Conservation Act 1950. Given the 1996 National Strategy and other developments, it is now appropriate that what was intended to be a Nature Conservation Strategy now become a Biodiversity Strategy. The Minister has instructed the Department of Conservation and Land Management to develop a WA Biological Diversity Conservation Strategy, with community input, for completion in 2000.
- (3) Yes.
- (4) Queensland, Tasmania, South Australia and the Northern Territory.

#### NATURE CONSERVATION STRATEGY

1543. Hon J.A. SCOTT to the Minister for Finance representing the Minister for the Environment:

- (1) Why hasn't the *Wildlife Conservation Act* been updated as promised by the previous Government in October 1992?
- (2) Why hasn't the Nature Conservation Strategy for Western Australia been completed?
- (3) Is the Minister for the Environment aware that many people are very disappointed that the Government has failed to complete the Nature Conservation Strategy because they went to considerable effort to comment on the draft that was released by the previous Government in 1992?

- (4) What has the Government done with the draft Nature Conservation Strategy and the public input in the meantime?
- (5) Does the Minister intend to take any urgent action to correct this breach of faith with the public of Western Australia?
- (6) If yes, what action is intended?

Hon MAX EVANS replied:

- (1) A priority of this Government, in respect of conservation legislation, when it came into office was to progress improved legislation for marine conservation reserves. This led to passage of the Acts Amendment (Marine Reserves) Act 1997. Since enactment of the Marine Reserves Act, progress has been made towards the preparation of a Bill intended to repeal and replace the entire Wildlife Conservation Act 1950. It is intended that a proposed Biodiversity Conservation Bill will be released for public comment in 1999 prior to its introduction.
- (2)-(4) I refer the Hon Member to the answer to question on notice 249 on 8 April 1997. At that time the Nature Conservation Strategy had not been completed because in court action taken against the Government by non-government conservation organisations on some aspects of forest management, the question had arisen as to the legal duties created by policy documents of the Department of Conservation and Land Management such as the proposed Nature Conservation Strategy. Completion of the Strategy was therefore held in abeyance. Following finalisation of the litigation, the 1992 Draft Nature Conservation Strategy is now being reviewed in light of the 1996 National Strategy for the Conservation of Australia's Biological Diversity, developments at the Commonwealth level and in other States and Territories, and the proposed legislation referred to in the answer to (1). It is now intended that a WA Biological Diversity Conservation Strategy will be completed in 2000. The Department of Conservation and Land Management has responsibility for the Strategy and will progress it with input from the community. The public comments received on the 1992 Draft Nature Conservation Strategy will be taken into account in the preparation of the Western Australian Biological Diversity Strategy. An 'Analysis of Public Submissions' document was prepared by CALM in 1995.
- (5)-(6) The Minister has instructed CALM to develop a WA Biological Diversity Conservation Strategy, with community input, for completion in 2000.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS CANCELLED

1563. Hon LJILJANNA RAVLICH to the Minister for Transport representing the Minister for Local Government:

For all Government departments and agencies under the Minister for Local Government's control -

- (1) How many contracts were cancelled in -
  - (a) 1996/97; and
  - (b) 1997/98?
- (2) What project was the contract awarded for?
- (3) What was the value of the cancelled contract?
- (4) Who was/were the contractor/s?
- (5) Were any costs incurred by the department or agency as a result of the contract cancellation?
- (6) If yes, what was the cost?
- (7) Has the contract been re-awarded?
- (8) If yes, to whom?
- (9) If no to (7) above, when will it be awarded?

Hon M.J. CRIDDLE replied:

- (1) None.
- (2)-(9) Not applicable.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, CONTRACTS CANCELLED

1564. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Disability Services:

For all Government departments and agencies under the Minister for Disability Services' control -

- (1) How many contracts were cancelled in -
  - (a) 1996/97; and
  - (b) 1997/98?
- (2) What project was the contract awarded for?

- (3) What was the value of the cancelled contract?
- (4) Who was/were the contractor/s?
- (5) Were any costs incurred by the department or agency as a result of the contract cancellation?
- (6) If yes, what was the cost?
- (7) Has the contract been re-awarded?
- (8) If yes, to whom?
- (9) If no to (7) above, when will it be awarded?

Hon M.J. CRIDDLE replied:

- (1) Nil.
- (2)-(9) Not applicable.

#### STATE SUPPLY COMMISSION, REVIEW OF OPERATIONS

1572. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Services:

Section 36 of the *State Supply Commission Act* requires the Minister for Services to review the Act and operations of the State Supply Commission and table a report as soon as practicable before both Houses of Parliament. Since this review was required after five years of operation and was due in late 1996, I ask -

- (1) Why hasn't the Minister for Services met his statutory obligations on this matter?
- (2) Has the review even commenced?
- (3) If the review has commenced -
  - (a) when did it begin;
  - (b) who is conducting the review;
  - (c) what are the terms of reference for the review;
  - (d) when will the review be finalised; and
  - (e) when will the report be tabled in this House?
- (4) How does the Minister justify the two and a half year delay in meeting his responsibilities?
- (5) If the required review has not commenced -
  - (a) why not;
  - (b) when will it commence; and
  - (c) how does the Minister justify his inaction?

Hon MAX EVANS replied:

- (1) Statutory obligations are being met – section 36 the State Supply Commission Act 1991 requires that a review be carried out as soon as is practicable after the expiration of 5 years from its commencement.
- (2) Yes.
- (3) (a) 14 October 1997, preliminary scoping began on 17 October 1996.
- (b) Crown Solicitor.
- (c) The terms of reference for the review are as follows:

*“to consider the operation and effectiveness of the (State Supply Commission) Act, and in the course of that review to consider and have regard to:*

1. (a) *The effectiveness of the operations of the State Supply Commission (the “Commission”);*  
 (b) *The need for the continuation of the functions of the Commission; and*  
 (c) *Any other matters that appear to the Minister to be relevant to the operation and effectiveness of the Act;*
2. *The role of both the Commission and the Department of Contract and Management Services in the area of contracting and contract management, the interaction between these two public authorities, and the complementary legislation contained in the Land Acquisition and Public Works Act 1902;*
3. *Policy and regulation requirements for all buying, including construction, with the aim of determining the most appropriate mechanisms;*
4. *The application of the Act to Government Trading Enterprises; and*
5. *The operations of the proposed Contracts Referee.”*

- (d) The findings of the Crown Solicitor are currently being finalised.
- (e) I expect to table the report during the current session of Parliament.
- (4) As indicated in response to Question 1, statutory obligations are being met. The review that I have instituted is considering the whole contracting regime across Government, which is a complex task. The consultation process has been extensive and there have been rafts of issues to consider, from both a legal and public sector management perspective. I anticipate that the results of the review will offer a blueprint to take public sector contracting to an even higher level of professionalism and accountability in the future.
- (5) Not applicable.

### QUESTIONS WITHOUT NOTICE

#### BUDGET 1999-2000, ACCELERATED LOAN REPAYMENTS

**1191. Hon TOM STEPHENS to the Leader of the House representing the Premier:**

I refer to page 133 of the economic and fiscal overview of the 1999-2000 budget papers which show accelerated loan repayments of \$275m for 1999-2000.

- (1) What is the source of these accelerated payments?
- (2) What is the reason for these repayments being made next year?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) The accelerated payments will be sourced from the various statutory authorities on outstanding debt on Treasury capital ledgers. The main agencies are Homeswest and hospitals within the Health Department.
- (2) The repayments are made possible by refinancing the debt with the Western Australian Treasury Corporation. Refinancing is taking place to allow the agencies to take advantage of the current low interest rate environment. The debt on Treasury capital ledgers incurs an interest rate in excess of 9 per cent. Refinancing debt through WATC will reduce the interest rate to between 5.5 and 7 per cent, resulting in significant savings in interest costs.

#### BUS STANDARDS, CODE OF CONDUCT

**1192. Hon TOM STEPHENS to the Minister for Transport:**

I refer to the Government's decision to vote against its regulatory bus standards. Why does the minister now consider a voluntary code of conduct adequate to regulate safety and maintenance standards when for the past six years the Government has promoted a compulsory scheme?

**Hon M.J. CRIDDLE replied:**

I think I answered this question yesterday.

Hon Tom Stephens: The words now are: "Why does the minister . . .?"

Hon M.J. CRIDDLE: Since I have been involved in the ministry we have undergone consultation with the industry and with the people involved. I understand that some areas of the industry were of the opinion that this should be regulated. However, the conclusion drawn from all that consultation is that this is not the right time to proceed with the regulation of the bus industry. Obviously at some time in the future we will have an opportunity to review that decision.

#### BUDGET 1999-2000, AGRICULTURE WESTERN AUSTRALIA

**1193. Hon KIM CHANCE to the minister representing the Minister for Primary Industry:**

- (1) Can the minister confirm that the combined recurrent capital budget for Agriculture Western Australia will be cut by \$8.7m or 9 per cent in 1999-2000?
- (2) What impact will such a cut have on services provided by the department?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question. I have here a note that says we are still waiting for an answer. If it arrives before question time is completed I will respond.

#### PALADIN RESOURCES NL, MANYINGEE URANIUM MINE

**1194. Hon GIZ WATSON to the minister representing the Minister for the Environment:**

With reference to proposed Paladin Resources NL Manyingee uranium mine near Onslow and its current drilling activity and sampling, and the waste and yellow cake left at that site by Total Mine Surveys Pty Ltd -

- (1) Has any of this material been disturbed by the recent floods associated with cyclone Vance?
- (2) If the minister can answer no to (1), what is the source of this information?
- (3) Is the Department of Environmental Protection or the Environmental Protection Authority monitoring impacts of waste or sampling material on the site?
- (4) Is the DEP or EPA monitoring the impacts of waste or sampling material off site?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question. It is not possible to provide the information in the time required, and I request that the member place the question on notice.

#### MINE WORKERS, SAFETY DEMERIT POINT SYSTEM

**1195. Hon HELEN HODGSON to the Minister for Mines:**

- (1) Is the Department of Minerals and Energy or the Mines Occupational Health and Safety Advisory Board aware of any companies that have implemented or intend to implement a safety plan based on a demerit point system under which workers are disciplined as demerit points accumulate?
- (2) Is the use of demerit points to penalise workers reporting injuries consistent with -
  - (a) legislation governing safety in the mining industry;
  - (b) the report on the inquiry into fatalities in the Western Australian mining industry, in particular recommendation 2.2?
- (3) What action if any will the department take when it becomes aware of such safety plans?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) No.
- (2) In the absence of any information on such a system -
  - (a) consistency with the Mines Safety and Inspection Act and regulations cannot be assessed;
  - (b) if such a system discouraged reporting of hazards it would not be consistent with recommendation 2.2 of the MOHSAB inquiry into fatalities report.
- (3) If the department became aware of such a safety plan and the implementation of it created breaches of the legislation which could be identified, the department would draw it to the attention of the company for rectification and take any necessary action to ensure that this was done.

#### ALBANY AND BUNBURY PORTS, CAPACITY

**1196. Hon MURIEL PATTERSON to the Minister for Transport:**

- (1) What is the current maximum ship size that the ports of Albany and Bunbury can accommodate?
- (2) Has any request been made to increase this capacity; if so, by how much?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1) The current maximum sizes are as follows -

The Albany Port Authority can accommodate Panamax vessels 225 x 32 metres. Two passenger liners of 247 metres length have been proposed for 2001-02. Construction of the new woodchip berth will straighten the entrance channel and will enable this length to be accommodated.

Bunbury Port Authority berths are designed to accommodate 70 000 dead weight tonne vessels. The maximum load of approximately 62 000 tonnes of cargo Panamax vessels can be handled in the port.

- (2) No specific requests have been received.

#### WESTERN POWER, STAFF REDEPLOYMENT AND REDUNDANCIES

**1197. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Energy:**

With regard to the 400 Western Power generation employees who will lose their jobs over the next four years, I ask -

- (1) Will any of these employees be redeployed in the public sector?
- (2) If yes, how many does the minister estimate will be redeployed?
- (3) Will any Western Power employees be forced into involuntary redundancy?

- (4) When does Western Power expect the first redundancies to commence?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) No.
- (2) Not applicable.
- (3) No.
- (4) Redundancies have already commenced.

#### FEDERAL BUDGET 1999-2000, DEFICIT

**1198. Hon KEN TRAVERS to the Minister for Finance:**

I refer to page 12 of federal budget paper No 3 released yesterday.

- (1) Is the minister aware that at page 12 it states that Western Australia's 1998-99 mid-year review indicates a general government underlying budget deficit - cash basis - of 0.7 per cent of GSP in 1998-99 and that a further small deterioration is expected in 1999-2000?
- (2) Does the minister accept this statement or does the federal Treasury have it wrong?

**Hon MAX EVANS replied:**

I could not work out whether it was a question without notice. If so, it was mainly referring to a federal statement and I do not have a reply.

Hon Tom Stephens: It deals with the state budget.

Hon Ljiljanna Ravlich: You should know something about the State's finances. If not, you should not be taking your pay.

The PRESIDENT: I knew it was wrong to call Hon Ljiljanna Ravlich early!

#### PRISON, PYRTON SITE

**1199. Hon NORM KELLY to the Leader of the House representing the Minister for Planning:**

- (1) Will a major amendment to the metropolitan region scheme be required for part of the Pyrtton site at Eden Hill to be used as a prison?
- (2) If not, can the minister explain the apparent hypocrisy in that a recent proposal to change the land use of the site to residential was regarded as requiring a major amendment to the MRS?
- (3) Does the minister consider a change of land use from hospital to prison as less substantial than a change of land use from hospital to residential?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) The Pyrtton site is reserved under the MRS with a reserve designation "Hospital". The MRS provides that reserved land owned or vested in a public authority can be used for any other purpose approved by the WA Planning Commission.

The commission is in receipt of a development application for use of part of the Pyrtton site by the Ministry of Justice for a minimum security women's prison.

The application has not yet been determined by the commission. However, in exercising its discretion under the MRS in the determination of the application, the commission will be required to have regard for the purpose for which the land is reserved under the MRS as well as the orderly and proper planning of the locality and preservation of the amenities of their locality.

- (2)-(3) The commission has yet to determine the Ministry of Justice application; therefore no decision has yet been made on an MRS amendment.

#### ILLEGAL CLEARING

**1200. Hon CHRISTINE SHARP to the minister representing the Minister for Primary Industry:**

Following my question on notice 1376 regarding illegal clearing, I ask -

- (1) How many prosecutions for illegal clearing have been successful?
- (2) What have been the penalties for those prosecuted?
- (3) Has the number of notices of intent to clear declined since changes to the administrative procedures were introduced by the minister on 5 March 1999?



(4) Has the number of cases of illegal clearing increased since those administrative changes?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1) Prior to February 1998 there were four successful prosecutions. There have been no prosecutions since February 1998.
- (2) A total of \$1 650.
- (3) Since 5 March no new notices of intent for rural zoned land have been registered.
- (4) No.

MINING INDUSTRY, GOVERNMENT ASSISTANCE

**1201. Hon GREG SMITH to the Minister for Mines:**

In recognition of the current difficulties being faced by the mining industry as a result of the unworkable Native Title Act provisions and low commodity prices, what additional measures has the State Government implemented to assist the industry?

Hon Bob Thomas: Doesn't the 10-point plan work?

**Hon N.F. MOORE replied:**

The 10-point plan would work a whole lot better if this House were to give the State the chance to enact its own legislation to implement its own provisions.

Hon Tom Stephens: The legislation is available for you to put through.

Hon N.F. MOORE: It distresses me to hear members of the Opposition laughing when this question is asked -

Hon Tom Stephens: Because you are a joke of a Government.

Hon N.F. MOORE: Because they obviously do not know or understand - which is even worse - the impact of native title.

Hon Tom Stephens: We do understand. Get on and proclaim your legislation.

The PRESIDENT: Order! The Leader of the Opposition will come to order.

Hon N.F. MOORE: They do not understand the impact of native title on the mining industry. It is a pity that opposition members were not compelled to attend the annual general meeting of the Chamber of Minerals and Energy this morning to listen to the speech made by the chamber president, because it was a damning indictment on the Labor Party and its colleagues on native title.

Hon Tom Helm: This is about section 26A; or are you not processing applications?

Hon N.F. MOORE: I will give Hon Tom Helm a very long response tomorrow. I raised also with the Chamber of Minerals and Energy the suggestion by him that the reason there is a problem with mining in Western Australia is that I give too many exemptions. All the members at that meeting laughed uproariously at that because they know how hard it is to get an exemption. The sooner the member learns something about the mining industry the better. I suggest the member speak to the people who he claims are getting a better than fair go from the Government. Those people will tell the member in no uncertain terms that he knows nothing about this industry. The member should talk to some of his colleagues who live in the goldfields because they will tell him what the facts of the matter are.

Hon Greg Smith: They won't talk.

Hon N.F. MOORE: They probably will not talk as he is trying to get one of their seats. As a matter of interest, Mr President, this all about an attempt by Hon Tom Helm to be No 2 on the Labor Party ticket at the next election to get rid of Hon Mark Nevill; that is what it comes down to. Any suggestion that the member has any interest in the mining industry is totally coincidental to the main aim of the exercise. The member knows that being No 3 on the Labor Party ticket in the mining and pastoral area is tantamount to being unemployed at the next election.

Hon Tom Helm: You said that last time.

The PRESIDENT: Order! Members, I want to get back to the answer to the question.

Hon N.F. MOORE: I am sorry that I was diverted from answering the question because of the unfortunate reaction of the Leader of the Opposition.

The Government has designed a package of initiatives which will assist the industry during these difficult times and I summarise it as follows -

- (1) We will allow the cost of Aboriginal heritage surveys as expenditure.
- (2) We will allow industry to claim administration overhead expenses of up to 20 per cent of minimum expenditure commitment.

- (3) We will recognise tenement rentals and shire rates as legitimate expenditure.
- (4) We will reduce the application fee for one block exploration licences from \$400 to \$100 dollars.
- (5) We will remove size restrictions on general purpose leases.
- (6) There will be an automatic transfer of mine lease applications over ground being converted from prospecting into exploration licences.
- (7) We will recommence submission of exploration licences and prospecting licences to be expedited procedures of the Native Title Act.
- (8) We will introduce a new protocol to native title negotiations using the opportunities provided by the 10-point plan.
- (9) We will make Tenagraph available on the Internet by 1 July.
- (10) We will establish an online bookshop for Department of Minerals and Energy maps and publications.
- (11) The mining industry liaison committee will be asked to investigate the practicality of particular mining leases as a means of saving marking out costs.

Details of these issues are contained in a pamphlet entitled *Initiatives to Support the Mineral and Energy Sector* prepared by the Department of Minerals and Energy which I seek leave to table.

Leave granted. [See paper No 1036.]

#### REGULATORY BUS STANDARDS

#### **1202. Hon CHERYL DAVENPORT to the Minister for Transport:**

My question is supplementary to the question asked yesterday relating to the regulatory bus standards. Why did the minister or his department fail to contact the bus and coach association which the minister has worked with over the past six years before he abandoned the scheme?

#### **Hon M.J. CRIDDLE replied:**

I guess a government decision was made. The school bus operators scheme has been working very well for a long period of time. It is one of the safest operations of the Government. I have recently returned from Northam -

Hon Tom Stephens: That is not the question, minister.

Hon M.J. CRIDDLE: Is the Leader of the Opposition not aware that the school bus operators are part of the scheme?

Hon Tom Stephens: Will you answer the question about why you abandoned this scheme?

The PRESIDENT: The Leader of the Opposition will come to order. I will decide whether the answers are within the standing orders; at the moment the answer is.

#### *Point of Order*

Hon TOM STEPHENS: Mr President, it is not within the standing orders.

The PRESIDENT: Does the Leader of the Opposition have a point of order? If he has a point of order he should make it.

Hon TOM STEPHENS: Yes, I have.

The PRESIDENT: What is the point of order?

Hon TOM STEPHENS: Mr President, I was not raising the question of whether the answer fell within the framework -

The PRESIDENT: What is the point of order?

Hon TOM STEPHENS: Mr President, you asked me whether I was dealing with the standing orders of this place; I was not.

The PRESIDENT: I am asking the Leader of the Opposition if he has a point of order.

Hon TOM STEPHENS: Mr President, I am clarifying a point raised by you during question time. I am asking the minister to answer the question that was asked of him.

The PRESIDENT: That is not a point of order.

Hon TOM STEPHENS: I know it is not a point of order.

The PRESIDENT: Then sit down.

#### *Questions without Notice Resumed*

Hon Tom Stephens: Answer the question, minister.

Hon M.J. CRIDDLE: As I was saying, I was at Northam today talking to people about the school bus operators arrangements for maintenance, repairs and the safety program that has been in place for many years, which feeds back into the question that was asked about why the Government abandoned the scheme. It was decided that the scheme had been

operating well and this was not the time to change the scheme; therefore, the Government decided not to continue with it. I am not aware whether the department contacted the bus operators; however, I will find out what was done about contacting them on that issue.

#### GENERAL GOVERNMENT NET DEBT

**1203. Hon JOHN HALDEN to the Leader of the House representing the Premier:**

I refer to the growth of \$509m in general government net debt from the 1998-99 to 1999-2000 budget as shown on page 226 of the *Economic and Fiscal Overview* of the budget papers. Given that capital outlays are expected to increase by only \$156.9m, can the Treasurer explain the reasons for the increase in the net debt?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question and ask that it be placed on notice.

Hon Tom Stephens: What a joke of a Government - Grumpy, Dopey and Stupid over there!

The PRESIDENT: Order! If the Leader of the Opposition does not come to order, I will exercise the standing orders against him. If he wants to take me on, he should take me on today.

#### FORMER LEIGHTON MARSHALLING YARDS

**1204. Hon J.A. SCOTT to the Minister for Transport:**

- (1) Has Westrail identified the joint venturer for the development of the former Leighton marshalling yards? If yes, who is it? If no, when will the results of the evaluation of the proposals be announced?
- (2) Which local councils and communities will be consulted before final proposals are submitted to the State Government?
- (3) When will this consultation begin and end?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of the question. I presume the member is referring to a preferred tenderer and the question is answered on that basis.

- (1) The evaluation panel has selected a consortium comprising Multiplex Constructions Pty Ltd, Rockingham Pty Ltd and Satterley and Co Pty Ltd as preferred tenderer. Its appointment as preferred tenderer is subject to agreement being reached on terms of engagement. That is an important point.
- (2) The communities and councils of Fremantle, Mosman Park and Cottesloe.
- (3) This is being discussed as part of the terms of engagement. It is expected that the details of the consultation process will be available shortly. A preliminary concept plan should be available within approximately three weeks.

#### PEEL DEVIATION ROAD, FUNDS

**1205. Hon J.A. COWDELL to the Minister for Transport:**

Have any funds been allocated in the forward estimates for the Peel deviation road, and when will funds be allocated to allow for the early purchase of land required for the deviation?

**Hon M.J. CRIDDLE replied:**

Main Roads Western Australia has recently carried out a review of road funding into the future. To get an accurate assessment of what has come out of that review, I will obtain the information and forward it to the member. I do not want to put in place an arrangement that is not achievable at this time.

#### FEDERAL BUDGET SURPLUS, FUNDING

**1206. Hon TOM STEPHENS to the Minister for Finance:**

- (1) Has the minister had the opportunity to ascertain whether the federal budget surplus has been partly funded by cuts of \$90m in federal funding to Western Australia, representing \$50 for every Western Australian resident, as stated by the Premier in March?
- (2) If not, can the minister confirm whether this statement by the Premier is still accurate?
- (3) Does the minister congratulate the Federal Government for using these cuts to Western Australia's grants for the purpose of delivering its budget surplus?

**Hon MAX EVANS replied:**

- (1)-(3) That figure of \$90m is incorrect, and we have pointed that out to the Federal Government. The figure is \$75m. Up to June 1998, our grants had been reduced by \$778m cumulatively over the years. Our grants have been reduced by just over \$1b. If the Leader of the Opposition was as intelligent as he tells us he is, he would know that it has no effect on the Federal Government's budget. That money goes to the other States. If Western Australia

loses money, it goes to New South Wales, Queensland and so on, under the Grants Commission guidelines. The Grants Commission puts a certain amount of money into the cake and it is split up. Our share has been reduced by about \$1b. New South Wales received an increase of \$146m this year. Western Australia is down \$75m. Two of the six States and Territories were down. They tried to do another deal to change this formula. However, all the winners did not want to be losers, and we stayed as we were.

New South Wales gave an undertaking during the election that it would reduce its payroll tax. It reduced it from about 7 per cent to about 1.25 per cent or something like that. It used the \$164m benefit that it received. The Premier said that it had been changed because we raised it with the Grants Commission. However, as I said, up to last year our share from the Grants Commission has been reduced over the years by \$778m. When the Liberal Party came into government, the figure was about \$1.5b. It is still \$1.5b, plus or minus \$40 000. It has been about the same amount during all that time.

I refer to Hon John Halden's recent speech in which he referred to the increase in revenue. It has increased. However, the \$1.5b from the Grants Commission was about 60 per cent of what we earned ourselves, or \$2.5b, or 25 per cent of \$6b, and there has been no growth in it at all.

Hon John Halden: Are we going to agree on this?

Hon MAX EVANS: Thank God, my friend. He went to the right school; that is right. Mr President, you do not have to agree with that. That is exactly what has happened with the Grants Commission. Going back to the previous Government, the trouble has been how much money it has put into the cake. Three years ago when the present coalition Government came into power, it wanted to put a sales tax on all the cars of local government, State Governments and the Federal Government. It did not know how much would go in. The States then said that they were due to get an extra \$600m from the Grants Commission. The figure of \$1.5b came from the States. They did not take the increase from the Grants Commission over two-and-a-half years. That \$1.5b was left to the Federal Government, and our share was \$150m. We wrote to the Federal Government and suggested that it give that amount back to us. The Federal Government said, "We didn't ask for it. You gave it to us." Therefore, its black hole has been improved because of that.

Hon Kim Chance: I wondered about the wisdom of that at the time.

Hon MAX EVANS: We were trying to come to an equal position. We could not stand the sales tax factor. The cost was unknown. The Federal Government was going to take it from one hand and give it to other if sales tax was paid on all those vehicles. That is the answer. I understand that the grants are fixed, and they have nothing to do with backing up the federal budget. The \$600m, \$600m and \$300m of the States over the previous three years had an effect on our budget and an improvement on the Federal Government's budget.

#### WHITTAKERS PTY LTD

#### **1207. Hon TOM HELM to the minister representing the Minister for the Environment:**

I refer to the uncertainty - which may not be the right word - of Whittakers Pty Ltd's financial status, and to question 1141 of 1999.

- (1) Have security arrangements with Whittakers been enforced or have they been reinforced?
- (2) Can the minister explain how security arrangements have been enforced or reinforced?
- (3) What changes to the security arrangements have been made?

#### **Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) Yes.
- (2)-(3) The Department of Conservation and Land Management has added to its existing financial securities by exercising its rights under section 117 of the Conservation and Land Management Act to seize timber on which royalties have not been paid.

I think this morning's newspaper reported that a receiver had been appointed. Although I have not read all the details, I think that a receiver would have been appointed by the bank. The bank has certain securities. However, I understand the Government's securities are ahead of the bank's with respect to the timber on which royalties have not been paid. I understand the Government is well covered. However, I cannot give the exact figures. The bank will sell off the assets over which it has security in order to recover its money, and I will presume we will take ours. It is possible that the business may be sold as a going concern. That is how the bank will get out of it.

Hon Tom Helm: Are we first in the queue?

Hon MAX EVANS: I understand we are first in the queue with respect to the timber, because technically speaking I think we still own it.

Hon Kim Chance: It is crown land?

Hon MAX EVANS: Yes, it is crown land.

## PERTH-MANDURAH RAILWAY LINE, BUDGET ALLOCATION

**1208. Hon BOB THOMAS to the Minister for Transport:**

I refer to Community Newspapers' budget wraparound, which has given to some people at least the misleading impression that the Perth to Mandurah railway line is due for completion in the near future. How much of the \$940m estimated to be needed to build this railway line has been allocated in the 1999-2000 budget?

**Hon M.J. CRIDDLE replied:**

I understand that there is no such allocation in the budget. The Government is making arrangements with respect to the extension of the freeway to Safety Bay Road to have bridges and other works included via a Westrail advance. Those arrangements have not been finalised.

## PUBLIC TRANSPORT FARES, INCREASE

**1209. Hon E.R.J. DERMER to the Minister for Transport:**

I refer to Community Newspapers' budget wraparound, which states with respect to public transport that this year there will be a 2.3 per cent increase in standard fares and a 3.8 per cent increase in concession fares.

- (1) Will the minister confirm that certain standard fares will in fact increase by 5 per cent and certain concession fares will increase by 9 per cent?
- (2) If yes, what action will the minister take to correct the misunderstanding of these fare increases among members of the public who read Community Newspapers' budget wraparound?

**Hon M.J. CRIDDLE replied:**

- (1)-(2) The average increase is 3.3 per cent across the board. In some areas the fares will be higher; in other areas the fares will be around 10¢, and there will be little change.

Members need to understand that the Government intended to raise the recoup from fares to nearly 40 per cent, but this only takes it up to nearly 33 per cent. Therefore, these fares still place a significant burden on the public purse. The increases raise concession fares to 50 per cent and are a move in the right direction. If the Government did not raise fares in increments, it might be left with an arrangement which was not a significant cost recovery. That would be embarrassing when the Government was looking for funds for other instrumentalities.

## AGRICULTURE WESTERN AUSTRALIA, FORMER EXECUTIVE DIRECTOR OF POLICY

**1210. Hon KIM CHANCE to the minister representing the Minister for Primary Industry:**

- (1) Has the former Agriculture Western Australia executive director of policy and planning received a voluntary redundancy package?
- (2) If so, has that position been filled since the redundancy was approved?
- (3) If the position was filled subsequent to the redundancy arrangements, why was that done?
- (4) Is the position subject to a review?
- (5) If a review is to be carried out, why was the redundancy approved prior to the completion of that review?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1) Yes.
- (2) No.
- (3) Not applicable.
- (4) No.
- (5) Not applicable.

## INTERNET, SURF CAM SITES

**1211. Hon MURIEL PATTERSON to the Minister for Sport and Recreation:**

Can the minister indicate to the House how much interest has been shown in the surf cam sites focused on the new artificial reef?

**Hon N.F. MOORE replied:**

I can certainly provide that information.

Hon Tom Helm: It is too cold.

Hon N.F. MOORE: I would like to invite Hon Tom Helm down there one day in the hope he freezes to death, although there is not much chance of that!

I thank the member for some notice of this question. This information was provided by the coastal data site; all the hits are recorded at that site. From 7 December 1998 to 10 May 1999 there were 990 244 hits on the coast cam site in total. Cable cam has received 163 440 hits since going online in February and Cott cam has received 33 359 hits since going online in March. In order of interest, Australia was responsible for 689 000 hits, the United States for 293 002 hits and the United Kingdom for 19 037 hits. As a matter of interest, these cameras are trained on the artificial reef and one can use the web site to see what is going on at the reef. Many people are interested in this and it will be finished very soon. I hope that we will all be able to go down there and do a bit of surfing.

*Point of Order*

Hon TOM STEPHENS: I do not want to interrupt the minister but I ask you, Mr President, if you could find your way clear at some early point - preferably not during question time, a period in which the Opposition has a limited opportunity to ask questions of the Government - to indicate to the House the process you will allow for supplementary questions. That is, is there an opportunity for a member to take the call immediately if he indicates that he has a supplementary question, particularly at the conclusion of a minister's remarks? I am happy for you to consider that question and provide advice about the way you wish this matter to be dealt with or for you to consult others particularly those members of this side of the House who have a particular interest in the proper running of question time.

The PRESIDENT: I do not know whether Hon Tom Stephens has raised a point of order, but it is an issue which needs some clarification and I will take the opportunity of consulting more widely than the Leader of the Opposition suggested. However, question time is an opportunity for all members of this House to ask a question of a relevant minister or member. It has become apparent that, in the main, question time is monopolised by non-government members. While that custom continues I will have a particular order in which I call members. I have made it clear before that if I change the order or sequence of calling people, many members will not get an opportunity to ask questions; that is, the members who regularly ask questions would not get such an opportunity. If I change the order again and allow supplementary questions, it is obvious that probably only half the number of members who currently ask questions will be able to "get a question up," so to speak, within the limits of question time. From my own observations and the comments made to me by members on both sides of the House it appears that most members are happy with the way questions are managed in this place. As members will be aware, I go out of my way to see that as many members as possible get a first question during the limited time available. More than that, I will not allow someone to ask a second question - with the exception of the Leader of the Opposition who, under Westminster tradition, is given precedence over other members - before I have dealt with all the first questions. If the Leader of the Opposition is recommending that we change the system so members are encouraged to ask supplementary questions, only a limited number of people will be able to get questions up in any given question time.

Another difficulty we face is that supplementary questions could be asked of ministers in this House only in respect to their specific portfolios; they could not be asked of ministers in a representative capacity. Some members of this House would argue that because they often ask questions of ministers in a representative capacity - that is, they concentrate on areas that are not necessarily represented directly by ministers in this House - to bring in a supplementary question rule would disadvantage them even more so. A number of issues come to the fore. It is interesting that a management committee sits every Thursday night and representatives from each of the parties in this House meet to discuss the legislative program and other matters inherent to the general management of the House. If members want a change, a recommendation from that group would be something I would be required to listen to. It is something members should think through.

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