



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
1999

LEGISLATIVE COUNCIL

Tuesday, 7 September 1999

Legislative Council

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THE PRESIDENT (Hon George Cash) took the Chair at 3.30 pm, and read prayers.

NUCLEAR WASTE DUMP

Petition

Hon Giz Watson presented a petition, by delivery to the Clerk, from 4 321 residents of Western Australia opposing the Pangea proposal to locate a high level nuclear waste dump in Western Australia.

[See paper No 132.]

URANIUM MINING

Petition

Hon Giz Watson presented a petition, by delivery to the Clerk, from 621 residents of Western Australia opposing the proposal to establish a uranium mining industry in Western Australia.

[See paper No 133.]

SECESSION REFERENDUM

Petition

Hon Ray Halligan presented the following petition bearing the signatures of eight persons -

To the Honourable the President and members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We, the undersigned request that the result of the referendum, held on the eighth day of April 1933, asking the people of Western Australia if they were in favour of the State of Western Australia withdrawing from the Federal Commonwealth, be given due reconsideration and taken to a final conclusion.

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

[See paper No 134.]

ATTENTION HYPERACTIVITY DISORDER

Petition

Hon Ray Halligan presented the following petition bearing the signatures of 40 persons -

To the Honourable the President and members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We the undersigned humbly request the Legislative Council to:

1. In line with the World Health Organisation, National Health and Medical Research Councils and Commonwealth Government Policies, acknowledge the existence of Attention Hyperactivity Disorder (including ADD and Associated Learning Disabilities) as affecting an unknown but significant number of children, youth and adults in Western Australia.
2. Ascertain the services and facilities available to those disadvantaged in this way within the Ministries of Health, Education, Disabilities, Youth, Children and Family Services, Justice and Employment and Training.
3. Encourage a program of public and professional education and awareness to allow the facilitation of early identification and appropriate remediation for sufferers of this neurobiological disorder.
4. Encourage the establishment of a professional advisory board to advise Government on the appropriate remediation and protocols within Government agencies.

Your petitioners, therefore humbly pray that the Legislative Council will consider the matters we have raised and make recommendations to the Government and your petitioners as in duty bound, will ever pray.

[See paper No 135.]

MATRIX FLEET CONTRACT

Urgency Motion

THE PRESIDENT (Hon George Cash): I have received the following letter addressed to me and dated 7 September -

Dear Mr President

At today's sitting it is my intention to move an Urgency Motion under SO 72 that the House at its rising adjourn until Friday 24th December 1999 for the purpose of condemning the Premier as the Minister

responsible for Public Sector Management, the Minister for Works and the Minister for Finance for their mishandling of the Matrix Fleet contract and calls on the Premier to make public the contract and all information relating to the funding facility for the Western Australian Government's light vehicle fleet and related matters.

Yours sincerely

Hon Ljiljanna Ravlich MLC
Member for East Metropolitan Region

In order to discuss this matter, it will be necessary for at least four members to indicate their support by rising in their places.

[At least four members rose in their places.]

HON LJILJANNA RAVLICH (East Metropolitan) [3.37 pm]: I move -

That the House at its rising adjourn until Friday, 24 December.

As members are aware, this Government has entered into a number of very high risk contracts. The government vehicle fleet contract is one such contract.

Hon N.F. Moore: That is rubbish! That is the most pathetic statement I have heard.

Hon LJILJANNA RAVLICH: Members opposite have already started interjecting. They are being very defensive. They are worried, and so they should be.

Hon N.F. Moore: Try sticking to the truth occasionally.

Hon LJILJANNA RAVLICH: It is lovely to be back!

The PRESIDENT: Order! The member has been speaking for 28 seconds. She has not had time to get going and we have already had more than enough interjections. This is a restricted-time debate and the member with the call should be given the opportunity to get off his or her chest the issue raised in the motion.

Hon N.F. Moore: That is the largest number of lies I have heard in 28 seconds!

Hon LJILJANNA RAVLICH: On 27 June 1996, the then Minister for Services determined that the State Supply Commission should sell the government passenger and light commercial vehicle fleets, which it did to a wholly-owned subsidiary of the Matrix Finance Group.

In 1996 there was support for this initiative based on the findings of the McCarrey report that the Government should sell off its vehicle fleet. The decision to do so was supported by the Under Treasurer and a cabinet subcommittee; it is therefore not surprising that the Government went down this route. It was one of the first major cross-government contracts entered into by this Government. It is a major contract in terms of the amount of money it ties up. Unfortunately, no cost-benefit analysis was done at the time. No clear risk assessment was made of this contract and the people concerned with promoting this contract believed it should be done if McCarrey said it should be done and there was no need for them to get too involved in the detail. Two public servants had key responsibility for negotiating the arrangements when the Government entered into this contract. They were Ron Jarvis, the manager of the Department of State Services - which later became known as FleetWest - and Mr Peter Reis, then second in charge of DOSS. These men had the responsibility of putting the contract together. Once that was done and the Matrix Finance Group was involved, these men left the employ of the State Government and went across to work for Matrix. The Government's decision to sell the vehicle fleet was a very poor one; it was made in great haste and driven by ideology rather than good economic sense. The idea was that the State Supply Commission would hire the vehicles back from FleetWest and then lease them to government agencies. Under the financing structure, FleetWest owns all the vehicles and government agencies do no more than lease them. FleetWest hires the vehicles to a funding consortium which in turn leases the vehicles to the State of Western Australia under an operating lease arrangement with the State Supply Commission. The details of that operating lease are not yet known and we are some way into this contract. Despite all the Government's carrying on about how open and accountable it is regarding its activities, particularly in contracting out, we still do not have any information about some of the details of this contract.

As I do more work in this area, I find it is a bit like passing around a bomb which is about to explode. To the best of my knowledge, three key agencies are involved - the State Supply Commission, through which the Government's contract is executed, the Department of Contract and Management Services, which I understand is responsible for the contract management, and, as these two agencies have been passing the ball for some time, Treasury has taken over the responsibility of managing the funding agreement. The simple fact is that anyone who knows anything about this contract is currently running for cover, with good reason. It has taken me a long time to get to the bottom of this contract and its respective component parts. I think I am getting somewhere now. I recently lodged a freedom of information application for this contract and I am keen to see what I receive. The first release demonstrated that there are things to hide and cover up.

There are three components to this contract, the first of which is the Matrix Finance component - a 10-year contract supposed to deliver a saving of \$8m to \$10m a year. However, this 10-year contract contains a nine-year notice clause, which means that if the Western Australian Government was to get out of the contract as of today's date, it would have to give Matrix nine years' notice. It is effectively now a 12-year contract - it has been in place for three years and the Government would be required to give nine years' notice.

Hon N.D. Griffiths: A whole of Government times three.

Hon LJILJANNA RAVLICH: This is an elastic contract into which the Government has tied the State until such time as it gives notice and the contract has a life for another nine years after that notice is given.

The second part of the contract is the fleet management component. A number of fleet managers are involved in this contract and the value of their contracts is not known. The third component is the vehicle disposal contract, which has been awarded to WA Auto Auctions for the second time. I understand this is a cross-government contract with an annual value of about \$100m. We are talking about big bikkies. These three contracts are similar in that they are all high-risk, long-term, multi-million-dollar contracts. If we add up the respective components, we are looking at a value between \$400m and \$500m. That is the total value of these contracts. We are talking about this sum of money but the contractual details are secret; no-one really knows the details of these contracts. Another frightening thing about these contracts, particularly the Matrix Finance Group and fleet management contracts, is that the State bears all the risk. This is an incredible situation for a State to be in; the State has entered into these contracts for this sum of money but at the end of the day it bears all the risks.

I will quickly touch on each of the components in more detail. As I said, the funding contract is a 10-year contract with a nine-year notice component. This is a funding facility which provides up to \$250m to finance the vehicle fleet. By January 1998, over 9 000 vehicles valued at \$222m were being leased for an aggregate rental of \$1.69m a month or \$20.28m a year. The terms of this contract require very rigorous management of the fleet in order to avoid contract defaults, of which there are many and for which the State bears all the risk. The funding model is predicated on a guaranteed rate of return to investors - that is, Matrix - and by contractual arrangement the Government needs to maintain the funding level from Matrix at a sum greater than \$200m irrespective of whether it needs the cars. This goes a long way to explaining why, despite the reduction in the size of the public sector - we have seen it reduced by between 12 000 and 15 000 employees since 1993 - the value of the funding agreement has increased since 1993 as has the number of cars in the public sector. That is a silly situation to be in but it is where this Government is at. The funding model is based on a number of economic assumptions and, as I understand it, if those assumptions are proven incorrect, that will result in large costs to the Government. The contract relies on prompt payment of rentals and prompt return of vehicles. If government agencies are late in returning their cars to the State Supply Commission, they become liable to pay the expected or estimated sale proceeds of the vehicle. That has cost many government agencies a lot of money in the past. This demonstrates that we do not know how many vehicles are being returned late by government agencies and invites the question why, at the end of the day, is the Government bearing this risk? The return on retiring vehicles has been significantly lower than anticipated when the leases commenced. The resultant reduction in the amount of money received for the resale of the cars has led to an increase in the lease rates within government agencies. Once again, the Government is bearing the risk of that. The total sale shortfall was almost \$8m as at January 1998. The resultant adjustments were adding something in the vicinity of \$90 000 to the monthly fleet rental bill. This is a sum which is growing rapidly, once again raising the question of why the Government is bearing this risk.

The agencies' responsibilities are many. They include the cost of funds for the purchase price and any vehicle modifications and accessories, the cost of fuel, repairs and maintenance, and costs associated with the sale of the vehicles. It begs the question of why the Government should carry the responsibility of selling vehicles it does not own. Once again the Government is bearing the risk.

In addition, the Government has allocated fleet managers, and there are a number of contracts for this fleet to be managed. However, if the fleet is not managed properly and there is what is known as unfair wear and tear on government vehicles, the agencies must pick up the tab. That means that the Government - or, more importantly, the Western Australian taxpayers - is still bearing the risk. Government agencies are billed by these fleet management companies on a monthly basis, which means that within the government agencies, resources must be allocated to the task. The simple fact is that all government agencies have staff allocated to oversee the fleet management process. Therefore, it is a duplication of what the fleet managers should do. It is estimated that the cost to government agencies of managing the fleet managers is well in excess of \$1m. We should ask what the cost is to government of managing the fleet managers. These are the sorts of hidden costs that are not factored into this contract.

Government agencies are paying for vehicles returned in poor condition, unfair wear and tear, State Government Insurance Office autochecks, penalties for vehicle rents not paid on time, and the list goes on. The vehicle disposal contract, for example, was awarded to one auto auction firm, WA Auto Auctions. There is a compelling argument that if a company has a monopoly, as does WA Auto Auctions, in the disposal of government vehicles, it may not be trying as hard as it should be to secure the best return on government vehicles. Therefore, it may not be maximising the return potential to Western Australian taxpayers.

There are many unanswered questions surrounding these three contracts, which have an enormous value of \$400m to \$500m to Western Australian taxpayers. We should have the contract details. We should see the contract. We want the Government to come clean and honour its commitment about open and accountable government. The bottom line is that we are stuck in a contract which is already in its third year of operation. It is starting to cost Western Australian taxpayers. It is already running at a loss. We know that there has been a cabinet minute to salvage the situation. We want to know what are the costs to government, what are the real costs to Western Australian taxpayers, and how much it will cost to get out of this contract, because it seems stupid to continue a contract which in its third year is operating at a loss but which requires a nine-year notice period to get out of it. We want from this Government the truth about these contracts. This contract should be investigated by the Standing Committee on Estimates and Financial Operations. The Government should table all three contracts in line with its promise of open and accountable government.

The fact that this Government has been so quiet on these contracts is a worrying and concerning signal. It is high time that the Government came clean and did the right thing on behalf of Western Australian taxpayers, because when it comes to the crunch the Government does not have enough money for voluntary school fees and it does not have enough money for

X, Y and Z. However, it has plenty of money to waste on bad contracts. We want to know what is in those contracts. Therefore, I invite the responsible ministers to do the right thing, and the Premier, as the minister responsible for public sector management, to table the contracts.

HON MAX EVANS (North Metropolitan - Minister for Finance) [3.54 pm]: I thank the member very much for raising this subject, on which I am very pleased to speak.

Hon Tom Stephens: Were you not the Minister for Finance when this dud contract was written?

The PRESIDENT: Order! The Leader of the Opposition will get his chance later.

Hon MAX EVANS: The motion refers to the word "Matrix" and the financing of the whole deal. The member mentioned many other matters and got off the subject altogether. However, she was not pulled up for that.

In May 1998, the Auditor General compiled a report entitled "Selecting the Right Gear - The Funding Facility for the Western Australian Government's Light Vehicle Fleet". Dealing with fleet financing and leasing, the report states on page 11 -

The sale and leaseback of the fleet had the objective of obtaining interest rates for vehicle funding below the current rate at which Treasury can borrow. The fleet lease agreement has met this objective.

I repeat that the fleet lease agreement has met this objective; in other words, money has been borrowed at a lower rate than the rate at which the Government could borrow. The report continues -

Savings, measured against a Treasury benchmark interest rate, approximate \$4.87 million per annum, about 20 per cent of rental costs.

Hon Ljiljanna Ravlich: Just table the contract.

Hon MAX EVANS: There is a freedom of information inquiry. The member should wait her turn and see what happens. I am not tabling any contract. This part of the debate is not for that purpose.

Several members interjected.

Hon MAX EVANS: Would you keep members opposite quiet, please, Mr President?

The PRESIDENT: Order! I will keep people quiet if the minister does not respond to the interjections. Hon Ljiljanna Ravlich will get a chance to wind up if we do not run out of time. She should not out-do her welcome now.

Hon MAX EVANS: The report continues -

The funding agreement is underpinned by a number of assumptions. Should these assumptions prove incorrect the benefit to government could be reduced or the agreement could be terminated. Significant revision of the corporate tax structure is the major risk faced by government.

That is not what we are talking about today. That has not happened. What has affected price is another matter. It continues -

Rigorous management of the vehicle fleet must be maintained if the full benefit to government is to be realised.

The Government has had to make agencies fully responsible for the quality of their vehicles and the condition in which they are returned. I understand some members' vehicles are not returned in very good shape. I do not know who must pick up the difference on that. However, that must be picked up. If the staff of agencies do not properly look after their cars, the agencies must pick up the cost. Now the cars must be sold on time. We hand them in good marketable condition to WA Auto Auctions. Long before I was in this job, in the old days at Karrakatta or at the other yards, one would receive a car without plates. One would then be required to get a temporary permit before getting the car. The car would be taken over the pits to be checked out, and then a person could get the car licensed. This system has made the sale of vehicles much easier. People come to get their cars, hand over the money and drive away. That was not possible under the agreement under which the Labor Party operated in the old days. Members should not forget that when the Labor Party was selling the cars previously, people had to go to the government yards, auctioneers came in, and people had to get temporary plates.

The report continues -

Until recently, most public sector agencies met their vehicle needs by purchasing vehicles. Funds were allocated to agencies from the then Consolidated Revenue Fund or agencies purchased vehicles from funds generated from their operations. Funds recovered when vehicles were sold were returned to the Consolidated Revenue Fund if the purchase was funded from that source.

The greatest fraud that went on in 1991-92 and 1992-93 was when the Labor Government capitalised \$50m worth of cars. It brought in the revenue from the sale of cars and spent it on recurrent expenditure. They are the facts. The Labor Government wasted money. It could not even run a tap. That is what the Labor Government did. We have changed that and we have financed the arrangement properly. In those days the Labor Government was lucky to make a profit out of selling cars, which is not possible today. It fiddled the books for two years in a row - \$50m one year and \$50m the next year - to bring the extra revenue into recurrent expenditure.

The report continues -

In 1993, the then Department of State Services (DoSS) put a fleet leasing arrangement known as 'FleetWest', in place. . . . FleetWest rented vehicles to agencies, generally for periods of two years or 40 000 kilometres.

As a point of interest, I add that members are lucky to have a car provided by the Government. If it were not for me, they would not have that. They would own their own cars and get \$1 500 for replacement costs. I talked the Labor Government into doing that. That is the reason members have government cars today. Now we will have to pay sales tax, and Hon Ljiljanna Ravlich has complained about the extra cost. She should move a motion because sales tax is paid on members' cars. They should be required to own their own cars and not have a leased vehicle provided by the Government. If the member moves a motion to that effect, I will be pleased to hear it. It will not be a fraud then. If she wants to save us money, she should own her own car.

Hon Ljiljanna Ravlich: You are in big trouble.

Hon MAX EVANS: No, opposition members are the ones in trouble. They would not have a clue how to do this.

Since the facility was introduced, the second-hand market for vehicles has fallen sharply. Auction prices for Holden Commodores, for instance, have fallen by \$3 000, or 15 per cent, and similar falls have been recorded for other vehicles in the fleet. These reductions in second-hand values have naturally been reflected in the lease costs of vehicles, which have in recent times increased significantly. When this facility started, we sold the cars at a small profit. LTDs were sold at a large profit.

As members know, since the Asian financial crash the price of Hyundai, Kia and Daewoo cars has dropped substantially. It has also had a major effect on the prices of not only new cars, but also second-hand cars. The introduction of a goods and services tax is also expected to reduce the value of second-hand motor vehicles, as vehicles are now being leased for periods that will apply beyond the introduction of the GST. These impacts have also been reflected in lease costs. Some significant increases in the purchase price of government vehicles have occurred over the period. In the motion, the member referred to the Matrix fleet arrangement. That relates to the cost of financing and money, not the cost of vehicles, or sales or any losses that have occurred. Those are completely different matters, and she should have stuck to the subject of the debate.

Currently the lease cost of a Holden Commodore is \$335 per month for a 24-month term, and for a Falcon Forte it is \$376 per month. When the facility was first introduced these lease costs were \$257 and \$276, respectively. Currently, lease costs for a Commodore compare favourably with outside market rates, and are either broadly equivalent to or better than the relevant figures for other State Government leasing arrangements. The deterioration in the second-hand vehicle market would have had the same impact on the cost to the Government, had it continued to fund the acquisition of vehicles, and I stress that. Indeed, the benefits of the tax-effective funding relate to the financing costs in the arrangement and not to second-hand vehicle prices. The Government is currently using PricewaterhouseCoopers, Williamson Nance Pty Ltd, to conduct periodic assessments of the benefits of the leasing plan.

Hon Ljiljanna Ravlich: Is this contract running at a profit?

Hon MAX EVANS: The Matrix arrangement is running at a profit. We are spending less -

Hon Ljiljanna Ravlich: Two others are not running at a profit. Is that what you are saying?

The PRESIDENT: Order! Hon Ljiljanna Ravlich will come to order. I have asked the minister before to direct his comments to me, and I will not interject.

Hon MAX EVANS: Mr President, I know you will understand what I am saying.

The PRESIDENT: Order! I am not part of the debate, so it does not matter whether I understand it; it is a matter of whether the minister breaches the standing orders. I ask Hon Ljiljanna Ravlich not to interject because she is wearing out her welcome.

Hon MAX EVANS: The cost of leasing these cars through the Matrix group is lower than would be the case had the Government provided the money. The situation involved in getting cars ready for auction always applies, whether the contract is being undertaken by fleet managers or anyone else. If badly damaged cars are put up for auction, their selling price will drop. The Government has required the Matrix group to bring the vehicles up to a reasonable standard before they are put on the market, and that is how it should be. The fleet manager should be responsible for that.

Hon Ljiljanna Ravlich: You got into a contract for a manager to run it. If it was doing its job, the Government would not have to pick up the risk.

Hon MAX EVANS: The member is very strange today. The Matrix arrangement is all about financing cars. It has been done in most other States. One other State which has gone with the Matrix system is doing similar deals with its cars. A saving of \$4.57m per annum can be made in interest rates alone under this process. Even allowing for the interest rates that are involved in the Matrix process, we still achieve a better result. In 1996 we had to pay sales tax on anywhere between 1 000 and 10 000 government vehicles. If the member thinks this system is unfair because it is costing the Government more, perhaps she would care to hand back her car and obtain a payment of \$1 500 each year towards the replacement cost of a vehicle. Of course, that amount will not go very far because it will be taxed at 50¢ in the dollar, giving only \$750 towards the replacement cost of a car. I stopped that system many years ago. The financing of the leasing arrangements for government vehicles is important and the management of the cars must also be handled properly for the long-term benefit of the Government. I stand by the Matrix deal, the subject of the motion.

HON N.D. GRIFFITHS (East Metropolitan) [4.03 pm]: I find this debate interesting. It is the first time I have seen the Minister for Finance being as personal as he has been towards one of his colleagues, albeit one on this side of the House. It seems to me that indicates that the minister, as the motion correctly points out, is at fault, along with his colleagues the Premier, the minister responsible for public sector management, and the Minister for Works. These contracts involve the public of Western Australia being taken for a ride. There are two clear indicators of that: First, the regrettable display of anger we have seen from the minister, and second -

Hon N.F. Moore: We can't blame him, with the constant interjections.

Hon N.D. GRIFFITHS: Here we go again. Those opposite just cannot listen to commentary contrary to their points of view. I listen to those opposite when they have something to say; I do not interject too often and I do not mind the minister's interjecting too much.

The second indication is that when those opposite are caught out they say, "Look what happened in the 1980s". This happens to be 1999. A Government has something to hide when it continues talking about events which took place, to a degree, 10 years ago. This Government's defence of the present is to cast a view on the past. When members opposite do so, they fail to look after the future for the people of Western Australia. The facts are these: As the motion correctly points out, three ministers have failed to carry out their duties properly: The Premier has failed to provide the necessary leadership and the Minister for Finance has failed to exercise the necessary financial expertise which his colleagues say he has, and I trust he has. They have failed to carry out their duty to safeguard the public interest, and they have done that for the reasons Hon Ljiljanna Ravlich has pointed out.

The genesis of these arrangements was the Report of the Independent Commission to Review Public Sector Finances, the McCarrey report, which brought down a number of recommendations, some of which were sound and some of which were purely ideological. In this case, it is a bit of both. In suggesting that ownership of government vehicles be transferred from the government sector to the private sector, the McCarrey report made a number of observations. I refer to page 117 of volume 2 of the report, which states -

Arrangements can be entered into which result in the risks of ownership of vehicles being transferred from the government to the private sector.

On the matters investigated by Hon Ljiljanna Ravlich, clearly that has not occurred. What has occurred is that ownership has been transferred from the government sector to the private sector, but not in accord with the bible of the Liberal-National Party coalition Government, the dictum that "arrangements can be entered into which result in the risks of ownership of vehicles being transferred from the government to the private sector". On the same page of the report, reference is made to the principal objective being to place the State Government motor vehicle fleet on a fully commercial basis to minimise costs of acquisition, management, maintenance and disposal. Other matters are referred to which lead to that. It is a worthy objective to save money and produce better services for the community. It is a very worthy objective for a Government to concentrate on what it decides to be government business. We on this side of the House differ from those on the other side as to the scope of government; however, it is not an appropriate course of action - under the guise of trying to save money - to move to a contractual situation where the risks of ownership remain with the public sector, although the ownership has been transferred to the private sector. That is fundamentally wrong, and it is at the core of what the member has put to the House.

The Minister for Finance made a number of references to Report No 2 of the Auditor General entitled "Selecting the Right Gear - The Funding Facility for the Western Australian Government's Light Vehicle Fleet". As a result of a number of indicators in that report, Hon Ljiljanna Ravlich asked a number of questions. She followed up on the matters referred to in the report in a proper way and the questions she asked led to answers which have disclosed a number of deficiencies in these contractual arrangements which this Government has sought to cover up. The Auditor General's report warned of a number of things. The minister, in delivering his comments and making reference to the Auditor General's report, failed to deal with those warnings. However, he mentioned the taxation issue. This Government embraced so-called free market economics, it embraced the notion of smaller government, and it embraced the proposition of a goods and services tax. The Minister for Finance and his colleagues are on record endorsing and supporting a GST; a GST will occur in Australia at the commencement of the next financial year. However, the imposition of the GST will create many difficulties in a number of areas of our economy. One area of difficulty for the past few months which will continue to cause difficulty relates to motor vehicles and is relevant to the matter under discussion as it affects a risk to the public sector - the people of Western Australia - whose interests these three ministers should have been safeguarding. People who are considering purchasing motor vehicles are putting off those purchases because sales tax will be abolished when the GST is implemented and that should, subject to there being no profiteering, lead to a reduction in the value of motor vehicles in dollar terms. That has caused a collapse. The word "collapse" may be a little strong.

Hon Max Evans: You are going through the cycle of buying cheaper cars.

Hon N.D. GRIFFITHS: It has caused a substantial reduction in the sale of motor vehicles in recent months. Reference is made to a cycle; however, this is more than cyclical. This issue concerns the difficulty of imposing a GST but not addressing the fact that in this area of the economy currently a higher tax regime exists. It would be a simple matter for this minister, his other two colleagues mentioned in the motion and his backbench to lobby their federal colleagues to do something about this so that the risk may be somewhat diminished. However, the fact of the matter is the GST has been embraced and the contract does not allow for this.

HON KIM CHANCE (Agricultural) [4.13 pm]: I did not intend to engage in this debate. However, it is an issue which

I first brought to the attention of the House in June of this year during the estimates committee hearings when the Minister for Finance and the Under Treasurer were giving evidence. I referred to a letter which had been sent from the Under Treasurer to the chief executive officers of agencies which had substantial vehicle fleets. I think the letter which I had was addressed to the Commissioner of Health. It gave an example of the scale of the increase of the fees that we have seen. I apologise if someone has mentioned the scale previously. I did not hear anybody say it and I have searched through *Hansard* to try to find it. It is a frightening scale. I will quote from the Council estimates committee of 2 June 1999 at pages E634 and E635 of the *Hansard*. These are my words but I was reading from the information in the letter from the Under Treasurer to the Commissioner of Health. At page E634 I said -

I understand that to July 1998 the monthly lease cost of a Commodore Executive had already increased by \$78 a month. It will now rise a further \$96 a month from \$156 to \$252 a month and even worse is to come when the GST is applied. I understand that the rate in New South Wales is now \$425 even before the GST has effect.

I then asked the Under Treasurer whether, given the fact that he was understandably concerned about this issue, we would have been better off had we not divested ourselves of the ownership of the vehicle fleet. Mr Langoulant then used words similar to those which the Minister for Finance has already quoted from the Auditor General's report.

Hon Max Evans: He was not quoting the cost of cars in that.

Hon KIM CHANCE: No. Mr Langoulant went on to explain that the cost of finance has been established to be cheaper than that available to the Government.

Hon Max Evans: Yes.

Hon KIM CHANCE: I find it surprising but I accept it if that is the opinion of those two gentlemen. However, we must look at the whole dynamics and the concept of a State Government relying on a private lease agency to provide all of our vehicle needs. I can understand that one would want the flexibility of a leasing facility for specific areas of the fleet. However, in the base-load facility would the vehicles most commonly used by the State Government not be more efficiently owned than leased? Notwithstanding that the evidence before us - even though I find it surprising - shows that the cost of finance is cheaper to a lease company than it is to government, other issues go beyond the finance cost, relating to the desirability of the State Government's owning its own fleet. However, it seems that a decision was made by the Government to make the change from an owned fleet to a leased fleet and that decision has essentially blown up in the Government's face. I will go through the scale of increases again.

Hon Max Evans: These costs would have gone up regardless of the leased price of money. They are all costs that come back to a change in the market.

Hon KIM CHANCE: I am not sure that is correct in the trade-off between leased vehicles and owned vehicles. What we are looking at is the matrix outcome of the effect of the reduced sale price of the second-hand vehicles at the end of their term. That factor is built into the basic matrix mathematics of the original cost price and is calculated on a monthly basis. That tends to exaggerate the effect because in a fleet arrangement, with the number of cars the State Government had, it is replacing cars on a monthly basis and that tends to give the effect of the good balancing the bad. It is a swings-and-roundabouts situation. As vehicles are being traded constantly there is the effect that, while losing on the second-hand car market, the factors driving down the second-hand car price also impact upon the new car price and drive it down. It is the same as trading any other commodity. As long as you are trading every day of the week -

Hon Max Evans: Up until 1993, when there was no sales tax on the cars, nearly every car was sold at a profit. It is a difference.

Hon KIM CHANCE: We have different arrangements now. It seems, despite the Minister for Finance's defence, that we made a mistake entering into those arrangements. While I believe there is scope for car leasing within the State Government fleet, a mistake was made in turning over the whole fleet to a leasing arrangement. The letter from the Under Treasurer to the Commissioner of Health and other chief executive officers is reasonable evidence that a mistake was made.

HON LJILJANNA RAVLICH (East Metropolitan) [4.21 pm]: Nothing that the Minister for Finance said has reduced my alarm about these arrangements. He argued that the financing component stands alone. However, one must look at the entire package. The total cost of taking the vehicle fleet out of government hands and putting it into private hands includes the cost of financing, management and disposal. The minister alluded to the fact that the financing component was not running at a loss, but that the other two components might be.

Hon Max Evans: That is because the price of cars is dropping ahead of the goods and services tax. It would have happened whether we owned the cars or leased them.

Hon LJILJANNA RAVLICH: Western Australian taxpayers have a right to know how much has been lost through the funding facility. I understand there was supposed to be a profit of \$8m to \$10m and already it is running at a loss. The minister now says that the fleet management contract and that vehicle disposal -

Hon Max Evans: Cars are selling at a loss.

Hon LJILJANNA RAVLICH: Details are needed, minister. The contracts must be tabled in the House. I am sick and tired of listening to government members say that there are no hospital beds, that they are closing down schools and that they cannot put on more buses while, at the same time, contracts are losing money hand over fist. This Government carries on about accountability and transparency but it will not table one contract. Time and again I stand in this place and ask the relevant ministers to put that information on the Table and they refuse.

Several members interjected.

Hon LJILJANNA RAVLICH: We know there are major risks associated with these three contracts. We know that the State bears all the risk. We want an up-to-date figure that shows how much this bad decision making is costing Western Australian taxpayers. We know that some people in Government - and possibly the Under Treasurer - will end up with egg on their faces as a result of having to go down this path. If that is the case, then so be it, provided the best outcome is reached; that is, the Government should say that it has made a mistake. If these bad decisions are denying Western Australian people hospital beds and access to better educational facilities, then the Government should have the nerve and the decency to say it made a mistake. The Government should address the situation by getting out of these contractual arrangements and entering into something more cost effective.

Hon Ray Halligan: Are you going to apologise for the previous Labor Government?

Hon Kim Chance: We did not make the mistake.

Several members interjected.

Hon LJILJANNA RAVLICH: The bottom line, as Hon Kim Chance explained, is that many additional costs have already been shifted to government agencies. These agencies are stuck with these additional leasing costs. At the end of the day it is the same as if the Government is paying the money. There needs to be greater respect for Western Australian taxpayers. It is time the Government stopped crowing about accountability and laid these contracts on the table, and let Western Australian taxpayers decide if they are cost effective. Ministers responsible know they are hiding behind the issue of commercial confidentiality. They know they have mucked up the contract and that there are problems with it. They are refusing to do anything about it. That is not good government.

Motion lapsed, pursuant to standing orders.

ADDRESS-IN-REPLY

Amendment to Motion, as Amended

Resumed from 19 August on the following amendment moved by Hon Bob Thomas -

That the following words be added to the motion, as amended -

And further advises His Excellency of the Legislative Council's concern with the failure of the Liberal National Party coalition Government to properly handle the RFA process and, in particular, its failure to meet the needs of timber industry workers, their families and their communities who are adversely affected by the outcome.

HON LJILJANNA RAVLICH (East Metropolitan) [4.27 pm]: At the conclusion of my remarks at the last sitting I pointed out that I support the proposal for a south-west industry development fund. There is a need to build on existing industries in the south-west and to establish new value-adding industries. The tourism and wine industries may not be a viable alternative. There is a prevailing view that it does not matter what happens because people will find jobs in the tourism industry. I have concerns about the ease with which those statements are made because, while the tourist industry provides opportunities, they are often short-term or seasonal. I am not convinced that there are enough jobs to facilitate the transition of timber workers. We need to be very careful about assessing the potential for employment opportunities in the south west.

Certainly there should be ongoing consultations with those people who are affected and also the industry sector in that region to ensure that a viable alternative is available for the families, in particular the heads of those families, who find themselves in that situation. Where is the social dividend for those people in the south west communities? The simple fact is that a number of projects are due to come on line, some of which may provide employment opportunities for some of the people from the south west communities, but I have concerns about that. For example, \$192m is allocated to the Barrack Square project, which includes \$5.5m for the belltower which the Government has signalled it will build. In addition, \$200m has been allocated for the Jervoise Bay project, \$50m for the Victoria Quay redevelopment in Fremantle, and \$70m for the Narrows Bridge expansion. Unfortunately, we are seeking alternatives for timber industry workers at a time when the construction industry in this State is pretty depressed. Perhaps, if it were not quite so depressed, some employment opportunities would be available in that sector. However, that is not likely to be the case. I know of many doggers, riggers and scaffolders who are finding it difficult to get employment. There is a problem, which is compounded by the fact that many rural communities are experiencing major difficulties at this point because of rationalisations, privatisations and reductions in services, particularly government services. As a result, many of these communities are in a downward economic spiral whereby, rather than there being a positive multiplier effect, there is a negative multiplier effect as a result of cutbacks in other areas, reductions in employment opportunities and the like. The communities are experiencing major difficulties at this time.

I now touch on the Regional Forest Agreement process which commenced in 1996. I make the point that insecurity is nothing new to many of the timber workers, and they have had to live with that for a considerable length of time. Many of them have now had three years of insecurity and it must be an awful situation for them to be in, when they do not know whether they will be able to meet their mortgage repayments or enjoy the coming Christmas and new year and all that goes with it. I imagine that the level of stress within some of those communities is exceptionally high. Obviously, a high level of uncertainty creates a stressful situation, and causes major anxiety. Along with that comes a range of other associated problems. I am not sure whether the Government has addressed the question of providing family support and counselling

services in the affected communities to ensure that south west communities have access to these specialist services, given the very special circumstances in which they find themselves as a direct result of this Government's policies.

The Premier has failed to provide security for timber workers and south west communities, because when he announced the revised RFA he did not have an employment and industry restructuring plan in place to assist timber workers. People should now, quite rightly, ask - as I am sure many people in the south west are asking - where the industry restructuring plan is. They have a right to be angry with the Government because it made decisions based on political expediency without necessarily thinking through the consequences of such decisions. It now finds itself running around trying to salvage the situation. Nothing I have heard so far indicates that the Government has come up with a concrete solution to the current problems.

It is hard to ascertain exactly how many people will be affected by this Government's revised policy on the RFA but, according to the public consultation paper of the Department of Conservation and Land Management, 2 400 people are directly employed in the native timber industry and another 2 928 are indirectly employed. That means approximately 5 300 individuals are affected by this policy, and that is not an insignificant number of people. Most of those individuals could be expected to have a spouse and perhaps children, and these dependants obviously have needs. It is a serious situation which is begging for solutions, and it is disappointing that those solutions do not seem to be forthcoming.

The Premier announced that no jobs would be lost as a result of the RFA because the Government's restructuring measures would pick up 400 workers who would be displaced by the RFA. However, this involves many more than 400 workers. It is about time that the Premier provided the communities of the south west with some answers to some fairly important questions, which are critical questions in terms of the future of the south west communities and the people who make up those communities. For example, we need to know what the Government intends to do to protect the financial investments made by timber communities. Many of these people face not only no employment and an insecure future, but also residence in a community which may not be an attractive tourist destination. The community may have been held together by mainly the timber industry. They now find, on top of everything else, that their home prices are likely to drop, which must be a fairly horrifying position to face. It has been put to the Government that perhaps it should consider subsidised housing loans for individuals most affected. Under these special circumstances, affected communities and individuals within them have every right to make that request of the Government. I am sure they await the Government's response.

We need to know whether those workers without jobs will be provided real opportunities. For example, some of the men involved might have been able to re-train as doggers or scaffolders through short-term courses, and then they would more readily find employment if the building industry were booming. However, no jobs are to be found in that industry. Wine production, grape growing and the tourism industry are seasonal. Therefore, it is beholden on the Government to find out what meaningful work can be provided. Few forestry workers will be excited to be told that they will spend the rest of their lives planting trees.

It is a matter of finding out the expectations of the affected people, and what the Government is prepared to do to fulfil those expectations. Enough of that work has not been done. The Government has the view that it collectively knows what is best for everybody, rather than talking to people to obtain input and to canvass a range of creative ideas. Sometimes, as that level of communication does not occur, the Government ends up with a fairly narrow focus. I implore the Government to talk to families concerned about the needs of the displaced timber workers so it can work towards a solution to the problem.

Hon Barry House: Do you think it is not happening?

Hon LJILJANNA RAVLICH: I sense that it is not happening.

Many of the affected workers will need proper retraining, but any retraining must be for productive employment. I will be the first to jump up and down and object to short courses being offered to these blokes if they are then left pretty much to their own devices. When the Government undertakes a restructure or engages in activity which leads to the displacement of workers, it has a moral obligation to ensure that affected workers find long-term and meaningful employment which offers them and their families the security they rightly deserve.

Other people are affected by the revised RFA decision; namely, the business communities in the affected towns. I am sure many people in those communities are keen to find out how the Government proposes to assist them in dealing with the impact of the RFA restructure on their businesses. I have not heard much from the Government on that matter.

The people of the south west region and the affected timber workers are a very special case. These individuals have a strong commitment to the community in which they live. Some do not have high skill levels and may be limited in the type of work in which they can engage. Nevertheless, they have proven through their service to the company for which they have worked for long periods that they are dedicated and hardworking employees. These people should be a priority for the Government.

A promise was made in the coalition's south west policy in its election platform in January 1993 that the coalition would provide 4 000 new jobs in the south west in its first term of government.

Hon Barry House: I think we missed out on that - we created about 8 000 jobs!

Hon LJILJANNA RAVLICH: That is not correct. Members opposite have done nothing. The coalition Government has torn the heart out of regional communities. That cannot be disputed. There are no banks, and some south west communities are like ghost towns when one drives through them. Members opposite are in constant denial about what the Government has done. The Government promised 4 000 new jobs in the election platform in 1993, but it has only taken away jobs.

It gives me pleasure to support the amendment moved by Hon Bob Thomas.

Debate adjourned, on motion by Hon Barry House.

WORKERS' COMPENSATION AND REHABILITATION AMENDMENT BILL (No. 2) 1999

Second Reading

Resumed from 19 August.

HON N.D. GRIFFITHS (East Metropolitan) [4.49 pm]: I have been asked to be the lead speaker for the Australian Labor Party Opposition on this Bill. It is a short Bill with a short second reading speech but a long history.

Hon N.F. Moore: Will you talk about the short bit?

Hon N.D. GRIFFITHS: I will indeed talk about the short Bill.

I have learnt something of the history and how it occupies the minds of many in this Chamber. It is something in which I have a great interest. When the Bill came before the House in the last sitting week, it did so with little fanfare; it did so because it was only shortly before the Bill came before the House that those who have the handling of this area of policy on the part of the Government realised that such a Bill had to come into being to deal with the issue of redemptions because it could not be dealt with by way of what is contained in Order of the Day No 3. That illustrates what has gone wrong with this process and why this Bill is very necessary. The Bill is necessary because redemptions are an essential part of the process of rebuilding a viable workers compensation system. We do not have a viable workers compensation system in Western Australia; we do not have a stable, sustainable workers compensation system; we do not have a system which properly permits decent compensation for injured workers; we do not have a system which enables businesses to plan or in fact to deal with the present; we do not have a system which protects small businesses and people who run charitable institutions and who therefore employ others and people who in everyday life find themselves in retirement villages and are part of a corporate structure and as such know that workers compensation premiums go up significantly and they must bear the cost. The difficulty our community has with workers compensation premiums is shared by people from all walks of life. It is not merely a matter that concerns those who are commonly described as stakeholders; it concerns potentially everybody in employment, it concerns everybody who is an employer and it concerns people who are retired. It impacts directly on many people and it impacts indirectly on everybody in the community. Therefore, this problem needs to be fixed up. It is disgraceful that it has not been fixed up so far. There has always been an easy part of the problem to fix up and we are dealing with it now.

Hon B.K. Donaldson: You knocked it back a while ago.

Hon N.D. GRIFFITHS: We did not. I will seek to address the Bill before the House and to restrict myself to the facts rather than to engage in an exchange of rhetoric with those opposite who suffer from deep guilt, as they should.

Hon B.K. Donaldson: Read the report of the Legislation Committee.

Hon N.D. GRIFFITHS: I can assure the member that in the course of this debate reference will be made to the report of the Legislation Committee. I want, through you, Mr President, to invite the member opposite to focus his mind on the Bill. I will refer to the second reading speech of, I think, the Attorney General. If that is so, it must be the Attorney General's shortest speech.

Hon B.K. Donaldson: It was a message.

Hon N.D. GRIFFITHS: I can assure the member that it was a second reading speech. He may have been asleep but I was not.

There are two aspects about this speech and the Bill to which it refers. First, the Government was taken by surprise when it realised this was the way it had to do it. That underlines its shoddy management of the issue. Second, after great delay the Government finally, in this House, is to act on something that it should have acted on a long time ago. The Australian Labor Party wants our workers compensation system to be stable and sustainable. It always disagreed with the removal of redemptions, which took place in 1993. It has consistently expressed its support for the reinstatement of redemptions and has consistently pointed out that one of the great problems with our workers compensation and associated common law costs is the removal of redemptions. It has consistently pointed the finger at those responsible for the removal of redemptions and thus responsible to a significant degree for hardship being suffered by small business people, their families and prospective employees, as it is an employment inhibiting factor. They are responsible for the hardships being suffered by those involved in running charitable institutions and those who find themselves as part of a corporate structure in retirement villages and the like. The person primarily responsible is the Minister for Employment and Training, the member for Riverton, who had the Attorney General speak for him in this House.

Those changes took place in 1993. Anyone with knowledge who was concerned for the welfare of the workers compensation system and who really wanted a viable, stable and sustainable system which provided decent compensation arrangements to injured workers and which did not impinge on the viability of our business community by having premium rises of the kind that have occurred, warned against this stupid action by the Government of the day in 1993. They warned against it because it was patently obvious that it would affect the ongoing costs, whether to do with the costs of medical practitioners, rehabilitation or associated matters. The fact that a file is kept open has the effect in many instances of increasing legal costs. In the whole spread of areas covered by financial factors to do with workers compensation, it was patently obvious that to

remove redemptions meant that we would be preventing people from getting out of the workers compensation system at the right time.

[Continued below.]

[Questions without notice taken.]

SOUTH EAST OMNIBUS No 4 METROPOLITAN REGION SCHEME AMENDMENT

Statement by Attorney General

HON PETER FOSS (East Metropolitan - Attorney General) [5.34 pm]: The south east districts amendment No 4 deals with 25 minor and six significant additions, and rationalisations of zones and reserves in the Armadale, Belmont, Gosnells, South Perth, Kalamunda and Serpentine-Jarrahdale council areas. The minor amendments relate to adjustments in road reservations, parks and recreation reservations and rezonings of various urban, industrial and rural zones.

The major amendments involve additions to the waterways reservation at Victoria and Wungong reservoirs, additions to parks and recreation reserves at the Canning River in Welshpool, reclassification of several railway spurs in Welshpool to industrial zone, and realignment of Armadale Road and Ranford Road.

The amendment was released for public submissions from November last year for three months. There were 39 submissions. Thirteen submissions contained support for one or more of the proposals, 19 contained objections to one or more proposals and 10 included comments on only one or more proposals. Those attracting most submissions were the zone changes of the railway spur lines at the Kewdale marshalling yard to industrial zone and the realignment of Ranford Road. Most concern with the railway line rezoning revolved around a drain running alongside the line.

Mills Street residents supported calls by the City of Canning and the Canning Catchment Group for a water sensitive design to be incorporated in the rezoning and the area reserved for parks and a bird habitat. However, the WA Planning Commission received advice from the Water Corporation and the Swan River Trust that appropriate levels of land were being bought from Westrail and there was no value in retaining this portion of land.

No submission on the Ranford Road realignment suggested the change should not go ahead; rather concerns were raised about compensation, environmental issues and the alignment. As a result of the submissions, the Ranford Road alignment is to be changed to preserve a landowner's home and the rezoning of a portion of land in Bentley from urban land to industrial has been deleted.

WORKERS' COMPENSATION AND REHABILITATION AMENDMENT BILL (No. 2) 1999

Second Reading

Resumed from an earlier stage.

HON N.D. GRIFFITHS (East Metropolitan) [5.36 pm]: I restart my remarks by stating that the Australian Labor Party supports the passage of this Bill which seeks to make redemptions somewhat easier than they have been as a result of the extraordinary measures introduced and carried in 1993 by the Liberal-National Party coalition Government. Its actions in 1993, in particular that of getting rid of the redemptions, have caused an unnecessary blow-out in the cost of workers compensation and, as a result, unnecessarily high premiums to small business people and other people in the community. The Labor Party wants to rectify that situation and it is being constructive, as it has always been in this area.

The Labor Party has been very keen to have the restrictions on redemptions that were introduced in 1993 removed. It has been consistent in that. Unfortunately, one cannot say that of the Government. As I mentioned earlier, this matter has a history and I will refer briefly to it. The redemptions were removed, notwithstanding that those opposed to the removal knew what would happen. The Government thought it knew best. All those who were concerned for the public interest were opposed to the removal of redemptions, but those opposite were not at all concerned with the public interest. They were concerned with tidying up the books of the State Government Insurance Office to flog it off. That was the Government's primary concern. That event has passed.

The Government knew it had done the wrong thing, so a Bill was introduced in 1995. It would have dealt with the issue of redemptions in a substantial way. The Bill hung around and was not proceeded with. Again, in 1996 nothing happened. Eventually a Bill came before the Parliament and it was proceeded with, but not to any significant extent. One has only to look at the progress of Bills document to see the importance this Government places on the proper management of matters as crucial as the level of workers compensation premiums and the level of benefits received by injured workers. A Bill was introduced in October 1997, and the progress of Bills document indicates that the Bill eventually left the Legislative Assembly on 19 November 1997. In context, that is not a matter of great significance. The Bill came into the Legislative Council on 25 November 1997. Nothing much happened there, notwithstanding the fact that the reality is that the Government controls the Notice Paper even though some silly protestations are made to the contrary. The Labor Party is strict in ensuring that this Government and all future Governments have proper control of the Notice Paper. The Bill left the Legislative Council, fittingly on 1 April 1998, and was not dealt with by the Legislative Assembly until late on 30 June 1998, when the Chamber was about to go into recess. We then had an ambush and the Bill was returned to the Legislative Council by way of a message. It was then referred to the Legislation Committee, which dealt with it and reported. We then had a debate last December, which concluded with the Government, through its spokesperson, spitting the dummy.

Prior to that dummy-spitting escapade, the Minister for Labour Relations said that this matter had to be remedied urgently.

The Notice Paper, which went to several editions, contained a number of matters dealing with members' concerns. The minister said she was very concerned and announced a review in November 1998, and the review continued to be announced by the Attorney General, the person responsible for the legislation in this Chamber. Notwithstanding the great urgency of the matter - it has a degree of urgency because it impinges on the welfare of the categories of people I have mentioned - the review was not set up until March 1999. That review took place and eventually, in July, the minister tabled the report. The report is dated 30 June, but the minister let the world know that she had it in July.

It is interesting that although this document makes many recommendations only one of the recommendations is the subject of the Bill; that is, that dealing with redemptions. This Bill contains nothing relating to the many other recommendations in what has come to be known as the "Pearson report". It contains nothing to address the ever-escalating expenses incurred in obtaining medical reports, treatment, supervision and examination of injured workers. No measures are included to control what some sectors of the medical profession are doing to escalate the cost of the workers compensation system. Those activities have been a significant problem for many years. The Bill also does not deal with the problems injured workers face in obtaining medical reports at a reasonable cost. It contains nothing to deal with the cost to the community, the system and injured workers of the actions of some medical practitioners that are causing massive blow-outs in the system. Those matters are detailed in the Pearson report.

This Bill deals with one very worthwhile issue but does not address a number of others. It is reasonable for those involved in this debate and those interested in it to ask why rehabilitation costs are not being addressed. The response might be that this is a Bill dealing only with redemptions. Why? It has been introduced to deal with an aspect of the Pearson report, but it is regrettable that it is dealing with only one aspect. A number of recommendations in the Pearson report are worthwhile and a Government concerned to act in the public interest would have introduced a Bill designed to fix the mess created in the workers compensation system by the member for Riverton. It would introduce such legislation with the Opposition's support, just as the Opposition supports fixing the redemption mess.

Prior to the 1993 changes, redemptions played a very significant role in the outgoings of the workers compensation system. I refer members to the Pearson report at page 63, which contains the observation -

Redemptions of weekly benefits peaked at \$30 million (or 9% of total cash costs) in 1993/94, and have since slipped to \$54 million (or 1% of total cash costs) in 1998/99.

Page 65 of that report states -

Redemptions of weekly benefits fell from 21% of total real cost in 1982/83 to 10% in 1993/94 and have since fallen to 1% in 1998/99.

All informed opinion has been of the view that the use and encouragement of redemptions is a very worthwhile measure to minimise the costs of the system and thus the premiums that are inflicted upon people. Many people cannot afford to pay the premiums. They have Mr Kierath and the members on the other side who voted for the measures in 1993 to thank for that. They also have the Attorney General - the then Minister for Health - to thank for that. He was the minister responsible for the legislation in this Chamber, and he was wrong.

Finally, after much pussyfooting around and not introducing legislation year after year, we have legislation before us that members of the Australian Labor Party are keen to support. We will do our best to ensure that this legislation is passed, but we hope the Government will not do what it has done previously and spit the dummy for some unrelated reason.

The Pearson report and the Legislation Committee report have provided reasonable critiques of the value of redemptions. The work of the Standing Committee on Legislation should be acknowledged. The committee has consistently examined the evidence in this issue and has come forward with what are for the most part very practical recommendations. More is the pity that those recommendations have been ignored and continue in many respects to be substantially ignored. It is a great pity that sometimes ministers who occupy their positions because of their political influence - we all occupy our positions to a greater or lesser extent because of political influence, but those on the other side of the House are chosen because of their relationship with the Premier - do not take greater notice of members on their side of the House who serve on committees and have shown a willingness to get involved with the issues, to see how they affect people and come up with some very sensible recommendations. It is indeed worthwhile to listen to the other side's point of view. It is often said that not every side has all the best bowlers or batsmen and it is also a truism that no-one has a mortgage on wisdom. There is some wisdom on your side of the House, particularly with respect to this issue but, Mr President, I regret to say - when I said "your side of the House" I was referring to the Government not you, Mr President - that much of that wisdom has not been listened to or, if it has been listened to, it has not been heeded to the necessary extent.

Hon E.R.J. Dermer: The wisdom fails to prevail.

Hon N.D. GRIFFITHS: That wisdom fails to prevail is something we notice in parliamentary life. However, in this case wisdom will prevail because we are urging the Government to get on with the job and deal with the issue of redemptions without further delay because the Government has delayed this for far too long. It is my duty to point out a number of matters before the House concludes its deliberations on the Bill and I will do so. I have already made reference to the Pearson report and its critique of redemptions. The report's reference to a particular submission caught my eye. It is on pages 88 and 89 and is an extract of the evidence of a solicitor to the Standing Committee on Legislation. What this man had to say is very pertinent; it illustrates an area where redemptions are very useful. It also illustrates the fallacy of the Government's approach in 1993, and may I say the continuing fallacy of the Government's approach because it has not fixed the matter, to the great cost of all concerned. The solicitor made an observation that -

... many of the so-called common law claims going through the second gateway are in fact redemptions dressed up in common law clothes. In the vast majority of cases they are initiated by the insurance companies who are desperately trying to bring finality to these claims despite Mr Kierath's unworkable 1993 legislation.

Hon Peter Foss: Are you quoting the Auditor General?

Hon N.D. GRIFFITHS: No, I am quoting from the evidence of a solicitor to the Standing Committee on Legislation. This evidence was so poignant that the Pearson committee thought it appropriate to quote it in its report. The gentleman's observation continues -

... It is simply a situation where the parties might agree to disagree and the Defendant lawyer (insurance company) will agree to deal with the matter by way of a consent judgement because redemptions have all but been abolished.

It was always the defendants, the insurance company lawyers, that pushed people to common law. Many people who have acted for workers over time have noted that they were dealing with workers compensation matters but those acting on behalf of insurance companies wanted an extra bit of insurance which excused them for some negligence, which was never the case. That had and, as this witness points out, continues to have, the effect of driving up the costs of the system. Perhaps a proper examination should be made of the real culprits. I have identified one culprit - the minister responsible for the 1993 legislation which restricted redemptions to this degree. Redemptions were not abolished but they were greatly restricted. It seems that sometimes when we have people who are culprits - whether they be insurance company lawyers, elements of the medical profession, the practices of insurance companies or others - they should be identified and the problems they cause fixed up. However, they are forgiven because they are not identified as culprits and the Government is now bringing in a separate Bill to deal with only one aspect of the issue for the reasons I mentioned in my opening remarks. I thought the timing was quite significant. To conclude my quotation of this passage of the Pearson report -

There is no conspiracy about any of this. It is simply a means by which people can get on with their lives and the insurance company can close their file sooner than later.

Hon Derrick Tomlinson: It may not be a conspiracy, but it's a collusion.

Hon N.D. GRIFFITHS: That is an interesting point. It would be wrong to suggest that some instances may look like collusion; it is not a word I would use. It is wrong for insurance companies and those acting on their behalf to dress up something as a common law claim when it is a workers compensation claim. However, frankly, when I was in regular practice it was a very widespread practice indeed.

Hon PETER FOSS: Do you know why? You can always reopen a workers compensation claim but once you had settled a common law claim, it could not be reopened and therefore you got certainty.

Hon N.D. GRIFFITHS: Yes, but the matter was not a common law claim. Insurance company lawyers wanted to be able to tell the insurance company that they had done a super job and given it absolutely certainty although it cost a bit more. Frankly, it was stupid and it is one of the reasons for the situation in which we find ourselves today. Another reason is the absolute arrogance of getting rid of redemptions in the first place. The current redemption regime is set out in section 67 of the Workers' Compensation and Rehabilitation Act 1981. Two restrictions stand out - the permanent total incapacity and the attaining of the age of 55 years. What we have before us will open up redemptions.

Sitting suspended from 6.00 to 7.30 pm

Hon N.D. GRIFFITHS: The Attorney General stated in his short second reading speech that, "This reflects the recommendation of the Pearson review of workers compensation." He then stated what the Bill would do. It is true that the Bill reflects a recommendation of the Pearson review of workers compensation. However, unfortunately it does not reflect and fails to implement many of the worthwhile proposals in the Pearson review. It is appropriate that I refer to those matters in the Pearson review that a Bill that was dinkum about fixing up the Kierath mess would include. A Government that was truly concerned about the public interest and about the interests of injured workers and of those who need to pay the Kierath-induced premiums would deal with and be keen to resolve many of the issues with regard to dispute resolution which continue to result in unfairness in the workers compensation system. The Labor Party in government would be keen to deal with this issue as a matter of urgency. Unfortunately, members opposite do not have any interest in this matter.

Recommendation 15, under the heading "Dispute Resolution", states -

The Director (of the Conciliation and Review Directorate) to be satisfied the injured worker has received appropriately qualified advice before the redemption agreement is registered . . .

That is a proper safeguard for the interests of injured workers. The interests of injured workers should be paramount. Unfortunately, they are secondary to the interests of this Government. Recommendation 16 states -

All parties to have the right to legal representation at each stage of the dispute resolution process.

This Bill does nothing to implement that recommendation. Recommendation 17 states -

All applications made under section 60 and 61 be listed for review without the need to go to conciliation and the use of the section 61 notice be encouraged as a form of payment review.

That is an efficiency measure which will be of benefit to all concerned, but, again, this Government has no concern about that. Recommendation 18 states -

Magistrates who hear appeals in relation to section 62 matters in particular but also other matters, be given the power to decide the matter on the facts (where there is sufficient evidence to make appropriate findings) rather than returning it to the review officer.

Recommendation 19 states -

All conciliation and review officers appointed in the future be legally qualified and to have experience in the jurisdiction.

The members of the Pearson committee included Mr Brendan McCarthy from the Chamber of Commerce and Industry of Western Australia.

Recommendation 20, under the heading "Injury Management", states that -

The recently implemented WorkCover injury management programme be rigorously monitored and evaluated. Appropriate performance measurements be developed and implemented. The 6 monthly review proposed under this programme to be used to establish clear outcomes for the programme and to develop demonstrable and measurable outcome-based performance measures and targets. A comprehensive review, based on performance against those targets, be undertaken within two years of operation.

Before I leave those areas in which I believe this Bill is deficient, I must deal with the issue of regulation of insurers. The difficulties with regard to premiums, which have resulted in a campaign to diminish the rights of injured workers, are due to the policies of many people in the insurance industry, the genesis of which was the 1993 legislation. The Pearson committee suggested in recommendations 21 to 23 that measures be undertaken with regard to the regulation of insurers. Recommendation 21 states -

Regulation of the workers' compensation insurance industry to be the function of an independent body reporting directly to the Minister (and clearly separate from the Workers' Compensation and Rehabilitation Commission) on a similar basis to the current Premium Rates Committee. This body is to co-ordinate all regulatory aspects of the industry . . . Once established, the Premium Rates Committee to be abolished.

Nothing has been done to implement that recommendation. Nothing has been done to implement recommendation 22, which states -

A full review of insurance practices, including examination of the stability of premiums, the facilitation of a competitive environment (including bonus schemes for work safety improvement), how to extend self-insurance (including self-insurance for groups of small employers) and the appropriate treatment of employees with poor safety performances and claims histories should commence as soon as practicable.

Recommendation 23 states -

As a minimum, "approved insurers" be allowed to offer all employers the option of taking out an "excess" or "deductible" in return for lower premiums.

The last area I want to deal with is the Workers' Compensation and Rehabilitation Commission. The Pearson report makes four recommendations about this matter, numbered 24 to 27. The Government is not proposing anything with respect to them and, in particular, the Government is not proposing anything with respect to them in this Bill. It is a matter which should be dealt with because it is part of the process of fixing the problem of workers compensation in this State, which includes fixing the immense difficulty many people are experiencing with premiums. It also includes, more importantly, looking after the interests of injured workers. Recommendation 24 states that the commission be reconstituted, and recommendation 25 states that it establish, as a matter of urgency, a unit policy and claim database. That seems pretty basic. I thought that the commission, as restructured, would oversight the operation of the system and provide policy advice, and that the policy advisory role would be separated from its administrative functions. Most importantly, recommendation 27 states that, following a survey of the information needs of injured workers, the Workers' Compensation and Rehabilitation Commission should develop and provide information packages to injured workers as soon as practicable after they lodge a claim for compensation, and thereafter at three and five months to facilitate the election process. Those matters have not been dealt with in this Bill. They come from the Pearson report, and the Labor Party is keen to address those matters. The fact that they are not being addressed in this Bill and it is not proposed to address them elsewhere is a major deficiency.

Even though the Government says that by introducing this Bill it wants redemptions, the Bill is contingent on other events. This Bill can be passed and the people of Western Australia may find themselves deluded once again. They may form the impression that redemptions will be included and part of the process of fixing the operation will be put in place, but that is not it at all. One must seriously doubt the bona fides of this Government. I make that observation in passing, and I will deal with that in the appropriate way during the committee stage. One need only look at the commencement clause of this Bill, which makes its coming into operation contingent upon the passage of other legislation. Although the Government is saying that redemptions are a good thing and should be liberalised - we agree with it on that - and everyone concerned says that the proposition of redemption should stand alone, it does nothing of the kind. Once again the Government is having us on. That should not surprise anyone because the changes that occurred in 1993, which removed redemptions, occurred without proper debate. They occurred because those opposite, in their normal, arrogant way when they have the numbers on the floor, pushed through this legislation by the use of the guillotine, notwithstanding the protestations about the lovely traditions of the Legislative Council that were made previously by those opposite. For years they have ignored the commentary of those who are informed of the need for redemptions. They continue to make the passage of redemptions contingent on other

events. They do this notwithstanding the words of the Standing Committee on Legislation. On page 3 of the committee's report, it summed up this issue of redemptions as well as anyone when it stated -

Parties should be allowed, as they were until 1993, to agree to finalise a claim through a liberal redemption system in those cases where finalisation is appropriate.

I hasten to add that "liberal" has no relationship to the party of that name. The report continues -

Most witnesses agree that liberalising the redemption system under the Act would remove a significant proportion of cases currently brought at common law, thereby going part way towards relieving common law cost pressures and presenting a more realistic picture of system costs.

The Australian Labor Party is concerned that Western Australia have a sustainable workers compensation system. Such a system must be stable; it must properly look after the interests of injured workers; and it must have premiums which are realistic with respect to people's capacity to pay.

HON J.A. COWDELL (South West) [7.45 pm]: The Australian Labor Party supports the principle contained in this legislation and will be voting for the Bill. The Bill before us makes a contribution to the maintenance of a viable workers compensation system in this State. It reduces pressure on workers compensation premiums by providing cost savings. In recent times we have all been made aware of the plight of many small businesses with respect to the impact of very significant hikes in workers compensation premiums. I and many of my colleagues accepted an invitation by Mr McCarthy and the Western Australian Chamber of Commerce and Industry to talk to some concerned employers in Perth. The CCI very carefully chose a representative range of employers covering mainly aged care, child care and other service industries; those that were particularly hard hit because they were on a set grant from either federal or state authorities. The impact of significant premium increases on the sorts of services they could provide was very real. I note that in that presentation some of the small businesses, aged care trusts, child care centres and so on pointed out that the State Government was still in for its chop by taking a stamp duty share on the ever-increasing workers compensation premiums. This is something on which I want the Minister for Finance or the minister in charge of the Bill to comment.

The Mandurah Chamber of Commerce and local chambers of commerce in the south west have also been active in putting their cases on the premium hikes. I have spoken to individual businesses and I have written to each business to explain why the upper House did not agree with the form of government legislation that was put to us last November. We are certainly aware of the need to provide some cost savings in the workers compensation system and also to stabilise the premium system.

The Australian Labor Party will support this Bill because it conforms with recommendations 11 and 12 of the Pearson report. Members would have a copy of that report. Recommendation 11 states -

Lump sum redemptions to be available to injured workers with permanent total or permanent partial disability and special need, no sooner than 6 months, from the commencement of weekly payments or order of weekly payments, up to the *prescribed amount* including the schedule 2 entitlement subject to:

- * the consent of all parties;
- * the injured worker agreeing to:
 - cease receiving weekly payments and other benefits;
 - forgo the right to sue for damages under common law; and
- * the insurer to file with the Director a statement of the compensation payments made prior to settlement.

Recommendation 12 states -

The current regulations relating to *special circumstances* for redemptions be revoked.

The Bill conforms with recommendations 11 and 12 of the Pearson report. Page viii of the report states -

Redemptions followed the trend for weekly payments to 1990/91, rose briefly to 1992/93 and reduced significantly from 1993/94. The 1993 legislation changes which limited the ability of injured workers to redeem claims, encouraged them to seek common law damages as a means of obtaining lump sum benefits. Insurers were also encouraged by these changes to agree to common law claims as a means of finalising the claim. In doing so the duration of their payments was extended and medical and rehabilitation expenses increased.

By closing down the legitimate field of redemptions in 1993 the Kierath legislation in 1993 caused expense to the system. At that time the Australian Labor Party opposed the closing down of the system of redemptions. Nevertheless, the minister and the Government proceeded. That has been an expense to the system, as was pointed out in the Pearson report. Page 94 of the report outlines savings that could be made under the proposed new model. The heading section on "statutory benefits" clearly indicates that there will be more open redemptions. That is indicated as a charge to the system rather than a saving. I notice no commensurate saving under the common law section, although there should be. If the estimates of up to one-third of common law claims or even higher are agreed redemptions, there surely should be a saving under that section, even if there is a charge under the statutory benefit section. Nevertheless, the Pearson committee recommends that a contribution can be made to improve the workers compensation system, to reduce expenses and to extend the life of the current system by making this change. The Opposition recognises the worth of that change.

My colleague, Hon Nick Griffiths, has already referred to the forty-third report of the Legislation Committee. I served on that committee, as I served on the Legislation Committee in 1993-94 when it brought down its twenty-ninth report, which also addressed concerns with the workers compensation system.

Members should be aware of recommendation 5 of the forty-third report of the Legislation Committee, which was a unanimous report and a unanimous recommendation. Recommendation 5 on the Government's 1997 Bill states -

That the Bill be amended to introduce a system of redeeming claims under section 67 of the Act as similar as practical to that which was in place prior to the enactment of the *Workers' Compensation and Rehabilitation Amendment Act 1993*, with the proviso that the Act should allow the employer agreeing to redeem the claim to be confident that no common law claim can be made for the same injury.

This report outlined some of the arguments in favour of a liberalised redemption system - a restoration of the pre-1993 situation. The committee report states -

The Committee finds that the reintroduction of the pre-1993 redemption regime would have the following advantages.

. . .

Redemptions offer an appropriate mechanism for finalisation of a claim where the injured worker and the insurer agree that payment of a lump sum is preferable to ongoing weekly payments and other costs.

Allowing insurers and workers to redeem claims for lump sum payments removes an unnecessary constriction on the operation of the market and gives each party more control over their own affairs.

Claims which are currently being settled at common law as "de facto redemptions" because there is no other redemption mechanism available will no longer have to be brought under the artifice of the second gateway -

Thus blowing out the figures of second gateway payments. To continue -

On the evidence the Committee has heard, this is likely to result in a diminution of the number of second gateway claims of between 25% and 50%. Only the more serious claims will go to common law.

The Legislation Committee took evidence from a range of parties, and I took note as those witnesses appeared before us. They included the chief executive officer of WorkCover, Harry Neesham, the Law Society, the SGIO, the Insurance Council of Australia and the self-funded insurers. The evidence that we received on that occasion was illuminating, and I will quote some of the evidence that we heard. For example, Mr Daryl Cameron of the Insurance Council of Australia stated -

. . . if a person is receiving \$50 a week and still has \$80 000 to go, and he is permanently or partially incapacitated so that the insurer will be paying that person \$50 a week for the next 30-odd years, rather than write out a \$50 cheque every week for the next 30 years, the insurer decides to give the person \$50 000 as a lump sum. That person can use the \$50 000 to fit out his home to accommodate his special needs or to provide him with some financial advantage by paying off his mortgage, or whatever. In that way, the impact on that person's loss of income is reduced, because he has the use of that money immediately.

From the insurer's point of view, the administrative costs drop dramatically. It is not writing out a cheque every week. The medical costs drop back, because the person does not have to go to the doctor every week to obtain a medical certificate to say he is still incapacitated.

Similarly, Mr Fiocco of the Law Society pointed out the advantages of a restoration of a system of redemptions as follows -

Prior to these amendments in 1993 . . . an injured worker who had received, say, \$20 000 worth of workers' compensation in weekly payments, might clearly, on the basis of medical evidence, be deemed as partially incapacitated . . . That person would be partially incapacitated for a relatively long time, and in that time, an insurance company might have to pay out between \$60 000 to \$70 000. It could just simply leave the worker, who would get payments by what we call the drip-feed method, which would be either equivalent to the full workers' compensation or the partial incapacity entitlement. If he had been earning \$400 a week, and it was \$200 a week incapacity, he would get \$200 a week.

. . . You could, if I can use the vernacular, do a deal, and the person would get a lump sum payment. It could be done in such a way that it would be tax exempt, and the person would be able to move on with their life. That has not been possible since 1993.

Similar comments were made by the Law Society in its formal submission and by the Self Insurers Association of Western Australia, and some level of support was expressed by the Chamber of Commerce and Industry, which stated -

The amendment Bill places severe restraints on both common law claims and lump sum redemptions. We said that this double restriction was undesirable and unwarranted, given that in many cases both the employer and employee prefer to settle the claim as expediently as possible. We recommend . . . that the Act be amended to allow for the dispute resolution body that was being looked at and created at that time to approve payment of lump sums in the circumstances where the injured worker and employer agreed to such a settlement.

The Standing Committee on Legislation at that time took extensive evidence from all sides. As I said, it came down

unanimously with the opinion that we should reform the system by having more liberal redemptions. To the extent that this Bill embodies recommendation 5 of the forty-third report of the Legislation Committee, for the reasons stated, the Labor Party supports the Bill.

I note that this Bill takes us beyond the Government's position of October 1998, when the Government's Bill was held up in this Chamber. Members will recall that on that occasion the restricted form of redemptions proposed by the Government was criticised. The form of restriction proposed by the Government, which was not welcomed by this House, was along the following lines -

redemptions for injured workers who are permanently totally or partially incapacitated if:

Therefore, redemptions were to be allowed, but only under the following circumstances -

the rate of weekly payments for the incapacity does not exceed an amount to be prescribed in Regulations, and the worker can demonstrate they have a special need or other special circumstances to justify a redemption; or

a dispute resolution body has determined that:

the worker has successfully completed a vocational rehabilitation program and has failed to obtain work; or

it is inappropriate to undergo or continue vocational rehabilitation.

This measure before us is to be welcomed in that the Government has taken account of the Pearson report and has moved on from its proposal of last October on this matter when the House last considered it.

I note in support of this legislation the submission of the Trades and Labor Council of May of this year. The TLC in its formal submission to the Pearson inquiry stated -

All parties agree a fundamental mistake made in the 1993 amendments was to severely limit the capacity for redemptions of ongoing claims under the statutory framework. This was itself the primary driver for the subsequent expansion of use of the so-called 'second gateway' to common law access. It has also been, in some instances, the source of misuse of the 30% disability gateway by insurers in order to bring long term claims to finality. It is a case of the statutory provision being inconsistent with the economic pressure for effective management of long term claims.

The TLC and affiliates recommend that the redemption facility be reinstated without the existing (post 1993) limitations. The only limitations to apply should be that redemptions not be entertained until the compensable disability has 'stabilised' and proceed only with the genuine consent of the parties.

The administrative arrangements for redemptions should draw heavily upon the pre-1993 arrangements. All redemptions should be documented and registered with the Conciliation and Review Directorate with the appropriate notifications and delays necessary to establish the consent of the parties.

The Australian Labor Party supports this Bill on the basis that it is not injurious to workers' rights but contributes to the maintenance of a viable workers compensation system in this State. It will make a contribution to stabilising premiums by virtue of its cost savings. Also, it embodies the recommendation of successive committees; namely, the Pearson committee and our Legislation Committee on two occasions.

In supporting this legislation, I note that we need a balanced workers compensation system. This Bill will improve the system without a wholesale massacre of employee benefits. My response to the local chambers of commerce and local businesses that approached me about the failure of the legislation last year has been to explain as follows: We will save the system and stabilise the premiums, but it must be as a result of comprehensive reform with savings in the legal, medical and insurance departments, as well as in the area of worker benefits.

The problem with the Government's legislation last year, and it is an ongoing problem, is the fact that the Government is willing to pursue initiatives to cut costs and so affect premiums only by slashing worker protection and employee benefits. Its members are single minded in this direction. I admit that workers must make a contribution to keeping the system afloat, but we reject the single-initiative Bills that this Government has constantly proposed. There must be contributions from all sectors.

Once again I am disappointed the Government has not adopted concrete proposals in legislation or instituted cost cutting in the areas of medical rehabilitation expenses and practices of the insurance industry although the Government has been mindful of cost cutting in legal practice. As I say, we support this measure because it makes a contribution via liberal redemptions to maintaining the workers compensation system without unduly infringing on workers' rights.

The forty-third report of the Legislation Committee presented to this Chamber last year pointed out sacrifices needed to be made in more than one area; that is, we required not only sacrifices by the worker but also comprehensive reform. I note the Government's less than adequate response to the reforms proposed in the Pearson report with respect to the insurance industry and the blowout in medical costs; that is not necessarily hospital costs but other medical costs.

During the committee stage of this Bill some matters must be considered. I trust the minister will advise as to the relevance of clause 4, which seeks to amend section 67 of the principal Act and requires under subclause (1) that -

Where weekly payments for a permanent total or permanent partial incapacity resulting from a disability other than mesothelioma have continued for not less than 6 months, the liability for the incapacity is to be redeemed by the payment of a lump sum if -

Certain conditions are then set out. I would like to know the reasons for the six months requirement. The period may need to be less than six months to enable the operation of other sections of the Act. Certainly in this amending Bill the position needs to be made clear. Reference is made to the determination of the director. I am not sure to which director that refers - whether it is the director of conciliation and review or Mr Neesham himself. Where the determination of the director is mentioned, responsibility needs to be clarified.

In conclusion, this is a positive contribution to the maintenance of our workers compensation system. It is in line with the reports that this Chamber has received. It has the support of the Chamber of Commerce and Industry of Western Australia as well as the Trades and Labor Council and the Australian Labor Party. However, in advance of other measures, workers cannot be expected to pay for the total cost cuts that will take place in this system. More wide-ranging reforms are necessary and that matter will be considered in another Bill. On the basis of those few comments, I support the passage of this Bill.

HON KIM CHANCE (Agricultural) [8.14 pm]: This is a short and entirely necessary Bill. In supporting the Bill I also welcome it. Obviously it has Opposition support. In observing that this is a very short Bill physically, and indeed it has been observed that the second reading speech occupied less than half a page, I also observe that it is shorter than it needed to be. Every member of this place understands why it is dealt with as a separate legislative item from the amendment Bill and there is no need for me to go into that. However, it is shorter than it needs to be because it, and indeed the 1997 amendment legislation, fails to address the issues that should have been addressed. All this Bill does is address the restoration of the facility of redemption to the Workers' Compensation and Rehabilitation Act. This restoration should never have been required.

In disabling the ability for settlements between injured workers and insurers, the 1993 legislation also had the effect of creating a monster which now we are finally able to lay to rest. However, no member here should think that this Bill and the Workers' Compensation and Rehabilitation Amendment Bill 1997, which appears on the Notice Paper, can fix the problems that the 1993 legislation created for industry in Western Australia. Those problems have already been referred to, particularly by my colleague, Hon John Cowdell, who mentioned the recommendations of the forty-third report of the Legislation Committee, but similarly they have also been addressed in broader scope by the Pearson report. That report identified a range of issues which need to be addressed in order to set right the failings of the 1993 legislation.

These two pieces of legislation with which we are dealing do not address all of those problems and whether they should do so is perhaps another matter. I would not want any member to feel that we are fixing a problem now and we will not need to revisit the matter. Members should be very clear in their minds that this is a short-term measure only. Other issues will need to be addressed to achieve the kind of comprehensive cure the Pearson report identified and which is so clearly necessary.

There is no doubt that these two Bills deal with some of the most important issues. However, in spite of the Government's claims to the contrary, the recommendations of the Pearson report are not fully implemented by this Bill, by the Workers' Compensation and Rehabilitation Amendment Bill 1997 or by a combination of those two Bills. The Deputy Leader of the Opposition has been through the issues which are yet to be addressed but briefly they are: Dispute resolution and access to legal representation - five recommendations in the Pearson report are not addressed; injury management - one recommendation not addressed; regulation of insurers - three recommendations not addressed; and a further four general recommendations have not been addressed in the legislation. As I indicated, it is not necessarily essential or even practical for those issues to be addressed in the legislative package before us but members should be aware that these issues need to be addressed at some time in the future and the outcome of these legislative changes will not necessarily be the best possible outcome, because there is quite a way to go. However, there is nothing more certain than whatever the final outcome of the Parliament's handling of these two Bills - notwithstanding the Labor Party's unreserved support of this Bill - no party will emerge entirely satisfied with the parliamentary outcome. I cannot predict what shape the legislation will be in when we are finished with it but each party will need to give something to achieve a workable result. However, I believe we are united in a determination to achieve that workable result.

As a Parliament we made a critical and expensive mistake in the 1993 legislation. It was a mistake which should have been corrected long ago. It was a mistake which the Government was made aware of long ago and it was a mistake for which legislative corrections were proposed but the Government failed to act. That is a failing of ours as a Parliament and it is our responsibility to put it right. It was a mistake which has not only cost Western Australian industry dearly but also, more seriously, threatened the existence of workers compensation. I will not bore the House with long stories of the queues of employers who have come to my office and told me about their personal circumstances and the way their workers compensation premiums have blown out. Those queues are almost as long as the queues of injured workers who tell me how dissatisfied they are with the process as it stands. One way or another it is clear that the system is broken and needs to be fixed.

Even more disappointing than the serious issues which have arisen for workers and employers is the Government's willingness to try to lay the blame for the disaster it created on the Opposition. It has done that by holding up last year's amendments in this place as a cause of the quite frightening increases in workers compensation premiums. The fact of the matter is that this Government created this monster; it created the problem with the 1993 legislation.

Hon Barry House: You created it by rejecting it a couple of years ago.

Hon KIM CHANCE: Rejecting what?

Hon Barry House: The idea.

Hon KIM CHANCE: The Government has not brought in a legislative cure. All the Government has tried to do has been made clear. Obviously government members were not listening to Hon John Cowdell when he made it clear that the Government attempted to solve a problem by closing the second gateway.

Several members interjected.

Hon KIM CHANCE: The fact is the Government could not recognise the problem; it does not have the capacity to determine cause and effect.

The PRESIDENT: Order! I am trying to listen to Hon Kim Chance but members are interjecting and making that impossible.

Hon KIM CHANCE: And I was almost finished, Mr President.

Hon Peter Foss: That will be the day.

Hon KIM CHANCE: Truly. That was the Government's supposed cure. It came in with so-called legislative reform which did nothing more than shut the second gateway. The second gateway was not and is not the problem. It is a symptom of the problem; it is not the problem. The Government, with this Bill, is finally addressing the problem. The problem is that after the Government shut off the capacity to redeem, it did not give insurers an avenue to take an injured worker out of the system, to sign off out of the system, other than to direct him through the second gateway.

Hon Peter Foss: That is nonsense. It does not account for the increases.

Hon KIM CHANCE: If the Attorney General thinks that is nonsense, perhaps he needs to look at the statistics. The statistics will make it very clear to him how that came about.

The PRESIDENT: Order! Hon Kim Chance will address the Chair. Any discussion which requires a number of members to participate can be carried on during the committee stage.

Hon KIM CHANCE: The fact is the Government created this problem. It did not effect a resolution; it did not bring into this Parliament a resolution which could cure the problem. The Government brought into this Parliament legislation which could address the symptoms but not cure the problem. It has the opportunity now. It has a unanimity of will. I chose my words carefully there but I believe there is a unanimity of will between the Government and the Opposition, and between the Chamber of Commerce and Industry of Western Australia and the Trades and Labor Council, to get this fixed. We all have a reason to get it fixed. None of us wants to see the end of the workers compensation system, none of us wants to see a result which cripples Western Australian employers; we are united in that. Now that we have finally come to terms with what the problems are and have been driven to that point of honesty where we have to look at why we have a problem, let us look at it honestly and get the thing fixed. While we have a unanimity of will, let us try to harness it and get this issue put to bed. I welcome the Bill and I close by saying it is better late than never.

HON KEN TRAVERS (North Metropolitan) [8.27 pm]: I also support and welcome the Bill. It is nice to see that the mistakes of 1993 are finally being addressed and rectified. Let us be clear about this: In 1993 the current Government introduced into the Parliament a number of changes to the workers compensation system which created the mess we have today. Let us also be clear that when the Government did that, it removed the ability for redemptions within the system. Did anyone in the community support that then? I was not in this place at that time but I remember the debate and I have spoken to people during the current debate. I know people tend to rewrite history at times but I have not found one group involved in the workers compensation area which says it supported the changes in 1993 other than the Government and its members.

Hon J.A. Scott: CCI did, didn't it?

Hon KEN TRAVERS: No. It is interesting that even the Chamber of Commerce and Industry of Western Australia was opposed to the wholesale removal of redemptions.

Hon Barry House interjected.

Hon KEN TRAVERS: I do not want to get too sidetracked but when the Labor Party follows the recommendations of the Trades and Labor Council, we are told it is the tail wagging the dog and when we do not, we are attacked for that. Obviously we cannot win with Hon Barry House. We work in cooperation with the TLC but just because it says we should do something does not mean we do it, and vice versa. We have our own interests and we represent those interests, although we have a greater commonality with the working people of this State than have members opposite.

In 1993, everyone told the Government not to get rid of redemptions. The Chamber of Commerce and Industry of Western Australia, the Insurance Council of Australia, the Trades and Labor Council of Western Australia and the Opposition warned the Government that there would be a problem if it got rid of redemptions. That problem is now being laid out in this debate. It is good that the Government has finally acknowledged in this Bill that there is a problem and has proposed to bring back some form of limited redemptions. It is important to note, as Hon Kim Chance said earlier, that one of the reasons for redemptions is that they encourage people to get out of the workers compensation system, because at the moment the only way people can get some compensation for their injuries and get out of the system and on with their lives is to go through the common law system and second gateway, and that has created massive problems.

Hon Simon O'Brien: Was that what the Parliament intended the second gateway to be used for?

Hon KEN TRAVERS: Who knows what the Parliament intended it to be used for?

Hon Simon O'Brien: Has there not been an abuse of the second gateway?

Hon KEN TRAVERS: If we accept that analysis, what Hon Simon O'Brien is saying is that this Government wanted to get rid of common law rights for workers completely. If one looks at what is proposed in this and other packages, one can easily say that this Government is continuing down the path of wanting to get rid of common law rights completely. That is where the Government will get into problems, because if it wants the wholesale removal of common law rights for workers who are injured because of negligence by their employer, it will have a fight with members on this side and will not have cooperation. However, if the Government is prepared to come to the table and address this problem in a fair and reasonable manner, it will have the support of members on this side. We accept there is a problem in the workers compensation system. The starting point is to acknowledge where that problem came from, and it is then up to all of us to get on with the job of fixing the problem. We will not fix the problem by denying what caused it in the first place, and we will not fix it by making the workers the only people who must suffer. The pain must be shared across the whole workers compensation system. We cannot target only the workers who have been injured, put off work and suffered massive loss because of the negligence of their employer and say they shall have no comeback. However, that is what the Government is saying when it talks about wanting to get rid of common law claims in a wholesale way. Redemptions were a mechanism which allowed people to receive some compensation for the losses they had incurred and to get out of the workers compensation system and on with their lives with some sense of dignity, but they were not in that position -

The PRESIDENT: Order! There is too much audible conversation in the Chamber.

Hon KEN TRAVERS: I remember sitting in this Chamber last year when the Attorney General talked about his time as a lawyer for insurance companies and indicated that now that he had moved on, we could have a quiet conversation among ourselves in this Chamber, with no-one else listening, about how he used to know whether a doctor was pro-insurance company as opposed to pro-worker, and how when he was involved in these matters he would send people to the doctors who would give him the decision that he was looking for.

Hon N.D. Griffiths: Was that the night he spat the dummy?

Hon KEN TRAVERS: I cannot remember which dummy-spitting Hon Nick Griffiths is talking about! It is also interesting that when we talk privately to a number of lawyers today, they tell us that there was a problem with the removal of redemptions, and that when people could not get out of the system any other way, they would seek to put together a common law claim and pursue the matter down that path, and equally the insurance companies would then come to the table and try to settle that claim. It is difficult to know the true situation, because the facts and figures are never laid out on the table for us to look at in great detail, but the anecdotal evidence which has been passed on to me by some lawyers is that some people who would have received a redemption of between \$10 000 and \$15 000 had been able to build up a claim to show that they could get through the second gateway and had their common law claims settled for a significantly higher amount. Hopefully if redemptions are allowed to come back into the system, those claims can be settled. The other problem that was created by removing redemptions was that because people had no way of getting out of the system, there was an increase in medical costs and weekly payments. People had no mechanism to get out of the system and to put the past behind them, with reasonable compensation for the pain and loss of income they had incurred, and with a sense of dignity. Therefore, a return to a system of redemptions is a good move and should be welcomed, and it is not as though it has not been recommended to this Government on a number of occasions in the past. However, the Government has constantly thrown it out.

One of the problems we face constantly in this debate on workers compensation is that this Government seeks to find solutions and sets up committees to be independent umpires and make recommendations about what needs to be done. The Legislation Committee in this place and the Pearson committee have made recommendations to the Government about how it can fix the workers compensation system. The Legislation Committee of this House, which is dominated by government members, has made eight recommendations about this matter. However, does this Government then say, "Okay. That is good. We will endorse those recommendations"? No. It picks the eyes out of the recommendations. It picks the bits it likes, and it throws out the bits it does not like. The Government picked out five of the eight recommendations of the Legislation Committee and dropped the other ones because it did not want to address all of the problems. It did not want to upset its mates in the insurance industry. It wanted to shift all the responsibility onto the workers, rather than be fair in dealing with this issue. That is what we have seen constantly from this Government. The Pearson committee did not have a representative from the trade union movement. It had people from industry, although not as formal representatives, and a couple of independent people, including an academic. It made a range of recommendations, and again I expect the Government to ignore from day one even the first key recommendation of that committee.

It is interesting that we have seen absolute nonsense in this debate. When I was leaving the Parliament just prior to the dinner suspension, I was listening to a debate on the radio about this workers compensation legislation, in which the Minister for Labour Relations made a comment that I found incredible. I cannot give her exact words, but I will paraphrase them. The minister's words were to the effect that there has been a massive blow-out in workers compensation, and it has all been in common law; if we can fix common law, we can fix the problems of the workers compensation system. That is the biggest load of rubbish I have ever heard! I would go as far as to say it has misled the people of Western Australia quite maliciously if that is really the minister's view, because the figures and reports that have been provided show that there have been cost blow-outs in a range of other areas, such as medical costs and the way the insurance companies have operated, that need to be addressed.

Do we see the Government seeking to do anything on those at this stage? It has not, even though the Pearson Report of the Review of the Western Australian Workers' Compensation System made a number of recommendations that those things needed to be addressed. It is a broader problem than simply saying that it all comes down to common law. We should not fool ourselves: The changes in this Bill and in the other legislation before the Parliament will not significantly reduce premiums. The community will still feel a fair degree of pain. Both sides of the House are aware of that and are concerned by it. We do not want workers compensation premiums to skyrocket any more than they already have. We do not want to see high premiums forcing employers to put people off or to be unable to employ more people. Members on this side are aware of that and are concerned. We want to be positive in trying to find a solution to the problems we face. It must be about sharing the responsibility, for everyone to put a bit onto the table and share the pain equally. We do not want to single out one group by making workers, particularly injured workers, feel they are being blamed as the sole cause of the problem by taking the cuts. That is untrue.

Having recently taken on the role of the Labor Party spokesperson for disability services, I am concerned about the effects that workers compensation premiums are having in that sector. There is a proposal before Cabinet to allocate an extra \$6m to the disability services sector over the next three years to assist with its problems. I urge the Government to hurry up and make the decision and get that funding to those groups. It is a big problem and the Government should not sit there, leaving those people holding on, waiting to see whether assistance will be given or a solution offered. It is creating great uncertainty in the sector. The issue is not about getting legislative changes through tonight or this week, but about finding other solutions to assist the disability services and aged care sectors. They are facing some real problems. I realise that it is not always easy for many businesses to increase prices. However, they certainly have a greater capacity to do so than the disability services and aged care sectors. These sectors, in particular the aged care sector, have caps on what they can charge their clients for the services they provide. They will require extra money and it is incumbent upon the Government to act quickly and decisively to get that support out there and not wait for these legislative changes to go through the Parliament. Hopefully, these changes will go through quickly, but not so quickly that mistakes will be made, as has occurred in the past.

I have been following the debate closely over the past month because of my concern over its effect on the disability services sector. One thing that I picked up is that if changes are made without thinking through the implications, we can end up with a greater problem in the longer term. Tonight's debate is a classic example of what happens when things are raced through and the short-term, rather than the long-term, implications are considered. An attempt to screw down one sector of a debate in the short term will only put immense pressure on one sector. People will try to find ways of getting around that pressure rather than acting in a fair and reasonable manner. It is important that the Bill before us tonight, which puts redemptions back into workers compensation, is passed and the opportunity is given back for workers to find a way of getting out of the system with some money that will allow them to get on with their lives with dignity. As we consider these changes, we need to make sure that we look at not just the short-term but also the long and medium-term effects. We must make sure that the pain is shared equally and that we arrive at a constructive solution. That means putting aside the traditional positions that we bring into this place. That is the approach I have tried to take in discussions that I have been having with people, both within the Labor Party Caucus and outside of it.

We need to be constructive in looking for a solution. In some cases that means turning to our traditional supporters and arguing for them to accept something that is unpalatable. It is about making sure that we have a fair and equitable workers compensation system that will survive and prosper into the future. We need to ensure that workers are protected when they have an accident at work and that there is an incentive for employers to make sure that they are not negligent and do not put workers at undue risk in the future. It will be a tough debate. This Bill before us is probably the easy part. I expect the next couple of stages will be very difficult for all of us. We need to put behind us some of our traditional positions and start looking at the greater causes. If we do not, it will be a sad indictment on all of us. Even our traditional supporters - on the other side, employers and insurance companies; on this side, the trade union movement and workers - will not necessarily love us. However, if we do not get it right this time, if we do not find a solution that will take the system forward, they will not thank us. I support the Bill.

HON LJILJANNA RAVLICH (East Metropolitan) [8.47 pm]: I support the Workers' Compensation and Rehabilitation Amendment Bill (No 2) 1999, which provides for an extension to injured workers to seek redemption of future entitlements where they have a permanent partial disability. The thrust of what is intended by the reintroduction of redemptions is picked up under clause 4, which amends section 67 of the Act. I am not an expert in this area, but during the time that I have been here it seems as though this Government has no problem with playing with people's lives and making ad hoc decisions about key legislation which has had a devastating impact on people within our community. I can think of no better example than this legislation. The fact that these Bills are once again before this place indicates the absolutely hopeless way in which they were handled by minister Kierath during the time when he was the Minister for Labour Relations. There is no doubt that the changes to workers compensation which were made in 1993 reduced the level of benefit to injured workers, due in large part to the removal of the redemptions which are said to have caused an escalation of the premiums being charged to employers.

This seems to be the Government's driving argument: That if the redemption provisions are reintroduced, the problem will be fixed. Part of the problem may be fixed, but the whole problem associated with the entire workers compensation system will not necessarily be fixed. One thing that is apparent about workers compensation is that it is a very technical area. It is an area which comprises many parts, and it is the sum of the parts in this case which equal the whole. I am disappointed that no-one from the government side has taken it upon himself to say, "Let us look at the whole workers compensation system, the role of lawyers and the medical profession and the insurance industry." It is unforgivable that the responsible minister announced that there would be an inquiry into the insurance industry after presenting these Bills to the Parliament. Surely if the Government wants to consider why there are problems and how it should address those problems - the

redemption issue is one of those issues - it would make good sense to look at the insurance industry before the event, rather than after the legislation has been dealt with in this place.

Following the Government's failure to proceed with the Workers' Compensation and Rehabilitation Amendment Bill in December 1998, it established the Pearson review. Many people breathed a sigh of relief at that. That review made 29 recommendations, one of which was the restoration of redemptions, and that is what we are dealing with tonight.

I was a little concerned about the composition of the Pearson review, because Mr Des Pearson is a member of the Premium Rates Committee and has been for a long period. His long-term membership of the Premium Rates Committee causes me to question his objectivity in addressing some of the potentially hard issues in the area of workers compensation. Obviously, in unearthing some of the hard issues, one may implicate oneself. This is just a hunch I have.

Hon Peter Foss interjected.

Hon LJILJANNA RAVLICH: He is on the Premium Rates Committee. With the nomination of Mr Brendan McCarthy from the Western Australian Chamber of Commerce and Industry, once again one might argue that Mr McCarthy has vested interests in terms of his constituency. Mr Rob Guthrie was probably the lone voice of reason on that committee.

Hon Peter Foss interjected.

Hon LJILJANNA RAVLICH: These are my concerns. If the Attorney General has some concerns he can raise them in this place and he will have the opportunity to do so. I am quite within my rights to express my concerns and reservations at the composition of that committee. I was appalled at the opening paragraph within the Pearson report. It stated that we are not looking for culprits. There are a few culprits in all of this. The same people who are not looking for culprits are clearly looking for scapegoats, as is this Government, and the scapegoats just happen to be the workers of Western Australia. The bottom line is that the insurance industry is doing very well. Two key players within the market, SGIO and MMI Insurance, control about 38 per cent of the market share. Clearly, it is reasonable to conclude that if there were no money in workers compensation, they would not be in the business and would have gone broke by now. I am not convinced that we have the full picture before us. I am also not convinced that this amendment Bill will improve the situation drastically. It will tinker at the edges, but until such time as there is a comprehensive investigation into the whole workers compensation system, the Government will not have much hope of fixing the current system.

I came across a briefing paper which was prepared by the executive director of WorkCover WA, which was dated 21 September 1995. It was addressed to the minister for a Joondalup regional cabinet meeting dated 6 November 1995. The concerns of the restriction of lump sum redemptions was raised with the minister. He was more than aware that this may have potential problems for the system. It amazes me that even though the minister was aware that this problem was building, he chose not to do anything about it. I will read a couple of paragraphs of that document. It states -

Following the assent on 20 December 1993 of the Workers' Compensation and Rehabilitation Amendment Act 1993 workers who are permanently and partially incapacitated are no longer entitled to redeem their weekly payments by negotiating a lump sum settlement.

It goes on to state -

The intent of restricting redemptions was to refocus the emphasis of workers' compensation to the restoration of injured workers to suitable employment.

This obviously did not happen to the extent that the Government foresaw it happening. As a consequence, we now have the amendment Bill before us. I worry about the extent to which this Government makes a thorough assessment of the changes that are required. A number of years ago it pulled this out and now it wants to make further amendments. It indicates clearly that the Government is legislating on the run. It goes on to state -

The insurance industry, both individually and through the Insurance Council of Australia has expressed concern that a viable option for speedy and cost effective settling of claims has been denied to them.

The recent Review of the workers' compensation dispute resolution procedures recommended that the redemption provisions of the Act needed to be further considered. Both the Trades and Labor Council and the Chamber of Commerce and Industry support this recommendation.

The previous minister has a lot to answer for. He was more than aware of the concerns of both commerce and Labor on this issue and he chose not to do anything about it, to the point that we now have an amendment Bill before us - four years later. This is not the way to govern. This is an appalling way in which to conduct the affairs of this State, and it is yet another example of how the laissez-faire attitude of "Don't worry about it; she'll be right, mate" gets the Government into a pickle. What did the Government do about this pickle that it brought on itself? It looked for a quick and easy solution, which was to kick the underdog. That is what the Government has done. In its investigations the committee considered "The Report of the Review of the Western Australian Workers' Compensation System" presented by Mr Des Pearson. One area it considered was the cost drivers.

The PRESIDENT: Order! Before Hon Ljiljanna Ravlich goes into the various issues raised in the report, I point out it is not competent for her to now discuss the areas that are not included in the Bill. The job before the Parliament tonight is to consider what is in the Bill. The member may make passing reference to some issues that may not have been included in the Bill, but she cannot spend the next 32 minutes talking about the issues that are not in there. I say that so that Hon Ljiljanna Ravlich does not waste too much time in that area.

Hon LJILJANNA RAVLICH: I would never waste time, Mr President.

The report was clear on the issue of redemptions. Page 89 of the review of the workers compensation system states -

The Reference Group agreed that redemption should be opened up to provide an alternative to common law to exit the system. However, the Reference Group believed redemptions should not be available until after 6 months as workers should be given every opportunity to return to work first. On the basis of the advice the Reference Group received in discussions held during the Review, it understood that 6 months was sufficient time to assess the likelihood of workers being able to return to work.

I do not necessarily agree with that. Nevertheless, I understand it is a provision in the Workers' Compensation and Rehabilitation Amendment Bill (No. 2). It was one of the strategies which the Pearson report put forward to try to salvage the situation of escalating premium increases. I say in passing, Mr President, that the report alluded to a number of other cost drivers. It stated that the key cost drivers were in the area of rehabilitation and medical services. That is linked with the point I made earlier that we need to consider the issue in a holistic manner. I want to make another point in passing: The Government is tinkering with the wrong end of the problem. The workers compensation system is the end of a long process. It starts with industry safety and the need to regulate workplaces so that we minimise the number of occupational accidents and diseases within the workplace. The Pearson report identifies high-risk industries on page 67 and clearly states that the cost of claims is largest in the manufacturing industry with 23 per cent, in the mining industry with 11 per cent, and in the construction industry. The requirement for regulation of the workplaces in those industries to reduce the cost to government at the other end is continually brought to the attention of this place. The Government could be much more proactive and could take a much more measured approach to cause and effect if it appreciated the direct link between workers' safety and workers compensation premiums and outcomes. The Government seems to miss the mark on those two points.

Hon Kim Chance: Disaggregation has been important. One of the good changes that has happened in the workers compensation system is that the high risk industries are not paying higher premiums.

Hon LJILJANNA RAVLICH: That is right. The Australian Labor Party supports the legislation. I note that the report states that the acceptance of a lump sum redemption entails the worker forgoing any future claim for that injury. That is different from what has occurred in the past. That information was contained in a briefing note to the Minister for Labour Relations prior to a meeting with the general manager of workers compensation for MMI Ltd. The briefing note states, in respect to redemptions, that there is no legal impediment to workers first opting to settle their claims by way of redemption and then claiming common law later on.

That briefing note is dated 23 September 1998 and is from the executive director of WorkCover WA. I assume that he got it right.

This is a complex area. It is an area that should not be attended to in an ad hoc manner. Unfortunately, that is how the whole issue of workers compensation has been treated by the Government. The Government is doing no more than tinkering at the edges, and that is not good enough. Nevertheless, the Opposition supports the legislation.

HON HELEN HODGSON (North Metropolitan) [9.08 pm]: This Bill deals with redemptions. Every member in this House would take the view that the reinstatement of redemptions into the workers compensation legislation is a step forward. For that reason the Australian Democrats will support the Bill.

Many people point the finger for the difficulties that the workers compensation system is now suffering at the removal of redemptions in 1993. The imposition of the second gateway at the same time as the removal of the ability to go into redemptions caused people to use the gateway mechanism as a form of achieving de facto redemptions. That was not only clearly indicated in the committee report to which you, Mr President, have already referred, but also referred to in the December 1998 debate on this matter. In the committee stage of that debate I asked for some clarification of the number of claims that were de facto redemptions and how we would identify this. It became clear that when one talks about the payouts that were made under what has been called the second gateway, a significant number were a means of tidying up the loose ends and getting a claim off the books. All parties acknowledged this aspect.

The proposals passed last year are yet to be enacted; therefore, this proposal will amend something amended last year but not yet proclaimed. Debate on that measure occurred on 1 April. I went to *Hansard* a few moments ago and noted some comments from the President that the 1 April in question was not a normal day. We were in the throes of a heated debate on another issue, and we underwent some strange contortions in the sitting schedule into the early hours of that morning. We were in general agreement that the Bill would be dealt with expeditiously. I raise that point because a lot has been said about delays in finalising this Bill. On 1 April 1998, by agreement with all in the Chamber, we dealt with that Bill with such expedition that I could find no reference in my speech in the second reading debate to the clause in the Bill which dealt with redemptions. All of us, although we understood the issues involved, ensured that we did not prolong the issue. We dealt with positive aspects as expeditiously as possible.

Many of the aspects blamed for the delay in getting last April's proposition finalised, including the one now being further amended, can be attributed to the fairly lengthy delay in finalising the matter in the other place. Further propositions were developed in that Chamber which caused the delay. Those issues will be dealt with later in the week.

Hon N.D. Griffiths: What about the minister who announced a review in November, and did not set up the committee to undertake the review until March. That shows the urgency!

Hon HELEN HODGSON: That was a delay. If the matter of redemption had been dealt with in April or May of last year,

as soon as the other place received the message indicating that we had dealt with it in this Chamber, it is quite likely that the blow-out and increase in premiums would not be as extreme as under the current situation. However, that is hypothesising as we do not have evidence. That did not happen, and we must deal with what is before us now.

In coming to grips with the proposal before us, I undertook an analysis of what happened to redemptions in the last year or so. The original legislation said that redemptions were only available when a worker had suffered permanent and total incapacity; had had six months of weekly payments; was at least 55 years of age; would use the sum for prescribed purposes or had a special need for the lump sum; or when other circumstances justified the redemption. The redemption was also available when the worker and employer agreed on a sum, or a sum was settled under other provisions of the Act.

The amendments passed last year were a huge step forward from the original legislation. It freed up the process to the extent that to justify the redemption one had to have permanent and partial incapacity, the rate of weekly payments was greater than the prescribed amount, and the worker had a special need. Other circumstances justified the redemption. It was also justified if a dispute resolution body determined that the worker had taken reasonable steps and failed to find employment or that rehabilitation was inappropriate. That freed up the process, but the provisions still had definite shortcomings. They were predicated on showing that rehabilitation was inappropriate, or that the worker could not find work. This still had to pass through a gatekeeper-type process in proving that the worker had done all he or she could in that regard.

After some contortions, the Bill went to the Standing Committee on Legislation in July of last year. The committee's report, which was referred to earlier in this evening's debate, suggested that the redemptions process be freed up to the extent that where no common law claim has been made for the same injury, a fairly free right of redemption should apply.

The next proposal which came back to the Chamber was that the workplace commissioner, I believe, be a gatekeeper to regulate access to the redemption proposals. The Pearson review went back to the legislation committee's recommendations and said that redemptions should be fairly free. It said that lump sum redemptions should be available to an injured worker with a permanent total or permanent partial disability and a special need no sooner than six months from the commencement of weekly payments up to the prescribed amount, including his schedule 2 entitlement. Subject only to the consent of all parties, the injured worker was to agree to cease receiving weekly payments and other benefits and to forgo the right to sue for damages under common law; and the insurer was to file a statement of the compensation payments made prior to settlement. Therefore, it returned to the idea of very open redemptions, which is close to that before us in this Bill.

One aspect of the proposal concerns me to some extent; namely, a gatekeeper process is still to be involved. The director must ensure that the worker understands the effect of taking the redemption. I am not opposed to that in principle as it is important that the worker receives advice. Nevertheless, I am concerned that this process will impose another impediment, and it depends a great deal on the type and extent of advice given. I relate this to a debate we had on the abortion Bill last year in which we spent some time considering the amount of counselling a woman should receive. When one does not have lawyers involved in the process - restrictions apply to the extent of legal advice in the workers compensation system - how does one ensure that the worker receives proper advice, and is it appropriate that the director should ensure that the advice is provided? Is it not more appropriate to pick up other recommendations in the Pearson review about the need for proper independent advice and counselling to workers? Why not leave it in that court and state that we should rely on the worker and advisers to ensure that the correct decision is made? That aspect is not sufficient by any means to require me to withdraw my support for the Bill, which is far more flexible and accessible than the present situation or any of the previous proposals.

Members must remember in respect of the workers compensation system that we are trying to strike a balance between a no-fault statutory scheme and the right of any citizen to sue at common law for a negative action or when harmed by somebody else's action. We have a serious problem with statistics when trying to determine what will be the impact of these changes. I referred to this earlier. We cannot distinguish how many of the payouts that are currently made come under common law and how many are de facto redemptions that in essence are part of the statutory system simply because we do not have the factual information on which to base any distinction. I have seen a copy of the 1999-2000 actuarial report given to the Premium Rates Committee, which was not based on the costing of the Pearson proposals but on the standard increases that we were expecting in May of this year. Throughout that report I see sprinkled references to the fact that no valid statistical information is available on common law settlements. This is largely because they are reached out of court and are often kept confidential. When one hears around the traps that people can get so much for a particular type of injury, it is often as a result of networking and word of mouth. The actual amount may be kept totally confidential.

This legislation picks up the fact that numerous reports must be filed in respect of workers compensation. When one hears insurers and medicos talking about workers compensation, apparently the reason that a medical practitioner must charge up to 400 times the Medicare scheduled fee for a consultation is that so much paperwork is involved. I question whether that increase is justified by the amount of paperwork. However, in the statutory system there is a substantial amount of record keeping and tracking. I understand that the quality of the information being collected has improved significantly over the past few years but - and this is a very big but - the common law system does not have that same information available. Therefore, we will not really know the impact on the common law system of any adjustments and tinkering that we are doing at this stage. When talking about the availability of redemptions for which in the past common law has been used as a de facto form of redemption, we are talking about adjusting a system when we do not really know the final impact.

The Pearson report at page 94 refers to some of the costings and savings resulting from the proposed model. If one takes out the line that deals with the statutory benefits - the more open redemptions - the actuarial advice to the Pearson committee indicates that one would expect to see immediate costs of about 1.7 per cent. Steady state cost would be about 3.5 per cent. The steady state cost is not given in a time frame but is intended to reflect a position where there has been some erosion over

time. Of course, it is very hard to know how much that erosion would be. Therefore, I would comment fairly sceptically that when one is dealing with actuarial figures, one must always rely on certain assumptions. If those assumptions are wrong, obviously the impact will be different. However, it is clear that on the assumptions the actuary used in this case, he believed that it would end up costing about 3.5 per cent on the current costs in the medium term. There is no doubt that this will cost the workers compensation system but we do not know how that will reflect back in the savings in the common law system. This is where the intermingling of the two systems becomes problematic when trying to resolve some of the current difficulties.

So far I have avoided any broad discussion of the underlying issues. However, unless we can sort out all of these underlying factors and come up with a working package, and while we are dealing with a piece at a time, one of which deals with redemptions and others of which we will be dealing with later this week - we have not yet looked at medical or legal expenses - we really need to take the heat off this issue for long enough to be able to go away and look at the fundamentals of the system. We may have to rebuild the system from the ground up. It seems that one of our problems over the past few years is that we have been exhausting the options. One option that has been on the table all the way through and that everybody seems to be agreeing with is the freeing up of redemptions because there is a general belief that, although it would cost more in the statutory system, it would ease up the pressure in the common law system. Although the premiums are established to cover both the statutory and common law systems, we will find that ultimately there will be cost savings. The problem is trying to quantify that. Without quantification it is very hard to justify exactly what we are doing.

I talked to an actuary about some of these issues. A brief comment that was made to me was that if the Government's proposals were passed unchanged, the actuary suspected that the number of new common law cases would drop dramatically; that redemptions would rise but that they would be an unsatisfactory option for those with a continuing inability to work. Even if people redeem a claim, they will not have any income support. With the caps on redemptions, the level of redemption will certainly not be enough to provide a steady stream of income in the future. We could end up with another group of people who are similar to redundant employees who take their payout and find that it does not go anywhere near as far as they expected. That is why people claiming redemptions need good advice in the first place. It is also why it is important that people with a continuing inability to work have access to other means of support through the workers compensation system. It would be a good way of dealing with some of the smaller claims and some of the injuries that, although problematic to the person who is suffering and requiring some form of compensation, may not have the significant impact that would cause a continuing problem with future career choices.

The Australian Democrats think that there is much more to be debated. We will be continuing debate on workers compensation later this week. I am sure other issues will come up then. We support the Bill.

HON TOM HELM (Mining and Pastoral) [9.28 pm]: The length of time that we will discuss this Bill and other aspects of workers compensation that come before us make me feel something of a hypocrite. I do not think that I have been enjoined to take part in a debate about saving people's lives and stopping them from being injured as much as a debate about the effects of those injuries on people. It does not make me feel good at all to have to fix previous mistakes that were made because of the single-minded attitude of the former Minister for Labour Relations, Hon Graham Kierath, and some of the members on the other side of the Chamber who believed that everything could be fixed as long as they kept hammering workers. There have been occasions when I have been part of debate and used facts and figures to demonstrate that a safe working place is productive and will show a profit to shareholders. This tired old Government's attitude and its tired old conservative way of viewing things have been proved not to work.

Since the first wave of legislative changes to workers' conditions in 1993 the second wave and associated legislation have reduced the power of the unions. This has been done to show the electors that this is a tough Government which has it right and that the best way to make industry more productive is to screw workers into the ground. It has done that and this is one of the downsides. The Government was strongly advised not to abolish redemptions and now we must legislate to provide an extension for injured workers to seek redemption of future entitlements when they have a permanent partial disability.

We should use opportunities like this to drive home to government members that unions have a useful and productive role to play in our society. If all employers got them on side and worked with them on the basis that we are all trying to pull in the same direction we would not need to debate this issue at this time of night, which I am sure the Government would prefer not to do.

It is bizarre that the Labor Party agrees with this Bill and welcomes it back on the agenda for debate while at the same time its members are working very hard to get their heads around the minister's proposal and to see how the mischievous hand of Mr Kierath is being played. The Opposition has a problem with this issue because he is not to be trusted. We did not trust him in the first place and he showed that our mistrust was well placed. It is his single-minded attitude that has brought us to agreeing to measures that we considered should have been implemented in 1994.

The Bill is another example of the Government's recognising that it needs to reclaim some of the ground it has lost over past months, after some of its poor old second-hand decisions, its inability to act decisively, the splits within its party rooms and the split between the National Party and the Liberal Party. It is on the slippery slide and this Bill will not get it off. I am pleased to be able to bring that home to the Government and to say that we told it so.

I would like the Government to understand that the Labor Party is anxious to take an active and responsible role in this matter. By the same token, the Opposition will not do that without its members' views on the matter being heard. If the Government were to work as hard at maintaining safety in the workplace and supporting people who worked for WorkSafe, the Department of Minerals and Energy and agencies that exist to ensure workplaces are safe, as it does on undermining workers' rights, the blow-out would not have occurred.

How am I supposed to respond to businesses that tell me in as many words that they will go bankrupt if they must pay for workers compensation? They do not say that; they say, "The cost of my insurance premiums are blowing out and I may have to close down my business because I cannot afford to pay them." It is bizarre that while we are seeking to give injured workers financial assistance we are increasing workers compensation premiums and causing work opportunities to diminish. No suggestion has been made by the Government that we should make the workplace safer.

Members opposite have always been comfortable with the "hang 'em, flog 'em" approach - if people do something wrong they should be punished. I am pleased to point out that legislation is before the Queensland Parliament that will enable employers who are responsible for breaches of the workplace safety Act, particularly in the mining industry, to be jailed.

Only the injured worker knows the penalty for being injured at work. He must stay at home on reduced wages which are paid according to whatever measure is appropriate; his routine and family life is disrupted and if the injury is severe enough he is likely to be permanently incapacitated. He pays that penalty for working at an unsafe workplace. What happens to the person who provides the unsafe workplace? He receives a fine up to, I think, \$20 000, depending on the size of the company. What is the point of a fine? It does not compensate the heartache or the distress the injured worker and his family go through. It is only fair that the company or person responsible for that should pay a severe penalty. That reminds me of the old cry of the Trades and Labor Council: The workplace is the only place where manslaughter is legalised or where a limited penalty applies to manslaughter.

On the one hand, the Labor Party is trying its hardest to work with a system that the Government has established; one that provides for longer shifts, greater tonnages being moved and the use of more high-tech equipment.

Are we keeping the Attorney General up?

Hon Peter Foss: Absolutely.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order!

Hon TOM HELM: If the Attorney General wants to yawn, he should put his hand over his mouth and not be so rude.

In the face of more sophisticated technology the TLC has agreed to the introduction of policies that help to shift more tonnes, whether it be across the wharf or on a conveyor belt. That is the path we have been encouraged to take. As a result, the workplace is becoming that little bit more dangerous. People would not mind being more productive to be internationally competitive if, at the same time, they were provided with safer workplaces. Not only is that not happening to the degree it should, but WorkSafe inspectors and employees have fewer and fewer resources and the Department of Minerals and Energy is not keeping up with technology in environmental and safe work protection, while assistance to injured workers is to be reduced. We are being told that we must close off the second gateway. A person must suffer 30 per cent disability before receiving workers compensation.

It is contradictory to seek more productive work practices in order to do the best for the economy when profits are going through the roof in the banking and iron ore industries. Even the gold companies are not making as much of a loss as we expected with the lower price of gold and the so-called difficulties native title issues are causing. It is a wonder the Government does not blame the workers compensation problem on native title. Everything else is blamed on it.

This is about the mismanagement of not allowing for redemptions earlier, which this Bill is seeking to amend. The Opposition will try to be as responsible as possible by helping the Government overcome its mistakes. The Government should try to be more imaginative in encouraging people to understand that it wants to work cooperatively with them. The unions are weakened to a large extent. There is higher productivity, so businesses are making profits. Those profits should be ploughed back into the workplace so that premiums can be reduced in that way, and fewer people go into the system.

This debate has been going on for so long that most of us in the Labor Party would love to move on. We would love to have a system in which there would be an understanding of and respect for the work force so that premiums could be kept low and workers would not be hurt, but if they were hurt, they would be given some respect. I have looked at the "Twenty-ninth report of the Standing Committee on Legislation in relation to the Workers' Compensation and Rehabilitation Amendment Act 1993". You, Mr Deputy President (Hon J.A. Cowdell), were a member of that committee, although I recall that you were a member in the minority. The other members of the committee were Hon Derrick Tomlinson, Hon Bill Stretch, Hon Ross Lightfoot - what an enlightened person he is! - and Hon Cheryl Davenport. Therefore, there were three conservatives and two proud Labor people.

Hon N.D. Griffiths: I would not call Senator Ross Lightfoot a conservative.

Hon TOM HELM: We will not say anything else about that. By the same token, even with his extreme right-wing, redneck views, and with a clear understanding that it was not the workers who were to blame but the natives, the committee, of which Hon Ross Lightfoot was a member, said in its November 1994 report -

The best method for an employer to keep claims costs, and therefore the premiums down is to actively manage the workplace to prevent injuries happening. However, when a worker is injured the authorised insurer can advise the employer immediately on the possible cost outcome of the claim and how it could affect the employers premium. For example, through case estimates an employer can ascertain the savings to be made by making a suitable job offer and helping the injured worker remain a productive part of the business; or how \$1000 spent on occupational rehabilitation for a faster return to work could save thousands of dollars off the premium.

Hon Ross Lightfoot might not have had much time or respect for the indigenous people of this country, and he probably had

less respect for unions and workers in this country; however, he recognised the dollar and had a lovely respect for it. It was his view, as part of that committee, that we should look after the workers in the sense that we should try to stop them from being hurt, but if they were hurt, their psychological problems should be sorted out to get them back in the workplace again, where they might even be productive. That would be a real shock to the system. If they were productive, they were helping the company make a quid and keeping the premiums down. However, that is not the case with this government mob. Come back, Hon Ross Lightfoot. He had it right. This crowd is talking about somewhere down the track debating another Bill which has nothing imaginative about it and which contains all kinds of draconian measures. It is all connected with this Bill now before us and the issue of redemptions.

In one way it creates a sense of déjà vu; in another way it makes me angry. However, we must spend time talking about these issues again. We must revisit the past to correct the mistakes that have been made. The Opposition has tried to point out to the mob on the other side of the House why it made the mistakes. Why do government members have such narrow minds and why do they keep the blinkers on? When something goes wrong, why do they say that they will blame the blackfellows or the workers? If government members got away from that mind-set and expanded their minds, this could be a more productive and happy State. The Government will never be elected again but -

Hon N.F. Moore: Like we were during the 1980s when you were running the place. It was a really happy place then.

Hon TOM HELM: I think we had fewer injuries then, comrade.

Hon Tom Stephens: The Leader of the House was comatose then and is comatose now.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order!

Hon TOM HELM: If 1993 was a good time for the Government, 1999 will be its annus horribilus. The Queen had one of those years, and this mob will have the same because it is tired and worn out and has no imagination. It is dragging out the same stuff and it is taking us down the same track that we have been down previously. It has been tried and it did not work. Therefore, the Government is back here whingeing now because it has the problems that we said it would have. Now it must grapple with those problems. I hope it does and that we can have a decent, level-headed debate. With those few words, I support the Bill.

HON J.A. SCOTT (South Metropolitan) [9.45 pm]: Along with a number of other speakers, I also believe that the legislation before us tonight is an attempt to fix the problems caused by the 1993 legislation, which took away access to redemptions and severely restricted access to common law for injured workers. Members will recall that that legislation came back before us to be amended by the 1997 Workers' Compensation and Rehabilitation Amendment Bill. However, it offered only restricted redemptions. Although this House passed the redemption clauses in that amending Bill, the Government did not want to proclaim it. Basically it spat the dummy because other amendments which this House considered unfair to injured workers were not accepted.

It was fairly unfortunate that the redemptions were taken out in the first place. I recall that during the debates at that time I mentioned some of the costs that had arisen as a result of the redemptions being reduced. In the Committee of the Whole debate on that amending Bill, I pointed out that redemptions fell from \$26.7m to \$6.8m. At the same time, weekly payments increased \$85.1m to \$108m, and common law payouts increased from \$73m to \$86.4m. Although one cannot claim that every rise in those areas strictly concerned redemptions, from the graphs that were provided to me at that time it was clear that they were a significant cause of those other rises and fitted in pretty closely with the rise in weekly payments.

During the debate on this Bill, Hon Peter Foss said that the redemptions were not the cause of the blow-out in premiums, but they were a significant factor in that cost. I have seen a report provided by Cumpston Sarjeant Pty Ltd, Consulting Actuaries, which estimated that bringing back unlimited redemptions would save the system around \$8.4m per annum. I do not know how accurate that estimate is, but even if it were within 20 per cent, it would be a significant saving for the system.

It is not, as the minister is saying, the reason for the premium blow-outs; it is part of the reason for the premium blow-outs. To the extent to which the minister is saying that it is not the only area that has caused the premium blow-out, he is certainly correct. The Donaldson and Pearson reports identified a wide range of areas in which costs have blown out, including redemptions, medical and rehabilitation costs, the failure of rehabilitation to get people back into employment quickly and poor claims management. During the debate in this House on the 1997 amendment Bill, it was pointed out that many of the costs that were still in the system and some of the significant increases in the percentage of premiums had come from a territory war between the insurers, who saw that there would be a massive profit in it for them because of the changes made by the 1993-94 legislation. Many insurers were offering reductions of up to 70 per cent in the premiums.

Hon Peter Foss: How can you say that reducing incomes increases the cost?

Hon J.A. SCOTT: In case the minister did not understand me, I am saying that premiums have increased by a huge percentage. During a period in 1994, premiums that were offered to people who were running businesses were reduced by 70 per cent in some cases.

Hon Peter Foss: Expenditures do not increase because the payments are down.

Hon J.A. SCOTT: The minister is misunderstanding -

Hon Peter Foss: Do you know how balance sheets work?

Hon J.A. SCOTT: Yes, I do. That is why I understand what happened with the changes to the workers compensation system that were introduced by the minister's Government in 1993.

Hon Peter Foss interjected.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order! The minister shall desist from assisting the member with his speech.

Hon J.A. SCOTT: Not only did the Government move a whole lot of the costs from one part of the system to another, but also it attempted to push some of the costs onto the taxpayer by forcing people out of the system and into -

Hon Peter Foss: Have you ever been in business?

Hon J.A. SCOTT: Yes, I have.

Hon Peter Foss: Did you go broke?

Hon J.A. SCOTT: No, I did not.

Hon Peter Foss: You should have.

Hon J.A. SCOTT: The Attorney General seems to think that redemptions did not have an impact, but everyone who has looked at it, including the actuaries I have just mentioned, has suggested that if open redemptions were brought back today, we would see savings of about \$8.4m per annum. However, they were only actuaries and probably do not know as much as the Attorney General. As usual, he got it entirely right. Everyone else is entirely wrong.

Hon Peter Foss: You are just talking nonsense. You are saying that by reducing income you increase costs.

Hon J.A. SCOTT: I did not say that at all; the Attorney General said that.

Hon Peter Foss: You did.

Hon J.A. SCOTT: I said that the people who are purchasing insurance have seen the premiums they are paying leap remarkably. That is partly due to the fact that, following the 1993-94 changes, insurance companies were offering 70 per cent reductions on the recommended premiums. Because the premiums were set unnaturally low and it was unbusinesslike, the insurers had to increase them not only to the level at which they should have been, but also high enough to make up for some of the losses they incurred by setting them too low. The Attorney General is probably the only person I know who believes that that is not the case. Even the insurance companies admitted that in the committee.

Hon Peter Foss: It is not the reason for the increase in costs.

Hon J.A. SCOTT: It is one of the reasons for the increase in premiums.

Hon Peter Foss: You are also trying to suggest that increasing costs is related to it, and it cannot possibly be related.

Hon J.A. SCOTT: Most people understand that the reason for the high increases - I am not talking about the premium rate, but the premium they have been paying - was that the insurers had given rates which were 70 per cent below the premium rate. If the Attorney General cannot understand that -

Hon Peter Foss interjected.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Hon Jim Scott should address the Chair rather than the Attorney General.

Hon J.A. SCOTT: The part that the Attorney General does not seem to understand is that the money in the system, including the money that these insurers invested to get a return, was vastly reduced because they had underestimated their costs. They did not get the windfalls they thought they would. If the Attorney General does not understand that, perhaps he should not go into business.

Hon Peter Foss: I was in business for 25 years and made good money.

Several members interjected.

The DEPUTY PRESIDENT: Order, members! The Attorney General may well have been a lawyer and we are grateful for that advice.

Hon J.A. SCOTT: Even though the -

Several members interjected.

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

Hon J.A. SCOTT: Even though the Attorney General, as we know, is always right, I recall saying to him when he was stamping his foot and saying that he would not proclaim the 1997 Bill that had passed through this House with amendments, so reintroducing the redemptions to a limited degree, that he would have to bring back redemptions. He did not agree with me at the time, but now he is bringing them back. For someone who is never wrong, he certainly was wrong on that occasion; he got it entirely wrong. The minister does get it wrong;

Hon Peter Foss: You must make up your mind what you want to do with the rest of the Bill. One of these days you will have to pass the Bill.

Hon J.A. SCOTT: I would certainly like to pass some reasonable legislation.

Hon Peter Foss: Everyone is waiting to see what you will do.

Hon J.A. SCOTT: Another problem we face is what happened when we took away the redemptions and the access to common law. At the same time as we did that we had another change occur in the conditions of workers; that is, workplace agreements were put in place. Unfortunately, when the Workplace Agreements Act came into place it was not envisaged that, because the Act lumped overtime and whatever into one package, when the loss of earnings was estimated it would be at a higher level on a workplace agreement than on an award. That is because the award dealt only with the basic wage.

Debate adjourned, pursuant to standing orders.

ADJOURNMENT OF THE HOUSE

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.01 pm]: I move -

That the House do now adjourn.

Minister for Mines, Letter to Mr Hounslow - Adjournment Debate

HON TOM HELM (Mining and Pastoral) [10.01 pm]: I bring the attention of the House to a matter that was brought to my attention. I also advise the House of reports in the *Kalgoorlie Miner*, and around the goldfields, that I am guilty of helping my goldfields constituents with matters that concern them, and that some of those constituents happen to be friends of mine. Mr President will be surprised to hear that I am about to do the same thing now, and I will probably do the same thing for as long as I am in this place. If my constituents cannot go to someone in my position, I do not know whom they should go to. I do not know what our role is if it is not to take up matters that concern people, even those who may not have voted for us.

This matter concerns Mr Brian Hounslow who lives at 7 Williamstown Road, Kalgoorlie, and a letter that he received from the Minister for Mines. The minister wrote to Mr Hounslow and stated -

Following receipt of the legal advice Departmental officers visited the area in June 1999 and established with the use of a differential GPS unit that the Cassidy Shaft is approximately 113 metres from the front of your property. Advice from KCGM is also to the effect that the shaft is beyond the 100 metre zone.

Mr Hounslow gave me documentation that relates to the dispute he has had with the Department of Minerals and Energy over time. A letter from the minister is dated 7 July 1999. It acknowledges a letter the minister received from Mr Hounslow on 17 December 1998. The minister states in part -

Under the Mining Act a prosecution for an offence against it must be initiated within one year of the date on which an offence is alleged to have been committed. If you are able to produce evidence of any other mining operations being conducted within the 100 metre zone in the last twelve months, other than the April 1998 photographs of the alleged ore unloading/loading activity, or you can provide details of specific mining operations you believe are currently being undertaken in that zone, I will arrange to have the matter investigated.

That is the end of the story. The beginning of story is that Mr Hounslow's residence faces the Cassidy shaft in Williamstown Road. Mr Hounslow does not have a differential global positioning system, but he took out a tape measure to measure the nearest mining operation - in other words, the loading and unloading of ore within the mining operation of Kalgoorlie Consolidated Gold Mines Pty Ltd. By using a tape measure, which most people use, Mr Hounslow found that mining activity was occurring 73 metres away from his house. The Mines Act states that it is an offence for a mining activity to take place within 100 metres of someone's house. The minister did not dispute the location of the shaft. Anyone with half an eye who saw where Mr Hounslow lives would also see the location of the shaft and the activity around the shaft - the same activity that occurs in every mine shaft in the whole wide world. The differential GPS reading showed that the shaft is 113 metres away, so we can take it that mining activity is taking place around the shaft.

Hon Peter Foss: What is "mining activity" for the purpose of the Act?

Hon TOM HELM: It would be anything to do with ore. What does the Attorney General think it would be? Would the Attorney General agree that anything connected with a mine is a mining activity? What would the Attorney General say?

Hon Peter Foss: I thought it would be winning.

Hon TOM HELM: Would that be with a shovel or a rake, but not a wheel that is driving the shaft?

Hon Peter Foss: I would have thought all those things were mining activities.

Hon TOM HELM: Is it a mining activity when the kibble comes up from down below to unload onto an ore car? The comrade can take it from me that it is mining. The Attorney General should stick to law and I will stick to mining.

Hon Peter Foss: I am asking you because I do not know.

Hon TOM HELM: I just told the Attorney General and he does not believe me.

The issues involved in this letter, and the point I am trying to raise in the House, is that people come to me because they

believe I will raise issues and, hopefully, get a result. I brought the issue concerning the Hounslogs to the attention of the House a few months ago. They live in close proximity to the mine. They were there first; the Cassidy shaft was built afterwards. Only three or four miners' cottages are located near the Cassidy shaft - two of which were nearly knocked over because they are located on the curve of the road, and an out-of-control utility knocked down a fence and parts of those houses. However, that is another story. The Hounslogs are second or third generation Kalgoorlie residents. They are miners; they are not blow-in environmentalists. The Hounslogs say that the Mines Act is being breached, which at the very least should mean a fine for the mining company. However, that is not what they want. They want to be relocated to a place in Kalgoorlie where it is safe for them to live. They cannot sell their place and buy another house because of its location. Something should be done to help them. I will leave that open. Either a breach has occurred and the activity that is taking place must cease, or they must be rehoused.

The silly letter from the minister dated 7 July acknowledges the letter that the Hounslogs sent in December 1998 and says there was no activity when the inspectors were out there. The minister is not saying it did not happen. The department used a differential GPS to measure 100 metres. However, the breach occurred in June 1998 and 12 months has gone by. The minister's letter states that he had to get legal advice from the Crown Solicitor's department. It is not the fault of the Hounslogs that all these things had to take place. However, they must now prove again that a breach has occurred. The minister will have copy of a letter from the Hounslogs dated 30 August. The Hounslogs have photographs of mining activity and the use of a crane. They have maps which indicate what is located within 100 metres of their house.

Hon Peter Foss: Can I see it?

Hon TOM HELM: Yes. The Attorney General can also look at another document, which is even more extensive, which contains a series of charts which explain where the activity was taking place and which shows the border of the mine, which is less than 100 metres from their house. The Hounslogs are not alone in this issue, but the problem has existed for quite some time and they have got nowhere with the Department of Minerals and Energy. The minister may not like it, but by God he must listen to me. I will continue to raise these issues.

Hon N.F. Moore: Time after time, and day after day.

Hon TOM HELM: That is right, because one day the minister will do something. These people do not deserve the treatment they have received from the minister. They deserve something better than this. They are ordinary miners; ordinary people trying to do their jobs and live their lives, but the minister will not listen. The minister listens to his officers, who tell him what he wants to hear, not the truth. It is about time these people received justice.

Hon N.F. Moore: What did you say about my officers?

Hon TOM HELM: The minister listens to his officers and does not look for himself, even though it is his constituency!

Hon N.F. Moore: Did you say that officers tell me what I want to hear, not the truth?

Hon TOM HELM: Yes, that is right.

Hon N.F. Moore: I will tell them what you say about them.

Hon TOM HELM: The minister can do so. If he thinks I am wrong, he can use this place as I do; he can get on his hind legs and tell me so. I have no problem with that. Here is the evidence.

Hon N.F. Moore: I have told you.

Hon TOM HELM: I do not want what the minister's officers write for him.

Hon N.F. Moore: You should not cast aspersions on officers you do not know.

Hon TOM HELM: I can only know what I am told. I hope the House and the minister will take notice of this matter.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.10 pm]: I will read what Hon Tom Helm had to say as I was discussing a matter with another member while he spoke. However, I take exception to his comment that officers of the Department of Minerals and Energy tell me what I want to hear regardless of whether it is the truth. He implies that public servants, who have no axe to grind on the matter, are giving me false information. I receive a very large number of documents from the department every day. As a general rule, I accept the position expressed by the department unless it is obvious that something else needs to be done. The issue raised by the member has been around for a long time, and much work has been done by many people to sort out the problem. A number of people who live in Williamstown are, for varying reasons, running a campaign against Kalgoorlie Consolidated Gold Mines Pty Ltd. It may be, as the member said, that these people believe they are being ill-treated, or it may be that they are seeking significant compensation that the company is not prepared to pay. It is a very difficult issue.

Hon Tom Helm: It is not difficult for you to resolve.

Hon N.F. MOORE: I have said consistently, not to Mr Hounslog but to a number of people who have promoted their point of view, that they should take the matter to the Ombudsman, the Anti-Corruption Commission or anywhere else if they do not believe or accept the information I as minister or the department provides to them. They have many avenues independent of me and the department to deal with this issue. I am trying to explain to the member that avenues are available for citizens of Western Australia to refer issues upon which they believe they are not getting a fair deal from a government agency or a minister. They can go to the Ombudsman, the Anti-Corruption Commission and a dozen other bodies, such as the Commissioner for Public Sector Management, if -

Hon Tom Helm: Or to the United Nations, to Kofi Annan.

Hon N.F. MOORE: They could probably go there too if they wanted to do so. I have received advice on this issue, and a number of other issues the member raises from time to time, from public servants who have no axe to grind and who provide information to the best of their ability. I accept that advice. If people believe they are not receiving a fair deal, and do not agree with me, they should take their concern to an independent arbitrator. I have written on countless occasions to some people in Kalgoorlie expressing that point. They do not and will not, but should, take that advice. I will be happy to accept a decision as I must -

Hon Tom Helm: Will you pay for it?

Hon N.F. MOORE: One does not pay to go to the Ombudsman or the ACC. I will happily accept the ruling of the independent arbitrator. It is naive for the member to suggest that I should make a unilateral decision against the advice of well-respected agencies. If people do not agree with the position I take, they should seek redress through an independent arbitrator.

Hon Tom Helm: What if they have done so?

Hon N.F. MOORE: Then what is the member's problem?

Hon Tom Helm: They were not successful - that was the problem.

Hon N.F. MOORE: How many arbitrators does the member need? He is saying that if one does not succeed, one should try and try again. Go through the list and go ultimately to the United Nations if the member feels the need. Hon Tom Helm will understand one day, if he ever sits on the front bench on this side of House, that many issues are very complicated. He cannot have it both ways. He should get an independent assessment of this matter, and I will accept that decision.

Question put and passed.

House adjourned at 10.15 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

GREY KANGAROOS, POPULATION

1. Hon MARK NEVILL to the Minister for Finance representing the Minister for the Environment:

What are the aggregated population estimates for grey kangaroos in the surveys of the West Australian pastoral zones since 1980?

Hon MAX EVANS replied:

Aerial surveys are conducted throughout the range of the Western Grey Kangaroo in Western Australia, other than the south-west forests and the highly cleared southern and central wheatbelt areas. The methodology used yields a single estimate for the entire surveyed area, so no separate estimate is available for the pastoral zone.

Population estimates for Grey Kangaroos in the surveyed areas are:

1981	673 300
1984	788 900
1987	1 015 200
1990	1 231 200
1993	892 500
1997	509 600

MR LUKE SARACENI

2. Hon J.A. SCOTT to the Minister for Transport representing the Minister for Local Government:

- (1) Is the Minister for Local Government aware that Mr Luke Saraceni of Saracen Properties Pty Ltd, the developers for Tower Brick, is a former Swan Shire Planner?
- (2) If yes, would the Minister detail his period of employment and position held?
- (3) Did Mr Luke Saraceni, during his period of employment with the Swan Shire -
 - (a) have any involvement in the approval or disapproval of brickworks or any other noxious industry in the Swan Shire region;
 - (b) if yes, can the Minister provide details;
 - (c) have any involvement with zoning amendments for Hazelmere;
 - (d) if yes, can the Minister provide details; and
 - (e) develop a working relationship with any staff or councillor currently holding a position in the Swan Shire, or anyone employed by the shire?
- (4) If this is found to be a contravention of Clause 34C of the *Local Government Administration Regulations*, what action will the Minister take?

Hon M.J. CRIDDLE replied:

- (1)-(4) The Minister for Local Government is not aware if Mr Saraceni is a former employee of the Shire of Swan.
Any questions in relation to Mr Saraceni and his former employment should be directed to the Shire of Swan.

FIREARMS BUYBACK SCHEME, ADMINISTRATION COSTS

5. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) Why were the administration costs of the Gun Buyback Scheme (GBBS) in Western Australia only one third of the amount spent on administration of the GBBS in Queensland?
- (2) Was Western Australia under compensated for administration of the GBBS as it had the lowest administration costs of all the States and Territories?

Hon PETER FOSS replied:

- (1) The Western Australia Police Service is unaware of the Queensland position with regard to the administration of the Firearms Buy Back Scheme.
- (2) The Western Australia Police Service was provided with base funding which was sought to cover the administration necessary to carry out the exercise.

FIREARMS BUYBACK SCHEME, NUMBER HANDED IN

6. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) How many illegal firearms were handed in under the Gun Buy-Back Scheme?
- (2) What is the West Australian Police Service's best estimate of the number of illegal firearms left in Western Australia?

Hon PETER FOSS replied:

- (1) Illegal firearms are deemed to be those which are unlicensed. The Western Australia Police Service believes that most unlicensed firearms have been handed in under a continuing amnesty. However, to obtain a quantity would require a lengthy manual search of records and the Police Service does not have sufficient resources to undertake such a task at this time.
- (2) The Western Australia Police Service is unable to estimate such a figure.

FIREARMS BUYBACK SCHEME, COMPENSATION FOR SPARE PARTS

8. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) Were all gun dealers compensated for spare parts as part of the Gun Buy-Back Scheme?
- (2) If so, how much compensation was paid in Western Australia?

Hon PETER FOSS replied:

- (1) Only those dealers who traded in spare parts were compensated as part of the Firearms Buy Back Scheme.
- (2) This figure cannot be quantified because the compensation for spare parts was only one component of a total amount for individual compensation pay-outs. Payments for claims were separated into two categories, loss of business and closure of business.

FIREARMS, GUN DEALER COMPENSATION CLAIMS

9. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) How many gun dealer compensation claims are still to be paid?
- (2) How much compensation money is involved in the unsettled claims?
- (3) How many gun dealer compensation claims are under litigation?

Hon PETER FOSS replied:

- (1) There are 3 outstanding gun dealer claims which are still under negotiation.
- (2) \$655,500.00
- (3) There are no gun dealer compensation claims currently under litigation.

FIREARMS BUYBACK SCHEME, ACQUITTAL REPORTS

10. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) Has the West Australian Government submitted any audit and/or acquittal reports to the Federal Government for the Gun Buy-Back Scheme?
- (2) If so, how often, and when was the first and last report submitted?
- (3) What information was contained in the acquittal reports?
- (4) Are the reports public documents?

Hon PETER FOSS replied:

- (1) Yes.
- (2) One acquittal report was submitted on 26 October 1998.
- (3) The report contained the results of the audit for the Buy Back Scheme.
- (4) No.

FIREARMS BUYBACK SCHEME, NUMBER HANDED IN

13. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) How many prohibited firearms were handed in during the Gun Buy-Back Scheme in Western Australia?
- (2) What amount of money was paid for these prohibited firearms?

Hon PETER FOSS replied:

Prior to the Port Arthur incident and the resolutions arising from the Special Australasian Police Minister's Council of May 10, 1996, there was no firearm which was prohibited specifically in Western Australia.

(1) The total figures for the Buy Back Scheme are as follows:

51,507 firearms.

(2) \$18,695,205.00.

FIREARMS, SEIZURE ON ENFORCEMENT OF VIOLENCE RESTRAINING ORDERS

15. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

(1) How many firearms have been seized during the enforcement of Violence Restraining Order's (VRO)?

(2) Are these firearms destroyed?

(3) If not, why not?

(4) If not, where are those firearms stored?

(5) What are the procedure for defendants of VRO's to obtain confiscated firearms from the police?

Hon PETER FOSS replied:

(1) The Western Australia Police Service is unable to ascertain an accurate amount as current records do not categorise seizures.

(2) All firearms seized by the Police Service upon service of a violence Restraining Order are kept in storage until the Violence Restraining Order is dismissed revoked or finalised.

(3) Sections 20 and 33 of the Firearms Act 1973, are utilised after a Violence Restraining Order has been finalised. These sections revoke the firearms licence of the respondent and therefore, place the onus on the respondent to advise the Police Service of their intent to legally dispose of their firearms within a two month period of the order being finalised. If the respondent does not adhere to this time frame, the Police Service will destroy the firearm(s).

(4) Most firearms are stored at the Police Station responsible for seizure until they are dealt with. A small number are stored at Ballistics Section.

(5) Respondents of Violence Restraining Orders can only obtain the confiscated firearms if the Violence Restraining Order is revoked or dismissed. If a Violence Restraining Order is finalised, then, under Section 11 of the Firearms Act, the firearms licence holder becomes an "unfit person" and their firearms licence is revoked. If a Violence Restraining Order is dismissed or revoked, the respondent attends the Police Station responsible for the seizure, with a current licence and takes possession of his/her firearm. 3

POLICE, REPORT ON AUSTRALASIAN POLICE MINISTERS COUNCIL'S RESOLUTIONS ON FIREARMS

16. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

(1) Has the Minister for Police tabled a report on the implementation of resolutions made by the Australasian Police Minister's Council in compliance with Section 53 of the *Firearms Amendment Act 1996*?

(2) If not, why not?

Hon PETER FOSS replied:

The Report was tabled in Parliament on 10 March 1998.

FIREARMS, NEW LICENCES

18. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

(1) How many new firearms licences were issued in the financial years -

(a) 1995/96;

(b) 1996/97;

(c) 1997/98; and

(d) 1998/99?

(2) What was the revenue from new licence applications in each of those years?

(3) How many licenses were renewed for those years?

(4) What was the revenue from licence renewals in each of those years?

Hon PETER FOSS replied:

- (1) (a) 3,221
(b) 2,224
(c) 1,934
(d) 1,988
- (2) 1995-96 - \$70,862
1996-97 - \$54,423
1997-98 - \$44,137
1998-99 - \$129,674
- (3) 1995-96 - 112,620
1996-97 - 97,191
1997-98 - 92,127
1998-99 - 85,316
- (4) 1995-96 - \$2,477,640
1996-97 - \$2,163,975
1997-98 - \$2,028,485
1998-99 - \$1,878,273

FIREARMS, LICENCE APPLICATION BACKLOG

19. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

- (1) Has the firearm licence application backlog from June 1998 been processed?
- (2) If not, why not?

Hon PETER FOSS replied:

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

FIREARMS BUYBACK SCHEME, ADVERTISING COSTS

21. Hon MARK NEVILL to the Attorney General representing the Minister for Police:

How much money was spent on advertising in Western Australia for the duration of the Gun Buy-Back Scheme?

Hon PETER FOSS replied:

In Western Australia, the costs for ongoing public education with regard to the Buy Back Scheme are as follows:

Buy Back commencement - June 30, 1997:	\$152,794.
July 1, 1997 - June 30, 1998:	\$181,667
July 1, 1998 - June 30, 1999	\$95,499
TOTAL	\$429,960

MOLTONI HOLDINGS PTY LTD, UNDERGROUND WATER ACCESS IN GINGIN

23. Hon KIM CHANCE to the Minister for Finance representing the Minister for Water Resources:

- (1) Has Moltoni Holdings Pty Ltd been allocated access to underground water resources in the Gingin area for the purpose of establishing a 140ha olive grove?
- (2) If so, from which aquifer will this water be drawn?
- (3) What is the amount of this aquifer's sustainable yield which has been designated for commercial/horticultural use?
- (4) What percentage of this amount is represented by the allocation to Moltoni Holdings Pty Ltd?
- (5) Does the allocation of such a large proportion of the available commercial resource to a single user meet Government policy guidelines?
- (6) Will the allocation, that has been made to Moltoni Holdings Pty Ltd, effectively become a capital asset if transferable water entitlements are introduced?
- (7) If so, what consideration of this possibility was made, prior to Moltoni's application being granted?
- (8) Will the allocation of such a large proportion of the available resource inhibit the future development of irrigated horticulture in the Gingin area by other farmers, unless they purchase water rights from Moltoni?

Hon MAX EVANS replied:

- (1) Moltoni Holdings has been issued a letter of intent from the Water and Rivers Commission for the allocation of water for olive growing.
- (2) Yarragadee aquifer.

- (3) Based on current knowledge, the Water and Rivers Commission has set a limit of 3 GL/yr from the Yarragadee aquifer. All of this water is available for commercial/horticulture use if required and necessary land use approvals are obtained.
- (4) 100% of the water available from the Yarragadee aquifer. However, in this area water can also be taken from several other aquifers, including the superficial aquifer which is currently not fully allocated.
- (5) Yes, but we are reviewing this Policy.
- (6) Yes, but only with conditions, which may include a requirement to have used the water productively prior to it being available for sale.
- (7) Water is allocated throughout the State on the principle of first in, first served provided demand for the water can be demonstrated. The possibility exists with respect to every water licence issued in the State.
- (8) No. Water remains available at this time from the superficial aquifer. When any area becomes fully allocated, further development is constrained. However, if trading were to be introduced it may allow other farmers to obtain water from any license tapping into the various aquifers in the area.

JANGARDUP MINERAL SANDS MINE, WORKSAFE WA REGULATIONS

26. Hon BOB THOMAS to the Attorney General representing the Minister for Labour Relations:

- (1) Is the Minister for Labour Relations satisfied that all earthmoving operations at Cable Sands mineral sand mine at Jangardup comply with all WorkSafe regulations?
- (2) If not, which practises do not comply and what action has the Minister taken to rectify the problem?

Hon PETER FOSS replied:

- (1)-(2) WorkSafe Western Australia does not have jurisdiction over operations at Cable Sands mineral sand mine at Jangardup.

FOETAL ALCOHOL SYNDROME

28. Hon BOB THOMAS to the Minister for Finance representing the Minister for Health:

- (1) What action is the Health Department taking to raise awareness of Foetal Alcohol Syndrome and foetal alcohol effects?
- (2) Will the department be conducting a campaign on this issue in the future?
- (3) If yes, what are the details of the campaign?
- (4) If not, why not?

Hon MAX EVANS replied:

- (1) The Alcohol and Other Drugs Program in the Public Health Division produces and distributes a fact sheet for Health Professionals on *Alcohol and Pregnancy*. This provides information on Foetal Alcohol Syndrome and Foetal Alcohol Effects and the NHMRC recommendations for alcohol consumption during pregnancy. Next Step Specialist Drugs and Alcohol Services (now heading the programs of the former Alcohol and Drug Authority) includes reference to these conditions in its pamphlet on *Chemical Dependency and Pregnancy*. Staff working on the ADIS (Alcohol and Drug Phone Information Service) phone line can also provide limited information to callers and are briefed on the issue.
- (2) The Public Health Division has no plans to conduct a campaign on this issue in the next 12 months.
- (3) Not applicable.
- (4) The prevalence of Foetal Alcohol Syndrome is very low. In the last 18 years there have been 34 cases reported on the WA Birth Defects Registry. However, the extent of the problem is not known. Recent improved methods of reporting suggest that the Foetal Alcohol Syndrome may be under-reported by about 50% (that is, it appears that there may have been another 17 cases not reported on the Registry in the last 18 years). In total this still represents less than three cases per year in Western Australia. There is a lack of research and consistent findings about the level of alcohol consumption required to cause these conditions. A recent Commonwealth Government study concluded that current data are consistent with there being no increased risk of most foetal conditions when alcohol consumption during pregnancy is within the 'responsible' drinking limits recommended by the NHMRC for women in general (1-2 drinks per day). The NHMRC recommendations for pregnant women however, are for abstinence. A 1995 WA survey of pregnant women (conducted by the TVW Telethon Institute of Child Health Research) found that most women who drink, stop drinking alcohol on becoming pregnant. The vast majority of those who drink during pregnancy drink at low and responsible levels.

MURCHISON ROAD FREIGHT CONTRACT, EXTENSION

41. Hon TOM STEPHENS to the Minister for Transport:

- (1) Is it intended to extend the Murchison road freight contract?

- (2) If yes, what will the extension be?

Hon M.J. CRIDDLE replied:

- (1)-(2) The Murchison road freight contract held by Centurion Transport was extended in January 1999 for a period of twelve months. The extension is designed to allow the Murchison community the time to position itself for the orderly introduction of competition. The intention after twelve months is to replace the contracted arrangement with a system of controlled entry through the commercial goods vehicle licensing system. The option of continuing current servicing arrangements will be a commercial decision on the part of Centurion Transport.

CYCLONE VANCE, ONSLOW

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

- (1) Which Government Ministers have visited the township of Onslow since *Cyclone Vance*, and on what dates and for how long did they visit?
- (2) What level of funding will the State Government provide to the Ashburton Shire to restore the beachfront and shoreline community infrastructure damaged by the cyclone?
- (3) When will this funding be allocated?

Hon N.F. MOORE replied:

- (1) As at 16 August 1999, the following visits to Onslow have been undertaken since Cyclone Vance:

Date	Minister	Duration
24 March	Premier Minister for Mines; Tourism; Sport and Recreation Minister for Police; Emergency Services	Part of a full day visit to affected areas.
19 May	Premier	Part of a full day visit to Exmouth and Onslow
30 June	Minister for Police; Emergency Services	3 hours
22 July	Deputy Premier	2 hours

- (2)-(3) The Shire of Ashburton has provided a comprehensive submission detailing damage and estimated costs for restoration and reconstruction for Onslow which is presently being considered. As at 16 August 1999, payments of \$670,000 in grants to assist Onslow businesses and \$66,000 to the Shire of Ashburton for clean-up costs, have been disbursed from the joint Commonwealth/State Trust Fund.

PUBLIC SERVICE, REDEPLOYEES

51. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Public Sector Management:

- (1) What is the total number of redeployees currently registered with the Public Sector Management Office?
- (2) Will the Minister for Public Sector Management table a breakdown of the number of redeployees in (1) above by their former employing agency?
- (3) What is the total number of redeployees in the public sector (including internal redeployees)?

Hon MAX EVANS replied:

- (1) 545 (as at 11 August 1999)
- (2) [See paper No 137.]
- (3) Formal records are only maintained centrally on public sector employees who are registered for redeployment outside of their employing organisation.

COURTS, PRIVATISED CUSTODIAL SERVICES

53. Hon JOHN HALDEN to the Minister for Justice:

- (1) Has the Cabinet and/or contractor agreed on a preferred date when the privatised court custodial services will commence?
- (2) If yes, what is that date?

Hon PETER FOSS replied:

- (1) The Government has agreed to the signing of a contract for the delivery of court security and custodial services subject to the passage of the *Court Security and Custodial Services Bill 1998*, the finalisation of negotiations with Corrections Corporation of Australia and the finalisation of documentation.

- (2) Services will commence approximately 21 weeks after the signing of the contract.

REGIONAL FOREST AGREEMENT, JOB LOSSES

54. Hon NORM KELLY to the Leader of the House representing the Premier:

On July 28, 1999 the Premier stated he had received estimates of between 1 000 and 3 000 jobs that would be lost as a result of the Government's new forest management policy and revised RFA -

- (1) Will the Premier provide the exact figures that were used in these estimates?
- (2) Will the Premier table the details as to how these figures have been estimated?
- (3) If not, why not?

Hon N.F. MOORE replied:

- (1)–(3) Please refer to the answer given in response to question without notice 15 asked on Wednesday 11 August, 1999.

GANTHEAUME POINT TOURIST DEVELOPMENT, MEETINGS

55. Hon GIZ WATSON to the Minister for Finance representing the Minister for Lands:

- (1) Will the Minister for Lands detail the dates of any meetings he or his representatives have had with any member or officer of the Shire of Broome between January 1, 1997 and June 30, 1999 at which the proposal for a tourist development in the Gantheaume Point area was discussed?
- (2) If not, why not?
- (3) Will the Minister provide me with the names of those present at all of the above meetings?
- (4) If not, why not?

Hon MAX EVANS replied:

Department of Land Administration

- (1) The Department of Land Administration had five formal briefings with the Shire of Broome in regard to the Gantheaume Point proposal. The dates of the meetings and the matters discussed were:

14 July 1998 – Meeting between Angus Murray - Shire President, Shire of Broome and Greg Powell - Chief Executive Officer, Shire of Broome, Denis Millan – Manager, Government Land Outcomes, Department of Land Administration and John Ellis – Director, Business Development, LandCorp to discuss general issues relating to the relocation of the Broome Racecourse from Gantheaume Point and the proposal to develop a tourist resort thereon.

15 July 1998 – Meeting between Minister for Lands, Denis Millan – Manager, Government Land Outcomes, Department of Land Administration, Angus Murray – Shire President, Shire of Broome and Greg Powell – Chief Executive Officer, Shire of Broome to discuss general issues relating to the relocation of the racecourse and development of the proposed resort.

19 August 1998 – Meeting between Denis Millan – Manager, Government Land Outcomes, Department of Land Administration, Angus Murray – Shire President, Shire of Broome and Greg Powell – Chief Executive Officer, Shire of Broome to discuss drainage issues associated with the relocation of the Broome Racecourse from Gantheaume Point and the proposal to develop a tourist resort thereon.

21 August 1998 – Meeting between Denis Millan – Manager, Government Land Outcomes, Department of Land Administration and Greg Powell – Chief Executive Officer, Shire of Broome to brief the Shire on recent discussions with the Broome Turf Club and the Kimberley Land Council in regard to the proposed development.

1 December 1998 – Meeting between Denis Millan – Manager, Government Land Outcomes, Department of Land Administration, Angus Murray – Shire President, Shire of Broome, John Ellis – Director of Business Development, LandCorp and Greg Powell – Chief Executive Officer, Shire of Broome to discuss general issues relating to the relocation of the racecourse and development of the proposed resort.

- (2) Not applicable.
- (3) See (1).
- (4) Not applicable.

LandCorp

- (1) 14 July 1998 Meeting with the Shire President and Chief Executive Officer, Mr John Ellis, Director Evaluation and Planning, LandCorp, Mr Denis Millan, Department of Land Administration.

15 July 1998 Meeting with the Shire President and Chief Executive Officer, Hon Doug Shave MLA, Minister for Lands, Ms Annabel Gomez, Office of the Minister for Lands, Mr John Ellis, Director Evaluation and Planning, LandCorp, Mr Denis Millan, Department of Land Administration.

1 December 1998 Meeting with Shire President, Chief Executive Officer and Councilors, Mr John Ellis, Director Evaluation and Planning, LandCorp, Mr Denis Millan, Department of Land Administration.

- (2) Not applicable.
- (3) See (1).
- (4) Not applicable.

ROCKY STATE FOREST, DIEBACK ASSESSMENT

60. Hon NORM KELLY to the Minister for Finance representing the Minister for the Environment:

- (1) What was the date of the most recent dieback assessment of Rocky State Forest?
- (2) Will the Minister for the Environment table the latest dieback assessment of Rocky State Forest showing the location and extent of dieback infection?
- (3) If not, why not?
- (4) What is the area of jarrah/marri forest in Rocky State Forest?
- (5) How many hectares of jarrah/marri forest in Rocky State Forest is affected by dieback?

Hon MAX EVANS replied:

- (1) The most recent dieback assessment within Rocky block was completed in January 1999. This area had been previously assessed about 20 years ago and again in 1993.
- (2) The entire forest block was assessed as part of a broadscale interpretation of all forest areas from small scale aerial photographs in the mid 1970's. Subsequent intensive assessments prior to logging were carried out on parts of the block in 1992 and 1993. The area assessed in 1992 was logged in 1994. The area assessed in 1993 was rechecked in 1997 and then reassessed in part in 1998 and 1999. The tabled map is a composite of all of these assessments. [See paper No 138.]
- (3) Not applicable.
- (4) 6 703 hectares of forest and woodland.
- (5) Analysis of the data shows that 254 hectares of jarrah/marri forest and woodland in Rocky block are dieback infected. Fifty per cent of this area is in areas intensively assessed and the remaining area is in those parts of the block only covered by 20 year old broadscale assessment.

COURT SECURITY SERVICES, PRIVATISED

63. Hon JOHN HALDEN to the Minister for Justice:

- (1) Has concern been expressed by the Police/Justice Core Functions Project that the Ministry of Justice and the WA Police Service have been paying "less than adequate attention" to the implementation of privatised court and security services?
- (2) Have these views been expressed to you?
- (3) If so, by whom?
- (4) Is it correct that Cabinet has approved a timetable for October 1, 1999 as the starting date for the new privatised court and security services and that this is also the contractors required introduction date?
- (5) Does the Minister intend to direct the two principal agencies involved to accelerate the administrative process so as to meet the deadline?

Hon PETER FOSS replied:

- (1) On 16 April 1999 the Hon Peter Jones, the independent chairman of the Steering Committee of the Police/Justice Core Functions Project wrote to the Hon Premier, the Hon Minister for Police and myself expressing a personal view about the inherent difficulties associated with a multi-agency approach to resolving a number of project issues.
- (2)-(3) See (1) above.
- (4) The proposed date for the commencement of set-up of Phase 1 services is 1 October 1999 subject to the passage of the *Court Security and Custodial Services Bill 1998*, the finalisation of negotiations with Corrections Corporation of Australia, the finalisation of documentation and the signing of a contract. Services will commence approximately 21 weeks after the signing of the contract.

- (5) No. The administrative arrangements between agencies and the associated processes are progressing satisfactorily.

NURSES, MIDWIFERY TRAINING

66. Hon MARK NEVILL to the Minister for Finance representing the Minister for Health:

- (1) What incentives are there in the Western Australian health system for registered nurses to undertake further studies to gain a midwife's certificate?
- (2) What are the costs of training a registered nurse to become a midwife?
- (3) Do midwives receive any extra allowances for using this extra skill?
- (4) What is the average age of midwives employed by the Health Department of Western Australia?
- (5) What action is being taken to overcome the impending shortage of midwives in Western Australia?

Hon MAX EVANS replied:

- (1) The Health Department of Western Australia offers a number of scholarships to registered nurses to undertake a midwifery course leading to registration. These scholarships are offered to registered nurses who undertake either the Curtin University program or the rural midwifery program offered by King Edward Memorial Hospital. The amount of the scholarship assistance in 1998/99 was \$157,000. In addition to these, other professional nursing organisations offer scholarships for students undertaking post graduate studies.

King Edward Memorial Hospital offers two programs for registered nurses to obtain midwifery qualifications. Students undertaking the midwifery registration course are paid as employees of the hospital. Rural midwifery students receive a scholarship of \$26,000 that is made up of \$13,000 from the Rural Health Development Unit and \$13,000 from the sponsoring health service. In return the rural student agrees to return to the sponsoring health service for twelve months on the completion of their course.

- (2) The cost of training a registered nurse to become a midwife varies between the type of courses studied. The King Edward Memorial Hospital midwifery registration course and the rural midwifery registration course consist of the cost of maintaining a school, employing midwifery educators, paying registered nurse students, employing clerical staff and providing resource information. I am advised by King Edward Memorial Hospital that the total cost for the midwifery course is \$1,052,588 of which \$872,935 is paid as wages to the registered nurse students.

The Curtin University postgraduate course is a full fee paying course, which requires the student to pay \$10,000 for their program. The cost of this program is a university responsibility.

- (3) No, midwives do not receive extra allowances for using midwifery qualifications. Midwifery registration, however, does provide increased employment and career opportunities.
- (4) The average age of a midwife in Western Australia is 42.7 years (Health Department of Western Australia, Health Workforce Reform Division, Registered and Enrolled Nurse Labour Force Survey, Western Australia, 1997).
- (5) A number of strategies have been developed to address the shortage of midwives in Western Australia. These include:

re-registration courses for midwives who have not practised in previous five years that are subsidised by the Health Department of Western Australia;

scholarship support for registered nurses undertaking the Curtin University course and the rural midwifery program at King Edward Memorial Hospital;

a review to implement the National Health & Medical Research Council's recommendations for extended practice for midwifery, and

improved accommodation for nurses and midwives in the rural and remote areas.

ABORIGINAL COMMUNITY STORES PROGRAM, CHANGES

70. Hon TOM STEPHENS to the Leader of the House representing the Minister for Commerce and Trade:

I refer to the changes to the Aboriginal Business Development program to deliver the community stores program and ask -

- (1) Has the alternative program been finalised?
- (2) If so, will the Minister for Commerce and Trade table the details of the program?
- (3) If not, when will the alternative program be finalised?
- (4) Will the Minister table the 10 stores that will be provided with the revised program?
- (5) Which of the 10 communities affected support the changes to the delivery of the community stores program?

Hon N.F. MOORE replied:

This question is understood to refer to the Department of Commerce and Trade's Community Stores Program, currently delivered under contract by Aboriginal Business Development Pty Ltd.

- (1) Guidelines for the revised program are currently being drafted with a view to being discussed with interested parties.
- (2) Not applicable
- (3) Guidelines for the revised program will be finalised by 30 November 1999 following consultation with relevant Government agencies, interested Aboriginal community organisations and private businesses that specialise in the services to be provided under the revised program.
- (4) The revised program will be available to a wide range of community stores, both large and small, including those stores receiving a service under the existing program.
- (5) It will not be possible to determine this until after the proposed consultation has been undertaken.

REGIONAL FOREST AGREEMENT, DEPUTY PREMIER'S COMMENTS

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

Prior to the winter recess, the Deputy Premier and Leader of the National Party confidently boasted that he would personally ensure that the RFA was off the political agenda before last weekend's National Party State Conference. With a view to the demonstration that currently surrounds Parliament House from timber workers, and the constant rallying that appears to be going on throughout the South West and the metropolitan area, will the Minister for the Environment detail to the House what success followed the Deputy Premier's boasts in this regard?

Hon MAX EVANS replied:

The Government completed its review of the RFA issue as foreshadowed, and announced its accelerated restructure of the forest industry on 27 July 1999.

WEST KIMBERLEY TIDAL POWER PROPOSAL

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

- (1) In view of the strong community support for the West Kimberley Tidal Power proposal, is the Premier prepared to intervene in the electricity assessment process in order that a "whole of Government" approach can be adopted that includes consideration of regional economic benefit and contribution to a reduction in the State's greenhouse gas emissions?
- (2) Will the State Government give the tidal power proposal time to attract financial support from the Federal GST funded renewable energy package?
- (3) If not, why not?

Hon N.F. MOORE replied:

- (1) I am satisfied that the matter is being dealt with in a fair and proper manner by an Independent Steering Committee under the management of the Minister for Energy. These issues have already been included in the assessment process.
- (2)-(3) The Derby Tidal Power proposal has not been dismissed from further consideration in the procurement process although currently it has a reserve status while negotiations are proceeding with the two preferred bidders. I understand that the opportunity continues to exist for the Derby Tidal Power project proponents to attract additional financial support. In the meantime, I am advised that the proponents may bring to the attention of the Regional Power Procurement Steering Committee, any changes in the proposal including changes in financial support available to it from the Federal Government.

WEST KIMBERLEY POWER SUPPLY, IMPACT ON ROADS

75. Hon TOM STEPHENS to the Minister for Transport:

- (1) How many days on average have roads into and through the West Kimberley been inaccessible due to cyclonic and other weather conditions in the last 10 years, and has the Main Roads Department given this advice to the Energy Minister to help him determine the real costs and disadvantages of truck delivered gas-fuelled power stations?
- (2) If not, why not?
- (3) Has the Minister for Energy indicated to the Main Roads Department how many gas-carrying trucks per day will be travelling from the Pilbara into the Kimberley to fuel the proposed three separate gas power stations at -
 - (a) Broome;
 - (b) Derby; and
 - (c) Fitzroy Crossing?
- (4) Is it correct that as many as four triple road trains each day will need to make the journey along the highway and onto local roads?
- (5) What impact will this level of use have on regional roads and has the Minister prepared budget submissions for funds to compensate local councils for the resulting increased expense that would be required for local roads?

- (6) Will the Minister ensure that the Minister for Energy factor in these road costs into his consideration of the West Kimberley Power Supply proposals?

Hon M.J. CRIDDLE replied:

- (1)-(2) On average less than one day per year over the last ten years. Main Roads has not been asked for this information.
- (3) No.
- (4) Main Roads does not have this information.
- (5) The impact would be minimal on main roads and highways. However, the exact location of the proposed power stations would need to be determined before any assessments of the impact on local roads could be undertaken.
- (6) Not applicable.

ARTS FUNDING

77. Hon TOM STEPHENS to the Minister for the Arts:

- (1) Can the Minister table current figures that indicate the size of the funding contribution from Western Australian taxpayers to the arts?
- (2) What proportion of these funds goes into arts administration as opposed to direct support for performances, actors, performers, musicians and creative artists?
- (3) How many FTE's are currently employed within -
- the Ministry for Culture;
 - each agency within the Minister for Arts portfolio; and
 - art agencies or companies funded by the Ministry?

Hon PETER FOSS replied:

- (1) Total figure under division 63 of the estimates for the Ministry for Culture & the Arts for 1999/2000 is \$65,151m. ArtsWA, which is the part of the Ministry that administers direct funding to the arts, has a budget for 1999/2000 of \$13,401,000.00.
- (2) 8.5% of ArtsWA's budget goes into administering the grants program.
- (3) (a) 619 FTE's are currently employed within the Ministry for Culture & the Arts.
- (b) FTE's currently employed within each agency are as follows:
- | | |
|--|-----|
| Art Gallery of Western Australia | 65 |
| ArtsWA | 15 |
| Library and Information Service of Western Australia | 266 |
| Perth Theatre Trust | 40 |
| ScreenWest | 7 |
| Western Australian Museum | 172 |
| Business Support Units | 54 |
- (c) In accordance with the contracts between Western Australia's Arts Agencies and the State of Western Australia (ArtsWA), the Arts Agencies employ a total of 301 full-time and 161 permanent part-time employees, including performers and artists.

BUNBURY HEALTH CAMPUS

82. Hon BOB THOMAS to the Minister for Finance representing the Minister for Health:

- (1) How many hospital beds were available in Bunbury at The Regional Hospital and the St John of God Hospital before the co-location of the two hospitals at the Bunbury Health Campus?
- (2) How many hospital beds are now available at the new health campus?
- (3) How many staff are employed in the accident and emergency section at the public section of the new hospital and what are their occupations?
- (4) How many staff were employed in the accident and emergency section at the old Regional Hospital and what were their occupations.
- (5) What has been done to improve the problems of lack of confidentiality in the accident and emergency section?

Hon MAX EVANS replied:

- (1) Bunbury Regional Hospital 120 beds
St John of God Hospital 90 beds
- (2) SW Health Campus:
Bunbury Regional 130 - includes 17 beds not operational ie;

St John of God

10 Rehabilitation beds (under active planning) and 7 Neonatal ICU places (current demand is not sufficient to support a high quality service).

80
(72 inpatient and 8 Renal/Oncology chairs)

- (3) Emergency Department Staff
Salaried Medical Officers
Nursing
Clerks
Personal Care Assistants
Total number of staff

New Hospital
6.5fte
18.4fte
4.8fte
4.1fte
33.8fte

- (4) Emergency Department Staff
Salaried Medical Officers
Nursing
*Orderlies
Clerks
Total number of staff
*Orderlies - on-call

Old Hospital
5.5fte
10.0fte
on-call
4.5fte
20 fte

- (5) A number of actions will be taken to provide improved confidentiality in the accident and emergency department. These include:

Redevelopment of the reception area, which commences 6 September 1999.

Redesign work with workbench areas to be indented into the office providing secluded areas for patients to pass information to:

Triage Nurse
Emergency Department Clerk
Acoustic fittings to be in place

STATE SUPPLY COMMISSION, COMPLAINTS BY PRIVATE SECTOR COMPANIES

86. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Works:

I refer to Legislative Council question on notice 1401 of March 24, 1999. With regard to each complaint listed in tabled paper 959, who was the successful tenderer for each contract?

Hon MAX EVANS replied:

The following table lists the successful tenderer for each complaint.

State Supply Commission - Procurement Complaints 1997/98

No	Complaint made against	Services provided by the agency	Successful tenderer
1	AlintaGas	Surveying consultancy and services.	QASCO Western Surveys
2	Gascoyne Public Health, Carnarvon	General complaint.	McKeatings (Geraldton)
3	Department of Training	Providing industry specific training courses.	All offers were declined.
4	Department of Contract & Management Services & Ministry of Justice	Offender Management Facilities.	Serco Australia
5	Education Department of WA	Supply of Information Technology equipment and services.	Ipex Information Technology
6	Health Department	Supply of toner cartridges.	1. Laser Technologies (for the supply of new printer cartridges). 2. Blue Star Office (for the supply of remanufactured cartridges).
7	Homeswest	Electrical zone maintenance in the metro area.	Alliance Electrics
8	Department of Transport	Provision of digital imaging equipment and production of motor driver's licences.	Leigh Mardon
9	Department of Land Administration	Scanning of colour aerial photography for metro regional area	Bruno Zimmermann Photography

No	Complaint made against	Services provided by the agency	Successful tenderer
10	Department of Transport	Provision of digital imaging equipment and production of motor driver's licences.	Leigh Mardon
11	Worksafe Western Australia	Develop suitable course and carry out worksafe plan training.	3CM Pty Ltd
12	Bentley Health Services	Provision of patient/client transport services	Swan Taxis
13	Department of Contract & Management Services & Ministry of Justice	Offender compliance supervision, overseer & work party supervision services.	All offers were declined.
14	Disability Services Commission	Early intervention services for children with Autism.	1. Autism Association of WA 2. Centre for Disability Research and Development 3. Intervention Services for Autism and Development Delay.
15	Main Roads WA	Period consultancy panels for engineering services.	The quotation process was restricted to contract panel members, comprising - Gutteridge Haskins & Davey Pty Ltd Roadswest Engineering Group WML Consultants GB Hill & Partners Pty Ltd Consulting Engineers

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

89. Hon NORM KELLY to the Minister for Finance representing the Minister for Health:

As of June 30, 1999, for all agencies under the control of the Minister for Health -

(1) How many vehicles are leased or owned by those agencies?

(2) Of these, how many are -

(a) passenger vehicles; and

(b) commercial vehicles?

(3) Of the total number of vehicles, how many are -

(a) petrol or diesel powered;

(b) LPG powered; or

(c) powered by other means?

Hon MAX EVANS replied:

Health Department

(1) 1801

(2) (a) 1385
(b) 416

(3) (a) 1801
(b) Nil
(c) Nil

Healthway

(1) 5

(2) (a) 5
(b) Nil

(3) (a) 5
(b) Nil
(c) Nil

Office of Health Review

(1) 2

- (2) Both vehicles are passenger vehicles.
- (3) Both vehicles are powered by petrol.

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

90. Hon NORM KELLY to the Minister for Finance representing the Minister for Water Resources:

As of June 30, 1999, for all agencies under the control of the Minister for Water Resources -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon MAX EVANS replied:

Water and Rivers Commission

- (1) 115
- (2) (a) 54
(b) 61
- (3) (a) 115
(b)-(c) nil

Office of Water Regulation

- (1) 7
- (2) (a) 7
(b) Nil
- (3) (a) 7
(b)-(c) nil

Water Corporation

- (1) 1336
- (2) (a) 429
(b) 907
- (3) (a) 1336
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

91. Hon NORM KELLY to the Minister for Finance representing the Minister for Housing:

As of June 30, 1999, for all agencies under the control of the Minister for Housing -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon MAX EVANS replied:

- (1) 201
- (2) (a) 176
(b) 25

- (3) (a) 201
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

92. Hon NORM KELLY to the Minister for Transport representing the Minister for Aboriginal Affairs:

As of June 30, 1999, for all agencies under the control of the Minister for Aboriginal Affairs -

- (1) How many vehicles are leased or owned by those agencies?
 (2) Of these, how many are -
 (a) passenger vehicles; and
 (b) commercial vehicles?
 (3) Of the total number of vehicles, how many are -
 (a) petrol or diesel powered;
 (b) LPG powered; or
 (c) powered by other means?

Hon M.J. CRIDDLE replied:

- (1) 38
 (2) (a) 25
 (b) 13
 (3) (a) 38
 (b)-(c) 0

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

94. Hon NORM KELLY to the Minister for Finance representing the Minister for Lands:

As of June 30, 1999, for all agencies under the control of the Minister for Lands -

- (1) How many vehicles are leased or owned by those agencies?
 (2) Of these, how many are -
 (a) passenger vehicles; and
 (b) commercial vehicles?
 (3) Of the total number of vehicles, how many are -
 (a) petrol or diesel powered;
 (b) LPG powered; or
 (c) powered by other means?

Hon MAX EVANS replied:

LandCorp

- (1) 23
 (2) (a) 22
 (b) 1
 (3) (a) 23
 (b)-(c) Nil

Department of Land Administration

- (1) 43
 (2) (a) 33
 (b) 10
 (3) (a) 43
 (b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

95. Hon NORM KELLY to the Leader of the House representing the Minister for Parliamentary and Electoral Affairs:

As of June 30, 1999, for all agencies under the control of the Minister for Parliamentary and Electoral Affairs -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon N.F. MOORE replied:

- (1) Five
- (2)
 - (a) Five
 - (b) Nil
- (3)
 - (a) Five
 - (b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

96. Hon NORM KELLY to the Minister for Finance representing the Minister for Disability Services:

As of June 30, 1999, for all agencies under the control of the Minister for Disability Services -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon MAX EVANS replied:

DISABILITY SERVICES COMMISSION

- (1) 330 vehicles are leased by the DSC through Lease Plan
- (2) Of the 330:
 - (a) 329 are passenger vehicles
 - (b) One (1) is commercial
- (3) Of the 330:
 - (a) 289 run on petrol; 41 run on diesel
 - (b) None of the vehicles run on LPG or any other means
 - (c) Not applicable

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

97. Hon NORM KELLY to the Minister for Transport representing the Minister for Local Government:

As of June 30, 1999, for all agencies under the control of the Minister for Local Government -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon M.J. CRIDDLE replied:

DEPARTMENT OF LOCAL GOVERNMENT

- (1) Eight
- (2) (a) Eight
(b) None
- (3) (a) Eight
(b)-(c) None

KEEP AUSTRALIA BEAUTIFUL COUNCIL

- (1) Five
- (2) (a) Five passenger vehicles
(b) No commercial vehicles
- (3) (a) Five petrol or diesel powered vehicles
(b) No LPG powered
(c) None powered by other means

METROPOLITAN CEMETERY BOARD

- (1) Fourteen
- (2) (a) 4 sedans
(b) 10 commercial vehicles (trucks and utilities)
- (3) (a) 2 diesel, 12 petrol
(b)-(c) Nil

FREMANTLE CEMETERY BOARD

- (1) Three
- (2) (a) One
(b) Two
- (3) (a) Three
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

107. Hon NORM KELLY to the Leader of the House representing the Minister for Commerce and Trade:

As of June 30, 1999, for all agencies under the control of the Minister for Commerce and Trade -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon N.F. MOORE replied:

- (1) Twenty-eight
- (2) (a) Twenty-seven
(b) One
- (3) (a) Twenty-eight
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

108. Hon NORM KELLY to the Leader of the House representing the Minister for Small Business:

As of June 30, 1999, for all agencies under the control of the Minister for Small Business -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -

- (a) passenger vehicles; and
- (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon N.F. MOORE replied:

- (1) Seven
- (2) (a) Seven
(b) Nil
- (3) (a) Seven
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

109. Hon NORM KELLY to the Leader of the House representing the Minister for Regional Development:

As of June 30, 1999, for all agencies under the control of the Minister for Regional Development -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon N.F. MOORE replied:

Gascoyne Development Commission

- (1) Five
- (2) (a) Five
(b) Nil
- (3) (a) Five
(b)-(c) Nil

Goldfields-Esperance Development Commission

- (1) Four
- (2) (a) Four
(b) Nil
- (3) (a) Four
(b)-(c) Nil

Great Southern Development Commission

- (1) Four
- (2) (a) Four
(b) Nil
- (3) (a) Four
(b)-(c) Nil

Kimberley Development Commission

- (1) Five
- (2) (a) Two
(b) Three
- (3) (a) Five
(b)-(c) Nil

Mid West Development Commission

- (1) Four

- (2) (a) Two
(b) Two
- (3) (a) Four
(b)-(c) Nil

Peel Development Commission

- (1) Four
- (2) (a) Four
(b) Nil
- (3) (a) Four
(b)-(c) Nil

Pilbara Development Commission

- (1) Five
- (2) (a) Five
(b) Nil
- (3) (a) Five
(b)-(c) Nil

South West Development Commission

- (1) Ten
- (2) (a) Ten
(b) Nil
- (3) (a) Ten
(b)-(c) Nil

Wheatbelt Development Commission

- (1) Eight
- (2) (a) Eight
(b) Nil
- (3) (a) Eight
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

116. Hon NORM KELLY to the Attorney General representing the Minister for Police:

As of June 30, 1999, for all agencies under the control of the Minister for Police -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon PETER FOSS replied:

- (1) 1386 (figure excludes motorcycles and sponsored/donated vehicles).
- (2) (a) 1032
(b) 354 (includes trucks, panel vans, vans and utilities)
- (3) (a) 1386
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

126. Hon NORM KELLY to the Minister for Finance:

As of June 30, 1999, for all agencies under the control of the Minister for Finance -

- (1) How many vehicles are leased or owned by those agencies?

- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon MAX EVANS replied:

State Revenue Department

- (1) 7
- (2) (a) 7
(b) Nil
- (3) (a) 6
(b) One
(c) Nil

Valuer General's Office

- (1) 42
- (2) (a) 35
(b) 7
- (3) (a) 42
(b)-(c) Nil

Government Employees Superannuation Board

- (1) 6
- (2) (a) 6
(b) Nil
- (3) (a) 6
(b)-(c) Nil

Insurance Commission of W A

- (1) 35
- (2) (a) 35
(b) Nil
- (3) (a) 35
(b)-(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

127. Hon NORM KELLY to the Minister for Racing and Gaming:

As of June 30, 1999, for all agencies under the control of the Minister for Racing and Gaming -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon MAX EVANS replied:

Office of Racing, Gaming & Liquor

- (1) 11

- (2) (a) 11
(b) Nil
- (3) (a) 10
(b) 1
(c) Nil

Burswood Park Board

- (1) 4
- (2) (a) 1
(b) 3
- (3) (a) 4
(b)-(c) Nil

Totalisator Agency Board

- (1) 22
- (2) (a) 16
(b) 6
- (3) (a) 20
(b) 2
(c) Nil

W A Greyhound Racing Authority

- (1) 14
- (2) (a) 11
(b) 3
- (3) (a) 14
(b)-(c) Nil

Lotteries Commission

- (1) 19
- (2) (a) 19
(b) Nil
- (3) (a) 18
(b) One
(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

128. Hon NORM KELLY to the Attorney General:

As of June 30, 1999, for all agencies under the control of the Attorney General -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
- (a) passenger vehicles; and
- (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
- (a) petrol or diesel powered;
- (b) LPG powered; or
- (c) powered by other means?

Hon PETER FOSS replied:

- (1) 624
- (2) (a) 399
(b) 225
- (3) (a) 616
(b) 8
(c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

129. Hon NORM KELLY to the Minister for Justice:

As of June 30, 1999, for all agencies under the control of the Minister for Justice -

- (1) How many vehicles are leased or owned by those agencies?

- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon PETER FOSS replied:

- (1) 624
- (2)
 - (a) 399
 - (b) 225
- (3)
 - (a) 616
 - (b) 8
 - (c) Nil

GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED

130. Hon NORM KELLY to the Minister for the Arts:

As of June 30, 1999, for all agencies under the control of the Minister for the Arts -

- (1) How many vehicles are leased or owned by those agencies?
- (2) Of these, how many are -
 - (a) passenger vehicles; and
 - (b) commercial vehicles?
- (3) Of the total number of vehicles, how many are -
 - (a) petrol or diesel powered;
 - (b) LPG powered; or
 - (c) powered by other means?

Hon PETER FOSS replied:

Ministry for Culture & the Arts (including ArtsWA)

- (1) 4
- (2)
 - (a) 4
 - (b) Nil
- (3)
 - (a) 4
 - (b)-(c) Nil

Library and Information Service of Western Australia

- (1) 8
- (2)
 - (a) 3
 - (b) 5
- (3)
 - (a) 8
 - (b)-(c) Nil

Western Australian Museum

- (1) 11
- (2)
 - (a) 8
 - (b) 3
- (3)
 - (a) 11
 - (b)-(c) Nil

Art Gallery of Western Australia

- (1) 6
- (2)
 - (a) 3
 - (b) 3

- (3) (a) 6
(b)(c) Nil

Perth Theatre Trust

- (1) 2
(2) (a) 2
(b) Nil
(3) (a) 2
(b)-(c) Nil

ScreenWest

- (1) 1
(2) (a) 1
(b) Nil
(3) (a) 1
(b)-(c) Nil

POWER TARIFF POLICY, REGIONAL AREAS

131. Hon TOM STEPHENS to the Leader of the House representing the Minister for Regional Development:

- (1) Is the Minister for Regional Development aware of any companies operating in the export market that are contemplating moving their operations from any regional centres to areas of the State where cheaper power is available?
- (2) Is the Minister aware of any companies operating in regional areas and catering for the domestic market that are faced with increased power costs that will be forced to increase prices and thereby further disadvantage residents in these regions?
- (3) What is the Minister and the State Government doing to assist these companies faced with these power tariff issues?
- (4) Given the Government's draft regional development policy which commits the Government to minimising price costs on country residents, can the Minister explain how the Government's current power tariff policy is consistent with this approach?

Hon N.F. MOORE replied:

- (1)-(2) Yes.
- (3)-(4) I have been liaising with my colleague the Minister for Energy to find ways to minimise the impacts on regional communities as outlined in the draft Regional Development Policy. The Government has reaffirmed its commitment to the Uniform Tariff Policy and has brought forward the introduction of greater contestability into the electricity supply-generation market for consumers using more than 300,000kwh. The Department of Commerce and Trade also supports the Regional Headworks Development Scheme which is designed to support and promote the economic development of non metropolitan regions of Western Australia through the provision of financial assistance for connection to providers of essential services such as electricity. The Scheme targets small to medium commercial or industrial businesses in regional areas.

GOLDCORP, CENTENARY DINNER

141. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Treasurer:

- (1) How much has GoldCorp budgeted for the 800 bottles of gold-flaked champagne it commissioned for the centenary dinner for the Perth Mint?
- (2) How much has GoldCorp budgeted for its centenary dinner, including venue hire, entertainment, and all other expenses?
- (3) What is the projected cost per guest for the Centenary dinner?
- (4) Is the Treasurer concerned at GoldCorp's extravagance in commissioning gold-flaked champagne after it posted a \$2.8m loss last financial year?

Hon MAX EVANS replied:

This question was previously asked as question on notice 1683. The following answer was correct as at 14 July 1999, when it was forwarded to your Electorate Office.

- (1) Gold Corporation has commissioned 862 bottles of gold-flaked champagne at \$27 per bottle, totalling \$23,274. However, no more than 50 bottles of the champagne will be used at the centenary dinner, costing \$1,350. Gold Corporation plans to sell the remaining bottles through its corporate functions business at a profit of \$5.00 per bottle. The total profit to Gold Corporation, after deducting the cost of the champagne used at the dinner, will be \$2,710.

- (2) Gold Corporation has budgeted to spend a total of \$49,680 on its centenary dinner.
- (3) The projected cost per guest for the centenary dinner is \$198.72.
- (4) Gold Corporation recorded an operating profit of \$2.7 million in 1997-98. However, as a result of the Asian economic crisis, it wrote down its trading enterprises in Asia and restructured its balance sheet. As a result of these measures, Gold Corporation is on track to record the biggest profit in its 100-year history. By the end of the third quarter of the 1998-99 financial year, the Corporation had accumulated a profit of \$15.7 million. Unlike other organisations, whose centenary celebrations result in substantial cost to them, Gold Corporation has shown initiative and used its centenary, not only to profile itself internationally, but to return a significant profit. It has developed a range of commemorative centenary products that will be marketed throughout the world. If all of these products sold out, they would return a profit of about \$3 million. However, taking an extremely conservative view, and allowing for the sale of only half of the products, Gold Corporation will generate a profit of about \$1.5 million from its centenary products. Gold Corporation has budgeted to spend some \$400,000 on its centenary celebrations, including the centenary dinner, which in itself will provide an important marketing and profiling opportunity. In total, therefore, the corporation expects to make a total profit of at least \$1.1 million from its centenary.

MR SHIELDS, VICTORIA QUAY DEVELOPMENT CONSULTANCY

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

With regards to the Report on Consultants engaged by Government for the six months to June 30, 1998 -

- (1) Can the Premier confirm that Mr Shields was paid \$17 786 for his consultancy services on the Victoria Quay Development for this six month period?
- (2) Can the Premier confirm that the position is worth \$100 000 a year?
- (3) Can the Premier state how much has been paid to Mr Shields and his trust company since his appointment?
- (4) Can the Premier state how much has been paid to Mr Shields and his trust company in each month since his appointment?

Hon N.F. MOORE replied:

This question was previously asked as question on notice 1684. The following answer was correct as at 14 July 1999, when it was forwarded to your Electorate Office. I refer the Member to the answer to Council question 1633 asked on 11 May 1999.

BUNBURY REGIONAL HOSPITAL SITE

231. Hon BOB THOMAS to the Minister for Finance representing the Minister for Health:

- (1) What plans does the department have for the old Regional Hospital site on Blair Street, Bunbury?
- (2) How much of the site will be retained for future use for facilities for the aged?
- (3) What will those facilities be?
- (4) How much does the department expect to receive for the land which will be sold?

Hon MAX EVANS replied:

- (1) Cabinet has approved the excision of land for Silver Chain's existing headquarters and a private residential aged care facility to replace Forrest Lodge. The balance of the site will be sold to the Ministry of Housing as part of the redevelopment of Carey Park.
- (2) 1.7806 Hectares.
- (3) A privately funded and operated residential aged care facility of up to 63 high care beds.
- (4) The site is estimated to be worth up to \$2.0M with demolition costs of at least \$1.5M (subject to heritage clearances). The sale price will be determined by the Valuer General's Office once planning and zoning approvals are finalised.

BUNBURY HEALTH CAMPUS

232. Hon BOB THOMAS to the Minister for Finance representing the Minister for Health:

- (1) What departments is the public wing of the new Bunbury Health Campus configured in and how many beds are available in each department?
- (2) What departments is the private wing of the new Bunbury Health Campus configured in and how many beds are available in each?
- (3) How many beds are available in the psychiatric wing of the new hospital and how many were occupied on average over the past four weeks?

- (4) How many psychiatrists are employed at the hospital, what are their qualifications and what services are they able to provide?
- (5) What services are they not able to provide and how is this problem managed?

Hon MAX EVANS replied:

The South West Health Campus comprises services operated by the Bunbury Health Service including the Regional Hospital and a mental health facility and a private hospital on the site operated by St John of God Health Care.

- (1) The Bunbury Regional Hospital has a total of 130 beds. The breakdown is as follows:

Medical	30	
Surgical	30	
Day Stay	23	
Paediatrics	12	
Obstetrics	10	
Rehabilitation	10	(under active planning but not yet opened)
ICU	8	
Neo Natal Level 11 Nursery	7	(current need in the area is too low to support an intensive, specialised service).

- (2) St John of God Hospital has a total of 80 beds of which 66 are for inpatients, 8 day stay and 6 palliative care. The inpatient beds are not allocated to departments, they are used as needed. St John of God Hospital offers the following services:

General Medicine
General Surgery
Ophthalmology
Obstetrics/Gynaecology
Paediatrics
Otorhinolaryncology
Renal Dialysis
Oncology/Chemotherapy
Palliative Care

- (3) The Acute Residential Unit (mental health) has been built to accommodate up to 15 inpatients plus has the developing capacity to accommodate up to 30 day patients. During the period 23 July 1999 to 19 August 1999 (28 days) the average number of clients was 7.75 per day and the total number of bed days was 217. The average length of stay was 2.89 days.

- (4) Psychiatrists Employed

For the Acute Psychiatric Unit, the SWMHS employs one full time Consultant Psychiatrist, Dr P Melvill-Smith MBCHB FF(psy)SA. Dr Melvill-Smith is South African trained and has provisional Western Australian registration from the WA Medical Board in an area of unmet need. Dr Melvill-Smith was recruited from Canada.

Dr R Main and Dr J Kemp, both locally trained Consultant Psychiatrists (MB BS FRANZCP) work with Dr Melvill-Smith to provide after hours oncall/call back service to the unit.

The psychiatrists work as members of the multidisciplinary team undertaking a clinical leadership role.

The oncall/call back service provides the unit with after hours psychiatrist support when dealing with complex clinical management issues, plus provides the necessary after hours psychiatrists assessments under the 1996 Mental Health Act (involuntary patient review).

The psychiatrist provides consultation and liaison to the Bunbury Regional Hospital and to the wider community including General Practice.

The psychiatrists provide high level specialist assessment, medical treatment and therapy to severely unwell psychiatric patients who are residents (inpatients) and to community patients of the unit prior to transfer to the community mental health services or to private options.

The psychiatrist prescribes and monitors medication.

The psychiatrist provides the necessary reviews and statutory requirements of involuntary patients under the 1996 Mental Health Act.

The psychiatrist admits and discharges involuntary patients (only professional able to do this under the 1996 Mental Health Act) and may convert involuntary status to voluntary.

The psychiatrist advises the management of the SWMHS on all matters pertaining medical and on the planning, design and development of the service.

- (5) The unit is not designed to treat all psychiatric presentations. It is specifically designed and funded to provide South West resident adults (aged over 18 years) with "authorised" psychiatric inpatient care in the South West.

The unit cannot treat:

Forensic clients.

Significantly combative and dangerous clients (a Clinical Agreement is in place to transfer such clients after 72 hours of treatment at the unit to Graylands Hospital). Since commissioning only one such transfer has been effected, with the client returning to the unit once settled.

Patients requiring tertiary level neuropsychiatry.

Patients requiring lengthy admissions due to significant residual psychiatric symptoms (the Graylands Clinical Agreement accommodates negotiated transfer of these clients after a six-week admission to the unit).

Patients requiring other tertiary types of psychiatric care eg significantly disturbed, vulnerable and at risk post natal depression clients (mother and baby).

All clients referred to the service are assessed and treated as individuals and all care and treatment is client centred, tailored to their individual needs. Effort is made to involve the client's carers, family and GP at all times and to ensure the client resides in the acute facility for the minimal safest possible time.

The unit is designed and operates within a greater community based mental health structure. It has strong operational and clinical links with all aspects of the South West Mental Health Service and is developing improved clinical pathways with other health care providers in the South West.

ROTTNEST ISLAND, MANAGER'S AND BOARD'S COTTAGES

341. Hon LJILJANNA RAVLICH to the Minister for Tourism:

I refer to the practice at Rottnest Island of making the Manager's and board's cottages available to visiting dignitaries and public officials and ask -

- (1) Who has used these facilities in the past five years and when?
- (2) Were any other privileges or hospitality extended to these individuals?
- (3) If so, what?
- (4) How many were public servants?
- (5) What criteria, if any, is used to determine eligibility for the privilege?
- (6) Did these individuals pay the normal going rate on the island for accommodation and services provided?
- (7) If not, why not?
- (8) If not, what charges or costs did they meet?

Hon N.F. MOORE replied:

- (1) The attached list indicates the visiting dignitaries and public officials who used the facilities. Records are currently only available from April 1996. [See paper No 136.]
- (2) Yes.
- (3) In some cases, the Rottnest Island Authority provided a tour of the heritage and environment sites on the island.
- (4) Eight.
- (5) The use of the Board Cottage and Manager's House is subject to a clear policy where Authority members, Ministers and dignitaries pay market rates for the accommodation. This is a change in policy from previous Government administrations, when the Board Cottage was available to Ministers, dignitaries and Ministerial staff at no cost and the booking process was separate from the audited process to which they are now subject

The policy in summary form follows -

The Premier of Western Australia; Minister for Tourism; Members of the Rottnest Island Authority; other Ministers of the Crown and distinguished official guests may access the Board Cottage and second cottage, should the need arise, on Rottnest Island.

These people are entitled to access the cottage subject to availability, for a maximum of two weeks per year in peak periods but preferably for one week, and four weeks in non-peak periods. People accessing the cottage must be in residence and cannot rent the cottage on behalf of family members and others, although family members and others may accompany them as their guests. All tenants must pay a normal tariff at the rate equivalent to an eight bed villa, unless on official work related business. During the non-peak periods, if designated people have not booked the cottage within a month of vacancy, it is available to the public.

- (6)-(8) Yes, unless on work related business as outlined above.

PASTORAL LEASES, BOUNDARY FENCES AND FIRE BREAKS

346. Hon MARK NEVILL to the Minister for Finance representing the Minister for Lands:

- (1) Are pastoral lease holders required to maintain boundary fences?

- (2) Are pastoral lease holders required to maintain fire breaks on lease boundaries?
- (3) What requirements are there for pastoral lease holders to maintain internal fire breaks?
- (4) What measures are required of pastoral lease holders to minimise the damage by bush fires?
- (5) Are pastoral lease holders required to apply to the Pastoral Lands Board for permission to de-stock land?
- (6) What steps are the Pastoral Lands Board taking to ensure the maintenance of pastoral area infrastructure including the above?

Hon MAX EVANS replied:

Department of Land Administration

- (1) Yes.
- (2)-(4) The terms and conditions of a pastoral lease do not require fire breaks to be maintained. However under the Bush Fires Act lessees are required to build and maintain fire breaks on pastoral leases. The Bush Fires Act comes under the jurisdiction of the Hon Minister for Fire and Emergency Services. Lessees cooperate with the Fire and Emergency Services Authority of WA to arrange preventative fire measures such as controlled burns.
- (5) Yes.
- (6) Inspections are undertaken by Agriculture Western Australia staff on behalf of the Pastoral Lands Board under a MOU. Any breaches or management issues that require addressing are brought to the attention of the lessees and follow up inspections are undertaken.

QUESTIONS WITHOUT NOTICE

DERBY-WEST KIMBERLEY TIDAL POWER PROJECT, FUNDING

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

- (1) Has the State Government approached the Commonwealth seeking funds for Western Australia from the remote area generation fund, the greenhouse gas abatement fund or any other federal fund for the Derby-West Kimberley tidal power project?
- (2) If yes, will the Leader of the House table the relevant correspondence?
- (3) If not, why not?

Hon N.F. MOORE replied:

- (1) As far as the Office of Energy is aware, no formal approach has been made by the State Government seeking funds in support of the Derby-West Kimberley tidal power project.

In the circumstances, the State is conducting a competitive procurement process that it is the responsibility of the proponent to advance the project and to secure the necessary financial resources needed to implement it.
- (2)-(3) Not applicable.

ROADS, FUNDING

121. Hon TOM STEPHENS to the Minister for Transport:

On 17 August this year the minister said that the total state allocation for road funding this financial year was \$741.5m. On 19 August he acknowledged that the federal contribution this year would be \$109m. Does that mean that \$850.5m is being spent by Main Roads Western Australia this year on roads?

Hon M.J. CRIDDLE replied:

I will need to clarify that figure because a couple of changes have been made regarding some of the funding that has been made available.

Hon Tom Stephens: Are you referring to the amount of \$741.5m?

Hon M.J. CRIDDLE: That figure will certainly change. Some funding changes will possibly occur from licensing revenue. I will provide an answer on notice.

LIQUOR LICENSING AMENDMENT BILL 1998, NATIONAL COMPETITION POLICY

122. Hon N.D. GRIFFITHS to the Minister for Racing and Gaming:

- (1) Will the minister confirm that the Government will not progress the Liquor Licensing Amendment Bill 1998 until it has satisfied itself that the Bill does not infringe national competition policy?
- (2) What national competition policy assessment, if any, has been undertaken?

Hon MAX EVANS replied:

- (1) Yes.
- (2) We have sought professional advice with respect to conducting the review and we have commissioned the Institute of Research within the Curtin Business School at Curtin University of Technology. It is almost completed.

PRIVATE HOSPITALS, AGENCY NURSES

123. Hon GIZ WATSON to the minister representing the Minister for Health:

With respect to information I have received regarding deteriorating standards of nursing care in our private hospitals -

- (1) Is the minister aware of the number of agency nursing staff working double shifts?
- (2) Does the minister accept that such work practices may be putting patients and staff at risk due to staff being fatigued and unfit for work?
- (3) What mechanisms are in place to prevent agency nurses working double shifts?
- (4) Will the minister ensure that patients and staff are not put at risk by agency nurses working double shifts in the future?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) No; this is not a matter that would necessarily come to the attention of the Minister for Health.
- (2) The minister does not have a role in the day-to-day management of private hospitals. Although occasionally double shifts are necessary, the minister agrees that occasions may arise when they are detrimental to patient care.
- (3) Rostering practices that include double shifts may be a short-term strategy to address nursing shortages. However, this is not a long-term solution to the problem.
- (4) The minister ensures that private hospitals meet their licensing requirements by annual inspection. This inspection includes hospital facilities, staff coverage, organisation and administration, patient records, facility design and equipment, operating suites, catering services, fire evacuation and safety, environmental health, infection control, occupational safety and health, quality improvement and plant and staff development programs.

HMAS *PERTH*, DIVE WRECK**124. Hon MURIEL PATTERSON to the Minister for Tourism:**

With the planned handover of the HMAS *Perth* to the people of Western Australia, has the Government given any serious consideration to establishing the ship as a second dive wreck? If so, what are the most likely spots for this to occur?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. I thought we might try to sink it on top of the member for East Metropolitan Region!

Hon Ken Travers: Can we sink some ministers with the ship?

Hon N.F. MOORE: This is an interesting issue and there has been a fair amount of debate about the future of HMAS *Perth*. The Navy intends to strip the vessel of all useful ordnance and most of its equipment and, as such, it will probably not be suitable as a museum piece. Therefore, the dive wreck option is the most likely one available to Western Australia.

The Western Australian Tourism Commission is drawing together the selection criteria for the ship's final resting place, which will be advertised widely to potential bidders. It is impossible to say at this stage who will bid for the vessel. However, it is anticipated there will be substantial interest in this project. A steering committee will make a final recommendation in December this year. Once the vessel has been decommissioned and the Navy has completed derigging, it will be available to be towed to Western Australia where a final clean-up operation can be completed by the successful proponent.

LANDCORP, RELOCATION OF HEAD OFFICE

125. Hon KEN TRAVERS to the minister representing the Minister for Lands:

I refer to the decision to transfer LandCorp's head office from Joondalup to the Perth central business district and ask -

- (1) When was this proposal to relocate first considered?
- (2) When were inquiries first made about leasing the new office space in Perth?
- (3) Does the minister support the move? If so, why?
- (4) When will the new call centre be located in Joondalup House?
- (5) From whom is the space in Perth leased?

- (6) What other locations were considered for the LandCorp head office and why were they rejected?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) The Western Australian Land Authority Act was amended in December 1998 to require the completion of the Joondalup project. The authority has kept the option of relocation under consideration from that date.
- (2) The authority was first made aware of the possibility of being required to relocate to make room for a call centre in July 1999.
- (3) Yes; the move was supported on the basis that -
- it has facilitated the creation of 225 jobs in Joondalup;
 - the level of operational activity by the authority in Joondalup is much reduced as that project reaches completion following the sale of the authority's interest in Lakeside Joondalup Shopping City in April 1999;
 - the focus for the authority is now in its state-wide industrial and major urban core functions;
 - estimated annual operational cost savings of \$250 000 will accrue from the move to a Perth location; and
 - a project office will be maintained in Joondalup until major land developments are completed.
- (4) A fit out is under way with operations to commence in December 1999.
- (5) Zaafer Pty Ltd.
- (6) A large number of locations in West Perth, East Perth, the Perth CBD and Osborne Park were considered. The authority's initial preferred location was in Hay Street, West Perth. However, these premises were withdrawn from the market. Negotiations also took place in respect of premises at Allendale Square and Wesfarmers House. The Allendale Square premises were rejected on the basis of additional fit-out costs. The decision was made to relocate to Wesfarmers House. No other premises inspected met the criteria of immediate availability with minimal fit-out costs.

MEMBER FOR MITCHELL, PHOTOCOPIER IN ELECTORATE OFFICE

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

- (1) What make and model of photocopier does the member for Mitchell have in his electorate office?
- (2) How many other electorate offices have the same make and model of photocopier and which offices are they?
- (3) If this photocopier is not available to all other members, when will it be available?

Hon N.F. MOORE replied:

That is an interesting question! Hon John Halden should be careful about asking this sort of question!

Hon John Halden: We will just have the same as everyone else! That is fair!

Hon N.F. MOORE: I assure Hon John Halden that was not the rule when the Labor Party was in government.

Hon John Halden: Answer the question!

Hon N.F. MOORE: I would love to talk for hours about the different arrangements that were in place when the Labor Party was in government - and of course members opposite want to yell and to try to interrupt me -

Hon Ljiljanna Ravlich: It is boring!

Hon N.F. MOORE: It is very boring now compared with what it used to be.

The PRESIDENT: Order, members! Let us have the answer to this question.

Hon N.F. MOORE: I find it interesting that Hon John Halden wants to ask a question about a particular member's electorate office, because we will need to check whether everyone else has the same deal and whether that has always been the case, and how often there is a shift. I thank the member for some notice of the question.

- (1) Ricoh FT7650.
- (2) None.
- (3) Eleven different makes and/or models of photocopier are allocated between the 91 parliamentary electorate offices. Technology changes over time will inevitably result in a range of copiers being provided.

DISTRIBUTION ADJUSTMENT ASSISTANCE SCHEME

127. Hon HELEN HODGSON to the minister representing the Minister for Primary Industry:

In respect of the final offer made under the Distribution Adjustment Assistance Scheme in July this year -

- (1) How many former milk vendors put a case to the arbitrator?
- (2) What was the average additional payment made, or recommended to be made, to each former milk vendor after arbitration?
- (3) Has the minister received a report from the arbitrator, either in respect of each claimant or a single report on the matter?
- (4) If so, when, and will this report be made available to the claimants and tabled in this House?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question. The information sought will take time to compile, and the minister therefore requests that the question be placed on notice.

DUNSBOROUGH LIGHT INDUSTRIAL PROPOSED STRUCTURE PLAN, TABLING

128. Hon CHRISTINE SHARP to the Attorney General representing the Minister for Planning:

Can the minister please table all the public submissions received by the State Planning Commission on the Dunsborough Light Industrial Proposed Structure Plan; and if not, why not?

Hon PETER FOSS replied:

I thank the member for some notice of this question. No. The structure plan is the subject of two appeals under the planning process, and the Minister for Planning considers it inappropriate to potentially prejudice that formal procedure by tabling documents in the House.

SCARBOROUGH SENIOR HIGH SCHOOL GYMNASIUM

129. Hon E.R.J. DERMER to the Leader of the House representing the Minister for Education:

I refer to the Minister for Education's media statement of 24 June 1998 in which he announced the closure of Scarborough Senior High School and said that in recognition of the value of some of the school's facilities to the community, however, some of the buildings and facilities on the site would be retained for general community use, such as the gymnasium, the swimming pool and an area of public open space. Will the minister reaffirm his commitment to retain the school gymnasium for general community use; and, if not, why not?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. Further detailed discussions with the City of Stirling revealed that the Scarborough Senior High School facilities did not meet the needs of the community; therefore, there was no requirement to retain facilities on the school site. Arrangements are being finalised to assist the City of Stirling with additional community facilities.

OLD GASWORKS SITE, ALBANY

130. Hon TOM HELM to the minister representing the Minister for the Environment:

I ask this question on behalf of Hon Bob Thomas, who cannot be here tonight. Will the minister table the following information -

- (1) When was the Department of Environmental Protection first alerted to the contamination of the old gasworks site on the Albany foreshore?
- (2)
 - (a) Who caused the contamination, and when did it occur?
 - (b) Who is responsible for the clean-up of the site?
- (3)
 - (a) What is the extent of the pollution, what contaminants are present, and what threat do they pose to public health?
 - (b) Has a risk analysis been undertaken on this site; and, if yes, what risks have been identified?
- (4) What volumes of soil are affected?
- (5) What plan of action does the Government propose to deal with the problem?
- (6) Will the Government properly compensate the current landowners for the losses they have incurred and continue to incur on this site?
- (7) Why has the Government taken so long to deal with this matter?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1)-(7) The Department of Environmental Protection first became aware of potential contamination at the old gasworks site in 1996. It would appear that the contamination has arisen from the disposal of waste from the former

gasworks operated by different owners between 1897 and the mid-1950s, and further distribution of waste with foreshore and site development. The Government is continuing to work with the parties involved to assess the extent of the contamination, ensure the most appropriate means of remediation is undertaken, and satisfactorily resolve the issue of liability.

GREENHOUSE GASES, WESTERN POWER

131. Hon TOM STEPHENS to the Leader of the House representing the Minister for Energy:

- (1) Has the State Government received any advice from the Federal Government about what contribution will be required from Western Power and other power producers in Western Australia towards reducing the production of greenhouse gases in Western Australia?
- (2) Specifically, what volume of power will Western Australia be required to produce from renewable energy sources as a result of proposals emanating from the Australian Greenhouse Office in Canberra?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) There continues to be dialogue between this State and others with the Federal Government concerning the measures that may be taken to achieve compliance with the target for greenhouse gas emissions set in the Kyoto protocol. Measures related to electricity generators and suppliers such as Western Power and private power station operators in this State are not yet specified.
- (2) The Australian Greenhouse Office is understood to be responding to the Kyoto protocol by seeking means to implement the Prime Minister's commitment for an additional 2 per cent of electricity traded on the country's grid systems to be sourced from renewable sources by 2010. No specific figures for the electricity business have been given to the State by the Australian Greenhouse Office.

MOTOR SPORT COMPLEX, NOISE REGULATION

132. Hon J.A. SCOTT to the minister representing the Minister for the Environment:

With regard to the proposed international motor sport complex in Kwinana -

- (1) Can the Minister for the Environment exempt the proponents of the complex from noise regulations?
- (2) What is the process and mechanism by which the minister can waive the noise regulations?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) Yes.
- (2) Section 6 of the Environmental Protection Act 1986 specifies how the minister may declare that all or any of the provisions of the Act, including the Environmental Protection (Noise) Regulations 1997, do not apply to any specified premises, act or thing.

POKER MACHINES

133. Hon RAY HALLIGAN to the Minister for Racing and Gaming:

With the current exclusive agreement between the Government and Burswood International Resort Casino on the licensing and use of poker machines nearing the end of its original time frame, is the Government considering expanding access to poker machines to hotels, sporting clubs and other non-profit community organisations?

Hon Tom Helm: Good question!

Hon MAX EVANS replied:

Does Hon Tom Helm want to have a bet on it?

Hon Tom Helm: Guaranteed!

Hon MAX EVANS: The odds are pretty short!

Hon Tom Stephens: It is a stupid question, because we do not have poker machines.

The PRESIDENT: Order! Let us not worry about the content. I ask the minister to give his reply, and the Leader of the Opposition will get his chance in due course.

Hon MAX EVANS: The Premier has said on a number of occasions that it is not the intention of the Government to expand gaming machines into hotels, clubs or not-for-profit organisations. In answer to the question, poker machines, or what we call spinning wheel machines, were taken out in the 1960s, if not before that. Many of the golf clubs used to have them. There are two Acts, one of which is the Police Act, which preclude spinning wheel machines or poker machines and one-armed bandits. We now have electronic gaming machines in hotels. The whole idea was that it was supposed to take people 14 seconds longer to lose their money on EGMs than on one-armed bandits. Now when people used EGMs, they

have a mixture of three different products at the same time, so when they press the button once, they actually have three goes at the same time, so it has caught up in that way. The answer is no, the Government does not intend to change that in 2001.

LIQUOR SALES FROM SERVICE STATIONS

134. Hon NORM KELLY to the Minister for Racing and Gaming:

- (1) Will the minister be introducing legislation into Parliament to prohibit the sale of liquor from service stations?
- (2) If so, when will such legislation be introduced?
- (3) Will this legislation contain an exemption for service stations in remote areas?

Hon MAX EVANS replied:

- (1)-(3) As part of the answer to the question by Hon Nick Griffiths, we have the Curtin University research. I hope to have the answer to both of those questions soon. We have made it quite clear that we will allow certain country road stations and road houses which have previously had the exemption to retain it, but not exclusively for that purpose.

Hon Norm Kelly: When do you expect to introduce that?

Hon MAX EVANS: I hope within the next week or so.

WESTERN POWER, MANPOWER OUTPLACEMENT PROGRAM

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

I refer to the off-site management of the "Manpower Employee Outplacement Program" document which states -

This program will allow Manpower to relocate the Western Power employees from their familiar work environment and out of their comfort zone. This will encourage them in making career decisions outside of Western Power.

- (1) To where will Western Power employees be relocated?
- (2) How many Western Power employees will be involved?
- (3) What will these employees be doing while "out of their comfort zone"?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) Employees participating in the program will be involved in a variety of activities conducted at locations relevant to each activity.
- (2) Not known at this time.
- (3) Employees participating in the program will be undertaking a specific program to assist them to gain the skills required for a successful job search, such as resume writing, application letters and networking; undertaking job search activities with the assistance of the Manpower organisation to find alternative employment.

Hon Tom Helm: Cleaning rail cars.

Hon N.F. MOORE: Perhaps the member might think about that for himself.

The PRESIDENT: Order!

Hon Tom Helm: I actually used to do that.

Hon N.F. MOORE: Perhaps the member should give some thought to going back to it, because I have been told that his future is insecure at this stage.

Employees will also be undertaking approved training courses to assist them in securing alternative employment; undertaking counselling as required to assist them in dealing with redundancy; undertaking retirement planning at the request of the individual employee; and undertaking financial planning at the request of the employee.

PRISON AT SOUTH WOOROLOO, AGREEMENT WITH AUSTRALIAN DEMOCRATS

136. Hon MARK NEVILL to the Attorney General:

Has the minister entered into any agreement or understanding with the Australian Democrats to enable a new prison to be built at south Wooroloo?

Hon PETER FOSS replied:

I have made it clear in the House that I had discussions with the Democrats with regard to amendments to the Prisons Amendment Bill and to the core functions legislation with regard to a number of matters, but particularly with regard to the establishment of a statutory independent inspector of both prisons and other places of custody. I hope that with those amendments both pieces of legislation will be able to pass this House.

NARRIKUP ABATTOIR, BEEF KILLING FACILITY

137. Hon KIM CHANCE to the minister representing the Minister for the Environment:

- (1) Have the operators of the Narrikup abattoir been granted a licence by the Environmental Protection Agency which has the effect of relieving the abattoir from an obligation to provide a beef killing facility?
- (2) Did both the abattoir's consultative environmental review and EPA bulletin No 808 clearly state that Narrikup's production of 33 600 tonnes per annum would comprise one million sheep and 50 000 cattle?
- (3) How does this change in the intentions of Fletcher International Export Pty Ltd impact on the Government's planning for the State's cattle industry?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) No.
- (2) The CER and EPA bulletin No 808 indicate that the abattoir will have the capacity to process one million sheep and 50 000 cattle. It is for the operators to determine the actual numbers of sheep and cattle to be processed so long as they comply with the conditions of approval.
- (3) The Minister for Primary Industry has advised that there has been no change in Fletcher International's intentions. The installation of the infrastructure to process beef will be considered if the company considers market conditions and cattle supplies warrant such an investment.

WHITTAKERS LIMITED, CONSORTIUM BID

138. Hon J.A. COWDELL to the minister representing the Minister for the Environment:

- (1) Can the minister confirm that a consortium comprising Bushmill Timbers, Donnelly River Timber and Hamilton Sawmills Pty Ltd has bid for the entire Whittakers Limited mill operation?
- (2) Has this consortium applied for any government assistance under the Regional Forest Agreement's forest industry structural adjustment program?
- (3) If yes, what was the outcome?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) The Government has received a copy of a conditional business proposal by the company regarding the Greenbushes site.
- (2) It is expected that should the company successfully negotiate with the receivers and managers for the infrastructure at Greenbushes, a formal application for FISAP assistance may be lodged.
- (3) Not applicable.

MOTOR SPORT COMPLEX, KWINANA INDUSTRY

139. Hon J.A. SCOTT to the Leader of the House representing the Minister for Resources Development:

In regard to the proposed motor sport complex at Kwinana -

- (1) Does the Department of Resources Development support this proposal?
- (2) Will the complex constrain industry in Kwinana; and, if so, how?
- (3) Will the complex inhibit the expansion of industry in Kwinana; and, if so, how?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1)-(3) The Department of Resources Development has met with the Kwinana Industries Council on several occasions and recognises the concern of industry of possible environmental constraints on industry flowing from the proposed motor sport complex.

MIDDLE SCHOOLS, AGE COHORT

140. Hon HELEN HODGSON to the Leader of the House representing the Minister for Education:

- (1) Has a decision been made in respect of the age cohort to be included in middle schools as they are introduced?
- (2) Is there a proposal to include year 7 students in the new Yule Brook college in the Cannington education district under the local area plan currently being developed?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) No. The middle years of schooling are generally considered to include the ages 11 to 15; that is, years 6 to 10 in the government school system. Schools and their communities have the opportunity to look at their existing school structures to determine how best to implement middle schooling practices.
- (2) It is an option being considered by the contributing primary school communities in the local area as part of the local area education planning process. No decision has yet been made.

NEW COURT, CUSTODIAL AND SECURITY SERVICES, COMMENCEMENT

141. Hon JOHN HALDEN to the Minister for Justice:

Despite the minister's inability to confirm that the new court, custodial and security services are proposed to commence on 1 October 1999 -

- (1) Will the minister at least confirm that there will be a phasing-in period of at least six months after the signing of the contract and that this will mean that the services to be provided will not be fully operational for at least six months?
- (2) Does this mean that the Ministry of Justice will have to absorb or receive additional funding during the phasing-in period?

Hon PETER FOSS replied:

Everything is a bit hypothetical until such time as the legislation is passed by this House.

Hon Ken Travers: You just told us that you had a deal.

Hon PETER FOSS: I also do not know when the legislation will be passed by this House because, as the member is well aware, sometimes in this House, despite the best-laid plans of mice and men, legislation does not necessarily pass even when a majority of members in this House support it.

Hon N.D. Griffiths: You should get on better with your leader.

Hon PETER FOSS: I know my leader is constantly frustrated by the fact that somebody else in this House thinks he is the leader of the House.

Hon Tom Stephens: You!

Hon PETER FOSS: One should respect the position of the Leader of the House. The Leader of the Opposition continues to behave as though he is the leader of the Leader of the House, but he is not.

It is not for me to presume when the legislation will be passed by this House and also when it will be passed by the other House. To some extent this is a hypothetical question, because until such time as the legislation passes this House, I will not know the situation. I can tell members that, until now, the functions that will be covered under the core functions have been covered by a number of other agencies or have not been covered at all. We have been hoping that when the legislation is passed, we will be able to return a number of policemen and prison officers to core functions. If we do that, it will have considerable benefits for both the Police Service and the prison service. I sincerely hope that we will pass this legislation as soon as possible, but I do not wish to enter into hypotheticals about when we will pass the legislation.

ARTSWA DIRECTOR, RESIGNATION

142. Hon TOM STEPHENS to the Minister for the Arts:

I refer to the resignation of ArtsWA Director, Wendy Wise, the third senior bureaucrat to resign since the super ministry was formed in 1997, and to the long-term absence of a fourth senior bureaucrat during that period, and ask -

- (1) Will the minister confirm that ArtsWA's role and staffing have been cut since the formation of the super ministry, and that this is affecting morale?
- (2) If so, what have those cuts been?
- (3) Will the minister finally accept that there are very real problems in this super ministry?

Hon PETER FOSS replied:

- (1)-(3) As usual, Hon Tom Stephens shows his ignorance about what has occurred. First, the fact that Wendy Wise has resigned has nothing to do with the Ministry for Culture and the Arts, and she has made that quite clear. Wendy Wise has an interest in the arts and has stayed with the ministry for 10 years, even though when the department was originally framed under the Labor Government it was intended that people should stay for only five years and that their contracts should be non-renewable. That policy was not followed by the Labor Government, and a number of people continued to work at the department for 10 years. Wendy Wise has done a very good job and I regret seeing her go but I have mixed feelings about it, which I share with the chief executive officer of the ministry, because I am always pleased to see a person interested in the arts become more practically involved in the arts.

It is important to have practising artists involved in the ministry, and not just arts bureaucrats. One of the reasons for the reductions in ArtsWA is that some of its functions have been taken over by the ministry. I sincerely hoped that some reductions had been made in ArtsWA because the intention with each of the agencies was to get them back to their core business rather than their being involved in such things as human resources and finance. If there had been no reduction, that would have been a cause for some concern; or, if there had not been, at least, a redirection of resources into core business, I would again be concerned. I do not agree with Hon Tom Stephens' comments. I think he is making it up.

Hon Tom Stephens: Making it up that there are problems?

Hon PETER FOSS: Yes. I think Hon Tom Stephens is making it up.

Hon Tom Stephens: Everything is smooth and rosy in the department?

Hon PETER FOSS: No, I think the member is making it up that there are problems. I do not know of a government department where there are no difficulties. If the member could show me a government department where everything was all smooth and rosy, I would like to see it, but it would generally mean that everybody in the department was asleep. I do not believe any department should be allowed to quietly sit on its laurels and regard itself as having completed the business of government. It should always be reinventing what it is doing, keeping lively and trying to make sure things are happening. I do not agree with the member that there are serious problems.

Hon N.D. Griffiths: I think you are reinventing the wheel.

The PRESIDENT: Order! I am trying to listen to the answer.

Hon PETER FOSS: I do not know that the member has any basis for his comments. The member has referred to senior bureaucrats resigning. I happen to think that some of the changes being made are extremely good and I congratulate Ms Ricky Burges on what she is doing.
