



# **Parliamentary Debates**

**(HANSARD)**

THIRTY-FIFTH PARLIAMENT  
THIRD SESSION  
1999

LEGISLATIVE COUNCIL

Thursday, 14 October 1999

# Legislative Council

Thursday, 14 October 1999

---

**THE PRESIDENT** (Hon George Cash) took the Chair at 11.00 am, and read prayers.

## **NUCLEAR WASTE DUMP**

### *Petition*

Hon Giz Watson presented a petition, by delivery to the Clerk, from 9 410 persons opposing the proposal to locate a high level nuclear waste dump in Western Australia.

[See paper No 249.]

## **URANIUM MINING INDUSTRY**

### *Petition*

Hon Giz Watson presented a petition, by delivery to the Clerk, from 1 231 persons opposing the proposal to establish a uranium mining industry in Western Australia.

[See paper No 250.]

## **GOVERNMENT PRIORITIES AND FUNDING COMMITMENTS**

### *Motion*

Resumed from 13 October on the following motion moved by Hon Tom Stephens (Leader of the Opposition) -

That this House -

- (a) condemns the Government for its misplaced priorities and funding commitments to projects such as the belltower and the convention centre at the expense of core areas of state government responsibility such as health, education, community safety and public transport; and
- (b) calls upon the Government to remedy its failure to deliver government services at affordable rates and give priority to hospitals, schools, police and public transport.

**HON B.K. DONALDSON** (Agricultural) [ 11.04 am]: Yesterday when the debate on this motion was interrupted for other business of the House -

Hon Tom Stephens: You were singing my praises.

Hon B.K. DONALDSON: Yes, I was giving the Leader of the Opposition credit because debate on this motion has given ministers and members on this side the opportunity to recap on the performance of the Government and to point out the tremendous positive effect the Government has had in assisting people in Western Australia to have a better quality of life. I talked about the philosophy underlying the film *Field of Dreams* of "Build it and they will come." The convention centre is an important example of that. I attended the world aquaculture conference in Sydney in April and I have attended a number of other conventions in Melbourne, when I was in local government, and in other States.

Hon N.D. Griffiths: Your speech is becoming a travelogue.

Hon B.K. DONALDSON: I am just pointing out the need for those facilities in Western Australia. We have some wonderful facilities not just for people coming to conventions or conferences; we also have the added attractions of other icons - the Treetop Walk, the Pinnacles and the north west of the State. We have an abundance of tourist attractions for travellers from not only interstate but overseas. Those facilities require funding, and it is to the credit of the Government and the minister that that has taken place. As an aside, at the moment about 150 000 people travel to the Pinnacles each year. With the advent of the opening of the coast road from Lancelin to Cervantes, Main Roads Western Australia has already identified that 1 400 cars will come off the Brand Highway onto that road. The Department of Conservation and Land Management is already looking seriously at building a large visitors centre there and, more importantly, at ways and means of managing the additional visitors to the Pinnacles area. It is quite pristine and we do not want to see it choked to death by tourists. These are the visionary things that are taking place.

From time to time when I have listened to members speaking in this place I have wondered what would have happened in 1899 or 1900 when the goldfields pipeline was mooted and discussions were held about how it would be funded. If I recall correctly, it took one-half of the State's budget in one year to progress that venture. By today's standard that is still wonderful engineering feat. If the negativity of members of the Opposition was the same then, I wonder whether the goldfields water pipeline would have been built. It makes me rather curious where members opposite would have sat when that major project was being outlined.

Hon Norm Kelly: Do you support the Derby pipeline process on the same basis?

Hon B.K. DONALDSON: That must be explored. I do not think any of us would say it does not deserve to be examined closely to see whether all the figures stack up. At the moment the great problem is whether -

Hon N.D. Griffiths interjected.

The PRESIDENT: Order! I call Hon Nick Griffiths to order. Some interjections add to a debate, and I do not have a problem with that; however, interjections that do nothing but try to put a speaker off what he is saying do not add to the debate and are disorderly.

Hon B.K. DONALDSON: In 1993 when the Government first took over power from the Labor Party, the debt blow-out was about \$8b or \$9b. In the intervening years, the Government has had to resurrect some of the funding priorities that the previous Government let slip. If I recall correctly, about \$340m was identified as being necessary to provide maintenance and reconstruction at schools across this State, and in certain areas new schools were needed. At that time demographic changes were taking place in Western Australia. It is unfortunate that this Government, or any other Government for that matter, has to face that difficulty. That demographic change took students away from some of the major schools in the areas close to the Perth central business district.

That has all changed. People have moved north and south. Families with young children have followed affordability. They realise that people do not have to live on the doorstep of the central business district. There is a quality of life that can be obtained elsewhere; the northern suburbs are a prime example. Many of us have said that the most famous aspect of the old Shire of Wanneroo was the traffic inspector. He was pretty good. I do not think that anyone who travelled into the area, up through to Yanchep or wherever, did not end up with a speeding ticket. Today the City of Wanneroo has been split into two municipalities. We see the development of satellite cities. We have Joondalup and Eglinton. Within a few years there will be 400 000 people living there.

One of the things I notice most about education and the need for schools is illustrated from when I lived in Marmion. There were few children around. It was part of the older suburbs and there were no young families. When I moved further north - someone called it south Geraldton - into Joondalup the first thing I noticed was the number of young children who were frequenting the shopping centres. The Ocean Reef High School and primary schools were noticeable. Before and after school the roads were congested with children. All Governments have to meet the challenges and I believe this Government has been to the forefront on this issue. It has caught up on the outstanding maintenance costs of \$300m and has also been building schools. High schools have been upgraded into world standard institutions. One school that I and my colleagues in the Agricultural Region can speak of, especially the member for Moore, is the Jurien Bay District High School, which has state of the art technology. It has been identified by the Government as a regional centre and certain facilities are being upgraded and planned for the future to accommodate the expected growth that will take place in the northern region.

The Leader of the Opposition talked about areas where there were no priorities and he mentioned health, education, community safety and public transport. I think the Government has grabbed the mantle on the issue of public transport. We will see in a few years' time a greater public transport system being slowly but surely developed. We have the central area transit, or CAT, buses in Perth. It is a great initiative. I think the average citizen appreciates that type of facility being provided. The southern link will take place when funds become available. It is difficult for any Government to continually face up to the rapid changes that occur. Every year some 10 per cent of Western Australians have a change of address. We are one of the most mobile populations. It is an incredible fact. The growth in the Mandurah-Rockingham-Safety Bay area is an example of population shift. Many years ago I used to go down on holiday to Safety Bay. It was a happy little sleepy hollow. Mandurah used to be the same. Look at it today. It puts huge pressures on any Government to be able continually to find the funding to keep up with the services and infrastructure needed. In terms of priorities I think the Government has an enviable track record in moving to make sure that facilities are provided.

Almost daily we will see the need for proposed new medical centres and health campuses. In parts of the country regional areas we see the same. In Kalbarri and Northampton we have seen extensions to services. A new centre has been established in Dongara. A new one has been proposed and hopefully will be established next year in Jurien Bay. The Government is forward thinking in providing those particular facilities. It is easy to say we need this and that, but there must be a balance in obtaining funds. Money can be borrowed and it can be asked whether the Government made a mistake by retiring \$3b of additional debt that was accumulated by the previous State Government. Maybe when the gas pipeline was privatised some of the funds should have been kept back and the debt ignored. I am sure the Opposition would not worry about a debt structure. The Government took the philosophy of reducing the debt that had been rapidly escalating under the previous Labor Government.

Hon Bob Thomas: Why is the Government borrowing \$800m this year?

Hon B.K. DONALDSON: For a lot of capital works. This is the question I am asking: Did the present Government make a mistake by continually wanting to retire debt? The answer from all the money crunchers around the world and those that closely watch government spending is no. They have given the Government a big tick.

Hon Bob Thomas: Have you read what Mike Lehané is saying recently?

Hon B.K. DONALDSON: Well he was one of those who was responsible for some of the philosophy and policy that was established by the Government. We have been accused of being too hard on capital works, but now the Government has moved into that area. In a perfect world it would have been nice to keep \$1b of that revenue and used it as part of a free spending regime. I do not think it is the correct way to go. Three billion dollars of debt at 5 per cent interest is \$150m that is going into someone else's pockets. That is good taxpayers' money going out. If the interest rate rose to 10 per cent we would see \$300m worth of interest. That can be well spent otherwise. It builds a lot of school and hospital facilities and helps public transport. These are the difficult issues that responsible Governments face when they take the mantle of government. It is not an easy decision to make sometimes. The temptation for any party in government is to spend money

and not retire debt and let future generations pick up the debt. Local governments used to do that many years ago. They were free spending. All of a sudden they have looked at their management structures and have been able to retire a lot of debt. Most councils are now in a good debt ratio situation. That is healthy. At least the ratepayer dollar is not going to the bank. It is staying within the community. That is important.

Hon Bob Thomas: Is the Government saying that it is okay to have capital works and borrow money for it?

Hon B.K. DONALDSON: No. Some programs have been developed within capital works programs which are seen as part of the social dividend. There have been necessary works that were identified. The Government is taking notice of some of the continual whining in the House about where money should be spent. The Government has moved into the right areas of priority.

Hon Bob Thomas interjected.

Hon B.K. DONALDSON: I do not want to be interrupted in my thoughts. There will be opportunity later for other members to outline their concerns.

I refer now to health services for which both Federal and State Governments have collective responsibility. Irrespective of who is in power, one of the difficulties with health funding is the capping of services. That is done by the Federal Government estimating that X number of people will be treated in public hospitals in Western Australia. That number is then capped. After every 2 per cent rise the number is lifted.

I can see Hon Bob Thomas raising his eyebrows. That is the way the health funding is arranged in the public hospital network. Unfortunately it is about 18 months or two years before the 2 per cent flows through. We are now finding sometimes 6 per cent additional growth in the public hospital system. The public hospital system is under pressure. There has been a movement away from private hospital insurance for various reasons, one of which is that people do not like the "gap", the difference between the amount paid by private insurance and the total fee. A person can enter a hospital as a public or a private patient. Although private insurance is available, the average person is showing a preference for treatment as a public patient.

In emergency situations patients may not be able to make a choice. Nonetheless, many people are making that choice and, in emergency situations, are saying they are not private patients so that when they get home from the public system they will not receive a bill for the "gap".

Hon Bob Thomas: They are out of pocket.

Hon B.K. DONALDSON: Yes. Throughout the metropolitan area, for argument's sake, the multi-doctor health centres close their doors at 7.30 pm. Where do people go after that? They go to the accident and emergency areas at the major teaching hospitals. I can assure members that many people go there for treatment for only a headache. Someone must treat those people. Many of the hospital fraternity, who would not normally support a co-payment, have said openly they would like to see a fee charged for that service, even if it were \$10.

Today many medical centres use a de facto co-payment. People who are not pensioners or health care card holders pay \$31.50. If they pay on the spot, the fee is \$28.50 and they are reimbursed \$21.50 from Medicare. If the people of Australia were asked whether a fee of, say, \$10 should be introduced for all public patients at medical centres and emergency hospitals, they would probably vote no.

Throughout my life I have observed that people do not seem to appreciate services when they are provided free of charge. If we charge at least something, people will appreciate that this service is not provided by right.

Hon Tom Stephens: Is that why fees will be charged to visit the belltower - so that we will appreciate it?

Hon B.K. DONALDSON: I am not up to the subject of the belltower yet; I am working through the priorities.

Hon Tom Stephens: Don't forget it, because the people have not forgotten it.

Hon B.K. DONALDSON: No. A friend of mine is a doctor in a medical centre which has introduced a co-payment of \$7. I asked him what effect it had on the number of patients coming through the door. He said it halved the number of patients in the first few months. The number has since risen to about 75 per cent of the previous figure. He said that, with fewer patients, he has more time to talk to his patients. The practice is making more money by charging that \$7. It meets all the ongoing recurrent expenditure which he said is not cheap because, like all businesses, the practice has many overheads. He finds that patients are attending now who need attention from a medical practitioner; whereas while the service was free, or bulk-billed that did not always appear to be the case. I am not saying that none of those people was genuine, but it was interesting to see the figures and the discrepancies.

I am also a great believer in alleviating pressure on the teaching hospitals, especially in the accident and emergency areas. To this end, the multi-doctor practices where the population is the greatest - at present in the northern suburbs - should be on a roster to ensure many of them remain open until at least 11.00 at night. I understand a move has been made in that area to do that. On a rotational basis doctors are accommodating that need. I am very pleased to see at least that occurring.

I refer now to community safety. In the six years since the Government took office, the budget outlay for the Police Service of Western Australia has doubled. The Attorney General pointed out that I laughingly interjected when he was speaking and said something about providing facsimile machines. That is just one example. Even in towns in which the population has not grown, my colleagues and I in the Agricultural Region have seen either new police stations built or police stations

upgraded. The equipment and the technology employed for policing, which was very sadly lacking, has been upgraded. However, I will not dwell on what the previous Government did with its funding priorities because that is history.

Certainly no-one can criticise this Government for its attention to community safety. Yesterday the Attorney General spelt out many of the measures the Government has implemented since it took office. The public quite rightly expects to see our crime rates decrease or, if nothing else, more rapid and more efficient resolutions and clearance rates of crimes than we have seen over the past few years.

Resources have been given to the Police Service on an ongoing basis. We hope that further advances in the use of technology - a report is expected on that subject next week - may even further assist police in performing their duties. I do not think anyone in this House could say that the Government has not given priority to community safety through a wide range of measures. That does not mean simply increasing penalties, but those measures include examining rehabilitation and facilities for prisoners and juveniles.

I have seen some excellent ways in which prisoners from the Greenough Regional Prison have been employed in the city of Geraldton. I spoke to some of those people a few times not only at the prison but also on the job at the Greenough Hamlet. I am sure the Minister for Transport will agree with me that those people have done some excellent work. The work provides them with not only pride in their achievements but also a sense of belonging. The prison superintendent, "the Governor" as I call him, is working very hard to try to ensure that people who are capable of being rehabilitated are being given that opportunity.

I applaud the actions of the Ministry of Justice in its approach to the prison system. Work camps of that nature are being increased. The development of the Bibbulmun track was greatly assisted by the work done by prisoners, who I know felt very proud of the end result of the area on which they worked.

I was amazed that the Leader of the Opposition would raise issues about funding priorities. My colleagues and I will use every opportunity to stand up and add to the list of government priorities and to inform the community how the Government is assisting the community across a wide range of areas. It is not without mistakes. I am not trying to gild the lily and say that the Government does not make mistakes. A person who has never made a mistake has not made a decision. At times the average person may ask why the Government is doing something in a certain way. Hopefully, the Government has received good advice and will make the right decision. At odd times we will see a conflict between the Government and the wider community. It may be that the Government has not informed the community about its decision or communicated with them well enough. That is an important issue.

It was interesting that the issues of public transport and transport generally came up. The Minister for Transport has heard me say this to many local government municipalities. I often remind local government that in 1992-93, \$32m was allocated from state funds to local government for local roads. The minister informed me that for this current year the figure was \$167m. The fuel excise was 5.67¢ a litre during the time of the previous Government, and we all know that this Government added 4¢ a litre to that so that 9.67¢ a litre was raised from the business fuel excise for roads in Western Australia. I will give some credit to a former minister, Hon Bob Pearce, who initiated a report which I am sure Main Roads and the Minister for Transport have looked at over the years. It was a joint effort by the State Government and local government at the time, and it cost an awful lot of money. It identified a funding shortfall of \$80m a year to roads in Western Australia.

That had been occurring for six or seven years, and successive Federal Governments did not play their full role. In one fell swoop the Commonwealth increased the fuel excise by 7¢ a litre with hardly a murmur across the community other than from those engaged in primary industry or mining. At least that money is being returned to the roads. I give credit to Bob Pearce because he took a great risk initiating that report not long before the 1993 election. The report showed that the State Labor Government at the time was under funding not only the local road component but some of the state arterial roads. I remember Bob Pearce saying that after the report was finished he did not expect local government to bash him over the head with it. We did not because it was a collective effort to mount a case to the Federal Government of the day to try to get more funds released. We wanted the Commonwealth to realise its responsibility to maintain national highway 1, which was a disgrace in Western Australia because the Commonwealth had not been providing funding to the level required for the distances involved in Western Australia. We also made sure that the financial assistance grants were increased during that time.

Transport will always be a problem for any Government; that is, not only public transport but also the road system. Western Australia is reliant on its road network because of its vast distances. The distance a truck travels from Sydney to Perth equates with the distance from Perth to the north west - that is, from one end of Western Australia to another. That is a huge logistical task that requires a great funding effort. The Government should be congratulated for directing the money it collects from the bowser and from licences back to the roads. From that point of view the Government has met its obligation and responsibilities.

In 1993, the Government had to fund the public transport debt which was at that stage \$200m a year. That originally came out of the transport trust fund. Once we channelled money out of one fund onto the roads we had to find it from somewhere else. The Government also has to find additional money to fund the losses from its public transport system. As that public transport system grows, the Government will be faced with the added responsibility of ensuring that it is affordable for people and that it can fund the shortfall which undoubtedly will be very much part of that public transport system.

It has been pleasing for me to look at some of the issues that the Leader of the Opposition brought up. I listened to some of members who spoke on an urgency motion that the Leader of the Opposition moved in which he claimed that the Government had not enhanced the interests of rural and regional Western Australia. I do not know whether the leader

referred to Victoria, but we are not Victoria and our Premier Richard Court is certainly not Jeff Kennett. After living in the country for many years it has been interesting to look at what is happening around the place. I will start with aged care and the joint venture arrangements between the State Government, local government and community organisations. Some high standard, aged person's accommodation has been built in many country towns of varying sizes; it is not just confined to the larger regional centres. It has been a great program, because it has allowed the aged members of a family to remain in the town in which they have their friends and family. Because of that a lot of experience and expertise will remain in and be utilised by that community. Nothing compares with a few wise elderly heads to calm some of the exuberance of youth and to try to remind people of some of the mistakes of the past and to remind the youth of what it is all about. That has been a tremendous program.

I refer to other government programs such as the covering of school assembly areas, the establishment and upgrading of fishing boat harbours and uniform power tariffs. Except for a 3.4¢ a unit increase in the residential rate two years ago, there has been no increase in power charges since 1993. The uniform tariff at the moment is 16¢ a unit for business and about 12¢ for residential. That has been a recognition of the Government's management of our energy requirements so our industries remain competitive.

Funding in the area of youth affairs has provided a range of opportunities for young people in many country areas. The Minister for Sport and Recreation, Hon Norman Moore, announced a wonderful sport enrichment program which has enabled a number of high-profile teams and individuals to journey into many country and regional areas to give people the opportunity to not only witness a Westar Rules game but also have the benefit of top athletes visiting those areas to stimulate interest in activities, whether these be swimming or whatever. I and my fellow members of Parliament are continually handing out cheques to a wide range of communities. These may not be big-dollar cheques as many of those programs are reliant on community contributions of either a half or two-thirds, but at least those communities do not feel neglected and the small contributions from the Government add up to an important aspect of community life.

I believe that this Government has met its responsibilities and obligations. I welcomed the opportunity presented when the Leader of the Opposition moved this motion. I know that the bean counters and the number crunchers in the Australian Labor Party will now be looking at *Hansard* to read the Government's audit on spending in order to copy it, which is a great way to encapsulate it in an easy-to-read form.

**HON NORM KELLY** (East Metropolitan) [11.41 am]: The wording of Hon Tom Stephens' motion highlights the belltower and the convention centre. I do not believe those projects should have the priority given to them by the Government. Hon John Halden mentioned the belltower last night. I know from my own experience and from the experience of my partner, who has done a great deal of work in country areas, that the belltower stands as the most iconic symbol of this Government's attention to matters in the metropolitan area at the expense of rural and regional Western Australia. Members may argue about whether that is a reality or a perception; however, it is a perception in country areas and something that the Government must address. People in country areas believe that they are being ignored, that they are a low priority for this Government, and that the Government is concentrating purely on the symbolic and non-producing forms of self-gratification.

The convention centre, likewise, has too high a priority for this Government. There is a view that we need another convention centre in Western Australia and it was a good thing that the Burswood International Resort Casino came to the party, albeit a bit too late, in wanting to upgrade its facilities so as to accommodate the larger conventions that this city could attract. The Government should explore that possibility to examine whether it is a better option than using extremely valuable central business district space such as the busport site, the most or second-most favoured site for a convention centre. When the proposal was put forward last year the busport site was valued at about \$24m; this year it is valued at \$75m. It is a significant site and there has been no consultation with the public about whether it should be used for such a centre. Members may remember the uproar when the busport was originally built. People said developments of that type should not encroach on that side of Mounts Bay Road towards the river, despite the build-up of the freeway around there which minimises the impact of the busport on the river landscape. There was a great deal of controversy about that development and I believe the development of a convention centre on that site will also involve controversy and debate. If I had to choose I would prefer the bus station site in Wellington Street. It is a far more preferable site and is central for transport and the city's main attractions. The Government should not dedicate this amount of money to such a project which could be far better funded and supported by the private sector.

I realise there is a need for government support in developments of this type; however, it should not have priority ahead of more urgent, essential services on which the Government must concentrate. One of those services is the provision of elective surgery in our teaching hospitals. The issue of waiting lists in our hospitals has been a bone of contention in the past few years with good reason. The waiting lists in this State have been totally unacceptable during the period of this Government. The records I have with me date back to January 1995.

Hon Greg Smith: What are they like in other States?

Hon NORM KELLY: I have been unable to obtain records prior to January 1995. However, the records I have indicate the Government's track record on waiting lists. I am not being totally negative about the Government's record because the Government deserves both acclamation and criticism for the way in which it has performed. The Government established the Central Wait List Bureau to coordinate the various hospitals in the metropolitan area to better facilitate people requiring elective surgery.

Hon M.D. Nixon: Do you believe that is working reasonably well?

Hon NORM KELLY: I believe it is definitely starting to work well. The problem was that people would be placed on the

waiting list at a particular hospital, unaware that they could have the surgery performed sooner at another hospital. There are extensive delays in the waiting list and if members read the budget papers of past years they will see that the Central Wait List Bureau was proposed many years ago. It finally came together, but there are still problems. On checking the waiting list for specific surgery on the Central Wait List Bureau's net site, I was disconcerted to find that the information had not been updated since 7 May this year. I have talked to the management of the bureau and apparently the information provided on the net site will be restructured so that it will be more user friendly.

In August 1998 the Treasurer announced a \$125m fund for the next five years for elective surgery, the initial priority being to reduce the waiting list for hip, knee and cataract surgery. Over 3 000 people were on the waiting list for that type of surgery at the time of the announcement.

Hon J.A. Scott: Surely the information on the waiting list is not accurate. In Victoria it was found they produced a waiting list by putting the information in the drawer and not processing it, so the waiting list did not back up.

Hon NORM KELLY: I have not been able to ascertain the veracity of the bureau's waiting list. I am considering what it has provided to me, and further research will be required to compare it with the lists in other States, or whatever.

The target was that 3 000-plus cases would be dealt with within a year, and it appears that they have been dealt with, although not within a year, but shortly thereafter. The information provided is that only three cataract cases of the 3 270 patients on the list were not dealt with within a year. If one is one of those three case waiting for surgery, it was certainly not good enough. I am not sure of the reasons for those delayed cases.

The targets for future years, such as this financial year, are a little more obscure. Reference is made to urgency categories 2 and 3, which are the 30-day and 90-day cases respectively. They will continue to be audited. A project will review the teaching hospital long-wait patients to ascertain different ways of dealing with them. No specific targets can be identified, but a well-funded program appears to be in place to address the waiting lists.

I now outline some of the current detail. Even though we have cleared more than 3 000 people off the list of a year ago almost within the year, we currently have almost 2 300 people waiting for cataract, knee and hip categories of elective surgery. The mean waiting time in the knee and hip categories remains at more than six months. Obviously, some people have been waiting almost a year, which is not good enough. These categories often involve elderly people. My father-in-law has had three knee replacements, and it is significant to wait for a year when aged in the late sixties or seventies as in the case of my father-in-law.

Hon Cheryl Davenport: It is a quality of life issue for many people having to wait that long for a knee or hip replacement.

Hon NORM KELLY: Exactly. If a person has a year taken out of his life, when that person may have 10 or 15 years to live, it is a significant impact. If a person is not mobile, it also has a severe impact upon the partner's life and wellbeing.

Hon Ray Halligan: Some patients insist on being treated by a particular doctor, although that doctor may not have time to treat that patient.

Hon NORM KELLY: That is right. That is the patient's choice, as should be the case.

Hon Ray Halligan: But they remain on the waiting list. I suggest that when looking at the numbers, one cannot just blame the Government.

Hon NORM KELLY: I do not argue with that. It is valid that people should have the choice of doctor to perform the surgery. The member raises a minimal argument when more than 2 000 people are on the waiting list. Given the turnover of people, it is still too high. It is interesting what one can do with statistics. One can put a good or bad picture on the overall waiting lists. To put the worst case scenario, since August 1995 - that is, in the last four years - waiting lists have increased by 14 per cent. From 1995 to 1998, the lists climbed 62 per cent from 10 500 to 17 000 people, which highlights the ineffectiveness of the Government's program to handle waiting lists during that period and reflects the delay in establishing the Central Wait List Bureau.

Hon Greg Smith: What about the ineffectiveness of the Medicare system?

Hon NORM KELLY: Hon Greg Smith is on the wrong track.

Hon Ray Halligan: A number of variables were involved in getting the bureau up and running. It is not a dictatorial matter of telling everyone, including the patients, exactly what they will do.

Hon NORM KELLY: It was not even that. Waiting lists could not be maintained at 1995 levels, as they increased hugely.

Hon Ray Halligan: You're missing the point.

The PRESIDENT: Order! Hon Ray Halligan will get his opportunity to comment in due course.

Hon NORM KELLY: The Government failed to adequately address the waiting list for three years. As much as one may like to talk about statistics - people might argue about a reduction, rise or whatever - we must return to the point that we are considering people's lives. This absence of surgery has a significant impact on the quality of life.

On a more positive note, a 29 per cent reduction has occurred since June 1998, although this was from the high level in the middle of last year. The month-by-month figures indicate a steady, sustained decrease in the overall waiting list, and the clearance times also are decreasing. For instance, the medium waiting time on lists has decreased from roughly eight months

to five months. That represents three months of quality of life, to which Hon Cheryl Davenport referred. The time still needs to be improved, but an argument can be made that the Government's strategy is starting to kick in. It has been slow coming - which is inexcusable and the Government should admit that it failed during that time - and it can be argued that the Government now has the process working better. It is kicking in and delivering on those original promises. In that regard, I congratulate the Government, if the figures are correct, for finally doing a good job in this area.

Turning to the motion itself, the Australian Democrats believe that schools, hospitals, police and public transport have priorities over belltowers and convention centres. It is a complicated matrix of priorities with which the Government must deal and integrate. Every time I discuss Westrail with the Minister for Transport, I am told how the Government does not have money to spend on Westrail -

Hon M.J. Criddle: Westrail freight.

Hon NORM KELLY: - yes - as the money must go to hospitals and schools. I would love to see it go to hospitals and schools. We must see this motion for what it is; namely, a little kite flying by the ALP Opposition.

Hon Tom Stephens: Nonsense! It is no such thing. What a disgraceful claim!

The PRESIDENT: Order!

Hon NORM KELLY: I look forward to Hon Tom Stephens' reply to the debate.

Hon Tom Stephens: It articulates the demands of the people of Western Australia.

The PRESIDENT: Order! Hon Norm Kelly is trying to conclude his comments, and members are now trying to assist and make him continue for another hour.

Hon NORM KELLY: To this stage, the Australian Labor Party has not argued its case sufficiently for the Australian Democrats to support the motion.

Debate adjourned, pursuant to standing orders.

## COMMITTEE REPORTS - CONSIDERATION

### *Committee*

The Chairman of Committees (Hon J.A. Cowdell) in the Chair.

### *Standing Committee on Public Administration - Administration of Environmental Complaints Relating to Public Health: A Case Study*

Resumed from 23 September on the following motion moved by Hon Kim Chance -

That the report be noted.

Hon CHERYL DAVENPORT: Before the adjournment of the debate on 23 September, I was dealing with the fact that when the committee took up this issue, departments at that stage started to respond. I note that when the committee was deliberating on this report, it engaged in a significant debate over which department would be the appropriate one to take responsibility for the problem, which crossed a number of boundaries. Eventually, the committee decided that the Department of Environmental Protection was the state government authority that should be the lead agency on this issue.

I am pleased that when officers from the department gave evidence to the committee, the department had already put in place a significant regime of measurement tools to try to pin down exactly what the problem was. The department seemed to be of the view that the coordinated meetings that previously took place between the Department of Minerals and Energy, the Health Department, WorkSafe Western Australia and itself should be reinstituted. Members will note that the committee recommended in that context that that would be an appropriate way to try to deal with these problems when they occur in any industry, not just in this case. I hope that the committee's recommendation will be picked up by the Government and that these meetings will be reinstituted.

Despite the fact that some members of the committee had grave reservations about whether the committee should take up this issue and inquire into it, it is now clear that it was the right thing to do, and appropriate measures are now in place to ensure that these issues are picked up early, instead of waiting for the two or three years that it has taken in this case to get reasonable results for the people in the community and the workers in that area.

Hon J.A. SCOTT: I spoke previously on this matter but I did not finish my remarks. I referred previously to the Health Department being reluctant to become involved in the monitoring of community health, particularly by carrying out epidemiological studies in these instances. This is an incredibly important issue, because it is an area in which the Department of Environmental Protection could save our health system a massive amount of money by preventing people from contracting the sorts of illnesses which cause them serious health problems and which require them to be hospitalised. The benefits of doing that sort of preventive work have been underestimated by the Health Department. This committee's report has provided a good means by which to emphasise that need.

As members will recall, a short time ago this House dealt with the workers compensation legislation. The issue of workers compensation is severely impacted upon by failures in our system to prevent environmental pollution and emissions, which cause health problems for people in the workplace. A study that was undertaken in New South Wales indicated that the cost



of those types of injuries or illnesses to workers is six times the cost of the physical injuries that people suffer in the workplace. Throughout our entire system, whether it be in the areas of workers compensation, insurance or health, a huge amount could be saved if more effort were put into epidemiological work in a sensible way in this State so that it is undertaken as a normal way of going about business. I think the Health Department views epidemiological work as being something which is carried out in particular instances, rather than being carried out by existing departments using monitoring systems that are already in place. By compiling the information, wonderful data can be provided to assist in improving the health of people in the community.

In this instance at Wagerup there has been a great failure not only by the Health Department but also by other departments. There has been a wide and systematic failure of the Department of Minerals and Energy, the Health Department and the Department of Environmental Protection to coordinate their efforts, not only at Wagerup, but also throughout many areas in which issues of importance to people in this State have arisen. I refer to the way these departments have operated on the Omex Petroleum Pty Ltd site at Bellevue, at the Mirrabooka tip and at the Sandtracks beach in Fremantle. These departments have shown an attitudinal problem in dealing with members of the public and the complaints they have made about health concerns. The departments have acted more like public relations machines for the people who have caused pollution. I am not including Alcoa of Australia Ltd in that statement, because Alcoa has tried hard to isolate the cause of the problems at Wagerup. However, in the case of Omex, the Department of Environmental Protection has assisted in getting people to sign non-disclosure documents when they were paid off to move from the site because of the health risks. Government departments should not be involved in those sorts of cover-ups. That is happening in many instances with government departments, rather than their dealing with the problem, acknowledging it and recognising that the community is sometimes correct. I acknowledge that sometimes the community is not correct, but there are obvious examples of situations in which it has been correct and these departments have not coordinated their efforts, communicated with each other or communicated with the community in an open manner. The departments have acted as public relations companies for the polluters and have done everything in their repertoire to fob off the public and push people from one department to another. It is time that stopped, and this report highlights that need.

I hope those departments will take note of this report and consider it not just in relation to the Wagerup situation; they should consider their whole culture and the way they deal with problems which occur around the State. The Wagerup case is a wonderful model, but it is only one instance and it must be seen as a catalyst for those departments to investigate their processes to ensure they improve their relationships with the community and listen to what is happening to people. The Government should put pressure on the departments also because these situations bring disrepute to the Government perhaps through no fault of its own, but people equate these departments with government. It is important that ministers wave the big stick around the departments and tell them to lift their game. They have let down these people.

I have spoken to many people involved in situations at Wagerup, the Omex site, Mirrabooka and Fremantle. In a range of issues, particularly those involving pollution and contaminated sites, the actions of the departments have been absolutely appalling. Their way of dealing with the public is to treat them as idiots. Even though the departments have refused to do the testing asked for, and people have carried out the testing themselves, using the correct procedures, the departments will take no notice of that data because the people are not experts. That happens even when the people concerned have gone to great lengths to use procedures outlined by scientifically-based institutions, such as the Environmental Protection Authority, and in some cases the United States Environmental Protection Authority procedures, when collecting their data. The Government is missing an opportunity to collect good data that could improve the health of the community, and save money in the process, because it is not using the community as part of a public collection and monitoring process, particularly in the case of air pollution. For instance, many school students, particularly in areas that have air pollution problems, could be taught to monitor the air, in the same way that the ribbons of blue project used the community's involvement for monitoring purposes. Using community resources would be a cheaper way of collecting the data. It might not be precise data, but it could give a good indication of how to proceed. It could save a great deal of money in the long run. If these departments worked with community members instead of against them, it could result in great improvements. I commend the report.

Hon N.F. MOORE: The Government is required under Standing Order No 337 to respond to the report within four months. That report is being compiled. The suggestion made by the last speaker about cover-ups is over the top.

Hon J.A. Scott: They have people sign non-disclosure documents.

Hon N.F. MOORE: The use of the term "cover-ups" implies some sort of immoral or improper conduct.

Hon J.A. Scott: It is immoral or improper conduct.

Hon N.F. MOORE: The member should be more able to substantiate that than he has so far.

Hon J.A. Scott: I can substantiate it.

Hon N.F. MOORE: The member has a habit of making those sorts of allegations. The Government acknowledges that the report recommends that a number of agencies need to get their act together in coordinating and working together on these issues. I have no problem with that and I know the departments will take the report seriously and respond to it within the required period. It does not help these processes when allegations of cover-ups are made by members such as the last speaker.

Question put and passed.

*Standing Committee on Public Administration - Outsourcing and Contracting Out: Investigations in the United Kingdom - Thirteenth Report*

Hon B.M. SCOTT: I move -

That the report be noted.

I will give members a brief overview of the work conducted by the Standing Committee on Public Administration in 1997 when it undertook a trip to the United Kingdom to look at outsourcing and contracting out issues. Given the advent in Australia of the national competition policy and the Hilmer reforms, Western Australia must consider the process, impact and results of contracting out and outsourcing as a matter of priority.

The Standing Committee on Public Administration considers that this issue very clearly sits within its terms of reference. It sits very clearly in line with the findings of the thirty-sixth report. The committee of three members visited England to undertake this inquiry for the Standing Committee on Public Administration. First, I acknowledge the efforts and contributions made by Elizabeth Lawton, who was the staff member assisting the committee. She brought the highest integrity to all her work, and she carried out very good research work on the committee's behalf. She carried out all her duties in England in an admirable way and, as deputy chairman of the committee, I acknowledge that contribution. It is unfortunate for the committee that Elizabeth left the employ of the Legislative Council before the report could be finalised.

I reiterate that in the current climate of outsourcing and privatisation, the findings in this report are very relevant to the situation in not only Western Australia, but also worldwide. Many lessons can be learnt from it. However, in this report the committee presents an overview rather than a detailed examination of some of the current issues in the United Kingdom. In our findings we have made some comments that are timely with respect to what is happening in Western Australia. The committee is of the view that some of the findings made in England have the potential to benefit Western Australia today and in the future. The committee found that if properly managed, contracting out can be one way of reducing costs and improving productivity. Examples of that exist in Western Australia at present. It can also enable government agencies to focus resources on work in the public interest that meet community service obligations.

In England contracting out has been very successful in changing the culture of the Public Service by forcing it to examine and compile unit costs of delivery of services and to relate to real costs. Historically, the British public service was probably not disciplined to do that, whereas in private enterprise it was essential to do that. It has also led to greater focus on the needs of clients and the form and content of tender and contract documentation.

In this day and age we are moving to a client-focused arena in which everybody, whether they be in government or private enterprise, appreciates that the client is the pre-eminent person and must be taken into consideration. In England contracting out has disciplined and organised the public service and sectors to focus on the needs of the clients and to consider whether those needs are being served.

Another finding of the committee in summary is that careful consideration must be given to the way contracting out is approached in Western Australia. I hope that those agencies moving towards proposals to contract out services, especially services that are deemed to be core government services - that is a debatable issue, depending on one's philosophy - examine the proposals very carefully.

The committee also believes it is necessary to define core public services and separate them from government trading activities. Trading activities have commercial objectives, whereas social service functions are subsidised. In England, particularly in local government, services that in the past would have been deemed to be core public services, some of them in education and health, and local government tasks such as rubbish removal, were being contracted out. The committee felt that Western Australia needed to gain from the benefit of its findings by defining core public services and separating them from the trading services. The committee also believes that analysing the impact of contracting out on the costs of services may be complex but necessary.

That was a brief overview. I refer now in detail to some of the findings that the committee made. Although we had the opportunity of only a brief overview of what is occurring in England, it was a good learning experience and very timely.

As part of the Standing Committee on Public Administration's process of agency and administrative review, it has developed an interest in outsourcing and the contracting out of government services. The committee is mindful of the issues raised in the light of contracting out services, particularly the cost and quality of services, the apportionment of liability - who is liable and where the apportionment should lie - the allocation of risk and who is responsible when disputes arise over non-performance or unsatisfactory performance.

The process of privatisation, particularly contracting out, is not a new idea in Australia. Federal, state and local governments have been contracting out selected services for several years, albeit with various degrees of enthusiasm and political will. However, compared with other countries, contracting out and outsourcing of public services is a relatively new phenomenon in Australia.

In late 1997 when the committee travelled to the United Kingdom, it observed that over the past 10 years there was a history of extensive privatisation and contracting out. The process of contracting and outsourcing in the UK was particularly relevant to the committee's inquiries. Contracting out was achieved over a relatively short space of time as a result of the Thatcher Government's policies and practices, including compulsory competitive tendering. For members of the Chamber who are unaware, when Thatcher took office in England, legislation, abbreviated by name to compulsory competitive tendering, was passed.

The legislation made it compulsory for all agencies to review their work and to put it out to tender when possible. The British Government established an efficiency unit that carried out efficiency scrutinies in government departments with the aim of improving the efficiency of civil servants and reforming management practices. As a result of this and other reviews, the Thatcher Government embarked on an ambitious program of privatisation and contracting out. In some instances the process was made mandatory under the CCT legislation to which I referred earlier. In other cases it was implemented by administrative policy. I am sure other members of the committee will detail the situation in local government. It was extremely interesting to see how a local government authority turned around its method of operation and, by using its staff, turned itself into an efficiency unit.

As I said earlier, with the advent of the national competition policy, the Hilmer reforms and this Government being faced with consideration of outsourcing core government work, there is a real potential for the work being done by this committee to benefit Western Australia and governments of whatever political flavour. Due to our experience, which, although limited, was worthwhile, I hope lessons can be learnt.

I refer to the summary in chapter 11 of the report regarding the findings of the committee and how they relate to the terms of reference for further inquiries that will be raised within this committee. They are listed in appendix 8 indicating how we would proceed within the committee's terms of reference.

The findings of the committee are encapsulated in the brief summary I gave; that is, in the main, it is necessary to define core public services and separate them from the trading services of the Government before we can embark on outsourcing for the benefit of all. The committee found that a clear picture of costs does not emerge and many factors must be taken into account.

The committee believes it is important to take into account long-term effects of employment changes arising from compulsory competitive tendering and contracting out which impact quite significantly and may reverse apparent savings. The committee found in England that agencies that employed blue collar workers were affected first, and many agencies with women employees were the first to be affected. Some of the impacts of those changes were quite significant. In some of these areas the jury is still out. In the school system in England, where lunches are provided in schools, most of the employees are women. When that work was outsourced the workforce which would normally have had full time or permanent part time positions lost the jobs or went to the service that won the contract. A lot of women were forced into taking bits of work here and there which impacted severely on their social life and the management of their families and children. They often got just a few hours morning work which was not sufficient to supplement their needs and would undertake other work later in the day. In reflecting on the changes we may make here it is important to look at the workforce and how the changes impact on their needs. While efficiencies can certainly be brought about - that is one of the pluses of outsourcing, and we have seen that with State Print, where the same amount of work is being done more efficiently by fewer people and at less cost - our findings are a reflection and overview of what happened in England and the jury is still out on a number of the findings.

The committee acknowledges that analysing the impact of contracting out on the costs of services may be complex, and one of the reasons is that accounting practices vary between time periods and services. The costings may not always be available. In addition, cost effectiveness may also be hard to determine when some of the claimed benefits of contracting out, such as an increase in service and quality and a positive change in the organisational culture, cannot always be measured in quantitative terms. Contracting out varies from one instance to the next, and this is where the committee benefited by looking at transport, water, education and local government. Some of the boroughs we looked at, such as London and Westminster, control budgets that are as big as that of Western Australia's. Whilst it may seem that in England we were looking at a microcosm, within their society it was a good comparison to Western Australia. The contracting out varies from one instance to the next. The committee believes that prior to contracting out, a full social and economic audit or cost-benefit analysis ought to be conducted. The United Kingdom experience indicates that such analysis should include the impact of job losses, the long-term impact on part-time workers, and the impact on social and family life, particularly of women being forced into multiple employment in order to maintain an income. The increased casualisation of the workforce and fragmentation of the loss of the trade union organisation and power and the impact on changes in the quality of services relative to efficiency improvements in organisation and delivery of services should also be analysed. The casualisation of the workforce alters the culture of the public service sector in interesting ways. In some ways it can be positive. The committee found that there was a complete cultural shift in the way the civil service had operated in England and it certainly is happening here.

The committee found that there is a need to find a means of protecting commercially unprofitable but socially necessary services. In the United Kingdom the Government seeks to protect such services through government subsidies. An innovative approach was observed by us at the Newcastle-upon-Tyne City Council, which established CityWorks. In a very traditional and old council, which was the main employer in the city, a large regional city in the north of England, rather than "caving in" to the process of compulsory competitive tendering, the councillors turned the council around. The council realised that it was the main employer in the city and that the inhabitants depended on their leadership. They changed the name of their workplace to CityWorks and made it a very efficient unit in which everyone seems proud to be working there. They brought in a lot of efficiencies which caused a reduction of costs and improved the quality of service and they looked at serving their clients. As a city council their clients are their constituents. Their constituents are important and they employ a number of them. It is a very close relationship and interesting to observe. When an employer is removed and distant from its workforce there is a distancing of humanitarian considerations. I can see that in big and small business in Western Australia. We can learn from some of the very efficient units of business in Western Australia. A number of people who run businesses close to me work as a team and involve their members. That is what CityWorks did. It got its workers

onside and motivated them to reduce costs and improve services because they knew who they were delivering the services to. That closeness had a big impact.

I want to refer briefly to another matter before other members speak. It is an in-depth report and I would like other committee members who travelled, the Hon Cheryl Davenport and the Hon Barry House, to have the opportunity to speak today.

There is a proliferation of ombudsmen in England. It was evident to us and the source of some amusement. The committee noted that in the United Kingdom, although ombudsmen exist to account for the process of contracting out, their main mandate is complaint-based and therefore reactive. I know that in Australia, certainly in South Australia, the Equal Opportunity Commission was established on those lines; several models that we have that are complaints-based and reactive. It is not a proactive role. In England they have the curious trait of patience. The people are used to queueing and waiting their turn. That seemed to be evident in the work of the ombudsmen. There were not always a lot of complaints. Their role in the United Kingdom, as opposed to here where ombudsmen can seek to inquire into matters, is only reactive and complaints-based. The ombudsmen in England provide an independent assessment of complaints about services provided - in some cases, services that are provided to the Government. In contrast, the jurisdiction of the Ombudsman in Western Australia does not extend beyond the public sector. The committee's report notes that where a contractor is not part of the Government, complaints about service delivery cannot be made to the Ombudsman in Western Australia and members of the public cannot seek information held by the contractor unless legislation provides for that access. As complaints may be made to the Western Australian Ombudsman only about a matter of administration, the Ombudsman may be able to investigate the matter in which the relevant agency has dealt with the contractor. However, this may not allow the Ombudsman to address a complaint directly. I wish to address issues in the report such as the change in culture, the quality of service, and the cost and cost efficiencies that we observed in England, but I will resume my seat to allow some of the other committee members to make some observations of the exercise undertaken by the Standing Committee on Public Administration while in England. I am sure there will be some comment on how it will serve to direct the committee in later inquiries. It is very closely connected not only to what is happening at the moment but also to how public administration is observed in this State. I believe the reflections and overview the committee gained during its trip to the United Kingdom is a positive and worthwhile contribution to the Western Australian situation at the moment and there are lessons to be learned. The underlying point is that while some people are great proponents of privatising and outsourcing, it must be done carefully. The committee has made some keen observations about the advantages and disadvantages, and I would like to think that the Parliament will take this report seriously and we can learn from it.

Hon CHERYL DAVENPORT: I congratulate Hon Barbara Scott for her overview of the Standing Committee on Public Administration inquiry into outsourcing and contracting out. I was part of the subcommittee that travelled to the United Kingdom in 1997. One of the reasons the committee has taken so long to report is that this was a self-referral inquiry and the public administration committee saw fit to embark upon this inquiry with the firm view of working towards preparing a framework so that the committee could make appropriate responses to any referrals in relation to the large amount of contracting out and outsourcing that is now occurring within Western Australia. Of course, as Hon Barbara Scott mentioned earlier, the national competition policy and the Hilmer report were also factors. By taking its time to look at this issue the committee has been able to provide a reasonable framework for government should it choose to go down this path and to take into account the pitfalls that have occurred in the UK.

I take this opportunity to place on the record my thanks to Elizabeth Lawton, the research officer who travelled with the committee to the UK. She prepared several discussion papers in advance of the committee's trip on outsourcing and contracting out, and these were published and tabled in this House. Before the committee left for the UK it had a framework to bear in mind when it considered the issues. I also place on the public record my congratulations to Mia Betjeman who took over when Elizabeth Lawton left for the east coast. It was a big ask for someone who had not travelled to the UK with the committee, and she has done a remarkable job in pulling together a report on what was an interesting look at this area.

Hon Kim Chance: Hear, hear!

Hon CHERYL DAVENPORT: Because of the time lapse between the trip and our deliberations, I was pleased that we had all taken copious notes while we were away and were able to utilise Elizabeth Lawton's notes. We deliberated over many meetings in the lead-up to the completion of this report, and it was helpful to refresh our minds and work through issues that might have become clouded over time. I believe those two excellent research officers served the committee well. I also thank my colleagues on the trip. I was the only opposition member to travel to the UK. We found a lot of common ground and worked well together to pull together the report that was done. I will talk later in some depth about the findings that the committee brought down.

As Hon Barbara Scott mentioned, the committee chose the UK jurisdiction because privatisation, contracting out and outsourcing had taken place in a systematic way in Britain over the previous 10 years. We felt that enough time had elapsed to look at a system that had made a conscious decision to go down this path.

One of the points that struck us all was that once these contracts are entered into it is difficult for a new Government that may have a different philosophy to reverse them. Certainly some of the contracts for roads, railways and so on were for 30-year durations, and if one has a different policy perspective there is not much one can do to turn that around. We arrived in Britain about two or three months after the election of the Blair Labour Government and the public servants we spoke to in transport saw that it would be hard to change these decisions. In fact, the British Labour Government had decided that in many instances it would not be able to change the outcome of those contracts and was stuck with them. That is one of the findings in the report.

I will also talk about cultural change. As Hon Barbara Scott said, in the local government sector, compulsory competitive tendering had been legislated for in Britain in a different way to that of Western Australia. A great deal of contracting out in Western Australia has been done from an administrative perspective whereas in Britain it was very rigidly legislated for in a range of industries giving no choice. In Britain, CCT was conducted from a business perspective in the bigger metropolitan boroughs with very little humanity towards its former work force in the awarding of contracts. I vividly remember a meeting with the Westminster City Council and the pride exhibited by one of the bureaucrats who addressed us about the considerable reduction in its work force; whereas in Newcastle, as Hon Barbara Scott mentioned, a humanitarian approach was taken in the reduction of its work force with the unions involved in the process. The union representative, who had been invited to the meeting by CityWorks at the Newcastle-upon-Tyne City Council, although not absolutely overjoyed by the outcome as many union members had lost their jobs, acknowledged that the council was involved in the process of ensuring that people received a decent outcome if they were made redundant and that the work force was able to function well into the future.

It struck me, certainly in regional Britain, that the process was much better thought out and worked through than in the bigger metropolitan boroughs where people became invisible to some extent because of the nature of the community. They certainly tried very hard in Newcastle to ensure that their town was able to live and function after the impost of compulsory competitive tendering. I am not saying that was necessarily a bad thing because it certainly turned around the council and made it a far more cost-effective organisation.

Hon BARRY HOUSE: I acknowledge my hardworking travelling companions on the subcommittee, Hon Barbara Scott and Hon Cheryl Davenport. Travelling on a parliamentary committee with three women was an interesting exercise for me! I must say though that it was very enjoyable and very educational.

Hon Kim Chance: Somebody had to carry the bags!

Hon N.F. Moore: That is why he had three women with him!

Hon BARRY HOUSE: Yes. I have a suggestion for British Rail: It should install some elevators in its railway stations. I assure members that it is easier to carry bags on elevators. I also acknowledge the contribution of Liz Lawton, a very talented and thoroughly professional young lawyer who has moved to Melbourne. She was of great assistance throughout the committee's deliberations and played a major part in putting the report together, as did Mia Betjeman who came in after the event and put a very comprehensive report together.

As has been stated, the committee developed an interest in this broad topic following the thirty-sixth report which was tabled in 1994 when I was chairman of the committee. It seems like ancient history now. However, a common thread has run through the work of the committee, first as the Standing Committee on Government Agencies Committee and then as the Standing Committee on Public Administration. It was a logical progression for us to consider privatisation and outsourcing - I will say more about the actual terms in a moment - and to use the thirty-sixth report to provide a framework for the examination of outsourcing in the Public Service. We saw it as our job - it was a self-referral - to set up a framework for government agencies to outsource principally their non-core functions but core functions also in some cases. It was our job to work on providing the Parliament of Western Australia with information on a way of judging the contracting out that is occurring in our State.

The subcommittee visited the United Kingdom to get a flavour of the environment where outsourcing and privatisation have been in use in some parts of the public sector for a long time; and in another way was a radical change. As Hon Cheryl Davenport said, the Thatcher and Major Governments radically changed the culture of the Civil Service in the United Kingdom. However, I do not want members to think that the United Kingdom did not outsource any functions prior to that time; there were many examples with a history of privatisation. We were keen to bring back some of that experience and flavour to Western Australia. It was very useful for us, individually and collectively, as a committee. However, I would not want members to get too carried away and start looking into the report too deeply for answers. I say that, firstly, because we collected the information more than two years ago, which does not necessarily make it invalid, but it was only a snapshot of the situation that existed in the United Kingdom. We never pretended that it would be a comprehensive analysis that would withstand the rigours of proper research methodology. We therefore returned with some information, some case studies, some general impressions and an overview.

The first observation I want to make is on the use of the word "privatisation". The word "privatisation" is used in the report in the United Kingdom context of privatisation. I admit that it is slightly different from my interpretation of privatisation. However, I have never felt comfortable that it was the right terminology for Western Australia. I prefer the phrase "outsourcing" which can cover the different variations involved in contracting. It can also include planning, financing, building and operating in long-term contracts. We can then use "privatisation" which may refer to part or full privatisation. It is interesting in a place like this Parliament to reflect on the history of the use of the word "privatisation".

Debate adjourned, pursuant to standing orders.

#### *Report*

Resolution reported and the report adopted.

*Sitting suspended from 1.00 to 2.00 pm*

**ROTTNEST ISLAND AMENDMENT REGULATIONS 1999***Motion for Disallowance*

Pursuant to Standing Order No 152(b), the following motion by Hon Tom Stephens (Leader of the Opposition) was moved pro forma on 8 September -

That the Rottnest Island Amendment Regulations 1999, published in the *Gazette* on 15 June 1999, and tabled in the Legislative Council on 22 June 1999 under the Rottnest Island Authority Act 1997, be and are hereby disallowed.

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [2.00 pm]: The Labor Opposition unashamedly calls on the Legislative Council to support this disallowance motion, which is an important contribution to maintaining Rottnest Island as an affordable family holiday destination for all the people of Western Australia. It should not be allowed to become an expensive, elitist playground for the wealthy, as appears to be the destiny chartered for it by this Government through constant increased demands upon visitors to Rottnest to contribute to the cost of running that island and maintaining its heritage and environment. The Labor Party believes that it is inappropriate for the Government to be constantly imposing additional costs on visitors to Rottnest, be it holiday makers or day visitors who benefit from the experience of that A class reserve.

Hon N.F. Moore: Have you been there lately? I wonder whether you are talking from experience.

Hon TOM STEPHENS: I tell the Minister for Tourism, who has responsibility for introducing this iniquitous regulation which increases the impost on ordinary mums and dads of Western Australia, that I am not a regular visitor to Rottnest. I visit from time to time. I was last there perhaps a couple of years ago. However, I do not see what that has to do with the debate.

Hon N.F. Moore: It is important to know whether you know what is going on over there.

Hon TOM STEPHENS: The Labor Opposition champions the cause and rights of the mums and dads and ordinary families of Western Australia to have affordable access to Rottnest Island.

Several members interjected.

The PRESIDENT: Order! It is not for me to judge the seriousness of the motion before the House. However, if members are to make an informed decision - the question will be put today before we adjourn - it is important to hear the argument. Members should direct attention to the Leader of the Opposition so that they might better understand the proposition.

Hon TOM STEPHENS: The Minister for Tourism, who has the shame on his shoulders of introducing these regulations, extended me the courtesy of a detailed briefing on the relevance of the regulations to the running of Rottnest Island. I thank the minister for his courtesy, and for making available officers who work tirelessly to support this asset of the people of Western Australia. The detailed briefing his officers made available was appreciated. Those officers put before me the current facts regarding that island. Therefore, I consider that I am well briefed on the situation at Rottnest.

It is clear that visitor numbers to Rottnest are now at the point of exceeding 400 000 visitors annually, including 330 000 travelling by ferry and 70 000 by other means, presumably mostly by private boat and a small number by aircraft. I notice from media reports that occasionally, people swim to Rottnest. Healthy growth is occurring in visitor numbers to Rottnest. Regrettably, it seems that the Government has not made available to itself adequate profiles of the make up of that visitor population. With increasing costs associated with visiting Rottnest, and increased charges imposed on those visitors by this Government since it came to office, both in terms of accommodation and increased admission fees from 1 July last year, all signs are that Rottnest is increasingly becoming a playground for the rich. The profile, I fear, of the visitor is that he or she is likely to come from the western suburbs of Perth, and be more affluent members of our community. Reduced numbers of visitors will be from lower socioeconomic groups, who traditionally accessed the island for affordable accommodation. These people are dislodged by the Government with its propensity to extract every last buck from the ordinary mums, dads and families of Western Australia.

The Government is hell-bent on disregarding the interests of those people. Visitor numbers to the island have increased over the past five years, and Rottnest is displaying all the signs of becoming a destination afforded only by the well-healed in our community. With increased landing fees for adults by 45 per cent from 1 July last year, and regulations to increase admission fees over three years by 110 per cent, the Government is increasing the impost on ordinary families, be it day visitors or holiday makers. This Government is hell-bent on wrong priorities yet again.

The Government has an obligation in its expenditure in its budget to look after the asset of the people of Western Australia. The State Government has a responsibility for that asset on Rottnest Island, and the ordinary mums and dads and families of Western Australia should not have to pick up the cost of maintaining that asset, that island, that A-class reserve on the basis of what can be extracted out of them by way of admission charges to the island. After all, that island is an A-class reserve and an extraordinary heritage precinct. The oldest heritage village or town in the nation is on Rottnest. It is an integrated little village. Vincent Way is an integrated heritage precinct of house after house of very old buildings by Australian standards, and it has no competitor across the nation. That is not the responsibility of the mums and dads visiting Rottnest Island; that is the responsibility of the Government of Western Australia - a Government which should get its priorities right and which should use its consolidated revenue on projects such as maintaining that heritage, rather than wasting its money on bellowers and those types of edifices, which show a Government with misplaced priorities.

This Government has consistently ignored its responsibilities. It is increasingly the view of this Government that all of the

services on Rottnest Island, such as the waste treatment, the recycling, the water production and the power generation, should be undertaken by the authority increasingly at the expense of the visitors to that island. The Government does not recognise that it has some responsibility for the provision of those services. Where else in this State do we demand that visitors going to an A-class reserve pick up, through admission charges to that facility, that town, that area, all of the costs associated with the operation of that location? There is no tollgate at Kalbarri to demand that visitors and holiday-makers to that location wear all of the costs associated with the running of the township, such as the collection of the rubbish and so on. If the Government had its priorities right, it would accept responsibility for maintaining Rottnest and the heritage precinct that it is, rather than simply squandering its resources on projects like the belltower and on the central business district of Perth, thereby ignoring the needs of this holiday destination for the ordinary families of Western Australia.

Members should keep in mind that it is not as if heritage funds and environmental funds are not available from the national Government, which could and should be targeted, if this Government were so minded, in such a way as to attract funds to Rottnest so that the much-needed heritage restoration can be continued by utilising those funds, rather than imposing an impost upon people during their visits to the island. Instead, this Government proves itself too willing in its pursuit of those funds to engage in pork barrelling in the marginal seats of Western Australia, at federal and state level. Rather than utilising those funds on Rottnest in a way that would look after an important asset of this State, the Government shifts the burden across to the ordinary families of Western Australia, who have up until now been able to take advantage of cheap access to that holiday destination in a way that has been of benefit to the social fabric of this State.

Rottnest is a magical place for most Western Australians, particularly those who grew up in this State. I am not one of those. However, one can see in the literature, the art and the culture of this State that, for the overwhelming majority of the people of Western Australia, Rottnest has loomed large in the State's recent past as a magical, inexpensive holiday destination that has been part of the fabric of growing up in this State. Now it is to become a magical place only for those who have a great deal of money and who will be able to afford the increasing charges that will be imposed by this Government for holiday accommodation and admission fees to the island - increases of some 110 per cent. I encourage people to study the art and literature of this State and to recognise the importance of that island in the consciousness of the people who have grown up in Western Australia.

The Government is being mean-fisted. The guns on the island are currently experiencing rust deterioration, and some \$120 000-worth of restoration work is required to maintain them. The gun emplacements are clearly of great importance to the heritage of this State. I am told that few gun emplacements anywhere else in the world would rival them - perhaps only those at Gibraltar.

Hon Mark Nevill: I thought that the Commonwealth Government had bought them back.

Hon TOM STEPHENS: I am told that the Rottnest Island Authority has a responsibility to have funds available for the maintenance of those guns, which are at risk of rusting out of their emplacements. Visitors clambering over them could land on their heads as a result of the rusted state into which they run the risk of falling if funds are not spent urgently to maintain them. Instead of allocating funds or securing funds from the commonwealth heritage programs, this Government dives into the pockets of the ordinary mums and dads of Western Australia to secure financial support for a rust maintenance program for these guns.

The Government was recently made aware of the old 1846 seawall and boatshed that have now been discovered to have a crack, a fault, in them, which is based upon early construction and repair work that was carried out in the 1840s. Restoration work of some \$200 000 is now imperative, otherwise this heritage seawall runs the risk of tumbling over. Where has the Government gone to find funds to restore that wall? It is digging into the pockets of the ordinary mums and dads of Western Australia to make it more difficult for them to be able to afford a holiday and to enjoy that heritage precinct; yet it still squanders its money on the belltower. It ignores that heritage precinct by not using funds from its consolidated fund and instead insists that it will get that money from increased admission charges levied on the average families of Western Australia.

The Government was also made aware that the fuel jetty on Rottnest needs funds spent on it immediately because it also is at risk. A large amount of money will be required. I forget the exact figure I was told, but I think it was perhaps as much as \$900 000.

Hon Giz Watson: It is \$500 000.

Hon TOM STEPHENS: I am corrected by my good friend Hon Giz Watson, whom I know is sensitive to the needs of the ordinary mums and dads of Western Australia. I hope she and her colleagues will not join with the elitists on the other side of the House, and their toadies, in looking after that policy -

Hon Mark Nevill: I thought you were serious about this debate.

Hon TOM STEPHENS: I am very serious indeed, but I am making sure members know what my views, and the views of the Labor Party, are in this regard.

Hon Norm Kelly: It is not exactly a passionate plea.

Hon TOM STEPHENS: It is a passionate plea. Do not be put off by the pleasant manner I am adopting or the humour with which I am lacing this debate. I am deadly serious about this issue, as is the Labor Party. We are determined to make sure that the people of Western Australia know what this Government is up to, and anyone in this place who is not prepared to join with the Labor Party in the pursuit of this exercise should go on the record and face the brunt of the ire of ordinary Western Australians, who see Rottnest occupying a particular role in the destiny of this State - a role from which it should

not be dislodged, as this Government seems hellbent on doing by pricing it out of existence and converting it into some type of Indian Ocean Club Med, which will be an exclusive domain for the friends and supporters of the elite of Western Australia. I know of the elitism and the arrogance of the Minister for Tourism and the way he is prepared to be a part of a Government that looks after the top end of town, the vested interests, but has not been prepared to show real sympathy and empathy for the ordinary families of Western Australia.

Hon N.F. Moore: You are the most pathetic man I have ever met. I was not born with a silver spoon in my mouth.

Hon TOM STEPHENS: I commend to him this opportunity right now to change the approach being adopted by the Government and, instead of belligerently attacking the ordinary families of Western Australia, to get his priorities right as part of the Government, to start ensuring that funds are available for restoring and maintaining the island, as well as its heritage and the environmental standards, without diving into the pockets of the ordinary families of Western Australia. It is fallacious to compare the entry fees to places like the Perth Zoo, the Scitech Discovery Centre, Fremantle Prison and the Perth Royal Show, as the Government did in its briefing to me in relation to this island. That reference - the minister made it in a public debate on these questions in the media - ignores the fact that as well as the admission fee to Rottnest Island, a cost is associated with travelling there by ferry or aircraft, which is a large cost indeed.

In 1998 the admission fee to Rottnest Island for adults rose from \$4.50 to \$6.50. As of 1 July 1999 it went up from \$6.50 to \$8.50 and on 1 July 2000, it will go from \$8.50 to \$9.50. Let us compare that admission fee with what it costs people to walk into the Perth Zoo, Scitech or the Fremantle Prison. By and large people can visit those places without considerable transport costs, unlike the people travelling to Rottnest Island by ferry - or aircraft, if they happen to be some of the few who do that. It is not as though people can simply click their heels three times, magically end up on Rottnest Island and pay \$9.50 at the point at which they land, and that is the end of the cost. Regrettably \$9.50 is only the start of the cost, and it continues to rise, whether it is for the ferry fares or the accommodation charges which have been approved by this Government. Previously, the Minister for Tourism has told the community that, to some extent, Rotto has already become a playground for the rich, visited mainly by people from the wealthy western suburbs. That reality must be reversed, with a deliberate attempt to restore the island to what it once was.

Hon N.F. Moore: I am happy to pay your fare so you can have a look - and you can take your wife and family too, if that will help.

Hon TOM STEPHENS: It was once an affordable holiday destination for the ordinary families of Western Australia. This Government seems hell-bent on raising the admission fees, but so far it has made no effort to understand the profile of the visitors to that community.

Hon N.F. Moore: You are telling me you know what it is.

Hon TOM STEPHENS: It is time the minister directed the Rottnest Island Authority to make sure it undertakes a better analysis of the make-up of the population going to Rottnest.

Hon N.F. Moore: I know who goes there.

Hon TOM STEPHENS: In that way, the minister will understand the market and what is happening when the costs are raised. He seems to be satisfied with the reality that his Government is increasingly creating; that is, heading Rottnest in the direction of simply being the backyard for the wealthy of the western suburbs. That is not appropriate so far as the Labor Party and the overwhelming majority of the Western Australian community are concerned. The Government must acknowledge that Rotto is in need of capital improvements and maintenance, and that this is the responsibility of Government, not constantly -

Hon N.F. Moore: Why is it the responsibility of the Government? It operates under an Act set up by the Labor Government.

Hon TOM STEPHENS: What a tragedy it is -

Hon N.F. Moore: It is required to maintain its financial viability.

Hon TOM STEPHENS: - that the Minister for Tourism and the Government fail to recognise that the statutory responsibility for Rottnest Island means that that heritage precinct and the environmental ambience of that A-class reserve must be maintained not by landing those costs upon the visitors, rather by the Government's getting its priorities right and accepting those responsibilities for this island. The minister should stop going down this path, stop overcharging people for access to the island, and treat Rottnest Island as the special place it has always been in the minds of the Western Australian community.

I acknowledge the interjection of my good friend and former colleague Hon Mark Nevill, who said that it was once a jail for the Aboriginal people of Western Australia. The maintenance of and respect and regard for that heritage is not the responsibility of the visitors to Rottnest Island; it is the responsibility of the Government by getting its priorities right and spending funds on the maintenance of that heritage, thus giving respect to the whole of that episode in the history of the island.

Hon Norm Kelly: These visitors have an impact on those facilities. Does allowing visitors to the site have any impact?

Hon TOM STEPHENS: There is some relevance in ensuring there is a reasonable admission fee. This regulation sets out a 110 per cent hike in the admission fee for this island since 1998. In the view of the Labor Party it is no longer a reasonable impost on the people visiting the island. There are obligations to visitors to the island, but they are being shared unequally. I discussed this matter with Hon Giz Watson, who said, and I agree with her, that some visitors pop over to the island just



for a day trip, have a cup of tea and head back to the mainland, thus having a minimal impact on the island; yet they are being charged \$9.50, the same fee paid by people who stay there indefinitely, if they have the good fortune to be able to get a booking for that long at the hotel, the lodge or any other accommodation there. This Government is presiding over a level of inequity where there is no regard to the impact -

Hon Greg Smith interjected.

The PRESIDENT: Order! Hon Greg Smith will come to order. I cannot hear the interjection. Professional members of staff in this Chamber are required to record what is being said. At the moment about five conversations are taking place.

Hon TOM STEPHENS: The rise in fees in 1998 represented an increase in revenue of about \$56 000. Since 1 July, for a full year, the increase in fees represents \$1.12m. By the year 2000, the increase in fees will produce for this Government \$1.48m from the visitors to the island.

Hon N.F. Moore: For the Rottnest Island Authority.

Hon TOM STEPHENS: The Government is extracting from those visitors the funds that it would allocate if its priorities were right. We all know its priorities are wrong; that this Government is preoccupied with bells and belltowers. While it does that type of prioritising of the expenditure of the Western Australian taxpayers' funds, it is no wonder that it is left with an awful process of bringing in regulation and fee increases for the visitors to Rottnest Island that so disadvantage the ordinary families of this State. The people of Western Australia have had enough of the minister, of the Government and of their misplaced priorities, and instead they want them to maintain some of the social fabric of this State that they once knew. Those opposite have been vandals in their approach to the icon status that this island has as a holiday destination for the ordinary families of Western Australia. He has mercilessly pursued the slim pickings left in the wallets of the ordinary families of the Western Australian community.

*Point of Order*

Hon N.F. MOORE: I have just read Standing Order No 100. I am hearing the same words, sentence after sentence, time after time. Can the Leader of the Opposition talk about something different, desist from tedious repetition and give some of the rest of us a go in this debate?

Hon Ljiljanna Ravlich interjected.

The PRESIDENT: Order! The Leader of the House and Hon Ljiljanna Ravlich are not helping me work out whether Hon Tom Stephens is breaching standing orders. In the past 30 minutes I have not been interjecting; I have been listening to the Leader of the Opposition. As much as some of the issues he has raised in the past five or six minutes have been the same or similar to those raised in the first few minutes of his comments, I hardly think there has been tedious repetition as such, although one point continues to be propounded by him. Within the constraints of Standing Order No 100 I cannot at this stage rule that the Leader of the Opposition is breaching the standing order on tedious repetition.

*Debate Resumed*

Hon TOM STEPHENS: In concluding my remarks, I will summarise my argument and recap on it to ensure that no member of this Chamber is left in any doubt about what the Labor Opposition asks of this Chamber; that is, that it stand up to this Government and tell it in no uncertain terms that it is time it got its priorities right. It is time the Government stopped destroying the fabric of the Western Australian community, including the part that Rottnest Island occupies as a holiday destination for all of the people of Western Australia, not just the rich and elite of this community. Rottnest Island is the responsibility of this Government, much more so than the allocation of scarce resources of the taxpayers on extravagances such as the belltower. If the Government got its priorities right and allocated those funds in an appropriate manner there would be no need to introduce regulations such as this. The holiday destination of Rottnest will be priced out of reach of the ordinary families of Western Australia, who have already been hit hard by the many fee increases imposed by this Government. The Opposition believes that this increase is intolerable and calls on all members of the House, particularly on this side of the House, to stand up and show they are not the toadies of the Government, of which they regularly run the risk of becoming, and ensure that the ordinary families of Western Australia are looked after.

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [2.33 pm]: That was one of the saddest and funniest speeches I have ever heard. It was sad because I think the member believes it and it was funny because of the context of his remarks. The Leader of the Opposition began by saying that the Australian Labor Party believes that Rottnest Island should be an affordable family destination. Indeed, the Act that covers Rottnest was introduced by the previous Labor Government and it contains words to that effect. It also requires that the authority be self-sufficient. It must raise the money it spends or somehow get it from the Government.

The funny thing about this "affordable family destination" that Hon Tom Stephens talked about is the reality of Rottnest during the 1980s and early 1990s when the ALP had an opportunity of putting into practice what he so vigorously preached today. I want to talk about the family destination of Rottnest when the Leader of the Opposition was in government. I will show a newspaper cutting and refer to some of the families who benefitted from the Labor Party's term in office. An interesting article headed "Rotto Inc." is on the front of the "BIG weekend" section of *The West Australian* dated 21 September 1991. I will not take up too much time of the House.

Hon Ljiljanna Ravlich interjected.

The PRESIDENT: Order! If Hon Ljiljanna Ravlich wants to speak in this debate she will be given an opportunity. If she

does not, she should not interject. If she does not like what is being said she should leave the Chamber. It is her choice, but she should not interrupt everyone else's opportunity to hear the views of members, so they can make up their minds about which way they want to vote in due course.

Hon N.F. MOORE: I will not read the article today, but I encourage members who are interested in "Rotto Inc." to read it. Hon Ljiljanna Ravlich will find words containing more than four letters, but she will be able to have someone read the article for her.

Hon Ljiljanna Ravlich: Get out of it. What a pathetic, provocative comment that was.

Hon N.F. MOORE: It was intended to be just that.

On the back of that page is page 2, headed "Island of schemes", not "Island of dreams", which most people regard Rottnest as being, and which Hon Tom Stephens would have us believe is in line with the attitude of the Labor Party. I refer to "affordable family accommodation at Rottnest". In this newspaper article is an aerial photograph of Catherine Bay.

Hon Tom Stephens: Did we charge people to get in?

Hon N.F. MOORE: No, the Labor Government did not charge its friends; I do not know whether they were relatives. However, Catherine Bay and, I think, Marjorie Bay, did not have any moorings. People know that if they want a mooring at Rottnest they must join a long queue, because moorings are valuable and sought after. When members of the Labor Party were in office, a number of their friends wanted a mooring but could not get one because the waiting list was too long. What happened? The Rottnest Island Authority created some new moorings at Catherine Bay and Marjorie Bay. Then the Labor Party members said to their friends, "We will start a new list, and if you are very quick you can be first on the list." This photograph shows who was first on the list because it reveals who had the moorings. The names of the people who had moorings in Catherine Bay are: J. Horgan, Chairman of the Western Australian Development Commission; Norwood - presumably Alistair Norwood; Barlow; Marshall; Shepherd; Roberts; Stowe; Laurance Connell; and Bond. It sounds like WA Inc to me. These are the names of families whom Hon Tom Stephens tells us we need to support so they can enjoy Rottnest.

Hon Tom Stephens: We did not charge the people who use the ferries \$8.50.

The PRESIDENT: Order! The Leader of the Opposition has had his opportunity. If he wants a right of reply, he should not interject.

Hon N.F. MOORE: However, there was a problem because the reefs across the bay would now allow Mr Connell's boat to fit into the mooring area. What did they do?

Hon Kim Chance: What would anyone do?

Hon N.F. MOORE: Exactly right. At one stage people at the hotel thought the place was falling down because there was an earthquake. They found later that someone had blown up the reef. Does the Leader of the Opposition know who it was?

Hon Tom Stephens: Who was it?

Hon N.F. MOORE: It was the Rottnest Island Authority. That meant that one of the worthy families to whom Hon Tom Stephens referred obtained a mooring in Catherine Bay so they could moor what was probably their 65-foot boat.

Hon Tom Stephens: You always want to live in the past.

Hon N.F. MOORE: I do, because it is very important for the Western Australian community to understand, absolutely and without any equivocation or doubt, what the Labor Party does when it gets the cheque book.

Hon Kim Chance: I am waiting for you to tell me about the Labor Party supporters; they all sound like Liberals to me.

Hon N.F. MOORE: They may have been prior to 1982, but during the period of Rotto Inc the Chairman of the Rottnest Island Authority was none other than Dallas Dempster.

Hon Kim Chance: Another staunch Labor man!

Hon N.F. MOORE: He was a great supporter of the Government of the day's casino project. Mr Laurie Connell got another mooring. That is the same Mr Laurie Connell who ran Rothwells bank. If any member has any doubt about Rothwells I suggest they read the book titled *The Bold Rider* by Trevor Sykes, which tells the story of WA Inc, and they will know without any doubt what was the relationship between Mr Laurie Connell and the Labor Party.

In respect of Rottnest, Mr Laurie Connell did what the Opposition is saying this Government should do; he fixed up a heritage building. Instead of fixing up Rottnest's heritage buildings, as members opposite argue we should be doing, using taxpayers' money, the then Labor Government went out to its friends in the corporate world - its WA Inc friends - and said that it wanted them to put up money to renovate heritage cottages. In exchange for that the then Government said it would give them access to these cottages during the America's Cup. To make it even sweeter it said it would give them a couple of moorings in perpetuity. When Laurie Connell passed away, two moorings became available in perpetuity. Laurie Connell was the only person who took up the then Government's offer. He was getting the money out of the deposits of Rothwells. The way in which Laurie Connell ran Rothwells was for people to put money into the bank and he would spend it. He would then hope like hell there was more money coming in than going out, so he would not go broke. His problem was that it was the other way around.

*Point of Order*

Hon TOM STEPHENS: The Leader of the House has regularly drawn attention to a standing order that deals with tedious repetition. In this debate the Leader of the House is now engaging -

Several members interjected.

The PRESIDENT: Order! When a point of order is being taken the member attempts to address the Chair and raise an issue, and I need to hear what is being said, so I do not want any interjections.

Hon TOM STEPHENS: In this debate the Leader of the House has introduced, firstly, an issue that has nothing to do with the motion before the House; and, secondly, it is a tedious repetition of an argument he introduces into every debate in this Chamber about the affairs of the past while showing no regard for matters before the Chamber.

The PRESIDENT: What issue is not relevant to the motion?

Hon TOM STEPHENS: The issues out of the 1980s have no relevance to the current situations impacting upon the regulation that would impose additional cost upon the ordinary families of Western Australia by virtue of this regulation being allowed to stand.

The PRESIDENT: I now understand the point of order that the Leader of the Opposition raises. In respect to the first issue of tedious repetition I invite the Leader of the Opposition to read the ruling I gave when the Leader of the House attempted to invoke the same standing order against the Leader of the Opposition fewer than 20 minutes ago, because the same comments apply.

In respect to the second issue that events that happened during the 1980s are not relevant to the motion presently before the Chair, I have listened carefully to what the Leader of the House has said. I rule that the issues he alluded to that occurred in the 1980s are directly relevant to Rottnest Island, and are relevant also to the motion before the Chair. If members will stop interjecting so that I can hear, we might make some progress on this motion.

*Debate Resumed*

Hon N.F. MOORE: I am responding to comments raised by the Leader of the Opposition about the Labor Party's attitude to Rottnest Island and I am telling the House what happened in the eighties. The only attempt that I can find during the Labor Party's period in office to do the things that Hon Tom Stephens suggested about heritage buildings was done by Laurie Connell in exchange for privileged occupancy opportunities during the America's Cup. They even blew up a reef for him. It goes to show that one can really bring one's friends in if one can look after them very nicely. That is what the then Labor Government did.

On top of all this, during the 1980s the accommodation available on Rottnest to members of Government and their toadies - a phrase used by Hon Tom Stephens in reference to the Australian Democrats, which was disgusting - was quite extraordinary. It was a holiday resort for government ministers and their advisers and they did not pay. They had holidays on Rottnest Island at taxpayers' expense day after day and week after week. I have been trying to find the records of those occupancies; it is in something called the red book. However, that cannot be found, like a lot of other things that cannot be found on Rottnest.

On top of all this, the Government of the day spent very little money on Rottnest. That is how we have come to today's debate. The Government inherited Rottnest Island in a dilapidated state; in fact, it was embarrassing. To be fair, I do not think that previous Liberal Governments spent much there either. Nobody had spent much on Rottnest for a long time. When the Premier of Western Australia, Richard Court, became the Minister for Tourism, he decided that something had to be done for Rottnest. He instigated a review that was carried out by Brian Easton. That came back scathing in its description of what Rottnest had descended into. Out of that came a new plan to fix up Rottnest, always bearing in mind the ethos of the place and the importance of Rottnest to the Western Australian community. We have started to fix up Rottnest. The Government made the decision to spend \$10m over about three years to fix up the place. The Government has done an enormous amount of work on the infrastructure of Rottnest. The cottages were appalling. People were starting to stay away because the cottages were grubby. They had not been cleaned properly or been maintained. They had salt water showers. The whole place looked grubby, grotty and unattractive. If the Leader of the Opposition thinks that is where the people of Western Australia wanted to go on their holidays, he is wrong. They were starting to vote with their feet by not going to Rottnest.

We have begun a program to improve the amenity of Rottnest by gutting and completely refurbishing cottages at a cost of \$40 000 each, so that they meet a reasonable standard of accommodation. They are not five-star accommodation, but they are not one star, which they were when we got there. A range of accommodation is available and many cottages are still to be fixed up. We have a long way to go to fix the problems of the past. We made the decision, very deliberately, that before we increased one charge on Rottnest we would start working to increase the level of capital expenditure on the island from the Government's purse - not out of the revenue from Rottnest but out of government coffers. The Government spent \$10m before it started to put up the prices. We took the view that we could not charge people any more for what we were offering, because they did not want to pay what they were already paying because the accommodation was so rotten. We fixed things. We started to charge more after we put the work into place and spent the money. Now we asking people to pay a little more to land at Rottnest. The landing fee will be \$9.50 for adults and 50¢ for children.

Hon Tom Stephens: Why don't you do a study of who is going to Rottnest Island.

Hon N.F. MOORE: I will get to that in a minute. On of the reasons why I asked the Leader of the Opposition when he had last been to Rottnest was to know whether he knows what is going on at Rottnest. Has he had a look? I invite him and his family to visit the island. I will pay for it if necessary because it is cheap enough. He should take the shadow minister as well so he also knows what is going on. Ask the member for Fremantle whether he goes over there and whether he likes it or not - he will say that it is a great place and vastly better than it was four or five years ago. I will take the Leader of the Opposition over there and show him what it is like.

Hon Mark Nevill: You're a masochist.

Hon N.F. MOORE: I will not go with him! I will leave him at the ferry. He says that the Government does not know where the people who use Rottnest are coming from. I know where they come from. Overwhelmingly they come from the western suburbs of Perth and that has always been the case.

Hon Tom Stephens: Well that is a disgrace.

Hon N.F. MOORE: Laurie Connell came from the western suburbs and so did Bond and Horgan. All the Labor Party's mates came from the western suburbs as did most other people. It is part of the history of Rottnest. It has always been like that. That is why I said it is, in a sense, where the wealthier parts of the community go for their holidays. The Leader of the Opposition took it out of context, regrettably. All credit to the Burke Government; it built the Hillarys boat harbour. Out of that is a ferry that takes people from the northern suburbs across to Rottnest. There are more people from that part of the metropolitan area now going to Rottnest as well. History has it that the western suburbs is where most of them come from. The postcodes of the people who go there tells us that. It has always been like that. The fact is, this year we have a record number of people wanting to go to Rottnest. We have reached a point where at some times of the year people simply cannot get in because it is chock-a-block full. That is why the ballot system exists - it gives people a chance of going there during the holidays. We have brought in a range of packages to get people to visit out of season, and they are doing so in record numbers as well. People are voting with their feet. We have started to fix the place up, although there is a long way to go yet. We put the prices up and people are happy to pay the extra money to go, and that is demonstrated by the record number of visitors and of those wanting to go there. That is a demonstration of the importance and attraction of Rottnest to people. I emphasise again that when we became the Government people were turning away and we were losing potential visitors to Rottnest.

We have done a number of surveys into what people think about Rottnest and they are quite illuminating. Ninety-nine per cent of people recently surveyed agreed that it was an enjoyable place to visit and 82 per cent agreed that it was an affordable destination. That is pretty good because most people think they pay too much for their holidays wherever they go.

At the end of the day we have to ensure that Rottnest can sustain itself. If this motion is passed and we disallow the regulation, we will take from the Rottnest Island Authority \$1.2m this year and \$1.5m next year. To put that into context, \$1.2m represents approximately 6 to 7 per cent of the budget of the Rottnest Island Authority. That is the sort of slash that the House could put through the budget of the authority. Also, \$1.5m represents nearly 10 per cent of next year's budget. The House has a problem if it can disallow a regulation and thereby slash a statutory authority's budget by such a large amount. We are not allowed to stop the Government's budget. Maybe in the future these sorts of charges will be included in the budget and not by way of regulation, although that would make it harder for such an authority to operate. That is the magnitude of what will happen if the motion is passed. If it is, I as minister will sit down with the Rottnest Island Authority and work out how we can cut \$1.2m. There are three ways of doing it. Firstly, we can cut \$1.2m from the capital works program, which is about a third. Secondly, we can get rid of \$1.2 m worth of recurrent expenditure, which means sacking people.

Hon Mark Nevill: Commercialise the quokkas!

Hon N.F. MOORE: Thirdly, we could have a combination of both. Any one of the three options is painful in the extreme. If the Leader of the Opposition wants that on his head and that of his shadow minister, so be it.

Hon Tom Stephens: Cut the belltower!

Hon N.F. MOORE: That belltower has built 17 hospitals, 27 schools, fixed up Rottnest and built a road from here to eternity. The Leader of Opposition just cannot keep spending that money every time he opens his mouth. The belltower will cost \$5m, which is half of what we have already put into Rottnest out of taxpayers' pockets.

I will be faced with three alternatives in the event that this motion is successful. One is cutting back the capital works program - and I will give a list to anyone who wants it of the sorts of things that would have to come off that program. It will be things like the upgrade of the effluent treatment plant. We have fixed up the sewerage system on Rottnest in the past five years. We fixed up the water system. One is now able to get a freshwater shower where it was saltwater before. Perhaps it was like that when the Hon Tom Stephens was last there.

Hon Greg Smith: The sewerage went straight into the bay.

Hon N.F. MOORE: We have been fixing up the sewerage disposal system at Rottnest. It was going straight into the bay and causing significant environmental damage. We have a very important environmental project in place and we are planting trees at the rate of 50 000 per year. It is an important program. The trees have to be fenced off to prevent the quokkas from eating them as they are sown. There is a whole range of work to be done in order to make it a safe environment. We have done a risk management analysis and there is a lot of work to do. If the Cottesloe case gets up and the council is found to be negligent in respect of the beach - I do not know if it is sub judice.

Hon Tom Stephens: That's sub judice.

The PRESIDENT: Let me worry about that. If a comment is made on the likely success or comment of a case, that is not sub judice. It is sub judice when one enters into the substance of the case with a view to trying to convince a court to take an alternative view.

Hon N.F. MOORE: Rottnest has already had an issue like that where somebody dived into The Basin and was hurt. That cost the Government a lot of money. Those sorts of issues are very important. Rottnest by its very nature, its very geology, is a very fragile and dangerous place. There are times when I read the risk management analysis and tell myself that I should put up a big sign at the jetty saying "no entry". We have to deal with all of this and ensure all planning and processes are put in place to ensure that Rottnest is as safe as possible for the 400 000 visitors who go there every year. There is a list of things that I have asked the authority to outline it would not do to make up the \$1.2m if the disallowance motion were passed, and I am prepared to provide the list to anyone who wants to see it. They are all capital activities. I do not believe we should reduce our capital expenditure. There is no point in having an island run by a work force when it is not up to scratch. We will therefore have to start looking at the people in the work force whom we no longer require. That will be another consequence of forcing this kind of cut on an authority of this nature. I am very concerned about this disallowance. I was saddened when it was moved in the first place and even more saddened at the grin on the face of the Leader of the Opposition when he read it. I was even sadder, having heard his speech, that it was from a person who neither knows nor understands Rottnest.

Hon Tom Stephens: I was fully briefed by your office. It did a great job.

Hon N.F. MOORE: Yes, it briefed the Leader of the Opposition about its plans and the Leader of the Opposition lost the plot on one issue. He seems to think that if Rottnest had been left as it was, without this Government injecting the money that it has and without increasing the fees to obtain more money, it would be an affordable destination for the families of Western Australia.

Hon Tom Stephens: You know I didn't say that.

Hon N.F. MOORE: That is how it is. Members opposite cannot expect the taxpayers of Western Australia to subsidise the holidays of those who visit Rottnest. The Opposition is saying to the House today that the Government should find the money to restore the heritage buildings and to carry out all the other work that must be done on Rottnest, but take it out of every Western Australian's pocket and say to the people who travel there on holidays, "We are not going to charge you." It is still a very cheap and affordable destination and some of the excellent packages available outside the peak periods are very competitive indeed. Considering the number of people that can be accommodated at Rottnest, on average it costs about \$15 per person per night. However, it is falling down around our ears and that is very sad because it is a magnificent place and must be maintained. It is now being maintained by the Government that has put up the money and it is now asking the people who use it to put in a bit more. All of that money is being spent by the Rottnest Island Authority. Interestingly, Rottnest Island is run by a statutory authority board. The board's recommendation to me, their minister, last year was that the landing fee should be doubled from \$4.50 to \$9.50 in one hit. I said that was not acceptable. I said I would go along with that increase provided the board could justify to me that it needed the money; and it has. If members read the Rottnest Island plan - I recommend they do - they will see that the money will be well spent. I agreed to the increase if it could be justified but I said the board could have it only in three bites of the cherry. The increase was announced last year when the Government brought to the Parliament regulations to provide for the first increase. The Opposition whined about that but did not move to disallow it. We decided to bring in regulations to deal concurrently with the increase for this year and next year.

Hon Tom Stephens: A 110 per cent increase!

Hon N.F. MOORE: That is all very well. However, the increase was right up-front; everybody was told what it was for, where the money would go to, what we had done and what we were going to do.

Hon Tom Stephens: How many more increases have you got planned?

Hon N.F. MOORE: They are voting with their feet, Leader of the Opposition, in record numbers, as I said before. Let us have a look at the past, if members opposite want to go back to the past. Perhaps the Leader of the Opposition wants to forget the past. Back in 1987-88 the landing fee for an adult was \$1, the same as it was in 1980-81.

Hon Tom Stephens: That shows the commitment of the Labor Party.

Hon N.F. MOORE: Does the Leader of the Opposition know what that caused? It meant there was not enough money to maintain the place properly. That is what went wrong. The Rottnest Island Authority did not have enough money and the then Labor Government did not put in any money. In 1987-88 the landing fee was \$1 and in 1988-89 it was \$2.50.

Hon Tom Stephens: It did not get to \$9.50.

Hon N.F. MOORE: The Leader of the Opposition's Government increased it by 150 per cent in one hit.

Hon W.N. Stretch: The worker's friend.

Hon N.F. MOORE: The worker's friend. At the same time it doubled the admission fee for children.

Hon Tom Stephens: To take it up to 50¢.

Hon N.F. MOORE: Yes, from 25¢ to 50¢. The Leader of the Opposition and I know that people can do whatever they like

with statistics. When there is a percentage increase it may appear to be a massive increase but when it comes down to the actual number of dollars and cents it is not much at all.

Hon Tom Stephens: Let's deal with the raw figure; get to the \$9.50.

Hon N.F. MOORE: The raw figures for what I am seeking to do will take it from \$6.50 to \$8.50, an increase of \$2 per adult and no increase for children. That is the same price or less than one would pay for a pie at the bakery. However, we have also increased the charge for people with moorings.

I will talk briefly about people who have very big boats. When the Labor Party was in office the fee for a boat mooring was \$1.20 a metre. A mooring for a 20 metre boat - about 60 feet - cost \$400 a year. People therefore could have a mooring at the most magnificent, A-class reserve and island holiday resort in the world for \$400 for a 60 foot yacht. That is how the Labor Party looked after the families of Western Australia, those poor people with their 60 foot boats. The Labor Party did not want to charge them more than \$400 because that would be too much. As I explained previously, if they could not get a mooring, the Government would find them one; it would even blow up a reef to get people to stay on Rottnest. That is how encouraging the Labor Government was to the poor families of Western Australia. We have now significantly increased that fee to \$50 a metre and have also increased the landing fee for boats to moor on the island from \$40 to \$80 this year and \$100 next year. We are therefore asking the boating community to make a much greater contribution than it has previously.

I add that I received a great deal of flak from people who own 30 and 40 foot boats who said it is too expensive. I believe our charges are becoming fair; however, that boat-mooring fee will continue to rise in the future, whereas the landing fee will probably plateau for a number of years. Currently, Rottnest needs a great deal more work done to it and needs the money that these landing fees will provide. In all sincerity, Mr President, I appeal to the House not to disallow this regulation because if it does, we will set Rottnest back by 10 years. It will be an absolute disaster for Rottnest if we do that. I encourage members who have not visited Rottnest recently to have a look and see where the taxpayers' money has gone.

Hon Mark Nevill: We can't afford it now.

Hon N.F. MOORE: Perhaps the members opposite are those who have been asking for the 20 per cent pay rise. I could not find anyone else who was asking for it.

Hon Mark Nevill interjected.

Hon N.F. MOORE: I have got the Stephens family coming on one trip; Hon Mark Nevill can come the next time. Hon Mark Nevill may be able to encourage the ferry operators to take him over there free of charge; I am sure they would. Members opposite should have a look at what is going on over there because the ferry operators are just as proud of what is going on as is the Government. I am very proud of what has been done at Rottnest in the past four or five years; it is a significant achievement. The Rottnest Island Authority, under Ross Hughes' chairmanship - formerly Brian Easton - and John Mitchell as chief executive officer, has done a spectacularly outstanding job. I encourage members to go and have a look and not just take my word for it. The only problem with going to Rottnest now is they will see the "after" but they will not have seen the "before". That is the problem with making comparisons. However, there are plenty of photographs to look at. I appeal to the House not to send Rottnest back to the dark ages of the 1980s and early 1990s. Members should give it a chance to grow and to continue to improve. However, I give an absolute assurance to the House that the ethos and the character which is Rottnest will always be maintained. We will not build a five-star resort, as was proposed by a former Premier, whose name I will not reveal because members know whom I am talking about anyway.

Hon Mark Nevill: It was only an idea.

Hon N.F. MOORE: It was more than an idea. That will not happen while this Government is in power. We will not blow up the reefs for our rich mates, if we had any. We will not change the rules for different people.

I have not mentioned the lodge or the hotel. I must for one second talk about them. The lodge had a 35-year lease from the last Government when every other lease from the Government was for 20 years. I am trying to find out why the lessee got the extra time. I know it was done properly but one needs to ask the question why that lessee had 35 years. That was Alan Bond's deal. Do members remember that one? He got the Rottnest Lodge lease, and now the lodge is in receivership and causing serious problems for Rottnest because the issue needs to be fixed. The hotel's lease is due to expire and to be renewed. Whoever negotiated the lease 10 years ago, negotiated it on the basis that it must contain a sweetener to encourage somebody to take over the Rottnest Island Hotel. Can members imagine any other liquor outlet in Australia where we would have to encourage somebody to take the licence? Look at Rottnest: It has more grog consumed per capita than any other place in the world.

Hon Mark Nevill: That hotel is a disgrace.

Hon N.F. MOORE: The member is absolutely right; it is an appalling place. In order to take it on, the guy who got the lease had to be given a sweetener by the Rottnest Island Authority of 10 years ago. The sweetener was that he would get back a certain proportion of his capital investment as a lump sum of money when he walked away from the lease. All the evidence we have now indicates that lump sum will amount to several hundred thousand dollars, which we will simply give to the current lessee of the Rottnest Island Hotel as he walks out of the door leaving an absolute abomination behind him, and having carted, I suspect, a very large number of dollars out of Rottnest. That is another issue which we will face in the next 12 months. We may be up for an amount in the order of \$600 000 or \$700 000.

Hon Greg Smith: We are still paying for them.

Hon N.F. MOORE: We are still paying for WA Inc and we are still paying for Rotto Inc. Even now it is like a bad smell that will not go away. We look like being up for a significant payout to somebody who would have made a squillion dollars out of probably the most lucrative liquor outlet in the world. Once we get the lease back again, we will make sure that the hotel is restored to its heritage value. It used to be the Governor's residence. We want to restore it to its former glory and grandeur and make it into a very important heritage building for Western Australia. If members want to look at it before and after the restoration, they should travel to Rottnest Island now to look at the "before" because the "after" will be occurring, we hope, in the next 12 months. However, if we must pay out that sort of money, it will make it much harder to do all the other things that are required to be done on Rottnest Island. For the benefit of Hon Giz Watson, much of the work is to do with the environment. I know that Hon Giz Watson has a degree of enthusiasm for the environment. It is very important that we get the environment right. If she has a briefing from the authorities about what they are doing in respect of the environment, she will be very pleased with what is being done. However, that work on the environment must be paid for. As I have said, Rottnest, under its Act, must look after its own affairs. It is doing that exceptionally well, but we have a lot of pressure on us to spend the money we have now. I could spend another \$20m or \$30m every year on Rottnest for the next 10 years in order to do all the things that really need to be done, but we are inching our way up a little bit at a time. The \$1.2m that members have in their hands today is very important to Rottnest, as is the \$1.5m next year. Those sums are absolutely vital for the future of this wonderful island.

I implore the House with all the sincerity I can muster not to pass this motion. I have become very fond of Rottnest since I have been the minister responsible for its administration. I did not go there very often before that. I am a little like Hon Tom Stephens in that I did not know much about Rottnest. Now I have come to understand it. Until I worked out what Rottnest really is, I used to think, why not have a five-star resort. I ask members please to think about this seriously and not make some silly political decision in order to score a couple of political points for a few people who might not want to pay an extra \$2 for landing fees, and set Rottnest Island back 10 years.

**HON MARK NEVILL** (Mining and Pastoral) [3.16 pm]: The Leader of the Government launched a disgraceful attack on the Labor Party's performance on Rottnest Island but he redeemed himself later on with some of his comments. I will get to those a little later.

I want to take issue with the Leader of the Government's comment that most people who go to Rottnest come from the western suburbs. I have the latest edition of the Rottnest Island report because I thought it contained the figures, but they must be in last year's report. The figures show that the postal areas were fairly equally represented in the south eastern suburbs, the southern suburbs and the northern suburbs, with perhaps slightly fewer from the eastern suburbs. That people travelling to Rottnest come from the western suburbs is a myth.

Hon N.F. Moore: I was trying to make the point that it has changed.

Hon MARK NEVILL: It seemed to me to be about 30 per cent and 30 per cent with 40 per cent from the western suburbs. If members look at the origins of the island's visitors as shown in this year's annual report, they will see that only 31 per cent were from Western Australia. The western suburbs are rather irrelevant because most visitors are from overseas or interstate.

Hon N.F. Moore: I was talking about people who go to Rottnest from Western Australia, which is what Hon Tom Stephens was talking about.

Hon MARK NEVILL: If that qualification is there, that is fine.

To get to the point of the debate, the disallowance is absolutely misguided. If this is the brain child of the new strategy group, it endorses some comments that have been made by me in recent weeks. There are plenty of good issues to raise. If members wanted to lead with their jaws, this is an issue they would move. A good argument could be advanced for increasing the fees to a higher level than they are at currently. Perhaps that is an argument for voting for the disallowance of these regulations; so that we can introduce fees that are comparable to those charged for some of the other attractions in this State. I seem to be waving around the same piece of paper that everybody else has been briefed on. If members look at entry and admission fees for a family of two adults and two children, they will see that for Rottnest the fees are \$20; for Perth Zoo, \$33; for Scitech, \$36; for Fremantle Jail, \$28; and for the Royal Show, \$40. An argument could be advanced for increasing these fees for Rottnest. The fees were not disallowed last year when there was quite a bit of public comment about them. I cannot see why suddenly they are being opposed this year.

I thought the Leader of the Opposition was running a very thin argument when he said the Government should be totally responsible for all of the heritage and maintenance work on Rottnest Island. I expected him to say in the next sentence that he would abolish landing fees on Rottnest, which is where that argument really heads. All of this money is spent on Rottnest, and Rottnest is still a net drain on the consolidated fund. I have no problem with the fees.

The Leader of the Opposition said that we must bear the brunt in the public arena of these fees being increased. I have not had one phone call or letter about Rottnest Island fees in the past 16 years that I have been in Parliament. I suppose in one way that is not strange as it is a long way from my electorate. However, one often gets the circular letters that all members of the Legislative Council receive. I certainly have not had one about Rottnest. I asked the minister's advisers whether the fees have had any effect on the number of people visiting Rottnest. I was told, and I hold them to account for the figures, that there has been an 18 per cent increase in patronage in the first quarter of this financial year compared with the first quarter of last financial year. That suggests that visitors to Rottnest are voting with their feet. I do not think the Leader of the Opposition can continue with his view that there is a bottomless pit of money in government coffers. In order to generate tax revenue, we need to generate wealth, and it is then important to spend that tax revenue wisely. I am sure that not many people in my electorate would complain about this steep increase in fees. In the overall scheme of things, Rottnest is still

a fairly cheap destination. I think members will find that entry fees to many national parks which have nowhere near the facilities of Rottnest are of this order.

I want to dismiss a few of the myths. The minister's speech today reminded me of the speeches I heard in 1983 and 1984 by members of the Labor Party about how dilapidated Rottnest was when we came into government and about how terrible our predecessors had been. There was a fair bit of truth in that, and the Premier of the day, Brian Burke, thought so much of Rottnest that he made himself Minister for Tourism and took a personal interest in Rottnest; and some of those events in 1989 to which the minister referred were certainly well after his time. I have not visited Rottnest for many years. The last time I went to Rottnest was in 1984, when my family and I shared a couple of units at Fays Bay with Hon Ian Taylor, the former member for Kalgoorlie, and his family. We had a wonderful holiday, and the quality of the units was superb, although they did have salt water.

My daughter, who is studying nursing and seems to have a year off between every year she studies, has worked in some pretty tough hotels. She managed the front bar of the Exchange Hotel in Kalgoorlie for about 12 months, and it does not come any busier than that. She got a job at the Rottnest Hotel, and she was absolutely appalled - I do not know whether it was by the working conditions or the environment - and she left there after one day; and my daughter is not work shy, so the conditions must have been pretty appalling. Therefore, when I say the hotel is a disgrace -

Hon Kim Chance: I have had the same experience with my daughter.

Hon MARK NEVILL: There we are! The working class daughters are still working!

Hon M.J. Criddle: Wait until she becomes a nurse!

Hon MARK NEVILL: During the Burke Government years, Hillarys Boat Harbour was built, and we were caned in this place from morning to night about how dreadful that would be. It has been a wonderful success, and it has been wonderful for Rottnest.

I remember that for many years we tried to get Kingston Barracks from the Army. I am told that while Lance Barnard, the then Minister for Defence, was on an overseas trip and Kim Beazley was the acting Minister for Defence, Brian Burke, who had immense political skill, in my view, and still has, rang him up and said, "I think you had better slip Kingston Barracks to us now while Lance Barnard is away." That is how the barracks was transferred to Western Australia, and that magnificent piece of defence land has been well used ever since.

Hon N.F. Moore: As a matter of interest, a significant number of dollars need to be spent on it, and I am trying to work out how to get it.

Hon MARK NEVILL: I have been briefed about that, and I appreciate that.

A lot of work was done at Rottnest in at least the first five years of the Burke Government. A complete reafforestation program took place. The 1987 report states that 52 feral cats were captured; and I am told there are still a couple there.

Hon J.A. Cowdell: Have you been talking to Dr Syd again?

Hon MARK NEVILL: No, I have not been talking to Dr Syd Shea. I have been reading the report, which states under the heading "Vermin Control" that feral cat trapping was carried out throughout the year, with 52 cats being caught and destroyed. I asked the people in the briefing if there were any more cats there, and they said there were one or two. If it was possible to get rid of feral cats on the Peron Peninsula, I am amazed there are still feral cats on Rottnest; and if there are, they should be hunted down with a vengeance.

The Olivers Hill guns were restored during that period. The Cape Vlamingh lighthouse was also restored. Underground power was put through in that time. In 1987, the Burke Government got rid of those absolutely crappy bikes that used to be hired out at a king's ransom and bought 500 new bikes. That bicycle hire paid for a lot of development at Rottnest, and it has now been brought under a proper leasing agreement. For the benefit of Hon Tom Stephens, a Red Rooster takeaway was built at Rottnest during that year, and a lot of the businesses were upgraded.

Hon Tom Stephens: Sounds like it is for the plebs. This crowd opposite are putting in a Dome Cafe!

Hon MARK NEVILL: We were looking at cheap takeaway food at that stage - nutritious as well! We even fenced the Thomsons well to stop the quokkas from falling in it. That shows the consideration that we had for the environment. There was a massive plan to reafforest Rottnest at the time, and I remember Brian Burke saying in the Parliament or Caucus that it was the first time an environmental plan had been done for Rottnest. A lot of work was put into that plan. The terrible oleander trees at the cemetery were removed, and it was replanted with callitrus trees. Many of the feral plants around Rottnest were removed and those areas were replanted. Many areas were fenced off to prevent degradation of the dunes. The habitat of the shearwater and of another bird - I cannot remember the species - was fenced off so that people could not disturb them. A lot of good work was done. I could go on and on. Cottages were restored. We tend to denigrate what other people do. The Labor Government probably lost the plot at Rottnest in the latter part of its last term in office, but certainly in those early years, a big effort was put into Rottnest, and there was a big improvement. In 1983, one could have fairly and reasonably said that a mess was inherited at Rottnest. The simple fact is that the demand for capital on Rottnest has never been met by any Government. The amount of money that is required to be spent, according to the advisers, is about \$60m to get it up to scratch. I believe there is room to increase these fees by even another couple of dollars. However, I would like to see the fees for kids kept down, because I like to encourage bigger families, and it is pretty expensive to bring up kids these days. I cannot in good faith support this disallowance, and it deserves to be rejected.



**HON NORM KELLY** (East Metropolitan) [3.28 pm]: The Leader of the House has probably said quite a lot of what I had intended to talk about. It is relevant to look at the history of Rottnest Island over the past 10 or 20 years, particularly pertaining to the fee schedule, and that is why I asked for those details when I was doing the research on this disallowance motion. Without going over everything that the Leader of the House said, between 1980 and 1987, the admission fee remained at \$1. There was then a 150 per cent increase in fees under the Labor Government in 1988-89, but because that increase was on a very low base, one cannot bandy around that percentage increase too much. Since then more steady increases have occurred up to the current round of increases that began last year. I would like a response to my next question from the mover of the motion. Why did the Australian Labor Party not find it necessary to move a disallowance motion last year when the fee increases were announced? It is interesting that it felt it important enough to move an urgency motion with regard to these fees but did not pursue the issue any further.

Hon Tom Stephens: Limited increase is considered tolerable but the 110 per cent hike in this second phase is beyond the pale.

Hon NORM KELLY: It is not a 110 per cent increase.

Hon Tom Stephens: It is when taken from the first increase in 1998 to the level in 2000.

Hon NORM KELLY: If the Leader of the Opposition wants to count the fee increase from 1998, the action should have begun then. The ALP was aware when the fees increased in 1998 that second and third tranches were planned. The Government announced when the initial increase occurred that it was the first of three increases over a period of years.

Hon Kim Chance: It was not before the House then. You cannot disallow something that does not exist.

Hon NORM KELLY: The ALP was well aware of the Government's policy to keep increasing these fees. It was before the House.

Hon Tom Stephens: The member has made some specious arguments in his time, but this must be the best.

The PRESIDENT: Order! There is again too much audible conversation in the Chamber; I cannot hear what is being said. The Leader of the Opposition will have an opportunity to reply to the issues raised in due course.

Hon NORM KELLY: The ALP was well aware that these increases would occur, and if it wanted to prevent a 110 per cent increase over three years, it should have acted sooner to stop the first of the series of increases.

Hon Kim Chance: Even if you thought they were acceptable?

Hon NORM KELLY: The Leader of the Opposition said that they were not acceptable.

Hon Tom Stephens: I said the first were tolerable but that these were completely beyond the pale.

Hon NORM KELLY: I am interested in the history of the mooring fees. There is concern that daytrippers are being slugged harder than people in luxury yachts heading for their moorings. Mooring fees have increased more consistently over the years. In 1983 the fees increased from \$10 to \$16, steadily increased to \$24.50 in 1991-92, and did not increase further until last year when the fees were doubled. I would like an assurance from the Government that mooring fees will not increase in the next two years beyond their current levels.

Hon N.F. Moore: I indicated that I expected that to be the case.

Hon NORM KELLY: The Leader of the House has given an indication, but it would be good to have a rock solid guarantee of future increases in that area.

Also, I am concerned that the fee increases over the whole area will amount to a \$0.5m increase in revenue, based on current visitation, and it will simply replace the funds already being granted through the Government to the island. It will replace a whole-of-state contribution and make it more of a user-pays system. However, only the visitors will pay for the maintenance of the State's heritage. The visitors are not the only ones to gain from maintaining Rottnest Island; the whole State will gain because it is a strong part of its history.

The information on the Rottnest Island Authority in the budget papers this year is a little confusing with regard to the flow of funds. This Government has consistently provided capital funds to address the shortfall in funding from Governments of both persuasions in previous years. This Government has contributed \$10m over the past five years, largely for capital works. The forward estimates of the Tourism Commission indicate that capital grants of \$2m a year will continue to 2002-03. There seems to be a guarantee of continued capital funding from the Tourism Commission. It must be remembered that visitation to Rottnest Island by people from other States and overseas positively impacts on various other tourism-related businesses throughout the State. Accommodation outlets must be very happy with what is occurring on Rottnest Island because people who visit it stay in Perth for an extra night's accommodation. Restaurants and the whole tourism industry benefit from maintaining Rottnest to a standard that will attract interstate and overseas visitors.

From the local perspective, Rottnest Island is historically a holiday destination for country and city people in Western Australia, and there is an expectation that holidays on Rottnest Island will be affordable. That is provided for in the Rottnest Island Authority Act. Section 12 states that the authority -

shall have particular regard to the needs of persons usually resident in the State who wish to visit or stay on the Island as a family group.

There is a statutory requirement for the authority to focus on Rottnest Island as a holiday destination for family groups. This section also states that -

where the demand for the use of facilities exceeds the supply of facilities no preference or advantage is given to any person or group.

Unfortunately, the Minister for Tourism has already spoken in this debate, but I would be interested to know how that provision applies to the procedure for allocation of the moorings on Rottnest Island. I am not the full bottle on the process for mooring licences, but there seems to be a slight contradiction between the process and what the Act says the authority should achieve with regard to preferential advantage.

I have received a briefing from the authority officers and I have read the management plan. I believe the plan for the future is very positive and will result in an upgraded island facility that provides protection for the environmental and historical heritage of the island. It must be remembered that the 500 000 visitors each year have a massive impact on the fragile ecology of the island. As an A class reserve, if it were maintained strictly for its environmental values, it would be necessary to restrict the number of visitors to the island to protect its natural resources. Of course, it is far more than that. It is highly utilised as a holiday destination and, therefore, the Government must impose a level of fees that pays for the impact of these visitors. There may be an argument for having a scale of fees so we can differentiate between the day visitors and those who stay longer on the island. As long as that scale of fees did not become overly burdensome administratively, there is a good argument for charging day trippers a lower admission fee than that which people would be charged for staying on the island overnight or even longer. The impacts are obviously far different.

Hon Simon O'Brien: There must be a bed tax or something like that.

Hon NORM KELLY: It could be very easy. In the case of the Australian Democrats, it would be just a sleeping bag tax. Because the accommodation on the island is so heavily regulated, it makes it easy to build into that a component -

Hon N.F. Moore: There is hotel accommodation and lodge accommodation, which is quite outside the authority's control, so you would not necessarily know whether those guests were staying on, because they buy their tickets from the ferry.

Hon NORM KELLY: That may be one of the difficulties. If that were the case, perhaps it could be argued that it would unfairly impact on people who were staying in the cottages and the like. There are various arguments in that regard. However, there is good argument to have a graduated admission fee scale. Members or other people in the Chamber who are interested may like to head over to Rottnest Island this Sunday. After reading a journal I received last night, I realised that the Rottnest marathon is on. Those who are interested may want to do a quick 42 kilometres around Rottnest Island. It is a small island, so unfortunately people must do four 10-kilometre laps, but it is a worthwhile experience. I have done two Rottnest marathons and it is very pleasurable. Because I did those two marathons as the official photographer, I did not have to do the running, which makes it even more pleasurable.

The issue of whether we should charge people to enter A class reserves and national parks relates to the impact that people can have on the places they are visiting. One can compare this scale of admission fees to visiting a place such as Bluff Knoll. I visited Bluff Knoll last year and it cost about \$5 for admission to a hill that people can climb. That type of place, where the impact should be minimal, should be compared with the variety of impacts that people have on places such as Rottnest Island when they have longer stays. It is interesting that the lodge has been allowed to have a 35-year lease. I know the argument was that it needed a lease of that length to be able to put the capital investment into the lodge. However, the Government is in danger of being hypocritical. We might want to revisit what the Government is proposing for the Westrail sale and whether it wishes to contain that to a 20-year lease rather than 49 years. That might be worth looking at as well. Each of these must be taken on a case-by-case basis.

As I said, the minister covered a lot of ground, but we must remember that this island has probably the best representation of Western Australia's European heritage; that is, the collection of buildings, the history of what has occurred on that island and the Aboriginal prison. Last night I was reading an old *Hansard* from about 100 years ago, which referred to reporting on the conditions on Rottnest Island when it was used as an Aboriginal prison. The best advantage was that the Aboriginal prisoners could be unchained because they could not escape. It makes interesting reading when one looks at the history of the island and, as such, it is important that we protect, maintain and promote that heritage. We believe these fees are in line with doing that without imposing an unfair burden on families, individuals of all classes in Western Australia and visitors to Western Australia. For those reasons, the Australian Democrats will not support this disallowance motion.

*Sitting suspended from 3.45 to 4.00 pm*

**[Questions without notice taken.]**

**HON GIZ WATSON** (North Metropolitan) [4.35 pm]: I wish to say a few words on behalf of the Greens (WA) on this disallowance motion and to raise some issues that have not been mentioned in detail in the debate so far. In considering this disallowance, I thought for some time about the special management challenges that islands pose. Members have mentioned in this debate that environmental management is one of the critical issues that is facing the Rottnest Island Authority. I agree that the amount of attention that has been paid to environmental management on the island and in the surrounding waters has improved greatly in the past few years. That is long overdue, because for various reasons not only the physical facilities but also the environmental values of the island have come under extreme pressure recently, and that has probably also been the case historically. I have taken a strong interest in the management and conservation of the marine reserve around Rottnest, particularly the impact of boating and of boats being moored in the marine reserve that surrounds Rottnest Island.

I believe that the proposed increase in fees for mooring charges is reasonable. In saying that, I take into consideration that

one of the issues that still needs to be fully addressed at Rottnest Island and also in other coastal areas is the impact of anchor damage on the seagrass beds in most of the mooring areas. I have been pushing for at least the past six years the need to have permanent single point anchors so that the anchor chain does not drag in a circle and damage the seagrass. We have what are called cyclone moorings, but they also disturb the seagrass, which, as members will be aware, is vital for the maintenance of fishing habitats and ultimately has an impact on fishing and other amenities in marine reserves. When I had the opportunity of being briefed on this disallowance motion, I made some inquiries about what progress had been made to establish single point mooring anchors at Rottnest, and I was interested to learn that these moorings are quite expensive. Therefore, if mooring fees are increased, I would like some of that money to be earmarked for those types of moorings, which have proved very successful in other marine reserves, such as the Whitsundays, in reducing the damage to coral reefs from anchors being thrown overboard. Therefore, I do not support the disallowance of the mooring fee increase, on the understanding that that increase is fair and reasonable if the money that is raised is used to minimise the impact of boats using the island.

The other issue with regard to moored boats which has not been fully addressed or resolved is the impact of human waste, or sullage. That matter is still of concern, because although the problem of sewage on the island has been sorted out, which is excellent, some of that additional funding should be used to provide pump out facilities at Rottnest to ensure that the waste from boats does not go into the water immediately adjacent to the island where it affects not only human health but also the marine reserve.

This disallowance motion raises some interesting issues with regard to how to reduce and manage the impact of increased visitation to this limited and fragile area. Although I have considerable sympathy with the point made by the Leader of the Opposition about the need to ensure that the fees do not act to deter the full range of people who wish to use Rottnest, that issue can be addressed in a number of ways. He mentioned a conversation we had about charging a different rate for people visiting the island for a day, as opposed to the \$9.50 to be charged as a landing fee. That landing fee is probably not unreasonable for somebody who stays on the island for a week or a fortnight, but it is perhaps prohibitive for someone visiting for a day. I suggest a mechanism could be introduced whereby day visitors pay less. That might satisfy some of the criticisms that have been levelled. I do not know whether there are mechanisms for reducing the landing fees for pensioners and others on social security benefits. Those mechanisms could level the playing field a bit.

The other matter that I think is fair and reasonable - it applies as much to this case involving a fee to land on Rottnest Island as to fees levied for entry to national parks and reserves - is to have a different rate for non-residents. It is fair and reasonable for overseas tourists to pay a higher fee, and that could be structured into the charges they are expected to pay for either accommodation or the ferry. In many other countries it is accepted that tourists should pay more because they make a one-off payment for a fantastic asset that the residents look after for the rest of the time. I would like that possibility to be considered.

I have listened with interest to the contributions of other members to this debate. I came into this debate with an open mind, and I certainly have some sympathy for the position put by the Labor Opposition; however, on balance I do not think the proposed increase is unreasonable. I ask that consideration be given to some of the other mechanisms that could reduce the burden on those who find it difficult to pay the fees. The Greens (WA) will not support the disallowance motion.

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [4.43 pm]: The Labor Opposition is disappointed that the House does not appear to have been persuaded by the Labor Party's view that it is important to maintain Rottnest Island as a holiday destination that is affordable for the ordinary mums, dads and families of Western Australia. That will no longer be the case once these regulations are allowed.

It is regrettable that the Government introduced a series of price hikes that effectively produce for the island increased admission fees in the order of 110 per cent spread over three years. My good friend from the Australian Democrats asked why the Labor Party objected to the increases only now and had not done so last year when there was an opportunity to object to the first price rise. The Labor Party expressed its view at that time, as the member indicated, but it was of the view that, although there was some scope for limited increases, such as those contained in the regulations last year, the regulations this year have produced the double whammy for the last two years of the trifecta. They have brought about price rises for admission to Rottnest Island that are excessive, and it is now time for the House to strike.

Hon Norm Kelly: Has the ALP expressed that opinion to the Government since the urgency motion moved last year and informed the Government that it would seek to disallow any further increases?

Hon TOM STEPHENS: The advice was given to the Government when I moved that motion. There could be no clearer indication of the Labor Party's position than the motion moved last year.

Hon N.F. Moore: You are trying to score a political point at the expense of Rottnest.

Hon TOM STEPHENS: The Labor Party is unashamed in its defence of the interests of the working men and women of Western Australia. Members opposite constantly refer to, want to live in, and allude to the past but they will not look to the future of the people of Western Australia.

It is all very well for the Minister for Tourism to go around the world trying to attract tourists to Western Australia to enjoy the beauty within this State. However, it ill-behoves him to embark on a strategy that will deliver in Western Australia a situation in which ordinary families will no longer be able to afford that holiday destination that they were previously able to afford.

Hon N.F. Moore: You are wrong.

The PRESIDENT: Order! The Leader of the House has had his opportunity, and the Leader of the Opposition is winding up the debate. I ask members not to interject.

Hon TOM STEPHENS: I also respond to the contribution of my former colleague, Hon Mark Nevill, who indicated that he saw some fallacy in arguing that the costs should come from the consolidated fund when we are dealing with the heritage of this State. I do not argue that all the costs for the maintenance of Rottnest should come from the consolidated fund, but they should not all fall on those gaining admission to the island for holidays. Regrettably, the Government is increasingly choosing to rely on those admission charges, and is failing to seek alternative funding through federal and state heritage and environmental programs that could maintain the island in a state that would make us all proud of it, and leave it as a destination to which ordinary families could go for holidays without being priced out of existence.

The minister talked about the option of putting up a no entry sign. In fact, with this regulation the Government is putting up a sign that there will be no entry unless people are rich, well-heeled and come from the western suburbs.

Hon N.F. Moore: Just look at the map.

Hon TOM STEPHENS: There the minister goes again - he wants to live in the past. He is like a dinosaur. We are heading into the next millennium but the minister is going back into the fossil ages of the past. I do not mind his occasionally referring to the past, but why does he want to live in the past with a society structured in such a way that the poor can go hang while the rich stay in the holiday paradise that will be created on Rottnest? What about the ordinary people who deserve and are entitled to access that piece of Western Australia's heritage?

Several members interjected.

The PRESIDENT: Order! I do not mind interjections but members should at least take their turn and interject one at a time. I cannot hear the Leader of the Opposition.

Hon N.F. Moore: Who should pay for the hotel?

The PRESIDENT: Order! The Leader of the House has had his quota of interjections!

Hon N.F. Moore: This is a blast from the past - the hotel lease. Who should pay for it?

Hon TOM STEPHENS: The Minister for Tourism is responsible for allocating \$110m of taxpayers' funds for a convention centre. He should get his priorities right. His Government with its belltower and convention centre is constantly misusing taxpayers' funds. It had the opportunity to decide on the correct priorities for a Government that looks after the ordinary people, but it chose to squander those resources on these outrageous edifices to its members' egos. The Government wants to build a belltower with the Premier's name engraved on one of the bells, and wants them to hang as a monument to this Government's period in office. Members of the Government are left facing the prospect of having to hang their heads in shame for having been part of a Court Government whose great claim to fame will have been that it built the belltower; it will be they for whom the bells will toll. I say to the Minister for Tourism that he had the opportunity to do the right thing by the people of Western Australia, but instead he decided to place destinations like Rottnest Island out of the price range of the ordinary men and women of Western Australia. Members should mark my words, we have heard no assurance from the Minister for Tourism in his response to questions. I asked him whether he would give us an assurance that there would be no further price rises in admission fees to Rottnest Island.

Hon N.F. Moore: Firstly, you did not ask the question, and, secondly, you did not listen to what I said.

Hon TOM STEPHENS: I did ask the question, and I listened carefully to what the minister said. Now, what is the answer?

Hon N.F. Moore: I told you in my speech that I expected there would be a plateauing of landing charges for some time to come, but that rises in mooring fees would continue.

Hon TOM STEPHENS: Will the Minister for Tourism rule out increases in admission fees?

Hon N.F. Moore: I will take advice from the Rottnest Island Authority and then I will make a decision.

Hon TOM STEPHENS: The minister will not rule them out. Having not dived enough into the wallets of the ordinary mums and dads, the minister, on the basis of his failure to make that assurance, is preparing to have another go at the slim wallets already nearly cleaned out by the Minister for Finance and the Minister for Transport. The Minister for Tourism will have another go if people try to head in the direction of Rottnest Island.

Hon N.F. Moore: I am not going to do that at all. Do not misinterpret what I said and do not put words in my mouth.

Hon TOM STEPHENS: Can the minister give us an assurance?

Hon N.F. Moore: I cannot give you an assurance about anything.

The PRESIDENT: Order, members! This is not question time. The Leader of the Opposition is meant to be concluding the debate. If he directs his comments through me, there will be fewer interjections.

Hon TOM STEPHENS: Regrettably, under the regime which is being put into effect, we will see the boating community given the opportunity of disgorging onto this island at no great comparable cost to them as it will be to the ordinary mums and dads who come across on the ferries. Boats can be loaded up with the families and friends of the rich and famous who are, no doubt, all part of the Government's 6009 club. The Government is determined to look after the interests of these people and not after the broader interests of the Western Australian community. It is showing no commitment at all to

making sure this island remains the egalitarian place it has always been and where all Western Australians have an opportunity to aspire to holiday with their family. It is a great tragedy.

Hon Mark Nevill interjected.

The PRESIDENT: Order, members! I have been reasonably fair with the interjections but they are now becoming ridiculous. I know it is nearly time to go and there will be a vote at five o'clock, if the Leader of the Opposition has not finished before then. However, members should show a bit of commonsense.

Hon TOM STEPHENS: I will finish by expressing my disappointment that the Government has not seen fit to withdraw these regulations, nor to agree with our efforts to see them disallowed and to find an alternative path. It would appear that the die is cast. The Labor Party alone is prepared to champion the cause of the ordinary mums and dads and the families of Western Australia. It has been stripped of the support of any other member of this House. It has no support from the Democrats or the Greens and no support from my former colleague who left us saying that we had become elitist. What is he doing? He is now saying that he will support the Government's move to increase the charges to the ordinary mums and dads of Western Australia. Shame on all members!

Question put and negatived.

### **GAS CORPORATION (BUSINESS DISPOSAL) BILL 1999**

#### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by Hon N.F. Moore (Leader of the House), read a first time.

#### *Second Reading*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [4.57 pm]: I move -

That the Bill be now read a second time.

I have pleasure in introducing the Gas Corporation (Business Disposal) Bill which provides for the sale of AlintaGas by way of a cornerstone initial public offering.

The sale of AlintaGas - consisting of its distribution and retail trading businesses - is the next logical step in the reform of the gas sector that began in 1994 with the disaggregation of the North West Shelf domestic gas contracts. Since then this Government has progressed a range of reforms in the energy sector, which has reduced energy prices, benefited consumers, increased the availability of gas supply and led to the further economic development of the State.

The Bill includes provisions that establish the basis for the disposal of AlintaGas; enable and facilitate a convenient transfer of the business of AlintaGas from the corporation to the new owner; empower the Governor to make regulations for purposes related to the sale, including to provide for a tariff path to 2002 and a capped tariff thereafter; and amend, or modify, a substantial number of other Acts to ensure a suitable industry structure is in place - including consumer protection measures - in the context of a privately-owned AlintaGas.

On 23 December 1998, the Minister for Energy advised the Legislative Assembly of the Government's intention to sell 100 per cent of the state-owned gas corporation, AlintaGas. As the Minister for Energy advised the Legislative Assembly at that time, there is no logical reason that the Government should retain ownership of AlintaGas in the fully deregulated market that will apply from 1 July 2002.

At the same time, the Minister for Energy announced the establishment of the AlintaGas Sale Steering Committee. The steering committee was to investigate, evaluate and recommend to the Minister for Energy, by the second quarter of 1999, a sale structure, method and timing for the sale of AlintaGas which would achieve an optimal sale price while protecting the strategic interests of the State. The committee, chaired by Dr Des Kelly, and comprising the chief executive officers of Treasury, the Office of Energy and AlintaGas, completed and submitted to the Minister for Energy its report in early June.

This Bill sets the scene for the sale of AlintaGas - an essential step in the ongoing reform of the energy sector in Western Australia. The list of benefits to the State arising from this sale is long, including minimising Government's exposure to the business risks of competition, as the gas market becomes fully deregulated by 1 July 2002; maximising the value of the AlintaGas business to the people of this State; releasing state capital for other purposes; providing an opportunity for share ownership to all Western Australians; delivering lower gas prices to consumers; facilitating more consumer choice through increased competition; clearly separating the Government's policy and regulatory function from its participation in the gas market; providing for efficiency gains through access to business acumen and technical competencies of potential owners of similar businesses and providing greater access to capital to grow the AlintaGas business; and opening up market opportunities for the business such as electricity trading, appliance sales and even liquefied natural gas distribution to regional areas, which may not eventuate under government ownership.

The objectives for the sale of AlintaGas have been set within the context of the Government's broad objectives for the energy sector and its commitment to the creation of a more competitive energy market in Western Australia, with continual improvement in services to customers, reduced energy prices and increased economic development throughout the State. The Government is determined to conduct the sale through a process that is fair and equitable to all stakeholders, in a way that brings maximum overall benefits to the people of Western Australia.

The cornerstone IPO sale of AlintaGas will achieve the optimum balance among a number of objectives, the most important of which are to provide an opportunity for the Western Australian public to own shares in AlintaGas; maximise the value derived from the sale of AlintaGas; recognise the legitimate interests of gas suppliers and gas consumers alike; ensure fair and equitable treatment of AlintaGas staff; provide safeguards on gas tariffs to protect the most vulnerable customer groups

while ensuring businesses, large and small, can operate in a more competitive market to promote development; enhance the operating efficiency and utilisation of the AlintaGas distribution network; ensure Western Australia remains the prime beneficiary of the sale; and that AlintaGas remains headquartered in Western Australia and with its focus on doing business in this State.

To achieve those objectives in the best possible way, this Bill is fundamentally important as it provides for -

- conducting the sale of AlintaGas by way of a cornerstone initial public offer, or public float;
- the cornerstone shareholder to be offered a maximum of 49 per cent of the shares and prohibited from buying or selling shares in AlintaGas for a period of two years after the sale;
- individual shareholdings other than that of the cornerstone shareholder to be limited to 5 per cent for a period of two years after the sale;
- AlintaGas to be sold as a stapled business, with appropriate ring-fencing of its constituent businesses in place;
- AlintaGas when sold to be required to locate its headquarters and to have a majority of its directors and the CEO ordinarily resident in Western Australia;
- including as a condition of sale a nil tariff increase in the next two years and no more than the consumer price index in the third year leading up to competition at the retail level; and
- achieving a level playing field by preventing Western Power from selling gas into certain markets for a period of up to five years.

As I said at the beginning of this speech, the sale of AlintaGas is the next logical step in the process of energy reform in Western Australia pursued by this Government. It is a reform process which has so far produced outcomes consistent with the Government's energy policy and its major objectives are -

- to reduce energy prices in the State;
- to ensure community safety and protection with respect to gas and electricity;
- to ensure the availability and reliability of energy supply;
- to develop and promote a competitive energy industry by, among other things, providing access to government-owned infrastructure;
- to encourage further private sector involvement in the energy industry;
- to foster secondary processing and economic development by exploiting and developing synergies between energy and other industries;
- to promote the efficient use of energy;
- to optimise industrial growth while responsibly addressing greenhouse gas abatement in its global context; and
- to pursue improved value from the energy sector in its contribution to the Government's community, regional and economic objectives.

I will recount the most notable government initiatives in this sector since 1994 to illustrate this consistent and forthright implementation of public policy. On 1 January 1995 the Government split the State Energy Commission of Western Australia and formed AlintaGas and Western Power, which provided direct competition between gas and electricity in the most populated areas of this State.

At the same time, staged access to the then state-owned Dampier to Bunbury natural gas pipeline introduced third-party competition for large gas consumers in the south west, which subsequently led to substantial reductions in gas contract prices. In addition, the North West Shelf domestic gas contract was disaggregated and the Pilbara gas market and the new industrial loads of the eastern goldfields served by the goldfields gas pipeline were totally deregulated, with almost immediate benefits to energy users in those regions.

The Government has continued to introduce reform at a pace which balances the needs of consumers with the debt and take-or-pay liabilities of the state-owned corporations, and which ensures no disruptive price impacts on the community. Subsequent reforms include bringing forward gas and electricity access thresholds, the sale of the Dampier to Bunbury natural gas pipeline, and the implementation of a national access code to regulate third-party access to major gas pipelines in this State.

Third-party access to the AlintaGas distribution system is provided through regulation and is available now for customers who consume more than 250 terajoules per year. This will decline to 100 terajoules per year on 1 January 2000, 1 terajoule per year on 1 January 2002 and to completely open access from 1 July 2002. The AlintaGas distribution system is to be covered by an access arrangement under the national access code from 1 January 2000, with the proposed arrangement currently being considered by the independent regulator.

The ability of this Government to time its reform initiatives to best serve the people of the State was indisputably demonstrated by its conduct of the successful sale of the Dampier to Bunbury natural gas pipeline. The services of that pipeline are integral to the gas supply of households and businesses in the mid west and the south west of the State. In March 1998 the pipeline was sold to Epic Energy for a sum of \$2.407b. The sale included the non-exclusive right for the new owner to expand the pipeline, and, on purchasing the pipeline, Epic Energy committed to effectively double the capacity

of the DBNGP by 2007. The privatisation of that pipeline has yielded steady benefits to the new owner, its customers and the State.

The DBNGP sale legislation ensured that a transitional access regime applies to that pipeline until an access arrangement is approved for the pipeline under the national access code. A proposed access arrangement must be submitted to the regulator by early November this year. In the meantime, the transitional regime provides for negotiability of tariffs and declining capped reference tariffs. Firm full-haul tariff at 100 per cent load factor has fallen from \$1.19 per gigajoule, to \$1.09 per gigajoule and will fall again to \$1.00 per gigajoule by 2000 in the lead up to the tariffs determined by the independent regulator.

In addition to the above initiatives, all commercial restrictions on the sale of liquefied petroleum gas in the Perth metropolitan area were removed from 1 January 1998. This now allows LPG suppliers to compete directly with AlintaGas, with the benefits from this competition flowing on to small to medium businesses.

It was a major step for the State to implement the national access code and the Gas Pipelines Access Law in Western Australia, and at the same time to establish the Western Australian Independent Gas Pipelines Access Regulator. This was tackled in a collaborative manner with other jurisdictions across Australia, but was implemented in a manner that best suited the circumstances in Western Australia. The regulator is entirely independent from government in performing his functions under the code, including the approval of reference tariffs for pipeline services. Through the regulation of pipeline transportation tariffs, the code, with its principles, is aimed at ensuring that pipeline owners, including distribution system owners, cannot abuse their natural monopoly position. A prime function of the independent regulator is to apply the code principles in approving reference tariffs. The distribution system owned by AlintaGas is subject to the code and must be effectively ring-fenced from AlintaGas' other businesses in order to have its distribution tariffs approved by the regulator. As I said, a proposed access arrangement under the code has already been submitted to the regulator by AlintaGas, and effective ring-fencing by the creation of a wholly-owned subsidiary for the distribution business is to occur.

AlintaGas will be sold as a "stapled business". The Government is focused on structuring a sale, based on real economic conditions, that will provide the maximum sustainable benefits to all Western Australians. The Government's approach to "ring-fence" effectively the two businesses, but to sell them as one "stapled" entity will ensure that competitive forces prevail, and that consumers will continue to benefit from a commercially viable Western Australian gas company.

Although AlintaGas is less than five years old, its service is vitally important for the wellbeing of the people of Western Australia. Clean, efficient, reliable and competitively-priced natural gas is increasingly becoming our preferred energy source.

Only 28 years ago, on 1 December 1971, the first residential customer in Perth was connected to gas, which came from the Dongara natural gas field in the Perth basin more than 400 kilometres away. Around 13 years later, on 16 August 1984, North West Shelf gas reached the homes of Perth metropolitan customers. Today, AlintaGas retails gas to about 400 000 residential, business and industrial customers throughout Western Australia via more than 10 000 kilometres of distribution pipelines. Residential customers account for 98 per cent of all AlintaGas customers, and 95 per cent of AlintaGas tariff, residential and business customers are located in Perth. AlintaGas adds more than 17 000 new retail customers to its business each year. It employs around 400 people and is estimated to record an operating profit of \$42m before tax on gas sales of \$319m in the 1998-99 financial year.

There is no convincing reason why AlintaGas should now remain in government ownership. The decision to sell AlintaGas is in harmony with the complete liberalisation of the gas market, adoption of the national access code and the establishment of the Independent Gas Pipelines Access Regulator. The sale is based on sound economic grounds and is a sensible recognition of the expected need for this utility business to perform in a fully liberalised market where monopoly elements are robustly regulated to safeguard consumers. AlintaGas in private hands will continue its development, with the sale creating an environment of increased competition and innovation in gas service.

The sale will open up new market opportunities for the AlintaGas business; opportunities which might not eventuate under government ownership. Competing as a private company it is expected to be increasingly innovative and have a preparedness to invest in new technologies that will produce benefits that can be passed on to consumers. Competition between private sector firms is a powerful recipe, more likely to bring an extension of natural gas reticulation to other areas in the State.

As previously mentioned, the Government has put in place staged access to the Western Australian gas market to full contestability by 1 July 2002. If AlintaGas were not privatised, the Western Australian taxpayers would bear the commercial risk of a publicly-owned gas industry in competition with the private sector companies. As a consequence of consistent government policy in the south west, AlintaGas is already in competition with other gas sellers for larger customers. A sale is the most appropriate way to resolve the dilemma which would then face the Government as owner of a business in open and broad competition with the private sector while at the same time being responsible for regulation and public policy impacts on that sector.

Now is the right time, before access levels have reached the smaller end of the market, for the Government to maximise the value of the AlintaGas business to the State and to enable a properly structured and commercially capable AlintaGas to emerge under private ownership, committed to doing business in the State in the long term. Members should also note that, among other things, the sale will reduce the burden on government resources in managing and developing the asset to meet growing gas demand while also enabling a further reduction of public sector debt and the reinvestment of some of the proceeds into other infrastructure of worth to the community.

I now return to the method of sale selected by the Government; that is, a cornerstone IPO. This method involves selling, by a competitive tender, a significant ownership in the business to a trade purchaser, followed immediately by the State undertaking an initial public offering, or float, of the remaining ownership interest in the equity portion of the business by way of a prospectus which identifies the cornerstone shareholder. A cornerstone IPO will provide an early opportunity for the people of Western Australia to purchase shares. The initial public offering process will commence as soon as the cornerstone shareholder is selected. The cornerstone shareholder will be limited at commencement to a maximum of 49 per cent of the shares and will be prohibited from buying or selling shares in AlintaGas for two years after the sale. Individual shareholdings by the public will be limited to 5 per cent two years after the sale. The new regulatory framework - a combination of the Energy Coordination Amendment Bill, soon to become effective, and this Bill - will ensure the necessary consumer safeguards can be implemented. This will include price protection, safety and reliability of supply, and best practice service standards.

It is worth noting that natural gas residential customers have had no price change since the 2.75 per cent average rise in July 1997. Taking into account inflation, the average household has received a total saving of \$150 in real terms on its gas account over the past five years. This equates to a 9.5 per cent decrease in residential prices in real terms over the period. Gas tariffs for small businesses have also not increased since July 1997. Small businesses, on average, have received a total saving of approximately \$1 000 in real terms on their gas accounts over the past five years, which equates to a 10 per cent decrease in gas prices in real terms over the period. To reiterate, when the Government sold the AlintaGas transmission system - the Dampier to Bunbury natural gas pipeline - it ensured that the lowest feasible tariffs applied during the transitional period until tariffs were developed and approved under the National Access Code and independent regulation. Through the powers contained in this Bill, the Government will now ensure the lowest feasible retail prices. In addition, retail tariffs and services to small customers can be effectively regulated when necessary. This would apply to tariffs to non-contestable customers, before full contestability of the market is reached in mid-2002. It will also apply to retail tariffs to residential customers once full market contestability has been achieved by the capping of increases in standard tariffs.

However, the extent of any government intervention in the market is to decline as the sale is expected to result in greater consumer choice through increased competition and thus delivery of the lowest available prices to gas customers. AlintaGas is now the only significant gas business in Australia remaining in government ownership. There has not been any evidence that private ownership across Australia translates into higher prices to customers or any reduction in the availability of gas to meet customer needs. Importantly, this Bill enables government to safeguard the supply of gas to residential and small business customers within the operating area of AlintaGas.

I now turn to the provisions of the Bill. Part 1 of the Bill deals with the preliminary matters such as when the Act comes into effect, definitions used in the Act and a statement that the Act binds the Crown. Part 2 of the Bill deals with the disposal of AlintaGas through provisions which authorise the disposal of a business carried on by, and anything else belonging to, AlintaGas, utilising the intermediary of a corporate vehicle. The corporate vehicle may be created by the Under Treasurer and shares in it may be acquired and disposed of by the Minister for Energy and AlintaGas for the purposes of effecting the disposal to the new owners.

Provisions in part 2 authorise the minister to make an order, or orders, for the disposal by the State of AlintaGas, which order may specify the means of disposal and deal with incidental and supplementary matters. The disposal order must ensure that a specified percentage, between 40 and 49 per cent, of the shares in the corporate vehicle are offered to a cornerstone investor through a tender process approved by the minister in the disposal order. The disposal order must also ensure that the balance of the shares in the corporate vehicle are offered to the public for application or subscription and allocation by a process also approved by the minister in the disposal order. The minister is authorised to give directions to AlintaGas for the purpose of bringing about a disposal of AlintaGas, with which AlintaGas must comply.

Part 2 also prescribes certain matters which must be included in the constitution of the corporate vehicle. These matters include requirements that the corporate vehicle be incorporated in Western Australia; the head office of the corporate vehicle be located in Western Australia; and a majority of the board of directors and the chief executive officer be ordinarily resident in Western Australia. There is also a prohibition against the alteration of anything in the constitution that is required by these prescriptions. Provisions in part 2 prevent a cornerstone shareholder dealing in shares for two years post-sale and prevent a non-cornerstone shareholder-minority shareholder from acquiring more than 5 per cent of the shares in the corporate vehicle for a period of two years post-sale.

I draw to the notice of members that it is intended that the corporate vehicle be listed on the Australian Stock Exchange Limited. The listing rules of the Australian Stock Exchange Limited require an approval of a majority of shareholders in general meeting before the main undertaking of a listed entity can be sold. Taken together with the required features of the constitution of the new company, this creates a very solid basis for AlintaGas remaining firmly focused on operating in the Western Australian marketplace.

Part 3 of the Bill deals with steps to implement the disposal of AlintaGas. It contains provisions which authorise the minister to make transfer orders for the purpose of doing anything in preparation for or giving effect to disposal ordered by the minister, to specify the consequences of such orders and to rectify errors in such orders should these occur. The minister and AlintaGas are to take all practicable steps to secure the effect sought to be achieved by a transfer order, in the event that a transfer order cannot have the desired effect, to any extent.

Part 3 also assists in the smooth transition of the sale in that it specifies that contracts between internal parts of AlintaGas' business before the sale are to be treated after the sale as if they were contracts between two separate legal entities.



Provisions also require the registration of documents necessary to record the effect of a transfer order, and authorise the Treasurer to give state indemnities and guarantees.

Part 3 of the Bill also contains ancillary matters including the assignability of assets and the benefit of easements, the disclosure of information, the movement of tariff customers to be customers of the corporate vehicle at the time of the sale, requiring the disposition of sale proceeds to be directed as specified, authorising the Treasurer to take over an obligation of AlintaGas or the corporate vehicle, authorising the Treasurer to give to directors of the corporate vehicle and to certain other officers indemnities against liability arising as a result of the sale, and authorising regulations to be made.

Part 4 of the Bill contains transitional provisions "to enable and facilitate a convenient transition" of the transfer of the business of AlintaGas from the corporation to the new owner. The provisions allow regulations to be made which modify other written laws so far as these relate to a subsidiary of AlintaGas taking an effective role in the transition.

Part 5 of the Bill headed "Miscellaneous" contains provisions permitting the Governor to make regulations for giving effect to the purposes of the Act. Regulations may also be made to extend tariff-capping regulations made under the Energy Coordination Act 1994 to non-contestable business customers until they become contestable on 1 January 2002. Also contained in part 5 is a provision requiring the Auditor General to examine and report to each House of Parliament in relation to the disposal of AlintaGas within 60 days of the day of the disposal being completed on any obligations, duties or liabilities taken over by or imposed on the State; any indemnities or guarantees given by the State; and any other matter which arises out of or is connected with these matters.

Part 6 of the Bill contains amendments to, or modifications of, a substantial number of other Acts. The amendments are specified to take effect either commencing on the date on which the Bill receives royal assent, or immediately before the corporation is licensed under the Energy Coordination Act 1994, or on completion of the disposal, or on such other time as specified.

The most significant amendments can be summarised as follows -

- a provision is to be inserted in the Electricity Corporation Act 1994 under which the Governor can direct Western Power not to sell gas to particular parts of the gas market;

- the requirement under the Gas Pipelines Access (Western Australia) Act 1998 for the distribution business of AlintaGas to be ring-fenced from the retail and trading businesses by 1 July 2002 is to be accelerated to a date on or before the disposal of AlintaGas;

- a provision is to be inserted in the Energy Coordination Act 1994 allowing the Coordinator of Energy to include further licence conditions in distribution or trading licences issued under that Act;

- the provisions for supply system emergencies in relation to the gas distribution system are removed from the Energy Corporations (Powers) Act 1979 and are inserted into the Energy Coordination Act 1994;

- the Gas Undertakings Act 1974 is repealed; and

- the Gas Corporations Act 1994 is repealed and there is a requirement on the minister to wind up the affairs of the former Gas Corporation on completion of disposal.

In addition, the Bill provides for a regulation making power to be inserted in the Energy Coordination Act 1994 enabling regulations to be made, which regulations will provide for tariffs for those customers presently under the AlintaGas Tariff Orders, up until 1 July 2002 - full contestability. The regulation making power will also enable regulations to be made which provide for a cap on tariff increases for residential customers post contestability, to prevent tariff shock if effective competition does not emerge in the residential market in the short term.

In conclusion, I reiterate that with the introduction of this Bill the Government is taking another important step in its ongoing reform of the energy sector in Western Australia. The Bill, providing for the sale of AlintaGas, complements this Government's initiatives aimed at increasing competition in the gas and electricity markets leading to greater customer choice, lower energy prices, increased reliability and better service. As Western Australia moves towards a competitive market in gas, there are no sound reasons for the State to retain ownership of a gas distribution and retail company.

Following the successful sale of the Dampier to Bunbury natural gas pipeline, I am confident that the sale of AlintaGas can be conducted under the provisions of this Bill so as to benefit the whole of the Western Australian community. The Government is committed to continue energy sector reform for the benefit of both the energy industry and its customers. The process of energy reform has already delivered on these objectives. The ultimate gains of Western Australian energy reform are reflected in enhanced economic growth and improved quality of life for all Western Australians.

The Bill fulfils this Government's commitment to ensure the Western Australian public can participate directly by buying shares in AlintaGas. This will lead to many consumers becoming shareholders and having a direct stake in the success of their gas business, which will have, as a consequence of this and other measures in the Bill, a clear Western Australian focus to its future under private ownership. I add that with the sale of AlintaGas, by mid-2002 there will be a complete deregulation and privatisation of the Western Australian gas industry. I commend the Bill to the House.

Debate adjourned, on motion by Hon E.R.J. Dermer.

*House adjourned at 5.21 pm*

**QUESTIONS ON NOTICE**

Questions and answers are as supplied to Hansard.

**KANOWNNA MINES, BREACHES OF MINING LEASE CONDITIONS**

67. Hon TOM HELM to the Minister for Mines:

I refer to a newspaper article in the *Kalgoorlie Miner* dated Saturday, August 7, 1999 titled "DME considers action over safety bund" -

- (1) Has Kanownna Mines breached condition number 5 on Mining Lease 27/164 to excavate and construct what I am advised is a trench with a bulldozer, grader and front end loader on June 24, 1999 without having the prior written approval of the District Mining Engineer?
- (2) If not, why not?
- (3) If yes, will the Minister initiate or commence forfeiture action against the holder of M27/164?
- (4) Has Kanownna Mines Ltd breached condition number 17 on M27/164?
- (5) If not, why not?
- (6) If yes, will the Minister commence or initiate forfeiture action against the holder of the tenement?
- (7) Has Kanownna Mines Ltd breached condition number 19 on M27/164 in excavating and constructing a trench approximately 300 metres in length with surface disturbance approximately 5 - 6 metres wide over that distance through part of the Kanownna Townsite on June 24, 1999 without first obtaining the prior approval of the local authority?
- (8) If not, why not?
- (9) If yes, will the Minister commence or initiate forfeiture proceedings against the holder of M27/164?

Hon N.F. MOORE replied:

- (1)-(9) The activity referred to by the Hon Member was the construction of a safety bund on Mining Lease 27/164. The "Notice of Intent for the Golden Feather Ballarat Last Chance Pit" document, dated February 1998 and referred to in Condition 12 of the Conditions for Mining Lease 27/164 makes reference to the construction of such a bund. However, the activity was found to have breached other conditions of Mining Lease 27/164. Accordingly, a fine of \$2,000 has been imposed on the company which, it is considered, represents an appropriate penalty for the breach of conditions.

**GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED**

111. Hon NORM KELLY to the Leader of the House representing the Minister for Resources Development:

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

- (1) 19
- (2) (a) 19  
(b) Nil.
- (3) (a) 19  
(b)-(c) Nil.

**GOVERNMENT VEHICLES, NUMBER LEASED AND OWNED**

112. Hon NORM KELLY to the Leader of the House representing the Minister for Energy:

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

- (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:

Office of Energy

- (1) 31
- (2) (a) 30  
(b) 1
- (3) (a) 29  
(b) 2  
(c) Nil.

Western Power Corporation

- (1) Leased 271  
Owned 1058
- (2) (a) 463  
(b) 866
- (3) (a) Petrol 694  
Diesel 635  
(b)-(c) Nil.

AlintaGas

- (1) 183
- (2) (a) 69  
(b) 114
- (3) (a) Petrol 131  
Diesel 49  
(b) Nil.  
(c) Natural Gas 3

#### INTEGRATED POWER SERVICES, CONTRACTS

138. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Energy:
- (1) How many contracts have been awarded to Western Power's joint venture company Integrated Power Services (IPS) since its inception?
- (2) For each contract, can the Minister for Energy state -
- (a) the project the contract was awarded for;
  - (b) the date the contract was awarded;
  - (c) the value of the contract;
  - (d) if the contract was tendered, the name of other tenderers;
  - (e) the date the contract was originally offered for tender;
  - (f) where and when the tender was advertised; and
  - (g) if the contract was not put to tender, why wasn't it?

Hon N.F. MOORE replied:

This is commercial information.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF THE ACT

198. Hon LJILJANNA RAVLICH to the Attorney General representing the Minister for Planning:
- (1) Which departments or agencies in the Minister for Planning's portfolio have been granted partial exemptions in -
- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;

- (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
- (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon PETER FOSS replied:

(1)-(2) Please refer to the answer given in response to question on notice 196 of 18 August 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

203. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Commerce and Trade:
- (1) Which departments or agencies in the Minister for Commerce and Trade's portfolio have been granted partial exemptions in -
    - (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
    - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
    - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
    - (d) Class 4 - Autonomous purchasing with no upper limit?
  - (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon N.F. MOORE replied:

See response to Question 196 and tabled paper No 169.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

204. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Regional Development:
- (1) Which departments or agencies in the Minister for Regional Development's portfolio have been granted partial exemptions in -
    - (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
    - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
    - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
    - (d) Class 4 - Autonomous purchasing with no upper limit?
  - (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon N.F. MOORE replied:

See response to Question 196 and tabled paper No 169.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

205. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Small Business:
- (1) Which departments or agencies in the Minister for Small Business portfolio have been granted partial exemptions in -

- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon N.F. MOORE replied:

See response to Question 196 and tabled paper No 169.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF THE ACT

206. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Resources Development:

- (1) Which departments or agencies in the Minister for Resources Development's portfolio have been granted partial exemptions in -
- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon N.F. MOORE replied:

(1)-(2) Please refer to the answer given in response to question on notice 196 of 18/8/99.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF THE ACT

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

- (1) Which departments or agencies in the Minister for Energy's portfolio have been granted partial exemptions in -
- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon N.F. MOORE replied:

(1)-(2) Please refer to the answer given in response to question on notice 196 of 18/8/99.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

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

- (1) Which departments or agencies in the Minister for Disability Services' portfolio have been granted partial exemptions in -
  - (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon MAX EVANS replied:

(1)-(2) Please refer to the answer given in response to question on notice 196 of 18/8/99.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

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

- (1) Which departments or agencies in the Minister for Works' portfolio have been granted partial exemptions in -
  - (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon MAX EVANS replied:

(1)-(2) Please refer to the answer given in response to question on notice 196 of 18 August 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF  
THE ACT

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

- (1) Which departments or agencies in the Minister for Services' portfolio have been granted partial exemptions in -
  - (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?

- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon MAX EVANS replied:

- (1)-(2) Please refer to the answer given in response to question on notice 196 of 18 August 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF THE ACT

223. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Citizenship and Multicultural Interests:

- (1) Which departments or agencies in the Minister for Citizenship and Multicultural Interests' portfolio have been granted partial exemptions in -
- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon MAX EVANS replied:

- (1)-(2) Please refer to the answer given in response to question on notice 196 of 18 August 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, EXEMPTIONS FROM PURCHASING PROVISIONS OF THE ACT

224. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Youth:

- (1) Which departments or agencies in the Minister for Youth's portfolio have been granted partial exemptions in -
- (a) Class 1 - Autonomous purchasing up to \$50 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (b) Class 2 - Autonomous purchasing up to \$250 000 per total contract value. Higher value purchasing to be arranged by a third party designated by the State Supply Commission;
  - (c) Class 3 - Autonomous purchasing up to \$1m per total contract (or to a value as agreed by the Commission). Higher value purchasing to be arranged by a third party designated by the State Supply Commission; and
  - (d) Class 4 - Autonomous purchasing with no upper limit?
- (2) For each department and agency in the Minister's portfolio which have been granted partial exemptions from the operation of section 19(1) of the *State Supply Commission Act 1991*, which departments or agencies have reviewed their supply activities and assessed its risk in accordance with the commission's accreditation process each 12 months or at intervals determined by the commission?

Hon MAX EVANS replied:

- (1)-(2) Please refer to the answer given in response to question on notice 196 of 18 August 1999.

GOVERNMENT DEPARTMENTS AND AGENCIES, STAFF RECRUITMENT

264. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Fair Trading:

For each department or agency in the Minister for Fair Trading's portfolio can the Minister provide the following information -

- (1) How many staff were recruited to each department or agency in the Minister's portfolio in each of the following categories in 1997/98 and 1998/99 -

- (a) Chief Executive Officers;
  - (b) Senior Executive Service; and
  - (c) Level 1-8?
- (2) Of those staff how many were recruited internally and how many were recruited by, or with the aid of, external recruitment agencies?
- (3) What are the names of the external agencies that were utilised?
- (4) What was the cost of using external recruitment agencies in 1997/98 and 1998/99?

Hon MAX EVANS replied:

- (1) (a) Recruitment of Chief Executive Officers is managed by Public Sector Management – Please refer to the answer given in response to question on notice 52.
- (b) 1997/98 – Nil.
- (c) 1998/99 – 3.
- (2) 1997/98 – 16.
- 1998/99 – 29.
- (2) 1997/98
- Internal – 15.
- External – 1.
- 1998/99
- Internal – 5.
- External – 24.
- (3) CP Resourcing.
- Workplace Agreements Development Service.
- Glennis Hall Consulting.
- Gerard Daniels.
- Deloitte Touche Tohmatsu.
- Futures Group.
- (4) 1997/98 - \$5,367.00.
- 1998/99 - \$81,192.83

#### MINING, MISCELLANEOUS LICENCE 26/35

417. Hon TOM HELM to the Minister for Mines:

I refer to a letter, reference 92383 dated April 28, 1999 signed by Hon Norman Moore, Minister for Mines addressed to the Trades and Labour Council of WA -

- (1) Does the Minister stand by the statement “The requirement in the survey of Prospecting Licence to establish the actual on ground position of former Miscellaneous Licence 26/35 in order to excise it, was not carried out because the surveyor suspended his work when he became aware of a dispute as to the boundaries of Prospecting Licence 26/1832”?
- (2) If not, why not?
- (3) Can the Minister state why and how the “establishment of the position of the corner pegs of Prospecting Licence 26/2469 should show the relationship to former Miscellaneous Licence 26/35 which is to be excised from Prospecting Licence 26/1832 by survey”?
- (4) If not, why not?
- (5) Can the Minister explain why “the surveyor conducting the excision of Miscellaneous Licence 26/35 will however be requested to locate corner pegs of Prospecting Licence 26/2469”?
- (6) If not, why not?
- (7) Can the Minister explain the reasons why “Ground availability for Prospecting Licence 26/2469 is dependant on the extent that is coincident to former Miscellaneous Licence 26/35”?
- (8) If not, why not?
- (9) To what extent in terms of metres does P26/2469 have to be coincident to former Miscellaneous Licence 26/35?
- (10) Does the datum peg and other corner pegs for Prospecting Licence 26/2469 have to be exactly and precisely coincident to former Miscellaneous Licence 26/35?
- (11) Can the datum peg and other corners of P26/2469 be quite a distance from Miscellaneous Licence 26/35 and not be coincident?
- (12) If not, why not?



Hon N.F. MOORE replied:

- (1) Yes.
- (2) Not applicable.
- (3)-(12) The ground available for prospecting Licence 26/2469 is only that area which was contained in late Miscellaneous Licence 26/35. The position of the corner pegs of Prospecting Licence 26/2469 will determine whether former Miscellaneous Licence 26/35, as excised from Prospecting Licence 26/1832 after survey, is identical to or partially within the area applied for as Prospecting Licence 26/2469.

#### PERSONAL DATA, PROTECTION

449. Hon E.R.J. DERMER to the Attorney General:

I refer to the Attorney General's answer to question on notice 965 in the previous Session of Parliament -

- (1) What progress has been made by the State Government's examination of various options for the protection of personal data?
- (2) Will the State Government be introducing legislation designed to achieve this protection?
- (3) If such legislation will be presented when is it anticipated it will be presented?

Hon PETER FOSS replied:

- (1) Discussions are continuing at officer level, involving all jurisdictions, on the development of legislation to support and strengthen self-regulatory privacy protection in the private sector. Issues include possible coverage of State and Territory government business enterprises. The ongoing consideration of these various issues will affect the scope and timing of any Western Australian legislation, in respect of both the public and private sectors.
- (2) Yes.
- (3) See (1) above.

#### SOUTH WEST DEVELOPMENT COMMISSION, SALE OF LOT 749 LYONS COVE, BUNBURY

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

I refer to the sale of Lot 749 Lyons Cove, Bunbury, to Bellridge Nominees Pty Ltd by the South West Development Commission, and ask -

- (1) Was a valuation of the land conducted?
- (2) Who undertook the valuation/s?
- (3) What was the land valued at prior to the sale?

Hon N.F. MOORE replied:

- (1) Yes.
- (2) Valuer General's Office.
- (3) \$1 000 000.

#### GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

482. Hon TOM STEPHENS to the Attorney General representing the Minister for Planning:

- (1) Have any departments or agencies under the Minister for Planning's portfolio awarded any contracts to -
  - (a) Australian Property Consultants; and
  - (b) Ross Hughes and Company,
 since January 1, 1999?
- (2) If yes, can the Minister state -
  - (a) the name of the contractor;
  - (b) the project the contract was awarded for;
  - (c) the date the contract was awarded;
  - (d) the value of the contract;
  - (e) whether the contract went to tender; and
  - (f) if the contract did not go to tender, why not?

Hon PETER FOSS replied:

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

GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

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

- (1) Have any departments or agencies under the Minister for Regional Development's portfolio awarded any contracts to -
  - (a) Australian Property Consultants; and
  - (b) Ross Hughes and Company,since January 1, 1999?
- (2) If yes, can the Minister state -
  - (a) the name of the contractor;
  - (b) the project the contract was awarded for;
  - (c) the date the contract was awarded;
  - (d) the value of the contract;
  - (e) whether the contract went to tender; and
  - (f) if the contract did not go to tender, why not?

Hon N.F. MOORE replied:

- (1) (a)-(b) Nil.
- (2) (a)-(f) Not applicable.

GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

493. Hon TOM STEPHENS to the Leader of the House representing the Minister for Employment and Training:

- (1) Have any departments or agencies under the Minister for Employment and Training's portfolio awarded any contracts to -
  - (a) Australian Property Consultants; and
  - (b) Ross Hughes and Company,since January 1, 1999?
- (2) If yes, can the Minister state -
  - (a) the name of the contractor;
  - (b) the project the contract was awarded for;
  - (c) the date the contract was awarded;
  - (d) the value of the contract;
  - (e) whether the contract went to tender; and
  - (f) if the contract did not go to tender, why not?

Hon N.F. MOORE replied:

Western Australian Department of Training

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

Central Metropolitan College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable,

West Coast College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

South East Metropolitan College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

South Metropolitan College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

Midland College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

South West Regional College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

Great Southern Regional College of TAFE

- (1) (a)-(b) No.
- (2) (a)-(f) Not applicable.

Central West Regional College of TAFE

- (1) (a)-(b) No.

(2) (a)-(f) Not applicable.

Hedland College

(1) (a)-(b) No.

(2) (a)-(f) Not applicable.

Karratha College of TAFE

(1) (a)-(b) No.

(2) (a)-(f) Not applicable.

C Y O'Connor College of TAFE

(1) (a)-(b) No.

(2) (a)-(f) Not applicable.

Kimberley College

(1) (a)-(b) No.

(2) (a)-(f) Not applicable.

#### GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

500. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Fair Trading:

(1) Have any departments or agencies under the Minister for Fair Trading's portfolio awarded any contracts to -

- (a) Australian Property Consultants; and
- (b) Ross Hughes and Company,

since January 1, 1999?

(2) If yes, can the Minister state -

- (a) the name of the contractor;
- (b) the project the contract was awarded for;
- (c) the date the contract was awarded;
- (d) the value of the contract;
- (e) whether the contract went to tender; and
- (f) if the contract did not go to tender, why not?

Hon MAX EVANS replied:

(1) (a)-(b) No.

(2) (a)-(f) Not applicable.

#### GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

501. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Disability Services:

(1) Have any departments or agencies under the Minister for Disability Services' portfolio awarded any contracts to -

- (a) Australian Property Consultants; and
- (b) Ross Hughes and Company,

since January 1, 1999?

(2) If yes, can the Minister state -

- (a) the name of the contractor;
- (b) the project the contract was awarded for;
- (c) the date the contract was awarded;
- (d) the value of the contract;
- (e) whether the contract went to tender; and
- (f) if the contract did not go to tender, why not?

Hon MAX EVANS replied:

(1) (a)-(b) No.

(2) (a)-(f) Not applicable

#### GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

503. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Housing:

(1) Have any departments or agencies under the Minister for Housing's portfolio awarded any contracts to -

- (a) Australian Property Consultants; and
- (b) Ross Hughes and Company,

since January 1, 1999?

(2) If yes, can the Minister state -

- (a) the name of the contractor;
- (b) the project the contract was awarded for;
- (c) the date the contract was awarded;
- (d) the value of the contract;
- (e) whether the contract went to tender; and
- (f) if the contract did not go to tender, why not?

Hon MAX EVANS replied:

- (1)
  - (a) Yes.
  - (b) No.
- (2)
  - (a) Australian Property Consultants.
  - (b) For valuations of Lots 1,4 and 1295 Chamberlain Street, Gosnells, Lot 1540 Verna Street, Gosnells and Lot 79 Taiji Drive, Broome.
  - (c) 24 June 1999, 30 June 1999 and 13 May 1999 respectively.
  - (d) \$2000.00 for Chamberlain Street, \$750.00 for Verna Street and \$575.00 for Taiji Drive.
  - (e)-(f) Quotations were called for the Chamberlain and Verna Street valuations. Taiji Drive, Broome was by appointment due to location and the nature of the valuation.

GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

506. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Services:

- (1) Have any departments or agencies under the Minister for Services' portfolio awarded any contracts to -
  - (a) Australian Property Consultants; and
  - (b) Ross Hughes and Company,since January 1, 1999?
- (2) If yes, can the Minister state -
  - (a) the name of the contractor;
  - (b) the project the contract was awarded for;
  - (c) the date the contract was awarded;
  - (d) the value of the contract;
  - (e) whether the contract went to tender; and
  - (f) if the contract did not go to tender, why not?

Hon MAX EVANS replied:

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

GOVERNMENT CONTRACTS, AUSTRALIAN PROPERTY CONSULTANTS AND ROSS HUGHES & CO

511. Hon TOM STEPHENS to the Minister for Transport representing the Minister for Local Government:

- (1) Have any departments or agencies under the Minister for Local Government's portfolio awarded any contracts to -
  - (a) Australian Property Consultants; and
  - (b) Ross Hughes and Company,since January 1, 1999?
- (2) If yes, can the Minister state -
  - (a) the name of the contractor;
  - (b) the project the contract was awarded for;
  - (c) the date the contract was awarded;
  - (d) the value of the contract;
  - (e) whether the contract went to tender; and
  - (f) if the contract did not go to tender, why not?

Hon M.J. CRIDDLE replied:

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

GOVERNMENT DEPARTMENTS AND AGENCIES, LAND SALES IN EXCESS OF \$500 000

515. Hon TOM STEPHENS to the Minister for Mines:

Can the Minister for Mines provide the following details of land sales in -

- (a) rural and metropolitan; and
- (b) commercial and residential,

undertaken by departments and agencies in the Minister's portfolio areas, since September 1, 1998, which had a sale value of \$500 000 or more -

- (i) name and location of the land sold;
- (ii) date sold;
- (iii) nature of sale and name of buyer;
- (iv) the names of any non-Government agents involved in the sale;
- (v) proceeds received from the sale;
- (vi) associated revenue from the sale, such as stamp duty; and
- (vii) any associated costs incurred in the sale process?

Hon N.F. MOORE replied:

The Department of Minerals and Energy has sold no land since 1 September 1998.

GOVERNMENT DEPARTMENTS AND AGENCIES, LAND SALES IN EXCESS OF \$500 000

537. Hon TOM STEPHENS to the Leader of the House representing the Minister for Employment and Training:

Can the Minister for Employment and Training provide the following details of land sales in -

- (a) rural and metropolitan; and
- (b) commercial and residential,

undertaken by departments and agencies in the Minister's portfolio areas, since September 1, 1998, which had a sale value of \$500 000 or more -

- (i) name and location of the land sold;
- (ii) date sold;
- (iii) nature of sale and name of buyer;
- (iv) the names of any non-Government agents involved in the sale;
- (v) proceeds received from the sale;
- (vi) associated revenue from the sale, such as stamp duty; and
- (vii) any associated costs incurred in the sale process?

Hon N.F. MOORE replied:

(a)-(b) Nil.

(i)-(vii) Not applicable.

GOVERNMENT DEPARTMENTS AND AGENCIES, LAND SALES IN EXCESS OF \$500 000

548. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Water Resources:

Can the Minister for Water Resources provide the following details of land sales in -

- (a) rural and metropolitan; and
- (b) commercial and residential,

undertaken by departments and agencies in the Minister's portfolio areas, since September 1, 1998, which had a sale value of \$500 000 or more -

- (i) name and location of the land sold;
- (ii) date sold;
- (iii) nature of sale and name of buyer;
- (iv) the names of any non-Government agents involved in the sale;
- (v) proceeds received from the sale;
- (vi) associated revenue from the sale, such as stamp duty; and
- (vii) any associated costs incurred in the sale process?

Hon MAX EVANS replied:

(a)-(b) Nil.

GOVERNMENT DEPARTMENTS AND AGENCIES, LAND SALES IN EXCESS OF \$500 000

558. Hon TOM STEPHENS to the Minister for Transport representing the Minister for Aboriginal Affairs:

Can the Minister for Aboriginal Affairs provide the following details of land sales in -

- (a) rural and metropolitan; and
- (b) commercial and residential,

undertaken by departments and agencies in the Minister's portfolio areas, since September 1, 1998, which had a sale value of \$500 000 or more -

- (i) name and location of the land sold;
- (ii) date sold;
- (iii) nature of sale and name of buyer;
- (iv) the names of any non-Government agents involved in the sale;
- (v) proceeds received from the sale;
- (vi) associated revenue from the sale, such as stamp duty; and
- (vii) any associated costs incurred in the sale process?

Hon M.J. CRIDDLE replied:

(a)-(b) No land sales.

MINING, FIRING WARNING NOTICES

560. Hon TOM HELM to the Minister for Mines:

I refer to question on notice number 59 of August 11, 1999 -

- (1) Can the Minister state why "...the perimeter public notice boards do not constitute the "firing warning notices" erected to prevent entry to a place where blasting is taking place and referred to in regulation 8.26(2)"?
- (2) If not, why not?
- (3) Can the Minister state and provide a scaled plan of what are "the firing warning notices" in regulation 8.26(2) for the mine?
- (4) If not, why not?

Hon N.F. MOORE replied:

- (1) Regulation 8.26 (1)(d) of the Mines Safety and Inspection Regulations 1995 requires that "all means of entry to the place of blasting are securely guarded against entry by any person or firing warning notices are erected if necessary to prevent entry". The boards erected next to the north and south access roads to the Ballarat Last Chance Pit and referred to in Question on Notice No. 59 of 11 August 1999 display date, time and location of the blast. They do not prevent entry by having any prohibitory signage on them neither do they prevent entry by being placed across the roads to form a barricade. As such they are not firing warning notices as mentioned in Regulation 8.26 (2) and therefore there is no need to remove them at any time. These boards would rather form part of the requirement that "proper warning has been given in all adjacent areas from which any person might approach" as required in Regulation 8.26 (1) (a) .
- (2) Not applicable.
- (3) Regulation 8.26(1)(d) of the Mines Safety and Inspection Regulations 1995 requires that "all means of entry to the place of blasting are securely guarded against entry by any person or firing warning notices are erected if necessary to prevent entry". As the means of entry to the place of blasting at the mine referred to in Question on Notice No. 59 are securely guarded at the time of blasting, "firing warning notices" are generally not used.
- (4) As "firing warning notices" are not used at this particular mine, I am unable to provide a scaled plan of such notices. In general, such warning notices would contain words which prohibit entry and would be attached to a barrier across the access route.

TRAFFIC MANAGEMENT PLAN, LESCHENAULT-BUNBURY REGION

563. Hon BOB THOMAS to the Attorney General representing the Minister for Planning:

- (1) Has the Department of Planning and Urban Development committed funds to a \$100 000 project to develop a traffic management plan for the Leschenault/Bunbury Region?
- (2) When was this decision made and who made it?
- (3) What role did the Member for Mitchell play in the decision?
- (4) On what dates did the Regional Manager for the Bunbury Department of Planning and Urban Development meet with the Member for Mitchell on this matter?
- (5) Who will undertake the development of the plan and what are the terms of reference for the project?

Hon PETER FOSS replied:

- (1) No.
- (2)-(3) Not applicable.
- (4) On July 13, 1998 the Member for Mitchell met with the Regional Manager of Main Roads South West and the Regional Manager Ministry for Planning.
- (5) It is understood that the study referred to in the question has been commissioned by Main Roads Western Australia.

DEPARTMENT OF LAND ADMINISTRATION, 33 NICHOLSON ROAD, FORRESTFIELD

570. Hon J.A. SCOTT to the Attorney General representing the Minister for Planning:

Further to question without notice 1088 of April 21, 1999 -

- (1) What steps did the Planning Commission take to question the vendors about the encumbrances on the title and the necessity for sale at that time?
- (2) If steps were taken, what advice did the department receive from the vendors?
- (3) If no steps were taken, why not?

Hon PETER FOSS replied:

- (1)-(3) Title searches at the commencement of negotiations, valuations and settlement disclosed no encumbrances on title other than a mortgage. The Western Australian Planning Commission had no interest in or right to know the reason for the registered proprietors (Mr & Mrs Kitto) selling their property.

#### MUJA POWER STATION WORKERS, REDUNDANCY PACKAGES

596. Hon J.A. COWDELL to the Leader of the House representing the Minister for Energy:

- (1) Is the Minister for Energy aware that Muja Power Station workers who have recently taken redundancy packages are now working for Integrated Power Services Pty Ltd?
- (2) Can the Minister confirm that Western Power have revised the original redundancy offer to Muja workers, in order to delete a phrase which prohibited redundant workers from being re-employed by Western Power or its subsidiaries for a specified period of time?
- (3) How many workers were offered the original redundancy by Western Power?
- (4) How many workers were offered the revised redundancy offer?
- (5) Of those workers who received the revised redundancy offer, how many are now working for Integrated Power Services Pty Ltd as either a waged employee or as a contractor?

Hon N.F. MOORE replied:

- (1) Yes, one employee.
- (2) Yes. The redundancy offer was revised to all workers, not only Muja Power Station workers.
- (3) At Muja Power Station 34 offer/acceptances of redundancy have been made under the original scheme.
- (4) Across Western Power 455 offer/acceptances of redundancy have been made under the revised scheme.
- (5) One employee is now working for Integrated Power Systems.

#### KEYSTART, SCHEME MANAGER

613. Hon KEN TRAVERS to the Minister for Finance representing the Minister for Housing:

- (1) Can the Minister for Housing provide the names of each company that responded to the Ministry of Housing's Expression of Interest for Keystart Scheme Manager, advertised in *The West Australian* newspaper on August 7, 1999?
- (2) If not, why not?
- (3) Who is currently contracted as Keystart's Scheme Manager?
- (4) When was the current contractor first appointed, and when does their contract expire?

Hon MAX EVANS replied:

- (1) No.
- (2) The tender process has not been completed and it would be inappropriate to reveal such information while the selection process is still in progress. Once the contract has been awarded the name of the successful contractor and contract price will be made public.
- (3) A consortium comprising of IF&I Securities Pty Ltd and Stamfords Accountants, Advisors and Consultants Pty Ltd.
- (4) First appointed 8 March 1995 through a tender process. Contract expires on 7 March 2000.

#### KEYSTART, LOAN MANAGER

614. Hon KEN TRAVERS to the Minister for Finance representing the Minister for Housing:

- (1) Can the Minister for Housing provide the names of each company that responded to the Ministry of Housing's Expression of Interest for Keystart Loans Manager (Closed Book of Loans), advertised in *The West Australian* newspaper on August 7, 1999?
- (2) If not, why not?
- (3) Who is currently contracted as Keystart's Loan Manager (Closed Book of Loans)?
- (4) When was the current contractor first appointed, and when does their contract expire?

Hon MAX EVANS replied:

- (1) No.

- (2) The tender process has not been completed and it would be inappropriate to reveal such information while the selection process is still in progress. Once the contract has been awarded the name of the successful contractor and contract price will be made public.
- (3) A consortium comprising of IF&I Securities Pty Ltd and Stamfords Accountants, Advisors and Consultants Pty Ltd.
- (4) Forms part of the Keystart Scheme Management Contract which commenced on 8 March 1995 and expires on 7 March 2000.

#### ARTS ORGANISATIONS, IMPACT OF GOODS AND SERVICES TAX

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

- (1) What are you doing to assist arts organisations, in particular, country arts organisations to find out about and respond to the difficulties of compliance that will arise as a result of a GST and the impact of the GST on increased ticket prices and on fundraising activities?
- (2) What assistance will be given by the State to community arts organisations to cover extra expenses that will be incurred, such as bookkeeping and accounting fees?

Hon PETER FOSS replied:

- (1) ArtsWA has implemented and is developing numerous strategies to assist arts organisations to find out about and comply with the introduction of a Goods and Services Tax (GST), and to respond to the possible impact of the GST on increased ticket prices and fundraising activities:

ArtsWA has allocated \$75 000 from the Arts Investment Budget to support the development of education and information programs on the GST across WA. These programs will be developed in association with the Arts Management Group of WA and ArtsVoice, and with Country Arts with respect to the needs of regional WA;

Since inception of the concept of a GST as part of the Federal Government's Tax Reform Package, ArtsWA has provided constant updates to the WA arts industry through the networks of WA's Arts Agencies and ArtsWA's growing Business Development mailing list;

ArtsWA has been working closely and directly with the Australia Council and the Australian Tax Office in Sydney for in excess of three months on the implementation of the GST and the operation of the arts and cultural sectors;

ArtsWA, in consultation with the arts industry, has had input to the development of mechanisms for monitoring the impact of the GST on the arts and cultural sectors. This monitoring is being conducted pursuant to agreement between the Prime Minister and the Leader of the Australian Democrats, and is being managed by the Department of Communication, Information Technology and the Arts;

ArtsWA, on behalf of the arts industry, attended seminars in Sydney and Melbourne on 7 and 8 July 1999 conducted by the Confederation of Australasian Performing Arts Presenters. On the basis of those seminars, ArtsWA has released and distributed widely a paper on the operation of the Goods and Services Tax, with a particular focus on the performing arts, sponsorship, ticketing and subscription series;

ArtsWA convened a seminar on 23 July 1998 for performing arts organisations on the operation of the GST. The seminar presenter was Ms Lee Williamson, Financial Consultant to the Major Performing Arts Inquiry. The seminar was attended by approximately 30 representatives of the performing arts sector, including representatives from regional performing arts centres;

ArtsWA is working with the Ministry for Sport & Recreation in the development of joint strategies for ensuring the compliance of internal funding programs with the GST, and for providing information to arts, sport & recreation bodies about the GST, with particular emphasis on regional WA;

ArtsWA has received in principle agreement from the Department of Commerce & Trade to use the Telecentre network for the provision of information about the GST to regional areas;

ArtsWA initiated and convened a meeting on 22 September 1999 for Mr Mick Rolls, Arts, Sport & Recreation Industry Team Leader from the Sydney office of the Australian Tax Office, with representatives of WA Treasury, Healthway and the Lotteries Commission. ArtsWA organised the meeting to facilitate uniformity of policy across the major arts and cultural funding bodies in WA in administration of the GST. It is intended that this cooperation will simplify the processes with which applicants to the various funds will need to comply;

ArtsWA convened a seminar on the GST and the arts on 22 September 1999. The presenters were Mr Mick Rolls and Ms Lee Williamson. The seminar was attended by over 115 representatives of the arts and cultural sectors;

ArtsWA is assisting the Arts Management Group in the conduct of workshops on the GST and the arts to be held in late October 1999;

ArtsWA has assisted in advertising widely the timetable for Australian Tax Office education seminars in Perth in November 1999, and across regional WA;



ArtsWA has developed a framework for the administration of its Investment Program in compliance with the GST, and has advised and assisted other funding bodies in the establishment of similar protocols;

ArtsWA has met with all Arts Agencies managing funding programs on its behalf, and is working with those Agencies to ensure compliance with the GST and to minimise the costs of implementation in relation to those funding programs;

ArtsWA is providing a seminar to all staff on the GST on Friday 1 October 1999, in order that all staff may take calls and address general queries raised by their clients;

ArtsWA is providing a seminar on the GST and the arts in Broome on 8 October 1999. This opportunity has been made available by recall to duty of a staff member in Broome on leave at that time.

- (2) Strategies for informing and educating the arts and cultural sectors will minimise the expenses that may be incurred in implementing the GST. ArtsWA is continuing to liaise with the GST Start-Up Assistance Office, and to inform the WA arts and cultural sectors of the assistance offered through that Office.

#### STATE OF THE ENVIRONMENT REPORT, GOVERNMENT'S RESPONSE

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

- (1) Has the Minister for the Environment finalised her response to the State of the Environment Report for WA released in 1998?
- (2) If not, why not?
- (3) If yes, when will the response be released?
- (4) Has any special funding been allocated for implementation of measures to address the issues raised in the 1998 State of the Environment Report?
- (5) If not, why not?
- (6) If yes, would the Minister provide details?

Hon MAX EVANS replied:

- (1)-(2) The Government's response to the State of the Environment Report is currently being considered pending approval to print and release.
- (3) It is anticipated that it will be released by the end of 1999.
- (4)-(6) The Government considers that the measures contained in its response to the 1998 State of the Environment Report will be able to be achieved within existing budget allocations.

#### QUESTIONS WITHOUT NOTICE

##### TENGRAPH SYSTEM, MONGOLIAN GOVERNMENT

348. Hon TOM STEPHENS to the Minister for Mines:

- (1) Were attempts made to sell the Tengraph system or a version of it to the Mongolian Government?
- (2) What is the history of these attempts?
- (3) Who was involved in any attempt to sell the Tengraph system to Mongolia?
- (4) Was any fee or commission paid to or sought by any participant in these activities?
- (5) If yes, what fee was sought or paid for each participant?
- (6) What role did SoftCopy Digital Mapping Pty Ltd have in these attempts or in any proposed arrangements?
- (7) Did SoftCopy Digital Mapping Pty Ltd seek or receive any payment for its role in selling or attempting to sell a version of the Tengraph system to Mongolia?

Hon N.F. MOORE replied:

- (1)-(7) The problem with this question is that it is based on a false premise. If members read *The West Australian* on a regular basis, they will often get the wrong impression of things. There was a suggestion this morning that I had written to the Premier expressing some concern about this matter when, in fact, I had written to the Premier asking for clarification in respect to a memorandum of understanding which had been written by the Mongolian Government and Mr McGay from SoftCopy Digital Mapping Pty Ltd.

At the end of the day, the Western Australian Department of Minerals and Energy sent two officers to Mongolia to see if the Mongolian Government was interested in acquiring Tengraph from Western Australia. The two officers returned and put together a business plan which they provided to the Mongolian Government, and we have not heard a word since. As I understand the history of this episode, Mr McGay - who is a surveyor from

Kalgoorlie; I did not know that that was the name of his company - has been in Mongolia for some time, as have been representatives of a number of other mining companies from Western Australia. Mr McGay and Mr Gilleece met the Mongolian Minister for Primary Industry. The minister had previously visited Australia and been made aware of Tengraph. For the benefit of members, Tengraph is a software package which enables one to see mineral tenements easily on a screen and through the Internet. The Mongolian minister was impressed and thought his Government would like to have Tengraph in Mongolia. Many other Third World countries have seen this program and are interested in it. The minister visited Western Australia, saw Tengraph, and subsequently Mr McGay and Mr Gilleece met the Mongolian minister, who expressed an interest in acquiring Tengraph for Mongolia. I think a letter was sent to the Western Australian Government asking if it was interested in doing something about it.

As a result of that process, I encouraged the department to see if it could provide this system to Mongolia, whether we sold it or made it available some other way was to be arranged, which is why the two officers were sent, but nothing happened subsequently. I do not know that Mr McGay and Mr Gilleece were in any way involved in trying to get a fee or asking for a commission. They did not mention it to me or the Department of Minerals and Energy. I think they were trying to be helpful to the Mongolian Government and in turn to other explorers in Mongolia, many of whom are Australian, by putting in place a system of tenement information which would be useful to everybody. Clearly they spoke to the minister in Mongolia, who agreed it was a good idea; that is why we sent people there to do it. To my knowledge, the only involvement of SoftCopy Digital Mapping, Mr McGay's company, was that Mr McGay and Mr Gilleece met the Mongolian minister responsible for mining activities. Out of that meeting came a memorandum of understanding between Mr McGay and the minister to seek the support of the Western Australian Government in providing Tengraph to Mongolia. That has not happened.

#### GILLEECE, MR, PARAGRAPH 55 OF REPORT

#### **349. Hon TOM STEPHENS to the Minister for Mines:**

Some notice of this question has been given. I refer to paragraph 55 of the report of an inquiry into the conduct of Mr John Francis Gilleece dated 7 October 1999 and ask -

- (1) On what date did the minister take the matter up with the Premier?

Notice has been given of this question.

Hon N.F. Moore: There is one asked yesterday by Hon Nick Griffiths which is now in your name and I am trying to find the one in your name.

Hon TOM STEPHENS: To continue -

- (2) Was the matter taken up in writing?
- (3) Will the minister table the relevant documents? If not, why not?

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

This is the question that was in Hon Nick Griffiths' name.

Hon N.D. Griffiths: I got the call once yesterday.

Hon N.F. MOORE: That is okay; I am just trying to find the question. Hon Nick Griffiths could have asked the question today if he wanted to. This answer was available yesterday, in case members think the Government did not have an answer and was trying to cover up something.

- (1) 18 April 1997.
- (2) Yes.
- (3) Yes. I will seek leave to table the documents but I note that the memorandum of 7 February 1997 from Mr Zarrikan's office was received in my office on 14 March 1997, not in April 1997 as stated in paragraph 55 of the report. I seek leave to table the documents.

Leave granted. [See paper No 251.]

Hon N.F. MOORE: In the interests of open government, I also seek leave to table all the documents received by the Premier's office in respect of this matter.

Leave granted. [See paper No 251.]

#### GOODS AND SERVICES TAX, GAMBLING TAXES

#### **350. Hon N.D. GRIFFITHS to the Minister for Racing and Gaming:**

Will state gambling taxes be adjusted at the introduction of the goods and services tax so there is no net change in the current level of Totalisator Agency Board distributions when the GST is in effect?

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

I am not sure of the standing orders about repeating the answer to a question but I will do so.

The PRESIDENT: The minister can repeat the answer as many times as he likes; the standing orders say members cannot ask the same question twice.

Hon MAX EVANS: There is a question requiring the same answer, let us put it that way.

The goods and services tax is one-eleventh of the profit from gambling; lotteries, the TAB or the casino. The profit on gambling of the TAB is, say, \$88m -

Hon N.D. Griffiths: Did you hear the question?

Hon MAX EVANS: Yes, I am trying to explain it for simple people; not Hon Nick Griffiths - he understands it. One-eleventh of \$88m is \$8m and that is the GST. The Government has already said publicly, and I have said in this House, that it will immediately rebate that amount. Do not hold me to the timing - I have forgotten the timing on paying the GST but they will not be able to pocket it all. Whatever the timing is, we will rebate it the same way. On lotteries it is about \$16m. The casino is different because the tax rate there is 16 per cent, so 10 per cent goes to the boys over east and the State still gets its 6 per cent.

Hon N.D. Griffiths: There will be no net change in the level of TAB distributions?

Hon MAX EVANS: Not at all.

Hon N.D. Griffiths: Do you guarantee that?

Hon MAX EVANS: The Government guarantees that. It has already told the TAB publicly that nothing will be lost. The same applies to lotteries. The distribution to the public of \$45m would have been down by \$16m; we would have been able to make only a \$29m distribution, but the Government will rebate that to keep the distribution up to the \$45m, so there will be no loss to the public. The same applies to the racing codes and the bookmakers. The bookmakers were looking at paying one-eleventh of \$550 000 and their tax goes to the Western Australian Turf Club. The bookmakers will still balance but the Turf Club will not be able to pocket that money.

#### MOTOR SPORTS COMPLEX, KWINANA

#### 351. Hon J.A. SCOTT to the Attorney General representing the Minister for Planning:

In relation to the proposed international motor sports complex in Kwinana, I ask-

- (1) Under what metropolitan region scheme zoning category or categories can the proposed international motor sports complex be situated?
- (2) What are the current MRS zonings over the area proposed for the motor sports complex?
- (3) If MRS zoning changes are required, can work start on the motor sports complex before the zoning amendments are completed?

#### Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) The motor sports complex is not specifically prohibited in any zone or reservation in the metropolitan region scheme and, accordingly, the Western Australian Planning Commission can consider the proposal in any zone or reservation having regard to the provisions of the MRS.
- (2) The land is part zoned "rural" and part reserved "parks and recreation" in the MRS.
- (3) It is not expected that zoning changes to the MRS will be required for the complex.

#### WESTRAIL EMPLOYEES, MELBOURNE/ISSA SURVEY

#### 352. Hon NORM KELLY to the Minister for Transport:

In regard to the University of Melbourne/ISSA survey for Westrail-

- (1) On what dates did Westrail employees answer the survey?
- (2) Were any consultation or focus sessions conducted with Westrail employees prior to, or after, employees answered the survey questions?
- (3) Were employees required or able to answer the survey during working hours?
- (4) Have employees been provided with any feedback from the survey operators since completing the survey?
- (5) If not, when and in what form will the employees receive any information on the survey results?

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

I thank the member for some notice of this question.

- (1) The employee surveys were carried out over the period mid-December 1998 to mid-January 1999.
- (2) Prior to the survey being undertaken focus groups were established to determine the structure of appropriate

questions for the survey, and all staff were made aware of the purpose of the survey. There has been no consultation with employees since the survey was undertaken.

- (3) Yes. However where that was not practicable due to shift and operational requirements, employees were given the opportunity to complete the survey in their own time.
- (4) No.
- (5) A decision on the timing and the form of any feedback to employees is currently being assessed.

LOCAL GOVERNMENT TOWN PLANNING SCHEMES, NUCLEAR-FREE ZONES

**353. Hon RAY HALLIGAN to the Attorney General representing the Minister for Planning:**

Does the Minister for Planning have the power to refuse a local government's amendment to its town planning scheme to include any form of nuclear activities?

*Point of Order*

Hon TOM STEPHENS: Dorothy Dix questions that ask for a legal opinion are completely out of order.

The PRESIDENT: I understand what the Leader of the Opposition is getting at but I am unsure whether the question is calling for a legal opinion as such. The way I understood it, it was seeking a statement of fact in respect of an Act. The Attorney General may have heard it differently but I do not know.

*Questions without Notice Resumed*

**Hon PETER FOSS replied:**

Under section 7 of the Town Planning and Development Act 1928, the minister has the power to refuse final approval of any amendment to a town planning scheme initiated by a local government.

SUNSET HOSPITAL SITE

**354. Hon CHERYL DAVENPORT to the minister representing the Treasurer:**

I refer to an article in *The West Australian* dated 4 September 1999 regarding the development of the previous Sunset Hospital site, and ask -

- (1) Has the Government held consultations with the City of Nedlands regarding development of this site?
- (2) Are any draft reports available regarding proposals for development of this site?
- (3) If yes, will the minister table the reports?

The article also refers to a government advisory committee overseeing the development of the Sunset retirement home site, and I ask -

- (4) What are the names and occupations of the members of this committee?
- (5) How long has this committee been established?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) Yes.
- (2) An information package is available as part of the public consultation. This handout includes the Sunset redevelopment concept plan, management structure and time plan for implementation.
- (3) The information package is readily available.
- (4) The Sunset Redevelopment Project Interim Advisory Committee membership comprises -
 

Ian Johnston (Chairman) Maurice Owen Peter Leonhardt Ian Baxter Chris Williams Ian Robson (Executive Director)	Chief Executive, Government Projects Office Chairman, Government Property Advisory Committee Member, Government Property Advisory Committee Director, Heritage Council WA Director, Government Lands Services, Department of Land Administration Development Manager, Government Projects Office
--	---
- (5) The committee was established on 30 August 1999.

VEHICLE FLEET CONTRACT, ANNUAL COST

**355. Hon LJILJANNA RAVLICH to the minister representing the Treasurer:**

I refer to the Government's vehicle fleet contract with Matrix Group Ltd, and ask -

- (1) What was the annual cost to government to service the loans associated with the government vehicle fleet prior to the decision to sell the fleet?

- (2) What is the annual cost to the Government in the leasing arrangement with Matrix Group Ltd?
- (3) What is the guaranteed rate of return to the investors of the funding arrangement?

**Hon MAX EVANS replied:**

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

#### WASTE WATER RECYCLING PLANT, EAST ROCKINGHAM

**356. Hon KIM CHANCE to the Leader of the House representing the Minister for Commerce and Trade:**

- (1) Were any penalty arrangements in place for the State Government if its new waste water recycling plant, built at the wool scouring precinct at East Rockingham, was not up and running in time for Jandakot Wool Washing Pty Ltd to commence full operations?
- (2) If yes, what were those arrangements in terms of penalties?
- (3) How much did the Government pay in penalties?
- (4) What is the total amount of government funding provided to Jandakot Wool Washing Pty Ltd or its parent companies?
- (5) On what date did Jandakot Wool Washing Pty Ltd commence full operations at the new East Rockingham facilities?

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

I thank the member for some notice of this question.

- (1) Yes.
- (2) The State is protected against the waste water treatment plant not being operational in time for Jandakot Wool Washing Pty Ltd to commence full operations through an arrangement between the State and Jandakot Wool Washing Pty Ltd, which includes liquidated damages clauses, whereby Jandakot Wool Washing Pty Ltd can only claim substantiated losses to a maximum of \$10 000 a day to a maximum of 10 per cent of the contract value of the waste water treatment design and construct contract. In turn, the State's contract with the construction company includes the same liquidated damages clause. The State therefore has no net exposure.
- (3) The Government has paid nothing in penalties.
- (4) The total amount of government funding provided to Jandakot Wool Washing Pty Ltd or its parent companies includes -
  - \$91 500 a year interest subsidy payment for five years to assist with the costs of running the Jandakot wool scouring facilities while building the new facilities, and the costs of building and commissioning the new facilities;
  - \$2m for assistance with new buildings paid to both parent companies on a shareholding basis;
  - \$1m for remediation of the Standard Wool site at Hulme and the Jandakot site; and,
  - A commitment of \$13.66m for land and the common user waste water treatment facility which is to be run by industry - Jandakot Wool Washing Pty Ltd - which has an option to purchase the facility in the future.
- (5) Jandakot Wool Washing Pty Ltd has not yet commenced full operations at the East Rockingham site, as the company has not yet installed its third scouring train and the waste water treatment plant is not yet fully commissioned.

#### BIKE PLAN, STAGE 1 COST

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

- (1) Will the minister explain why the estimated total cost of the Perth metropolitan region bike plan stage 1 has fallen from \$26m in 1997-98 to \$24m in 1998-99 and to \$21.6m in 1999-2000?
- (2) How many kilometres of separate off-road bicycle paths have been built since the implementation of the Perth metropolitan region bike plan stage 1?
- (3) Will the minister advise whether the Government will be able to honour its 1996 pre-election promise to include 540 kilometres of bicycle tracks over four years as part of this plan?

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

I thank the member for some notice of this question.

- (1) The funding allocation for the Perth bicycle network stage 1 remains as announced in 1996 at \$25.565m.
- (2) Forty kilometres of separate off-road shared paths have been built since the commencement of the Perth bicycle network program in 1997.

- (3) The Government is on target to deliver its 714 kilometre program of bicycle routes as part of the four-year Perth bicycle network stage 1.

GANTHEAUME POINT TOURIST DEVELOPMENT, MEETINGS

**358. Hon GIZ WATSON to the minister representing the Minister for Local Government:**

With reference to question 55 of 7 September 1999 to the Minister for Lands regarding Gantheaume Point tourist development meetings, and given the answers to that question detailing five formal briefings with the Shire of Broome -

- (1) Does the minister consider it a breach of duty on the part of the president that the other members of the council were not informed of these formal meetings?
- (2) In the light of the answer to question 789 of 16 December 1998 to the Minister for Lands which stated that the Government will require broad community consultation, does the minister consider it inappropriate on the part of the president that the residents of Broome were not advised of the details of those meetings?

**Hon MAX EVANS replied:**

I do not have the question, let alone an answer.

The PRESIDENT: If the answer to that question comes in, I will ask the Minister for Finance to deliver it before the end of question time.

PORT HEDLAND COURTHOUSE

**359. Hon HELEN HODGSON to the Minister for Justice:**

In respect of the new Port Hedland courthouse -

- (1) Who designed the new courthouse and does this person have experience in designing public buildings in the north west region?
- (2) Were representatives of the following groups consulted in relation to any special needs of the Port Hedland area when the courthouse was designed -
- (a) local employees of the Ministry of Justice;
  - (b) the local community; and
  - (c) representatives of local Aboriginal people?
- (3) If so, what issues raised in the consultation process were incorporated in the design?
- (4) What provision, if any, has been made to provide culturally appropriate visitor facilities for the families of Aboriginal people appearing at the courthouse?
- (5) What provision, if any, has been made to ensure that families of the two parties to a restraining order matter can wait in separate areas outside the courthouse?

**Hon PETER FOSS replied:**

I thank the member for some notice of this question.

- (1) Spowers Architects. The company has experience in the north west region.
- (2) (a)-(b) Yes.
- (c) No, however, Mr Camis Smith, Director Aboriginal Policy and Services, Ministry of Justice, who had only left the region six months previously, did provide input in respect of cultural and climatic issues.
- (3)-(4) Other than design issues specific to the climate, issues raised included artwork, outdoor waiting, videoconferencing and acoustic performance for softly spoken persons.
- (5) No specific provision outside the courthouse; however, the discrete access at the rear of the facility opens out into an area which is segregated from the general external waiting area.

HOMESWEST, CAREY PARK

**360. Hon BOB THOMAS to the minister representing the Minister for Housing:**

- (1) How many new dwellings has Homeswest constructed in Carey Park in each of the years since 1990?
- (2) How many dwellings does Homeswest currently own in the suburb?
- (3) How many dwellings can be built in the suburb through in-fill programs?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question. Please note that these figures do not include the community housing program properties -

- |     |         |         |
|-----|---------|---------|
| (1) | 1990-91 | 0 units |
|     | 1991-92 | 0 units |
|     | 1992-93 | 0 units |

That is interesting, is it not?

1993-94	19 units
1994-95	1 unit
1995-96	22 units
1996-97	18 units
1997-98	13 units
1998-99	24 units
1999-2000	25 units

Total	122 units
-------	-----------

- (2) Homeswest currently owns 234 mainstream properties in Carey Park.
- (3) In recent years the Ministry of Housing has undertaken a New Living project in the Carey Park area aimed at reducing the overall Homeswest presence to approximately 15 per cent. The project will continue for a number of years. There has been a rezoning of the area and the Ministry of Housing will be reassessing its development opportunities in the area as part of the New Living project.

#### REMAND PRISONERS, RELOCATION

#### 361. Hon MARK NEVILL to the Minister for Justice:

- (1) What progress has the minister made in relocating metropolitan male remand prisoners to Canning Vale Prison and the C.W. Campbell Remand Centre?
- (2) When will this relocation be completed?

#### Hon PETER FOSS replied:

- (1)-(2) My recollection is that we have all of the remand prisoners there at the moment. I must check that to see if I am correct, but I know that we have either completed it or are very close to completion. The remaining work to be done there really relates to extra capacity to enable some of the special units which will be put into Canning Vale, now the Hakea prison area, because it will have a new reception area and special units for special prisoners, so quite a significant amount of extra work is to be done. Two units are still to come on stream for it. As I say, I will check, but my recollection is that they have either completed the transfer of all of the remand prisoners or are very close to it.

#### DAM AT KINGFISHER PARK, NORTH YUNDERUP

#### 362. Hon J.A. COWDELL to the minister representing the Minister for Water Resources:

- (1) Who is responsible for safety aspects of the dam in Kingfisher Park, North Yunderup?
- (2) Will action be taken to fence this dam, to secure the safety of children who frequent the nearby playground?

#### Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) Kingfisher Park in North Yunderup is the responsibility of the Shire of Murray.
- (2) I would suggest that the member contact the Shire of Murray regarding safety aspects of the park.

#### RAILWAYS, NORTHERN EXTENSION

#### 363. Hon KEN TRAVERS to the Minister for Transport:

I refer to reports that the master planning for the extension of the northern suburbs railway has been delayed.

- (1) When does the minister expect that the master plan will now be completed?
- (2) When does the minister now expect the railway extension to be completed?
- (3) Will new trains need to be acquired before the extension can be opened?
- (4) If no, will the line be able to meet expected demand without any new trains?
- (5) Will the new trains have specifications different from the current stock?
- (6) If yes, what stage has planning reached and when is it expected that the first new trains will be delivered?

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

I thank the member for some notice of this question.

- (1)-(2) I anticipate having the draft by the end of this month. I expect that once I have seen the draft I will be able to answer the member's question.
- (3)-(4) This is a function of passenger demand. Operational planning is currently being undertaken to determine the rolling stock requirements to meet passenger demand.
- (5) It is more than possible that the new stock will be different in its specifications. We intend to use the most modern technology available consistent with operational requirements.
- (6) This is subject to (3).

#### JARRAH STRATEGY

#### 364. Hon CHRISTINE SHARP to the minister representing the Minister for the Environment:

In the Government's forest statement of 27 July it is said that a new jarrah strategy would be developed so that harvesting is limited to what is needed to satisfy approved uses.

- (1) Is this correct?
- (2) If yes, what current uses of jarrah are and are not approved within the meaning of the 27 July statement?
- (3) Is the supply of some 90 000 tonnes per year of jarrah logs to Simcoa Operations Pty Ltd an approved use?
- (4) When will this new jarrah strategy commence and how and by whom will it be conducted?

#### Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) In the government media statement of 27 July 1999 one of the measures to be implemented was to prepare a jarrah strategy, so that harvesting is limited to what is needed to satisfy approved uses, with the emphasis on value adding.
- (2) Jarrah logs are already processed into value-added products to satisfy present markets. The Government is committed to further increase the utilisation and value adding of jarrah logs. Strategies will be developed and identified in the proposed government jarrah strategy.
- (3) The Silicon (Kemerton) Agreement Act 1987 requires the State through the Department of Conservation and Land Management to supply jarrah of firewood quality suitable for the production of charcoal used as an agent in the manufacture of high-value silicon metal. Use of low-value residue logs to fulfil the requirements of the state agreement is an approved use. The importance of silicon production in the Bunbury area has been acknowledged by successive Governments and was recognised and protected by Parliament's approval of a state agreement.
- (4) A framework of the jarrah strategy is currently being developed. It will be released as soon as possible.

#### ONSLOW SEAWALL

#### 365. Hon TOM STEPHENS to the minister representing the Minister for Water Resources:

- (1) Will the Minister for Water Resources table the engineer's report into the Onslow seawall breached during cyclone Vance?
- (2) If not, why not, and when will he make the report public?
- (3) What steps are being taken to strengthen this wall prior to the start of the next cyclone season?

#### Hon MAX EVANS replied:

I thank the member for some notice of this question.

- (1) No.
- (2) The independent report on the drainage sump bund wall, which is located some 30 metres inland of the seawall, was prepared to assist the Water Corporation's insurers determine if there was any liability on the Water Corporation's part for salt water inundation of parts of Onslow. The report is protected by legal and professional privilege and is not a public document.

Hon Tom Stephens: Running scared!

Hon MAX EVANS: The Leader of the Opposition is turning to water; that is his trouble.

- (3) As an act of goodwill, the Water Corporation is to reinstate that section of the bund wall that was breached during cyclone Vance, before the start of the new cyclone season.

#### NATIVE TITLE, RESOURCE DEVELOPMENT PROJECTS

#### 366. Hon GREG SMITH to the Leader of the House representing the Minister for Resources Development:

How many of the 28 resource development projects that are valued at over \$100m in capital expenditure and are scheduled to come on stream over the next few years are likely to face, or are already facing, native title problems?



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

I thank the member for some notice of this question. More than half of the 28 projects have native title issues or processes which require resolution.

**EVERINGHAM STREET AND REID HIGHWAY CONNECTION****367. Hon E.R.J. DERMER to the Minister for Transport:**

I refer to the petition which I presented on 21 September 1999 in which 1 150 signatories expressed their opposition to the proposed connection of Everingham Street and Reid Highway. I refer further to the Minister's advice to the House of 23 September 1999 which states that it appears that the majority of the people support the connection. A copy of the petition and of the answer of 23 September are attached to the copy of the question that I have given to the minister. I ask -

- (1) Does the minister have evidence to substantiate that more than 1 150 people support the connection of Everingham Street and Reid Highway; and, if yes, will the minister table this evidence at the next sitting of the House?
- (2) If the minister does not have such evidence, on what basis did he assert that it appears that the majority of people support the connection of Everingham Street and Reid Highway?

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

- (1)-(2) There appears to be an ongoing campaign on Everingham Street. I took my assurances from the local council, which I visited some time last year to announce that the highway would go ahead, and it was very appreciative that the highway would go in. With regard to Everingham Street, the local council has done a lot of work on that, and the local member has done a lot of work on that. With regard to whether I have 1 150 people one way or the other, we need to make decisions on these issues, and the decision that the council has made and that a lot of the people in that area have made is that the connection of Everingham Street and Reid Highway should go ahead, so I am confident that the correct decision has been made.

The PRESIDENT: Order! Hon Giz Watson asked a question earlier during question time, and before any answer is given, I need to discuss the matter with the member. For the information of other members, the question is outside the scope of the minister's portfolio area, and I need to talk to the member about how it may be brought within the scope, so to speak. I will deal with that matter later.

---