



# **Parliamentary Debates**

**(HANSARD)**

THIRTY-FIFTH PARLIAMENT  
THIRD SESSION  
2000

LEGISLATIVE COUNCIL

Thursday, 1 June 2000

# Legislative Council

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

## **LOCAL GOVERNMENT (FUNCTIONS AND GENERAL) AMENDMENT REGULATIONS 2000 - DISALLOWANCE**

### **TOWN OF CLAREMONT LOCAL LAW RELATING TO SIGNS - DISALLOWANCE SHIRE OF DENMARK BEACHES AND RESERVES LOCAL LAWS - DISALLOWANCE**

*Notices Discharged*

**HON TOM HELM** (Mining and Pastoral) [11.02 am]: I move -

That Notices of Motion Nos 10, 12 and 13 be discharged from the Notice Paper.

I seek leave to table papers relating to the Town of Claremont local law relating to signs, and the Shire of Denmark beaches and reserves local laws.

Leave granted. [See Paper No 1022.]

The **PRESIDENT**: Does the member want to say anything more at this stage so that members are aware of the reasons for the discharge?

Hon **TOM HELM**: The papers are self-explanatory and will explain the committee's decision to discharge them from the Notice Paper.

Question put and passed.

## **FINANCE BROKING INDUSTRY IN WESTERN AUSTRALIA - APPOINTMENT OF SELECT COMMITTEE**

*Amendment to Motion*

Resumed from 31 May on the following motion moved by Hon Ken Travers -

That -

- (1) A select committee of three members shall be appointed.
- (2) The committee be appointed to inquire into and report on reasons for losses associated with the finance broking industry in Western Australia, including but not limited to:
  - (a) the statutory responsibilities relating to the finance broking industry;
  - (b) avenues for legal redress for investors;
  - (c) consideration of the adequacy of existing legislation to prevent a recurrence of the events which led to the loss by investors who relied on finance brokers.
- (3) The committee have power to send for persons, papers and records and to move from place to place.
- (4) The committee report to the House not later than 31 October 2000, and if the House do then stand adjourned the committee do deliver its report to the President who shall cause the same to be printed by authority of this order.

to which the following amendment was moved by Hon Barry House -

That, in paragraph (1) -

- (i) the word "three" be deleted and the word "six" be substituted; and
- (ii) after the word "appointed" the following words be added -

three of whom shall be members who support the Government, two of whom shall be members of the Opposition and one who is not a member who supports the Government or is a member of the Opposition

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [11.03 am]: When I was so rudely interrupted by the one-hour rule yesterday, I was explaining to the House the reasons for this amendment. I do not propose to repeat what I said other than to remind the House that the Government has put forward an amendment moved by Hon Barry House which will ensure that the proposed select committee is more representative of the views and interests of this Chamber. The Government is concerned that a select committee of the type proposed by the mover, with three members, only one of whom represents the Government, will be seen as a political exercise. The Government is concerned that any select

committee investigation of the finance broking industry which has a political agenda has the capacity to derail the legitimate and proper processes being undertaken outside the political process. The Gunning inquiry, the fraud squad and the supervisors are not political, and are seeking to do a good job on the matters relating to the finance broking industry. To add a political element now by having an Opposition-dominated committee inquiring into this matter would only politicise the process and could significantly jeopardise the work being undertaken by the Gunning inquiry.

The Government tried to get the House to delay a decision on setting up a select committee but that was not accepted. It is now taking the next step to encourage the mover of the motion to create a committee which is not seen as a political exercise, but which represents the various interests of the House. The amendment is to delete the word "three" and replace it with "six". Of the six members, three would be supporters of the Government, two would be members of the Opposition, and one would be a member from the Greens (WA) or the Australian Democrats, or an Independent. That is a fair and reasonable representation of the House, and that proportionality should also be represented on the committee. I am anxious to hear what the mover of the motion and also what the Labor Party think about this amendment. I would be disappointed if there were no response from the mover of the motion, because I am anxious to know the views of the Opposition on this amendment. He is now positioned to respond if he wishes. The amendment is a genuine attempt to ensure that anything this House does in this matter is at least not seen to be a one-sided political exercise, and that some constraints are placed on its activities to ensure that it does not get in the way of the properly constituted inquiries that are already taking place. I commend the amendment to the House and look forward to hearing that the Labor Party is prepared to support the amendment.

**HON KEN TRAVERS** (North Metropolitan) [11.08 am]: The Opposition will oppose the amendment moved by Hon Barry House. It does so for two reasons. I also make the offer to the Government that if it wants to have more than one member on the committee, the Opposition is prepared to entertain an expansion of the committee from three members to a higher number. I suggest the right balance might be five rather than six members. As to specifying from which parties the membership of the select committee should come, that should be a decision of the House. If the numbers on the floor of the House wish the Government to be given a majority, that will be a decision of the House when it votes on the membership of the committee. It should not be incorporated into the amendment.

Members on the other side have readily argued that people on this side of the House will make the select committee nothing but a political inquiry. I take a great deal of exception to that, and I challenge members on the other side who have served on committees with me to highlight instances when I have acted in a direct and openly political manner.

Let us look at the track record of members on the other side on this issue. With this amendment, they are seeking to get themselves into a position of being able to hold up the activities of the committee. If all of them voted against the select committee doing something, the committee would not be able to proceed down that path. What is the track record of members of the Government so far concerning this select committee? They have done everything in their power to avoid the issue coming to a vote in this place. We have debated this matter for a number of weeks, and we have had nothing but delaying tactics and filibuster from members on the other side. The bottom line is that the people of Western Australia want a select committee established.

Hon N.F. Moore: How do you know that?

Hon KEN TRAVERS: The Leader of the House should not worry about that. I will get to it. Just let me finish.

The first thing the people want is a proper, full judicial inquiry. I will bring to the attention of this House the very misleading evidence that the Government has put forward. I would like Hon Bruce Donaldson to tell us from where the documents he tabled last week came. Were those documents that he tabled from the Minister for Fair Trading?

Hon B.K. Donaldson interjected.

Hon KEN TRAVERS: I did not think he would want to own up to where they came from, because they contain some misleading evidence about claims that some of the investors support the Gunning inquiry. I have had the opportunity to talk to some of the people named in that document, and they are still calling for a full, open and proper judicial inquiry as their first choice. If they cannot get a judicial inquiry, their second choice is a select committee.

By its track record, this Government has shown that it will do everything in its power to try to avoid a select committee getting to the bottom of the matter, and this amendment is another attempt to do that. In this House, Hon Tom Stephens asked a question which showed that the Gunning inquiry does not have the terms of reference to enable it to go far enough. This Government does not want a select committee to go further and to investigate what has been going on. In moving this amendment, the Government wants to try take a course of action which will give its members control on the select committee so that they will be able to block evidence. If we asked ourselves who was being political in this matter, the answer would be members on the other side. They have been nothing but political in this matter. The Opposition has not done that. It wants a proper and fair inquiry. If people want to play politics, we know who they will be. Members should look at the track record: Members on the other side have been political on this issue every step of the way.

I again challenge members who have served with me on committees to give examples of when I have been political in my actions on committees. If they want me to, I am more than happy to become very political on those committees. However, I want to try to use committees to get to the bottom of a matter and to investigate the issues. I am sure that Hon Barbara Scott, with whom I have served on a select committee, would agree that we did a very good job in investigating the immunisation and vaccination of children issues. That could have become a political issue through which I could have

sought to score points off the Government. However, we got down to examining the facts and made some good recommendations that I hope the Government will adopt. I think some of the recommendations of that select committee have already been adopted. Even the last budget included references to movements in areas on which that committee took evidence. Let us look at the facts. The Government has been political in this matter. This amendment does nothing more than try to extend its attempts to control, for political purposes, what the select committee could do.

In conclusion, I make the point to the Government that if it would like to have more than one member on the committee, the Opposition is willing to compromise on that matter. The Leader of the House has already spoken, but by interjection perhaps he could indicate - we do not want another delaying speech from members on the other side - whether the Government would like to see the committee expanded to five members chosen by the House, so that the Government can have two members on the committee. The Opposition is prepared to compromise on that point. As I have said all along, we are more than happy to work with the Government in establishing a select committee with which it is happy, so long as the committee has the ability to get on, do the job and look properly into what has been going on in the finance broking sector. We do not need to delay it any longer. This has gone on for too long. The time of the House has been tied up by the speakers on the motion and on the amendment. The debate has become fairly repetitious.

With the leader returning to his seat, I again invite him to indicate to me whether the Government is asking for the numbers on the committee to be increased so that the Government would have two members, rather than one; therefore, there would be five members -

Hon N.F. Moore: We are entitled to half the membership of the committee because we have half the numbers in the House.

Hon KEN TRAVERS: Let the House decide that.

Hon N.F. Moore: That is why we have moved the amendment, and you can vote against it if you wish and demonstrate what you are on about once and for all.

Hon KEN TRAVERS: When I sit down, the Opposition will happily move an amendment to make the membership five, if the Leader of the House is indicating -

Hon N.F. Moore: Five members does not give it a balance, and you know that as well as I do.

Hon KEN TRAVERS: I have already addressed the balance issue. I am now asking the Leader of the House whether he wants five members on the committee.

Hon N.F. Moore: With five members, what do you propose the membership should be - two government members and two Labor members?

Hon KEN TRAVERS: Let the numbers in the House decide that.

Hon N.F. Moore: So you will have five nil, will you?

Hon KEN TRAVERS: No. Labor will support two members from the other side going on to that committee.

Hon N.F. Moore: What do you have in mind?

Hon KEN TRAVERS: I will vote for two members from the other side to go on to a committee of five.

Hon N.F. Moore: Two out of five - that is pretty well balanced. No wonder you cannot count, mister putative powerbroker.

The PRESIDENT: Order! Hon Ken Travers has the call.

Hon KEN TRAVERS: I quite like the term putative, after seeing one of the poor people whom the Liberals have sacked from the ABC referred to as a putative managing director. However, I have my pre-selection, so I will be around for another four or five years. I am pretty happy.

The Opposition is happy for the membership of that committee to be determined by the House. That is the easiest way to count the numbers in this place. We will put it to a vote. I welcome suggestions about who the Leader of the House wants on the committee. If it is a committee of five, when I move the motion under the standing orders to set up the committee, I undertake that there will be two members from the Government on it. At that point, if the Leader of the House wants three members out of the five, under the standing orders he is entitled to move for a third member from the Government. The will of the House will then be decided on the floor of the House according to the numbers of the House. That is how we count in this place. The Leader of the House often forgets that the numbers are determined on the floor of this House. Let it be decided at that point, not by trying to put something into the motion, which is clearly another delaying tactic and is an opportunity for the Government, not the Opposition, to play politics on this issue.

If the Leader of the House wants the Opposition to move an amendment to make the membership five, it is more than willing to do that. If he does not, we will leave the membership at three. The choice is for the Government. We hope that the Government will not continue to delay this and that it will let the will of the House determine whether this select committee is appointed. We can then get on with investigating the problems that people in the community want us to investigate because the Government has failed to have the full inquiry that it should have had on this issue from day one.

**HON PETER FOSS** (East Metropolitan - Attorney General) [11.18 am]: I think we heard the real thoughts behind Hon Ken Travers' speech when he said that the numbers will decide in the House; that is how things are decided in this House.

Hon J.A. Cowdell: Like your setting up of royal commissions on everything you like, except something that is important.

Hon N.F. Moore: Which royal commission did this House set up?

Hon J.A. Cowdell: The witch-hunt against Carmen Lawrence. It was a straight political move.

Hon N.F. Moore: Set up by this House?

Hon Ken Travers: By your Government.

Hon PETER FOSS: There is no doubt that that is the way matters are decided in this House. This place is blatantly political, but we had hoped not to dominate the committee and to have a fair representation.

Hon Ken Travers: You hoped to obstruct the committee, as you have done with this motion all the way along.

Hon PETER FOSS: If the member wants to vote on this, he should allow me to finish my fairly short speech. The longest part of my speech has been resuming after members' interruptions and replying to interjections.

This House is blatantly political but, from time to time it has been quite good at setting up committees that are capable of operating in a non-political way. The Government hoped that with this amendment the committee would properly represent the members elected to this House; that is, three committee members would represent the 17 coalition members, two would represent the Labor Party members, and one would represent the other parties. The Government did not seek to dominate it, or ask for any particular position on the committee. We want the committee to have six members because that better represents the respective positions of Labor, Greens (WA) and Australian Democrats. I urge members opposite to support this amendment.

They have not given any reason that they do not want six members. If it is because they do not want that number of members and would like a smaller number, and if they decide to defeat this amendment, why do they not move for a membership of four? That would allow two members to represent the coalition party, which makes up 50 per cent of the membership of this House, and there could be one Labor member, or even two Labor members if the Greens and Democrats agreed to that. In that way members opposite could demonstrate their good faith by not turning this into a political matter that the numbers will decide. It was a giveaway when a member opposite said that the numbers will decide the issue. If members opposite think that six members will be too many - we did not hear from them why they were against that number - and they cannot accept it, I urge them to accept a membership of four. I hope we will then have a reasonable guarantee of an apolitical committee.

#### *Amendments on the Amendment*

**HON TOM STEPHENS** (Mining and Pastoral - Leader of the Opposition) [11.23 am]: In order to provide the House with an opportunity to decide on the options canvassed, I move, on behalf of the Labor Opposition, further amendments to the amendment moved by Hon Barry House -

Line 2 - To delete the word "six" and substitute the word "five".

Line 2 - To delete all words after "substituted".

Those further amendments provide the House with the option of expanding the committee, as advocated by government members, and at the same time adopting the approach the House has regularly adopted, with very few exceptions, for select committees; that is, the committee will have an uneven number of members which will allow a clear decision making process to be put into effect. I remember well the eloquence of the Leader of the Government in arguing against evenly balanced committees in this place, when he referred to a standing committee upon which he and I once served. Regrettably, in the early stages a decision could not be made about who would chair the committee. The Leader of the Government argued eloquently, and in retrospect convincingly, the reasons a committee should have an uneven number of members. Hon Barry House: It still has the same number.

Hon TOM STEPHENS: With reference to this select committee, I advocate the arguments put to the House for all the reasons previously given by the Leader of the Government.

The PRESIDENT: I shall run through the procedure so that everybody knows exactly what we are speaking to and what will be voted on in due course. The original motion moved by Hon Ken Travers is clearly set out in today's Notice Paper. An amendment to that motion was moved by Hon Barry House, and that is clearly set out on the Notice Paper. The Leader of the Opposition has moved an amendment to the amendment as follows -

Line 2 - To Delete the word "six" and substitute the word "five".

Line 2 - To delete all words after "substituted".

Two questions need to be asked. The first question we shall deal with is that the word "six" be deleted with a view to substituting the word "five". If that is carried, it will be necessary to move to the second amendment for all words after the word "substituted" to be deleted. Clearly, if the first question is not carried, there will be no need to worry about the second question.

*Point of Order*

Hon PETER FOSS: I seek some clarification. Should the House delete the word "six", there is the question of which word will be substituted. I have suggested that the word "four" be substituted if "six" is deleted. At what stage should I raise that? When the question is whether the word "five" should be substituted, should I urge the House to defeat that with another motion to substitute "four"?

The PRESIDENT: Yes. The point at which the member should stand is while we are discussing the deletion of the word "six" with a view to substituting "five". Again, this question will require two votes. If the Attorney General is successful in substituting the word "four", which I understand is his proposal, there will be a need to ask the second question for the deletion of all words after "substituted", because they will not mean anything at that stage.

Hon PETER FOSS: It is only if the House voted to delete "six" that I would suggest that it be substituted with "four".

The PRESIDENT: Yes, that is right.

Hon PETER FOSS: I have already said that the Government is against the deletion of the word "six". That vote can be taken and if the Government is successful in defeating that, nothing more needs to happen. If the word "six" is removed, that is when I suggest that the word "four" be substituted.

The PRESIDENT: Correct. I shall ask two questions in respect of the first amendment. The first is that the word "six" be deleted and, if that is agreed to, the second is that the word "five" be substituted. The Attorney General, or anyone else, will then have an opportunity to move that another number be inserted. Depending on what happens, we will move to the second part of the Leader of the Opposition's amendment. At some stage of the game, I assume we shall have a number.

*Debate Resumed*

**HON J.A. SCOTT** (South Metropolitan) [11.29 am]: With regard to the numbers in this place, I am now in my second term in this Parliament. In my first term, under this same Government, I could not get on a committee until it reached the point at which the committee system was so overloaded because of the number of people who had resigned from committees, that the committees could not get the membership they needed. I remember the Joint Standing Committee on Delegated Legislation had some difficulty getting a quorum at its meetings. I was then allowed to go onto a non-dangerous committee.

Hon N.F. Moore: The Labor Party would not let you on. It would not classify you as part of the Opposition.

The PRESIDENT: Order! Hon Jim Scott has the call and I am trying to listen.

Hon J.A. SCOTT: I cannot recall the Government relinquishing control of any of the committees in Parliament at that time. I well recall Hon Phil Lockyer sitting there and yelling at us, "Bad luck guys, we have the numbers." That was the basis of every decision made in this place. When Hon Peter Foss gave his speech with his hands behind his back, I am sure he had his fingers crossed very firmly. I find it a little hard to believe that the arguments which have been made have been done so in seriousness. At one stage, while sitting in my office, working on other things and being thoroughly bored with the filibustering going on in this debate, I determined that I would not speak on this motion because it was a bit of a joke. Rather than turning this place into something which makes decisions, the debate was becoming a long political manoeuvre to prevent the establishment of this committee, one which will provide some scrutiny of this issue. The Government did not stick to the issue of whether this proposed select committee had a role to play; it was really playing semantics and not looking at it properly, apart from saying that a number of areas of concern which had been raised would be covered by the Gunning inquiry. During this morning's debate, I heard the Leader of the House ask who was calling for the select committee. As it happens, on my way into Parliament I was listening to talkback radio, and I heard a number of people put the proposition that a committee was required.

Hon Barry House: That is really an objective sample!

Hon J.A. SCOTT: The Leader of the House asked who was calling for it. I am just saying that I heard people calling for it. I know that sometimes political parties instigate these calls to radio stations. It appeared to me that the people who rang up had lost money in these deals and they were saying that they wanted this committee to get up. I think they were genuine. If the Government does not want to take them seriously, so be it.

Hon Peter Foss: You are the one who is delaying the vote on this.

The PRESIDENT: Order! Hon Jim Scott has the call.

Hon J.A. SCOTT: It is interesting that the Attorney General has interjected to say that I am delaying the vote. I have taken up about five minutes of this House's time so far. He and his colleagues have spent many hours and days dragging this out. The principal argument which came from the Government early on was that the important issue is getting back the money, and that the Gunning inquiry would address that problem. It is not just about getting back the money; it about ensuring this does not occur again. We should look at all players, performances and processes that have been involved in arriving at this position, right through to the very top, including the role of government in this case. The inquiry must look at how this problem occurred, the performance of the regulatory bodies, what changes need to be made to the regime and to legislation, what changes need to be made to regulatory bodies, whether a fund or insurance scheme needs to be set up to assist victims of fraud and illegality or incompetence, whether the minister has acted properly, and how he should have acted if he has

not acted properly. Any inquiry must look at the minister's procedures to see what changes need to be made at a government level to ensure those things do not occur again. That is the crux of the problem - making sure it does not happen again. From listening to the radio program, it seems that the people who had appeared before the Gunning inquiry were worried that it would not be able to address a number of their concerns.

The record of inquiries which have been set up by the Court Government is not very good. Those inquiries have had, as Hon John Cowdell has said by way of interjection, a distinct political bias about them. If members look at what has happened since the Government lost the numbers in this House, they will realise that the Government's charge about the politicisation of the committee system is a lot of nonsense because it has gone the other way. Even though the Government does not have the numbers, we now have a situation in which committees have a mixture of members; the Government has the numbers on some committees and the Opposition and minor parties have the numbers on other committees. The reality is the opposite of what speakers on the other side have said. If there is a problem with committees being politicised, the best way to get a good outcome is to balance the Government and the major opposition party by having a minor party represented on those committees. So far that record has been quite good. I ask the Government to point out one example of when that has gone wrong. I support the motion to establish a select committee.

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [11.38 am]: We are now talking about deleting the word "six" and inserting "five".

The PRESIDENT: We are deleting the word "six" for the time being. If that is agreed to, I will put the question to insert "five".

Hon N.F. MOORE: The amendment of the Leader of the Opposition is to delete the word "six".

The PRESIDENT: The Leader of the House is correct in the first instance.

Hon N.F. MOORE: His intention then is to insert the word "five". In his comments promoting the idea of having five members, he said that the Government was advocating an expansion of the size of the committee. That is not the essential reason for our asking for six members. We do not especially want to have six, 10 or 15 people on a committee; we want the committee to have a number which reflects the proportionality of the House. Six people would be the best number to reasonably reflect the proportions of the political parties in this House. If we were to have four members, we could have a situation where, as Hon Peter Foss mentioned a moment ago, the Labor Party had one member and the other Opposition parties had one member, and that would not be in proportion either.

We have argued that there should be six members, because that would give this side of the House, which has 17 members, half of the membership of the committee; it would give the Labor Party, which has 11 members, two members, which roughly represents 11 out of 34 members; and it would give the Greens, the Democrats and the Independents, who have six members, one member, or roughly one-sixth of the membership of the House. A figure of six is a pretty close approximation of the proportions of the members of the House. However, to go to five members, as proposed by the Leader of the Opposition, would remove the capacity of the House to do that. Similarly, a figure of four would also remove that capacity, and it would disadvantage the Labor Party and other minor parties if it were accepted as a principle that because we have 17 members, we should get half the members of a committee, which would mean that we would get two of those four members.

I am still trying to work out why the Leader of the Opposition wants to have five members. I am interested to know whether he believes we should have a committee that properly represents the proportions of the parties in the House, because a committee with five members would deny that basic principle. We are arguing for six not because we want more members but because we believe that is a better way to achieve a proper balance in the House. If at the end of the day we do not get six, three is probably the way to go, although we do not believe there should be a select committee at all, for all the good reasons that we have outlined over the past few weeks. I do not support the Leader of the Opposition's proposition, and we advocate and will continue to advocate that six is the proper number; and in the event we are not successful, we will continue to argue against this select committee because it is nothing but a political exercise designed to derail the Gunning inquiry.

**HON BARRY HOUSE** (South West) [11.43 am]: As the mover of the original amendment, I reject the Leader of the Opposition's proposition to change the number of members from six to five, but I welcome the fact that he has moved the amendment because it gives me another opportunity to reinforce the reasons that this committee should have six members; and obviously the Leader of the Opposition did not appreciate those reasons. A number of five does not reflect the composition of this place and does not reflect the wishes of the electorate, and it demonstrates, unfortunately, that the Leader of the Opposition's motives are purely political and not constructive.

The Government has 17 members out of 34, or 50 per cent in my book. The Labor Party has 11 members. The point was made that 12 members were elected on the Labor Party ticket at the election and that entitles the Labor Party to two members out of six. Five of the members of the other Opposition parties were elected in 1996, and we now have six; and in my book that provides a proportion of one-sixth of this House. The reasons we wanted six members in the first place are very clear, and five does not resolve the situation in any way.

It is worth repeating my experience on the Standing Committee on Public Administration. That committee works very well with six members, and it has avoided, in a very sensible and constructive way, the purely political aspects that sometimes emerge in committees. I have mentioned two reports that illustrate that clearly. The first was the report on government

outsourcing and contracting out. I have been in opposition, and I know that an Opposition can pick a particular government contract and make that very political, and that can be the motive of an Opposition at times. However, to the credit of every member of that committee, we were able to address the issues of public administration that were involved -

Hon Simon O'Brien: That was when you had a responsible Opposition.

Hon BARRY HOUSE: That was years ago. We would like to get back to that stage, but there is no fear of that with the current Opposition.

Hon J.A. Scott: Are you saying that some committees are making politically-biased reports?

Hon BARRY HOUSE: Heaven forbid that politics does come into committee work at times.

Hon J.A. Scott: Give an example.

Hon BARRY HOUSE: I am not a member of any other committee. I can speak only from my experience on the Public Administration Committee, which has a membership of six.

Hon Ken Travers: Show us a political report from a committee with an odd number of members.

Hon BARRY HOUSE: I suggest that some of the reports that have come out of the Ecologically Sustainable Development Committee have a particular political flavour.

Hon Ken Travers: And there is a minority report that disagrees.

The PRESIDENT: Order! I am trying to deal with the words to be deleted. Let us not get into a debate on other matters.

Hon BARRY HOUSE: I do not agree with the Leader of the Opposition's proposition to change the membership from six to five. Six is a far better reflection of the number of members of this House. A committee of six members does work, as I illustrated with the example of the report of the committee on government outsourcing and contracting out. The other example is the committee's report on Alcoa's Wagerup refinery. That could have become a very political exercise and could have been driven by a particular lobby group in that community or by a union that represented some of the workers at that refinery. However, to the credit of every member of the Public Administration Committee, we looked at the issue and decided that we are not chemists, forensic scientists or qualified investigators, but there must be a process within government to deal with the allegations with regard to that issue. We concentrated on how the process within government was operating and whether there were any deficiencies in that process. We then dealt with making sure that a proper process was in place, not only in that case but also for cases in the future where people might have cause for concern about industrial emissions. The Public Administration Committee has operated very successfully with a membership of six, and I suggest that a membership of five may have led to that research being done in a different way.

I agree with the Leader of the House that five members is no solution whatsoever. We want to have six members on the committee; and, if we do not get six, we should go back to three, but that will illustrate very clearly that the motives of the Leader of the Opposition are political and not genuine.

Amendment (word to be deleted) put and negatived.

*Amendment to Motion Resumed*

Amendment (word to be deleted) put and a division taken with the following result -

**Ayes (13)**

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

Hon Peter Foss  
Hon Barry House  
Hon Murray Montgomery  
Hon N.F. Moore

Hon M.D. Nixon  
Hon Simon O'Brien  
Hon B.M. Scott

Hon W.N. Stretch  
Hon Muriel Patterson  
(Teller)

**Noes (14)**

Hon Kim Chance  
Hon J.A. Cowdell  
Hon Cheryl Davenport  
Hon G.T. Giffard

Hon N.D. Griffiths  
Hon Helen Hodgson  
Hon Norm Kelly  
Hon Mark Nevill

Hon Ljiljana Ravlich  
Hon J.A. Scott  
Hon Christine Sharp  
Hon Ken Travers

Hon Giz Watson  
Hon E.R.J. Dermer  
(Teller)

**Pairs**

Hon Greg Smith  
Hon Ray Halligan  
Hon Derrick Tomlinson

Hon Tom Stephens  
Hon Tom Helm  
Hon Bob Thomas

Amendment thus negatived.

*Motion Resumed*

**HON MURRAY MONTGOMERY** (South West) [11.53 am]: Mr President -



Hon Ken Travers: I am embarrassed.

Hon MURRAY MONTGOMERY: I am pleased that the Opposition is embarrassed. Maybe it is embarrassed because it realises how political it has been. The comments of Hon Tom Stephens on the radio this morning were interesting. He said that the terms of reference of the Gunning inquiry were flawed. He implied that the political issues should be investigated, rather than the issues relating to the alleged defrauding of people in the community.

Hon Ljiljana Ravlich: You should tell the poor bloke who lost all this money that, at this stage, it is only alleged that it occurred. Give him his money back, and then he will be happy.

Hon MURRAY MONTGOMERY: The courts will decide that. I am sure that other things will happen if and when people are found guilty. Hopefully, that will occur in the near future, with the advent of the report of the Gunning inquiry. It is important that the Gunning inquiry and the other parallel inquiries taking place are not impeded by this House. Evidence gathered by a committee of this House cannot be used in a court of law. Therefore, the evidence gathered by a select committee could not be accessed by those who need it. A parallel inquiry by the Legislative Council would impede the work of not only the Gunning inquiry but also the Police Service and any liquidator or supervisor of a company. The Gunning inquiry should be allowed to continue unimpeded. A second inquiry should not take place. We must ensure that the apolitical atmosphere in which the Gunning inquiry is operating remains intact. We must avoid the possibility of this House interfering with that atmosphere by the creation of a select committee.

At the conclusion of my speech, I will move an amendment for a third paragraph to be inserted in the motion. That paragraph will ensure that the committee, during its proceedings, should avoid interfering with or obstructing any inquiry being conducted into related matters, particularly inquiries by the police, any liquidators or supervisors of companies, the Gunning inquiry, the Australian Securities and Investments Commission or any prosecution inquiries. It is important that both the older retirees and the younger investors have confidence in those inquires and that they do not have political connotations. It is also important that the Gunning inquiry's access to material is not impeded by the establishment of a select committee of this House. The inquiry being held outside this House should be continued.

Hon W.N. Stretch: It is the only one that can reach a fair conclusion.

The PRESIDENT: I want members to understand that Hon Murray Montgomery has foreshadowed an amendment, but that it has not yet been moved. I now have a copy of the amendment.

Debate adjourned, pursuant to standing orders.

## STANDING COMMITTEE ON PUBLIC ADMINISTRATION

### *Appeals and Review Processes for WA Universities - Report*

Hon Kim Chance presented the fifteenth report of the Standing Committee on Public Administration, on the appeals and review processes for Western Australian universities, and on his motion it was resolved -

That the report do lie upon the Table and be printed.

[See paper No 1023.]

## COMMITTEE REPORTS - CONSIDERATION

### *Committee*

### *Standing Committee on Ecologically Sustainable Development - Management of and Planning for the Use of State Forests in WA - The Sustainability of Current Logging Practices*

Resumed from 25 May on the following motion moved by Hon Christine Sharp -

That the report be noted.

Hon LJILJANNA RAVLICH: As the Labor Party representative on this committee, this was one of the most difficult tasks that I have faced since becoming a member of this place. I will be very honest and state that I approached this topic with a low knowledge base of logging practices in Western Australia. I had an enormous learning curve about the issues dominating the agenda in the south west of the State. The House probably did not recognise the magnitude of the task before the committee. All members of this committee were new members of this place - we had been here for approximately 18 months before the House moved that the committee look at the planning and management of state forests in Western Australia and, in particular, focus on the sustainability of current logging practices. We did not realise the magnitude of the task, so it is not surprising that the committee established the terms of reference on 22 July 1997 but did not report until 9 December 1999. The committee was charged with investigating the sustainability of current logging practices, the question of timber royalties, the Wood Chipping Industry Agreement Act 1969, the regional forest agreement process, the protection of high conservation value forests, substitution by plantation resources and employment opportunities and long-term, forest-related industry planning. The committee members were green or inexperienced in the committee process.

The other issue that confronted the committee was a number of staff changes during its deliberations. We had three or four different advisory research officers, so it was very difficult to maintain the continuity of the research. That was problematic, and Hon Mark Nevill has made some comments about the processes used. One of those AROs was very gung-ho. In our

naivete, committee members sought guidance about how to approach the questioning of the former chief executive officer of the Department of Conservation and Land Management. The committee was given advice the day before it met. It is fair to say that that advice was taken on board because the ARO had a very strong legal background. However, that gung-ho approach created problems for the committee. In its defence, when it was recommended that an alternative approach be taken and that the media be excluded - that is, it was not appropriate to make the former CEO totally punishable for enforcing government policy - the committee then erred on the side of caution and did the right thing by pulling back from the original approach put to it by the ARO. In all fairness to my former colleagues on that committee, I hope I have summarised that situation accurately.

I support the motion moved by Hon Christine Sharp. Another problem the committee confronted last year was that all of a sudden this became a very hot issue. The committee was halfway through producing a report and was suddenly juggling a political hot potato. The committee was expected to deal with some of the issues brought to the fore because of a rapid escalation in public interest. I am no longer a member of the committee.

One thing I found very disappointing was the level of mistrust within the debate, and the fact that people have such polarised views on this issue. One either loves trees and hugs them or one wants to rip them out of the earth. There does not seem to be any middle ground. People are very emotional about the issue and that is fuelled by self-interest and misinformation. There is no doubt that it has pitched individuals against one another and communities against one another and has probably pitched political parties and politicians against one another. Nevertheless, it is an issue that required open and honest public debate, and at least we have made some inroads towards that objective. Although we are a long way from having everybody satisfied on this issue, the work of the committee has been a step in the right direction.

A little later I will comment on what I saw was a real sticking point for the committee; that is, the whole question of the ministerial conditions and the circumstances under which they were framed. I will also make some points on the question of conflict. It is fair to say that when government agencies are pitched against one another, are in an enormous power struggle and are working in an environment of conflict - I refer here to the Department of Conservation and Land Management and the Environmental Protection Authority - no good can eventuate. The ministerial conditions should have been handled differently by the proponent and by the EPA. I have criticisms of the way the matter was handled by the minister, Hon Cheryl Edwardes, because it was her ministerial responsibility to pull those agencies into line and to come out with an agreed position, rather than to employ the services of Mr Michael Codd. I will comment on that in a little while, but I will give other members in this place an opportunity to make their comments.

Hon MARK NEVILL: I sat through the debate last week and did not get the call. I know the Leader of the House wants to conclude the debate on this report, so I will speak as quickly as possible and try to complete my comments, which I started some weeks ago. The committee spent a considerable time attempting to prove that CALM illegally and unilaterally let timber contracts which led to ministers being unable to implement government policies on forests. The committee report indicates that the committee spent some time discussing whether or not CALM, through the executive director, can act independently of the minister. After a long discussion of the relationship between ministers and government departments, the committee was forced to conclude that the minister has the legal power to direct the department - in this case CALM - and it is the minister, through his power to set conditions and to approve the forest management plan, who has the ultimate responsibility for the level of allowable cut and forest management practices.

It is a fantasy to suggest that a government department or agency would unilaterally allocate timber contracts without reference to the minister. This, of course, is what the more radical people in the green movement want the State to believe. The committee failed to take the opportunity to lay to rest, once and for all, this bizarre conspiracy theory. The amount of timber that is extracted from the forest is determined by the minister. Consequently, even though the executive director signs the contracts, it is the minister who determines how much wood will be contracted, because it is the minister, through the management plan, who determines the level of allowable cut. Therefore, there goes all those conspiracy theories that the green movement has mounted about CALM's capacity to do deals with the timber industry without reference to the minister.

This also destroys the proposition repeatedly made by some of the greens, and repeated in this report, that CALM cannot manage the forest appropriately because it has a vested interest in increasing the level of timber extraction from the forest. How many times does it need to be repeated that CALM does not set, nor has it set, the level of timber extraction from the forest? That appropriately has been determined by the Minister for Conservation, and in Western Australia that person has been responsible for forest management in successive Governments over at least 17 years. That minister has received a multiplicity of reports on the allowable cut from independent bodies on forest management, in addition to the advice that the minister receives from CALM. The list is as long as one's arm.

Once the level of timber extraction is set, is there anything wrong with the agency responsible for managing the forest retaining the revenue from the timber? I cannot see any real problem with that. If there were a conflict of interest there would be a problem but, as I said, CALM does not have a conflict of interest because it does not determine the allowable cut. The so-called corporate philosophy that the committee denigrates is responsible in this State for large amounts of funding being allocated to conservation, and money being allocated to particularly successful projects, such as the Western Shield program, which is truly of world significance.

The next point on which I will touch is that it has been recognised by successive ministers and successive Governments over the past almost two decades that it was necessary to progressively reduce the allowable cut of sawlogs from the forest to a level which was sustainable in the long term. It was set deliberately high when we started, and it was to drop off after

10 years. That is not an unusual situation in native forests around the world, and provided those forests are regenerated and the total yield does not exceed the total increment in timber, the forest suffers no long-term damage, and, importantly, a controlled reduction in the allowable cut allows time for communities who depend on the timber industry to avoid serious dislocation. We often hear cries for social impact studies on all sorts of changes or new projects that we propose. In this case, the social impact was taken into account during those years, and that, as I said, avoided serious social dislocation.

A controlled progressive reduction in the allowable timber cut also allows the industry to restructure and develop those new technologies that result in value adding. That is exactly what has happened in Western Australia. Over the past 15 years the timber industry has dramatically increased the level of value-added products that it produces, and that has allowed it to accommodate the reduction in allowable cut without reductions in employment. That has been achieved through that mechanism.

In its report, the committee makes considerable play of the fact that, in its opinion, a third level of sustainability, namely, ecologically sustainable forest management, has not been achieved. Like the precautionary principle, ecologically sustainable forest management is difficult to define in practice. The facts are that Western Australian forests have been managed for timber production for 150 years. No streams within the forest are saline, and there is no record of any plant or animal species becoming extinct in the forest due to timber production or prescribed burning.

Hon J.A. Scott interjected.

Hon MARK NEVILL: I have challenged the Greens (WA) to -

Hon J.A. Scott: The first study was at Kingston block not very long ago.

Hon MARK NEVILL: Can the member suggest some that have been lost?

Hon J.A. Scott: Yes - a whole range of trees and plants.

Hon MARK NEVILL: Name one.

Hon J.A. Scott: The potoroo.

The CHAIRMAN: Order! Hon Mark Nevill will address the Chair. It is not a dialogue with the Greens.

Hon MARK NEVILL: The potoroo has been named as an extinct species. I did not know that it was extinct.

Hon Barry House: Not any more.

Hon Christine Sharp: It was considered extinct but was then found at Two Peoples Bay. It was considered for several decades to be extinct.

Hon MARK NEVILL: Were there big colonies of potoroos in the south west forest?

Hon Christine Sharp: Yes.

Hon MARK NEVILL: The member has suggested one species, but the simple fact is that it is not extinct. CALM has rehabilitated populations of native marsupials in the forest, for which Hon Jim Scott has given it no credit at all.

Hon Barry House: It was due more to agriculture than anything else.

Hon Murray Montgomery: You should look at why these species became extinct, and consider the introduction of species such as foxes and feral cats which attacked them.

Hon MARK NEVILL: Hon Christine Sharp has put that forward and I will examine the distribution of the potoroo and the reasons for its decline. Was it because of forest production or prescribed burning? The jury is out on that one, and I will certainly research the matter. What has happened with species in the forest is in dramatic contrast to what has happened in other ecosystems with regard to ecologically sustainable development. When the committee looks at other ecosystems in this State, such as the agricultural region, it will find they are a long way from being managed in an ecologically sustainable manner.

Hon LJILJANNA RAVLICH: I take the opportunity to continue my remarks, particularly in relation to the ministerial conditions. One of the things the committee found particularly difficult was the lack of reliable data. Quite clearly, even where data is available, people put their own interpretation on it. Some of the recommendations made by the committee, particularly recommendations 15, 17 and 18, deal with the need to ensure that there is accurate data and that more resources are allocated to the provision of this data. In some cases the data was not available and in other cases its accuracy was disputed, as a result of the different views held by different individuals and the arguments they wanted to pursue.

Hon Mark Nevill made the point that the report is not a very good report because it lacks empirical evidence. We could discuss that point for a long time. However, where data was available, the committee certainly relied on it. It is fair to say that when individuals work on a committee, they do not base all their decisions entirely on technical and empirical evidence. Sometimes it is a case of making judgments about one's gut feeling on a particular issue. There is no doubt that that is just as valid a way of making a judgment or decision as using empirical evidence. There may be some debate about that from Hon Mark Nevill because I understand he has a scientific background. As a geologist with that scientific bent he probably relies more on empirical data.

Hon Mark Nevill: Some might say I am one of Voltaire's bastards.

Hon LJILJANNA RAVLICH: They might, but I would not. Irrespective of the extent to which the committee relied on empirical or other information, it has done a very good job with the report which deals with this complex matter.

With respect to the ministerial conditions, the minister should have seen the potential for a collision course a long time before it occurred in 1998. The conditions indicate the potential for this collision course between two government agencies. These 13 ministerial conditions were signed off on 24 December 1992. The proponent had to make a number of commitments on environmental management in order to protect the environment, and when implementing the proposal he had to fulfil those commitments and make a commitment on the issues raised in the following submission. An outline of that submission is contained in Appendix E of the report. The extent to which it occurred had to be reported, and the proponent was under a legal obligation to prepare a progress and compliance report to verify the environmental performance of the project, in consultation with the Environmental Protection Authority. It is stated in the submission that these shall include brief annual progress reports to the EPA, and major public reports in 1997 and 2002. The requirement to do these things "in consultation with the EPA" did not occur as effectively as it should have.

There was a change of government in 1993 and these ministerial conditions were seen as low priority by the minister of the day. I suggest a good minister would have had a close look at these ministerial conditions, and identified some of the weaknesses in them. The committee spent a lot of time debating the conditions, because they were very poorly worded and certainly could have provided much clearer targets and better time frames. It could have been more of an audit process, whereby targets were set and the EPA ticked them off, rather than the EPA making value judgments about the extent to which the precautionary principle had been followed by the agency. I refer to the precautionary principle, which was one of the ministerial conditions -

The proponent shall manage karri and karri-marri forest in accordance with a Precautionary Approach. This approach requires that where there is a significant risk -

The word "significant" is not defined anywhere and is open to interpretation. It continues -

that a particular forest management measure could lead to an irreversible consequence -

Again, "irreversible consequence" is not defined. It continues -

appropriate monitoring and subsequent adjustments to management within an acceptable timeframe be carried out.

That is at page 222 of the report. Quite clearly, one of the earliest requirements of the 13 ministerial conditions has an obvious difficulty. I suggest that as members go through all the other ministerial conditions, they will see that most of them have a similar difficulty. Therefore, it was not surprising that a collision course was being mapped out.

Hon Mark Nevill commented on the history of the conflict between those two agencies. I have not personally followed that history, but I believe it exists. I know that some chief executive officers, not just those in this area but generally, will jostle for positions of power, and they are capable of going to great lengths to make sure they have that power. As an example, one has only to look at the two agencies with which I have dealt - the State Supply Commission and the Department of Contract and Management Services - and what has happened in the shift of the balance of power. There is obviously a history of lack of cooperation between those two agencies, and that did not help matters at all. The fact that the Environmental Protection Authority gave an adverse report in relation to some of the ministerial conditions and the Department of Conservation and Land Management responded fairly strongly to that criticism meant that the Government had a major problem on its hands. The minister did not act efficiently on the problem that confronted her at that point. The problem could possibly have been foreseen and easily avoided had the minister paid more attention to what seemed to be a fairly minor issue in her portfolio.

Hon MARK NEVILL: I will return to the allocation of contracts for timber supplied by CALM. The Standing Committee on Ecologically Sustainable Development had to agree, although it is deeply buried in the report, that CALM is not responsible for the level of cut in the Western Australian forest. One can imagine that the committee, in keeping with the inquisitorial approach it adopted, thought it had CALM on toast when it believed it found CALM had contracted amounts of sawn timber which exceeded the allowable cut of jarrah saw logs. In fact, the committee made a gross error in its calculations which is documented in CALM's response to the committee's written questions on this issue. That letter is on page 217 of the report. Once again the committee could not admit it was wrong. It claimed that CALM did not use the correct formula for converting cubic metres to tonnes. This was despite the explanation that the CALM conversion rates were based on extensive sampling of logs throughout the forest. Instead, the committee chose to use its own conversion formula, which is shown on page 219 of the report. In the committee's wisdom, that is based on an average of figures obtained from a variety of sources, some of which related to sawn timber and not logs. Conveniently the committee used its own conversion factor to prove that CALM had acted illegally. The report also cites CALM's 1998-99 annual report which contains a graph showing that the contracted amount of timber exceeded the allowable cut. A simple inquiry to CALM would have revealed that this graph included contracted third-grade logs which, for obvious reasons, are not included in the allowable cut. The committee's report shows little evidence of objectivity or expertise in the area, with it deciding unilaterally to concoct its own formula of converting cubic metre to tonnes and misinterpreting data simply because it wanted to prove that CALM had contracted an amount of logs in excess of the allowable cuts. A statement of the committee's findings on page 68 of the report reads -

on the basis of the evidence provided to it by CALM, the contractual commitment for jarrah sawlogs exceeded the Allowable Cut for jarrah sawlogs by at least 9,000 m<sup>3</sup>/yr each year from 1994 onwards;

That is patently untrue. I assume that will remain uncorrected for some time and in future will be regurgitated as another fact about the forest. This is one of the many factual errors in the committee's report which will be used incorrectly in the future.

In winding up my remarks I could continue to go through this report and provide other samples like that, but I have already referred to a number of samples.

The report is biased. It contains serious errors of fact. Those errors of fact that I identified should be corrected. The committee has missed a golden opportunity to make a positive contribution to resolve the conflict over the management and use of our forests, which has been a running sore in our community for decades. If those ministerial conditions to which Hon Ljiljanna Ravlich referred were so poorly worded, the committee should have had a go at drafting some better-worded conditions so that we could make some progress by considering some suggested directions. We must try to find some constructive way forward.

The committee had the opportunity to consider a range of evidence and to make a balanced judgment. The report reflects the vendetta against CALM, the timber industry and those employed in it. The majority of the community will have a different view. This report is probably the major piece of work of this committee, and I doubt its value. Unless the committee can focus on problems on which it will reach a constructive consensus - there are plenty of those in the environment - it is wasting its time dealing with problems that are more perceived than real. The committee should get away from political agendas which do not do much for the committee system of this House or for finding constructive outcomes for the people of Western Australia. The majority of Western Australians will have a different view about this report.

Hon CHRISTINE SHARP: I share the concern of the Leader of the House that this debate has gone on for many weeks. I will respond in summary form to a few matters that have been raised this morning. I listened with interest to the remarks of Hon Ljiljanna Ravlich on the difficult relationship between the Environmental Protection Authority and the Department of Conservation and Land Management. She cast a valuable perspective on this debate. I note that the Bills to separate CALM which are before the House at the moment are part of that package to create separate ministries for logging and environmental protection and conservation. Separate ministries will avoid a ministerial conflict of interest, in that it is hard for a minister to deal with conflict between the respective portfolios. I am glad Hon Ljiljanna Ravlich raised that point.

The contention of Hon Mark Nevill, that setting logging levels at highly unsustainable levels in order to encourage investment is a good thing for creating a sustainable timber industry, is poor thinking. I reiterate that in years to come the work of this committee will perhaps be regarded as very beneficial to the establishment of a sustainable timber industry. Far from being an enemy of the timber industry, the work of the committee, in applying difficult or unwelcome medicine, will be regarded in many ways as a very valuable step in the industry's development.

I will also deal with a question which arose again today and which was debated earlier this week about species extinction as a result of logging. I make it clear that in both the view of the committee in this report and in my view there is no contention that any species has been made extinct by logging activity. The committee endorses the position referred to by Hon Mark Nevill; however, it is not as simple as that. The reason for raising the issue of species protection during logging requires a slightly broader perspective. Since the mid 1970s we have intensified management in native forests to include clear-felling practices. Because of that, there has been notable scientific concern that this may further accelerate extinction of species which, as has been rightly pointed out, has been far more severe on cleared land than in native forests. Nevertheless, a native forest, when one considers the far wider biological region of the south west, is a final refuge for many species, whether that be a conservation reserve or a state forest which is available for logging. That uncleared area has an extremely important regional conservation role.

I will read to the Chamber from one section of the committee's report which addresses this very well and I will expand on the concerns about biodiversity and logging. The report on page 93 reads -

The Committee is aware of the role of the forests as a refuge for flora and fauna which have disappeared from the Swan coastal plain and the agricultural region, so that over time the forest estate has become the last section of the South-West eco-system which is relatively undisturbed. Therefore the state forests play a critical role in conserving the environmental values of the large South-West bio-region. The Committee has found that there is inadequate evidence to demonstrate that clearfelling is compatible with this role. However, as Dr Michael Calver, Senior Lecturer in Biological Sciences at Murdoch University has noted:

The evidence presented to the committee by Dr Calver, one of the leading ecologists in Western Australia, is quoted in the report as follows -

*"... extinction is an end process; a process that comes at the end of a protracted period of population decline and usually a fragmentation of populations. In the 1996 edition of the Royal Society of Western Australia journal, a number of CALM scientists looking at conservation networks within south west forests make the very clear statement that the majority of forest vertebrates have undergone range declines and fragmentations in distribution within that forest area. Range declines and fragmentations of distribution are the precursors - the first step - towards an extinction within the bioregion. Therefore, the process is under way. What causes the process is more contentious and more difficult. However, it is not correct simply to focus on extinction; if we focus only on extinction, we are left with a monitoring standard that leaves us with an irreversible consequence. If the extinction has happened, it is over. It*

*is far more desirable for some sort of monitoring standard to cut in before then and provide an opportunity for recovery."*

Dr Calver is far more knowledgably and eloquently able to deal with this very complex issue of the impact of clear-felling and intensive logging methods on biodiversity than I am.

The last element I would like to raise in summary relates to Hon Mark Nevill's last allusion to the work of the committee on the conversion of logging contracts from cubic metres to tonnes. I recommend again that members who are interested in this matter refer to the report. This is a very complex issue and I believe the committee bent over backwards to explain the status of its information and to not claim any more or any less than the information that it understood had been provided to it by the Department of Conservation and Land Management.

Therefore, if members are interested in or concerned about any or all of the issues that have been raised in this very long debate, I refer them to the report, in which they will find an enormous amount of valuable material that may help them to better understand these issues.

Question put and passed.

*Standing Committee on Ecologically Sustainable Development - 1999 National Conference of Parliamentary Public Works and Environment Committees*

Hon CHRISTINE SHARP: I move -

That the report be noted.

The committee's fifth report is a very simple document. It is a record of the committee's trip to Hobart last spring to attend the annual meeting of other parliamentary environmental and public works committees. Every year in one Australian jurisdiction parliamentary committees whose work focuses on either public works or environmental matters get together to discuss the work of their different committees. It is a useful opportunity for networking and for hearing about the way in which other committees are tackling questions that are of mutual interest throughout the jurisdictions in Australia. Last year the meeting was held in Hobart, attended by two committee members, me and Hon Dexter Davies; and by two staff members, our clerk and at that time a very new advisory research officer, Ms Anne Turner, who has continued working with the committee. That trip was a very valuable experience for all members and I thank the Parliament for the opportunity to have taken it and to have gained insights into colleagues' work throughout Australia.

Question put and passed.

*Standing Committee on Legislation - Comments on the Government's Response to the Forty-eighth Report*

Hon B.K. DONALDSON: I move -

That the report be noted.

As members are aware, seldom do committees respond to comments from the Government or a minister on a report presented. However, in this case the Standing Committee on Legislation felt duty-bound to outline a number of issues. The Police Service and the minister in responding to the report read the minority report on an issue and thought its views underpinned the committee report. I refer to page 2 of the report and paragraphs 6 and 7, which deal with indictable offences. The police made the following comment on the committee report -

I am informed the type of offence and offenders from whom samples can be obtained are limited under the recommendations of the committee to indictable or serious offences (5 year sentences) only. The Police Service advise it would preferable to include all offences against the person including cases of simple assault.

The majority of the Standing Committee on Legislation agree with the Police Service. The response from the committee to the minister's comment was as follows -

The Minister's Response is incorrect. It appears to be based on the minority report which recommends that "... forensic procedures should be limited to serious offences, being offences under the law of Western Australia that are punishable by a maximum penalty of 5 or more years imprisonment": (Minority report of the Hon Giz Watson MLC, Appendix 14 - page 367 of the 48th report).

The detail of the report was well and truly discussed in the Chamber some time ago. The number of pages indicates that it was a very voluminous report. The committee's response continues -

The majority of the committee "... recommends that forensic procedures be available in respect of any indictable offence":

That point is important. Paragraph 60 on page 18 of the committee's response report refers to being able to obtain samples to build up a database. It is very important for the minister to understand this point -

The majority of the committee recommends that the power for police to conduct a forensic procedure on a person who has been convicted of an indictable offence is to apply to persons who:

- a. are currently in prison or other place of detention;

- b. are on parole or serving a suspended sentence; and
  - c. are in prison or in mental hospitals who have been found unfit to plead,
- and who have been found guilty of an indictable offence whether before or after the commencement of legislation enabling the conduct of forensic procedure on that person.

It is important to clarify that point with the Police Service. It outlines what a database is all about. The committee has not seen the Bill passed in the New South Wales Parliament which was said to be controversial. However, media comment indicates that it was very much in line with what the committee's investigations found in the UK and other jurisdictions in Australia concerning the use of deoxyribonucleic acid procedures as another investigative tool to assist police in clearing up outstanding cases.

Another important issue in the report was the number of loci or strands of DNA tested. Although members of the Legislation Committee are not forensic experts, we gleaned much information from talking to forensic science experts in laboratories in the three countries we visited and in other Australian States. The sampling of nine strands or loci of DNA, plus a sex discriminator, has been picked up as a national standard. The committee's observation was correct. Using those nine loci and a sex discriminator minimises the chance of a mismatch in forensic procedure between the crime scene sample and the person sampled. The chance of mistake under that standard is one in four billion. It is very important to raise those issues.

I have noticed media comment regarding the committee's strong recommendation for exclusionary purposes that all serving police officers and recruits have a DNA sample taken and recorded on the database. Some comment was made that serving police officers would be asked to volunteer - I assume that most would do so. Any officers recruited after the Bill is finally passed through Parliament, as we hope will occur, will be required to give a DNA sample. Recruits are required currently to give fingerprints as part of an integrity check, and I was pleased to hear a senior police officer say he believed all police officers should have a DNA sample taken.

It is important to comment on other matters, but we have debated the report at length. The Legislation Committee spent a lot of time and effort producing the report, of which it is very proud. The disappointing aspect is that legislation will not be introduced into Parliament in the autumn session; I understand it will be seen early in the spring session. The wider community is asking legislators to provide every assistance to police officers. A crime with which most people come into contact is burglary, for which the clearance rate in the UK has risen to 40 per cent compared to a previous average of 16 or 18 per cent. Burglary is the area of greatest recidivism.

It is pleasing that the use of DNA forensic procedures and profiling has enabled a number of innocent prisoners to be released. I thought recently of the Zappelli case in Geraldton 40 years ago, which would have been cleared up in three or four weeks if this profiling technology had been available. Police had crime scene samples and obvious suspects, but DNA testing was not available.

Hon W.N. Stretch: The UK just solved a 1968 case.

Hon B.K. DONALDSON: Indeed; that is one of the benefits of the process. I am a passionate believer in DNA sampling, which will eliminate more people as suspects than it will ever incriminate. That is the beauty of having a database and police using modern science. The procedure has gone ahead in leaps and bounds even in the last three years. The technology now available and the computer-based and aided forensic procedures and database are excellent. The committee was impressed by how it has rapidly developed. The Federal Bureau of Investigation forensic laboratory has state-of-the-art technologies. Samples are taken to America to assist our crime-solving effort. I doubt that we will have the opportunity to use such equipment in Australia because of the cost involved, but it is available to our Police Services by sending samples away. It is mind-boggling to see how the science has developed since Professor Alec Jeffreys identified the potential uses of DNA in 1985.

Question put and passed.

*Sitting suspended from 1.00 to 2.00 pm*

## **STANDING COMMITTEE ON LEGISLATION**

### *Electoral Amendment (Constitutional Provisions) Bill 1997, Fiftieth Report*

Hon Bruce Donaldson presented the fiftieth report of the Standing Committee on Legislation, on the Electoral Amendment (Constitutional Provisions) Bill 1997, and on his motion it was resolved -

That the report do lie upon the Table and be printed.

[See paper No 1024.]

## **WORKERS' COMPENSATION AND REHABILITATION AMENDMENT BILL 2000**

### *Report*

Report of Committee adopted.

### *Third Reading*

Bill read a third time, on motion by Hon Peter Foss (Attorney General), and returned to the Assembly with amendments.

**APPROPRIATION (CONSOLIDATED FUND) BILL (No. 3) 1999***Second Reading*

Resumed from 31 May.

**HON LJILJANNA RAVLICH** (East Metropolitan) [2.05 pm]: I welcome the opportunity to continue my remarks but must say how saddened I am that I have only five minutes left because I would like to have brought many other matters to the attention of the House relating to the appropriation for Health. The point I was making at the end of yesterday's session was that the private arrangement which the Government has entered into for the Joondalup Health Service is costing the State enormous sums of money. The amount of \$13.9m in this appropriation is testament to that.

Under the same heading another appropriation is sought for the cost of legal settlements which amounts to \$2.474m. I was making the point yesterday that the Government is wasting money on propping up the Joondalup Health Service contract while other hospitals are starved for money, in particular the King Edward Memorial Hospital for Women comes to mind. There has been much debate about the funding levels for that hospital and the impact of reductions in real funding on the health of women throughout this State. Clearly, the State is poorer for the fact that the priorities of this Government are so wrong. On the one hand, it is happy to appropriate for the cost of legal settlements in the medical area while, on the other hand, it is more than happy to throw away millions of taxpayers' dollars as a result of a poorly structured contract.

The Auditor General's report basically stated that the extent to which the Joondalup Health Service contract would deliver net benefits would depend critically on whether the department, through its management of the contract, succeeds in minimising the impact of the additional risks. Clearly, it has not done so. It would depend also on the extent to which it was able to negotiate each year substantial quantities of additional services at lower prices than the costs elsewhere. The only thing we can conclude from the \$13.9m appropriation that has been sought is that this contract is not being managed properly, and the risks are starting to kick in; indeed, they were starting to do so in the 1997-98 budget. I do not doubt very much that they will be repeated in the 1998-99 budget and will continue to be repeated over the next 20 years. This State is all the poorer for those contractual arrangements based purely on the Government's view that privatisation for its own sake is a good thing. Clearly, this appropriation illustrates that privatisation for its own sake is not good enough and will end up costing the State a substantial sum of money which could otherwise be diverted to better priorities and to areas in which there is clearly more pressing need.

Debate adjourned, on motion by Hon Muriel Patterson.

**FIRST HOME OWNER GRANT BILL 2000***Second Reading*

Resumed from 4 May.

**HON N.D. GRIFFITHS** (East Metropolitan) [2.09 pm]: The Bill has the support of the Australian Labor Party. For some it ameliorates to a degree the effects of the National Party-Liberal Party-Australian Democrats goods and services tax package. Its genesis is in the intergovernmental agreement which provided for a first home owners scheme, as the agreement puts it, to offset the impact of the introduction of the GST on States and Territories, and will assist first home buyers through the funding and administration of a new uniform first home owners scheme. That is where we come into it: This State is to assist through the funding and administration of a new uniform first home owners scheme. What is before us is not entirely the same as that which is going through other jurisdictions, and I will deal with that briefly in a few moments. I note that it has been dealt in part by a committee report.

The intergovernmental agreement was more prescriptive than that. Appendix D of the intergovernmental agreement laid down nine principles which are reflected in the legislation. The administration of the scheme will involve a cost to the State, which I am advised is estimated to be in the region of \$3.5m over four years. It has also led to a cost to the State for the marketing of the scheme. Members will have received in their electorate offices a pamphlet from the State Revenue Department and the Ministry of Housing with an accompanying letter from the Minister assisting the Treasurer. He may rue the day, but he has responsibility for the implementation of this goods and services tax, which has relevance to this Bill.

For the most part, apart from its gloss, the pamphlet encourages people to be informed of what is involved and in everyday language it advises people of what is involved. That is probably fair enough. However, it is a cost to the State. I am advised the pamphlet and other areas of expenditure for advertising this scheme have involved the budgeting of \$440 000.

The Bill has been the subject of a report to this House by the Standing Committee on Constitutional Affairs. It deals with the history of this measure and comments on a number of the clauses in the Bill. The Bill comes before this House having been through the other place and it has been dealt with by the Standing Committee on Constitutional Affairs. Therefore, my duty is very much a matter of review rather than dealing with the matter de novo. There is no point doing the job three times. That is not to say the standing committee of this House did not deal with matters appropriately and in a way that was not dealt with by the other place. I am not making an adverse criticism of either, but it is not my role to go through those matters to the degree I otherwise would.

However, I should make some observations about the Bill in general terms. The amount of \$7 000 is not means tested. I have lived through a number of first home owners schemes.

Hon N.F. Moore: How many times have you been a first home owner?



Hon N.D. GRIFFITHS: I understand the minister's colleague, the member for Alfred Cove has yet to have that experience. That could be asked about many pursuits of life. I have been a first home owner once but I have never been eligible to participate in the scheme for reasons of timing or other criteria.

Hon N.F. Moore: You are generally too wealthy.

Hon N.D. GRIFFITHS: I wish that were the case. In this case there is no means test. That is a distinction between this scheme and the scheme in place following the election of the Hawke Labor Government in 1983 which persisted until, I think, the early 1990s. Another first home owners scheme applied in the mid-1970s. It is interesting that both those previous schemes were implemented because it was perceived at the time that the housing sector needed encouragement. That is a reason this first home owners scheme is to be implemented. Like much of the economy, the housing industry will be in need of an uplift due to the deleterious effects of a number of aspects of the GST on some areas of consumer demand and business administration costs.

A number of criteria must be fulfilled to receive the grant of \$7 000. The applicant must be a natural person, an Australian citizen or permanent resident. The third criterion reads in part -

an applicant or applicant's spouse must not have received an earlier grant

I will go into committee work here, but the institution of marriage has the capacity to operate as a disqualification for a benefit from the State. By their nature, these schemes give some people benefits while other people miss out for technical reasons. I am not saying marriage is generally a technicality, but it seems to me that it is in this instance. I sometimes wonder whether these provisions are good public policy. I note observations in the committee's report and in debate elsewhere about these matters. The fourth criterion is -

applicant or applicant's spouse must not have had relevant interest in residential property

Again by being in the institute of marriage, people could miss out. The fifth criterion refers to a residence requirement. In the advertising material the minister has sent out, reference is made to the fact that a caravan would not give rise to the grant. The words are "a houseboat or caravan is not eligible". I am not sure that is entirely correct. I am sure a caravan would be eligible if the wheels were taken off and if it were a fixture and had electricity and sewerage pipes connected to it. That issue is arguable.

The commissioner will decide who gets a grant and he will authorise the payment of the grant. However, the commissioner must be satisfied that all criteria are met. The Bill provides for a delegation of the powers of a commissioner and for an objection and appellant structure.

Two matters are worthy of attention in the operations of the commissioner. The commissioner has the power to appoint an authorised investigator, but he cannot delegate the power to appoint that authorised investigator. This is probably just as well. The Bill provides for authorised investigators. However, no criteria are set out on whom or what is involved in becoming an authorised investigator. The commissioner can be an authorised investigator, and nothing prevents the commissioner appointing an authorised investigator. Under the Bill the authorised investigator has the power to carry out investigations. It is all very well saying that the Australian Taxation Office has these powers - it has been said by others that they are draconian powers sometimes - but this will be a state body and the grants are \$7 000 each and do not involve amounts that could be involved in high level corporate fraud. The provisions of the Bill suggest that this Parliament should give authorised investigators significant powers which impinge unduly on civil liberties. I make these observations in the context that my party is supporting the Bill and I also support the Bill and will vote for it in its entirety. Having said that, what is set out in the Bill on the powers of investigators goes over the top. I regret that the committee has not given this the attention that it normally does when it deals with these sorts of matters. To be fair to the committee, it has not dealt with each and every clause in the Bill, but it has dealt only in part with some of these matters.

Hon Ken Travers: In a non-political sense.

Hon N.D. GRIFFITHS: I am not knocking the committee in any way. I am aware of the huge workload that committees are given by this House. I am probably as responsible for that as any member here who has a role in referring matters to committees. I am mindful that when we refer matters to committee we should not be too critical if they do not deal with every clause in the detail that one or other of us may want. As the committee has not dealt with the clause, I am drawing the attention of the House to the fact that I do not like aspects of this Bill - notwithstanding that I support the Bill. I do not think they are healthy and should be addressed sooner rather than later.

I mention in passing clause 41, "Power to require person to attend for examination". We do not know what standing authorised investigators will have or their qualifications. They can require the production of relevant material and the answering of questions, and a penalty of \$20 000 is involved. Under clause 43, "Powers of authorised investigator on entry of premises", subclause (1)(d) provides that the authorised investigator can request the name of "any person who is on the premises". What does that mean? If I am visiting someone and I am on the premises, do I have to give my name and address? The clause provides that people must answer orally or in writing questions put by the authorised investigator. Granted that is relevant to the investigation. However, we all know that power given can be power abused. The authorised investigator can require the production of relevant material, and failure to do so has a penalty of \$20 000. It is becoming usual, I regret, for agencies to go over the top to enforce or police the Bills the Parliament sees fit to pass.

I invite members to read clause 45 that deals with the use of force. These are powers which we must deal with carefully.

I keep coming back to the point that the only safeguard is the commissioner's judgment about whom he appoints to be the authorised investigator. I do not think that is good enough. We then have the usual nonsensical provisions about self-incrimination. People must answer, even though they may be incriminated, but "they shouldn't worry, because it won't be used in evidence against them!" We all know how law enforcement authorities who abuse power operate in that regard. They say, "Tell us where the evidence is, or we will get it from somewhere else." When all is said and done, that negates the rule about self-incrimination.

I draw the attention of the House to part 4, division 1 which deals with offences. I refer to the penalties involved. This figure of \$20 000 keeps coming up. It is interesting that the penalty for the simple act of hindering which is contained in clause 48(1) is \$20 000. The clause reads -

A person who hinders or obstructs an authorised investigator in carrying out functions under this Act commits an offence.

Penalty: \$20 000.

That is a pretty wide offence. Why is Western Australia so hung up on penalties? Perhaps it needs to fill private prisons eventually? I do not know. I sought advice about the state of affairs in other jurisdictions. I mentioned earlier that these Bills are meant to be uniform under the intergovernmental agreement but are not required to be uniform for matters of administration and penalty. They certainly are not! The penalty in Western Australia is \$20 000. A letter from the acting Commissioner of State Revenue dated 30 May sets out the penalties in other jurisdictions for the same offence: Queensland \$3 000, New South Wales \$10 000, Victoria \$6 000 for a natural person and \$12 000 for a body corporate; the Australian Capital Territory - the Libs run that - \$5 000 and/or six months' imprisonment; Tasmania \$10 000; and South Australia \$5 000. There is always an exception to the argument and the penalty imposed by our friends in the Northern Territory is two years' imprisonment. Those penalties are for hindering, which is not considered to be a particularly grievous matter.

Hon Kim Chance: It can be simply walking away. We dealt with that in the School Education Bill.

Hon N.D. GRIFFITHS: It can be indeed. Although this Bill has our support, there are matters in it which are wrong. Before I conclude my remarks I draw the attention of the House to clause 67, on page 47. I have no difficulty with a standard provision in the Bill which, in the clause, states -

A person is not liable for anything that the person has, in good faith, done in the performance or purported performance of a function under this Act.

It is reasonable for public servants to have protection when carrying out their duties. However, these words in subclause (2) are offensive -

The Crown is also relieved of any liability that it might otherwise have had for another person having done anything as described in subsection (1).

The policy of the Bill is to provide for a non means-tested first home owners grant of \$7 000 on a uniform basis throughout the Commonwealth. There will be anomalies inevitably in such a scheme and there is a potential for rorting; that has been raised previously and no doubt will be again. However, the Bill's administration and offence provisions are wrong and need not have been expressed in this way. I regret they have been expressed that way and I trust the Government will reconsider them. I am not talking about the Bill being delayed; however, I trust the Government will readdress the matter urgently. If it will not, I am sure an incoming Government will rectify this Bill which, frankly, goes a little too far.

**HON HELEN HODGSON** (North Metropolitan) [2.32 pm]: The Australian Democrats will support the Bill before us today to establish this version of the first home owners scheme. Like Hon Nick Griffiths, I also worked through a number of these schemes at various stages. I first started work at the Australian Taxation Office, where I was responsible for administering at least two different versions of first home owners schemes. I appear to have been better served than Hon Nick Griffiths, or perhaps I had a lower income when I bought my first home, as I was a beneficiary under those arrangements. Home owner schemes have been around for a long time in various forms. This particular scheme, as has been pointed out, is as a result of an intergovernmental agreement to ensure the establishment of a first home owners scheme. The agreement specifically states that to offset the impact of the introduction of a GST, the States and Territories will assist first home buyers through the funding and administration of a new uniform first home owners scheme.

The appendix contained in the report of the Standing Committee on Constitutional Affairs states the principles to be enacted under this first home owners scheme. I have talked to colleagues in other States and I know that New South Wales passed the legislation a couple of days ago to establish a first home owners scheme in that State. On an examination of the principles, as the Constitutional Affairs Committee did in its report, the first home owners scheme before us is in accordance with the principles laid out in the intergovernmental agreement. However, in spite of references made to deals between the Government and the Democrats on GST, this was not our preferred proposal to assist first home owners with the GST implications of buying their first home. I refer to the minority report of the Senate Select Committee on a New Tax, the main report having been tabled in April 1999. The Democrats' recommendation in that report reads -

In respect of **housing**, the Democrats recommend that the First Home Buyers Scheme be scrapped and replaced by a scheme whereby First Home Buyers receive a 100% rebate of the GST paid on a new home . . . other home purchasers (including purchases for the purpose of rental) receive a 50% rebate, and upgrading of rental properties receive a 50% rebate on major renovations.

Those recommendations were based on a presentation to the committee by the Housing Industry Association Ltd. That was a position that the Democrats were unable to reach in negotiations subsequent to that report being tabled.

Hon Ken Travers: Was that rebate regardless of the value of the house being built?

Hon HELEN HODGSON: There was a ceiling of \$200 000 as the preferred position. However, that was based on the Housing Industry Association's suggestions at the time.

Hon Ken Travers: That would be about \$16 000 in compensation.

Hon HELEN HODGSON: I do not believe a rebate of 100 per cent of GST on a new home up to \$200 000 would be as high as \$16 000.

Hon Ken Travers: It could be up to \$20 000.

Hon HELEN HODGSON: There are offsets and so on.

Hon Ken Travers: You would take it off pensioners with the GST and give up to \$16 000 to people spending up to \$200 000 on a home? Is that the Democrats' position?

Hon HELEN HODGSON: The Democrats' position was to find a way of ensuring that first home buyers who bought homes were not disadvantaged. Very few first home buyers can afford prices of up to \$200 000, as the member will be well aware.

Hon Ken Travers: Exactly, particularly those struggling with the GST.

Hon HELEN HODGSON: The member would find that the vast majority of first home buyers would not receive any more under the Democrats' proposal as it was stated in April 1999 in the minority report. Having said that, the package before us today states that everybody, no matter how much they are spending on their home, is entitled to a flat grant. That is no more equitable than a scheme that is based on the amount they are spending on a home. Provided first home owners spend more than \$7 000, they will be entitled to a first home owners rebate of the full amount of \$7 000.

Hon N.D. Griffiths: How many homes cost less than \$7 000?

Hon HELEN HODGSON: That is something the member should ask the Government, which drafted the legislation, rather than me.

I would like to raise a point about low income earners who are purchasing their first homes. It is a bit of a side issue but I note in the second reading speech the minister said -

To reduce the effort required for a person to apply for the grant, the State Revenue Department is working with a range of financial institutions and associated providers of first home finance to allow potential applicants to apply for the grant through their financial institution at the time they seek finance.

I have some concerns about the way in which finance providers establish packages for entrance into home markets. A problem I see often is entrants into the market under schemes like this obtaining funds which become effectively the total equity in their homes. They provide a deposit, which is the \$7 000 available under the scheme, and effectively borrow the balance of the purchase price of the home. This puts them into a very problematic gearing situation in that changes to the economy may cause a rise in interest rates, or they may lose their job, so that the loan becomes less affordable, and all kinds of other impacts can occur. If the capital market for the home does not keep pace with other changes to the economy and if there was very little equity initially in the property, it can result in their losing the home and the equity in it because of the way in which the finance package was structured. That is a practical issue, not one that can be addressed by legislation. It is a problem of which we must be aware in structuring these packages. People with no equity other than the rebate could be exposed to potential financial harm and could lose what little they had to start with.

Other issues cause problems when considering this matter conceptually. Such a scheme needs starting dates, time lines, ceilings, et cetera. However, the housing market has responded to the changing economy in various ways. It depends on which analysis and financial report one reads as to how one interprets the trends in the market. I recently read the ABS statistics which indicated that housing approvals were down, with a sharp decline for the total dwelling units approved over the last five months in Western Australia. At the same time, we hear how difficult it is to get tradesmen to work on residential property, which is partly as a result of renovations and changes happening. It is not all first home owners utilising these tradesmen obviously. All these factors are driven by market trends as people try to predict what will happen to the market.

We are limiting the rebate to first home owners because they will enter the market and will be compensated for the GST payable on that home. However, the expectation with people changing houses is that the price for which they sell their existing home will increase as a result of the GST trend; consequently, they do not need compensation in purchasing their next home. Nevertheless, many of these trends have already started to happen before this scheme will take effect. It will be interesting to see the differences in house prices on 30 June and 1 July, when the legislation applies - I suspect they will not be terribly different. We cannot do anything about that aspect. The problem in dealing with such assistance is that it is dealt with in isolation from market trends. Therefore, some anomalies will arise which this scheme will not be able to correct.

I noted the Labor Party's comments about the powers in the legislation. Not long into my time in this place, people started

to speak to me about a Bill which was being promoted - namely, the taxation administration Bill - to gather together all the powers which proliferated in the taxation and revenue legislation to make them consistent, uniform and apply broadly.

Hon Peter Foss: In one place would do!

Hon HELEN HODGSON: Indeed. About three or four areas of contention arose with that taxing measure. Those areas of contention have stopped the project from going ahead. No-one has even asked me what is going on with it for about 18 months. When one piece of legislation is matched with another and one sees the anomalies, one recognises the need to bring everything together. If we must argue out or remove the contentious bits, that is fine. The profession agrees that the non-contentious issues should be dealt with globally.

Hon Peter Foss: It might be worth sending to a select committee.

Hon HELEN HODGSON: We do not have the legislation before the House for that referral.

The provisions of the First Home Owner Grant Bill seem to be consistent with the rest of Western Australian legislation. I note Hon Nick Griffith's concern about the level of penalties, which are heavier in the Bill before us than they are in the Stamp Act. Some of those anomalies need to be rectified. Nevertheless, whenever the Government introduces financial assistance-type legislation, powers are needed to ensure it is not abused and is dealt with appropriately by people who benefit from the scheme. The powers are appropriate; the question is whether they are consistent with what applies in other legislation.

A further issue arises in the legislation; namely, spouses and the exclusion of same-sex couples from the definition of spouses for the purposes of this measure. This definition is consistent with the approach taken in this State; that is, to deny equality to same sex couples. I have looked at the drafting to see whether I can correct that anomaly in this Bill. The minister happily says that cases exist in which we discriminate against heterosexual couples, and this is probably such a case: A same sex couple continues to qualify if a partner owns property, whereas a heterosexual couple does not. The problem which arises is that I cannot see a way of drafting this legislation without making some very major changes. I note that the New South Wales legislation dealt with that aspect because its anti-discrimination legislation covers same sex couples, and it referred to a definition which ensures that same sex couples are covered. We have no such definition in this State. It is hard to propose anything to the Chamber to deal with the anomaly, except to note it: Consistent with my position on anti-discrimination legislation, I am not in favour of discrimination in favour of same sex couples, just as I am not in favour of discrimination against same sex couples.

The First Home Owner Grant Bill is related to the GST legislation. The GST will remove some enormous anomalies in sales tax legislation. I now outline the chronology of sales tax on building products. In 1981, the Treasurer at the time, Mr John Howard, tried to impose a 2.5 per cent sales tax on building supplies, but this was defeated in the Senate by a combination of the Australian Democrats and the Australian Labor Party. The shadow Treasurer at the time was Mr Ralph Willis. The sales tax Bills were used as a double dissolution trigger which saw the Liberal Government defeated in 1983. In 1988, ALP Treasurer Keating extended sales tax to bathroom fittings arguing that it addressed a sales tax anomaly because some fittings were already taxed. Therefore, a sales tax on some building products was imposed by the ALP. It passed in the Senate with Liberal opposition support, although the Democrats expressed concern. In 1995, ALP Treasurer Willis extended sales tax - surprise, surprise; was he not the one who in 1981 did not want a sales tax on building products? - to all building hardware, apart from basic materials such as timber and concrete. He argued about the anomalies in the current tax situation, and the tax was extended to other hardware, including paint, nails and tiles. This created a whole new set of anomalies. A kitchen cupboard which is built off-site, transported to and installed in the building is taxed. However, it is exempt from tax if all the materials are taken to the building site and the cupboard is then constructed, which is a far less efficient means of construction. The goods and services tax will at least be uniform and address the existing anomalies in sales tax.

The specific purpose of the First Home Owner Grant Bill is to assist entrance into the housing market. The Australian Democrats support the provisions.

**HON GIZ WATSON** (North Metropolitan) [2.50 pm]: I thank the Standing Committee on Constitutional Affairs for its report, which provides a good summary of the Bill. The Greens (WA) party does not support the goods and services tax and has always vehemently opposed its introduction. I question whether \$7 000 will be enough to offset the price rises resulting from the introduction of the goods and services tax. I am not an expert in the area of finance and I think it is confusing for anybody trying to work out the full impact of the goods and services tax.

Hon Ken Travers: BIS Shrapnel said home prices would rise in this State by about \$9 000.

Hon GIZ WATSON: I was in the building industry for 12 years. The grant of \$7 000 is not a lot of money to offset the change. I am also concerned that the grant is available across the board. It should be means tested. Incomes range enormously these days. Some people can easily afford to buy a new house, even if they are not eligible for the extra assistance. Not means testing eligibility is problematic and further increases the discrepancies between the haves and the have-nots in the community. This Bill will discriminate against heterosexual couples, which is a delightful irony. It adds further weight to the argument why equal opportunity should be clearly enshrined in the issue of gay relations. Members of the gay community will quite happily accept two \$7 000 grants to purchase two homes, which is terribly unfair for the rest of the community.

The Greens (WA) party does not oppose the Bill, although it questions whether \$7 000 is enough. We also believe the grant should be means tested, rather than applied across the board.

**HON RAY HALLIGAN** (North Metropolitan) [2.54 pm]: I have only a few words to say on this legislation, as a member of the committee which looked into it. The First Home Owner Grant Bill was presented to the Standing Committee on Constitutional Affairs for investigation under Standing Order No 230. The House is aware that the standing order gives the committee very little time to look at sometimes very complex uniform legislation. In this instance, the committee and its staff have done a more than reasonable job in presenting an overview of the legislation. Previous speakers said a number of things. Hon Nick Griffiths spoke about the penalties that will be applied. The committee looked at this area. It was initially concerned with the proposed amount of \$20 000. However, it developed an argument that, although Queensland will penalise offenders only \$3 000 and other States are applying penalties of \$5 000, it would be in the interests of the unscrupulous to accept a \$7 000 grant when they would be penalised only \$3 000. The committee felt that situation would put offenders in front.

Hon N.D. Griffiths: Is this provision designed to send the unscrupulous to Queensland?

Hon RAY HALLIGAN: That is the reason the committee did not go down the path of Hon Nick Griffiths. Under those circumstances, the committee felt that \$20 000 was a reasonable penalty.

Hon Helen Hodgson spoke about a variety of issues, although I am aware the nature of the Bill provided her with that opportunity. She spoke about the effect the \$7 000 grant might have on the prospects of people buying and selling houses after 1 July. I do not think that the first home owner grant aims to achieve anything other than offering assistance to first home buyers by giving them some money to offset the additional costs that may have been placed on the homes they wish to erect or buy. Hon Helen Hodgson also mentioned market trends, and that people were trying to keep pace with what is happening and wondering what might happen. She suggested that the first home owners grant could cause a period of confusion. As I understand her argument, she said there may not be sufficient tradespeople to provide for the demand that is likely to be created by the grant as people hold back on their buying decisions before 1 July. We have heard much about the lack of tradespeople, such as bricklayers. I remember the Labor Premier, Brian Burke, in the early 1980s. A housing boom came out of the blue and created a tidal wave of opportunity. Everyone jumped on the bandwagon, wanting to build houses, only to find that it was a false situation. It was a marvellous boom. Members will recall that it occurred not only in the residential housing industry but also with commercial buildings. We had an enormous number of cranes on our skyline. That was the boom created by the then Premier. Then, of course, as happens with most booms, we had the bust. People were brought to their knees in no uncertain terms.

The committee also had some concerns about the definitions of spouse, de facto relationships and the like. It called in a number of people to explain some of those issues. Those people included officers from the State Revenue Department, the Treasury, the Ministry of Housing, the Master Builders Association and the Real Estate Institute of Western Australia. On the issue of de facto relationships and the like, members will note that appendix 2 of the report includes a document received from Treasury. Hopefully that will explain what is intended in that area.

**HON LJILJANNA RAVLICH** (East Metropolitan) [3.01 pm]: I did not intend to make a contribution to this debate, but while sitting in my office I thought it might be a good idea to do so.

Hon Simon O'Brien: In whose view was it a good idea to rock up and make a contribution?

Hon LJILJANNA RAVLICH: My own.

Hon N.F. Moore: Tell us how to avoid that in future.

Hon LJILJANNA RAVLICH: We need to return to the fundamentals of this issue. I do not think that the Federal or State Governments are working purely and simply on goodwill in delivering a \$7 000 subsidy for first home buyers through this scheme. The Federal Government has been less than honest with the States about the revenue they will receive from the Commonwealth Grants Commission under the new arrangements that will come into force with the implementation of the goods and services tax. I am amazed that the State Government has signed off on a GST arrangement that is not in the best interests of this State. Everything we have been told indicates that the Federal Government holds a very different view. This is one of the sweeteners. It is being done simply because there will be some pain, and the Federal Government is more than aware of that.

Members do not need to be Einstein to work out the immediate economic impact on first home buyers as a result of the introduction of the GST. In the past few months we have seen a gradual increase in interest rates - they have gone from about 6.5 per cent to 7.5 or 8 per cent, and even higher for fixed interest rates. No doubt that will have an adverse impact on the first home buyers' market. The inflation rate will increase greatly as a result of the implementation of the GST. The Government has projected a consumer price index increase for 2000-01 of only 3 per cent. That is a very optimistic figure; it is highly unlikely that the CPI will be running at 3 per cent. In fact, members might remember that I made a speech in this place about five months ago based on a press release from the Treasurer, who said that the immediate anticipated impact is likely to be a 5 or 6 per cent increase in the rate of inflation. The current rate of inflation is about 2.5 or 3 per cent. If we add the additional 5 percent increase that will result from implementation of the GST, we will have an inflation rate of about 7.5 or 8 per cent. That, along with other factors such as wage pressures that will result from workers wanting to secure real wages, will create a volatile economic situation, and one that is likely to generate much economic uncertainty.

In situations of economic uncertainty, rising interest rates and high inflation, people tend to think differently when making major economic decisions. The purchase of a residential property is one of the biggest economic decisions people make in their lives. One does not have to be very smart to realise why the Federal Government has gone down this path. I am

sure members opposite did not think for a moment that it would be a good thing to give all new home buyers \$7 000. I do not know how the Federal Government decided on that figure, but it did not happen as a result of treasury officers sitting around a table and deciding to do something nice for Australians, and particularly for Western Australians and first home buyers. The motivation behind this legislation is the fact that the Federal and State Governments recognised that they were heading down a rocky road with consumer confidence and it was likely to have an adverse impact on the building and construction industry. That industry is a very important entity in most States. In fact, it has an employment multiplier of six; that is, for every one job created in the industry, six other jobs are likely to be created outside it. The importance of the industry cannot be underestimated.

I have recently gone through the experience of trying to obtain the services of trades people. Finding a good trades person now is about as hard as finding a needle in a haystack. In addition, increased demand prior to the introduction of the GST has caused huge inflation in the cost of labour. I have heard that bricklayers are charging \$1 a brick. That is very high.

Hon Simon O'Brien: Are you anticipating that the cost will go down after 1 July?

Hon LJILJANNA RAVLICH: Only in the short term, because consumer confidence as a result of the factors I outlined - increasing interest rates, increasing CPI and pressure on wages - will mean that people will not be confident about job security and about being able to take out a large loan. The immediate impact will be a decline in the number of building starts. This goes to the heart of the argument about why we have this legislation in this place. It is not because the Commonwealth Government thought that it would do a nice thing by Western Australian home buyers. The Commonwealth Government foresaw that this would be a problematic area, and that in order to have the housing sector of the building and construction industry ticking along it would require incentives to get the people to continue to want to build new homes. A \$7 000 start is probably a step in the right direction.

However, having said that, I point out that the projections for the housing sector of the building and construction industry are very bleak. Massive supplies of labour are expected to be on the market, with a substantial reduction in the number of home starts following 30 June this year.

Hon Derrick Tomlinson: That is an interesting analysis, and I am not disagreeing with you. If government has provided that incentive to keep the industry ticking along, as you said, is that necessarily a bad thing?

Hon LJILJANNA RAVLICH: It is better than nothing. It is a case of the Government saying, "We are doing this because it is a fantastic thing to do." What it has not told the people of Western Australia is that it is a trade-off for the chaos it has created in the pressure on interest rates, the pressure on the consumer price index and the projected uncertainty caused by demands for increases in wages. This is a part of the goods and services tax trade-off. The Commonwealth Government knew that the GST would be problematic; therefore, it had to provide a sweetener. Part of the sweetener to the States was this first home buyers scheme.

The Government has touted that we will be better off as a result of the GST. I have spent some time going through the budget papers. I refer to the *2000-01 Economic and Fiscal Outlook* and to a table on page 8, which deals with tax reform impacts on general government finances in Western Australia. According to this document, Western Australia will be worse off by \$4.3m in the year 2000-01. According to the projection, we will be better off in 2001-02, but there is an immediate negative impact. Whether that is an accurate reflection or whether the situation will be worse, time will tell. The Commonwealth Government has been a strong advocate, naturally, of the GST, because it is of its own making, but it has neglected to tell Western Australia what some of the negative aspects of it are likely to be.

I was amazed when I looked at the economic impact, as provided by the budget papers, and noted that in the Government's projections and the major economic aggregates, it has based all its assumptions on a CPI growth of 3 per cent. If the Treasurer reckons the growth in the CPI will be 3 per cent over the next 12 months, he might as well give it away. Apart from the fact that the Federal Treasurer has reported that there will be an immediate 5 per cent impact, for a Government to make economic assumptions based on a figure which is totally inaccurate is just negligent. Wages growth is projected to be 3.5 per cent. That is optimistic in the extreme.

Hon N.D. Griffiths: I think our Treasurer relies on the Nullarbor to contain Western Australia's inflation rate.

Hon LJILJANNA RAVLICH: I think the member may well be right.

The major economic indicators are flawed. This is nothing more than the Commonwealth Government recognising that the GST will be problematic for the States, and, in desperation, it wants to find a solution to what I think will be a very big problem, particularly in the housing sector of the building and construction industry in most States. This has been cobbled together as a quick-fix sweetener. Whether it will have the desired effect, one has yet to see.

For many people, without employment confidence, it would not matter whether the Government had made this grant \$7 000 or \$10 000; the bottom line is that if a person does not have a full-time job, he cannot get the rest of the money anyway. If a person went to a bank, said that he was on a workplace agreement for two years and tried to get an \$80 000 loan, he would be pushing his luck uphill. It would be very difficult, if not impossible. Therefore, the extent to which there is a take-up of this proposed scheme will largely be impacted upon by a range of other variables, and only time will tell.

I conclude my remarks by saying that the Government has been less than honest about what has basically been the driving force for this scheme. It has by and large hoodwinked the Western Australian public. Whether it gets away with it in total will be something that history will determine in due course.

**HON KEN TRAVERS** (North Metropolitan) [3.16 pm]: As Hon Nick Griffiths indicated, the Opposition supports this Bill. I was a member of the Standing Committee on Constitutional Affairs which prepared the report on the Bill. The report contains a good outline of the Bill and of the facts. I should note that I certainly did not play politics on the committee. We dealt with the facts. However, a range of political issues go with this Bill, and it is appropriate that they be addressed in this place.

Following on what Hon Ljiljanna Ravlich said, the first matter that should be addressed goes not just to the name of the Bill but to the way the Government has tried to present the first home owner grant in Western Australia; that is, as if it is something new purely for the purposes of assisting people to purchase homes. This Bill does not seek to do that. It seeks to provide compensation for people who will be hit by the GST. That is what it does. It is not about helping people who otherwise could not purchase a home after 1 July; it is about hopefully helping those who expected to purchase a home on 1 July so that they will still be able to do so, even though we have the evil, regressive GST coming into operation in Australia. A better title for the Bill would have been the GST compensation for first home owner grant Bill, rather than the First Home Owner Grant Bill.

Hon N.D. Griffiths: Only some compensation, because it does not fully compensate.

Hon KEN TRAVERS: I certainly intend to deal with those issues later on. As this is part of uniform legislation, one need only look around Australia to see how this issue has been dealt with by the Governments in other States. This Government's press releases and advertising have been quick to highlight the fact that the Government is giving \$7 000 to first home buyers, yet the Government tries to ignore discussing the GST. I was glad that Hon Helen Hodgson moved on. At one point in her speech I thought she would not mention the GST. However, in the end she did, and I am glad that the Australian Democrats are prepared to stand by the tax that they have, jointly with the Liberal Party, inflicted upon Australians.

Hon Derrick Tomlinson: If \$7 000 is so bad, vote against the Bill.

Hon KEN TRAVERS: Let me finish my speech and the member will understand why we are supporting it.

Hon Derrick Tomlinson: Deny the first home buyers that \$7 000.

Hon KEN TRAVERS: When the Victorian Government announced the scheme in March this year, its press release stated that the first home owners legislation was to be introduced as part of GST preparations. On that day the State Government announced legislation to provide first home owners with a one-off grant of \$7 000 to offset the increased cost of homes arising from the introduction of the goods and services tax.

People listening to the propaganda coming from this Government will not believe it is the same scheme throughout Australia. Why is that? It is because this State Government is made up of Liberals, those who chose the federal Liberals and introduced this GST. The Premier has previously told the people of Western Australia that he supports the GST, and the Leader of the House has said in this place how great it will be. They do not want to be linked to the negatives.

Hon Derrick Tomlinson: Did Paul Keating say what a great thing a GST would be?

Hon KEN TRAVERS: He never introduced a Bill for it.

Hon Derrick Tomlinson: He never had the courage. Go back to the history of 1983. Go back to the tax summit.

Hon KEN TRAVERS: Everyone has the right to get it wrong sometimes, if they do not see the light.

The PRESIDENT: Order! I take my eyes off the ball for one minute, and everyone wants to grab the ball and run with it. Hon Ken Travers has the call and if he directs his comments to me, I will not interject. If Hon Derrick Tomlinson wants to talk to Hon Ken Travers, he should do it later outside the Chamber.

Hon KEN TRAVERS: I might say that it is not too late for members opposite to see the light, as Paul Keating has. At the time they were discussing the available options.

That is the first point I make on this legislation; that is, the Government is trying to avoid the fact that it is complicit in inflicting the GST on Western Australians. Hon Derrick Tomlinson earlier interjected and asked why members on this side do not intend to vote against the Bill if it is so bad. I accept that this Bill will provide compensation to some people who will be affected by the impact of the GST on housing prices. However, we need to consider not those who will be compensated, but those who will not be compensated for the impact of the GST on the housing sector.

The first group who will not be compensated are those who have previously owned a home or had an interest in a home but who, for some reason or another, are no longer in the property market. This could include people who have been in de facto relationships and whose share of the assets, when the relationship broke down, was not sufficient to allow them to remain in the property market. With the sudden increase in the price of housing on 1 July, they will be left behind in the marketplace. I am sure many women are in those circumstances and, even if they do not own a property now, they and their future partners could be ineligible for compensation because of their previous relationship. Anyone who is not in the property market on 1 July will have a good chance of slipping further behind in their ability to get back into the property market.

I base my information on a copy of a briefing note to the Minister for Housing, Hon Kim Hames, from the Ministry of Housing in June 1999. It was indicated that the grant of \$7 000 will offset the GST on a new house and land package worth

\$104 900. Anyone who buys a house and land package costing more than that, will not be fully compensated for the impact of the GST. Although consideration can be given to the BIS Shrapnel figure of \$9 000, the information to which I refer was provided by the Ministry of Housing to the Minister for Housing on the level at which this compensation peters out. Not too many new properties can be bought for \$104 900 these days, and purchasers of properties above that value will not be fully compensated. I am not sure I would go as far as Hon Helen Hodgson, who, under the Democrats' plan, wants a regressive GST which takes from the poor and gives to the rich. She wants to compensate people purchasing a home up to the value of \$200 000. Does Hon Norm Kelly believe pensioners will be better off under the GST? I am surprised; some of his federal colleagues may have it wrong but I have always found him to be a reasonable person. I do not believe the compensation package should be never ending or that the very wealthy should be compensated under this scheme, because they are already getting enough benefits from the GST, but \$104 900 is not much to pay for a new home.

The next group which will not be compensated for the impact of the GST on housing costs are those in the rental market. Again, it is clear from the briefing note provided to Minister Hames that the expectation is -

Residential rents will be exempt from GST which means that landlords cannot claim back the GST they pay on their costs such as maintenance, agents' management fees and insurance. This treatment is to ensure comparability with home owners.

Landlords can be expected to try recovering these higher costs by seeking higher rents.

That is another group that will be impacted upon and which is not compensated under the provisions of this Bill. What is the next group that misses out as a result of the GST and will not be compensated? Those who live in established homes that need maintenance or renovation. It is interesting to note from the information provided to the minister in the briefing note that -

Approximately 40% of Perth homes are more than 30 years old, many of which are in need of major maintenance or renovation.

A battler who must pay much more for everything he purchases as a result of the GST, and does not gain any benefits from the income tax cuts because he is not on a high enough income, will be impacted upon if he must carry out maintenance on his home but will not be compensated under this Bill. Yet again, the battlers are hit. What is the next group that will not be compensated as a result of the GST? I suspect it will apply to anyone who is a home buyer in two years' time. Does the Bill contain provision for indexation? No, it is \$7 000 in perpetuity. That is another area for which compensation is not provided.

What is the most insidious and nastiest feature of this Bill? Which group will really be hurt by this Bill? It is the poor unfortunate person who is a first home buyer and who will not be eligible because he has already signed a building contract. He will be hit with a double whammy. He will not get the \$7 000 compensation contained in this Bill. As people try to escape the impact of the GST on the home owner market, they will probably be paying prices that are about 8 or 10 per cent higher today than they were years ago. There are examples of people who signed contracts six or eight months ago and whose houses still have not commenced construction. With a month to go before the implementation of the GST, there is a good chance those people will be paying GST on almost the full cost of the construction of their houses. They will be hit incredibly hard as a result of the GST. They would have been eligible under the criteria for the home owner grant but they have already signed contracts.

What is even more outrageous is that the Victorian State Government, unlike this Government, has introduced special legislation to limit the ability for people to pass on the GST to first home buyers except when an appropriate clause has been included in the contract for sale. In the main, the Housing Industry Association has encouraged its members to put a similar clause in their contracts so they can pass on the GST if necessary. However, under the Western Australian legislation as it stands - the Government recently brought in a regulation to try to limit, but not totally exclude, the impact - a dodgy builder who has not started construction on 1 July but who signed a contract eight months ago does not need a contract to say that he can pass on the GST; he can just do it under the legislation. Victoria introduced special legislation to deal with these issues in the building contracts Act. We have not seen that limitation. If it is in the contract, I have no problem with the GST being passed on. If it is not in the contract, it should not be able to be passed on to an unsuspecting home owner.

The PRESIDENT: Order, members! There are seven conversations taking place. If members must talk to each other, I am sure the lobby would be a more convenient place.

Hon KEN TRAVERS: As a result of the lack of government action, a group of first home owners would have been eligible for this grant under the criteria. However, there is one reason they will not be eligible: They have already signed their contract. They will be hit the hardest because they will probably suffer a 16 per cent increase because of the GST and will get absolutely no compensation. Who else will not be compensated as a result of the GST?

Hon Ljiljanna Ravlich: Mobile home owners.

Hon KEN TRAVERS: Yes. There is a range of people.

Hon Simon O'Brien: What about established home buyers?

Hon KEN TRAVERS: Exactly.

Hon Simon O'Brien: They will get the grant. Will you mention that?



Hon KEN TRAVERS: I will get to that. I have a good head of steam up; I will keep going for a while.

Hon Simon O'Brien: I meant the content not the volume.

Hon KEN TRAVERS: Either way I have plenty left. Is there anything that members question so far?

Everyone who is on a Homeswest waiting list will suffer as a result of the passage of this Bill, which is a direct result of the GST and this Government's compliance with it. They will be waiting a little longer because, for the next four years, the Government will spend \$3.5m administering this scheme without any compensation from the Federal Government. That \$3.5m could have been used to provide assistance to first home owners and to build more properties for people who were on the Homeswest waiting list. This Government has just said, "Let's spend it on the GST and have a big party" without getting the proper compensation from the Federal Government. We often hear the Premier berate the Federal Government, but why did he not stand up for Western Australia when the intergovernmental agreement was signed, which brought this Bill into the House? Why did he not ask for compensation for the administrative costs? When it comes to the big issues, the Premier just bows and takes it from the federal Liberal Party and agrees to the aggressive taxation systems which will be inflicted upon Western Australia. The winners out of this will be his mates at the wealthy end of town. They will do well out of the GST, so the Premier does not care that Western Australia will not be compensated for administering this Bill. It will cost the Government \$3.5m over the next four years; money which could have been well spent in reducing the waiting list for Homeswest tenants and expanding the existing schemes already in place for first home buyers in Western Australia. There is a limited scheme existing in WA to assist people to buy their first home, which, as I understand it, cuts out at about \$85 000. We could have made that \$95 000 for the value of the property. Very few properties are valued at \$85 000. Even a lot of the properties in the New Living program are going for more than \$85 000. That \$3.5m could have been used to expand the current Homeswest schemes for first home buyers.

For the information of the House, first home buyers in Victoria get a 100 per cent stamp duty concession for first homes with values below \$115 000 and a tapering concession for values between \$115 000 and \$165 000. I accept that Victoria's housing prices are probably a bit higher than those in Western Australia.

Hon B.K. Donaldson: The Liberal Party did a good job of leaving that behind.

Hon KEN TRAVERS: Now a great Labor Government will take it to new heights.

Hon Peter Foss: Who has a great Labor Government?

Hon KEN TRAVERS: Victoria. This Government happily signed a deal with the Federal Government for the State to pick up the tab, without any compensation coming to Western Australia, when that \$3.5m could have been far better spent assisting more first home buyers.

Another issue we must look at when considering this Bill is who will be eligible for the grant but probably does not deserve it.

Hon N.D. Griffiths: The member for Alfred Cove.

Hon KEN TRAVERS: The member for Alfred Cove, exactly. If someone washes his own trousers, he can get a grant. The reason the member for Alfred Cove is eligible for the \$7 000 grant in this Bill - yet he has clearly had the beneficial use of property through trust arrangements for many years - is that this legislation does not look at those people who have had beneficial ownership through trusts; it looks only at those who have had direct interest in property. I understand why the legislation has been drafted in that way and the difficulties faced by the administrators of the scheme. However, I find it amazing that the GST will impact on many people's ability to enter the housing market. An important part of social inclusion is owning a home, and that affects crime and law and order. A range of people will not be eligible. However, people like the member for Alfred Cove will be able to get an extra \$7 000, and the question is do they really need that money.

The other question that is fascinating - Hon Giz Watson touched on it - is that two people who are in a heterosexual relationship will be eligible for only one grant. However, two people who are in a same-sex relationship - this is one of the few areas in which the discrimination is in their favour - will each be eligible for a grant under this Bill. It is extraordinary that while this Bill provides generous benefits for some people, many other people will miss out.

Another issue is the impact of the GST on other housing areas. I asked a question in this House the other day about this matter, and I was advised by the Government that under the new GST arrangements, the Country Housing Authority will be required to pay GST on the fee that it pays to the Ministry of Housing to provide it with administrative services. Therefore, a government agency that is providing a service to another government agency in the housing area will need to pay a fee.

The advertising campaign that is being conducted by this State Government is an absolute disgrace. That advertising campaign is clearly trying to promote this legislation as good news for first home buyers. It is not good news. It is about keeping them in their current situation in the marketplace. I guess in one sense it is good news, because they would have been well and truly shafted by the GST, and this Bill will stop them from being quite so badly shafted -

Hon E.R.J. Dermer: A lesser shaft!

Hon KEN TRAVERS: Yes. It is an interesting way of presenting good news: "I was going to punch you twice, but I am

now only going to punch you once!" The front page of the pamphlet that has been produced by the Ministry of Housing to accompany this legislation has the words "Finally, some good mail", followed by the figure "7000". The next page introduces the \$7 000 first home owners scheme. There is no mention of that scheme being compensation for the GST. The next page has a lot of small text about the proposed first home owners scheme.

Hon Ljiljanna Ravlich: Is there a picture of the Housing Minister in there?

Hon KEN TRAVERS: Surprisingly not.

Hon N.F. Moore: We have not learnt as much as you have taught us, because you were the most outrageous spenders of taxpayers' money in promoting yourselves that I have ever seen. I sat here for 10 years and watched you do it.

The PRESIDENT: Order, Hon Ken Travers! Do not interrupt the interjection.

Hon KEN TRAVERS: I was not dreaming of doing that, Mr President; it would be disorderly to interrupt the minister. We have looked at the first page, the second page and the third page. We then move to the fine print and see the magic words -

The grant will compensate for price increases associated with the introduction of the Goods and Services Tax (GST) on 1 July 2000.

The pamphlet comprises eight pages, and it is not until the fourth page that we see any mention of the nasty, evil Liberal-Democrats GST. It is an absolute disgrace that the Government has been promoting this scheme in this manner. There are times when it is appropriate for Governments to advertise, and there is a need to promote this legislation, but the absolute bottom line on which this advertising campaign should have been focused is telling people that a scheme is coming out but they should not sign anything until 1 July.

*Sitting suspended from 3.45 to 4.00 pm*

**[Questions without notice taken.]**

Hon KEN TRAVERS: Before question time, I referred to the Government's advertising campaign to promote the compensation scheme provided within this Bill. I mentioned that it was very hard to find any mention of the fact that it is a scheme for compensation for the impact of the GST.

The most important part of this advertising campaign is to make sure people are aware that the \$7 000 is available only if they sign the contract to purchase or build a home after 1 July. The advertising campaign on television and in newspapers does not get the message across in the big print, and people must read the fine print. I was brought up by my parents to read the fine print; but I am not sure everybody reads the fine print. The prime focus of this advertising campaign should not be to promote it as the good news for the battlers who will be impacted upon by the introduction of the GST that it will be death by 999 cuts instead of 1 000 cuts. In this campaign people should be made aware that they should not enter into a binding contract before 1 July. I am very concerned that the Government has spent \$440 000 promoting this Bill, but that message has not been clearly conveyed to the lucky people who could be eligible for compensation.

It gets worse. My father had a saying that if the boss steals from the business, the staff will steal from the business. He was a chartered accountant, so I am sure Hon Max Evans will also have heard that saying. The analogy I draw is that when the Government gets its advertising campaign wrong, misses the point and uses the legislation as a good news story, it leads others in the community to do the same thing. Last Friday I was in my local bank -

Hon B.K. Donaldson: Where did you find your local bank - in Kalgoorlie?

Hon KEN TRAVERS: I agree it is getting a lot tougher to find a local branch of the bank under a Liberal Government. I congratulate the local authorities in the North Metropolitan Region - the Town of Vincent and the City of Bayswater - for trying to get local banks back into their areas through campaigns for community banks. It has all the hallmarks of a good Labor initiative.

The PRESIDENT: Order! Let us return to the Bill before the member is diverted again.

Hon KEN TRAVERS: I apologise for being distracted on that point. I was in my local bank last Friday and I saw an advertising pamphlet which relates to this legislation. It told first home buyers to start house hunting sooner and to ask the bank how to get \$7 000 towards a deposit. On the other side of the pamphlet was the following -

With our new First Home Buyers' package, we'll help you use the Government's \$7,000\* Grant towards your deposit.

If you qualify for the Grant, we'll collect it for you and handle the paperwork. Which means you can probably stop saving for a deposit and start house hunting this weekend.

My note of caution to anyone who picks up that pamphlet is that they may start house hunting but they should not sign on the bottom line. That is not clear in the pamphlet or advertisement released by that bank. I am trying to contact the bank to point out my concern with this advertising campaign. The advertising also does not mention that the Bill has yet to be passed by this Parliament, although I anticipate that it will. At least Homeswest has that disclaimer in its advertising. I am very concerned that the correct message is not being conveyed to the community.

Yesterday I was contacted by a media outlet which had received reports that real estate agents are encouraging people to sign up to purchase homes, and saying they will be eligible for the grant under this Bill. That is clearly not the case, and I sheet home the problem to the Government's advertising campaign. It did not get it right and in those circumstances, it is hard to expect the private sector to do the right and proper thing. I repeat my father's saying that if the boss steals from the business, the staff will steal from the business. If the Government gets it wrong, the private sector will get it wrong also. Between now and 1 July this Government should clearly warn people that they are eligible for this compensation for the impact of the GST only if they sign their contract after 1 July. I hope we all do what we can to ensure that message gets through and that people are not hit with the double whammy of having to pay higher prices because of the GST and not being eligible for this compensation package.

I hope that we do not have to go into Committee, and that the minister handling this Bill can give us some explanation of why this Government still has a policy of discriminating against homosexual people and why that discrimination is giving them a benefit in this case. When will this Government start to treat people in same-sex relationships in the same way as the rest of us? Under this Bill they will get an advantage, but I am sure people in same-sex relationships would be happy to forgo the advantages in this Bill if they were treated equally in all other forms of government legislation and in the way Governments deal with them. The Government could make a good start on that by bringing on Hon Helen Hodgson's Bill.

I would like to hear from the Government what it will do to assist the many people who will not be compensated for the impacts of the GST and who will be worse off in the housing market as a result of the regressive taxation reform for Australia brought about by the Liberals and the Australian Democrats. Why, when the Government claims to be the great defender of state rights, did it go to Canberra and sign off on a package that will cost it \$3.5m, which will come out of the state budget and which could have been used to help first home buyers or to reduce the waiting list for state housing. Why did it not fight for the battlers in Western Australia against its aggressive masters in Canberra? What will the Government do to ensure the proper and detailed promotion of the advertising campaign for this scheme, its impacts and people's eligibility for it.

This is one of the first Bills we have dealt with in this House which gives us the opportunity to look at the impacts the GST will have on Western Australian families, particularly people on lower incomes. This package will give some respite from it. However, in one month we will have not an unchaining, but a dropping of a large weight onto the heads of battlers in Western Australia. They will suffer severely. I appreciate that this Bill is a very modest compensation package for a limited group of first home buyers. However, they will be hit from many other directions as a result of what this State Government and its federal cronies are inflicting upon Western Australians. We support the Bill because it will go some way towards addressing the inequities. However, we recognise that the taxation reform which Australia will face in one month will cause great damage, and I expect it will damage the housing market. Some time in the next year we will see a massive decline in the number of houses being built, major impacts on the building industry and lots of job losses. It will not be good for Australia. This Bill will provide a modest compensation. I urge the minister to respond to the points I made earlier.

**HON PETER FOSS** (East Metropolitan - Attorney General) [4.44 pm]: I thank all members for their enthusiastic support of this Bill. I particularly thank Hon Nick Griffiths for his useful comments about some of the more concerning aspects of the Bill. I thank Hon Helen Hodgson for pointing out a good reason the GST should be universal in its application rather than have these unfortunate possibilities for some form of inconsistency. I thank Hon Ken Travers for his suggestion about the legal advice we should be giving to the members of the public and for his commendation of the advertising campaign. I cannot remember what Hon Ljiljanna Ravlich said, because I find it difficult to follow anything which is entirely monotonous. I thank all members for their kind contributions and support of the Bill. I commend the Bill to the House.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and passed.

## **PLANT PESTS AND DISEASES (ERADICATION FUNDS) AMENDMENT BILL 2000**

### *Second Reading*

Resumed from 4 May.

**HON KIM CHANCE** (Agricultural) [4.46 pm]: This Bill could not be described as extensive; indeed, it merely extends the operation of the Act from 2000 to 2002. The only comment I will make about that change, apart from indicating our wholehearted support for it, is that it seems a shame that we did not take the opportunity to extend it for five years rather than for two. However, we are happy to support that. I am sure there is a reason for the two-year extension; indeed, that is referred to in the second reading speech. There is also a comment in the second reading speech which may give some guidance on that. In part it says -

In time, the Act will require amendments to guarantee compliance with national competition policy and the Constitution, -

I imagine that reference to the Constitution is a reference to the almost recent High Court decision which had an impact on these matters -

- and to improve its administrative efficiency. These amendments cannot be achieved prior to the scheduled expiry of the Act on 31 October 2000, and I seek to extend this Act for two years.

Notwithstanding the need for review, it seems that the increased certainty of a five-year extension probably would have been appreciated. I have no more to say other than to recognise, as we have done in the past when this Bill has been in this place, the superb efforts which have been made by Agriculture Protection Board personnel and the contractors and volunteers who have worked in this field.

One of the key aspects of this Bill is skeleton weed control, although it has a broader application. When skeleton weed first became evident in Western Australia, we were told that we had no hope whatsoever of controlling that scourge and that it would soon overrun Western Australia. Due to the efforts of farmers, farm volunteers, contractors and Agriculture Western Australia personnel, that weed is still well and truly controlled. Sadly, we cannot say it has been eradicated. In recognising those superb efforts by the industry and all of those people, the Australian Labor Party indicates its wholehearted support for the Bill.

**HON M.J. CRIDDLE** (Agricultural - Minister for Transport) [4.50 pm]: I thank the members of the other parties for their support for the Plant Pests and Diseases (Eradication Funds) Amendment Bill. The industry has indicated at meetings at Moora, Merredin and Narembeen that it is keen for this Bill to go ahead. Scientific and operational reviews are in place to look at future mechanisms. Skeleton weed finds have increased from about 360 hectares in 1990-91 to 1 060 hectares in 1999-2000, and the number of properties has increased from 200 to 550. However, as Hon Kim Chance said, an enormous amount of work has been put into containing the spread of skeleton weed. I was on the original skeleton weed committee five years ago which put this practice in place. I thank members for their support for the Bill and commend it to the House.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate, and passed.

### ADJOURNMENT OF THE HOUSE

#### *Special*

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [4.52 pm]: I move -

That the House at its rising adjourn until Tuesday, 20 June 2000.

I thank members for their cooperation over the past few days in ensuring that the legislative program is moved along quickly. A number of Bills need to be passed by 30 June, and I am anxious to achieve that within the sitting time frame that has been made available to members. I thank members for their cooperation and assistance in ensuring that this week has been very productive in progressing the legislative program.

Question put and passed.

*House adjourned at 4.53 pm*

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**QUESTIONS ON NOTICE**

Questions and answers are as supplied to Hansard.

**GOVERNMENT DEPARTMENTS AND AGENCIES, STAFF NUMBERS**

1418. Hon LJILJANNA RAVLICH to the Minister for Sport and Recreation:

For each department or agency under the Minister's direction as at March 1 2000 -

- (1) How many staff are employed in total and at each level?
- (2) How many permanent staff are employed?
- (3) How many non-permanent staff are employed?
- (4) How many substantive positions are vacant?
- (5) How many substantive positions are filled in an acting capacity?
- (6) How many substantive positions have been filled in an acting capacity for longer than three months?

Hon N.F. MOORE replied:

**MINISTRY OF SPORT AND RECREATION**

|     |           |     |
|-----|-----------|-----|
| (1) | Level 1   | 22  |
|     | Level 2   | 30  |
|     | Level 2/4 | 7   |
|     | Level 3   | 15  |
|     | Level 4   | 10  |
|     | Level 5   | 25  |
|     | Level 6   | 13  |
|     | Level 7   | 4   |
|     | Level 8   | 2   |
|     | Level 9   | 3   |
|     | Group 1   | 1   |
|     | Total     | 132 |

- (2) 61
- (3) 71
- (4) 19
- (5) 16
- (6) 16

**RECREATION CAMPS AND RESERVE BOARD**

|     |  |    |
|-----|--|----|
| (1) | General classifications (cleaner, gardener etc.) | 19 |
|     | Level 1  | 1  |
|     | Level 2  | 3  |
|     | Level 4  | 2  |
|     | Level 5  | 3  |
|     | Total  | 28 |

- (2) 8
- (3) 20
- (4) 1
- (5) 1
- (6) Nil.

**WESTERN AUSTRALIAN INSTITUTE OF SPORT**

|     |          |    |
|-----|----------|----|
| (1) | Level 10 | 2  |
|     | Level 9  | 1  |
|     | Level 8  | 3  |
|     | Level 7  | 5  |
|     | Level 6  | 18 |
|     | Level 5  | 8  |
|     | Level 4  | 2  |
|     | Level 3  | 2  |
|     | Level 2  | 3  |
|     | Level 1  | 1  |
|     | Total    | 45 |

- Note: (1) These are WAIS Salary levels, not Public Sector levels.  
 (2) In addition to the 45 full time staff, there are 21 casual employees.

- (2) 45
- (3) 1
- (4) 1
- (5) 1
- (6) Nil.

#### WESTERN AUSTRALIAN SPORTS CENTRE TRUST

- |     |         |     |
|-----|---------|-----|
| (1) | Level 6 | 7   |
|     | Level 5 | 3   |
|     | Level 4 | 7   |
|     | Level 3 | 9   |
|     | Level 2 | 17  |
|     | Level 1 | 67  |
|     | Total   | 110 |

Note: Levels refer to WA Sports Centre Trust Enterprise Agreement and Workplace Agreement.

- (2) 98
- (3) 13 fixed term.
- (4) 16
- (5) 5
- (6) 5

#### GOVERNMENT CONTRACTS, TENDERS, COSTS AND COMPLETION DATES

1551. Hon KEN TRAVERS to the Minister for Sport and Recreation:

- (1) In 1998/99 what contracts did Government departments and agencies under the Minister's control award to -
  - (a) O'Keefe & Gee;
  - (b) Picton Press;
  - (c) Frank Daniels;
  - (d) Vanguard Press;
  - (e) Advance Press;
  - (f) Muhlins Print; and
  - (g) Lamb Print?
- (2) For each contract, what was -
  - (a) the original tender cost;
  - (b) the actual final cost;
  - (c) the award date; and
  - (d) the completion date?
- (3) For each contract, how many companies tendered for the contract?

Hon N.F. MOORE replied:

Ministry of Sport and Recreation  
Recreation Camps and Reserves Board

- |     |     |  |         |
|-----|-----|--|---------|
| (1) | (a) | O'Keefe and Gee                                      |         |
|     |     | Trailswest newsletter & brochures for conference     | \$4,279 |
|     |     | Trailswest registration brochure                     | \$989   |
|     |     | Orientation Seminar flyers                           |         |
|     |     | A seminar to promote the sport & recreation industry | \$178   |
|     |     | Careers in Sport and Recreation:                     |         |
|     |     | Poster   | \$1098  |
|     |     | Brochure   | \$623   |
|     |     | Book   | \$4800  |
|     |     | Trailswest newsletter                                | \$1095  |
|     |     | WA Sport and Recreation directory                    |         |
|     |     | Industry resource + contact reference (annual)       | \$8185  |
|     |     | Focus Paper – Recreation Planning                    |         |
|     |     | Facilities reference series                          | \$428   |
|     |     | How to books – Consultancy and Management Plan       |         |
|     |     | Reprint from How to Kit series                       | \$1858  |
|     |     | Leisure Management Series brochure                   |         |
|     |     | Seminar information brochure                         | \$459   |
|     |     | Alcoa CIR brochure                                   |         |
|     |     | International connection                             | \$618   |
|     |     | Sport and Recreation Awards                          |         |
|     |     | Advance flyers                                       | \$454   |
|     |     | Focus Paper – Water Treatment Part A + B             |         |

|     |   |        |
|-----|---|--------|
|     | Facilities reference series             | \$1419 |
|     | Officials scholarship flyer             | \$245  |
|     | CSRFF:                                  |        |
|     | booklet                                 | \$2418 |
|     | brochure                                | \$734  |
|     | application form                        | \$873  |
|     | Sport and Recreation Awards:            |        |
|     | folders                                 | \$1182 |
|     | folder inserts                          | \$1118 |
| (b) | Picton Press - Aim for the Top booklets | \$3516 |
| (c) | Frank Daniels - Not applicable.         |        |
| (d) | Vanguard Press - Not applicable.        |        |
| (e) | Advance Press - Not applicable.         |        |
| (f) | Muhlings Print - Not applicable.        |        |
| (g) | Lamb Print                              |        |
|     | Adolescents & Sport (reprints)          |        |
|     | folders & inserts                       | \$2222 |
|     | full report                             | \$924  |

- (2) (a)-(b) The final tender costs for all print jobs (as listed above) were consistent with the original tender quotes.  
(c)-(d) All printing jobs were completed within the Ministry of Sport & Recreation's time requirements.
- (3) In all cases three companies tendered for the contract.

Western Australian Sports Centre Trust  
Western Australian Institute of Sport

- (1) No contracts were awarded to the companies listed in (a)-(f).  
(2)-(3) Not applicable.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, TELECOMMUNICATIONS EXPENDITURE

1720. Hon E.R.J. DERMER to the Minister for Mines:

For each of the Government agencies for which the Minister has Ministerial responsibility -

- (1) What was the total recurrent expenditure on telecommunications in the 1998/99 financial year?
- (2) What was the total capital expenditure on telecommunications in the 1998/99 financial year?
- (3) What is the total estimated recurrent expenditure on telecommunications in the 1999/2000 financial year?
- (4) What is the total estimated capital expenditure on telecommunications in the 1999/2000 financial year?
- (5) What was the total recurrent expenditure on information technology in the 1998/99 financial year?
- (6) What was the total capital expenditure on information technology in the 1998/99 financial year?
- (7) What is the total estimated recurrent expenditure on information technology in the 1999/2000 financial year?
- (8) What is the total estimated capital expenditure on information technology in the 1999/2000 financial year?

Hon N.F. MOORE replied:

Department of Minerals and Energy:

- (1) \$672 000
- (2) Nil.
- (3) \$682 000
- (4) \$50 000
- (5) The total recurrent expenditure incurred by the Information Services Branch, including Contracting Services: \$4 304 429  
Other Divisions: \$1 660 478  
Total \$5 964 907
- (6) The total capital expenditure incurred by the Information Services Branch, including Contracting Services: \$124 571  
Other Divisions: \$548 557  
Total \$673 128

- (7) The total estimated recurrent expenditure for the Information Services Branch, including Contracting  
 Services: \$5 245 410  
 Other Divisions: \$1 321 702  
 Total \$6 567 112
- (8) The total estimated capital expenditure for the Information Services Branch, including Contracting  
 Services: \$60 590  
 Other Divisions: \$613 415  
 Total \$674 005

Coal Industry Superannuation Board:

- (1) \$2 909  
 (2) Nil.  
 (3) \$3 000  
 (4) Nil.  
 (5) \$11 615  
 (6) Nil.  
 (7) \$13 200  
 (8) \$6 000.

GOVERNMENT DEPARTMENTS AND AGENCIES, TELECOMMUNICATIONS EXPENDITURE

1721. Hon E.R.J. DERMER to the Minister for Sport and Recreation:

For each of the Government agencies for which the Minister has Ministerial responsibility -

- (1) What was the total recurrent expenditure on telecommunications in the 1998/99 financial year?  
 (2) What was the total capital expenditure on telecommunications in the 1998/99 financial year?  
 (3) What is the total estimated recurrent expenditure on telecommunications in the 1999/2000 financial year?  
 (4) What is the total estimated capital expenditure on telecommunications in the 1999/2000 financial year?  
 (5) What was the total recurrent expenditure on information technology in the 1998/99 financial year?  
 (6) What was the total capital expenditure on information technology in the 1998/99 financial year?  
 (7) What is the total estimated recurrent expenditure on information technology in the 1999/2000 financial year?  
 (8) What is the total estimated capital expenditure on information technology in the 1999/2000 financial year?

Hon N.F. MOORE replied:

Ministry of Sport and Recreation

- (1) \$139,790  
 (2) \$7,750  
 (3) \$133,500  
 (4) \$4,048  
 (5) \$223,825  
 (6) \$84,856  
 (7) \$546,960  
 (8) \$245,000

Recreation Camps and Reserves Board

- (1) \$37,096  
 (2) \$1,300  
 (3) \$32,650  
 (4) Nil.  
 (5) \$18,000



- (6) \$18,000
- (7) \$63,908
- (8) Nil.

Western Australian Boxing Commission

- (1)-(8) Nil.

Western Australian Institute of Sport

- (1) \$39,395
- (2) Nil.
- (3) \$40,000
- (4) Nil.
- (5) \$25,449
- (6) \$35,000
- (7) \$15,103
- (8) \$20,000

Western Australian Sports Centre Trust

- (1) \$101,457
- (2) Nil.
- (3) \$114,339
- (4) \$26,009
- (5) \$43,456
- (6) \$113,795
- (7) \$83,665
- (8) \$115,000

#### PROSPECTING LICENCE 26/1832, CLEARING

1752. Hon TOM HELM to the Minister for Mines:

I refer to question on notice number 906 of November 11 1999 and the Minister for Mines' answers -

- (1) Can the Minister state how much area in hectares and square metres was the area cleared of vegetation outside of Hampton Location 203 by the operator, Kalgoorlie Consolidated Gold Mines Pty Ltd, on Prospecting Licence 26/1832?
- (2) If not, why not?
- (3) Did the department receive a notice of intent from the holder/operator of Prospecting Licence 26/1832 seeking written approval from the department or the District Mining Engineer to operate a bulldozer, front end loader and large dump trucks to clear vegetation and remove a large amount of earth soil, rock and topsoil specifically outside the boundary of Hampton Location 203 but still located on P26/1832?
- (4) If not, why not?

Hon N.F. MOORE replied:

- (1)-(2) Approximately 5 hectares (5,000 sq m).
- (3)-(4) No. The Department did however receive a request from Kalgoorlie Consolidated Gold Mines in April 1995 to excavate and bury old buildings and rubbish from Hampton Location 203 in a 250 sq m hole on Prospecting Licence 26/1832. District Mining Engineer approval to the request was given in May 1995.

The 1995 approval did not cover the extent of the clean up work undertaken in 1999. The case was referred to the Crown Solicitor's Office for determination as to whether the actions of the Company constituted a breach of the conditions of grant and Regulation 14 of the Mining Regulations 1981 and whether on the evidence provided prosecution action should be commenced.

Advice from the Crown Solicitor's Office was that in the circumstances of this case where the activities were undertaken only for environmental and rehabilitation purposes, forfeiture proceedings should not be instigated.

## MINING LEASES 26/131, 26/261 AND 26/353, BREACHES OF CONDITIONS

1754. Hon TOM HELM to the Minister for Mines:

I refer to question on notice numbers 903 and 905 of November 11 1999 -

- (1) Can the Minister advise what was the “outcome of the Crown Solicitor’s office advice by letter dated December 6 1999”?
- (2) If not, why not?
- (3) Will the Minister thoroughly ensure that Normandy Mining Limited and Homestake Gold of Australia with the manager/operator Kalgoorlie Consolidated Gold Mines Pty Ltd (KCGM) is prosecuted for breaching section 20(5) of the *Mining Act 1978* should any further incidents occur on Mining Lease 26/353, Mining Lease 26/261, Mining Lease 26/131 and any other tenements which are managed by KCGM particularly given that there has been complaints made, the companies concerned should by now be very aware of its obligations under the *Mining Act 1978* and section 20(5)?
- (4) If not, why not?
- (5) Has the Minister or his department advised KCGM and the owners of the M26/353 to refrain from conducting any activity associated with its mining operations that is not authorised for the purposes section 20(5)?
- (6) If yes, can the Minister indicate on what date this was done?

Hon N.F. MOORE replied:

- (1) The advice from the Crown Solicitor’s Office (dated 4 November 1999) was that the activities alleged by Mr B. Hounslow to be in contravention of section 20(5) do not amount to offences liable to prosecution pursuant to section 154 of the Mining Act, but may amount to unauthorised mining activity which may be the subject of a prosecution pursuant to section 155. In this regard the advice went on further to the effect that the conduct complained of did not in the circumstances justify prosecution.
- (2) Not applicable.
- (3)-(4) The decision to prosecute any further incidents on tenements managed by Kalgoorlie Consolidated Gold Mines, or any other tenement holder for that matter, depends on the circumstances involved and evidence of the alleged breach.
- (5)-(6) KCGM was advised on 6 December 1999 to refrain from conducting any activity associated with its mining operations that is not authorised for the purposes of section 20(5) of the Mining Act.

## PROSPECTING LICENCE 26/2469, CORNER PEGS

1756. Hon TOM HELM to the Minister for Mines:

I refer to question on notice number 842 of October 27 1999 and the Minister for Mines’ answers provided -

- (1) Can the Minister explain why the “... corner pegs of Prospecting Licence 26/2469 can be inside or outside of late Miscellaneous Licence 26/35”?
- (2) If not, why not?
- (3) Can the Minister explain why “The area available to be granted is limited to that area marked out which is within the boundaries of Miscellaneous licence 26/35”?
- (4) If not, why not?

Hon N.F. MOORE replied:

- (1)-(2) Regardless of whether all or some of the corner pegs of application for Prospecting Licence 26/2469 are inside or outside of late Miscellaneous Licence 26/35, the land available for the application is limited to that land which previously formed part of Miscellaneous Licence 26/35 and is within the external boundaries of the application.
- (3)-(4) At the time of marking out of application for Prospecting Licence 26/2469 the only land open for mining was the land within former Miscellaneous Licence 26/35 because the surrounding land was held under granted prospecting licences.

## GORDON REID FOUNDATION, CHAIRMAN

1857. Hon J.A. SCOTT to the Minister for Racing and Gaming:

- (1) Does the Gordon Reid Foundation currently have a Chairman?
- (2) If not, how long has the foundation been without a Chairman?
- (3) When will the Minister appoint a new Chairman?
- (4) Has the foundation made grants to any groups while there has been no Chairman?

- (5) What is the number and value of funding grant applications from groups currently before the foundation?

Hon N.F. MOORE replied:

- (1) There are four funding programs provided by the Lotteries Commission which come under the title of the Gordon Reid Foundations – Gordon Reid Foundation for Access to the Performing Arts; Gordon Reid Foundation for Youth; Gordon Reid Foundation for Recreation for People With Disabilities; and Conservation. The Lotteries Commission has a number of other funding programs, some of which also have specialist advisory committees, but are not given the title of Gordon Reid Foundations.

The Gordon Reid Foundations were established by the Lotteries Commission in 1991 to provide specialist advice to the Board of the Lotteries Commission in the respective areas, and were named in honour of the late Governor Professor Gordon Reid. By convention, until recently members of the Board of the Lotteries Commission chaired the Gordon Reid Foundation advisory committees.

In the last twelve months, the Lotteries Commission has been reviewing the operation of its various advisory committees, including those known as the Gordon Reid Foundations. While the funding programs continue, the roles and structure of the advisory committees have changed. Not all of them have a chairman who is a Lotteries Commission Board member. The funding programs continue their operation with advice being made to the Board of the Lotteries Commission through the normal grants advisory processes. The staff of the Lotteries Commission undertake the normal grants assessment processes with advice from the advisory committees, and provide reports and recommendations to the Lotteries Commission Board. The Board makes the final decision on the recommendations to be provided to the Minister, as is required under the Lotteries Commission Act 1990 [as amended]. Under the Act these recommendations are then provided to the Minister for final approval.

- (2) See above.

The Gordon Reid Foundation for Recreation for People With Disabilities was reviewed in December 1998, and a decision taken to convene a reference group of experts from the disability field annually to assist in policy development for funding decisions. This committee no longer has a chairman.

The Gordon Reid Foundation for Access to the Performing Arts was reviewed early in 2000, and a decision taken to operate the funding program with a reference group similar to that of the disability program.

The Gordon Reid Foundation for Conservation – the chairman completed his term on completion of his term as a member of the Lotteries Commission Board on 25 March 2000.

The Gordon Reid Foundation for Youth - the chairman completed her term on completion of her term as a member of the Lotteries Commission Board on 25 March 2000.

These two funding programs will continue, and arrangements for the management of their funding processes will be made shortly by the Lotteries Commission Board.

- (3) The Minister has no role in the appointment of members of the Lotteries Commission advisory committees, including those known as the Gordon Reid Foundations. The decisions about the operations of the advisory committees, including the appointment of a chair, is an administrative matter for the Board of the Lotteries Commission.
- (4) The Gordon Reid Foundations and the various other advisory committees have recommended a number of grants in the last year (see response to question (1) above) which have been recommended by the Board of the Lotteries Commission and approved by the Minister.
- (5) There are 51 applications to the value of \$1,074,794 currently being assessed by the four Gordon Reid Foundations.

#### GOVERNMENT DEPARTMENTS AND AGENCIES, RELOCATION OF OFFICES FROM CARNARVON

1982. Hon TOM STEPHENS to the Minister for Mines:

- (1) Have any Agencies under the Minister's control relocated their offices from Carnarvon to other major town centres since 1993?
- (2) If yes, which agency has relocated?
- (3) To which town has the agency relocated?
- (4) What was the cost of the relocation?
- (5) What was the basis for the decision to relocate?

Hon N.F. MOORE replied:

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

## GOVERNMENT DEPARTMENTS AND AGENCIES, RELOCATION OF OFFICES FROM CARNARVON

1999. Hon TOM STEPHENS to the Leader of the House representing the Minister for Youth:

- (1) Have any Agencies under the Minister for Youth's control relocated their offices from Carnarvon to other major town centres since 1993?
- (2) If yes, which agency has relocated?
- (3) To which town has the agency relocated?
- (4) What was the cost of the relocation?
- (5) What was the basis for the decision to relocate?

Hon N.F. MOORE replied:

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

## GOVERNMENT DEPARTMENTS AND AGENCIES, LEASES FOR PHOTOCOPIERS AND FACSIMILE MACHINES

2055. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Youth:

For each agency under the Minister for Youth's control -

- (1) Does the agency have contracts to lease photocopiers or facsimile machines under any of the following volume based agreements -
  - (a) Ricoh - Blue-chip;
  - (b) Konica - Fivestar;
  - (c) Toshiba - Platinum; or
  - (d) Abacus - Copyclub?
- (2) If yes, how many photocopiers or facsimile machines does the agency have?
- (3) With which organization does it have a contract?
- (4) When did the agency enter into this contract?
- (5) What has been the total cost of each contract to date?
- (6) When is the contract due to expire?

Hon N.F. MOORE replied:

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

## GOVERNMENT DEPARTMENTS AND AGENCIES, EX GRACIA OR ONE-OFF PAYMENTS

2099. Hon LJILJANNA RAVLICH to the Leader of the House representing the Minister for Youth:

For each agency under the Minister for Youth's control -

- (1) Has the Minister approved any *ex-gratia* or one off payments in the years -
  - (a) 1998/99; or
  - (b) 1999/2000?
- (2) If yes, how much was the payment for?
- (3) What was the purpose of the payment?

Hon N.F. MOORE replied:

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

## QUESTIONS WITHOUT NOTICE

## DRABBLE, MR ROSS, EMPLOYING BODY

**Hon M.J. CRIDDLE:** I would like to correct a misunderstanding in regard to the employment of Mr Ross Drabble. I indicated yesterday in reply to question 1205 that Mr Drabble was employed by the Ministry of the Premier and Cabinet. Mr Drabble is employed by the Public Sector Management Office. He has never been employed by the Ministry of the Premier and Cabinet. He is currently working within the Transport Department.

OAKAJEE, PORT DEVELOPMENT

**1223. Hon TOM STEPHENS to the Minister for Transport:**

- (1) Has Cabinet decided to build a publicly owned and operated port at Oakajee?
- (2) If so, what is the anticipated cost of the project and when is construction expected to commence?
- (3) Why has the Government apparently dropped its previous support for private port development at Oakajee?
- (4) Was the minister at the Cabinet meeting and did he give his support to the project?

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

Obviously I am not going to give an indication of conversations that have gone on in Cabinet. I will be very interested to see the developments that go ahead in that area.

POLICE, GERALDTON COMMAND CENTRE

**1224. Hon TOM STEPHENS to the Attorney General representing the Minister for Police:**

Yesterday it was revealed that there exists a preferred option to create one new police command centre, possibly in Geraldton, for the entire northern and central-eastern regions.

- (1) Will the minister confirm that this option will see the closure of police command centres and the withdrawal of support staff in Kalgoorlie-Boulder and Port Hedland?
- (2) What loss of personnel will occur in Port Hedland -

It seems to me that when the minister closes his file it is always futile for me to persist with my question.

The PRESIDENT: Does the minister have an answer?

Hon PETER FOSS: I have just been advised to ask that the question be put on notice.

The PRESIDENT: The problem I have now is that half the question is in *Hansard*. If the question can be finished so that it makes sense in *Hansard*, it can then be put on notice. Order, members! This is a pretty serious time. I can understand why the Leader of the Opposition made his comment. I am trying to rectify the book, so to speak.

Hon TOM STEPHENS: What loss of personnel will occur in Port Hedland and Kalgoorlie to facilitate this change?

It was going to be a five-part question but I will make it only a two-part question in view of the circumstances. I commend to ministers the same process and courtesy that the Leader of the House extended to me today when he told me that answers were not available for questions, so I did not proceed with them.

The PRESIDENT: The Attorney General has asked the Leader of the Opposition to put the question on notice and that is where that question is now.

COMMUNITY DISABILITY HOUSING PROGRAM, APPLICATIONS

**1225. Hon N.D. GRIFFITHS to the minister representing the Minister for Housing:**

I refer to the 1998-99 annual report of Homeswest, now the Ministry of Housing, and in particular, to page 48 which reported on the Community Disability Housing Program, and ask -

- (1) How many applications have been -
  - (a) made; and
  - (b) approvedunder this program since 1 November 1999?
- (2) Of the applications granted, in which suburbs have houses been acquired or constructed?
- (3) Is it true that a number of applications for this type of housing have been rejected on the grounds that they are in Liberal-held electorates considered to be at electoral risk?
- (4) If not, how many houses have been purchased under this program since 1 November 1999 in Liberal-held electorates considered to be at electoral risk?

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

I thank the member for some notice of this question.

- (1) All applications for assistance under the community disability housing program are on a referral basis from the Health Department of Western Australia and the Disability Services Commission. These agencies identify the level of priority and need of the client. Approval is automatic if a referral is made. To date in 1999-2000 the Ministry of Housing has provided 75 units of accommodation under the program.

- (2) Accommodation is provided throughout the metropolitan area. The location of accommodation is based on the needs of the client as identified by the referring agency. Each request to purchase is assessed on its individual merit with factors including price, amenity level, standard of the property, location of service and facilities, the ministry's overall presence in the area, specific needs and the suitability of the property for the individual client and the demographic of the area. For example, youth housing will not be placed in a predominantly seniors environment.
- (3) No.
- (4) The decision to proceed with purchase of the property is made purely on the factors outlined above and the location of a property in particular electorates is not a factor. If the Ministry of Housing decides not to proceed with the purchase of a specific property, the purchase will be replaced through the purchase of an alternative property or the use of a property from the ministry's existing rental stock.

#### OMEX SITE, AIR EMISSION ACTION LEVELS

#### 1226. Hon J.A. SCOTT to the Attorney General representing the Minister for the Environment:

Air emissions in excess of action levels occurred at the Omex site for 11 days during the period 8 May 2000 to 23 May 2000.

- (1) Why did the minister permit the air emission action levels to continue to be exceeded at the Omex site during this period?
- (2)
  - (a) Does the emergency response plan appendix 5, 1.5.5 of the public and occupational health and safety procedure for the Omex remediation include action to be undertaken in the event of air emissions exceeding action levels?
  - (b) Were all procedures adhered to during the above dates when emission action levels were exceeded and, if not, which procedures were not adhered to and why were they not adhered to?
- (3) Does the minister consider that the remediation of the Omex site has not been managed in accordance with the environmental management plan prepared by Thiess Environmental and, if not, why not?

#### Hon PETER FOSS replied:

I thank the member for some notice of this question. Providing the information in the time required was not possible and I request that the member place the question on notice.

Mr President, I now have an answer to the question asked earlier by the Leader of the Opposition.

The PRESIDENT: My understanding is that it is a five-part question and I need the Leader of the Opposition to read the five parts. If the minister has the answer, he can reply now.

#### POLICE, GERALDTON COMMAND CENTRE

#### 1227. Hon TOM STEPHENS to the Attorney General representing the Minister for Police:

Yesterday it was revealed that there is a preferred option to create one new police command centre, possibly in Geraldton, for the entire northern and central-eastern regions.

- (1) Will the minister confirm that this option will mean the closure of police command centres and the withdrawal of support staff in Kalgoorlie-Boulder and Port Hedland?
- (2) What loss of personnel will occur in Port Hedland and Kalgoorlie to facilitate this change?
- (3) Is this the preferred option of the Government?
- (4) Does the minister recognise that this proposed change to the police structure and presence in Kalgoorlie and Port Hedland represents a decrease in police services in those regions and, if not, why not?
- (5) Will the minister guarantee that there will be no amalgamation of the vast northern and central-eastern regions into a single north-east region and, if not, why not?

#### Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1)-(5) The boundary review of the Western Australia Police Service is currently with executive command. Shortly, the recommendations of the working party on the boundary review will be released for comment, both within the WA Police Service and to external stakeholders. Written comment will be requested. The Commissioner of Police will then give consideration to comments and make a decision on how any restructure will be put in place to improve service delivery to the community of Western Australia.

## WEST COAST COLLEGE, FUNDING FOR PART-TIME STUDENTS

**1228. Hon HELEN HODGSON to the Leader of the House representing the Minister for Employment and Training:**

- (1) Has the Department of Training and Employment cut funding to allow for part-time students at the West Coast College of TAFE in Carine?
- (2) Which courses are to be cut?
- (3) Why has funding ceased?
- (4) When will part-time students be required to cease attending classes at the college?
- (5) What options have been given to students to complete their courses?
- (6) What will the department do to facilitate students who are not able to travel the distances to other TAFE colleges to complete their courses?

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

I thank the member for some notice of this question.

Under the state training strategy endorsed by the State Training Board, a plan for art and design in the vocational education and training sector was developed to address a previous lack of focus in the provision for these disciplines, as identified in the Hough report. The State Training Board endorsed the plan for art and design to address the fact that the publicly funded effort was inflated by a proportion of delivery with a significant recreational component and as there was a disproportionately high level of effort in the visual and performing arts, which inhibited the capacity to provide for areas of emerging or sizeable employment. The plan effected the consolidation required within a coherent view of the longer-term direction for training in the visual and performing arts and was based on the following principles -

consolidation of training in the metropolitan area around the Western Australian School of Art, Design and Media as a critical mass and centre of excellence, housed in new purpose-built facilities;

consolidation of delivery with a discernible vocational outcome and a shift of delivery with a significant recreational content to a user-pays basis;

maintenance of delivery for Aboriginal students as a pathway to further education and to employment; and

continued provision for access to art in the non-metropolitan regions.

- (1) The Department of Training and Employment has not cut the funding allocated in 2000. The department has reduced funding for art courses at the West Coast College over the past three years to facilitate an increased number of courses at the newly established facilities at the School of Art, Design and Media at Perth Metropolitan College of TAFE. The funding allocation at West Coast College is for training per se with a component for part time. The amount of part-time places varies dependent upon the number of full-time students. West Coast College will continue to offer a number of art and design courses, in support of the "for excellence" in the outer northern metropolitan regions.
- (2) Due to current full-time numbers and expected attrition rate in the second semester, it is anticipated that there will be very limited part-time positions available at the West Coast College in the Certificate of Art and Design and the Advanced Certificate of Art and Design. There will also be a reduced number of part-time places available in the Advanced Diploma in Art (Visual Art and Studio Marketing).
- (3) Funding has not ceased but is restricted to a predetermined level which has been exceeded to respond to demand in first semester.
- (4) Part-time classes are scheduled to cease on Friday, 23 June 2000.
- (5) The first option for students wishing to continue in the second semester is to be placed in courses operating at either central TAFE or Midland College of TAFE. West Coast College will offer places in courses for those students who are unable to gain a position at central TAFE. However, the range of modules available will be reduced.
- (6) Central TAFE offers better transport options than the Carine campus as it is located close to the train station and provides for parking close to the campus.

## SCHOOLS, PHOTOCOPYING AND FACSIMILE EQUIPMENT

**1229. Hon LJILJANNA RAVLICH to the parliamentary secretary representing the Minister for Education**

- (1) Has any principal or representative of any school written to the minister in the past three years to complain about volume-based agreements for the lease of photocopying or facsimile equipment?
- (2) If so, when was the correspondence received?

(3) What was the nature of the complaint?

(4) What follow-up action was taken?

**Hon BARRY HOUSE replied:**

I thank the member for some notice of this question.

(1)-(4) A search of ministerial and departmental records has not produced any such correspondence.

#### BUNBURY BACK BEACH, GROYNES

**1230. Hon MURIEL PATTERSON to the Leader of the House representing Minister for Regional Development:**

Can the minister confirm that the construction of three groynes on the Bunbury Back Beach will be going ahead; if so, where will the groynes be located and when will the project be completed?

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

I thank the member for some notice of this question.

Yes. The construction of three groynes as part of the Bunbury coastal enhancement project will be going ahead. The location of the three groynes will be between Symmons and Wellington Streets; Scott and Baldock Streets; and Baldock Street and Stockley Road. The estimated completion time for the complete project, including all civil works, is September 2001.

#### NESS, MR GAVIN, CONTRACT

**1231. Hon G.T. GIFFARD to the minister representing the Minister for Works:**

I refer to contracts for the conduct of funerals of indigent persons in country areas recently awarded to Gavin Ness.

During the period 5 April 2000 to 24 May 2000 -

(1) How many funerals were performed under all of these contracts?

(2) Who performed those funerals?

(3) If it was not Mr Ness -

(a) who was it;

(b) if subcontractors were used, was prior written approval of Family and Children's Services sought in relation to the use of subcontractors;

(b) was prior written approval of Family and Children's Services given for the use of subcontractors; and

(d) if so, will the minister table copies of these approvals; and, if not, why not?

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

I thank the member for some notice of this question.

(1)-(3) The funerals are allocated to contractors by Family and Children's Services. The minister has been informed by the Department of Contract and Management Services that the contractor, Gavin Ness, has advised that there have been no funeral services performed by him under this contract in the period specified.

#### DJIDI-DJIDI ABORIGINAL SCHOOL, BUNBURY

**1232. Hon J.A. COWDELL to the parliamentary secretary representing the Minister for Education:**

(1) Will the Djidi-Djidi Aboriginal School in Bunbury be expanded to increase the number of Aboriginal students attending?

(2) Has any limitation been put on the school's expansion; if so, why?

**Hon BARRY HOUSE replied:**

I thank the member for some notice of this question about an excellent little school in our electorate.

(1)-(2) The Minister for Education visited the Djidi-Djidi Aboriginal School earlier this year and met with the principal and members of the school's advisory board. While in Bunbury he also met with council representatives and discussed the future of the school. The Djidi-Djidi Aboriginal School caters mainly for kindergarten to year 2 students, with a small number of children in years 3 and 4 also attending. The total enrolment is 84 students.

As numbers have grown the school has become cramped. It is currently situated in Kelly Reserve on Bunbury City Council land. The Education Department is working with council representatives to find an appropriate long-term site for the school. Senior representatives of the Education Department will travel to Bunbury in early June to discuss possible alternatives. It is anticipated that a decision about the location of the school will be made later



this year. The Education Department intends to resolve the issue of the school's location before entering into discussions over possible expansion.

#### AGRICULTURE WA, METARHIZIUM

**1233. Hon CHRISTINE SHARP to the minister representing the Minister for Primary Industry:**

Has Agriculture Western Australia investigated use of the mycoinsecticide, metarhizium, for the control of locusts in the anticipated locust plague this season in the agricultural region; if so, will it be used; if not, why not?

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

I do not have an answer to that question.

#### BUS FLEET, USE OF CNG

**1234. Hon NORM KELLY to the Minister for Transport:**

- (1) Is the minister aware from today's alternative fuel grants announcement by the Federal Government and the Australian Democrats that the price of compressed natural gas will drop by approximately 25 per cent for buses in the metropolitan area?
- (2) Is the minister aware that this program will also fund 50 per cent of the cost of converting buses to gas or the extra cost of new gas buses?
- (3) What is the total number of buses in the metropolitan fleet?
- (4) How many buses in Perth's metropolitan fleet currently run on -
  - (a) CNG; and
  - (b) liquefied petroleum gas?
- (5) In the light of today's announcement, will the minister ensure there is a review of the Government's policy of having a fleet based on diesel-powered buses?

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

I thank the member for some notice of this question.

- (1) I am aware of the proposal to broaden the diesel and alternative fuels grants scheme to include buses of between 4.5 and 20 tonnes gross vehicle mass operating in the metropolitan area on environmentally friendly fuels and effectively reducing the cost of natural gas. The actual cost of natural gas will increase with the addition of the goods and services tax, but the effective cost of their operating on the fuel will reduce as a result of the rebate.
- (2) I am aware of the alternative fuels conversion program and have forwarded a submission to the Australian Greenhouse Office to access this funding source for further purchases of natural gas buses.
- (3) 929.
- (4)
  - (a) 52 buses operating on CNG.
  - (b) Two buses operating on LPG.
- (5) The purchasing arrangements currently in place through the Bus Purchasing and Supply Agreement with DaimlerChrysler already provides for the ongoing review of emerging technology and associated operating costs including the most appropriate fuel type for the Transperth bus fleet. The purchase of further natural gas buses referred to in (2) is part of that ongoing review process.

#### GRAHAM FARMER FREEWAY, FOOTBRIDGE

**1235. Hon CHERYL DAVENPORT to the Minister for Transport:**

I refer to the new footbridge across the Graham Farmer Freeway between Claisebrook and City Farm.

- (1) By what date will the new footbridge be completed?
- (2) What was the cost of the new footbridge?
- (3) Which government department or agency has funded its construction?

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

I thank the member for some notice of this question. The answers are as of 23 May.

- (1) The bridge is due to be opened this week - it will have been opened by now.
- (2) The cost for the design and construction was \$6 570 963. Investigations into alternative alignments cost an additional \$128 301. Some additional costs may be incurred in finalising the project.
- (3) The construction was funded by Main Roads, the Department of Transport and Westrail.

## ALBANY PORT AUTHORITY, INTEGRATED PORT LABOUR FORCE

**1236. Hon KIM CHANCE to the Minister for Transport:**

I refer to the recent decision by the Albany Port Authority to dismantle the integrated port labour force and to contract out all tasks previously performed by the integrated port labour force.

- (1) What analysis was performed to justify this decision?
- (2) Who undertook that analysis?
- (3) Will the minister table that analysis; and, if not, why not?
- (4) What involvement did the minister have in the decision?

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

I thank the member for some notice of this question.

- (1) Full operation and financial analysis of port activities.
- (2) Arthur Andersen and internal assessment.
- (3) No. This information is commercially sensitive and disclosure would jeopardise the outsourcing process.
- (4) Under the Port Authorities Act, the decision is at the discretion of the board; however, I have been kept informed of the process.

## STURT CREEK BRIDGE, TANAMI ROAD

**1237. Hon MARK NEVILL to the Minister for Transport:**

Has the minister followed up the need for the construction of a bridge over Sturt Creek on the Tanami road, which after about six months is now open to four-wheel drive vehicles, and is the minister now in a position to announce the start of construction?

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

Everybody would know that conditions in that area have been difficult for some time now. Some review has been made of the roads in that area. I am not in a position to announce a date at this time. I will follow up on the issue.

Hon Tom Stephens: You spent it all on the footbridge across the Graham Farmer Freeway.

Hon M.J. CRIDDLE: The area the member represents has got a lot more out of this Government than the Labor Party ever dreamt of delivering.

## UNDERWOOD AVENUE BUSHLAND

**1238. Hon GIZ WATSON to the Attorney General representing the Minister for the Environment:**

With regard to the area of bushland adjacent to Underwood Avenue which is owned by the University of Western Australia and is under threat of clearing, I ask -

- (1) Is this bushland listed under Bushplan?
- (2) Has a flora survey of this bushland been carried out?
- (3) If yes to (2), what was the result of that survey, and who carried it out?
- (4) If no to (2), will a survey be carried out before any clearing is approved?

**Hon PETER FOSS replied:**

I thank the member for some notice of this question.

- (1) Yes, this bushland is listed under Perth's Bushplan as Bushplan Site 119 Underwood Avenue Bushland, Shenton Park.
- (2) Yes, a flora survey of this bushland has been carried out.
- (3) The eastern half of the survey was carried out by Alan Tingay and Associates during January 1998, and the western half in July 1998. It is reported in Environmental Assessment Lot 2103 Underwood Avenue, Shenton Park, dated February 1999. The bushland was considered both locally and regionally significant. The survey identified a total of 96 species of vascular plants at the site, of which 80 were native species. No declared rare flora were located during the survey. One priority 3 species, *Jacksonia sericea*, endemic to the Perth metropolitan region, was located. Three vegetation associations were identified. The vegetation condition of the area was found to be variable and ranged from very good to completely degraded. Several areas of jarrah and banksia woodlands were identified as being in good to very good condition.
- (4) Not applicable.

POWER LINES, VINCENT STREET, NORTH PERTH

**1239. Hon KEN TRAVERS to the minister representing the Minister for Energy:**

I refer to the relocation of major power lines in Vincent Street North Perth, along the Olympic torch relay route, opposite Beatty Park.

- (1) Can the minister confirm that local residents were asked by the police to evacuate their homes on 31 May due to the impending collapse of a pole due to associated new pole work by Western Power or contractors?
- (2) Will the minister urgently consider undergrounding these lines as has been done in St Georges Terrace or relocating a new pole between the verge of Cleaver and Florence Streets to the existing pole on the Florence Street corner?

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

I thank the member for some notice of this question.

- (1) Yes. The pole in question was a 66 kilovolt transmission pole which showed evidence of having been hit by a vehicle and was subsequently unstable. The area was evacuated as a safety precaution while repair work was undertaken.
- (2) The line mentioned is a transmission line which is due to be relocated in two or three months. However, a distribution line is also connected to the same pole and this will be reinforced once the transmission line is removed. Should a developer make an application and accept the associated costs, the distribution line could be relocated or moved underground.

MINISTRY OF FAIR TRADING, APPROACHES BY MEMBER FOR MELVILLE

**1240. Hon RAY HALLIGAN to the Leader of the House representing the Minister for Fair Trading:**

In relation to complaints which were reported in *The Western Australian* of 30 and 31 May 2000 and which were raised before the Gunning committee of inquiry into fair trading boards and committees on 29 May 2000, I ask -

- (1) During the period when the Attorney General, Hon Peter Foss, was the Minister for Fair Trading, what representations were made by the then member for Melville - who is now the Minister for Fair Trading - to him about finance brokers?
- (2) When were the representations made?
- (3) What action was taken by the then Minister for Fair Trading in response to those representations?
- (4) Will the minister table any documents relevant to the representations and responses; and, if not, why not?
- (5) Do the documents confirm that the then member for Melville wanted the matter dealt with as soon as possible?

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

I thank the member for some notice of this question.

Several members interjected.

If members opposite do not want to know the truth, they should keep carrying on the way they are.

Hon Peter Foss: That is why they did not ask the question

Hon N.F. MOORE: That is right. This question bears a remarkable resemblance to a question somebody else was going to ask but never did.

- (1)-(3) Neither the Minister for Fair Trading nor the Ministry of Fair Trading have been able to locate any representations from the minister in his capacity as the member for Melville to the then Minister for Fair Trading relating to matters raised by the inquiry.

On 14 December 1993 the then member for Melville wrote to Allen Tenger, the Acting Commissioner at the Ministry of Fair Trading, on behalf of a constituent, Mr S.D. Avey, forwarding a copy of a letter that Mr Avey had written to the Commissioner for Consumer Affairs, Dr Martyn Forrest, in December 1993, and asking for Mr Avey to be given time to allow him to renegotiate his employment with the licensee of A1 Real Estate, Mr Gough, in order to avoid any breach of the Real Estate and Business Agents Act 1978.

The then member for Melville received a reply to his letter from the Ministry of Fair Trading advising that "The main aim of the ministry in this matter is to resolve an alleged breach of the Real Estate and Business Agents Act, without the matter ending up as proceedings before the courts or the supervisory board."

On 10 February 1994 the then member for Melville wrote to the Acting Commissioner for Consumer Affairs, Dr Chris Whittaker, noting that despite a meeting having been arranged between Mr Avey, Mr Gough and the Registrar of the Real Estate and Business Agents Supervisory Board in December 1993, investigations were still

being undertaken that were having an impact on Mr Avey's and Mr Gough's business, and asking for the acting commissioner's help to bring the matter to a satisfactory conclusion as soon as possible.

The then member for Melville received a reply from Dr Whitaker dated 1 March 1994, to the effect that Mr Avey and Mr Gough had met with the Registrar of the Real Estate and Business Agents Supervisory Board and advised him that they had legal advice that their business affairs complied with the Real Estate and Business Agents Act 1978. Further, the letter advised that the investigation of the matter by the ministry was on hold until the ministry had obtained its own legal advice on the matters raised by Messrs Avey and Gough.

It is understood that in evidence to the Gunning inquiry on 30 May 2000, Mr Wallace, an investigator with the Ministry of Fair Trading who was reported in *The West Australian* of 30 May as raising the allegation that the then member for Melville stopped the investigation concerned, admitted under cross-examination that the investigation was completed.

- (4) Yes, and I table the papers which have been provided by the minister.

[See paper No 1025.]

- (5) Yes, the documents in fact reveal that he asked that the matter be brought to a "conclusion, as soon as possible".

#### HOMESWEST, INFORMATION TECHNOLOGY HARDWARE AND TUITION TO TENANTS

#### **1241. Hon E.R.J. DERMER to the minister representing the Minister for Housing:**

- (1) Is there a 2000-01 budget allocation for the provision of information technology hardware and tuition to the tenants of Homeswest homes upgraded through the New Living strategy?
- (2) If there is such an allocation, under what budget statement line item is it included?
- (3) If there is no such allocation, how is it proposed that any option the ministry adopts for the provision of information technology for tenants in New Living areas will be funded?

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

I thank the member for some notice of this question.

- (1)-(3) I refer the member to the response to question without notice 1178, which advised that negotiations for this program are continuing with the project managers and local community to ensure that communities within the New Living areas have access to the Internet at the earliest opportunity. The hardware required for the programs will be allocated from the Ministry of Housing. It is anticipated that funds will be made available from sources other than the Ministry of Housing to assist the program to become operational. The level of this funding is currently under negotiation.