



Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
THIRD SESSION
2000

LEGISLATIVE ASSEMBLY

Wednesday, 28 June 2000

Legislative Assembly

Wednesday, 28 June 2000

THE SPEAKER (Mr Strickland) took the Chair at 12 noon, and read prayers.

ANIMAL WELFARE

Petition

Mr McGowan presented the following petition bearing the signatures of 62 431 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say that the penalties for acts of cruelty towards animals are not severe enough, and that this needs to be changed as soon as possible so that the Courts treat this matter seriously.

We would also like to see the RSPCA receive some assistance in relation to pursuing people for animal cruelty by way of a direct grant or fine proceeds.

We would also like to see Government agencies subject to prosecution for cruelty to animals and an over-riding duty of care imposed on those people with custodianship of animals.

Now we ask the Legislative Assembly to urgently consider this matter.

[See petition No 131.]

EXPERIMENTATION ON HUMAN EMBRYOS

Petition

Mr Cunningham presented the following petition bearing the signatures of 55 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We the undersigned respectfully commend to the attention of the House that:

1. embryos are living human beings from the moment of conception, having the right to full protection by the law;
2. the artificial production of embryos, and conduction of experiments on them, and discarding them to die is totally abhorrent, as it violates the dignity and rights of all human beings.

Your petitioners therefore humbly pray that you will reject any bill to legalise the experimentation on human embryos, as well as the cloning of human bodies for spare parts.

[See petition No 132.]

PEDESTRIAN OVERPASS, ROE HIGHWAY

Petition

Mr Day (Minister for Health) presented the following petition bearing the signatures of 604 persons -

To the Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, strongly believe there should be a pedestrian overpass constructed over Roe Highway near the intersection of Roe Highway and Kalamunda Road to prevent injury or death occurring as a result of crossing this main road.

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

[See petition No 133.]

TREE PLANTATION AGREEMENTS BILL 2000

Introduction and First Reading

Bill introduced, on motion by Mr House (Minister for Primary Industry), and read a first time.

Second Reading

MR HOUSE (Stirling - Minister for Primary Industry) [12.09 pm]: I move -

That the Bill be now read a second time.

The Bill before the House is one of a package of three Bills which are the culmination of a review and consultative process that commenced in 1993. The other two Bills are the Soil and Land Conservation Amendment Bill 2000 and the Stamp Amendment Bill (No. 2) 2000.

This Bill provides for the making of agreements between persons who wish to establish joint ventures with owners, or with lessees of land with consent of the owners, for the purposes of planting, maintaining and harvesting a tree plantation on the land. The concept of tree plantation agreements is not new. The New Zealand Forestry Rights Registration Act 1983 was designed to ensure security and compliance with contractual undertakings given by the parties to a joint venture should either party wish to sell the land or the right to harvest the trees to a third party. This simple concept was adopted as a partial model for legislation first in Tasmania, and then much later in New South Wales and Victoria in the mid-1990s.

The need for legislation in Western Australia to address the rights of those who invest in farm forestry was recognised in a report entitled "Forest Industry Prospects and Strategy for the Great Southern Region of Western Australia", which was released in December 1993. This report concluded that there was considerable scope for plantation forest development in the Great Southern region of the State. A contribution to Landcare and other environmental measures was an additional benefit.

The 1993 report was publicly supported in June 1995 by the Chairman of the South West Development Commission and the Ministers for the Environment, Regional Development and Primary Industry. This led to the formation of a Farm Forestry Task Force, which reported in December 1995. The task force identified the potential for conflict with the needs of investors if there was any doubt about a right to harvest trees that had been planted for this purpose. Resource security, or tree tenure, and the clarification of respective obligations was also of paramount importance. Most pertinent to the Bill is the task force's recommendation that the Government introduce relevant legislation to provide legal mechanisms for security, transferability and liquidity for forest investment in Western Australia; and to implement binding and efficient arrangements to guarantee right to harvest of farm forestry products. The Bill before the House gives effect to the thrust of this recommendation.

In relation to the first point of the recommendation, the need for this legislation arises from the nature of the relationship of trees to the land on which they grow. At common law, trees are fixed to that land and it is difficult, if not impossible, to effectively separate the ownership of the trees from the ownership of the land while the trees remain in the ground. There are already thousands of hectares of land in this State on which tree plantations have been established. However, lack of security of title to planted trees has been identified as a significant disincentive to at least some investors and the Government is committed to introduce legislation to overcome this problem. Investors may be reluctant to invest substantial sums of money into tree plantations if there remains a possibility that they may lose that investment in the event, for example, that the land is sold before the trees are harvested.

The Bill will also give effect to the thrust of the second point of the task force's recommendation related to a "right to harvest". It is sufficient here to say that the major protection given to an investor is that the provisions of the Soil and Land Conservation Act 1945 will not be able to prevent the harvest of a plantation that is the subject of a registered plantation agreement. This Act will be amended in a separate Bill to also provide for similar protection to be given to a plantation that is not the subject of an agreement, but is registered under the Soil and Land Conservation Act with the chief executive of Agriculture Western Australia.

General environmental protection and planning laws are not circumvented by this package of legislation. I will address these issues in some detail later in this speech.

I now refer to the principles embodied in the proposal before the House. The major effect of the legislation will be to create a "plantation interest" in the land when an agreement is registered under the Transfer of Land Act 1893. It applies to an owner of freehold land, a lessee of freehold land or a lessee of crown land that is not a pastoral lease. The plantation interest created by this Bill is a new legal interest in land. It is a legal interest that will be recognised and protected by law to the same extent as any other registered interest in land, such as a lease or a mortgage. The creation of the separate interest in the land will ensure that, as it stands, financial constraints and benefits under other law will continue to exist. With the other two Bills to which I referred earlier, which amend the Soil and Land Conservation Act 1945 and the Stamp Act 1921, this Bill will provide an effective and simple means of achieving the desired aim.

I now turn to the details of the proposed legislation. The Bill is in four parts, with a schedule which contains the necessary amendments to the Transfer of Land Act 1893 to ensure that the registration system under that Act can be applied efficiently to the new interest, and an amendment to the Agriculture and Related Resources Protection Act.

Part 1 - preliminary - contains the necessary commencement, interpretation and application provisions. The proposed legislation will not come into operation before the proposed Forest Products Act 2000 comes into operation, as it is referred to in the Tree Plantations Agreement Bill 2000.

Although the majority of the definitions are readily understood, some should be explained. In particular, the term "plantation" excludes naturally occurring trees or regrowth from naturally occurring tree species. The harvest of naturally occurring trees will not be able to be the subject of an agreement made or registerable under the new Act. Neither does the Bill provide for clearing of native vegetation to establish plantations. The definition of "tree" has been carefully worded to include mallee-type growth that is currently in demand for eucalypt oil production. The registration of "fruit" trees will be possible under the Bill. The intent is to include, rather than exclude, species from the registration process, regardless of growth type.

With the exception of some crown land leases, the Bill will not apply in relation to the management, harvest or sale of forest products on public land, as intended in the proposed Forest Products Act 2000, and nor will it affect the powers of the Forest Products Commission or the Executive Director of the Department of Conservation in relation to timber share farming agreements under that proposed Act or under the Conservation and Land Management Act. In other words, the Bill is designed to facilitate private plantation agreements, not to impinge on the State's forestry activities.

Part 2 of the Bill provides for the making of tree plantation agreements. It contains only three clauses, which set out the essential purpose of a tree plantation agreement; the necessary contents and formalities; and in the case of an agreement entered into by a lessee, the necessary consents that must be obtained. The Bill will enable a person to register an agreement that refers to one or more of three things; namely, establishment, maintenance and harvest of a plantation. However, gaining security of harvest will require this to be addressed in the agreement. An investor may need to be assured, before the trees are planted, that a plantation agreement will be registerable and the new interest in the land will be able to be created. The Bill specifically states that an agreement may be made, and therefore be registered, even though the plantation does not yet exist.

The formal requirements of a tree plantation agreement have been reduced to include only those essential to the registration process. This also minimises the need for complicated legal drafting. The things that must be included in an agreement are specified in clause 6(1) of the Bill. This does not prevent an agreement including reference to any additional matter which the parties wish it to cover. The Bill provides that an agreement entered into by a lessee of freehold land is of no effect unless the proprietor of the freehold land consents in writing to the agreement. An agreement entered into by a lessee of crown land is of no effect unless section 18 of the Land Administration Act has been complied with; that is, the Minister for Lands consents.

It is anticipated that representatives of the timber and farming industries and officers of relevant government departments will give joint consideration to the preparation of documentation to assist the development of plantation agreements after the new legislation comes into effect.

Part 3 sets out the legal effect of a registered tree plantation agreement. Four effects are of fundamental importance. First, on the registration of an agreement, the property in the trees becomes an interest in the agreement land separate from that in the land itself even though the trees are fixtures. Second, a plantation interest can be dealt with in any way that any other interest in land can be dealt with. It can, for instance, be transferred, gifted by will, extended, varied, surrendered, mortgaged, or otherwise used as security. Third, the obligations and restrictions that bind an owner or lessee of land under a registered agreement also bind that person's successors in title, heirs, executors and administrators, unless the agreement provides otherwise. Fourth, with reference to other legal effects, the holder of a plantation interest does not have a right to exclusive use of land that is subject to an agreement, except as provided for in the agreement. If a right of exclusive possession is conferred, the agreement is not to be treated as a lease. In addition, the Bill states that an agreement is not a lease or licence or subdivision to which section 20 of the Town Planning and Development Act applies. If it were, the approval of the Town Planning Commission would be required.

Part 4 of the Bill contains three miscellaneous provisions, including a provision to prevent the parties to an agreement "contracting out" any of the provisions of the Act, despite a desire to do so that might be expressed in the agreement itself; a power to make regulations of a general or specific kind to give effect to the Act; and provision for amendments to be made to other Acts - namely, the Agriculture and Related Resources Protection Act 1976 and the Transfer of Land Act 1893 - as set out in the schedule.

Division 1 of the schedule will amend the definition of "occupier," in the Agriculture and Related Resources Protection Act 1976, by including reference to a person who is the proprietor of a plantation interest in that definition. This will ensure that the Agriculture and Related Resources Protection Act may continue to be applied to a plantation interest holder in the same way that it is now applied to an occupier of land.

Division 2 of the schedule amends the Transfer of Land Act 1893 to provide for the registration of tree plantation agreements. The most important amendment is the insertion of new division 2A, dealing specifically with tree plantation agreements, into part IV of the Act. This will make the new mechanism more readily understandable than if it had been inserted at various places in the Act.

The insertion of five new sections to be designated sections 104A to 104E will -

- provide two new definitions in relation to tree plantation agreements;
- enable a party to a plantation agreement to apply for the registration of that agreement, which will require an agreement to identify the land in a form acceptable to the registrar and will require lodgment of the written consent of any person who already has a registered interest in the land, including a lessee or mortgagee;
- provide for a plantation interest to be extended with similar consents;
- provide for a plantation interest to be varied, with similar consents; and
- provide for a plantation interest to be surrendered, again with similar consents.

The Bill amends section 129A of the principal Act to require the consent of the proprietor of a plantation interest to be given to the registration of an easement over the agreement land. Section 137 is also amended to provide for a party to an agreement, before the agreement is registered, to lodge a caveat together with a copy of the agreement, with respect to land

that is subject of the agreement. The effect of this will be to provide security for an investor who, for any reason, is awaiting registration. In combination, the amendments will enable the Transfer of Land Act 1893 to operate effectively in relation to a plantation interest, as it does in relation to other interests in land.

As I indicated earlier, the proposed legislation has been drafted to address circumstances of relevance to Western Australia at this time. Before and during the drafting process there was consultation with officers of relevant government departments, and with representatives of the principal farming industry groups and local government groups, the timber industry and the Conservation Council. The approach adopted in other Australian States was also considered.

It is recognised that there is some difference of opinion between these groups. The timber industry would generally wish to have a right to harvest trees as if they were just another agricultural crop, with no interference from planning or environmental authorities with respect to the establishment of a plantation for harvest. The conservation movement also recognises the value of farm forestry to the natural environment, and considers that there should be a right to harvest planted trees, provided due consideration is given to environmental issues. This legislative package seeks to address these issues.

It does so by amendments to the Soil and Land Conservation Act 1945. These will be explained in more detail with respect to the second Bill of the package. For the purpose of understanding the impact that these will have, it is sufficient here to say that a code or codes of harvest practice will be required under that Act. It is intended that the new legislation will not be proclaimed until this is in place. It is intended to publicly outline at least the general content of these codes before the Bill is debated in this Parliament.

It should also be understood that the present power of the Commissioner for Soil Conservation to issue a soil conservation notice to prevent land degradation during the life of a tree plantation, or after it is harvested, will be undiminished, as will the impact of general environmental law.

With respect to the impact of the Environmental Protection Act 1986, there will be no change in the current approach. Persons wishing to seek assurances that this statute will not impact on a tree plantation could, if they wish, request early clearance from the Environmental Protection Authority.

At the present time, the major elements of the timber industry manage their business through the establishment of lease arrangements, usually by way of a head lease with subleases between individual growers - the investors - and the head leaseholder. While the industry would prefer an automatic flow-on to sublease holders of rights to the plantation interest created under this legislation, that is not possible. However, plantation agreements may be made either between an investor and the landowner or the head lessee.

This Bill provides the timber industry with an alternative to the existing arrangements which, after examination, they may decide to use, to whatever extent best suits their needs. To cope with the need for a continued ability to provide planning infrastructure, the registration of tree plantations, either under the Transfer of Land Act or the Soil and Land Conservation Act, will be public documents. These will then be available to the planning authorities for their information.

Issues associated with the concept of "carbon credits" have been considered. It has been decided that the legal management of this matter has not progressed to the stage where a definitive approach can be appropriately included in this legislation. However, persons wishing to include reference to carbon credits in a tree plantation agreement may do so.

In line with the thrust of the package to provide that the Soil and Land Conservation Act cannot be used to prevent the harvest of a registered plantation, the need for a mechanism to deal with potential loss of otherwise protected property, where the State has a need for it, was considered. The Bill does not address this issue because the Bill does not raise any possibility of harvest being prevented. If some other legislation were to prevent harvest that is where the issue would be dealt with.

I also draw the attention of the House to proposed amendments to the Stamp Act 1921, which will be explained in more detail when the amendments to that Act are introduced. It is proposed to provide an exemption from stamp duty for a plantation agreement. The effect of this will be to remove the extra cost that might discourage the planting of trees. In doing this it is recognised that there is an opinion among some conservationists that the exemption should also apply to any subsequent transfers of the plantation interest, particularly where such transfers would help to sustain a plantation in the low rainfall regions of the State. It has been suggested that multiple transfers of ownership may occur as a result of the longer growing period before harvest in these regions.

Finally, this Bill does not require anyone to do anything unless they choose. This Bill provides an opportunity. It offers farmers, the tree plantation industry and others a tool; it is a mechanism that they can choose to use, if and when it suits them, or not at all. I believe that the Bill provides a mechanism that will prove very useful, not only to farmers and the timber industry, but also to the environmental and economic health of Western Australia as a whole. In my opinion, there is a general, if qualified support, from both the timber industry and conservation movement for legislation of this type. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

SOIL AND LAND CONSERVATION AMENDMENT BILL 2000

Introduction and First Reading

Bill introduced, on motion by Mr House (Minister for Primary Industry), and read a first time.

Second Reading

MR HOUSE (Stirling - Minister for Primary Industry) [12.27 pm]: I move -

That the Bill be now read a second time.

The Soil and Land Conservation Amendment Bill is a simple piece of legislation that supports the Tree Plantation Agreements Bill 2000 and must be read in conjunction with that Bill. It seeks to amend one section of the Soil and Land Conservation Act 1945, and to insert three new sections into that Act. The amendments will come into operation on the same day as the Tree Plantation Agreements Bill 2000 is proclaimed.

The purpose of the Soil and Land Conservation Act is the prevention of land degradation. For this purpose, regulations made under the Act, and soil conservation notices issued by the Commissioner of Soil Conservation, may prevent the cutting down or clearing of trees. The Bill gives effect to the thrust of the proposed Tree Plantation Agreements Act 2000 by providing protection from a prohibition of harvest that may be applied under the Soil and Land Conservation Act. It includes in the definition of an "occupier" of land, a person who is the proprietor of a plantation interest that has been created by the registration of a tree plantation agreement under the Transfer of Land Act 1893. It thus extends the general powers of the Soil and Land Conservation Act to cover persons who have a legal interest in the land with respect to a tree plantation.

The Bill also incorporates the definitions of "plantation", "product" and "tree" that are provided in the Tree Plantation Agreements Bill 2000 to ensure a consistent approach is taken in the interpretation of these terms under the Soil and Land Conservation Act. The general purpose of the amendments is to prevent the Commissioner of Soil and Land Conservation from exercising the powers of the Act in a manner that would stop a legal holder of a tree plantation interest in the land from harvesting the trees that are the subject of the interest.

The Bill also introduces a requirement for the terms of a code of practice to be met by a person harvesting a tree plantation if that person is to be exempted from the otherwise held right of the commission to prevent the harvest. In this regard, a definition of "code of practice" is inserted, together with a full explanation of the way in which a code can be created, and may be applied. A significant effect of the proposed legislation is that it provides the same protection for a plantation that is not the subject of a tree plantation agreement as long as that plantation is registered with the chief executive officer of the government department now known as Agriculture Western Australia. However, not all tree plantations involve an outside investor, and not all will involve an agreement under the proposed Tree Plantation Agreements Act. For example, a landowner's plantation, a plantation involving outside investment but using arrangements other than a tree plantation agreement, and a timber sharefarming agreement under the Conservation and Land Management Act or the proposed Forest Products Act should all be entitled to the same protection of the right to harvest that plantation. They will be under this Bill.

I now turn to the detail of the Bill. A new section 4A will be inserted to make it clear that a soil conservation notice, as described in section 32(1) of the Act, cannot be used to prevent the harvest of a registered plantation. Similarly, a regulation made under the Act will not be able to prevent harvest. The relevant procedures applicable to the registration of a plantation by the chief executive officer are dealt with in a new section of the Act - 21B. In brief, a landowner may apply to have a plantation registered; the application must describe the land sufficient accurately for there to be no doubt as to the area identified, to the satisfaction of the chief executive officer; and also to the satisfaction of the chief executive officer, the application must be in respect of a tree plantation as defined by the Act - that is, it must exist and comprise planted trees. Subject to compliance with the statutory requirements, the chief executive officer must register a tree plantation for which an application has been lodged. With respect to the need of planning and other authorities for information concerning the nature and location of tree plantations, the chief executive officer will be required to make the register available for public inspection at no charge and make a copy of requested information available at cost price.

As I indicated earlier, the Bill provides, in a new section 21C, that the chief executive officer may approve a code or codes of practice to apply to the harvest of a plantation. It is of paramount importance that the harvest of a tree plantation be done in a manner that complies with the code of practice that applied either at the time the plantation agreement was registered under the Transfer of Land Act or the plantation was registered under the proposed section 21B, or that applies at the time the harvest takes place or is intended to take place. The reason for the alternatives is to give people certainty, at the time the plantation is registered, of what their obligations will be with regard to harvest, even if the harvest does not take place until many years later. The ability to comply with a current code of practice means that a person is not bound by an outdated code if he or she is willing to use a new, and presumably improved, code.

A code of practice may be made with respect to a range of circumstances detailed in clause 21C(2) of the Bill. These include reference to the type of plantation or product, a specific part of the state or circumstance, or the size of the plantation. Furthermore, a code may be made to require a matter affected by the code to be approved by a person specified in the code. Under the Interpretation Act 1984, a "person" includes an office holder in a government agency. Codes of practice already exist in the timber industry, including codes which have Commonwealth endorsement for export. It is intended to adopt part or all of such a code for the purposes of this Bill in consultation with industry, relevant government agencies and the community, and this legislation package will not be proclaimed until a sufficient harvest code of practice has been developed. The Bill also requires that a code and any amendments to it be published in the *Government Gazette* and that it be available to the public. When a code of practice has been approved, a notice must be published stating that it has been approved, the day it comes into operation and how and from where a copy may be obtained.

In conclusion, the Bill before the House introduces changes to the Soil and Land Conservation Act 1945 that give effect

to a major part of the Farm Forestry Task Force's 1995 recommendation that "binding and efficient arrangements to guarantee right to harvest of farm forestry products" be made available. Although it is recognised that the proposed legislation package does not provide the full guarantee recommended, it does address a significant component of it. Security of tenure and of harvest with respect to the Soil and Land Conservation Act 1945 will be available on proclamation of the package to be considered by the Parliament. I commend the Bill to the House.

Debate adjourned on motion by Mr Cunningham.

STAMP AMENDMENT BILL (No. 2) 2000

Introduction and First Reading

Bill introduced, on motion by Mr House (Minister for Primary Industry), and read a first time.

Second Reading

MR HOUSE (Stirling - Minister for Primary Industry) [12.36 pm]: I move -

That the Bill be now read a second time.

The Bill now before the House is the third in a package of three Bills that have been introduced to provide security of tenure and other benefits to the parties to a tree plantation agreement that is registered under the proposed amendments to the Transfer of Land Act 1893 and the Soil and Land Conservation Act 1945. It will come into operation at the same time as the proposed Tree Plantation Agreements Act 2000.

This Bill addresses the Farm Forestry Task Force's 1995 recommendation that the timber industry -

Progress taxation issues in order to promote a greater adoption of farm forestry.

The Government recognises that the imposition of stamp duty on a tree plantation agreement made under the proposed Tree Plantation Agreements Act will add to the cost of establishing a tree plantation. It is a major desire of the Government to support the planting of trees in Western Australia as an aid to the control of the greenhouse gas problem, to assist in salinity management and to preserve native forests. For these reasons it has been decided to exempt tree plantation agreements from duty under the Stamp Act. It is recognised that a timber sharefarming agreement under the Conservation and Land Management Act 1984 or the proposed Forests Products Act 2000, under which a profit à prendre is created, provides the same potential benefits to the State as will a tree plantation agreement under the proposed Tree Plantation Agreements Act 2000.

It would be inconsistent and anticompetitive to exempt stamp duty for only the form of arrangement that the present package of Bills is designed to address. Therefore, the Bill now before the House has been drafted to accomplish two things: To provide an exemption from stamp duty for timber sharefarming agreements that create a profit à prendre and to provide a similar exemption for tree plantation agreements. Stamp duty will continue to be payable on transfers of profits à prendre under sharefarming agreements and plantation interests under the proposed Tree Plantation Agreements Act. The cost to the State as a result of the exemptions to be provided is likely to be small. To ensure that the exemption cannot be used to avoid the duty that would otherwise be payable on a change of an interest created under a timber sharefarming agreement or tree plantation agreement, the exemption will not apply if a profit à prendre or plantation interest had previously been created in respect of any part of the trees or plantation.

During the development of the Bill it became evident that the stamp duty exemption to be given to timber sharefarming agreements and tree plantation agreements was not universally acceptable to the conservation movement. It was suggested that the benefit of an exemption in the high rainfall regions of the State was perhaps not warranted due to the short rotation period of these plantations and should not be available unless exemptions were also provided for subsequent conveyances of plantation interests. This was seen as a means of encouraging plantation establishment in the low rainfall regions where multiple changes of ownership interests might arise because of the longer growth period before harvest. The exemption proposed in this Bill is consistent with the existing stamp duty exemption for the grant of a mining tenement. The issue, but not the subsequent sale, of certain other statutory licences - for example, fishing and taxi licences, and of shares - is also exempt from stamp duty.

For the reasons I have outlined and the potential anticompetitiveness of a non-uniform approach, the proposed legislation will provide for an exemption only on the creation of an interest under a timber sharefarming agreement or a tree plantation agreement, not on the subsequent conveyance of that interest. I commend the Bill to the House.

Debate adjourned on motion by Mr Cunningham.

ACTS AMENDMENT (FINES ENFORCEMENT AND LICENCE SUSPENSION) BILL 2000

Introduction and First Reading

Bill introduced, on motion by Mr Barron-Sullivan (Parliamentary Secretary), and read a first time.

Second Reading

MR BARRON-SULLIVAN (Mitchell - Parliamentary Secretary) [12.40 pm]: I move -

That the Bill be now read a second time.

The Acts Amendment (Fines Enforcement and Licence Suspension) Bill 2000 seeks to amend the Fines, Penalties and Infringement Notices Enforcement Act 1994 and the Road Traffic Act 1994 to provide for an expanded range of options for dealing with fines enforcement and traffic matters.

In summary, the Fines, Penalties and Infringement Notices Enforcement Act 1994 is proposed to be amended by the Bill in five respects -

- to allow the Fines Enforcement Registrar the discretion to not impose a licence suspension order or to not uplift a licence when there is undue hardship on the offender, and to allow a period of time to pay;
- to restrict the ability of certain offenders from undertaking work and development orders when they may pose a safety risk to the public or the supervising community corrections officer;
- to allow greater flexibility to the Fines Enforcement Registrar to enforce matters;
- to allow for a full range of enforcement sanctions for collection of bail surety moneys where currently enforcement is restricted to the issue of a warrant of execution; and
- to ensure the right of the Crown to attend for re-hearing matters.

In relation to the second of the two Acts sought to be amended, namely the Road Traffic Act 1994, again in summary the Bill seeks to effect reform in three areas -

- to create a separate offence of driving under fine default suspension and to allow for a greater range of sentencing dispositions for offences of driving under suspension as provided for under the Sentencing Act 1995;
- to provide for the police to caution an offender when contacted in the first instance in circumstances where the driver is suspected of being under fine default suspension; and
- to address an existing anomaly so as to bring in line the cancellation of probationary drivers licences with other drivers licences by providing for such drivers licences to be suspended rather than cancelled.

I will now turn in more detail to matters relating to the Fines, Penalties and Infringement Notices Enforcement Act 1994.

Discretion to not impose or uplift a licence suspension: One area that has been causing some concern is the lack of discretion available to the fines enforcement system to cater for persons who are subject to fine default suspension and have a genuine need for a licence. Frequently, the personal circumstances of these people are such that they are not in a position to pay the fine and so have their licence reinstated. The Bill provides for such people to apply to the Fines Enforcement Registrar for the lifting or non-imposition of a licence suspension order. This would apply if the penalty were as a result of either an infringement notice or a fine imposed by a court. Under the Bill, people will be able to apply where a suspension would deprive them of a means of obtaining urgent medical treatment for an illness, disease or disability known to be suffered by an offender or the offender's family. People will also be able to apply on the grounds that the suspension would deprive them of their principal means of obtaining income with which to pay the penalty. In such circumstances, on having received an application, the Fines Enforcement Registrar can decide whether to impose a licence suspension order or, if a suspension has been imposed, to uplift that suspension. This would be subject to the person entering into a time-to-pay arrangement with the registrar.

The relief offered under these provisions will not be available to bodies corporate or to persons who have previously failed to comply with a time-to-pay arrangement. Should a person fail to comply with a time-to-pay order issued under these provisions, the registrar will reimpose the suspension or recommence action to issue a licence suspension order.

Restrict the ability of offenders to undertake work and development orders when they pose a safety risk: A second area of concern relates to the fact that aggressive, violent and emotionally disturbed offenders are currently eligible for work and development orders, despite the fact that they are perceived to be a threat to the community. For example, in one case an offender threatened the lives of, and attempted to assault, community corrections officers when given directions under a work and development order. Although community corrections officers may be reluctant to place potentially violent offenders at projects because of public safety and duty of care considerations, the chief executive officer currently has no discretion to refuse the making of a work and development order in these circumstances, despite the fact that the chief executive officer may be aware that the placement of an offender in a project could pose a threat to public safety.

The third area of reform relates to the need to provide the Fines Enforcement Registrar with the ability to enforce a fine without being locked into the rigid enforcement steps presently in place. For example, when a person has no licence or money and this is known to the registrar, the enforcement may be expedited to the work and development order stage.

A further problem area is that currently the State has limited options for recovering bail surety. If it is subsequently found that the offender has no goods or assets, and drivers licence suspension is ineffective, enforcement effectively ceases at the point when the warrant of execution is unable to be enforced. The proposed amendment will remove the present restrictions on enforcement by providing that sureties can undertake a work and development order and that they will be subject to the subsequent issue of a warrant of commitment as required. The proposed amendment will ensure that the State can exercise a full range of enforcement sanctions and that fines are in fact pursued to the full extent.

The fifth area of reform relates to section 101 of the Act, which allows for a person in respect of whom a licence suspension order has been made to apply to the court for an order cancelling the licence suspension order. In such cases, applicants must satisfy the court that they were unaware of the original fine and that they have not received any of the associated notices issued in respect of the fine. Currently the Crown does not have any right of appearance in these applications, which may result in an applicant's evidence being unchallenged in court. The concern is that these unchallenged applications can seriously affect the Police Service's ability to successfully prosecute offenders for driving under fine suspension.

As this concludes my more detailed comments on the Fines, Penalties and Infringement Notices Enforcement Act, I will now address the amendments relating to the Road Traffic Act 1994.

The first area of reform relates to the lack of flexibility in sentencing options for offenders who are convicted of driving without a licence. Members would be aware that of particular concern in this regard are those offenders who drive while under fine default suspension. At present the Road Traffic Act provides a variety of penalties for driving without a licence, including driving under suspension. The Bill seeks to recast a number of these penalty provisions and, in particular, provides a specific penalty for driving while under fine default suspension. The Act does not currently contain this distinction. The new offence of driving under fine default suspension will attract a lower penalty than that for the offence of driving under a court-imposed suspension.

In addition, the Act places restrictions on sentencing options available to the courts for persons convicted or driving without a licence. Specifically, the existing legislation provides for only two sentencing options, namely the imposition of a fine or imprisonment. It is therefore not surprising that members of the judiciary, the legal profession and other people have called for the expansion of the available sentencing options to include community-based orders under part 9 of the Sentencing Act 1995. Such options are already available for other traffic offences, including driving under the influence of alcohol and driving with prescribed percentages of alcohol in the blood. The amendment therefore addresses the concern that the provisions of the Road Traffic Act may result in the courts imposing sentences of imprisonment when other non-custodial sentences may be more appropriate.

Currently, the Road Traffic Act provides for mandatory disqualification of a licence when a person is convicted of driving without a licence. Such disqualification can be for a period of between nine months and three years, as determined by the court. Those disqualification powers will remain. However, the Bill provides that in the case of persons convicted solely of driving while under fine default suspension, the disqualification will be discretionary and may be for any period up to three years.

The second area of reform addresses the problem that under the current legislation an offender is required to cease driving immediately when stopped for driving under fine default suspension. Although understandable, this situation ignores practical considerations, particularly in isolated areas. The proposed amendment will enable some offenders to complete their journey by the most practicable route, whereas in other circumstances the offender may be required to cease driving immediately. The decision to allow persons to complete their journey will be at the discretion of the police officer, after taking into account the circumstances, community safety, and duty of care to the individuals concerned. A permit to drive will be issued as part of the caution notice. The caution will provide the offender with an opportunity to pay or otherwise attend to the matter without being charged with an offence as at present. The caution would also serve as a formal advice of suspension. If the offender is subsequently caught, after having received a caution, that person would be charged in the usual manner. The caution will eliminate the defence used by many offenders who currently claim that they did not receive any notices upon being charged with driving under fine default suspension. In doing so, it will strengthen the police case and reduce wasted court time.

The third area of reform addresses the issue that probationary drivers whose licences are subject to suspension under the Fines, Penalties and Infringement Notices Enforcement Act 1994 currently have their licence cancelled under the provisions of the Road Traffic Act 1974. This leads to the individual having to re-sit a driving test to get a new licence. The intention of the fines enforcement system is to effect recovery of fines, not place undue and unnecessary burdens on offenders. The Bill therefore proposes that probationary licences be treated in the same manner as other licences that are subject to suspension.

The reforms contained in the Bill address a number of issues of concern to the community. This Bill responds to those concerns by providing an expanded range of options for dealing with fines enforcement and traffic offences. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

MOUNT YOKINE LAND ACQUISITION REPEAL BILL 2000

Introduction and First Reading

Bill introduced, on motion by Mr Shave (Minister for Lands), and read a first time.

Second Reading

MR SHAVE (Alfred Cove - Minister for Lands) [12.51 pm]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to repeal the Mount Yokine Land Acquisition Act 1960 to permit alternative land tenure to be

put in place in favour of the Western Australian Golf Club. At present, the golf club leases the land set out in the Mount Yokine Land Acquisition Act for use as a golf course. The land comprises class A reserve No 25866, which has the purpose of "golf links".

Before the commencement of the Mount Yokine Land Acquisition Act, the golf club held the freehold title to most of the land that is now contained in the reserve. Due to financial difficulties in the 1950s caused by escalating rates and taxes, the golf club wished to subdivide its land and use the proceeds to establish a new golf course further away from Perth. However, Parliament at the time recognised the need to retain the golf course land as public open space. That was the motivating force for the Government of the day taking legislative action to create the A class reserve over the land. The Mount Yokine Land Acquisition Act 1960 was then enacted and the Minister for Lands was given the responsibility for administering it. In return for transferring its land to the State in 1960, the golf club received \$26 000 and a 40-year lease at a fixed rental of \$1 300 a year. In addition, the golf club was not required to pay rates.

The lease to the golf club is due to expire in July 2001. The golf club and the City of Stirling wish to enter into leasing arrangements to replace the existing lease when it expires. Under the Mount Yokine Land Acquisition Act 1960, leasing can be effected by only the Governor. Granting management of the reserve to the City of Stirling, with a power to lease, is not legally possible until the Act has been repealed.

The lease is due to expire in July 2001, and it is imperative that the Mount Yokine Land Acquisition Act 1960 is repealed before that time. After its repeal, a management order under section 45 of the Land Administration Act 1997 will be made in favour of the City of Stirling, which will empower it to lease the land to the golf club.

The Mount Yokine Land Acquisition Repeal Bill 2000 is a short and simple Bill. I commend it to the House.

Debate adjourned, on motion by Mr Cunningham.

THERAPEUTIC GOODS (WESTERN AUSTRALIA) BILL 2000

Introduction and First Reading

Bill introduced, on motion by Mrs Hodson-Thomas (Parliamentary Secretary), and read a first time.

Second Reading

MRS HODSON-THOMAS (Carine - Parliamentary Secretary) [12.54 pm]: I move -

That the Bill be now read a second time.

This Bill represents a further step in the achievement of a unified national system of controls on products with the potential to affect public health. It follows the achievement of uniformity in food standards and the adoption of the national standard for drugs and poisons scheduling.

The primary purpose of the Bill is to complement the commonwealth Therapeutic Goods Act 1989. With the passage of the commonwealth Act, the Therapeutic Goods Administration, a division of the commonwealth Department of Health and Aged Care, assumed primary responsibility for the regulation of therapeutic goods through a system of controls designed to ensure quality, safety and efficacy and to restrict, where necessary, the claims which could be made about therapeutic goods. Some 45 000 products were placed on the register set up by the commonwealth Act - the Australian Register of Therapeutic Goods - within six months of its commencement. However, for constitutional reasons, the commonwealth Act could apply to only corporations and other persons who either import or export goods, trade between States or supply goods under the Pharmaceutical Benefits Scheme. This meant that unincorporated persons, such as sole traders, were not subject to the commonwealth Act as their activities were carried out only in one State or Territory.

Accordingly, the States and Territories agreed to enact complementary legislation that would extend the system of controls put in place by the commonwealth Act to persons who, for those constitutional reasons, were not otherwise subject to the Act. Since 1992, all States and Territories have been committed to achieving this outcome. To date, complementary legislation has been enacted in Victoria and New South Wales. The Victorian approach was to reproduce the commonwealth Act controls in the state legislation, while New South Wales provided for the commonwealth Act controls to apply directly to persons in that State who were not otherwise within the scope of the Commonwealth's constitutional power. This Bill follows the Victorian approach. The Therapeutic Goods Administration will be able to exercise a similar role in relation to persons and goods not covered by the commonwealth Act as it does in relation to persons and goods who are covered by the Act.

Under the provisions of the Bill, therapeutic goods are those products that are intended for therapeutic use or represented to be suitable for therapeutic use. They include pharmaceuticals and medical equipment, but also cover a broad range of other products. Therapeutic use is anything concerned with the prevention, diagnosis or cure of a disease, ailment or injury; testing in relation to diseases or ailments and in relation to pregnancy; controlling conception; or the replacement or modification of parts of the anatomy.

It is clear that such products have, in the main, made a substantial contribution to the quality of life enjoyed in the modern day. For example, average life expectancy in the western world has increased from about 45 years at the turn of the century to almost 80 years. The availability of modern therapeutic goods is one of the factors responsible for alleviating discomfort to the body and modifying the effect of illnesses so drastically during that time. However, because of the immediacy of

the effects that such products can have on the human body, potential risks will always need to be taken into account. The known danger of the use of certain drugs during pregnancy emphasises the narrow divide that can exist between products that are genuinely therapeutic and those which may in fact be harmful. Fast, worldwide mass production has the potential to turn a mistake into a catastrophe. Self-regulation by industry is not appropriate for such products. They need to be, and are, controlled worldwide.

Three main considerations need to be taken into account in determining whether a product is acceptable for therapeutic use - quality, safety and efficacy. The quality control procedures followed in manufacture, truth in labelling and the extent to which the product complies with any appropriate standards are important factors. The product's lack of toxicity or level of risk is the main safety factor and one which continues to be important after the product has been marketed. Efficacy - that is, whether the product does the job as it is purported to do - is the other main consideration. Through this Bill, Western Australia, by identifying with the commonwealth scheme, can now ensure that these considerations are addressed in relation to all therapeutic goods in this State.

In summary, the Bill provides for the extension of the following controls to persons and therapeutic goods not otherwise covered by the commonwealth Act: Licensing manufacturers; requiring goods to be registered or listed in the Australian Register of Therapeutic Goods maintained by the Therapeutic Goods Administration; and requiring goods to comply with applicable standards. The process of obtaining a licence or registration or listing of goods will generally be the same as would apply under the commonwealth Act. In broad terms this involves various types and degrees of assessment and consideration by the Therapeutic Goods Administration depending on the manufacturing proposed or the goods for which registration or listing is sought. In addition, the Bill imposes controls in relation to the standards of practice to be met by wholesalers of therapeutic goods; the hawking of therapeutic goods; the supply of therapeutic goods by automatic machine; the supply of therapeutic goods which have passed their expiry date; and the use of certain therapeutic devices.

The Bill requires wholesalers to comply with the Commonwealth's Wholesaling Code of Practice. Although the Victorian Act provided for wholesalers to also be licensed, it was not found necessary in that State to utilise those provisions to ensure compliance with the code, and it is understood that consideration is being given to repealing the wholesale licensing aspects of the Victorian Act. Licensing places an additional cost on industry which is ultimately paid by consumers. Where alternative approaches to licensing can be found which lead to the same outcome they should be adopted. The Bill's provisions in relation to wholesaling are consistent with that approach.

While generally prohibiting the hawking of therapeutic goods, the supply of such goods by automatic machines and the supply of such goods after their expiry date, the Bill will allow for these things to be authorised in certain limited, specified and appropriate situations. For example, authorisation can be given for the supply of clinical samples to health professionals, the supply of condoms through automatic machines and the supply of a therapeutic good for use in animals in certain circumstances although they have passed their expiry date for use in humans.

The intention of the Bill in providing for the specific regulation of certain devices is to enable an additional degree of control to be exercised in appropriate circumstances; for example, to give effect to the recommendation of the Intergovernmental Committee on AIDS and Related Diseases that access to HIV and other blood-borne disease test kits be closely controlled.

The transitional arrangements in the Bill will enable any existing manufacturer or sponsor of therapeutic goods not already subject to the commonwealth Act to continue to manufacture or supply the goods for four months after the Bill commences without being in contravention of the Bill. During that time they will be able to make an application under the Bill to the Therapeutic Goods Administration for the necessary licence or inclusion of the product in the Australian Register of Therapeutic Goods. The Bill provides that no fees are payable in relation to an application made under these arrangements, except when goods are registered without evaluation and then later evaluated to determine whether they should continue to be included in the register.

The Bill has been developed following extensive consultation with the Commonwealth and other state and territory governments, particularly through the Australian Health Ministers Advisory Council and the National Coordinating Committee on Therapeutic Goods. It has also been the subject of consultation with industry, industry associations, consumer and professional groups. A formal public consultation process was completed earlier this year. The Bill has attracted general support from this diverse range of interested groups. I commend the Bill to the House.

Debate adjourned, on motion by Mr Cunningham.

STAMP AMENDMENT BILL 1999

Second Reading

Resumed from 4 April.

MR RIPPER (Belmont - Deputy Leader of the Opposition) [1.04 pm]: I note in the *Hansard* that this Bill proceeded through the other place in nine minutes and that the nine minutes of debate involved two speeches. I do not think the Bill will detain this House for longer. It contains one anti-avoidance measure and one concession. The anti-avoidance measure is said to deal with the possibility of avoidance, which, to date, has not cost the State any revenue. The concession measure is said to also involve only a very small loss of revenue to the State.

The State Government increased stamp duty in 1998-99 by removing the exemption which had previously applied to the

transfer of chattels in conjunction with the conveyance of land. The conveyance of land for this purpose included pseudo-ownership arrangements through the transfer of leases. Remarkably, the possibility of the grant of a lease being the means of transferring effective ownership of an interest in land did not cross the minds of the people giving the drafting instructions or parliamentary counsel at the appropriate time. I understand that the possibility of transfers of interests in land being accomplished by the grant of a long-term lease in return for a premium payment has come to light. The example quoted in the second reading speech is the example of the Commonwealth's disposal of Perth Airport to private interests. Once such a possibility becomes apparent, tax avoidance possibilities are opened up. We support the Government's anti-tax avoidance measures. We therefore support this legislation which will provide that where land is transferred by way of the grant of a long-term lease, the chattels will not be exempt from the stamp duty. If this legislation were not supported, it would be possible for people to arrange their affairs to avoid stamp duty.

The concession in the legislation is for those people who are unfortunate enough to go into bankruptcy. It is possible, with current arrangements, that a person could go into bankruptcy, his property be held by a trustee and when the debts are settled a proportion of the property could be returned to the discharged bankrupt. That person's financial woes would be compounded by the fact that the return of the property from the trustee would be considered a conveyance for the purposes of stamp duty and duty would have to be paid. It seems to be adding insult to injury to charge stamp duty under those circumstances. Recently in this House we considered a land tax exemption for people whose principal place of residence had been seized because they could not pay their mortgages and thus they were not living in it on the appropriate date for the levying of land tax. The House agreed, with Labor's support, that it would be totally inappropriate to require a person to pay land tax in those difficult financial circumstances. The situation with this legislation is similar: If someone has been forced into bankruptcy, it would be unfair for them to be required to pay stamp duty on whatever property is returned from the trustee. The advice given to us in the second reading speech and in the explanatory memorandum is that this concession will not cost the State much in revenue.

To conclude, the Opposition supports the Government in its attempts to combat tax avoidance. It therefore supports that part of this Bill. The Opposition believes that the concession in the second part of the Bill is a fair one. At the moment, neither of these matters involves significant amounts of revenue. The Opposition is therefore comfortable in supporting this legislation.

MR KIERATH (Riverton - Minister assisting the Treasurer) [1.10 pm]: I thank the Deputy Leader of the Opposition for his comments. In particular, I place on record my thanks to the Opposition for its support of these initiatives and commend the Bill to the House.

Question put and passed.

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

ELECTORAL AMENDMENT BILL 2000

Consideration in Detail

Clauses 1 to 17 put and passed.

Clause 18: Section 147 replaced -

Mr KOBELKE: Clause 18 repeals section 147 and replaces it with a new section 147. The intent is largely the same, but I am not sure why there is a need to go into so much more detail under the new provisions contained in the amending Bill. Section 147, as it now stands, is a short section which takes up roughly half a page and which comprises three subsections. Proposed new section 147 covers two full pages. What is common between the two is that there is a requirement, as soon as is conveniently possible after the election, for the returning officer to take certain actions; that is, the returning officer must declare the result and endorse the writ by way of certificate. That provision is the same in both the existing section and in the proposed new section. However, the proposed new section goes into specific details about actions to be taken in respect of the Council - that is in proposed new subsection (3)(a) and (b) - and also in respect of the Assembly. It certainly looks a more complex section than the current one. I am not sure what is the intent of the new drafting. Dealing with the return of writs, there is clearly a need to take note of the new role of the returning officer as opposed to his previous role, so that interplay between the two roles of that officer is obviously a part of the situation. I am asking for an explanation of why there must be so much more detail when, on my reading of it, it is basically doing the same thing but seems to tie it down in much more detail. I am not sure why we need that.

Mr SHAVE: The advice I have is that the section must be more detailed because there is only one writ. Under the old section, the returning officer could merely mark the result of the election on the writ. Now he needs to do it by certificate. That is the reason.

Mr Kobelke: Will that go from the returning officer back to the Electoral Commissioner because the Electoral Commissioner will issue the writ under the new system?

Mr SHAVE: That is correct.

Clause put and passed.

Clauses 19 to 29 put and passed.

Clause 30: Section 25 replaced -

Mr KOBELKE: Clause 30 repeals section 25, replacing it with new provisions. The existing section 25 allows for a printed copy of the roll for both regions and districts to be kept at a convenient place as the Electoral Commissioner may from time to time determine. Under the amendments, the Electoral Commissioner is to make rolls available, in any form the Electoral Commissioner thinks fit, for inspection by the public, without fee, at the office of the Electoral Commissioner. I do not see any change in substance there - the minister will correct me if I am wrong. That is just a rewording. Proposed section 25(2) states -

Copies of rolls in printed form and in any other form the Electoral Commissioner thinks fit are to be available for purchase by the public at the office of the Electoral Commissioner.

Under proposed subsection (3), the rolls can be made available at other places if the Electoral Commissioner thinks fit. Proposed subsection (4) indicates that when an enrolment is under section 51B, the details of that enrolment are not available under this section. This is a major change in the availability of the rolls. Currently, they are available for inspection under section 25A, which I think remains. I do not think there is any change to section 25A.

Mr Shave: That is correct.

Mr KOBELKE: The rolls are available under section 25A to any parliamentary party under certain conditions. Obviously, that is a part of open and accountable rolls, so that members of Parliament know who is on their rolls. It also assists members in being able to service their electorates. Of course, the rolls are also used for party political reasons, and I have not heard any complaints about that. However, under this proposed section, the Electoral Commissioner will be able to sell copies of the rolls to anyone who wishes to purchase them. Obviously, there will be guidelines for how they will be released. A cost will be set for their purchase.

I refer to the recent controversy over the letter from the Prime Minister. The advice to the Prime Minister in the first instance was that the Prime Minister had access to the commonwealth electoral rolls so that the Government could use them in an area of change which obviously involved great political controversy; that is, the introduction of the goods and services tax. All the letters had to be pulped because subsequent legal advice indicated that the Prime Minister did not have the right to use the electoral rolls. Under the amendment, it would seem that not only could the Government of the day - acting not as a political party but acting as the Government - have access to the rolls for its own purposes but also any commercial organisation could have access to the rolls. It has always been the case with printed copies, but now it is likely to be available electronically. That means people will pay for it and, therefore, there will be an advantage in the Electoral Commissioner being able to raise revenue through the sale of the electoral roll. It appears from my reading of the clause that the commissioner has the power to make it available to the public for purchase in electronic form. If that step were taken, many commercial and marketing organisations would be able to make use of the electronic form of the roll for their purposes. I am not sure we want to go down that road, but I ask the minister to correct me if I am wrong. If I am right, will he explain what he anticipates will be the guidelines for the availability of the electoral roll in electronic form for purchase by commercial interests?

Mr SHAVE: Basically the member is correct; at the moment it is not provided to the public in electronic form on request. I am advised by parliamentary counsel that this clause is a combination of the previous clauses 25 and 33. Under clause 33, in effect the commissioner can sell copies of the roll if he so determines. It will be a matter for the Electoral Commissioner to determine who will be supplied with copies of the roll, and I expect him to be sensitive to commercial interests that might want to purchase it for marketing and similar purposes.

Mr KOBELKE: Is the minister suggesting that existing clauses 25 and 33 are taken up in new clause 25?

Mr Shave: Yes.

Mr KOBELKE: I accept that, because I note clause 33 is repealed. Under clauses 25 and 33, there is currently no ability for the commissioner to make the roll available in electronic form.

Mr Shave: That is correct.

Mr KOBELKE: It is an additional provision.

Mr Shave: Yes it is.

Mr KOBELKE: First, what information is currently made available on the roll? I assume it is the full name and address, and possibly the gender.

Mr Shave: It also includes a person's occupation if it is listed.

Mr KOBELKE: Secondly, what information currently required by legislation is considered part of the roll? Thirdly, what information does the electoral commissioner have the ability to collect and place on the roll? How much additional information will be collected as part of the enrolment process and be placed on the roll and, as a consequence of that, be made available for sale? What is the current practice and what is the possible maximum limit to which this process can be taken in the collection of information to be placed on the roll?

Mr SHAVE: Section 22 of the principal Act sets out the information required on the roll at present. I understand it is not intended to gather any other information; all the information provided in a written form will form the basis of the information provided in electronic form. It will basically be the same process but the information will be provided in electronic form.

Mr McGOWAN: The minister said earlier that if the commissioner were to make copies of the roll available, in whatever form, to corporate or commercial interests, he would be sensitive to the fact that people may use it for commercial purposes and take that into account. The implication of the minister's answer was that it would be improper for the electoral roll to be used for marketing or push polling campaigns. What measures will be in place to ensure the commissioner does not release the electoral roll to people who may use it for that purpose? Will any guidelines be part of the regulations or will the commissioner provide the guidelines in that circumstance?

The CHAIRMAN: I remind the minister that nothing the adviser says can be included in *Hansard*. If the minister wishes that to be incorporated in *Hansard*, the minister must repeat it.

Mr SHAVE: It would not be appropriate for me, as minister, to suggest to the Electoral Commissioner what information he should or should not provide, or direct or advise him on how to treat the information on the roll. People can obtain whatever information they want from the electoral roll, in relation to names and addresses. It is not intended to widen that scope. If someone wants the information in electronic form, they have the right to access it.

Mr McGOWAN: Is that the current situation?

Mr SHAVE: No, I explained to the member for Nollamara that until now it has not been provided in electronic form. It has been provided in printed form to people who want the information.

Mr McGOWAN: Does the minister see that as a problem? If a private company requested that the complete electoral roll of Western Australia be emailed to it for commercial purposes, would that be a problem? Recently there was an instance when the Federal Government purchased a copy of the Australian electoral roll from the commission - it seems unusual for the Government to purchase from another government agency - for political purposes. Does the minister see that as a problem? Is that misuse of information that people are compelled to provide? People will have at their fingertips a resource, providing details of the 1.2 million electors in Western Australia, which was not previously available. I anticipate the minister will say people can access the roll in written form; however, the electronic form is much more malleable and easily used for commercial purposes. Does the Government propose to put in place any regulation of that area?

Mr SHAVE: The Electoral Commissioner has said that currently if a corporation asked for a printed copy of the entire electoral roll, the commissioner would not provide it. Under the existing process, they can get the information from the office, and his position is that if people were to telephone and ask for a copy of the electoral roll in electronic form, he would not provide it.

The commissioner also says that the roll can be bought in a printed form. However, if someone wants to buy the roll in an electronic form, he will not provide it. The commissioner ensures that political parties can obtain the roll in an electronic form, but not other people.

Mr McGOWAN: Members of Parliament are all required to use the electoral roll. The minister will not provide it to corporations in the same form. Is that provided for in the Bill or will the minister exercise his discretion in that regard?

Mr SHAVE: The Bill does not forbid the commissioner from making the roll available in that way. Were people to use it as a marketing tool, they could scan the written form and use the detail. Nevertheless, I accept the member's point that it would be more difficult for such parties to operate in that manner. It would be easier to telephone, pay the \$20, \$50 or whatever the fee would be, and then be sent the electronic copy for use on a computer. The commissioner does not intend to provide the roll in that form. He must be sensitive to concerns. I expect that complaints would arise if the information were provided to many marketing organisations. People would ask from where the information came. If this commissioner or future commissioners proposed to make that information available in that way, complaints would be raised and the minister of the day would need to take the appropriate action.

Mr McGOWAN: Section 25A, as the member for Nollamara pointed out, makes the information available in electronic form to parliamentary parties. What is the definition of "parliamentary party"? I found nothing in the definition section in that regard. Is an individual a political party? If the member for Churchlands declared herself to be a political party, would she be entitled to a copy of the roll, or does it relate to the Liberal Party, Labor Party and so forth?

Mr SHAVE: Proposed section 62C, on page 60 of the blue explanatory Act, contains a specific definition of "parliamentary party".

Mr KOBELKE: How do independent members of Parliament currently gain access to the roll if not under section 25A of the Act?

Mr SHAVE: Section 25A(1)(b) and (c) makes the roll available to those members.

Mr KOBELKE: That refers to the latest print of the roll. Is print interpreted as being electronic copy? I was taking a narrow definition as reference is made in other parts of the Bill to "print or by other means".

Mr SHAVE: Section 25A(5) outlines that print can be interpreted in that way.

Mr KOBELKE: Has any estimation been made of the demand for commercial interests wishing to purchase rolls and the extra workload that might place on the commission? It will not be unhappy to take up that work, no doubt, if a financial return is involved. What is the likely revenue from selling copies of the electoral roll?

Mr SHAVE: The experience of the commissioner is that the demand to date has been very low. He can go only on the

inquiries to date. A costing has not been done. Even if one had much demand with revenue potential, it must be weighed against the concerns of the member for Rockingham about the appropriateness of the commissioner's giving out that material to marketing organisations. As a voter, I would object to the roll being sent out to everyone on the payment of a fee so that I receive material in my letterbox. It is for this reason that I do not have my personal phone number in the phone book. I do not mind having my address on the electoral roll, but I do not want people selling hamburgers using that detail to fill my letterbox with material every day.

Mr KOBELKE: The minister is fortunate that, unlike me, he does not have a home telephone number which is one digit different from a local pizza company; therefore, he does not receive telephone calls at two o'clock in the morning from people asking for a pizza.

This comment is not pointed to the minister or the Electoral Commissioner, but we need to know the extent of the law and how it is likely to operate in some unforeseen circumstances. The minister said that it is possible that a future commissioner may make a decision relating to the sale of copies of the roll in an electronic form, which could lead to a negative backlash from the community for whatever reason. The minister of the day may decide to stand back, and say, "It was the commissioner's decision and I can't and don't wish to intervene. That's the end of it." Alternatively, a time may arise in which the minister of the day will say that the release of that information is creating such a political controversy and uproar that he should intervene and have the policy varied in some way. What powers are in the Act for the minister to direct the commissioner or to change current policy? By what procedure can that be done under the legislation?

Mr SHAVE: I am advised that under the current legislation one must amend the Act to restrict the persons to whom the rolls can be provided. Each minister handles these things differently. If a number of people expressed concerns to me about these matters, I would be inclined to write to the Electoral Commissioner and state that the concerns have been raised with me. I would indicate that he must be aware that the concerns were raised at a political level. From that point on, it would be up to the commissioner to decide what to do. If the concerns continued, the Government of the day would make a decision whether to legislate for change. I suggest, whether it were a Liberal or Labor Government, that if the commissioner were handing out the information in electronic form to marketing groups, that legislative action would inevitably occur. That comment is based on my experience with concerns about privacy rights being raised in my office.

Mr KOBELKE: We respect and see as important the independence of the commissioner. Therefore, we must place confidence in the commissioner, as we do now, and with future occupiers of the position. I refer to the availability of rolls. The minister referred me to section 22 of the Electoral Act, on page 24 of the blue Act, which determines what is on the electoral rolls. That states that subject to section 51B - which is the exclusion for members whose names do not appear on the roll - rolls may be in the prescribed form and shall set out the surname, Christian or given name, and residence of each elector. Section 22(1) is quite specific about the information that must be provided. However, section 22(2) can prescribe other matters to be part of the roll. Under subsection (2) other particulars can be prescribed by regulation to be required to go on the roll. It is perceivable that at some future time, for whatever reason, a commissioner may extend the data that is collected. If that is collected for purposes of the roll, under section 22 it forms the roll, and when a roll is released all that information is released.

Clause 30 replaces section 25, "Inspection and purchase of rolls". It states that copies of the roll in printed or any other form which the Electoral Commissioner thinks fit are available for purchase by the public; that is, the total roll with all the information the commissioner has collected is available for purchase. If the words "the Electoral Commissioner thinks fit" apply only to the form, will all the information be available? If "the Electoral Commissioner thinks fit" can apply to the data on the roll, it would be possible for a commissioner to say that although the roll has 10 fields of data he will make available for the public in electronic form only eight of those fields. I am unsure when I read proposed new section 25 that the words "the Electoral Commissioner thinks fit" relate to whether the rolls are made available on paper or electronic format and whether they give the commissioner the flexibility to reduce the fields of data to be made available. Can the minister put on the record that a mechanism exists by which the number of fields could be restricted for sale; and, if so, where is that section?

Mr SHAVE: Section 22(2) to which the member referred provides that regulations can restrict what is printed on the roll. As that is done by regulation, Parliament has effective control. If the commissioner decided to expand the data collected to something that was contrary to what might be in the public interest, the Parliament could take control of that by amending the regulations. If the commissioner wants to expand what is prescribed, that change must come through the political process.

Mr Kobelke: Am I correct that whatever is collected forms part of the roll and must be released under proposed new section 25 to the extent that the commissioner decides to release any at all?

Mr SHAVE: The advice I have from parliamentary counsel is that there could be a differing view from that which the member has raised. Parliamentary counsel would like to take note of the issue the member for Nollamara raised and if it can be further clarified in the other place with an amendment he will look at doing that.

Mr KOBELKE: I look forward to clarification of that point. I am not a lawyer, but if my reading of proposed new section 25 is correct, the commissioner can control the type of release of the roll - that is, whether he releases the roll in paper or electronic form - but not the specific fields of data - that is, whatever is incorporated on the roll. The minister correctly pointed out that any changes or additional information would have to be made by regulation. If someone who wanted certain data on the roll were to approach the Electoral Commissioner and say that, as the commissioner has said it could be released in electronic format, that person wanted all fields of data, would the commissioner have any room to move other

than to withdraw the undertaking he gave to release the data? I would appreciate it if the minister could clarify that for the Opposition.

What is the current situation with the local government authority area? We fill that in on the form, but is that captured as part of the roll? Subsequent to that, can we have a list of all the data fields that are currently considered to be part of the roll? The printed copies that the Labor Party receive do not indicate the local government boundaries. However, that data may be of use to a sales organisation. I am not saying that it should be available; I am asking whether information on the local government authority is considered part of the roll and what is the full range of data fields collected which currently constitute the electoral roll?

Mr SHAVE: The only information which is provided and which forms part of the roll is name, address and occupation. The date of birth and the electoral district do not form part of the roll.

Mr Kobelke: Does date of birth come under the requirement for registration, or is that just a double-check on the declaration the person makes?

Mr SHAVE: We need the date of birth to confirm who the person is.

Mr Kobelke: Is it a requirement for registration, but not part of the roll?

Mr SHAVE: Yes.

Clause put and passed.

Clauses 31 to 33 put and passed.

Clause 34: Section 81A inserted -

Mr KOBELKE: I seek clarification of a part nomination, which is covered in proposed new section 81A(2)(b) and 2(c). In plain language, the close of the nomination period for a party nomination is 24 hours before the formal close of nominations. That is to fit in with the new procedures that relate to the lodgment of party nominations with the Electoral Commissioner, who then must convey them to the returning officer. I suspect that 24 hours will cover a problem at the close off of nominations. What will be the mechanisms under these changes to make sure the nominations get through to the returning officer? I assume that the returning officer is still the last person who signs off on nominations, because in another clause we see that they must be at an appointed place one hour before the 6.00 pm close off for nominations. When that close off for nominations takes place the individual returning officer is in a position to declare the result, if there is only one nomination, or, alternatively, to conduct the ballot for position of names on the ballot paper. Why is it 24 hours? Is that sufficient time to complete the procedures that must take place to ensure there is no ambiguity or mix up at the declared time for the close of nominations?

Mr SHAVE: The view of the commissioner and the experience is that nominations from the parties do not normally come in at the eleventh hour. The commissioner's view is that the 24 hours will give the commission the opportunity to deal with those nominations that are left until the final moment; however, the experience, even under the current system, where people register as individuals, is that most of the nominations from the political parties is usually done three or four days, or a week before the close of nominations. The commissioner has said that he is comfortable with that provision.

Mr KOBELKE: That brings me to a question about proposed section 81A(5), which I asked about during the second reading debate. When the party nominations are received by the electoral commissioner, the electoral commissioner issues a receipt, both for the nomination and the lodgment of the deposit, and then has to send to the returning officer, as soon as is practicable, before the hour of nomination, a facsimile of the nomination paper. I asked the minister why the legislation specified facsimile. It appears to rule out what would normally be considered the slower means of communication - a letter. However, if a returning officer was also an employee of the commission - which would not be unusual - it could be adequate for the electoral commissioner to simply issue a letter and pass it to him. I accept that facsimile is likely to be the quickest and most certain way of doing it, therefore that would be the best way to do it in most cases. However we are prescribing it in the legislation so that we appear to rule out the possibility of using normal correspondence or, alternatively, email. Can the minister give an explanation of why we are restricting the electoral commissioner to conveying that nomination to the returning officer by facsimile?

Mr SHAVE: Lawyers are wonderful things! I am told that a facsimile is a true copy. It does not mean it must be sent by a facsimile machine; that is the legal interpretation. I did not get the opportunity yesterday to answer the member's question about email. In this context the word "facsimile" is used to describe a copy of the candidate's nomination form which has been sent from the commission to the returning officer so that the returning officer has a copy of all nominations at close of nominations to enable the ballot paper draw to be undertaken. I am told there are something like 57 returning officers, and this method gives the commissioner the opportunity to get the information out in a reasonable manner.

Clause put and passed.

Clauses 35 and 36 put and passed.

Clause 37: Section 85 replaced -

Mr KOBELKE: Can the minister indicate whether in the light of all these changes, the electoral commissioner is suggesting that the appointed places are to be other than what they have been in the past, which is predominantly the chief polling place

for each individual district? Often they are closed at 6.00 pm, therefore it is done in the car park of the chief polling place. Although nominations now are to come from political parties, which is a major change, people will still have the ability to nominate as individuals, which is a fundamental right that must be preserved. Are we looking at changing the place for the close of nominations which is required under proposed section 85; if so, what variations or modifications are likely to be made to the closing of those nominations?

Mr SHAVE: The answer is yes. In many cases, particularly in country areas, the returning officer might be the clerk of the court. Instead of having to go up to the school, which may be closed, he can take the nomination forms at his place of business, which in that circumstance would be the court where he is serving.

Mr KOBELKE: I am not familiar with current section 85. Does it prescribe where the polling place is to be?

Mr Shave: Yes.

Mr KOBELKE: It does, therefore it is the chief polling place, so we are now introducing that flexibility.

In closing, I will refer to the section we covered a moment ago, because the two are interrelated. I ask the minister to confirm how the nomination system will work, given that it is a dual system which finishes up at the hour of nomination, which is dealt with by the clause now before the House. Am I correct in saying that the existing process of nomination has not been changed in any material way in that any individual can seek out the returning officer for their district or region and lodge the nomination, as long as that is prior to the time at which nominations close? Of course, the place can vary to make it more convenient, which is an improvement. That system is to stay as it has been for some time, with no major changes to the way it operates.

We now have the form of party nomination. Party nominations will be the nominations made by a political party on behalf of an endorsed candidate of that party. The commission will then notify the party of the registration of that nomination. It then leaves it up to the candidates to confirm that with their party, which is different from the current system, but that is rightly outside the control of the commission. That category of nomination closes 24 hours before the close of nominations to ensure that all such nominations have been passed on to the returning officer. When the returning officer appears at the appointed place one hour before the close of nominations at 6.00 pm on the last day for nominations, he or she has all the party nominations plus any individual nominations they may have received, and are present at the appointed place for one hour in order to receive any last-minute nominations. I ask the minister to confirm that that is the way it is and perhaps add any additional information which is important and which I may have omitted.

Mr SHAVE: Everything the member has said is correct. The only additional comment I make is that all candidates will still be required to fill out a nomination form. The political party cannot go ahead and nominate on behalf of the candidate.

Clause put and passed.

Clauses 38 to 42 put and passed.

Clause 43: Section 90 amended -

Mr KOBELKE: The Opposition has amendments to section 90 relating to voting by post which we are now to call early voting. That standardisation will simplify matters and be a more accurate description of what is taking place. Proposed subsection (6)(4b) relates to oral application for an early ballot paper. Where are oral applications likely to be taken under this proposed subclause? Federal legislation and federal elections over the past decade or more have seen an expansion of electoral officers so that there is now an electoral commission officer for each House of Representatives district; therefore the infrastructure is in place for an officer to attend locally. This is not readily available in country areas because our country electorates are so large. I assume this proposed subsection gives the power to the commissioner to designate a range of officers where it is possible to make an oral application. Will the minister confirm that that is true and give some indication of the extent of officers to whom it will be possible to make an oral application for an early vote?

Debate adjourned, pursuant to standing orders.

[Continued below.]

[Questions without notice taken.]

DAIRY INDUSTRY AND HERD IMPROVEMENT LEGISLATION REPEAL BILL 2000

Returned

Bill returned from the Council without amendment.

ELECTORAL AMENDMENT BILL 2000

Consideration in Detail

Resumed from an earlier stage.

Clause 43: Section 90 amended -

Debate was adjourned after the clause had been partly considered.

Mr SHAVE: Before question time the member for Nollamara asked about the locations at which electors may apply for an early vote. They are as follows: The Western Australian Electoral Commission office in Perth; all Electoral Commission offices in Western Australia; all courthouses in Western Australia; the Western Australian mining registrars offices; some local government offices in remote areas where there is no office of the type referred to above; at state Electoral Commission offices in other Australian States or Territories; and overseas in Wellington, Auckland, Kuala Lumpur, Singapore, Hong Kong, London, Paris, New York, Los Angeles, Vancouver and Tokyo.

Mr Kobelke: Is that existing practice?

Mr SHAVE: Yes.

Mr Kobelke: Is it envisaged that situation will change as a result of the amendments to these sections of the Act?

Mr SHAVE: No, they will remain the same.

Mr KOBELKE: I refer to clause 43(1) which amends section 90 of the Act, and sets out the criteria by which an elector is allowed to make an early vote. Under the existing Act, this is described as a postal vote, but the amendment will change that description to an early vote. Two new provisions will be included to enable a person to apply for an early vote, when that person is precluded from voting during the hours of polling at a polling place because the elector will be caring for a person who is seriously ill or infirm, or a person who is expected shortly to give birth. This extension of the provisions for people to cast an early vote, will look after carers in addition to people who are incapacitated through illness or infirmity or who are about to give birth. It is a very good move, which is perhaps long overdue. Providing assistance to the partners of women who are about to give birth has created difficulties in my electorate. At one election, I had to assist a person in my electorate who was expected to give birth on the polling day. She was able to apply for a postal vote, but her husband was not and he had to look after two small children in the family, as well as get his wife to hospital. As is often the case in my electorate, although it may not occur in the minister's electorate, this family did not own a car and would have had to use public transport or taxis to get the wife to hospital and the children to relatives who would care for them. The problem is compounded when a family does not own a motor vehicle and must use public transport. That family came to me, and we were able to provide transport. This is an excellent provision and I certainly give it full support.

The second new paragraph refers to electors whose names are placed on the electoral roll, but whose addresses are not shown because a request under section 51B has been granted. These people will be able to make an early vote rather than front up at a polling place. I am happy to support it, but I am not sure why this additional provision is included. Perhaps it will apply to people in protected witness programs, who clearly need to remain anonymous even when they vote. I can envisage special circumstances, but I am not sure of the extent of the application of this provision.

There is no need for the minister to explain the first amendment because it makes sense. However, I ask him to explain the process by which it was introduced, whether by the commission or the commissioner raising this as part of a review, or as a result of complaints. It is probably overdue and it is most welcome. With respect to the second amendment in proposed paragraph (db), whose needs will this address and what is the likely extent of use of the provision?

Mr SHAVE: The genesis of this change is commonwealth legislation. This will update the Act and bring it into line with commonwealth legislation. It will provide an advantage to some people who do not want to go to a public place; that could include a police officer, for example, or someone who has been the victim of domestic violence and who may wish to avoid public places. This provision is included in line with commonwealth legislation.

Mr McGOWAN: Proposed paragraphs (da) and (db) amend the existing provisions for people to obtain a postal vote in a state election, and give greater scope for people to apply for early votes, depending on their personal circumstances. Must a person making such application provide any special evidence? For example, are they required to provide a statement from a doctor, or similar person, to attest to their circumstances? Why is someone whose address is not on the roll entitled to make an application, and why is that person not required to vote at a polling place on the day as ordinary voters must?

Mr SHAVE: People who have already applied under section 51B not to have details of their residences placed on the roll automatically qualify.

Mr McGowan: Will their names still be on the roll, without an address?

Mr SHAVE: Yes.

Mr McGowan: Why can they apply in those circumstances and not be required to attend a polling place? If for some reason people do not want details of their address on the roll, what precludes them from voting on election day like everybody else?

Mr SHAVE: Nothing, they can physically vote if they wish to.

Mr McGowan: Why are they given this entitlement, which is not available to other people, if they do not have an infirmity and they are not away from the State?

Mr SHAVE: People make a request to the Australian Electoral Commission. In their application they put forward their circumstances, and a determination is made on the basis of those circumstances. In relation to the second query, I am told that in most cases people provide a doctor's certificate if, for instance, a person is pregnant or is going to hospital.

Mr McGOWAN: Does the Act contain that requirement, or is it taken into account in individual cases? People need to know that information if they are carers. They need to know what information they are required to attach to an application

under this proposed provision. Many people are not used to writing letters and they do not like writing them. If they must write more than one letter and are also required to attach a doctor's certificate, it could involve additional expense. Would it be reasonable to take people at their word if they apply in writing? If they are required also to provide a doctor's certificate, that involves additional expense to them and the taxpayers, in view of the fact that Australia has a largely publicly-funded health system. Why would the minister have that requirement? Is what people are required to do laid down before the event, rather than their being told that the correspondence they provided was insufficient?

Mr SHAVE: The approval is made by the Australian Electoral Commission. To qualify for this provision, people write to or contact the Australian Electoral Commission. This provision brings Western Australia into line with that requirement. It is not a decision made by the local commissioner. He makes the point that with people's birth dates, for instance, the commission will know that a person is a senior citizen. The information put on the form would indicate the person's right, and why they are entitled to that right to apply. I am told by the commissioner that in other cases people would furnish doctors' certificates. Instances will arise in which people apply to the Australian Electoral Commission, which makes the decision whereby the commission will ask for additional information. I do not believe set guidelines are enshrined in legislation which set out the specific requirements for that application.

Mr McGOWAN: It strikes me as unusual. People might sit at home and take no interest in the political process, be it federal, state or local, and an election looms three weeks on Saturday, but they cannot leave their husbands or wives at home. If they rang the electoral commission - the minister stated the Australian Electoral Commission, but its functions are joined with the state commission - they must be able to obtain advice, such as whether they are required to submit a letter, not a doctor's certificate, as they are of a certain age. If a person aged 20 years has a husband who was recently in a car accident and cannot get out of bed, is she told that she must provide a doctor's certificate? Some guidance must be provided so people know the situation. My electorate office receives inquiries on such matters, particularly at the time of council ballots. People have postal votes and become confused by the process. In the case of state and federal elections - it has happened to us all - people contact members about obtaining a postal ballot. Do we tell these people that they must provide a doctor's certificate when caring for another person or someone in an infirm state? As members of Parliament and public figures, we must know about these matters to give decent and proper advice to people who contact us.

Mr SHAVE: The commissioner understands that the Australian Electoral Commissioner has a basic application form. The normal procedure would be that an application form is sent to a person once he or she rings in. The reasons for wanting to vote in that manner are outlined. If any concern arose, the person taking the call would ask for the general circumstances and assist the person to state the reasons on the form when contacting the commission. It is pretty well a standard procedure. I understand that people are not told that a letter submitted did not contain enough information so that another letter must be sent. The advice is given in a standard form. People send it in outlining their circumstances.

Clause put and passed.

Clause 44: Section 92 amended -

Mr KOBELKE: This clause will repeal section 92(5)(a) and (b) and insert paragraphs (a), (b) and (ba). First, this new wording regarding assistance for people who cannot read or write applies only to early voting. Is there a similar rewording for helping such people on polling day? If it is for this section only, why the rewording? It does not appear to be greatly different from existing subsection (5)(a) and (b). What is the intent of the small difference between the two?

Mr SHAVE: This matter is in line with a question the member asked last night: Why does the language need to be so precise and complicated, and can it not be simplified? The answer is that proposed section 95(5)(a), (b) and (ba) are a clarification of section 92(5)(a), which is more complicated. Although it apparently appears complicated in the amendment, the language must be precise to ensure that the legal requirements are met. Instructions are sent with postal material to help electors meet the requirements. One other difference exists with the proposal: The person assisting can fill in the ballot paper for the applicant under direction.

Mr Kobelke: Is this for early voting?

Mr SHAVE: Yes.

Mr Kobelke: Is it when they come for an early vote at a declared place and when the early voting is by post?

Mr SHAVE: Yes.

Mr Kobelke: What about when a person votes at a polling place and needs assistance? Has any change been made to the relevant section to bring it into line with this provision? If not, why not?

Mr SHAVE: It will not apply at the polling place. The commissioner did not consider it necessary to make changes to that section of the Act.

Mr KOBELKE: Does that mean that slightly different rules will apply when assistance is given to an illiterate voter at a polling place, as opposed to how assistance is given to the same illiterate person if that person is an early voter?

Mr Shave: There will be a slight difference.

Mr KOBELKE: Might that create confusion about people's rights, or mean that people transgress the law?

Mr Shave: That is not so according to the commissioner. The existing situation is to continue. If they go to a polling place, the officials help them.

Mr KOBELKE: Can someone else not help them at a polling place; that is, must they ask the presiding officer or someone delegated to assist?

Mr SHAVE: That is correct.

Mr KOBELKE: Can we have some explanation about the rewording in subclause (6)? It seems rather minor. Is it a clarification or does it involve some material change which escapes me?

Mr SHAVE: The advice I am given is that there is no material change; it is just a question of lawyers modernising the wording. Parliamentary counsel did mention that the Act is 93 years old, so it is quite proper for the words to change over that period.

Mr KOBELKE: Proposed subsection (8) provides for the scrutiny of votes to be commenced 72 hours before the commencement of polling. That is a good move, because it will not be necessary to wait for so many days after the close of polls on polling day to deal with votes that have been cast early and votes from other centres, although there will still be some delay. I understand there will not be any counting of votes, but what scrutiny procedures will be allowed to take place in that three-day period prior to the opening of the polls on election day?

Mr SHAVE: The advice I have been given is that the ballot papers will be looked at and marked off the roll to ensure that the person is eligible to vote. The ballot papers will then be put into a sealed envelope and will be counted at the time that the other votes are counted; so we will not have a situation in which 500 votes are counted prior to the poll.

Mr KOBELKE: Will the envelopes that have come in by post be opened and the ballot papers taken out of all the envelopes?

Mr SHAVE: Yes.

Mr KOBELKE: Will there be any scrutiny for formality?

Mr SHAVE: No, because no-one will actually look at the ballot papers. Assuming the person is eligible and has been checked off the roll, the ballot papers will be put into a sealed envelope for when the count occurs.

Mr KOBELKE: Will there be a reconciliation, if that is the correct word, between the final tally on that envelope and the other records, and will that then be put aside to be opened on the evening of the count?

Mr SHAVE: There will be a reconciliation of the votes that come in.

Mr KOBELKE: The ballot box will then contain all the ballot papers, which are not individually enveloped in any way, and that will be set aside and not opened until the night of the count, when it will be entered, along with the corresponding paperwork, to indicate that there were this many votes from a particular source of early voting.

Mr SHAVE: Yes.

Mr McGOWAN: The member for Nollamara asked some questions about paragraphs (a), (b) and (ba) of proposed subsection (5), which provide that a person who is helping another person to complete his ballot paper cannot be a candidate at the election but may be an elector. Is any other restriction placed on such a person? For example, is that person required to be an elector in the same electorate? What measures are in place to ensure that a person who assists people in their homes, in a nursing home or in an aged persons' hostel to complete their ballot paper does not exert any undue influence? What measures are in place to ensure that a person who is running an institution does not collect all the ballot papers and then fill them in according to that person's political preference?

Mr SHAVE: There is no restriction requiring that person to be from another electorate. The only restriction is that the person cannot be a candidate at the election. It is proposed to increase the penalties which are applicable to a person who exerts undue influence, as set out on pages 112 and 113 of the explanatory memorandum.

Mr McGOWAN: The minister said that the only restriction is that the person cannot be a candidate in the election. However, the person may not be a candidate but may be the campaign manager of a candidate. We put restrictions on all sorts of things these days. Has any work been done on examining that option?

Mr SHAVE: I understand the member's concern, but a person does not need to be a campaign manager to influence another person. The person may not even be a member of a political party. A person who wants to commit the offence of influencing another person will do it anyway if someone has sent him to do it. The view of the commissioner is that it would be very difficult to put in the clauses that would be necessary to prevent a campaign manager or a member of a campaign team from influencing another person. Where do we draw the line?

Mr McGowan: Was any work done to examine that question? What do they do in other States?

Mr SHAVE: The view of the Electoral Commissioner is that the provisions are very much in line with the commonwealth requirements, and are not that different from the previous provisions other than that the person now assisting is able to mark the vote for a person - I assume, if the person is incapacitated.

Mr KOBELKE: Proposed section 92(12) will enable early scrutiny of ballot papers in the three days prior to the election, and in accordance with subsection (10). As proposed subsection (12) is totally new, it appears that permission for officers to undertake those duties previously was done without explicit permission. I am not sure why we need proposed subsection

(12). Is it to make absolutely clear that officers have the power to do this, or could a difficult situation arise if the controls on officers in the general principles of the Act did not have the specific powers provided in proposed subsection (12) to open envelopes for early ballot papers and deal with them according to subsections (8) and (10)? Proposed section 92(10) is a small but important proposed provision which enables the ballot to be permitted if there is a technicality over the declaration, in terms of what went into the envelopes, and gives some ability to allow that vote to be counted. It is a good move to try to ensure that we have the highest possible formality, and that people are not struck out on a technicality. Proposed subsection (10) is a minor consequential amendment, and is substantially the same. However, new subsection (12) will enable officers to deal with the provisions of proposed subsection (8) and (10) and is a totally new subsection. Why is it needed and what is the extent of the powers provided?

Mr SHAVE: Proposed new subsection (12) will allow the provision of the early opening of ballot papers, which was not allowed before.

Mr Kobelke: Was it specifically prohibited?

Mr SHAVE: Yes. This clause will facilitate that happening.

Mr Kobelke: Is the existing prohibition being removed or is this giving powers to sidestep it for the purpose of this section?

Mr SHAVE: It is being removed. This provision will now allow the opening of the ballot paper, which previously was prohibited.

Mr Kobelke: Do any other sections have to be amended as a consequence of or in direct relationship to new subsection (12)?

Mr SHAVE: New section 92(8) allows it to happen. No amendment is required to any other section.

Clause put and passed.

Clauses 45 to 48 put and passed.

Clause 49: Section 100 amended -

Mr KOBELKE: The existing section 100 relating to polling places gives the Electoral Commissioner the power to take a number of steps necessary for the conduct of elections in the appointment of polling places. Section 100(1)(a) and (b), which relate to the chief polling place and other such polling places as the commissioner thinks necessary in each regional district, will be replaced by a much simpler clause that reads -

appoint such polling places for regions and districts as the Electoral Commissioner considers necessary.

I am not sure whether this is the key component, or whether that is section 100(3). However, considerable reform is proposed for polling places. What reforms or new steps will occur under the changes we make here? We have all experienced on polling day a large number of people coming to a polling place which is outside their district and having to lodge absentee votes. That is particularly the case when booths are near the boundaries of electoral districts or, as there are now redistributions every second election, there has been a boundary change, and people who in previous years voted at a particular polling place, find it is a booth for a neighbouring district and they vote absentee. When we change the designation of polling places - I am not sure whether this is the relevant provision - a range of provisions will allow new scope for the Electoral Commissioner to assist people to vote at a polling place outside their district. Does this clause provide that power or is it provided in subsequent sections?

Mr SHAVE: The intent of this section is to allow the setting up of general polling places so that voters can vote for candidates in a variety of electorates. It could provide for a polling place on Rottne Island or to set up a polling place in an electorate to facilitate voting for an adjoining electorate.

Mr Kobelke: In which section is this new designation "general polling place" defined and what new advantages does it provide?

Mr SHAVE: Proposed subsection (3) on page 118 gives the definition of a general polling place.

Mr KOBELKE: I am just trying to explain how I understand it and if my understanding is lacking perhaps the minister can clarify it for me as this should be put on the record. By this clause we are amending section 100 of the Act by establishing a new subsection (1) on polling places which will give the commissioner, by way of a notice in the *Government Gazette*, the ability to appoint such polling places for regions and districts as the Electoral Commissioner considers necessary. The current section in the Act relates to a chief polling place and other such polling places as the commissioner thinks are necessary. The other details are not important to the sense of what we are dealing with now. However, proposed subsection (3), relating to proposed subsection (1) which I have just read and to which the minister drew my attention, states -

If a polling place is appointed under subsection (1) for all regions, or all districts, for the purposes of a general election, that polling place is referred to as a "**general polling place**".

Are the operative words "for all regions, or all districts"? If the polling place is appointed under proposed subsection (1), that does not make it a general polling place. When it is done under proposed subsection (1) for all regions or all districts for the purposes of a general election, then that polling place is a general polling place. I am unsure of the differential in powers between an ordinary polling place under proposed subsection (1) and a general polling place; or are all polling

places under proposed subsection (1) now to be considered general polling places? I want a clear distinction, as I think there is one, between the two provisions.

Mr SHAVE: No, there will be only two or three general polling places. The original polling places run by the Electoral Commissioner will remain as they are.

Mr Kobelke: Am I correct in saying that the operative words which distinguish a general polling place from an ordinary polling place are contained in the clause that provides it is appointed for all regions or all districts?

Mr SHAVE: Yes.

Mr Kobelke: Therefore is it the designation of the commissioner that differentiates a general polling place from what would otherwise be an ordinary polling place, because voters will be able to vote there for any district?

Mr SHAVE: That is right.

Mr Kobelke: And will that polling place be nominated by the Electoral Commissioner and staffed by the commission centrally, and not be under the control of the returning officer for that district?

Mr SHAVE: That is correct.

Mr KOBELKE: Can the minister explain how such a polling place will operate? Firstly, I do not believe he has said how many polling places will be created and whether there will be one per district, one per major regional centre or a much more limited number, with his judgment based on previous examples of voting habits of people out of their district. For instance, in the last election, which took place on the first weekend of the school holidays, a great number of people headed off to the south west or to coastal areas to start their school holidays. There would have been larger numbers of people in those areas for that poll. It is a matter that clearly must be left to the judgment of the commissioner as the potential problems with large numbers of voters from other districts will vary from election to election. From a party political point of view, I know that the minister and I would like to know how that will operate. We must know how to conduct ourselves as political parties outside such polling places in the provision of advice and handing out how-to-vote cards. If we are to be able to offer that service to the public -

Mr Shave: Handing out how-to-vote cards at a general polling booth for about 40 candidates would be an interesting scenario.

Mr KOBELKE: I am sure the minister would not enjoy any political advantage by being the minister. However, I would like on the record an explanation of how these polling places are likely to operate. An understanding of that would obviously lead me and the minister, in organising our people outside the polling places, to assist incoming voters to be better prepared and to know what, if anything we can do to assist, other than by providing a nice smile and wishing people a good day.

Mr SHAVE: The intent of general polling places - I know the member understands the reason - came about because of events that occurred at the last election. It was the intention of the commission to set them up in pressure areas where it is convenient for the public. In the last election there would have been one in the central city district, one at Rottneest Island and one at Dunsborough.

Mr Kobelke: You are therefore looking at a small number of up to half a dozen?

Mr SHAVE: Yes. The commissioner said to me that he envisages two or three. As to how to man them and what to do, it would be difficult to hand out how-to-vote cards for 57 candidates.

Mr Kobelke: I am not asking the minister to address the question of how we might respond outside but, rather, to provide an explanation of what will happen inside. Will there be tables for each electorate in alphabetical order, or will the technology mean that anyone can go to any issuing point where that person's name will be able to be crossed off the roll using the technology, thereby providing an efficient system by that means?

Mr SHAVE: A final decision has not been made on the method to be employed. However, the commissioner's view of the comments made by the member is that he would more likely use the second option.

Mr Kobelke: So that anyone could go to any issuing desk and have his name crossed off?

Mr SHAVE: Yes.

Mr KOBELKE: Subsequent to that matter, I am working on the assumption that these general polling places will have a computer database of the electoral roll rather than a large book for every electoral district, which would make it difficult to handle a large number of people casting their vote. It would then become necessary to understand whether this Bill makes changes to the way in which the vote is recorded. Currently, a line must be passed between two points on a paper copy of the roll in order to be able to mark off that person. That then allows for cross-checking at a later stage of who has voted to ensure that the same person has not voted twice. There is a deal of other matters. However, that is one of the checking provisions contained in the existing system using the paper roll. To illustrate that, if there were a move to an electronic roll on a stand-alone computer in a polling place, we must know what provisions there would be to register the fact that an elector has voted at that polling place. What are the checks and safeguards in the system when an electronic database is used for marking off the fact that a person has voted? Will the roll be on a CD-ROM or on an online connection

to the Electoral Commission? Obviously that would be fraught with difficulties in some areas. Can the minister indicate the way in which the system will work and what will be the safeguards in the system so that we know who has voted and are able to cross-reference them later.

Mr SHAVE: The way in which it might be done has been tested and it is with a CD-ROM. They would be able to check later to see if people had voted twice. It would be checked in a manner similar to that which is used now, but it would be done electronically.

Mr Kobelke: The issuing officer - the poll clerk - would key in that the person had voted and it would then be captured electronically?

Mr SHAVE: Yes.

Mr Kobelke: Are there any other safeguards or guarantees or will this system still have to be trialled? Are there any changes in the legislation that pick up those issues?

Mr SHAVE: I am told that proposed section 126 on page 144 gives an overview of how it allows it to happen.

Mr Kobelke: What would be the situation with ballot papers? Will the general polling places have to carry ballot papers for all Assembly districts and all regions?

Mr SHAVE: Yes.

Mr Kobelke: Will there be a way of printing them out on the spot? Is that envisaged?

Mr SHAVE: No. We have that now under the current system with absentee voting.

Mr Kobelke: An absentee vote is where one has a ballot paper for another district. There is a fall-back situation when they run out of ballot papers - they may be written out. Using modern technology, it would be very easy to actually have them printed out on the spot, although that raises problems as to the security of such ballot papers.

Mr SHAVE: We cannot afford the technology to print ballot papers in 850 polling places at this time.

Mr Kobelke: I take it that the technology is available, but that the cost of implementing it across the whole State has meant that it has not been pursued.

Mr SHAVE: That is correct.

Mr McGOWAN: I want to raise the issue of polling places. In growing areas such as those which I and the member for Peel represent, suburbs are continuing to expand in southerly and easterly directions and between elections the populations of our electorates increase by about 30 per cent. As that happens, the population shifts and the concentration of people may diminish in some areas. I was wondering what mechanisms the Electoral Commission uses to determine where it is going to place polling booths. Is it based purely on demographics; are submissions from candidates and parliamentarians taken as to where they would like the booths to be located; and does the commission look at the possibility of closing some booths? In some cases I think there should be fewer booths. That is not the case so much in my electorate which has about eight booths, but in my colleague the member for Peel's electorate, there are about 30 booths for a similar number of voters as are in my electorate. Some of the booths receive very few voters. The member for Peel does not seem to have any difficulty staffing the booths with party workers, but some other parties have problems staffing all the booths and I think one party actually pays people to work there. I wonder if efforts are being made to reduce the number of booths. What submissions are taken on the subject and what criteria are used when examining those issues? It is an issue for all members around election time. We want to make sure that all booths are staffed properly. I suppose the more booths we have the more it costs the taxpayer to employ people from the Electoral Commission to staff them. It is an important point that is close to the hearts of all members, because we all go through the process every four years or so.

Mr SHAVE: The Electoral Commissioner wrote to the member for Rockingham a couple of months ago asking for his opinion on the location of polling booths. I am sure the member has responded to the commissioner. That is an example of contact between the commission and members. A number of issues need to be looked at. The commissioner revises his estimates each year and determines if there has been an increase in population in a particular area where a new suburb may be developing. The demographics of an electorate are also taken into account. Some electorates may be somewhat isolated, like the electorate of Peel, where people live in semi-rural areas or on market garden properties. Only 200 to 300 people may attend a polling booth but, if it is in a particularly isolated area, the commissioner must take that into account. About 10 to 15 factors are considered. In general terms, the commissioner - if he is doing his job and he apparently is - would write to members for advice. In many cases, a member would know more about his electorate than would the commissioner sitting at head office.

Mr McGOWAN: I had forgotten that the Electoral Commissioner wrote to me some months ago. It is not a huge concern for my electorate, which is small geographically and fairly heavily urbanised. My concern was more for those electorates in which the expansion is geographical rather than in intensity of population as is the case in my electorate. My understanding is that an assessment is done every four years; is it done in conjunction with the federal Electoral Commissioner; is it a joint process?

Mr Shave: Yes.

Mr McGOWAN: There are federal elections on average every 2.2 years. Is there a separate assessment for the federal election or is it done jointly?

Mr SHAVE: There is discussion between the two groups and they try to use the same polling booths for both elections so that people do not suddenly find themselves in a situation where a polling booth has been shifted and they are running out of time in which to vote. They try to maintain continuity where possible and to use the same sites in both state and federal elections.

Mr KOBELKE: I take it that the planning for the next election will not see any major change in the number of polling places and there will be only minor adjustments.

Mr Shave: That is right but when one looks at electorates like Peel or Wanneroo, I suspect that there will be some changes.

Mr KOBELKE: My first specific point refers to clause 49(3), which is the definition of a general polling place -

- (3) If a polling place is appointed under subsection (1) for all regions, or all districts, for the purposes of a general election, that polling place is referred to as a **"general polling place"**.

We have had two, possibly three, by-elections on the same day. If that were to occur, it would appear under this provision that one could not declare a general polling place. We had by-elections in Fremantle and Maylands on the same day. If a person was in Maylands and went to vote, even though he lived in Fremantle, he would be looking to cast his vote at a general polling place. I am happy to stand corrected, but from my reading of the clause it will be possible to declare a general polling place only in a general election, not when two or three by-elections may be held on the same day. It will not be a big problem because smaller numbers will be voting. Would that be a restriction? If so, is that intended?

Mr SHAVE: My advice is that in the event of a by-election at, say, Fremantle and Cottesloe, all the polling places in Fremantle could be declared dual polling booths for Cottesloe and vice versa. A general polling place would not be required; therefore, that would not arise. As the member for Nollamara indicated, a general polling place would take the pressure off in a general election. That is the only time it would be used.

Mr Kobelke: Am I correct in saying that it excludes the use of a general polling place for by-elections?

Mr SHAVE: Yes.

Mr KOBELKE: Proposed subsection (3a), at page 118 of the blue copy of the Act provides that -

The Electoral Commissioner may, in relation to a general polling place, perform the functions of the Returning Officers for the regions, or districts, under the provisions listed in the Table to this subsection.

I assume the sections in the table adequately cover that; I do not want to check every single one of them.

Can I have a clear and simple explanation of where is the dividing line between the Electoral Commissioner acting as the returning officer, as this gives the power, and when the responsibility for the conclusion is taken over by the returning officer, who has that responsibility and the responsibility to declare the poll?

Mr SHAVE: The Electoral Commissioner performs only the mechanical functions of setting up the polling place, collecting the ballot papers and whatever and getting them to the returning officer, who then takes over and has control of the ballot.

Clause put and passed.

Clauses 50 to 53 put and passed.

Clause 54: Section 156A amended and consequential amendments -

Mr KOBELKE: This clause is confirmation of existing practice when a vacancy is created in the Legislative Council by a member retiring who was elected, not at the most recent election, but at the previous election.

We know that Legislative Councillors take their seat on 22 May every four years. In the last general election in Western Australia the election was held early in December 1996. That meant that members elected in December 1996 did not take their seats until May 1997. If a member elected at the 1993 elections retired, that vacancy would be filled by a countback on the previous election. In that instance it was uncertain whether the previous election meant the 1996 ballot or the 1993 ballot. Based on legal advice, the Electoral Commissioner took it as the 1993 election, a matter with which I do not take issue. However, this Bill will make clear that that is to be the case to remove any ambiguity which might cause the situation to be challenged. The minister may correct me if I have that wrong, but I believe it is worth including this clause to ensure there is no doubt.

The larger issue of not allowing elections to take place so far ahead of members in the other place taking their seats is another issue which we should address. Although it is not part of this amending Bill, it is a contentious matter because it leads to issues developing between the two Houses. A royal commission was held in the 1980s to resolve problems that cause deadlocks between the Houses, which is the end point of disputes between them. This clause will put that matter right.

This clause will amend the Constitution Act. To amend that Act we must take account of section 73 of the Act which reads in part -

A Bill that -

- (a) expressly or impliedly provides for the abolition of or alteration in the office of Governor; or
 - (b) expressly or impliedly provides for the abolition of the Legislative Council or of the Legislative Assembly; or
 - (c) expressly or impliedly provides that the Legislative Council or Legislative Assembly shall be composed of members other than members chosen directly by the people; or
 - (d) expressly or impliedly provides for a reduction in the numbers of members of the Legislative Council or the Legislative Assembly; or
 - (e) expressly or impliedly in any way affects many of the following sections of this Act . . .
- shall not be presented for assent . . .

It provides further that a Bill presented in contravention of such things shall have no effect as an Act.

We are dealing here with a change which relates to the election of members. A question arose about whether using a countback would be contrary to subsection (2)(c). I think legal advice some years ago decided that matter when I was involved in the changes to the legislation as a Labor Party lay member prior to those major changes. That has been resolved and there is no contention that using this countback system to fill the vacancies is a problem. The issue before us now is whether the change we are making here is captured in any way by section 73 of the Constitution Acts Amendment Act.

Mr SHAVE: No, it is not.

Mr Kobelke: We do not need an absolute majority for the vote?

Mr SHAVE: No.

Mr McGOWAN: I am unsure of the meaning of this clause. I note from the heading that it refers to vacancies in the Legislative Council but I do not know what it is designed to do. Will the minister explain?

Mr SHAVE: The member for Nollamara explained it quite eloquently when he said that a dispute arose previously with respect to a replacement candidate and whether that replacement should be selected from the 1993 election or the 1996 election. The wording in this clause has been drafted to clarify any doubts people may have in that regard.

Mr McGOWAN: I am familiar with the situation involving Mr Carstairs and his subsequent replacement by Mr Halligan. What is the effect of this provision in that case? Does it provide that the replacement should be the person elected in 1993 or the person elected in 1996?

Mr SHAVE: It clarifies that the person elected in the 1993 election will take the seat.

Mr McGOWAN: In that case Mr Carstairs was No 3 or No 4 on the ticket in the 1993 election. He missed out, and arrived at the 1996 election. One of the candidates ran for a seat in the lower House, and there was a vacancy between the election in December and the changeover of members in the Legislative Council in the following May. There was doubt about whether Mr Carstairs or Mr Halligan would fill the vacancy. The minister has said that during that five months, the person on the ticket in the 1993 election should take the seat, rather than the person elected at the most recent election.

Mr Shave: That is correct.

Mr McGOWAN: Does the minister think that is the right thing to do? I do not recall Mr Carstairs but I understand he may recently have been preselected for another seat.

Mr Shave: He has nominated for the same region, but he is down the ticket a little.

Mr McGOWAN: Would it be better for the person elected at the most recent election to fill the vacancy, as that person would represent the most recent expression of the will of the people? Also, depending on when the election is held, a person may be required to fill the vacancy for a matter of only a few days, and that will still involve expensive administration. Would it be better to fill the vacancy with the person elected at the most recent election, rather than the person elected four years earlier?

Mr SHAVE: The point made by the member is quite valid. The commissioner has put the alternative argument that there may have been an interim change in the electoral boundaries between 1993 and 1996, as will happen between the next election and the subsequent election. There are two arguments, and at this stage the commission has the view that this is the more appropriate way to do it.

Mr McGOWAN: The electoral boundaries in the upper House are relatively stable, and I understood they did not change as much as the boundaries in the lower House. I do not think that is a valid argument. When a person is made a member of Parliament for only a few weeks, that person's entitlements accrue, an imprest account is opened, he qualifies for superannuation for a couple of weeks and so on. It would be more reasonable and appropriate, and provide easier administration to go the other way and fill the vacancy with the person elected at the most recent election.

Mr SHAVE: I am told the matter is quite complicated but it does not physically work as the member has suggested.

Apparently when the votes are passed down, it is not possible to use the candidate's votes in the 1996 election and the votes in the 1993 election must be used.

Mr McGowan: You are using that particular example.

Mr SHAVE: My legal advice is that it applies in any example.

Mr McGowan: But you are using that as an example.

Mr SHAVE: Yes, because that is what we were talking about!

Clause put and passed.

Clauses 55 to 57 put and passed.

Clause 58: Section 175 amended -

Mr KOBELKE: This clause will amend the definition of "electoral expenditure", which currently applies to expenditure incurred during the election period on broadcasting, publishing in a journal, or displaying at a theatre or other place of entertainment, an advertisement relating to the election; the production of an advertisement relating to an election, being an advertisement that is broadcast, published or displayed as mentioned previously; and production of any material required under section 187 to include the name and address of the person authorising the material and that is used during an election period. It also covers consultants' or advertising agents' fees, and the carrying out of an opinion poll during an election period. I have quickly summarised the current definition of "electoral expenditure", and have omitted some of the detail. The amendment will cover the production and distribution of electoral matter that is addressed to particular persons or organisations and is distributed during the election period. I assume that refers to direct mail or individual letters.

Will the minister explain why that has been introduced? Is there evidence of abuse of the current provision? The issue of borderline problems always arises. A candidate who sends direct mail, at a cost of several thousand dollars, should be covered. However, a candidate who writes a small number of individual letters on individual matters may be a borderline case, and he would certainly be caught by this provision. If the candidate has carried those costs in general expenditure, it is not a problem. What will happen if the candidate purchased stamps and used notepaper from his home to respond to someone? That candidate would be caught and must declare it. That would involve a trivial amount of money, but there are always borderline issues. I seek clarification of two points. First, what is the reason for introducing this amendment, and did particular examples draw this to the attention of the minister and/or the commissioner? Secondly, are problems likely to arise when people expend small sums of money? I do not think that will be applied to the minister or to me as a sitting member or to party political candidates in winnable seats. However, it may apply to independent candidates running on small budgets who buy a few stamps for specific letters and who do not do any bulk mail outs; they will also be caught. Perhaps the effect of that is limited by other aspects of the legislation on the amounts being spent.

Mr SHAVE: There are two main points. It is identical with the commonwealth provision. The Electoral Commissioner, in his report to Parliament two years ago, recommended this change. The genesis of that was the fact that a considerable amount of money was being spent in this area. His view was that it should be reported. This clause is there specifically to ensure that that happens.

Mr Kobelke: Is the wording the same as the federal legislation?

Mr SHAVE: Yes, it is.

Debate adjourned, pursuant to standing orders.

MEMBER FOR ROCKINGHAM

Personal Explanation

MR MCGOWAN (Rockingham) [4.01 pm]: This is the first time I have sought leave to make a personal explanation, and it is based on what was said by two members of the Government during question time. The Premier answered a question about the convention centre project. As part of his answer to that question, he attacked me, as opposition spokesperson on tourism, for failing to attend the WA branch of the Tourism Council Australia's annual general awards on Friday, 16 June. He said that it was wrong that I did not go. I will explain, because it is important that people know why I did not go. On that night I was invited to another function, the Western Australian Paralympics Committee fundraising dinner at the Sheraton Hotel. I accepted that invitation a number of weeks before the invitation to the Western Australian Tourism Council's annual dinner arrived at my office. I accepted one invitation and I was put in the program as a special guest. Who should be put in the program next to me? It was the Premier. My wife and I attended that event, along with the Premier. It was a very special occasion for hundreds of sportspeople; in fact, there were 300 or 400 people in the room. I was sitting at the table next to the Premier as opposition spokesperson for sport, as I most properly should have. I talked to the Premier, and he welcomed me in front of everyone for attending the event. However, he came into Parliament today and abused me because I could not be at two events at once. It demeans the Premier to come into Parliament and attack me for attending an event that was very important to a large number of Western Australian paralympians.

Point of Order

Mr BARNETT: The Government will always allow a member to make a personal explanation, which he is entitled to do,

and we will listen to it. However, I respectfully suggest that the member should explain why he was not at the tourism dinner, not now try to respond to the comments of the Premier. If he wants to do that, there are other forums than by way of personal explanation.

The ACTING SPEAKER (Mr Masters): I am not sure that that is a point of order, but I accept the point made by the Leader of the House. Unless the member for Rockingham wants to make some more factual comments about his presence at one function and not the other on that night, I ask him to resume his seat.

Debate Resumed

Mr McGOWAN: I will conclude. The point I was making is that I was not at that award ceremony and I was attacked for it. I was giving an explanation to the House of why I was not at that award ceremony.

The second point is that the Minister for Local Government also seemed to attack me during question time over the fact that, on the bottom of the petition I presented today, which bears approximately 62 500 signatures, I asked that it be returned to my address. I find it hard to understand why that was a problem for him. It is standard practice among a number of members that they put their addresses on the bottom of petitions so people can send them back to those members. It is quite reasonable and normal for members to do so.

Mr Omodei: Is it a bona fide petition?

Mr McGOWAN: It made it very easy for the 800 people who sought that petition from me to return it. That was a sensible and reasonable thing to do and which all members do.

GOODS AND SERVICES TAX

Motion

MR RIPPER (Belmont - Deputy Leader of the Opposition) [4.06 pm]: I move -

That this House demands that the Premier accept political responsibility for his part in promoting the goods and services tax and for his failure to stand up for the interests of Western Australians in the implementation of this unfair tax system.

This Government has always supported the goods and services tax. From day one the Premier and his colleagues have embraced this new tax.

Mr Bloffwitch: Yes.

Mr RIPPER: Three days before it becomes law in this country, the member for Geraldton nods and confirms that the Government of which he is a member still supports this unfair new tax. Let us look at what that support for the Howard GST package has meant for Western Australians. The Court Government has supported a new tax which applies to nearly everything we do and buy. It has supported a new tax which will force 300 000 Western Australian small businesses to become tax collectors. It has supported a new tax which, by its very nature, discriminates against low and fixed-income earners. It discriminates against low income earners not only by its very nature, but also because of the associated arrangements with which it will be implemented. The bias of the income tax cuts to higher income earners is one of the most pernicious features of the so-called tax reform which has been introduced by the Federal Government with the enthusiastic support of this state coalition Government. The tax package, which sees the lion's share of the tax cuts going to the top 20 per cent of taxpayers, has been enthusiastically supported by this state coalition Government.

We have also seen a long line of broken promises on this goods and services tax. Time and again, ministers from the Federal and State Governments promised that the GST impact would be minimal. With the GST only a few days away, we are now beginning to see the true picture. I say that we are beginning to see the true picture because the full picture will emerge as people start to pay the tax. It will not emerge completely in the first week of the payment of the tax. The crunch for many small businesses and others will come only over time, when they must cope with the administrative requirements and the deadlines which will be imposed on them. The crunch for many people will come when they must pay GST on bills which do not come on a daily or weekly basis, but which come on a monthly or quarterly basis. Let us look at some of these broken promises, and there is a long list.

Broken promise No 1 is the abolition of state taxes. Around the country and in this Parliament it was claimed that a list of state taxes would be abolished as a result of the goods and services tax. Let us look at what the Premier said in Parliament on 13 August 1998 -

FID, BAD and stamp duties on marketable securities, conveyancing on business properties, leases, cheques, bills of exchange, promissory notes, credit arrangements, hire purchase arrangements, mortgages, bonds, debentures and other loan securities will be abolished.

That never eventuated. Instead, we have the introduction of an unfair, regressive goods and services tax and the retention of nearly all of those inefficient state taxes. The only state taxes that will be abolished are financial institutions duty and stamp duty on marketable securities which will be abolished on 1 July 2001.

Broken promise No 2 was that this tax would be a simple tax.

Mr Bloffwitch: Because the Labor Party blocked amendments in the Senate.

Dr Gallop: No we did not; we voted against it.

Mr RIPPER: Let us have a look at that. The Labor Party opposed the GST and continues to oppose the GST. The Government struck a deal with the Australian Democrats. It is interesting to hear the member for Geraldton's objection to that deal with the Australian Democrats because we will explore that matter later in the debate. Let us come back to the broken promise that the member for Geraldton wanted to distract us from. That promise was that this would be a simple tax. In May 1998 the Premier claimed -

A GST will simplify the situation for people currently paying different levels of tax.

Let us look at this claim, in particular at the number of people paying this tax compared to the number of people who paid under the previous tax system. Australian Taxation Office statistics show that in 1998-99, 8 380 people remitted sales tax in Western Australia. The same statistics show that in 1998-99, some 285 519 businesses paid income tax. We can assume that those 285 519 Western Australian businesses will have to comply with the GST. That figure should be compared to the 8 380 who had to comply with sales tax requirements. Hundreds of thousands of additional businesses will now have to comply with a taxation arrangement which will replace the old wholesale sales tax. The Premier's claim that it would be a simple tax for those who paid it ignores the fact that hundreds of thousands of additional businesses will become unpaid tax collectors for the Commonwealth Government. In effect, the GST will mean an additional 277 000 Western Australian businesses will have to comply with the sales tax or sales tax equivalent in the case of the GST. The promise has been broken in a number of ways. The GST is not a simple tax - ask any person in small business who is trying to come to grips with the compliance arrangements demanded by the ATO. Anyone trying to understand how the GST works knows how difficult it can be.

Mr Barnett: I bought a pair of boots the other morning at a hardware store in Toodyay and the owner said he cannot wait. It simplifies everything he does.

Mr RIPPER: The boot is on the other foot now. That is not the response we are getting from small business and I doubt that it will be the response in mid-October when those small businesses are preparing their first set of tax returns for the ATO. Let us have a look at the example of yoghurt. Plain yoghurt is GST-free, and drinking yoghurt is taxable. Flavoured yoghurt is GST-free, and frozen yoghurt is taxable. Goats milk yoghurt is GST-free, and soft serve yoghurt is taxable. Yoghurt is only one example; there are hundreds of others. We have ended up with a dog's breakfast of a tax.

Mr Barnett: The Australian people went to an election and voted for the GST. At the last election the Labor Party said it was understood what the people were voting for, but when it came to the crunch it was not and that is why we have some problems. The Labor Party did not accept the will of the Australian people.

Mr RIPPER: The Government thinks that the problems are the fault of the Australian Labor Party. We did not propose this new tax system and we are not foisting it on the Australian people. It is worthwhile noting that on a two-party preferred basis, a majority of the electorate did not vote for the coalition in that election. The coalition won a majority of seats, but not a majority of votes on a two-party basis.

Several members interjected.

Mr RIPPER: It is exactly the same argument as I heard when I sat on the government benches and listened to the then state Opposition complain about the election result in 1989 in Western Australia. If members opposite think it is a pathetic argument, it is an argument I learnt when sitting on the government benches listening to the Liberal Party members talk about the result of the 1989 election.

Small business has become an unpaid tax collector for the Federal Government. Many businesses are incurring significant costs to get ready for the GST. For example, a major supermarket chain in Western Australia will have to employ 4 000 people on Friday night to get ready for the introduction of the GST. I can give an example from a small business that I patronised in a regional area. In January I stayed at a caravan park on the south coast. The owner of that caravan park did his accounts in an exercise book and he said to me, "This GST is going to be a problem. I am going to have to get a computer package in order to manage it. No one has given me any advice. I am not sure what is going on. I know it will cost me." The member for Cottesloe might have had one response from a regional business in Toodyay, but I can give members opposite an example from my patronage of a regional business on the south coast.

Mr Omodei: Where was it? You cannot remember it.

Mr RIPPER: I certainly can, but I am not sure that I should name that business because there is only one caravan park in the town where I stayed. If I name the town I name the business, and I would rather have the permission of the owner of the business before I mention its name in parliamentary debate. Some businesses will simply close as a result of the GST administration and compliance costs. Some businesses have announced that they will do that. It has been suggested by some commentators that around 20 per cent of small businesses in New Zealand closed their doors because of the introduction of the GST. We will find out exactly what happens as the GST comes into effect; however, we will not know the outcome for many of these small businesses in the first or second week or even the first or second month. The crunch will come after about three months when businesses have to submit their tax returns and start making their first payments to the ATO. At that time, many small businesses will face a nasty financial and administrative crunch.

The third broken promise was about petrol prices. The State Government and the Howard Government consistently claimed that petrol prices would not increase as a result of the goods and services tax. The Leader of the National Party and Deputy

Premier said on 15 March 2000 -

That tax will be set at a rate which guarantees there will be no increase in the price of fuel.

The reality is that the tax has not been set at a rate that guarantees no increase in the price of fuel. Last week, the Federal Government announced it will cut the federal fuel excise by only 6.7¢ a litre. That means that fuel prices will increase as a result of the goods and services tax at any metropolitan service station that sells petrol for more than 73.7¢ a litre. Country service stations will have access to the country fuel grants scheme. However, that scheme is insufficient to ensure that prices are not negatively impacted upon by the goods and services tax. The grant scheme will pay country retailers 1¢ or 2¢ a litre. It is simply not enough. Opposition staff have tabulated the impact of the GST on petrol prices around the State. When the data was prepared, the most common price in Perth for unleaded petrol was 85.3¢ a litre. As a result of the GST and associated arrangements, that price will increase by 1.2¢ a litre. The highest price in Perth was 98.9¢ a litre. The GST-induced increase at that service station will be 2.5¢ a litre. In Karratha, the price will go up by 0.7¢ a litre; in Broome, 0.6¢ a litre; in Carnarvon, 0.4¢ a litre; in Geraldton, 1.5¢ a litre; in Bunbury, 1.1¢ a litre; in Collie, 1.3¢ a litre; in Kalgoorlie, 1.5¢ a litre; and in Albany, 1.3¢ a litre. So much for the promise that petrol prices would not increase as a result of the goods and services tax. There has been a stupid fudge from the Federal Government that the petrol retailers and wholesalers would achieve savings through tax reform, which should be passed on to consumers. Those companies have blown the whistle on the Federal Government and said that although some small savings would be achieved, they would be achieved only in the long term and would be nothing like what the Federal Government had assumed.

Point of Order

Mr BARNETT: I know this is private members' time, but I draw the attention of the Acting Speaker to the state of the House. Generally, there has been only one opposition member present. This is a serious issue, and it is not up to the Government to maintain numbers during private members' time.

Mr RIPPER: While it is appropriate for any member to draw attention to the state of the House and the need for a quorum, it is always the Government's responsibility to maintain the numbers in the House.

[Quorum formed.]

Debate Resumed

Mr RIPPER: It is interesting that the Government sought to interrupt the flow of my argument when I was discussing the increases in petrol prices in the country. The matter was a bit inflammatory for them. The Government's promise to its electorates that fuel prices would not increase has been proved totally wrong. Petrol prices will rise in every country town represented by government members as a result of the tax reform package they supported. Coalition members should go back to their electorates and explain to their supporters why the Government's proposal means they will pay more for petrol. The Government has set up a select committee to inquire into petrol prices. However, that will not be enough when the people in the country towns realise that the tax system the Government supported will cost them every time they go to a petrol station to fill up their cars. I will go through those increases for the benefit of the additional government members who are in the House as a result of the call for a quorum. I thank the Leader of the House for calling them in to hear that in Karratha, petrol will go up by 0.7¢ a litre; in Broome, 0.6¢ a litre; in Carnarvon, 0.4¢ a litre; in Geraldton, 1.5¢ a litre; in Bunbury, 1.1¢ a litre; in Collie, 1.3¢ a litre; in Kalgoorlie, 1.5¢ a litre; and in Albany, 1.3¢ a litre. The increases do not stop with unleaded petrol.

Mr Cowan: From where did you get that advice?

Mr RIPPER: I have already explained that those calculations were done by opposition staff.

Dr Gallop: They were based on RAC figures.

Mr RIPPER: We can provide the Deputy Premier with the assumptions on which those figures have been calculated.

Mr Cowan: I just wanted to know the authority.

Dr Gallop: We took the RAC price list and the Federal Government's proposal and calculated the result. It is as simple as that.

Mr RIPPER: It is an accurate calculation. If the Government thinks it is wrong, it should explain why it is wrong, and it should explain to its electorates why it is wrong. The member for Mitchell might like to tell consumers in Bunbury why they will pay 1.1¢ a litre more for fuel as a result of the tax system he has enthusiastically supported, including in his inaugural speech to the House.

Petrol is not the only fuel that will increase as a result of the goods and services tax. Diesel and alternatives fuels will also increase. I am particularly concerned about the situation that will apply to autogas, which is not currently taxed by either the Federal or State Government. Autogas is considerably more expensive in Western Australia than in other States. The Australian Competition and Consumer Commission has conducted an inquiry into that discrepancy and produced a draft report that points to a lack of competition in the Western Australian autogas market. The ACCC is continuing to investigate that matter. The state Opposition has made submissions to the ACCC on a number of occasions and has urged it to pursue that inquiry with vigour. The GST will worsen the position of autogas, especially as it is already more expensive here than in other States. According to the Australian Competition and Consumer Commission, the GST will increase the price of autogas by between 7 and 8.8 per cent. An 8.8 per cent GST on the retail price of autogas at 40¢ a litre would result in a price rise of 3.5¢ a litre. Of course, the impact will be greater in country areas, where the price of autogas is much higher

than in the metropolitan area. In May, the price of autogas in Albany was 54.9¢ a litre. A GST of 8.8 per cent will mean that the price will increase by 4.8¢ a litre. The state Opposition believes that the Federal Government should extend the fuel grant scheme to alternative fuels so that country users of autogas are not penalised more than their metropolitan counterparts. So far, we have not had any response from either the Federal Government or the State Government to the problems faced by consumers of autogas generally or country consumers in particular. We have a coalition that is prepared to support a tax reform package which increases the price of petrol in country areas and which increases the price of autogas in the country and imposes a greater penalty on country consumers than it does on metropolitan consumers.

I now turn to broken promise No 4: State government charges. When the tax reform package was sold to the public and the Howard Government was returned - with a majority of seats but not a majority of votes - the voters did so on the basis of information provided about the impact of the proposed tax reforms. The Howard Government claimed that the price of electricity would go up by 6.6 per cent, gas by 3.9 per cent and public transport by 5.8 per cent. The increases in this State are well above those figures. As I said, electricity and gas will increase by 9.3 per cent and public transport will increase by an average of 6.2 per cent. I know the minister will say that there have been some changes. However, those changes were accepted by the Federal Government to get its tax reform package through the legislative process. It is valid to compare the outcome for the people of Western Australia with what they were told before they were asked to vote at the federal election.

Mr Barnett: I will agree with you. It was always obvious that the price of electricity and gas would go up by close to the full amount of the GST.

Dr Gallop: That is not what John Howard said.

Mr RIPPER: The Minister for Energy says that it was obvious from day one that the price of electricity would rise by more than 6.6 per cent.

Mr Barnett: It was to me.

Mr RIPPER: That is not what the Howard Government said at the time. I certainly do not recall any statement to that effect from the Minister for Energy when he was supporting the public campaign for the introduction of a GST. I do not recall his contradicting the Howard Government's figures.

I turn now to broken promise No 5, which relates to third party insurance premiums. I raised this question of compulsory motor vehicle third party insurance premiums in parliamentary debate in October last year. I questioned the Premier about the impact of the GST on those premiums and asked what was the calculation of the final impost on motorists. He replied that the net effect should be zero. I put out a media release expressing my concern about the increases that would flow to compulsory third party insurance premiums. State Treasury put out a two-line response to the effect that there would be no net increase. What happened? A few months ago the Premier announced increases in motor vehicle third party insurance premiums and attributed 3.75 per cent of the increase to the GST. The Premier stated in this House that there would be no impact as a result of the GST and a treasury statement to that effect was issued, and we have had a 3.75 per cent increase in those premiums, which the Government claims is a direct result of the GST.

Broken promise No 6 relates to rents. Only a couple of months ago the Minister for Housing claimed that the GST would have a minimal impact on rent. On Tuesday 14 March, the minister claimed that the GST component of an average property rented at \$150 a week will be about \$2.50. In percentage terms, that is an increase of only 1.7 per cent. Despite the minister's claim, research undertaken by Econtech - the Howard Government's own forecaster - indicates that rents will increase by about 4.7 per cent.

Broken promise No 7 relates to general insurance. The Premier has spread a great deal of misleading information about the impact of the GST on key household costs such as insurance premiums. On 14 October last year he claimed that the insurance industry had confirmed that the tax package would put downward pressure on household contents premiums, particularly because of the abolition of the 32 per cent sales tax on televisions, video recorders, stereos and so on. We should examine whether that claim has been borne out in practice. The Australian Competition and Consumer Commission is predicting an increase in household contents insurance premiums. The commission's everyday shopping guide claims that premiums will increase by up to 4 per cent.

The position is much worse with building insurance premiums. Those insuring their houses will suffer a tax trifecta: A tax on a tax on a tax. That tax trifecta will be imposed on top of increased premiums resulting from the increased cost of housing construction as a result of the GST. The premium for insuring a house will rise because the cost of replacing that house should it burn down will rise as a result of the GST. A fire services levy will be imposed on top of that increased premium, and the GST will be imposed on top of that increased premium. In addition, the State Government will impose its stamp duty on top of all that. What will that mean for a person seeking to insure his house? The basic pre-GST insurance premium for a typical \$100 000 home is about \$168. When the fire services levy and stamp duty are added, the premium jumps to \$219. From next Saturday, when the GST comes into effect, the total cost of replacing a home will increase, which means the sum for which it is insured will have to increase. The same home will cost \$110 000 to replace, the basic premium will jump to \$178. If we add the fire services levy, the cost will jump by \$37 to \$215. If we then add the 10 per cent GST, the cost will be \$237. If we then add stamp duty of \$19, the final cost will be \$256. Pre-GST, the cost was \$219; post-GST, it will be \$256. That is an increase of \$37 dollars or 17 per cent. That increase is the result of the Federal Government's decision to impose a GST and two state government decisions. I refer to the decision to retain the fire services levy on insurance premiums and the decision to impose stamp duty on GST-inclusive prices. That will have a significant impact on insurance premiums and it is a significant broken promise.

That leads me to broken promise No 8, the promise regarding taxes on taxes. The Premier has claimed that he had no intention of raising more revenue as a result of taxes being imposed on taxes. He claimed in the media that the Government had no intention of raising more money out of stamp duty by the goods and services tax implementation. In that same interview, he also promised to readjust stamp duty rates to ensure the tax on a tax was revenue neutral. Naturally, when the budget came out, we checked the budget papers to see what was the situation. The situation is that the Government is expecting a windfall gain from applying stamp duty to GST-inclusive prices. The budget papers reveal that the Court Government plans to reap up to \$16m a year in windfall revenue by using the GST to bolster the proceeds of stamp duty on insurance premiums and other financial transactions - \$16m a year! That is to be compared with what the Premier said in the media; that is, he did not plan to raise any additional revenue, and, further, that he would adjust stamp duty rates if he did. The budget papers give the lie to his glib assertions to the media.

Dr Gallop: Wouldn't you describe the Premier's seat there as something like the Berlin Wall?

The ACTING SPEAKER (Mr Masters): Order! The debate should be relevant to the motion.

Mr RIPPER: I will accept your guidance, Mr Acting Speaker.

Broken promise No 9 relates to the Premier's promise that the GST would be a better deal for Western Australia. He has claimed that the GST deal would be better for Western Australia because there would be no need for the annual Premiers Conference argument over state funding. Of course, there will still be an argument over commonwealth payments to the States. It will just occur in a meeting of the ministerial council and not at a Premiers Conference. The problem that this State faces is that the Commonwealth Grants Commission will still play a key role - indeed, a greater role - in determining our share of grants. The Commonwealth Grants Commission will determine Western Australia's share of the GST revenue. That is the same Commonwealth Grants Commission about which the Premier has constantly complained over the years. The Premier said on 26 February 1999 in a media statement that the commission operates on the principle that more grants should be allocated to the poorly performing States - hardly an incentive to perform well. The Commonwealth is wringing the neck of the goose that lays the golden egg. The problem is that the same body that has disadvantaged Western Australia over the years has now been handed more power. Let us look at what the budget papers say about this issue -

Over the last seven years the Grants Commission's recommendations have led to a cumulative \$365 million loss . . . in Western Australia's annual share of grants, . . .

Further on it says -

Western Australia's loss far exceeds that incurred by any other State.

Then there is the killer point -

As a result of tax reform, the pool of funds allocated by the Grants Commission in 2000-01 will increase from around \$18 billion (ie. the pool of financial assistance grants in the absence of tax reform) to \$24 billion (ie. the pool of GST grants).

That same body that has so disadvantaged Western Australia and about which the Premier has complained time and again over the years will now have an even larger influence on our budget as a result of the abolition of state taxes and their replacement with the GST.

I note from the budget papers that this State's proportion of GST revenues is said to be larger than its proportion of financial assistance grants would have been. Therefore, the Government is arguing in the budget papers that at the moment we have a better deal with our proportion of GST revenue than we would have received with our proportion of financial assistance grants revenue. It may be the case that the Government has temporarily got a better deal, but a much larger proportion of the State's revenue is being held hostage to Commonwealth Grants Commission deliberations. That body, which over the years has been so inimical to Western Australia's finances, will have a much larger proportion of the State's finances upon which to exercise its negative deliberations. That is one of the biggest areas in which this Premier has sold out Western Australia.

The Premier and the State Government have sold out Western Australians in a number of other areas. Let us consider the list of sell-outs. The first area I will examine is administration costs. The GST is a commonwealth tax, yet the States must pay the administration costs. That was signed up to by the Premier when he signed the Intergovernmental Agreement on Tax Reform. It is a commonwealth tax. We do not control the rate of the tax; we do not control the base on which the tax is collected; we do not control the administration of the tax; we do not control the extent to which compliance costs are forced on business. We do not have any control over the extent to which anti-avoidance measures are implemented, and we do not have any control over the publicity campaign. However, we pay. According to the budget papers, in the coming financial year we will pay \$80m for the administration of the tax, and in each of the subsequent financial years listed we will pay \$37m.

The difference in those figures is interesting. We will pay \$80m in the forthcoming financial year. We will pay a little less in the financial years after that. I want to know this: Are we in effect paying for the Commonwealth Government's propaganda campaign on the GST? Are Western Australian taxpayers, through the State's responsibility for the administration costs of the GST, paying for each one of those television advertisements that is costing taxpayers \$120 000 a pop? Is this State Government, because of the intergovernmental agreement for which it signed up, in effect paying \$120 000 for each of those television advertisements that we see night after night on our televisions? Are we paying for

the propaganda that the Howard Government has foisted on Western Australians at taxpayers' expense? I would like the Government to answer that question in its response to this debate.

Sell-out No 2 is the question of the growth dividend. The growth dividend is in the table in the budget papers headed "Tax Reform Impacts on General Government Finances". What is the growth dividend? So far as I can see, it is an assumption by the Commonwealth Government that the economy will grow faster as a result of the implementation of the goods and services tax. Because the economy will grow faster, the revenue from state taxes will increase; therefore, the States should not receive as much as they expected from the Commonwealth in GST and GST-guarantee payments. Therefore, \$8.5m is taken off what the Commonwealth thinks it should pay Western Australia next financial year. The following financial year, \$11.5m is taken away. In the financial year after that, \$15.6m is taken away, and in 2003-04, \$20m is arbitrarily removed from the amount that the Commonwealth thinks it should pay Western Australia because it has made an assumption that somehow or other our economy will grow faster and our revenues will be better because of the goods and services tax. It is just an exercise in magic and superstition. I want to know from the State Government whether it agrees with those calculations.

Can the State Government tell Parliament how the calculation for the growth dividend was made, and the assumptions on which it was based? Does state Treasury agree with the commonwealth government calculation of the so-called growth dividend? I believe it was based on arbitrary assumptions. I cannot understand why the Premier, who claims to stand up for the interests of Western Australia when dealing with Canberra, agreed to such an arbitrary range of cuts in payments to Western Australia.

Another cut is to be made in commonwealth payments to Western Australia. An assumption is made by the Commonwealth Government that, as a result of the abolition of the wholesale sales tax, input costs will reduce for Western Australian government agencies. Let us be clear about this matter. Western Australian government agencies do not pay wholesale sales tax directly. The assumption is that Western Australian government agencies pay indirectly for wholesale sales tax levied in other parts of the economy. Therefore, the assumption is that the agencies will benefit through the abolition of the wholesale sales taxes, their replacement by the GST and the availability of GST input credits for Western Australian government agencies. Therefore, the Commonwealth Government will again cut the payments it will make to Western Australia. If this process is to work, government agencies must go to their suppliers and negotiate reductions in supplier charges as a result of the implementation of tax reform. Western Australian government agencies will have considerable difficulties in achieving those assumed savings in input costs.

An interesting difference is found between the figures in the intergovernmental agreement and those in the budget papers. The agreement assumes that the savings in 2000-01 will be \$50.1m as a result of the loss of embedded wholesale sales tax. The savings in 2002-03 are assumed to be \$53.3m; in 2003-04, \$56.9m; and in 2004-05, \$60.6m. The intergovernmental agreement assumes that over those four years, a total of \$221m will be achieved in savings as a result of this mechanism. That is \$221m which the Commonwealth will not pay Western Australia as it has assumed we will make those savings. We bear the risk. If we do not make the savings, our finances will suffer, not the Commonwealth's. Considerable difficulties will be involved in making those savings.

The State Government has gone one step further. It has applied a different regime of savings to Western Australian government agencies; that is, it assumed that agencies will be able to save only \$41.7m in year one of the GST; in year two, \$59.2m; in year three, \$73.1m; and in year four, \$87.1m. The State Government has told its agencies that they will save \$261.1m over the four years. The Commonwealth has told the State that it expects \$221m of savings. It will not have escaped the notice of the more astute members of the House that a \$40m difference exists in those figures. In most people's language, that is skimming. The State must give up \$221m to the Commonwealth as a result of the intergovernmental agreement. That is a dubious calculation to start with. Nevertheless, the State tells its agencies that they must give up \$261m. Therefore, the State will extract an additional \$40m from its agencies. What the Commonwealth perpetrates on the States because of the Premier's weakness, the State perpetrates ever more so on its agencies.

An impact will be felt by people in Western Australia; that is, Western Australian government agencies will not be able to offer the current level of services to Western Australian citizens if they cannot meet these input savings. Also, a problem will arise for people using services for which the State applies the user-pays philosophy. The savings, if there are any, from the loss of embedded wholesale sales tax will be grabbed by the Commonwealth - Peter Costello will take those savings which will not be available to government agencies. Those savings, if they exist, will not be available to Western Australian consumers. Therefore, anyone using a Western Australian user-pays service will pay the full 10 per cent increase because of the application of the GST. Do members remember the Commonwealth Government's promise? No price will go up by more than 10 per cent. Every user-pays service in the WA public sector will go up by 10 per cent. The cost of the GST will be imposed on the consumer, and the savings will be pinched by Peter Costello as a result of this Government's weakness in conducting its negotiations.

We have had the following history in Western Australia: The Court Government has been an enthusiastic supporter of a GST. We have been given a long list of assurances by the Court Government on the impact of the GST. I have run through nine broken promises resulting from attempts to pacify the Western Australian public and to persuade them to accept an unfair new tax. Furthermore, there has been a sellout of Western Australian interests. Greater power has been handed to the Commonwealth Grants Commission so that it has greater power over Western Australian finances than it had in the past. There has been a sellout on administration costs the result of which we will pay for a commonwealth tax. There has been a sellout on the growth dividend because we have accepted the arbitrary commonwealth assumption that we will receive more in our revenue as a result of tax reform. There has been a sellout on the wholesale sales tax savings issue.

The Premier has not stood up for the State of Western Australia or for its people in these arrangements. The people of this State will suffer because of the diminished government services they will receive, and also because they will pay an unfair new tax which will impact most negatively on the low income earners in our community. They will suffer in meeting the compliance costs of the unfair new tax. Members opposite who claim to represent small business should remember that 285 519 Western Australian small businesses will pay for and administer the GST as a result of a tax reform program initiated by John Howard and supported so enthusiastically by Richard Court and all the people who sit on the other side of the House.

This reform presents plenty of room for mistakes and confusion. Last week the Belmont City Council in my electorate mistakenly applied the GST to its meals on wheels service. I was told that the Belmont City Council was acting on advice from a major consulting firm. If such mistakes can arise with professional advice provided, how much more difficult will it be for the average small business to operate without the resources to seek that level of professional advice? Enormous expense, confusion and loss will be experienced by many small businesses.

This Premier and this Government, which so enthusiastically supported the GST, must now accept political responsibility for the negative impact it will have on Western Australians. They must accept political responsibility for the detrimental impact upon Western Australia's interests which will result from the implementation of the GST.

DR GALLOP (Victoria Park - Leader of the Opposition) [5.00 pm]: I second the motion moved by the member for Belmont and will raise one important matter with regard to the goods and services tax. However, before I do that, I indicate that it was the Opposition in Western Australia that conducted a serious debate about the goods and services tax from the point of view of our State. It was the Opposition that pointed out that because the GST was a commonwealth tax, it was hardly a solid foundation upon which to build a reform of commonwealth-state financial relations. We all know what happened to customs duty when Australia became a federation. Customs duty had been collected by the colonies, and when the colonies became States, they lost the right to collect that tax, but it was agreed that the Commonwealth would give it all back to the States. However, after a decade, the Commonwealth busily started keeping the customs duty for itself. I predict that over time, the Commonwealth will also keep the GST for itself.

It was the Opposition that had a serious debate in Western Australia about the impact of the tax package on our state budget. Indeed, it has now been confirmed that it will take four years for the Western Australian Government's financial position to be better than it would have been had the existing arrangements continued into the future. It was as a result of hard questions that we asked in this Parliament that that information came out. It was not as a result of this Government's being open and transparent to the people of Western Australia.

Thirdly, it was the Opposition that looked at the impact of the GST on the 700 state government taxes and charges and what that will mean for the cost of living in Western Australia. Members will recall that we came into this Parliament and asked all of the relevant ministers to give us a clear statement about the impact of the GST on their various portfolios. They had not done their homework. They had not been fighting to protect Western Australia's interests. It was only as a result of our questions that that issue was raised. That issue has now become part of the broader issue of the inflationary impact of this tax. There is no doubt that the assumptions that were made by the Federal Government about the impact of the GST on the cost of living have proved to be false, and every Western Australian family will now be affected by this tax. The notion that the changes that will be made to income tax rates will compensate people for the impact of the GST has been refuted by independent economic assessment. We have been told to accept this tax and that it will be "good for the country", yet when we analyse its impact, we find that we will be in a negative position. We need to add to that the administrative cost for small business, and the disruption to our economy and society that will result from this tax.

I want to raise another issue today. That issue is the Premier's attempt to embarrass the Labor Party by pointing to Kim Beazley's commitment to roll back the GST. This attempt by the Premier is interesting. The Premier has misled people about this issue, and he has also been less than open about other aspects of this matter. I note, firstly, the hypocrisy of the Premier's criticism of the roll back. The Premier is the king of the roll back, because it was the Premier who accepted and signed up to GST mark 2, which of course had food and the \$3b in GST revenue taken out of the equation as a result of the deal between the Democrats and the coalition in the Federal Parliament. Therefore, the Premier is hardly in a position to speak to the people of Western Australia about roll back when he was part of the extensive roll back on which the Democrats in the Senate insisted, and which they were able to achieve.

That leaves us with the question of the future. Let us compare the future that the Labor Party is putting up with the future that the conservatives have put up. Firstly, Kim Beazley has made it clear that the Labor Party's priorities in a roll back of this tax will be to look at the impact of the GST on the most weak and vulnerable in our society, including the charities which help those people; the burden on small business, particularly the administrative complexity; the impact of the GST on the key areas of education and health; and the impact of the GST on jobs. Inasmuch as those issues will impact on the revenue raised by this tax, Kim Beazley has given the States a guarantee that they will not bear any additional burden.

Mr Barnett: Will Labor put a tax on food?

Dr GALLOP: The coalition put the tax on food, and it was taken off by the Democrats.

Mr Barnett: I wonder what your position is.

Dr GALLOP: We will come to that. Mr Beazley has outlined his priorities; he will put forward the detail at the election.

Mr Omodei: Oh!

Dr GALLOP: Well, the minister would not expect anything else, would he? Let us forget about the roll back and let us look at the future of the GST under the coalition. What does the Premier say about the GST? The Premier said in the Legislative Assembly on 2 June 1999 that the complexity of exempting an area like food would make the tax a nightmare for many small businesses, and he would prefer to see a simpler, purer form of GST.

Mr Barnett: Dead right!

Dr GALLOP: Does the Deputy Leader of the Liberal Party agree that the GST should be on food?

Mr Barnett: Yes.

Dr GALLOP: Does the Minister for Local Government agree that the GST should be on food?

Mr Omodei: I am not part of this inquisition.

Dr GALLOP: Does the member for Roleystone think the GST should be on food?

Mr Tubby: Absolutely.

Dr GALLOP: Does the member for Murray-Wellington think the GST should be on food? He will not respond to my question. We have two yeses, and two abstains. Does the Leader of the National Party think the GST should be on food?

Mr Cowan: Yes, I do.

Dr GALLOP: That is three yeses and two abstains. Does the Minister for Employment and Training think the GST should be on food?

Mr Board: If we had tax cuts, we would be able to help many Australians. That would be much fairer.

Dr GALLOP: Does the minister think the GST should be on food?

Mr Board: Yes.

Dr GALLOP: We have four yeses and two abstains; and it is five yeses, because the Deputy Speaker has also indicated that he thinks the GST should be on food. Just to add to the equation, the Prime Minister, Hon John Winston Howard, said -

I mean I think the GST should cover just about everything. And you'll remember that that was our original idea and that the Democrats said no, we won't pass it unless we take certain things out.

The Liberal Prime Minister is saying it should be on food, the Premier of Western Australia is saying it should be on food, and four Liberal members in the Parliament today are saying it should be on food; and we have two abstentions. I am not so concerned about the roll back. I am concerned about the roll forward.

Mr Barnett: Do you think it should be on food?

Dr GALLOP: Mr Beazley has said there will be a roll back of the GST, and I can assure the minister that food will not be included. The Labor Party will be rolling back the GST, but the coalition will be rolling it forward; and that is the truth of the matter. The coalition will be adding the GST to food rather than rolling it back to take the impact off the most vulnerable and needy in our society.

Mr Barnett: Will you take it off clothing?

Dr GALLOP: The Deputy Leader of the Liberal Party has answered the question very clearly: The coalition will roll the GST forward so that it is included on food. That is the truth of the matter, and the cat is out of the bag. Forget about what the Labor Party thinks about this issue, under a coalition Government the goods and services tax will not only cover all of the items it currently covers, but it will also be extended to include food. This issue will be very important at the next federal election, and also at the next state election. It will be important at the state election because Richard Court is a willing participant in the GST exercise. He is a willing participant not only in the GST exercise we have today, but also in extending the GST to food. The Labor Party will try to roll this monster back, and the Liberal and coalition parties will try to roll it forward. That has been clearly demonstrated in the Parliament today.

Mr Barnett: What will you take the GST off? Can you give me an idea?

Dr GALLOP: I went through the issues for the Leader of the House. Mr Beazley's criteria for assessing the GST will be fairness to the weakest and most vulnerable in society including charities; lifting the burden on small business - especially the administrative complexity; lifting the burden on education and health; and lessening the impact on jobs. They are the criteria the Labor Party will impose. The criterion the coalition Government will bring to the debate is GST on everything. The Opposition looks forward to continuing the debate about the GST. As far as we are concerned it will not end on 1 July; it will continue into the future with members opposite advocating an extension of the tax and our party advocating rolling it back.

Mr Bradshaw: We did not say that.

Dr GALLOP: Our position is that we will roll it back. That is absolutely clear. The Government's position is that it will roll the GST forward. The GST is not only a federal issue, but also a state issue. The Premier has signed up on a tax which will increase power to the Commonwealth and disadvantage our State's finances, certainly for the next four years, which

is about the longest period one could adopt when assessing these sorts of matters for the State. Who knows, after four years the Commonwealth might start to put its hands on this tax. We know that the inflationary impact will be greater than anyone has predicted. We know that small business will be clobbered by this tax not just in the short term - that is not in dispute - but in the long term, because it has to bear the administrative costs of the tax. It is a frightening thought; however, John Howard has put his hands into the pockets of every Australian citizen, particularly into those of small business.

It will be an ongoing debate. It will indicate in our community the division between the Labor and Liberal Parties. The Labor Party is trying to ensure a fairer society; it wants to reduce the effects of this regressive, flat tax on small business, lower income people and the most vulnerable in society. The Liberal Party will try to extend the breadth and width of this tax to cover all people in society including those on lower incomes on whose food members opposite want to impose a GST. The die is cast for an interesting debate on this issue.

Mr Barnett: It is as boring as hell.

Dr GALLOP: We could debate the position of the Deputy Leader of the Liberal Party on Westrail.

Mr Barnett: At least it would be fun.

Dr GALLOP: Does the Deputy Leader of the Liberal Party want to debate his position on Westrail's privatisation?

Mr Barnett: This stuff is dead boring.

Dr GALLOP: What is exciting about the Westrail privatisation debate?

Mr Barnett: Keep to your GST.

Dr GALLOP: The Deputy Leader of the Liberal Party wants to go back to the GST now. We all know that the excitement that is generated by the Westrail debate is nicely illustrated by the Berlin wall on the government front bench at the moment between the Leader of the National Party and the deputy Liberal leader. The deputy Liberal leader is trying to shore up his leadership aspirations in his non-metropolitan Liberal base.

Mr Ripper: One of the most important checkpoints on the Berlin wall was checkpoint Charlie, and that is appropriate in this analogy.

Dr GALLOP: The deputy Liberal leader is trying to shore up his non-metropolitan base by the position he is taking on Westrail to distinguish himself from the National Party. In the process he is breaking all the conventions of collective cabinet responsibility. He is endorsing Labor Party policy that the Government has gone too far with privatisation and it should re-establish the proper balance between the private and public sector. We applaud the Deputy Leader of the Liberal Party for his comments on privatisation. The only trouble is they have come a little late and they are transparently political in terms of his leadership aspirations in the Liberal Party.

The Labor Party is happy to debate the GST today. We have been happy to debate it over the past 12 months, and we will be even happier to debate it over the next one to two years when we will be advocating a roll-back of that tax and members opposite will be advocating a roll-forward, so that not only is it imposed on the people and commodities it currently covers, but also food will be added to the equation.

MR BARNETT (Cottesloe - Leader of the House) [5.15 pm]: We have heard from the Opposition for an hour and a quarter; I will speak briefly, and a number of members on this side of the House will speak also. What an extraordinary issue. The goods and services tax is a big issue for Australia. The Labor Party has brought it on for debate ad nauseam. Members opposite have gone through the same old stuff time and again. It is boring as they have not been able to bring any real substance to the debates.

Mr Ripper: Answer the points made.

Mr BARNETT: I will certainly do that. We heard this roll-back nonsense. Kim Beazley is totally incapable of defining his policy for a roll-back of the GST. We have roll-back Beazley and rollover Gallop. That is the totality of the policies of the Labor Party. I have made this speech before, so I will be brief. The GST is part of a fundamental and long-overdue reform of Australia's tax system. It will reduce our reliance on direct taxation on income by substituting increased indirect taxation on all goods and services within Australia, barring some exceptions which I will come back to. It is a fundamental change.

When we reduce income taxes and put on what is effectively a universal goods and services tax we should expect the price of the average product or service to rise. That is what it is all about. The Opposition goes on and on about price rises. Of course price rises will occur because we are introducing a 10 per cent GST. By definition one would expect that, on average, prices will rise.

Mr Carpenter: By 10 per cent.

Mr BARNETT: Yes, we would start with a price rise of 10 per cent. However, it will be less than that according to the extent of savings from the reduction of other taxes, particularly the abolition of wholesale sales tax. If we start from the prima facie point of a GST of 10 per cent on everything, the increase will be something less than 10 per cent generally. If there is no offset, the increase will be close to 10 per cent, if not 10 per cent. There is virtually no offset in energy, because no wholesale sales taxes impact to any significant extent on the energy industry. The price of electricity and gas

will rise by 9.3 per cent or whatever is the final figure. Big deal, prices will rise under the GST. That is what it is about. That is what it seeks to do. It seeks to reduce taxes on income and raise taxes on consumption. It is not a bad idea.

Mr Ripper interjected.

Mr BARNETT: No, I will speak for 10 minutes and then I will answer all questions. That will be fun. We must do something to fill in the next two hours; it has been dead boring so far.

Let us look at the impact of direct taxation. During the postwar period Australia has had progressive increases in threshold levels which have forced average working Australians into higher and higher marginal tax rates. We have a situation in Australia in which the average worker on average weekly earnings pays a marginal tax rate of 43¢ in the dollar. What incentive does that give to Australian people to work, to work harder, to strive and to achieve? Our tax reform starts with a tax system that destroys and removes incentive for effort. If there is a philosophical difference between the respective parties in this House it is that the Liberal Party supports incentives for work and reward for effort. We may have a philosophical difference on that, but we are proud of where we stand.

The top marginal tax rate in Australia is 47¢ in the dollar. That is a high rate by current international standards. A worker earning only 20 per cent above average weekly earnings cops the top marginal rate. Members should forget about a progressive tax system. Progressive tax systems were seen as a way of providing equity. The theory was to tax the rich and give to the poor. However, with our tax system, one hits the top marginal rate of 47¢ in the dollar when one earns just 20 per cent above average weekly earnings. Members opposite should not talk to me about equity; there is no equity in that. We have a tax system that penalises average, hard-working Australians. They do not have to earn much before they hit the top marginal rate. Where is the incentive and the equity in that?

It is even more complicated for those Australians who derive their income from a mix of earned income and social welfare benefits. We all know of examples from our constituents of people on a pension, whether it be supporting parents or whatever, who earn a little bit of income and pay tax on that income and immediately lose benefits. Some of the average effective tax rates by the combined impact of the tax system and the loss of social security benefits can hit 85¢ in the dollar. Therefore, the Labor Party, that is supposed to be in this place representing the needs and wants of the underprivileged people in our community, appears to support a system that effectively taxes the lowest paid, most vulnerable members of our community at an effective tax rate of 85¢ in the dollar.

Mr Carpenter: That is utter rubbish.

Mr BARNETT: It is true. The effect on pension recipients when they earn income and lose benefits at the same time is 85¢ in the dollar. I refer the member for Willagee to the analysis and I will give him a copy if he wants it.

Mr Carpenter: It is utter rubbish.

Mr BARNETT: The member for Willagee does not like it because if we encourage incentive through tax reform, that reform actually looks after some of the lower income people in this community. The Opposition's sloppy, philosophical, muddled, murky, miserable, mean, socialist approach to the world does not look after the people in this country who need encouragement, incentive and support. Members opposite are bereft of ideas and bereft of philosophy. Hence, they come into this place with roll-back Beazley and rollover Gallop. It is a pathetic effort and they deserve to be exposed for where they stand.

The impact of the goods and services tax and the main reason for tax reform is to return incentive and encourage people on low incomes to work, to provide themselves with some reward and to gradually lift themselves out of dependency and start to become partly and, hopefully, ultimately fully economically independent. On this side of the House we want people to be given the opportunity and incentive to strive for and achieve economic independence. That is what tax reform is about and not what the Labor Party seems to want to offer.

There are other important aspects of this issue. Australia, as I have said before in this House, is a trading nation. We depend dramatically on international trade. The United States is the world's biggest economy and trader. However, the importance of trade to the US economy is very small in the greater scheme of things. The United States economy is dominated by its internal activities. Australia is different. We are dominated by our need to export and to trade internationally. The GST takes a whole lot of hidden tax - obviously the wholesale sales tax and other taxes - off export activity. The net effect is something like \$3.5b worth of hidden taxes removed from our export industry. This will boost our international competitiveness and therefore boost living standards. Which State in Australia is the dominant trading part of this country? It is Western Australia. We provide 26 per cent of the nation's exports, and it will probably be 30 per cent by the end of this decade. The State that will benefit most by the boost to Australia's international competitiveness on the export incentive side is Western Australia. It is no wonder that the Premier and members on this side of the House support the GST package. It is good for this State and it gets rid of the wholesale sales tax. Other members will say more about that.

Mr Graham: Does Brazil have a goods and services tax?

Mr BARNETT: I do not know. I think they have a retail tax.

Mr Carpenter: Does the US have a goods and services tax?

Mr BARNETT: Yes, it has a retail tax.

Mr Carpenter: Does it have a goods and services tax?

Mr BARNETT: Yes, it has a retail tax administered by the States. Of the developed Organisation for Economic Cooperation and Development nations in this world, Australia stands virtually alone without a goods and services, consumption or retail tax. A broadly based consumption tax is not a feature yet of Australia's tax system. Every other trading country in the world and every other developed nation - and indeed many of the undeveloped nations - have a tax system which is designed on that balance. Australia therefore has a tax system which does not support -

Mr Carpenter: Why do people flood out of those countries wanting to come to Australia? How does our standard of living compare with theirs? Why did you come here?

Mr BARNETT: I will take the interjection in a minute. Australia has a tax system that does not support export activity. All of the developed OECD nations are swimming one way down the current with Australia trying to swim against the stream and trade. It is absolutely not on; Australia must have a broadly based consumption tax. The best form of a broadly based consumption tax is not a retail tax, it is a GST, and the wider it applies the more effective it is.

Mr Carpenter: So, it is not a retail tax. Does the US have a GST?

Mr BARNETT: It has a retail tax.

Mr Carpenter: It is not a goods and services tax.

Mr BARNETT: They are different taxes. They are both consumption taxes.

Mr Carpenter: Thank you. You hold up the US as the world's best economy.

Mr BARNETT: I will explain it to the member for Willagee.

Mr Carpenter: I understand your argument.

Mr BARNETT: No, the member does not.

Mr Carpenter: Yes, I do.

Mr BARNETT: All right. There is a consumption tax category, and a retail tax and GST are both examples of consumption tax. By far the more preferable form is a GST.

Mr Carpenter: Stick to the facts in your argument. You are blurring your argument with points that don't stack up. You used the United States as an example but it does not have a GST.

Mr BARNETT: Is the member for Willagee going to share his wisdom with us?

Mr Carpenter: You are on your feet.

Mr BARNETT: But the member for Willagee is interjecting so I will just stand here while he goes on, as I have 50 minutes to go.

Mr Carpenter: Okay. Stick to the facts to support your argument because you are not so far. The people who benefit most from a GST are not low income earners, they are high income earners. The United States does not have a GST and Australia has a far higher standard of living than most of the countries that have a consumption tax. When are you going to get to a relevant point to support that argument?

Mr BARNETT: The simple, relevant point is that all of the OECD nations have a broadly based consumption tax and the most common form is a GST; that is it. We will get rid of the extremely complicated wholesale sales tax which started off at 2.5 per cent and is now at an average rate of around 22 per cent. There are different levels of the tax and it is a nightmare and extraordinarily complicated for retail and wholesale businesses. However, what is really wrong with it? The members on the other side of the House, as a Labor Party, have traditionally supported blue collar workers and manufacturing activities. That is important in this State and it really has been the base of the Labor movement. If one considers the wholesale sales tax and the whole of our society, the economies of most developed nations such as Australia have changed. Service industries such as finance, a whole range of retail activities, entertainment and communications have grown and the manufacturing sector has tended to decline in relative importance compared with those industries. Yet, wholesale sales tax is on the manufactured component of our economy.

Often Labor and union spokesmen talk about how we need to encourage manufacturing and jobs with skills in that area. I agree, but how can we do that when the one indirect tax system in Australia, currently the wholesale sales tax, is focused exclusively on the manufacturing industry and completely ignores the services sector? It taxes the hell out of the manufacturing sector in Australia and then members opposite ask why that sector is languishing. Of course it is languishing as it gets the hell taxed out of it, but the service industry is let off scot-free.

Mr Ripper: Why don't you apply the GST to the finance industry and banking? Why is banking exempt from the GST?

Mr BARNETT: Banking is not exempt from the GST.

Mr Ripper: It does not apply to banking.

Mr BARNETT: Of course it does. It applies through the banking sector. It is not paid on the capital value of a financial transaction.

Mr Ripper: You don't pay it on bank fees.

Mr BARNETT: Banking is subject to the GST.

Mr Ripper: It is an input tax but not a tax in the same way as other services are taxed.

Mr BARNETT: Yes, because financial transactions are more complicated. However, the finance sector is subject to the GST.

Mr Ripper: On an input tax basis, not the same as other services.

Mr BARNETT: The member will pay GST when he pays his insurance bill, will he not?

Mr Ripper: Certainly.

Mr BARNETT: Absolutely, so it applies right through the financial sector.

Mr Ripper: It does not apply to banking in the same way and you know it.

Mr BARNETT: It is paid by the consumer at the end of the day and it applies to all goods and services, not just manufacturing. It applies right across the economy with the exceptions of health and education - which quite properly are treated differently - and food, to which I will return as it has unfortunately become an anomaly. It does provide a growth tax for the State. I share some of the concerns of the Leader of the Opposition. I think there is an issue about how the tax is eventually managed. I fear that the GST will be subject to further negotiation in the future; I do not doubt that that is a matter of concern for the State. There is some way to go there. I suspect, and would be quite confident in predicting, that the revenues from the GST will be way in excess of the forecasts from the federal Treasury. The GST will be a far stronger revenue base. There will be a test of credibility in terms of Commonwealth-State relations that we will not confront in Australia for another five years. The GST will generate far larger revenue streams than people anticipate, and it will be a test in the future.

Mr Ripper: Does the minister think there will be an effect on the Commonwealth Grants Commission?

Mr BARNETT: I predict that within five years there will be a reassessment of the GST and revenue-sharing arrangements. It should happen.

Mr Ripper: Should the grants commission determine our share of GST revenue?

Mr BARNETT: I would prefer that it did not, but that is the system that we have.

Mr Graham: How would you do it?

Mr BARNETT: It is a good question. I would rather see simple GST revenue sharing on a population or revenue raised basis. It would present some anomalies, as we have national companies and the like. I do not like the grants commission process and I do not think it is particularly effective. It has served Australia's purposes in the earlier period of our development, but I do not think it is appropriate now. That is a bigger issue to which we will come later.

The motion is about political reality. Is political reality not a funny thing?

Mr Ripper: Political responsibility.

Mr BARNETT: Reality or responsibility - we are all casual about that. We all remember that the GST-type debate was effectively started by Paul Keating when he was Treasurer. He promoted the debate as his option C. He was dead right, and I can remember, although I was not in politics at the time, getting up at public forums in the city and supporting Keating's position. I can remember all sorts of seminars during the late 1980s on that issue and I spoke at about a dozen of them.

Mr Brown: It was not that late.

Mr BARNETT: It was about 1985.

Mr Brown: Option C was opposed by the significant elements within the business community at the tax summit and that is why it was dropped.

Mr BARNETT: I am saying that Keating came out with his option C and I supported him publicly at forums throughout Western Australia. The Chamber of Commerce and Industry supported tax reform along those lines at the time. That was the reality. I never opposed option C. John Hewson then came out with a tax reform package which I thought was a very good model. The mistake he made as Leader of the Opposition was to go for a GST of 15 per cent, which was too much for the Australian public to swallow. I think it was an error: Going beyond 10 per cent was asking too much in terms of change and people proved that they would not vote for that. We then got to the election when John Howard became Prime Minister. It is on the public record that John Howard said there would not be a GST but at the subsequent election he introduced a GST. I cannot support or defend that - that is a reality. He went to the polls at the last election on a GST platform. At the time, the Labor Party spokesmen were opposing it - that is fair enough; they made a policy decision to oppose it. I can remember senior Federal Labor Party politicians saying that if the people voted for a GST, so be it. They did not like it, but so be it. What happened afterwards? Oppositions have responsibilities, but what did the federal Labor Opposition do? It backed off and said that it would not let the will of the people prevail. It could have contributed to the

debate and put forward a modifying view of the legislation. At that election the federal Labor Party said that they would accept the will of the people if the people voted for a GST. The people voted for a Government that went to an election with a GST platform. When it came to the legislation, the Labor Party refused to back what the Australian people voted for. We got the worst of all outcomes. We got John Howard having to do a deal with the Australian Democrats, which resulted in crazy exemptions for processed and fresh food and all the rest of it. If the Labor Party had behaved politically responsibly - as its motion suggests - the federal Labor Party would have honoured what it said prior to the election and accepted the will of the Australian people when they voted for tax reform. That election was an election on tax reform and the people of Australia re-elected a Government on a platform of tax reform. The Opposition should not come in here with crummy little motions about political responsibility when the federal Labor Party had the chance to behave with a bit of stature and to recognise and respect what the Australian people had voted for. Australia has tax reform. It is not as good as I and many other people would like to see. I do not like the way that food has been treated. I think it will cause continuing problems and take away some of the benefits from what is, nevertheless, a very good system. The GST will cause some adjustment costs. There will be some confusion and difficulties for small businesses and it will probably take two payment periods for small businesses to become fully adjusted - that is the reality. There is always apprehension about changes in tax. I talk to lots of small business owners; there is some apprehension, but lots of them are saying that they are ready to get on with it. They have done the work; it has been hard, expensive and complicated - they have had to relabel prices - but essentially they are ready to go. Come Saturday, much to the disappointment of the Opposition, there will not be the destruction and chaos for which it hopes.

MR BLOFFWITCH (Geraldton) [5.36 pm]: I have heard nothing but negativity towards a tax system which has been adopted by 99 per cent of the OECD countries. The only countries that do not have a GST-style tax are places like the Solomon Islands and Botswana.

Mr Carpenter: Botswana is going very well.

Mr BLOFFWITCH: I am sure it is - it exports a lot of stuff. Whenever I talk about the GST I like to give the example of New Zealand. Why is it that we do not have any white goods manufacturers left in Australia? It is because we have sales tax of 22 per cent which strangles the manufacturers to death. I say that sincerely. Australians buy Fisher and Paykel goods because they are the product of the New Zealand system. Before New Zealand adopted a GST, Fisher and Paykel was about to close down. New Zealand went to the GST. Look at how Fisher and Paykel has developed in the Australian market since that day. For the first time, it is not paying the 22 per cent wholesale sales tax. The 10 per cent that it pays is deducted and it gets a positive cash flow out of its sales. Any small business, in collecting the 10 per cent, will see for the first time something that will give it a positive cash flow.

Mr Carpenter: What is the percentage growth of New Zealand's gross domestic product compared to Australia's?

Mr BLOFFWITCH: I would say that it would be ahead of Australia, per capita.

Mr Carpenter: It is about half.

Mr BLOFFWITCH: Why is it that all our white goods manufacturers have moved to Singapore and other tax-free zones rather than staying in Australia? If the member is such a fountain of knowledge he should tell me why. I will tell the member why: It is because our tax system is absolutely abhorrent. It is negative towards any companies that want to get established. With the developments that are now going to take place in this country, any of the manufactured goods that formerly were taxed at 22 per cent will have a 10 per cent GST on them, and because it is an input cost, the 10 per cent will be able to be deducted. In other words, the business will pay no tax whatsoever.

What sort of advantage is it to this country when steel and manufactured goods incur 22 per cent sales tax as they do now? What a massive increase in savings will be there when companies are constructing their factories. When New Zealand adopted its goods and services tax, it estimated 170 000 businesses operated there. On registration it discovered it had 330 000 businesses. Where did those other businesses come from? They were not registered and they were not paying taxes. That is an example of the impact this tax will have.

If businesses do not register, they will pay 47 per cent on anything they buy. That is a huge incentive to ensure businesses register for their Australian business number.

Some of the people in business to whom I have spoken were somewhat negative to begin with. However, I outlined some of the benefits, one of which is a \$200 grant towards a computer program that explains how to apply the GST. We will know for the first time in our lives that radios, for example, incur 10 per cent tax. Do members know that they pay 32 per cent wholesale sales tax on a television set? Where is that tax? It is hidden in the price. Nobody ever tells us that video equipment and cameras incur a 32 per cent sales tax. At least with the GST, everybody will know what tax they will be paying.

Mr Thomas: They sure will and they will punish you at the election.

Mr BLOFFWITCH: Within three months of the GST being introduced, when people see the positive cash flow from their businesses they will see the introduction of the GST as a giant, positive step.

Mr Ripper: What will happen to your car business? Will the price of cars increase due to the GST?

Mr BLOFFWITCH: No, they will go down.

Mr Ripper: Are you telling me people in Geraldton will be able to buy cars more cheaply from you?

Mr BLOFFWITCH: Manufacturers such as Holden and Ford Motor Co of Aust Ltd have parts such as transmissions and differentials made outside Australia on which they pay 22 per cent. That 22 per cent is added to the price of the car. All of a sudden, the differentials, the gear boxes and the airconditioners they buy from Email and various other companies, will not incur 22 per cent sales tax. It will be 10 per cent GST, which can be deducted. How competitive will that make the car industry?

In America people pay two lots of taxes: A state tax and a federal tax. The state tax is paid on top of the federal tax. Countries have chosen these systems because they want businesses to flourish and not be hindered by incompetent tax systems that drag them down. That is exactly what the current tax system does. What positive cash flow do I get from the wholesale sales tax? Nothing; it costs me more to buy my parts and stock. What will I get out of the GST? On \$1.5m worth of vehicles I sell, I will get a positive cash flow of \$150 000. In addition, when I do my stocktake on Friday night, I will be able to claim the 22 per cent sales tax paid on all the parts. I will get cash back for the 22 per cent I have paid.

I will also have a positive cash flow. The wholesale sales tax takes money out of my cash flow. I must pay that 22 per cent on every vehicle part I buy. I pay 32 per cent on radios, for example, which is more money out of my bank account. However, I will be able to claim back the 10 per cent GST from the Australian Taxation Office. I could not think of a better system to allow businesses to flourish in this country.

I am convinced that within four or five years, white goods manufacturers will return to Australia. The only reason they set up in the tax-free zone in Asia was to escape our abhorrent tax system. The goods manufactured by Email Ltd, Westinghouse Appliances and Pope Electric Motors that are no longer manufactured in this country will be produced in this country under a system that encourages companies to sell to not only Australians but also overseas customers. Goods made for the overseas market will be exempt from the GST. What better system could we have to encourage exports? I cannot think of a better or fairer system.

The average worker will receive \$30 a week in his pocket. He can pay a lot of 10 per cents with \$30.

Mr Carpenter: Is \$30 not 10 per cent of \$300?

Mr BLOFFWITCH: Does the member for Willagee spend \$300 a week on groceries?

Mr Carpenter: If you don't spend more than \$300 a week on goods and services I will be surprised.

Mr BLOFFWITCH: No GST will be paid on fresh goods.

Mr Graham: You nearly said I won't be paying GST, but you knew that was a lie and you had to change your mind. I will be paying significantly more.

Mr BLOFFWITCH: Biscuits do not incur GST, but the package around them does incur a GST. Many other things, such as pet food, are taxed at 22 per cent. Many items in the supermarket will incur GST. I can remember when Mr Hewson was the Leader of the Liberal Opposition and Foodland Supermarkets put out a pamphlet listing goods that would cost less. About 70 per cent of goods listed would have cost less.

Mr Graham: Nonsense.

Mr BLOFFWITCH: The member for Pilbara can say it is nonsense, but during the next month he should see for himself. Most members opposite would not know what wholesale sales tax applied in a supermarket.

Mr Graham: The retailers have been putting people on casual rates to ramp up the prices for six months. It has already happened, you fool.

The ACTING SPEAKER (Mr Masters): Order!

Mr Graham: Don't you.

The ACTING SPEAKER: I could interpret what the member for Pilbara said as a threat towards the sovereignty of the Speaker's Chair. However, I am sure he did not mean it that way. I was trying to politely let him know that I did not consider it particularly parliamentary to call another member of this place a fool. The member for Pilbara has pushed me further than I was hoping. I am putting him on notice and I ask him to consider using a more temperate tone.

Mr BLOFFWITCH: All I can say is, the sooner the GST is implemented, the sooner we will have more jobs and more opportunities and the sooner this country, which should be exporting more goods, will become a major exporter. I will welcome that. The sooner it happens, the better.

MR GRAHAM (Pilbara) [5.50 pm]: Mr Acting Speaker -

The ACTING SPEAKER (Mr Masters): If the member for Pilbara has dried his crocodile tears, I will give him the nod.

Mr GRAHAM: If that is an official ruling from the Chair, I look forward to it being implemented.

I listened with interest to the speech by the member for Cottesloe, and he is right to the extent that Paul Keating raised the question of a goods and services tax in the lead-up to the Tax Summit. He argued for it at the Tax Summit, and I understand it then went to a special meeting of the Australian Labor Party. Members opposite take that argument by the then Treasurer

Keating as Labor Party policy and throw it back at Labor Party members, saying the Labor Party supported a goods and services tax. I have said before in this place, that the Labor Party has never had a policy of supporting a goods and services tax and has never supported the introduction of a goods and services tax.

Mr Barnett: I accept what you are saying about the Labor lay organisation, but do you not think that in the Tax Summit in 1985 Keating, as Treasurer, in promoting option C, must have had the support of his colleagues in federal Cabinet?

Mr GRAHAM: No, I do not. I am sure he argued that he did have that support, and I am sure he got a vote in Cabinet authorising the option to go forward. However, I am absolutely convinced that neither the Labor Caucus nor the Labor Party generally supported Paul Keating's view. Together with the member for Bassendean, I was actively involved in the campaign against the goods and services tax in the 1980s. I was extremely proud, as I have said in this House before, that we won. As a result of winning that argument in the 1980s, the imposition of a goods and services tax in Australia was delayed for about 15 years. It was a fantastic outcome for this nation. I will not quote chapter and verse but, I say to any of the people in this place who like reading and doing basic research, those who say the economy was crippled by not having a goods and services tax should compare the size of the national economy from the time when Keating proposed the introduction of the goods and services tax with the national economy today. A very good book was written by Brown on this subject. They should monitor the changes in the Australian economy in those 15 years. It is a fundamentally different economy than it was in 1984.

Why is that? Why has it happened under a federal Labor Government and then a federal Liberal Government? It happened because successive Governments, instead of focusing on the broad-brush introduction of taxation, have dealt with the anomalies and problems that any tax system throws up. They have dealt with, modified and adapted the anomalies. Goods and services taxes and consumption taxes are 1960s European taxes introduced to fund the European common market, as it was initially called, now the European Union. That is the reason for their introduction; they were not introduced as great economic development benefits. I have made speeches before in this place pointing to the basket case economies around the world that have a goods and services tax. It is absolute nonsense for the member for Cottesloe to say that the economy will do better on international markets as a result of the introduction of a goods and services tax.

Mr Barnett: Better than it would otherwise have done.

Mr GRAHAM: I do not think the evidence even supports that. I totally agree with the member for Cottesloe's statement that this is a massive transference of the way taxation is paid. It is the biggest single change in this nation's history to the way taxation is paid in this nation. That is the sleeping issue. In 20 years, when the history of this period is written, the greatest con ever perpetrated on the Western Australian public will be analysed. For ever more, this move shifts the cost of government from everybody except consumers. If we have not already, we will go down the road of all those other countries and exclude tourists from paying the goods and services tax. The tourist lobby will tell the Government that it cannot compete on the international market for tourists because in other countries people get a refund of their value added tax, or whatever, when they leave the country. Australia will be in the position of refunding the goods and services tax on the tourist industry. That leaves no-one but the citizens of this country to pay taxation. It must be borne in mind that this package is described as tax reform but it is not tax reform; it is a new tax. It may replace some old taxes, but it is a new tax in this nation.

In a similar time period, although the implementation will be after the goods and services tax is fully implemented, the so-called Ralph business reforms will be introduced. While the tax burden in this nation is being shifted to average Australians, the tax benefits will be conferred on exporters and businesses. At the same time as they are conferred the benefits, they will also be granted further benefits in changes to the taxation system that benefit business. Generally, I am pro-industry and pro-business. That is my background. I have worked almost my entire life in private enterprise. I have been in business, although I did badly, and it is generally something in which I believe. However, of late, the big end of town has completely removed itself from the taxation system, to the extent that now pretty much at the national level both sides of politics agree that tax is optional for the rich people. It is no longer considered necessary that rich people pay taxation. That is bizarre, and the goods and services tax does not fix it. Anybody who suggests that it does, firstly, does not understand the effect of the goods and services tax and, secondly, has never set foot outside Australia. In other countries where this tax is in place, it is being reviewed and those countries are searching for ways to make the exceedingly wealthy pay the goods and services tax.

The member for Cottesloe raised a question about what could be loosely called the mandate; that is, the will of the people in the vote at the last election on the goods and services tax. It is quite ironic. I recall being on a radio program in the north west during that federal campaign and publicly arguing with Liberal Party candidates that we were holding a referendum on the GST. I said in the bush that people should not complain to me if they voted for the Liberal Party and that resulted in a Liberal Government, because they would get a goods and services tax. The Liberal Party vehemently argued the exact opposite, and said it was not a referendum on the goods and services tax. It is a damned good thing that it was not because had it been a referendum on the goods and services tax, it would have been lost. The member for Cottesloe excludes this from his argument about the delivery of the goods and services tax and the so-called mandate of the Howard Government. The fact of life in the last election is that more people voted against the goods and services tax than for it. It would not have even got up in a simple plebiscite across the country, and it certainly did not conform to the constitutional requirement of a referendum that it receive a majority of votes in Australia and a majority of States and Territories. It is not open to the Howard Government to claim a mandate.

I had not intended to speak about that. I stood to speak about the effect of this tax in the bush. It is a gutless taxation

measure in the bush. It entrenches, more than anything else I have seen in my adult life, the bias against the bush. It does that in a number of ways. It does it simply by being a flat rate of tax; so the more people pay for something, the more they will pay in tax. If people in Perth pay \$1 for something, at 10 per cent they will pay 10¢; if we in the bush have to pay \$1.50 for the same thing, we will pay 15¢. That is the simple effect of this sort of taxation. It has a huge centralising effect. The impact of the GST on fuel and transport will decimate the bush. Unlike members opposite, I do not believe the impact will go away after the implementation day, because we will need to live every day of our lives with the increased fuel costs and the increased freight costs that the goods and services tax will bring in. Last night I listened to the debate about the stage at which the government fuel subsidy will become effective, and while there was a great amount of debate about it, no-one, from the Prime Minister down, was arguing that it would have any benefit at all after the price of fuel was about 85¢ a litre. The price of fuel in my electorate is already \$1.05, and it will go up further on Saturday as a consequence of the goods and services tax and as a consequence of the Government's inability to understand that petrol prices in the bush are not Canberra and Sydney petrol prices but go up and stay up. This federal package and this goods and services package will do absolutely nothing for people who live in the bush. The tax cuts that we will get in the bush, where we are confronted with these high costs, will be identical to the tax cuts that the people in Sydney and Melbourne will get. The people in Sydney and Melbourne will benefit from competition and from lower prices, and they will also get a substantial tax cut. We will get none of the benefits, yet we will get the same tax cut. That is an unacceptable situation.

The federal member for Kalgoorlie, Barry Haase, does not know it yet, but he will lose his seat as a consequence of this tax. I can just about guarantee that on two issues, that man will do his majority; and I know his seat pretty well. The first set of issues is taxation and fuel. The second is private health insurance matters, with the same Federal Government imposing on country people an obligation to join a private health fund when that will be of absolutely no benefit to them. There is not one private hospital bed in my electorate, yet the federal member for Kalgoorlie supported that initiative, and he also supported the introduction of the goods and services tax and the increase in the price of fuel.

I want to put to bed two of the last issues on the goods and services tax. The first is that the goods and services tax will be simpler than the old wholesale sales tax. What a load of absolute nonsense. What a load of unmitigated garbage. No-one who is in business believes that, with the possible exception of the member for Geraldton, who has told us he pockets about \$150 000 a month in cashflow, so he has his wallet full again, and he does not understand anything else now. I am sure the people in Geraldton would love to hear that, while their taxes and charges are going up, the member for Geraldton is pocketing \$150 000. I have not met any small business people who can have confidence that they are implementing the goods and services tax in a way that is legal, legitimate and aboveboard. The reason for that is simple: The Australian Taxation Office is not in a position to issue rulings. It issues advice. When people ask the Taxation Office what is the basis of that advice and can they quote that advice as enforceable tax department advice, the answer is -

Mr Bradshaw: Yes.

Mr GRAHAM: The answer is no, and the member who interjected and said yes should read the bottom of the last page, which has a disclaimer that says it is not a tax department ruling and is not to be used as such. People will be required to implement this new tax. They will become tax collectors for the Federal Government, yet they do not know the rules. That is one of the other problems that will live on with the goods and services tax.

The last point I want to raise is the impact of the goods and services tax on charities. I am aware of the announcement by the Premier that he will pass on the full 10 per cent to charities and not-for-profit organisations. I was one of the group of people who established the Police and Citizen's Youth Club in Port Hedland, and I have been involved with it since its inception. We will now be required to collect tax. We sat down and did the sums, and we think we will need another person in the office. We will get no funding for it. We raise between \$130 000 and \$150 000 a year to run that operation for underprivileged kids. We will now have to add goods and services tax to our charges to people in a police and citizens club, for God's sake, so that we can pass that on to the Federal Government. As obscene as that is, it gets worse. I have in my electorate, as do many other people, a volunteer fire brigade. Those people are the salt of the earth. They are prepared to put their own lives on hold so that in times of emergency they can save another person's life and property. The people who do that are magnificent people; and when we add to that the fact that those people raise the funds that make it possible for them to do that, it makes them extraordinary and remarkable people. However, they will now be tax collectors. The people who do those things in the community of Hedland will now be required to pay tax on the donations that they receive and on the sausage sizzles that they hold, because they raise an amount of money that is over the threshold. I have written to everyone from the Prime Minister down ever since the goods and services tax was floated, and I have asked them whether an exception can be made for these sorts of people, and the flat answer is no. A taxation system that takes a tax from people at that level and transfers that wealth to a major multinational company like Woodside is not a taxation system that I can support, now or ever.

MRS van de KLASHORST (Swan Hills - Minister for Family and Children's Services) [6.08 pm]: I have listened with interest to the debate, and it is interesting to hear the two different viewpoints. I was particularly interested in the comments of the member for Geraldton, because it reminded me of the first time that I went doorknocking, which was in 1983 for Hon Fred Chaney. We walked into a small business in an area where the man who owned the business was battling to keep his head above water financially, and he talked to us for quite a while about the goods and services tax, which was the one that John Hewson was putting forward at that time, and he pointed out to us, and we had a long discussion about it - I remember it very clearly - that all around his shelves was sitting sales tax. It was money which he did not have in his pocket and which he had to pay initially. I recall clearly that we worked out an amount, but I do not remember the exact amount. He said that some of those goods had been sitting there for four or five years, because he had not managed to sell them.

However, he had paid the tax on those goods which had been sitting on the shelf for four or five years. I agree with the member for Geraldton that the goods and services tax - perhaps we should call it the tax reform package, rather a goods and services tax - will benefit a small battling business like that. That money will add to the cash flow of a business rather than allow the goods to sit on a shelf for five or more years when the tax has already been paid. That is a major benefit. I did not rise to talk about that; I rose to talk about the benefit to families as a result of the introduction of the tax reform package. The Opposition has forgotten about that. Taxpayers will benefit from major personal income tax reductions each year. I have been told that about \$12b will be given back to wage earners each year through those reductions. As a result, about 80 per cent of taxpayers will pay a marginal tax rate of no more than 30¢ in the dollar. That is a huge incentive. The average income earners in our State will benefit from these tax cuts by about \$1 565 a year or \$30 a week. That is average, but there are better stories. The benefits will vary according to the level of income. Some families will receive even larger income tax cuts.

Savings in income tax do not take into account the fact that extra family assistance, which is also part of this tax reform package, will be given to families. The Opposition, in concentrating on only one side of the tax package, has forgotten that there will be a counterbalance with the income tax reforms and the family income assistance. From Saturday, 1 July, an extra \$2.4b a year will be given to families. That is important enough for me to repeat: An extra \$2.4b a year will be given to families. Over two million Australian families will be helped. We all know that families transmit the values of our community from one generation to the next. We hear daily that people and the community feel that families are under pressure. This tax reform package is one way in which we can help strengthen families. This reform equates to approximately \$140 a year for each dependent child on top of the extra \$350 for single income families with a child under five years of age. A single income family with two children, one of whom is under the age of five years, earning about \$40 000 will receive an extra \$50 a week in income tax cuts and family assistance. This is important because, as I have said, families are the backbone of society. They pass on the values of society. It is important that we work to strengthen families. The new tax system does just that - it benefits families.

My son has four children under nine years of age. I worked out the figures for him. With the tax reform package and the extra family funding, he will benefit by over \$90 a week. The people who need it most - those who have families and those who are bringing up young children - will be the beneficiaries.

When I doorknocked the Stratton area before I first came to Parliament, I met many bricklayers, carpenters, electricians, etc. They told me that they wanted the opportunity to work overtime to build up their assets, gain benefits for their family and set down the foundations for the rest of their lives while they had a young family. One gentleman was a painter and he told me that he had worked overtime all day the day before I visited him and had given over \$60 of what he had earned to the tax department and had gained only \$40 for himself. He asked me why he should bother working overtime. He was working to support his family and to get some extra cash to benefit his family. However, he could not do that under the current system. He said that he could get plenty of overtime, but that he was working for the government tax system, not for himself. That is one great thing that the new tax reform system will do - it will allow people to stay out of the next tax bracket.

Mr Kobelke: What will it do for seniors?

Mrs van de KLASHORST: I will tell the member if he waits a moment; I have a bit of time. A policeman who is a friend of my son told me that he had worked after hours for a week because of various court cases. He said that he hardly gained anything for it, yet he was away from his family and earned nothing. This tax package will help. As I said, my son, who has four children under nine years of age and a wife who stays at home, will gain an extra \$90 to \$100 a week because of this new tax reform system.

The new tax system will give back something that we need to push in this country; that is, an incentive for reward for effort. That will enable people who want to work longer hours to do so and receive a personal benefit rather than one which benefits the tax department. The tax reform directly tackles the higher marginal rate. However, income tax cuts and family assistance is but the start of the benefits our community will receive.

I turn now to pensions, as the member for Nollamara asked about them. Pensions will be increased. Those who receive an age or any other pension will benefit from the increase in pensions and allowances.

Mr Kobelke: Has your department done an analysis of the impact on seniors?

Mrs van de KLASHORST: The Government will increase the maximum rates by 4 per cent on 1 July. The Government has promised that if it is above the level of expenditure, the Government will top it up and ensure that pensioners -

Mr Kobelke: That will leave them worse off to start with. Have you done your analysis?

Mrs van de KLASHORST: We have done some analyses, yes.

Mr Kobelke: Are you willing to table the analysis?

Mrs van de KLASHORST: The 4 per cent increase will be an up-front advance of 2 per cent and a real increase of 2 per cent.

Mr Kobelke: Are you willing to table the analysis?

Mrs van de KLASHORST: That increase will ensure that pensioners receive an above-cost increase in spite of the consumer price index.

Mr Kobelke: That is nonsense! Have you done the analysis? Are you willing to table it?

Mrs van de KLASHORST: No. The exact increase will depend on the pension rate at 30 June. It will mean that a single pensioner will receive an extra \$14.50 a fortnight and a pensioner couple will receive an extra \$12 a fortnight. These are very important initiatives by the Federal Government to counteract the increase in costs, and the new tax system will allow that to happen.

There will be a 2.5 per cent increase in the income and asset test-free areas for social security and service pensions. It is not just age pensions; it includes other pensions. More people will be eligible to access pensions and associated benefits, because the pension income test will allow an additional 50 000 people to receive the pension and pensioner card concessions. I know that a friend of mine who lives in Augusta is waiting on next week, so that he can be one of those people. To ensure the benefit will be maintained over time the Federal Government has set up an independent commission to review the situation once the new tax system is bedded down.

Aged people will get a one-off tax allowance savings bonus subject to income tax of approximately \$1 000. Self-funded retirees will be eligible for that bonus and another bonus of \$2 000 depending on their income.

The new tax system has allowed health insurance providers to give a 30 per cent rebate. The latest figures on people joining private health insurers indicate a way in which we can start to ease some of the concerns about the health system. Simply put, we need more people in private health cover to counterbalance health costs.

First home buyers are usually young people who have families or want to start families. They will receive a \$7 000 bonus.

I am pleased that in my portfolio the Government has recognised that foster carers may have some extra costs. It has given a rise of 4 per cent overall to foster carers which will help to offset some price rises resulting from the GST. It has also given carers a full 10 per cent increase on clothing and other allowances, so they will not be out of pocket. Yesterday the Premier announced a 10 per cent increase to all funded charities registered for the GST. That increase will be based on 100 per cent of the funding those charities receive. That will give them the opportunity to gain a benefit of about 2 per cent from hidden sales tax. That will vary depending on what they do, but they are paying a hidden sales tax and they will be able to keep that benefit. In real terms they will get a rise of between 1.5 and 2 per cent.

The new tax system which is being introduced next week has two parts: The benefits that one will receive from income tax cuts, as well as the GST. Unfortunately, the Opposition has looked only at the GST when it should look at the whole picture to work out how the tax system will affect Western Australia. Families in Western Australia will receive great benefits.

MR MASTERS (Vasse) [6.23 pm]: One really has to admire members of the Labor Opposition in this House. They are trying to the best of their ability to lead by example, by leading with their chin on a range of issues such as the goods and services tax. The sad fact is they are up against a Mike Tyson. Those who saw the title fight a couple of nights ago will recall Mike Tyson was up against a fighter of Italian origin. That fighter lasted 38 or 39 seconds, because he was shown to have a glass jaw. I fear that on the GST issue, the Labor Party in Western Australia and federally will be shown to have a glass jaw. It will come tumbling down around them, and all the claims they are making now will be shown to be not just scaremongering but absolutely incorrect.

The Australian Labor Party had the opportunity after the last federal election to show some leadership. It could have said to its members and to all Australians that the people of Australia have spoken and it has the opportunity now to put politics aside and bring in a tax system which just about everyone in the political arena thinks is a far greater improvement in general terms than the mishmash of a tax system we currently have in Australia.

In the Federal Parliament, the Australian Labor Party could have voted with the Government and overcome the objections of the Australian Democrats and said that exempting food would create such difficulties and imposts on small business that it would vote with the Government for the betterment of the Australian community. It did not do that. It played politics and, as a result, we will now have a tax system which, while it will be a great improvement on the 4 000 or 5 000 pages of tax legislation we currently have, could have been better with the assistance of the ALP. However, it chose, because of its politics, not to go that way.

Mr Ripper: We chose to represent our constituents.

Mr Barnett: It has backfired, because it has allowed the Democrats to gain a credibility among Labor voters they would never have had.

Mr MASTERS: The Democrats will gain notoriety rather than credibility, because there will be some genuine increased costs for certain small businesses in administering the GST as a result of the decisions of the Democrats and the failure of the federal ALP to act. I make a prediction: In some future year when the ALP wins government federally, I am prepared to bet a good bottle of Capel Vale wine that if it controls the balance of power in both Houses of Federal Parliament, it will not roll back the GST as it is saying it will in public now; instead, it will roll back the Democrats' amendments to remove food from the GST package. It will say, "Let us simplify the system even more by applying the GST to food, so we genuinely have one tax right across all goods and services."

Mr Ripper: Would you put the GST on food?

Mr MASTERS: We are not talking about my views, but about what I believe the Deputy Leader of the Opposition's federal colleagues will do in years to come.

A number of significant issues need to be discussed when we talk about the GST. One of the worst taxes in Western Australia is payroll tax. Many people have said that payroll tax is a tax on employment, and I tend to agree with them. If the Democrats, the Government and the federal ALP had been able to agree with the system as originally proposed to the people of Australia during the 1998 election, Western Australia would have had a serious opportunity to wind back payroll tax and maybe eliminate it completely. That opportunity has been temporarily curtailed because of the weakness of the Democrats and the ALP. One of the very important benefits of the GST which, unfortunately, has totally escaped the ALP is that 50-odd years ago when I was born the top marginal tax rate came into play when a worker was earning 19 times Australia's average weekly earnings. Today the top marginal tax rate comes into play at only 1.2 times the average weekly earnings in Australia. That should be of great concern to the ALP. Australia has gone from a working class which had a significant taxation advantage because of low tax rates to one in which inflation and bracket creep have allowed the average worker on 1.2 times the average weekly earnings to pay the top marginal tax rate. The GST will wind that back a certain amount. In future years, with changes and improvements to the tax system in Australia, combined with the taxation windfall gains that will accrue federally because of the curtailment of much of the black market economy, we will see the working members of Australian society significantly benefit from the goods and services tax.

I wish to touch upon a number of issues in a somewhat random order. In the *Business Review Weekly* magazine two weeks ago, an article stated that the GST would not do a great deal to wind back the black market economy. The article was only partly correct. Under any tax system there will always be a black market. The reality is that one of the virtues of the GST is that if one wants to claim back one's input tax credits, one will have to register for the GST and therefore start to pay taxes on some of those black market benefits. There will still be companies, individuals and businesses that will operate cash books that will be hidden from the view of the Australian Taxation Office. Nonetheless, many more businesses will start to pay their fair share of tax, thereby relieving the tax burden on the average Australian; that must be desirable.

The Minister for Family and Children's Services pointed out that, yesterday in this House, the Premier announced that payments by the State Government to charities would increase by 10 per cent to allow them to pay their GST commitments. That was a major policy announcement by the Government. I was disappointed to see it hidden away on page 5 or 7 of *The West Australian* this morning in a relatively small article, when it should have been on page 1 or 3 as a big article under a big headline. Charities are voluntary groups of many different sorts and are significant contributors to the wellbeing of our community. For the State Government to pay those organisations an extra 10 per cent is a significant policy change and deserved better treatment than it received in *The West Australian*.

I also will tell a story to counteract the belief of the Deputy Leader of the Opposition that charities must register for the GST - at least that was my understanding of the comments he made earlier. My wife is the treasurer of a community association in the south west. Not long ago she received a letter from the Lotteries Commission which informed her that if the group wished to receive a grant of more than \$5 000 from the Lotteries Commission, it would have to register for the GST. It is only a small exaggeration to say that my wife tore her hair out and was becoming concerned about this direction from the Lotteries Commission. The group of which she is the treasurer has about 50 members; the membership is \$5 per adult per year; and she was not looking forward to the prospect of having to charge an extra 50¢ and having to pay that amount of money back to the Federal Government, and also deal with the paper work associated with monthly or quarterly payments.

I immediately contacted Geoff Prosser and explained to him that I saw a situation developing whereby charities would register for the GST a few weeks before applying for a grant to the Lotteries Commission or other funding organisations. As soon as the charity organisations got their grants and the granting organisation was able to claim back 10 per cent GST as an input tax credit when that money had been received by the charities, the charities would then do everything they could to deregister themselves from the GST. Geoff Prosser's response - I am very grateful for it - was that there is a simpler way, and it is important that the Deputy Leader of the Opposition understand this. If a charity that is earning less than \$100 000 a year in sales chooses not to apply for the GST but is then told by the Lotteries Commission or other funding body that it must register so that the funding body can get back its 10 per cent GST as an input tax credit, the simple answer from Geoff Prosser was that the charity group should simply go through a local government body - in the case of my wife's group, through the Shire of Capel. Another group that is already registered for the GST will apply for the grant on its behalf and in that way the community group or charity would not be required to register for the GST and, therefore, would not have to charge for membership plus the GST. This solution will not apply in every situation, but it is important that community groups and charities appreciate that many groups will be registered for the GST and the charities can use those groups to apply for grants and, therefore, overcome the need to register themselves for the GST.

It has been claimed that 300 000 small businesses in Western Australia will become unpaid tax collectors for the Federal Government. I am sorry to say that small businesses already do that in a number of ways. At least the new tax system will simplify it once we get over the initial hurdle of understanding what needs to be done. My prediction is that small business will find that there is no significant cost impost for being the so-called unpaid tax collector.

The comment was made that the new tax system has a bias towards high income earners. In response to that I will quote someone who, I understand, did not make the quote that he is claimed to have made. The quote, "You do not strengthen the weak by weakening the strong" was claimed to have been made by Abraham Lincoln. Other people have told me that those words were put into his mouth and that he never made that quote. However, I repeat the quote: "You do not strengthen the weak by weakening the strong". This tax system will strengthen the weak and the strong. It will provide

financial and economic benefits across the board. Rather than weakening the strong, this tax system will strengthen all taxpayers and all members of the Western Australian and Australian community. The numbers might show that the high income earners will get more dollars in their pockets, but the reality is that if there is no incentive in this life to work harder, people will simply sit back and take whatever benefits are provided to them on a platter. If this Government or any Government provides incentives for people to work harder and gain greater income or other benefits, then good on it. That is exactly the type of ethos we should encourage.

I could go on at length because many strange and unsupportable statements have been made by the Opposition. I will refer to a couple of complaints that landed on my desk as the member for Vasse. One person came to me and said that her accounting software could not handle the complexity of the GST in relation to the hire tax that the State Government charges. The proposition was put to me that this person hires out items to the community, and that the GST must be charged on those items and then on top of that there is a 1.8 per cent state hire tax. I contacted the people who produce Mind Your Own Business software and I also looked at my own software package, which is Quicken. I was able to reassure my constituent that any worthwhile or competent software package will happily accept an additional complexity in accounting procedures, such as I have just described for the hire tax system.

I had a complaint from one of my constituents that he is being forced to spend \$15 000 on a new computer system to take account of the goods and services tax. I investigated the matter and it appears that my constituent is buying two computerised invoicing systems, one for food and other consumer goods and a second computer for videos, and the two computers must be kept completely separate. That \$15 000 included several thousand dollars worth of accounting time and a lot of software. The whole lot will be tax deductible and I believe much of it will be able to be written off in the first year. I therefore went back to my constituent and advised him that the upgrade of his computer system would bring him many benefits that would stay with him for years after the goods and services tax system is brought in.

I cannot agree with the motion moved by the Australian Labor Party. I have spoken to many people from England about what happened when the value added tax was brought in there in the 1970s and many people from New Zealand about when the GST was brought in there in the 1980s. I predict that, as has happened in both of those countries, in six months we will be wondering what the hell we worried about in the lead-up to the application of the GST. In six months everyone will be saying, "What a simple system to understand. Isn't it great that we have more money in our pockets?"

Mr Minson: It would have been great if the Australian Democrats hadn't mucked it up.

Mr MASTERS: I have just said that; I totally agree with the member for Greenough. The whole community will be saying that the new tax system, because it will be getting much more of the black economy than the previous tax system, will provide benefits right across the board and, unfortunately, the Opposition's glass jaw will once again be shattered.

MR BRADSHAW (Murray-Wellington - Parliamentary Secretary) [6.42 pm]: I oppose this motion. It is sad that the Opposition has brought the motion into the Parliament together with its carrying on. I remember a few years ago when I visited China and met with one of its leaders, someone in our group asked him about democracy. He replied, "We have democracy and we have elections." The person asked, "What about a multiple party system?" and the Chinese leader said, "That is too disruptive." When one considers what we have in Australia today, I can see what that leader was getting at. It does not matter what a Government suggests, the Opposition narks and carries on, opposes and whinges and whines for the sake of whingeing and whining, to try to win a few votes; this motion is a perfect example of that.

It is sad that when we announced that a tunnel would be built, Labor members of Parliament carried on about how bad it would be and about all the bad things that would happen. The proof is in the eating: The tunnel has been a huge success and people have voted with their feet to show how good the tunnel is.

Members will find that the GST will have teething troubles which have been compounded by the Australian Democrats and the Australian Labor Party in the Senate of the Federal Parliament. It would have been simpler to have no GST-free areas as we must now have adjudications on the definition of what is and what is not GST free. If people were adequately compensated, it would have been a much simpler system and we would not be in half the trouble we are in today with all the adjudications that must be made by the Australian Taxation Office.

I also dispute what both state and federal Leaders of the Opposition are saying about rolling back certain aspects of the GST. Like the member for Vasse, I would bet anything that it does not occur. Can members tell me one Opposition that, in coming to government, rolled back or changed anything that was introduced, particularly in the way of taxes? This is another example of the Opposition's whining. The federal Opposition leader, Kim Beazley, got caught out when he talked about rolling back. He was asked whether he would replace it with personal tax and he was very red-faced about that question. He will be red-faced about it if he tries to do it if he becomes Prime Minister of Australia.

It is important to establish a system that will give people incentives. As has been pointed out by other members, one of the problems with our current tax system is that a worker on average earnings in Western Australia pays a marginal income tax rate of 43¢ in the dollar and a worker on only 1.2 times average earnings must pay the top marginal income tax rate of 47¢ in the dollar. In contrast to that, in the 1950s a taxpayer could earn up to 19 times the average earnings before having to pay the top marginal rate. Incentives have therefore been taken away from people. I have known for a long time that when people reach a certain income - and that income does not need to be high these days - the incentive to work overtime or to be more productive has been removed. It is important to remove a system of overly taxing people and taking away the incentive to work.

Another aspect that has been pointed out and which I would like to reinforce is that wholesale sales tax is embedded into our manufacturing system. Many years ago, Australia had a great manufacturing base. Unfortunately, that has been eroded for various reasons and the unions, together with our tax system, have had a fair play in that. It is very sad that many businesses have either gone out of business or gone offshore. The Opposition in this place claims to be the workers' friend but it does nothing to try to create more jobs. If Australia can get back its manufacturing base, more jobs would be created.

Mr Kobelke: You only wish you had done as well as we did when we were in government. You are way behind in job creation.

Mr BRADSHAW: No. We are getting Australia back on the road and creating jobs. I can assure members that with the GST, in due course there will be more jobs. One of the main areas which obviously is very important to Western Australia is the mining industry. Econtech Pty Ltd estimates that the improved competitiveness with a GST-based tax will result in a long term gain in production in the mining industry of about 5 per cent compared with an average gain of 1.3 per cent for all industries. It is important to establish a system that gives workers incentive to work and also creates the ability for businesses to develop and be more competitive in the world market so that Australia can sell more of its products overseas, which will obviously create employment. It is very important to do these things.

The member for Willagee is not in the Chamber, but the other day he said that it was important to keep people at school even if they do not want to be at school. I said that not everybody wants to stay at school. There has been a change of attitude over those sorts of things. I would rather people went into jobs, if jobs were available, than go to school for the sake of going to school. Not everyone wants to further their education.

The GST is important. It has its problems. However, it does not matter which tax system is implemented, there will be teething problems. Members may be old enough to remember when Australia converted to decimal currency and the doom and gloom that was predicted about how difficult it would be. It has certainly proved a winner. I believe members will find the same with the GST.

MR BROWN (Bassendean) [6.49 pm]: I understand this motion will go to a vote tonight so I will be brief in my remarks. I place on record my abhorrence of the Federal Government's waste of taxpayers' dollars on the blatant political television advertising campaign. It is not an education campaign. It does not outline the existing tax rates, the new tax rates and the list of increases. The campaign sends out the political message that the community will be better off under a goods and services tax and that the Federal Government is doing great things. The advertisements are not delivered on the basis of providing information. They do not allow people to make their own decisions on the basis of the information provided. People are told that the goods and services tax will be good for them. The campaign is similar to commercial advertisements that say, "Take this pill, it will make your hair turn black, make you taller or fix up an ailment". The only advertisement that this Government did not listen to was the one that said, "Take this pill, it will make you honest". That would have been a real problem for it. The Federal Government has wasted \$40m on a political advertising campaign. If it was a genuine advertising campaign, it would not be necessary to put the political authorisation tag at the end of the advertisements. The House will recall that the member for Nollamara raised that point when the State Government used taxpayers' money for political advertising and did not include the political authorisation in the advertisements. The appropriate advertising council ruled that the advertisement was political and must include the authorisation tag. The State Government stopped advertising. The Federal Government has learnt from that. It unashamedly decided to put the tag after the advertisements. Does that authorisation appear after any other advertisement? There is no requirement for the tag to be included in any advertisement unless it is political. It appears after the advertisements about the goods and services tax, because they are political rather than educational advertisements.

I am surprised at the deception. The honest mob on the government side whinges that food is exempt from the goods and services tax. Yet, the first thing the \$40m advertising campaign emphasises is that no GST is imposed on raw food. The publication by the Prime Minister that was delivered to our houses said it was good that the tax is not applied to raw food. On the one hand, the Liberal Party says this tax is no good because the Australian Democrats and the Labor Party botched it up. The Government says the Labor Party should have agreed to impose the goods and services tax on everything. Yet, on the other hand, the Liberal Party's sales pitch that the GST is okay because basic foods are not taxed. It is a political advertising campaign.

Liberal Party members give only qualified support when asked if they support the goods and services tax in every way, shape or form. They say, "Oh well, we sort of do" or "We're not quite sure". No-one says, "I support it lock, stock and barrel. I support every part of it." Does the Minister for Employment and Training support every part of the goods and services tax?

Mr Board: Yes I do.

Mr BROWN: That is good. He is on the record. Does the Minister for Works support it lock, stock and barrel?

Mr Johnson: I support it 99 per cent.

Mr BROWN: He supports it 99 per cent! What does the member for Murray-Wellington think?

Mr Johnson: I have not finished my answer.

Mr BROWN: The minister has had his turn. Does the member for Murray-Wellington want to go on the record or will he remain mute? He is not saying anything.

Mr Bradshaw: Yes.

Mr BROWN: Let it be recorded that the member for Murray-Wellington said yes. The member for Geraldton is nodding.

Mr Bloffwitch: One hundred per cent.

Mr BROWN: What about the member for Roleystone?

Mr Tubby: Yes, and it should include food.

Mr BROWN: The member for Roleystone wants to put the goods and services tax on food as well. What about the member for Vasse?

Mr Masters: I support the GST as much as you support the union movement in everything that you have done.

Mr BROWN: He is equivocating. He wants to talk about something else. He wants to talk about anything but the GST. I can see the pamphlets now: They would talk about the horses in the paddock or the mining industry. When people ring his office and ask if they are speaking to the GST-friendly member, he will say, "I have never heard of it. I thought the GST stood for good sex tonight." He will run away at about 300 miles an hour. What about the ambidextrous Leader of the House? He has a view on one hand and a view on the other. Where does he stand?

Mr Barnett: God bless the GST.

Mr BROWN: He is for it 100 per cent. He is ambidextrous on other things but he is 100 per cent behind the GST.

Mr Johnson: Do you support the wholesale sales tax?

Mr BROWN: The wholesale sales tax needed to be altered because of the anomalies it contained.

Mr Johnson: Why did your Government add 2 per cent to the 20 per cent rate?

Mr BROWN: People say that it is a 22 per cent wholesale sales tax versus a 10 per cent GST. I tell the intelligentsia on the government side of the House that the 22 per cent WST applies to the wholesale price, whereas the 10 per cent GST applies to the retail price. The mark-up on some retail items is 150 to 200 per cent. In many cases, the dollar value of the GST on the retail price will be higher than the dollar value of the 22 per cent tax on the wholesale price. Those dopes on the other side of the House think it is simply a case of comparing 22 per cent with 10 per cent. They have not yet worked out that the taxes are applied to different components. Someone should give them a base calculator. I do not know how they stayed in business for more than three minutes.

I do not want to be provocative about this issue, but I have listened to the drivel and have come to the conclusion that a philosophical difference has always existed between the two sides of the House, and it will continue to exist. Those of us on this side of the House care about low income earners. We care about the people who are struggling. The people on the other side of the House never see those things. They would not know someone who was poor if they tripped over them. The tax reform package has taken \$700m from the social security area and transferred it into high income areas. The government members are all on the record as supporting the package. When the disability pension and the unemployment benefit have been removed and their constituents are reduced to seeking support from the Salvation Army, the government members will be quoted in the local newspaper, saying, "It is the best tax system and I support it".

Question put and a division taken with the following result -

Ayes (15)

Ms Anwyl
Mr Brown
Mr Carpenter
Dr Edwards

Dr Gallop
Mr Graham
Mr Kobelke
Mr McGinty

Mr McGowan
Ms McHale
Mr Riebeling
Mr Ripper

Mrs Roberts
Mr Thomas
Mr Cunningham (*Teller*)

Noes (24)

Mr Ainsworth
Mr Barnett
Mr Barron-Sullivan
Mr Bloffwitch
Mr Board
Mr Bradshaw

Dr Constable
Mr Cowan
Mr Day
Mrs Edwardes
Mr House
Mr Johnson

Mr MacLean
Mr Masters
Mr Minson
Mr Nicholls
Mr Omodei
Mrs Parker

Mr Pendal
Mr Shave
Dr Turnbull
Mrs van de Klashorst
Mr Wiese
Mr Tubby (*Teller*)

Pairs

Mr Marlborough
Mr Grill
Ms Warnock
Ms MacTiernan
Mr Bridge

Mr Prince
Mrs Holmes
Mr Court
Dr Hames
Mr Kierath

Question thus negatived.

[Wednesday, 28 June 2000]

8449

COURTS LEGISLATION AMENDMENT BILL 2000

Returned

Bill returned from the Council without amendment.

House adjourned at 7.03 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

KINDERGARTEN CLASSES

2090. Mr CARPENTER to the Minister for Education:

I refer to the size of kindergarten classes in Western Australia, and ask how many classes in Western Australia currently have -

- (a) above thirty students;
- (b) 29 students;
- (c) 28 students;
- (d) 27 students;
- (e) 26 students;
- (f) 25 students;
- (g) 24 students;
- (h) 23 students;
- (i) 22 students; and
- (j) 21 students.

Mr BARNETT replied:

- (a)-(j) The State Government has implemented the most significant expansion and reform of early childhood education ever seen in Western Australia. Since 1995, \$148 million has been spent providing an additional 800 teachers and teacher aides, and over 470 new and refurbished facilities to expand early childhood education in government schools. Every eligible child in Western Australia now has access to a government kindergarten programme for two half-day sessions a week, and from 2001 the programme will be expanded to four half-day sessions a week. Every eligible child in the State now has access to a four day a week pre-primary programme, and from 2002 the programme will be expanded to five days a week. As universal access to the kindergarten and pre-primary classes was possible only recently, and as the programmes are not compulsory, information on the size of these classes has not been collected centrally. However, from 2001 this data will be collected.

PREPRIMARY CLASSES

2091. Mr CARPENTER to the Minister for Education:

I refer to the size of preprimary classes in Western Australia, and ask how many classes in Western Australia currently have -

- (a) above thirty students;
- (b) 29 students;
- (c) 28 students;
- (d) 27 students;
- (e) 26 students;
- (f) 25 students;
- (g) 24 students;
- (h) 23 students;
- (i) 22 students; and
- (j) 21 students?

Mr BARNETT replied:

- (a)-(j) The State Government has implemented the most significant expansion and reform of early childhood education ever seen in Western Australia. Since 1995, \$148 million has been spent providing an additional 800 teachers and teacher aides, and over 470 new and refurbished facilities to expand early childhood education in government schools. Every eligible child in Western Australia now has access to a government kindergarten programme for two half-day sessions a week, and from 2001 the programme will be expanded to four half-day sessions a week. Every eligible child in the State now has access to a four day a week pre-primary programme, and from 2002 the programme will be expanded to five days a week. As universal access to the kindergarten and pre-primary classes was possible only recently, and as the programmes are not compulsory, information on the size of these classes has not been collected centrally. However, from 2001 this data will be collected.

SCHOOLS, CLASS SIZES

2092. Mr CARPENTER to the Minister for Education:

I refer to the size of classes for years 1 to 3, and ask how many of these classes in Western Australia currently have -

- (a) above thirty students;
- (b) 29 students;
- (c) 28 students;
- (d) 27 students;

- (e) 26 students;
- (f) 25 students;
- (g) 24 students;
- (h) 23 students;
- (i) 22 students; and
- (j) 21 students?

Mr BARNETT replied:

Schools are resourced so that no class in Years 1-3 need exceed an average of 28 students. However, schools can, with agreement of the teachers concerned, vary this to address specific local needs, for example to allow remedial students intensive small group support. The following figures exclude mixed pre-primary/Year 1 classes. Numbers are as at first semester, 2000.

- (a) Sixty-six Year 1-3 classes have above thirty students. Ninety-nine classes have thirty students.
- (b) 179
- (c) 310
- (d) 403
- (e) 318
- (f) 245
- (g) 195
- (h) 127
- (i) 103
- (j) 64

SCHOOLS, CLASS SIZES

2093. Mr CARPENTER to the Minister for Education:

I refer to the size of classes of years 4 to 7, and ask how many of these classes in Western Australia currently have -

- (a) above thirty students;
- (b) 29 students;
- (c) 28 students;
- (d) 27 students;
- (e) 26 students;
- (f) 25 students;
- (g) 24 students;
- (h) 23 students;
- (i) 22 students; and
- (j) 21 students?

Mr BARNETT replied:

Schools are resourced so that no class in Years 4-7 need exceed an average of 32 students. However, schools can, with agreement of the teachers concerned, vary this to address specific local needs, for example to allow remedial students intensive small group support. Numbers are as at first semester, 2000.

- (a) Seven hundred and six Year 4-7 classes have above thirty students. Four hundred and twenty-three classes have 30 students.
- (b) 399
- (c) 272
- (d) 250
- (e) 184
- (f) 164
- (g) 104
- (h) 88
- (i) 49
- (j) 50

SCHOOLS, CLASS SIZES

2094. Mr CARPENTER to the Minister for Education:

I refer to the size of classes of years 8 to 9, and ask how many of these classes in Western Australia currently have -

- (a) above thirty students;
- (b) 29 students;
- (c) 28 students;
- (d) 27 students;
- (e) 26 students;
- (f) 25 students;
- (g) 24 students;
- (h) 23 students;
- (i) 22 students; and
- (j) 21 students?

Mr BARNETT replied:

Schools are resourced so that no class in Years 8 and 9 need exceed an average of 32 students. However, schools can, with agreement of the teachers concerned, vary this to address specific local needs, for example to allow remedial students

intensive small group support. Class sizes in Years 8 and 9 are not recorded centrally. As classes vary in numbers across subject areas, the collection of such information would be a complex and time consuming task.

ALINTAGAS PRIVATISATION, BIDDERS' ACCESS TO INFORMATION

2105. Mr RIPPER to the Minister for Energy:

- (1) Will the Minister guarantee that all bidders for the cornerstone shareholding in AlintaGas will be given equal access to information regarding-
 - (a) proposed tariffs on the Dampier to Bunbury Natural Gas Pipeline;
 - (b) factors likely to affect such tariffs; and
 - (c) AlintaGas' gas supply and sales contracts?
- (2) If yes, how will this information be provided?
- (3) Will the Minister guarantee the same access to the public selling the asset and those members of the public contemplating buying shares in the proposed public float?
- (4) If not, why not?
- (5) If yes, how will this information be provided?

Mr BARNETT replied:

- (1) The conduct of the sale process is proceeding under the management of the AlintaGas Sale Steering Committee which conducts its business with an independent probity auditor involved in ensuring the bid process is fair and objectively conducted. This is the means of guaranteeing a proper process is conducted.
- (2) There is an Information Memorandum at the indicative bid stage and full due diligence arrangements with data room access to all material information at the binding bid stage.
- (3)-(5) No. The bidders for the cornerstone shareholding are bound to maintain confidential information that is commercially sensitive in terms of the future operations of the business and this material cannot be made public in detailed form. In the float of shares to the public, a Public Offer Document (or Prospectus) will be available as is required for private sector floats.

SWAN FOREST REGION, LOGGING

2180. Dr EDWARDS to the Minister for the Environment:

- (1) Which blocks and sub-blocks will be logged in the Swan forest region in -
 - (a) 2000-01; and
 - (b) between 2001-2003?
- (2) What are the estimated yields for both jarrah and karri logged from each block and sub-block in -
 - (a) 2000-01; and
 - (b) between 2001-2003?
- (3) What are the estimated yields for both jarrah and karri logged from -
 - (a) regrowth forest; and
 - (b) old-growth forest,
 in each block and sub-block in-
 - (i) 2000-01; and
 - (ii) between 2001-2003?
- (4) Which blocks and sub-blocks will be logged in the Central forest region in-
 - (i) 2000-01; and
 - (ii) between 2001-2003?
- (5) What are the estimated yields for both jarrah and karri logged from each block and sub-block in -
 - (i) 2000-01; and
 - (ii) between 2001-2003?
- (6) What are the estimated yields for both jarrah and karri logged from -
 - (a) regrowth forest; and
 - (b) old-growth forest,
 in each block and sub-block in -
 - (i) 2000-01; and
 - (ii) between 2001-2003?

Mrs EDWARDES replied:

- (1)-(6) As part of this Government's commitment to community consultation on forest management, indicative logging plans for the period to 2003 are being prepared for release in the near future. However, the location of logging coupes, and hence the resultant yields, will not be finalised until the community consultation processes have been completed. As these processes are progressed and the resultant yields calculated, I will be happy to provide this information to the member.

EDUCATION, DISCRIMINATION BY SENIOR MANAGEMENT

2215. Mrs ROBERTS to the Minister for Education:

What action is taken against senior management discriminating against employees?

Mr BARNETT replied:

Due to the very broad nature of the question, it is difficult to provide a concise answer. However, complainants of alleged discrimination are expected to raise the matter with the other person involved in the first instance. If this is not possible, or the matter is not resolved to the complainant's satisfaction, it is the line manager's responsibility to discuss and attempt to resolve the matter. Complaints against a member of the Department's senior management can be referred to an officer senior to them, such as the Director-General, or to an external body such as the State School Teachers' Union or the Equal Opportunity Commission to assist in the speedy and just resolution of the complaint. Should the member for Midland be able to provide more specific information, I may be able to provide a more directly relevant response.

BURGLARIES, CHARGES LAID

2223. Dr CONSTABLE to the Minister for Police:

- (1) Of the burglaries reported in 1998-99, how many resulted in charges being laid against one or more persons by the end of 1999?
- (2) In cases where charges were laid, how many "distinct persons" were charged?

Mr PRINCE replied:

- (1) Of the burglaries committed on dwellings and other premises reported in 1998-1999, 5 598 resulted in one or more persons being processed by the police between 1 July 1998 and 31 December 1999. The following actions were taken against the persons processed in relation to the reported offences:

Arrested	-	5 807
Cautioned	-	823
Referred Juvenile Justice Team	-	861
Summoned	-	541
Statute Bar (children under 10 years)	-	185
Total		8 217

Note: the variance between the two totals is due to multiple offenders.

Source: *Offence Information System*

- (2) To determine the number of *distinct persons* would require the allocation of considerable police resources and time to extrapolate and validate the information from records associated with the above processes. Due to the resources and time needed to provide a response to the member's question, I am unwilling to commit the resources required.

ALINTAGAS, KALGOORLIE-BOULDER

2233. Mr GRILL to the Minister for Energy:

- (1) Is the Minister aware that AlintaGas appears to be failing to meet its obligations for reticulating natural gas to the City of Kalgoorlie-Boulder, in that many residences on the eastern side of the city are not to be serviced?
- (2) Is this not in breach of AlintaGas' obligations?
- (3) On what basis has this decision been made?
- (4) What action can the Minister take to ensure that residences and businesses on the eastern side of the city are reticulated?

Mr BARNETT replied:

- (1)-(4) AlintaGas' obligation was never to service every residence in Kalgoorlie/Boulder, but to have mains covering 95% of the houses. AlintaGas has basically met this obligation and many houses on the eastern side of the city have access to the reticulated system.

KWINANA INDUSTRIAL AREA, LOAD-BASED LICENSING SYSTEM

2246. Dr EDWARDS to the Minister for the Environment:

- (1) With respect to the Kwinana Industrial Area, can the Minister confirm the Load Based Licensing System is intended to cover the costs of management, including monitoring and associated services, in relation to pollution?

- (2) If yes to (1), will the Load Based Licensing System be increased to cover the costs of the Cockburn Sound Management Authority?
- (3) If not, why not?
- (4) Will the Load Based Licensing System be required to provide the funding for any waste abatement strategies for Cockburn Sound?
- (5) If not, why not?

Mrs EDWARDES replied:

- (1) The fees associated with the Works Approval and Licensing system under the provision of Part V of the *Environmental Protection Act 1986*, have been set with the intention of full cost recovery for the costs incurred by the Department of Environmental Protection (DEP), associated with all aspects of the administration and operation of that system.
- (2) No.
- (3) The costs of administration and operating the licensing system are unlikely to change with the introduction of the Cockburn Sound Management Council. Policy development for licensing will be addressed through the Environmental Protection Policy that empowers the Council to produce the Environmental Management Plan and that will guide the licensing by DEP of effluent discharges to Cockburn Sound.
- (4)-(5) Facilitating waste abatement, cleaner production and other similar strategies are seen as part of DEP's regulatory and broader advisory role and are currently undertaken as part of DEP's activities not only for Cockburn Sound but with respect to all activities in WA which have a potential impact on the environment.

WESTERN POWER, REGIONAL MANAGERS

2273. Mr GRILL to the Minister for Energy:

- (1) Is it correct that contracts for Regional Managers within Western Power are not being renewed?
- (2) What Regional Managers contracts have been renewed in the last twelve months?
- (3) On what dates were such contracts renewed?

Mr BARNETT replied:

I am advised:

- (1) No.
- (2)-(3) Western Power's current Manager, South Country Branch (based at Picton) has been advised that his contract will be renewed when his current contract expires on 30 June 2000. Western Power's current Manager, North Country Branch (based at Geraldton) has indicated his intention to retire when his current contract expires on 30 June 2000. Western Power's Manager, Goldfields' (based at Kalgoorlie) contract does not expire until 31 December 2000 and hence no action has been taken on his contract at this stage. Western Power's current Manager, Regional Power will retire in June 2000. A Manager Designate has been appointed and will take up his duties at the end of May. An organisational review in South Country, North Country and the Goldfields is underway. A likely outcome is that the current Manager positions will be phased out. However, Western Power is committed to the retention of a senior Western Power presence in major regional areas such as Kalgoorlie, Bunbury and Geraldton to maintain and further develop a close working relationship between Western Power and the communities in which it operates.

CALM, PUBLIC RELATIONS CONSULTANTS

2289. Dr EDWARDS to the Minister for the Environment:

- (1) Has the Department of Conservation and Land Management (CALM) recently engaged the services of public relations consultants?
- (2) If yes -
 - (a) what is the name of the consultants;
 - (b) for what period have they been engaged;
 - (c) why have they been engaged at this juncture;
 - (d) what is their brief;
 - (e) will they, as well as CALM and the Government, be liable for false or misleading representations made in advertisements and information to the public; and
 - (f) why does a government agency require the services of public relations consultants in addition to its own information and public relations employees?

Mrs EDWARDES replied:

- (1) No. CALM has not retained any public relations consultancy for any work recently (in the current financial year). An advertising agency has been retained for project work and ERM Mitchell McCotter, who are planning, environmental and engineering consultants, have been used for a new public participation strategy.

- (2) Not applicable.

PRISON OFFICERS, SECONDMENTS

2320. Mr RIEBELING to the Parliamentary Secretary to the Minister for Justice:

- (1) How many -

- (a) Prison Officers;
- (b) First Class Prison Officers; and
- (c) Senior Prison Officers;

have acted in Level 5 or Level 6 public service positions in the Ministry of Justice other than within their own prison or branch?

- (2) Has this acting resulted in vacancies on the rosters at any prison?

- (3) Have any of the vacancies been filled by way of paying special shifts?

- (4) How many -

- (a) Prison Officers;
- (b) First Class Prison Officers; and
- (c) Senior Prison Officers;

have filled one of these positions for a period in excess of -

- (i) 12 months;
- (ii) 24 months;
- (iii) 36 months;
- (iv) 48 months; and
- (v) 60 months?

- (5) What has been the total cost of filling these vacancies by way of special shifts for the following financial years -

- (a) 1997/98; and
- (b) 1998/99?

- (6) Did the Ministry of Justice enter into an enterprise agreement or other agreement in 1994 with the Prison Officers Union under which the Ministry agreed that all secondments out of prisons would be returned?

- (7) Was this agreement made to minimise the effect of uniformed staff shortages within each particular prison or branch?

- (8) Is the relief component for each particular prison, up to and including the Superintendent, calculated into the prison officer level?

- (9) Is the prison or branch that receives the person in an acting capacity responsible for the total cost of that secondment including the cost of filling the vacancy it creates by way of special shifts?

- (10) Has the Ministry of Justice complied with Section 8 of the Public Sector Management Act 1994 and with the standards in Human Resource Management, in each of these acting opportunities?

Mr BARRON-SULLIVAN replied:

- (1) (a) 8
(b) 11
(c) 28

- (2) Vacancies on a roster would have been covered by excess staff or special shifts.

- (3)-(5) The information required by this question would require considerable resources to provide the information and I am not prepared to allocate such resources to this task.

- (6) No. The 1994 Agreement stated that "All secondments would be centrally controlled by the Director". The intent was to keep them to a minimum.

- (7)-(8) Yes.

- (9) Prison or Branch pays the seconded officer's wage. The resulting vacancy at a prison is paid for by that prison.

- (10) Standard 8 – Temporary Deployment is the applicable standard. This standard came into effect on 2/6/98. Therefore any acting prior to that date is not subject to a standard. For the acting after 2/6/98, one of the key requirements is that any period of more than 6 months is subject to merit selection. Discounting all acting less than six months, the Ministry is satisfied that compliance has been achieved.

GOVERNMENT DEPARTMENTS AND AGENCIES, FACILITIES MANAGERS

2343. Mr BROWN to the Minister for Resources Development; Energy; Education:

- (1) What departments and agencies under the Minister's control -
 - (a) have appointed; or
 - (b) have under consideration for appointment,
 a Facilities Manager or Managers?
- (2) What are the names of the Facilities Managers so appointed?
- (3) What is the scope of work undertaken by each Facilities Manager?
- (4) To what extent do Facilities Managers ensure that purchases/contracts are let in regional areas for regional work?
- (5) Do Facilities Managers ensure that the Regional Buying Contract is adhered to in relation to any purchases or contracts they manage?
- (6) Will the Minister name the departments and agencies under the Minister's control that have under consideration the appointment of one or more Facilities Managers?
- (7) What is the nature of the work proposed to be carried out by that Facilities Manager or Managers?

Mr BARNETT replied:

Department of Resources Development

(1)-(7) Not applicable.

Office of Energy

(1) The Office of Energy has not appointed, nor is it considering appointing, a Facilities Manager or Managers.

(2)-(7) Not applicable.

Western Power

(1)-(7) Western Power does not presently engage, nor have any plans for engaging, the services of a Facilities Manager.

AlintaGas

(1) AlintaGas has two Facilities Management contracts. One is for the management of the AlintaGas vehicle fleet and the second is for the management of the AlintaGas computer network and desktop services.

(2) The Facility Managers are:

Vehicle Fleet	Cockburn Corefleet
Computer System	Computer Sciences Corporation (CSC)

(3) Cockburn Corefleet manages the procurement, servicing, maintenance and disposal of the vehicles comprising AlintaGas' vehicle fleet. CSC Australia manages the operation and maintenance of the AlintaGas computer network and personal computers and provides a computer centre for the operation of AlintaGas' servers.

(4) Neither of the facilities managers place contracts on AlintaGas' behalf.

(5) The Regional Buying contract is adhered to in relation to the servicing and maintenance of vehicles by Cockburn Corefleet on behalf of AlintaGas' vehicle purchases being processed by AlintaGas. The Regional Buying Contract is not relevant to the Facilities Management Contract with Computer Sciences Corporation as they are only required to provide labour resources and metropolitan area based facilities.

(6)-(7) Not applicable.

Education Department of Western Australia

(1)-(7) The Education Department has not engaged any Facilities Managers. Those Facilities Managers which provide services in schools have been engaged by the Department of Contract and Management Services.

Department of Education Services

(1)-(7) The Department of Education Services has not engaged any Facilities Managers.

Country High School Hostels Authority

(1)-(7) The Country High School Hostels Authority (CHSHA) has not engaged any Facilities Managers.

Curriculum Council

(1)-(7) The Curriculum Council has not engaged any Facilities Managers.

GOVERNMENT DEPARTMENTS AND AGENCIES, INTERNAL AUDIT PROGRAMS

2398. Mr RIEBELING to the Minister for the Environment; Labour Relations:

For all government departments and agencies under the Minister's control, will the Minister provide the following information-

- (a) does the department or agency maintain an internal audit program, and if not, why not;

- (b) is this internal program undertaken by an outside contractor;
- (c) if yes-
 - (i) who is the outside contractor;
 - (ii) on what date were they contracted;
 - (iii) when does the contract expire;
 - (iv) were tenders called for the contract, and if not why not;
 - (v) what is the total value of the contract;
 - (vi) if the contractor charges an hourly rate, what is that rate; and
 - (vii) what was the value of the contract in 1998-99?

Mrs EDWARDES replied:

WorkCover WA

(a)-(b) Yes.

- (c)
 - (i) Stanton Partners.
 - (ii) 4 October 1999.
 - (iii) 4 October 2002, with 2 additional twelve monthly options available based on performance which expire on the 4 October 2003 and 4 October 2004 respectively.
 - (iv) Yes.
 - (v) \$144,000 for 3 years of internal audit services.
 - (vi) Hourly rates are charged only for internal audit work required outside the scope of the contract. The hourly charge can range from \$40 to \$200 dependent on the level of expertise required.
 - (vii) \$66 725.94

Perth Zoo:

(a)-(b) Yes.

- (c)
 - (i) HLB Mann Judd Chartered Accountants.
 - (ii) Annual contract - 1 July 1999.
 - (iii) 30 June 2000.
 - (iv) No, as contract value under tender process limits.
 - (v) \$10,000.
 - (vi) Not applicable.
 - (vii) \$10,000.

Department of Productivity and Labour Relations:

(a)-(b) Yes.

- (c)
 - (i) Stanton Partners.
 - (ii) 11 April 2000.
 - (iii) 9 June 2000.
 - (iv) No. The contract value was below the amount that requires tenders to be called.
 - (v) \$5,000 Department of Productivity and Labour Relations.
\$2,500 Commissioner of Workplace Agreements.
 - (vi) The contract is not for an hourly rate.
 - (vii) \$5,000 Department of Productivity and Labour Relations.
\$2,500 Commissioner of Workplace Agreements.

Botanic Gardens and Parks Authority:

(a)-(b) Yes.

- (c)
 - (i) HLB Mann Judd Chartered Accountants.
 - (ii) 7 May 1998.
 - (iii) Annual Review.
 - (iv) Yes.
 - (v) \$5 000 per annum.
 - (vi) Not applicable.
 - (vii) \$5 000.

Department of Conservation and Land Management:

- (a) Yes.
- (b) No.
- (c) Not applicable.

Department of the Registrar, Western Australian Industrial Relations Commission

(a)-(b) Yes.

- (c)
 - (i) Stanton Partners.
 - (ii) 1 Jan 1995.
 - (iii) Renewable annually.
 - (iv) No. Contract less than \$50 000.
 - (v) For 1999/2000 \$14 500.
 - (vi) Variable.
 - (vii) \$11 327.

Department of Environmental Protection:

(a) Yes.

- (b) No.
- (c) Not applicable.

WorkSafe Western Australia:

- (a)-(b) Yes.
- (c)
 - (i) Stanton Partners.
 - (ii) 1 October 1999 for initial twelve months and a further two twelve month options.
 - (iii) 30 September 2002.
 - (iv) Yes.
 - (v) \$9 750 per annum (\$29 250 in the event that the two extension options are exercised).
 - (vi) See above.
 - (vii) \$7 110.

Commissioner for Workplace Agreements:

- (a)-(b) Yes.
- (c)
 - (i) Stanton Partners.
 - (ii) 11 April 2000.
 - (iii) 9 June 2000.
 - (iv) No, the contract value was below the amount that requires tenders to be called.
 - (v) \$2 500.
 - (vi) The contract is not for an hourly rate.
 - (vii) \$2 500.

GOVERNMENT DEPARTMENTS AND AGENCIES, LEGAL ADVICE FROM SKEA, NELSON AND HAGER

2415. Ms McHALE to the Minister for Energy:

- (1) Has any Department or agency under the Minister's portfolios contracted the legal firm Skea, Nelson and Hager to provide advice?
- (2) If so, what was the project and what was the price paid to the legal firm?
- (3) Was the project subject to the public tender process?
- (4) If not, why not?

Mr BARNETT replied:

- (1)-(4) Whenever the legal firm, Skea, Nelson and Hager has provided legal advice to Government the details are provided in the appropriate Consultants Report. These quarterly reports are regularly tabled in Parliament.

GOVERNMENT DEPARTMENTS AND AGENCIES, LEGAL ADVICE FROM SKEA, NELSON AND HAGER

2417. Ms McHALE to the Minister for Education:

- (1) Has any Department or agency under the Minister's portfolios contracted the legal firm Skea, Nelson and Hager to provide advice?
- (2) If so, what was the project and what was the price paid to the legal firm?
- (3) Was the project subject to the public tender process?
- (4) If not, why not?

Mr BARNETT replied:

- (1)-(4) Whenever the legal firm, Skea, Nelson and Hager has provided legal advice to Government the details are provided in the appropriate Consultants Report. These quarterly reports are regularly tabled in Parliament.

PADBURY PRIMARY SCHOOL, MOSQUITO SPRAYING

2439. Mr CARPENTER to the Minister for Education:

- (1) Will the Minister confirm whether unauthorised spraying of chemicals to treat mosquitoes occurred at Padbury Primary School this year?
- (2) If yes, is it true that this occurred because the Education Department refused to treat the problem because of lack of funds?
- (3) Will the Minister confirm which chemicals were used?
- (4) Have any health issues been investigated at Padbury Primary School because of this alleged incident?

Mr BARNETT replied:

- (1) Spraying for mosquitoes occurred twice at the Padbury Primary School toilets this year after school hours. In both instances the work was undertaken by licensed pest controllers. The first spraying occurred in mid February and was authorised by the Principal. The subsequent spraying was undertaken in late March following a fault report.

- (2)-(3) The first spraying was completed by a parent who volunteered the services of his company and used Pyrethum Spray No.1, Special Insecticide. The second used Responsar inside the building, 0.5% Dursban micro low outside and A Bait granules in the soakwells.
- (4) No related health issues have been raised with the Education Department.

SCHOOL FEES

2442. Mr CARPENTER to the Minister for Education:

Will the Minister detail what happens with School Fees when a student changes High Schools during the school year?

Mr BARNETT replied:

When enrolling at a new high school the student, with their parents' support, selects their instructional program for the rest of the academic year. School charges are calculated on the year level of the courses and electives chosen, and the amount of time remaining in the school year. The total of the charges applicable for the balance of the school year is calculated and an account presented to the student's family for payment. A Transfer Note is later provided by the student's previous school, and the two schools liaise over any outstanding school charges. Any necessary reimbursements are negotiated and moneys returned to the student's family or transferred to the new school (if the parents agree). Each case is assessed individually.

WEST KIMBERLEY IRRIGATION PROJECT, EXTENSION OF MEMORANDUM OF UNDERSTANDING

2474. Dr EDWARDS to the Minister for Resources Development:

- (1) With respect to the proposal by Western Agricultural Industries (WAI) for the West Kimberley Irrigation Project, on what date was the WAI proposal for an extension of the Memorandum Of Understanding (MOU) fully considered by the West Kimberley Land & Water Development Committee?
- (2) If the proposal for an extension of the MOU has not been considered by the WKLWDC, when is it expected that such consideration will take place?
- (3) Did the Department of Resource Development (DRD) support the decision by WAI to unilaterally disband the West Kimberley Irrigation Committee (WKIC)?
- (4) If yes to (3), on what basis did DRD support this decision?
- (5) Why was no community consultation entered into with respect to the decision to disband the WKIC?
- (6) Given that the WKIC represented the principle conduit for meaningful public consultation on non-water related environmental, social and cultural matters will the DRD ensure that the same opportunities for community consultation are provided as a replacement for the WKIC?
- (7) If not, why not?
- (8) Does the Minister accept that providing glossy brochures which reflect only the position of WAI does not compare with the provision of a public committee for face to face questioning when it comes to best practice community consultation?
- (9) If not, why not?
- (10) How will the process of community consultation now be progressed?
- (11) On what date was the WAI proposal for an extension to the MOU discussed by the relevant CEO's?
- (12) Who attended the meeting referred to in (11)?
- (13) What conclusions were reached from that meeting?
- (14) What matters were raised at this meeting?
- (15) Were the concerns raised by Environs Kimberley Inc raised at the meeting of CEO's to discuss the proposal for the extension of the MOU?
- (16) If not, why not?
- (17) What is the current status of the proposal to extend the MOU?
- (18) With respect to WAI's Water Monitoring Progress Report, what assessment has been made of the report's scientific credibility?
- (19) Is the Minister satisfied that having three sample sites adjacent to each other at one edge of a cotton field represents best practice in scientific monitoring?
- (20) If yes to (19), on what basis does this represent best practice in terms of scientific monitoring?
- (21) Why has DRD not ensured that the sample sites are located at random throughout the trial area to better determine the possible impacts of cotton growing?

- (22) Is the Minister satisfied that having the control site adjacent to the sample sites represents best practice in terms of scientific monitoring?
- (23) If yes to (15), on what basis does this represent best practice in terms of scientific monitoring?
- (24) Why was the control site located in a cleared strip alongside the cotton trials instead of in undisturbed bush?
- (25) What levels of –
- (a) herbicides;
 - (b) fungicides;
 - (c) defoliants; and
 - (d) pesticides,
- were recorded at –
- (i) the control site; and
 - (ii) each sample site?
- (26) What pesticides are being used on the trials?
- (27) In what proportions are these pesticides being used?
- (28) What are the application rates for the pesticides?
- (29) How many times each year are pesticides applied?
- (30) At what times of the year are the pesticides applied?
- (31) How many of the eight monitoring bores were known to be in good working order?
- (32) Why did the Water Monitoring Progress Report make no mention of the fate of herbicides, fungicides and defoliants used in the trials?
- (33) What was the fate of the herbicides, fungicides and defoliants used in the trial?

Mr BARNETT replied:

- (1) 17 May 2000.
- (2) Not applicable.
- (3) Yes.
- (4) WAI is responsible for community consultation in accordance with the MOU with the State.
- (5) WAI decided to abandon the committee and review their approach, after considering criticism of the arrangements then in place.
- (6) DRD is responsible for ensuring WAI meets its obligations under the MOU.
- (7) Not applicable.
- (8) Yes.
- (9) Not applicable.
- (10) By WAI in accordance with the MOU if an extension is granted. A condition of any extension and its continuation will be a commitment by WAI to an approved consultation program.
- (11) The matter was discussed with delegated representatives of relevant CEOs on 17 May 2000.
- (12) Representatives of DEP, DOLA, MPC, DRD, AGWA and WRC.
- (13)-(14) That WAI be asked to provide more detail on their intended program and how they intend approaching community consultation, environmental investigations, aboriginal negotiations, water investigations, and technical and economic studies, for the 3 years to 30 June 2003 so that an assessment be made as to whether the program and commitments could be reasonably achieved.
- (15) Yes.
- (16) Not applicable.
- (17) Waiting for the information outlined in answer (13) so that a further assessment of the application for an extension to the MOU can be considered and recommendations made.
- (18) WAI's Water Monitoring Progress Report of March 2000 has three components:
Groundwater level monitoring
Amended groundwater investigation program
Soil and water quality monitoring

The groundwater level monitoring and groundwater investigation program have been reviewed by the WRC and will be sent to the CSIRO for independent technical review. The Commission's view is that the amended groundwater investigation program is satisfactory. However some of the groundwater level monitoring results are inconclusive and additional dedicated monitoring bores will be required for future investigations. The soil and water quality monitoring program has been reviewed by the WRC and the DEP and will be sent to the CSIRO for independent technical review. The monitoring program was based on existing bores and provided preliminary results. The DEP and the WRC will require future programs to meet appropriate monitoring protocols and this will be a condition to any extension of the MOU.

(19)-(23)

The monitoring program was intended to provide preliminary results on cropping trials already completed, and as described in the soil and water quality monitoring report, to help define future monitoring work for the water investigation program. A proposed future monitoring program was presented to the groundwater committee and reviewed by WRC in August of last year. If an extension to the MOU is granted a condition will be that best practice monitoring is adopted.

- (24) The report was not intended to draw a comparison between undisturbed bush and the cotton trials, but to monitor changes between areas that had had applications of fertiliser and pesticides and those that did not. For this exercise it was not important to take samples from the undisturbed bush. However, WAI intend to include sites in undisturbed bush in their future monitoring program.
- (25) No residues were recorded at the control site, or any of the sample sites.
- (26) Several pesticides, approved by the National Registration Authority, were used on the trials to control insect and weed pests in some experiments. These were reported to the Groundwater Community Consultation Group on 29/10/99 as an inventory of likely substances to be used. These products were Roundup CT® and Goal® for weed control; INGARD™, Tracer Naturalyte®, Predator®, Larvin®, Lannate®, Dominex®, Talstar® for insect control; Dropp Ultra® and Prep® for defoliation.
- (27) Pesticides are used in the approximate proportions of 70% insecticides, 15% herbicides and 15% defoliant.
- (28) Applications rates for each of the pesticides is in accordance with the specific label recommendation for each of the products listed in the reply to question 26.
- (29) The number of pesticide applications is determined by seasonal conditions, pest abundance and the type of trial being investigated. Typically this would involve one herbicide application, four insecticide applications and one defoliant application. Crops are monitored for pest abundance twice weekly and insecticides only applied when damaging thresholds are exceeded.
- (30) The preferred growing season for cotton is May to October and pesticides may be used within that window on a needs basis.
- (31) The monitoring was based on existing bores and provided preliminary information about the water resource. The next stage of ground water investigation will require drilling in accordance with an adequately designed network and dedicated bores to provide improved assessment of the resource. This has been proposed by WAI.
- (32) The report was preliminary and deliberately targeted insecticides because they were more likely to be detected in the environment than the herbicides, fungicides or defoliant.
- (33) All pesticides used in the trials break down into environmentally benign components. Breakdown processes are sometimes complicated but are well documented prior to becoming registered for use by the National Registration Authority. Pesticides are subject to hydrolysis, photo-degradation and microbial breakdown as primary breakdown mechanisms. Effective pesticide breakdown was confirmed by chemical analyses showing no detectable residues at any of the sampling sites associated with the cotton trial area

WESTERN POWER, COST TO CONNECT POWER TO PELICAN CROSSING, STIRLING STREET, BUNBURY

2475. Mr RIPPER to the Minister for Energy:

In relation to the connection of power to a recently installed "Pelican" pedestrian crossing in Stirling St Bunbury -

- (a) what was the original quotation for Western Power to connect this installation to the 240 volt power supply;
- (b) how much was paid for Western Power to provide a quotation;
- (c) what price did Western Power finally charge for this connection;
- (d) if there is a significant difference between the quoted price and the final charge, will the Minister explain why; and
- (e) is it acceptable business practice for Western Power to charge for a quote, and then to amend the price after the work has been completed?

Mr BARNETT replied:

I am advised:

- (a) \$340.00.
- (b) Nil.
- (c) \$1070, Western Power is refunding the customer \$730 in order to honour the original quote.
- (d)-(e) No.

QUALITY TRAFFIC MANAGEMENT, POWER CONNECTION TO PELICAN CROSSING, STIRLING STREET,
BUNBURY

2476. Mr RIPPER to the Minister for Energy:

- (1) Has the Minister been contacted by a company known as Quality Traffic Management regarding the connection of power to a pedestrian crossing in Bunbury?
- (2) If yes, when, and on how many occasions has contact been made?
- (3) What action has the Minister taken in response to this contact?

Mr BARNETT replied:

- (1) Yes.
- (2) Twice - once in late April 2000, and once in mid May 2000.
- (3) Western Power was requested to investigate Quality Traffic Management's concerns. As a result of this investigation the issue has been resolved and a response to Quality Traffic Management confirming resolution has been prepared.

WESTERN POWER, COMPETITIVE NEUTRALITY FOR ELECTRICAL TESTING AND TRANSFORMER OIL
SERVICES WORK

2479. Mr RIPPER to the Minister for Energy:

- (1) How does the Government ensure competitive neutrality between Western Power and private contractors competing for electrical testing and transformer oil services work?
- (2) Does Western Power offer free service of equipment to clients using in excess of \$5,000 electricity per month?
- (3) How is this consistent with the Government's competition policy obligations?
- (4) Will this practice continue?

Mr BARNETT replied:

I am advised:

- (1) The Engineering Consulting laboratory at East Perth provides a transmission oil analysis service to Western Power and a number of external customers. External customers are charged a market rate, although some of Western Power's competitors may be slightly cheaper.
- (2) Western Power does not offer free service of equipment to clients using in excess of \$5,000 electricity per month.
- (3)-(4) Not applicable.

WESTERN POWER, FORMER EMPLOYEES WORKING AS CONSULTANTS

2480. Mr RIPPER to the Minister for Energy:

- (1) Are there any former employees of Western Power who are employed as consultants for Western Power?
- (2) If yes, how many?

Mr BARNETT replied:

I am advised:

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

LAND TAX, BASSENDEAN

2494. Mr BROWN to the Minister assisting the Treasurer:

- (1) Is the Minister aware some residents in the Bassendean electorate received an account from the State Revenue Department for land taxes when such taxes were not due?

- (2) Is the Minister also aware that some residents received a final demand for such payment when no payment was due?
- (3) How many residents in the Bassendean electorate received an account for land tax when none was due?
- (4) Why did the residents receive such accounts?
- (5) Was this an attempt by the Government to bring in greater levels of income than allowed under the legislation?

Mr KIERATH replied:

- (1) No. However, I am aware that the State Revenue Department has issued some incorrect land tax assessments for the 1999/2000 year of assessment. This matter was dealt with recently in the answer to question on notice 2301 of 3 May 2000. The Commissioner of State Revenue has no breakdown of which electorates landowners were from.
- (2) No. Please refer to (1) above.
- (3) Not known.
- (4) Please refer to the responses given to questions 1, 3 and 4 of question on notice 2301 of 3 May 2000.
- (5) No.

PERTH COLLEGE SITE, GEOTECHNICAL INVESTIGATIONS

2510. Ms WARNOCK to the Minister for Planning:

- (1) Will the Minister table the geotechnical investigations undertaken by Coffey Partners International Pty Ltd for the East Perth Redevelopment Authority (EPRA) of the former Perth Girls School site in East Perth?
- (2) If not, why not?

Mr KIERATH replied:

- (1) Yes, I table the requested report. [See paper No 1017.]
- (2) Not applicable.

PERTH COLLEGE, ENVIRONMENTAL REPORT

2511. Ms WARNOCK to the Minister for Planning:

- (1) Will the Minister table the environmental report undertaken by CMPS & F for the East Perth Redevelopment Authority (EPRA) of the former Perth Girls School site in East Perth?
- (2) If not, why not?

Mr KIERATH replied:

- (1) Yes, I table the requested report. [See paper No 1017.]
- (2) Not applicable.

PERTH COLLEGE SITE, FEASIBILITY ASSESSMENT

2512. Ms WARNOCK to the Minister for Planning:

- (1) Will the Minister table the feasibility assessment undertaken by Cox Howlett and Bailey Woodland for the East Perth Redevelopment Authority (EPRA) of the former Perth Girls School site in East Perth?
- (2) If not, why not?

Mr KIERATH replied:

- (1) Yes, I table the requested report. [See paper No 1017.]
- (2) Not applicable.

HERITAGE COUNCIL, PLANS FOR COUNTRY LODGING HOTEL

2540. Mr McGOWAN to the Minister for Heritage:

- (1) On what date did the Heritage Council receive the original plans for Country Lodging Australia's proposed hotel at Barrack Square?
- (2) Were these original plans approved by the Heritage Council?
- (3) On what date were the revised plans received by the Heritage Council?
- (4) On what date did the Heritage Council's Development Committee approve the plans?

- (5) Who were the members of the Development Committee at the time of approval?
- (6) On what date did the full Council approve the plans?
- (7) Which members-
 - (a) voted for the proposal;
 - (b) voted against the proposal;
 - (c) abstained from voting; and
 - (d) were not present for the vote?

- (8) Did the Heritage Council provide advice on the proposed hotel?
- (9) If yes, will the Minister table that advice, and if not, why not?

Mr KIERATH replied:

- (1) The Heritage Council received the original plans for the Old Perth Port Hotel development on 4 November 1999 in a referral from the approving authority - the Swan River Trust.
- (2) The Heritage Council resolved not to support this proposal for the Old Perth Port Hotel at their meeting held on 10 December 1999.
- (3) Revised plans were received by the Heritage Council on 9 March 2000.
- (4) The development committee considered the revised plans at their meeting held on 14 March 2000 and resolved to refer them to the next meeting of the full Heritage Council for endorsement.
- (5) The members of the development committee at the meeting held on 14 March 2000 included -

Mr Tony Ednie-Brown (Chair)
 Mr Gerry Gauntlet (Member)
 Mr Ian Baxter (Director)
 Mr Stephen Carrick (Manager, Conservation and Assessment)
- (6) The Heritage Council noted the decision of the development committee to support the revised plans for the Old Perth Port Hotel proposal at their meeting held on 14 April 2000.
- (7)
 - (a) All.
 - (b)-(c) Not applicable.
 - (d) Councillor Dolan and Councillor Gregory.
- (8) No. The development committee of the Heritage Council provided advice on the proposed hotel under delegation.
- (9) Yes, I table a copy of the correspondence from Mr Stephen Carrick, Manager, Conservation and Assessment to the approving authority - the Swan River Trust dated 19 April 2000. [See paper No 1018.]

EMERGENCY DETOXIFICATION CENTRES, ESTABLISHMENT

2707. Mr BROWN to the Minister for Police:

- (1) Is the Minister aware that there are no emergency detoxification centres in Western Australia?
- (2) Is the Minister also aware that it is difficult to get drug addicts to the point where they agree to enter a detoxification program and once they reach that point it is important for them to commence the program without delay?
- (3) Does the Government have any plans to establish one or more emergency detoxification centre/s?
- (4) If so, when?
- (5) If not, why not?
- (6) Is the Minister also aware that parents of addicts who have made every attempt to have their son/daughter booked into a detoxification centre have found no places available and been faced with the only option of booking their son or daughter into a private clinic at the upfront cost of \$3,500?
- (7) What specific programs will the Government implement to ensure addicts who reach the point of wanting to detoxify are given quick or immediate access into detoxification centres?

Mr PRINCE replied:

- (1) Next Step operates a 20 bed, 24 hour, seven days a week, detoxification unit in Moore Street, East Perth. Patients requiring urgent medical supervision are admitted immediately. Next Step reports that it does not have a waiting list for acute detoxification. Patients seeking elective detoxification may experience a wait of approximately 10 days for assessment and admission. The Salvation Army provides a 20 bed, 24 hour, 7 days a week detoxification service at Bridge House in Wright Street, Highgate. Additionally, general practitioners and regional hospitals have been trained to provide detoxification services.
- (2) Residential detoxification is not the first point of treatment for most addicts. This Government has established

considerable service infrastructure under the WA Strategy Against Drug Abuse, *Together Against Drug*'s offering a comprehensive range of community based prevention and treatment services that provide timely interventions for those affected by serious and significant drug abuse problems in the community. Additionally, these comprehensive services ensure follow-up support to those discharged from acute care to secure their engagement in ongoing treatment.

- (3) No.
- (4) Not applicable.
- (5) Next Step recently expanded its detoxification unit from 17 to 21 beds. The new service which also has the capacity to accommodate youth, was launched in May this year.
- (6) With respect to Next Step's detoxification unit:
 - (i) Admissions are prioritised.
 - (ii) Those who require immediate medical attention are given the highest priority.
 - (iii) No client is left without service.
 - (iv) All clients are assessed and counselling is provided.

With respect to the Salvation Army detoxification unit, the service is co-located with the intoxication/sobering up services with the aim to enhance the process of recovery by offering continuous care from initial presentation, assessment, detoxification and referral into treatment. As indicated earlier, a residential detoxification program is not the first point of treatment for most addicts. As a general rule services in WA do not have waiting lists. Clients and their families must always have the right to exercise the choice and engage in private treatment if they wish. This is not, however, their only option.

- (7) Programs are in place to engage all clients seeking treatment. Importantly, no client is refused service. Patients requiring urgent medical supervision are provided with appropriate care. Some clients presenting for residential detoxification are more effectively managed on an out-patient basis. As the circumstances of clients change, frequent reviews and assessments are routine and integral to any drug treatment.

FERGUSON COMMITTEE REPORT, IMPLEMENTATION OF RECOMMENDATIONS

2711. Dr EDWARDS to the Minister for the Environment:

I refer to Implementation of the Ferguson Committee Report on page 252 of the 2000-01 budget papers and ask will the Minister provide a break down of the estimated expenditure of this \$2m per year for each of the next 4 financial years?

Mrs EDWARDES replied:

Out of the \$2m a total of \$972 000 comprises compensation for the loss of timber royalties as a consequence of Government decisions following consideration of the Ferguson Committee report. Out of the remainder of the funds, approximately \$737 000 will be spent on fire protection and silvicultural burning in 2000-01, and the remaining \$291 000 will be spent on community consultation. The expenditure breakdown for the subsequent three years will be finalised in the department's annual budget process.

QUESTIONS WITHOUT NOTICE

WESTRAIL FREIGHT PRIVATISATION POLICY

955. Dr GALLOP to the Premier:

Has the Premier spoken to his deputy Liberal leader since question time yesterday, when it was revealed that he had once again publicly criticised the Government's Westrail freight privatisation policy, or has the Government in Western Australia disintegrated to such an extent that ministers are able to openly undermine government policy even after the Premier has warned them to keep these matters in Cabinet?

Mr COURT replied:

I discussed it with the Deputy Leader of the Opposition during question time. He explained to me that he gave a presentation to the Institute of Public Administration Australia and had talked openly about all the different options of privatisation.

Mr Ripper: You said "Deputy Leader of the Opposition". I think you meant deputy Liberal leader.

Dr Gallop: You are just a little bit ahead there, Premier.

Ms MacTiernan: This is how you are going to get rid of the National Party. That is very smart.

Mr COURT: I am sorry, I meant to say the deputy leader of the Liberal Party. I want to make some comments on privatisation. We should have an open, informed debate on these issues. The Leader of the Opposition has said that the Labor Party is now opposed to privatisation.

Dr Gallop: Actually, the deputy Liberal leader is agreeing with me. He is saying we have reached the end of the road.

Mr COURT: No, not at all. I want to put on record a couple of things. In 1990 the then Deputy Premier, Ian Taylor, said that as long as he was the minister responsible for the R & I Bank, it would not be privatised.

In November 1991, Carmen Lawrence attacked what she said was an opposition plan to sell the R & I Bank. In 1992, she announced that the Government would sell SGIO and 49 per cent of the R & I Bank. In January 1993, in the middle of an election campaign and without prior consultation with the stakeholders involved, Carmen Lawrence announced the complete sale -

Several members interjected.

The SPEAKER: Order! There are three people interjecting all over the place. Members know that it is unacceptable.

Mr COURT: In the middle of an election campaign, the Government announced the complete sale of the R & I Bank as part of a plan to merge it with the Challenge Bank to set up the Bank of Western Australia. The Leader of the Opposition was the minister responsible, as the assistant Treasurer, for putting the SGIO privatisation in place, for the sale of the R & I Bank and for developing a privately owned coal-fired power station. That was in the last century. Why can the Opposition not have a rational debate on these issues?

Dr Gallop: We have; just like your deputy Liberal leader.

Mr COURT: No, the Opposition has not.

Dr Gallop: He was responsible for the privatisation of AlintaGas and now he says we do not need any more privatisation.

Mr COURT: The Opposition is saying, because there is an election coming up, that it is opposed to privatisation and it will privatise nothing except the belltower. I just say to members opposite that they cannot have it both ways. In government they had an active privatisation strategy. We have not been involved in many significant privatisations; however, we are prepared to have an open debate about it.

CABINET, COLLECTIVE RESPONSIBILITY

956. Dr GALLOP to the Premier:

Does the Premier's Cabinet operate under the tradition of collective responsibility? If so, why does it not apply to the deputy Liberal leader?

Mr COURT replied:

It certainly does and it applies to all members, unlike when the Opposition was in government.

TEMPORARY PROTECTION VISA HOLDERS

957. Mr BLOFFWITCH to the Premier:

What discussion has the Premier had with the Federal Government on the release of 1 700 temporary protection visa holders to the States and Territories?

Mr COURT replied:

Last night I had a telephone conversation with the Minister for Immigration, Hon Philip Ruddock. He outlined to me what the Federal Government is proposing to do with the illegal immigrants, many of whom are detained at Curtin or Port Hedland. I was not impressed with the Federal Government's proposals. Some 1 700 of the 3 500 illegal immigrants will be let out of detention in the next month and about 25 per cent of them will be in Western Australia. In fact, 800 of the 1 700 are in Western Australia and about 450 will stay in this State. That sends out all of the wrong signals. If people come into this country as illegal immigrants by jumping the queue, they can fast-track the process of becoming accepted in this country. However, the chance of a refugee who goes through the proper official process of being accepted in this country will now become slimmer as the Federal Government will reduce the number of official refugees by the number of illegal immigrants it is allowing to stay in this country. That sends out all the wrong signals. The way to fast-track one's entry into this country will be seen to be to enter as an illegal immigrant. I would not be at all surprised if increasing numbers of illegal immigrants try to come into this country as a result of the decision that has been made.

NARROWS BRIDGE DUPLICATION, BUDGET

958. Ms MacTIERNAN to the Premier:

- (1) Can the Premier advise by how much the Narrows Bridge duplication is running over budget and over time?
- (2) Can the Premier explain why this project is not on budget or not on time?

Mr COURT replied:

I am advised that the Narrows Bridge duplication project is running within budget. Is the member for Armadale disappointed about that?

Ms MacTiernan: I am just interested in the answer.

Mr COURT: The original contract provided for the opening of the new bridge to traffic by August 2000 and the remaining work to be completed by November 2000. The contractor, Leighton Contractors Pty Ltd, recently advised Main Roads that the opening of the new bridge will now occur in mid February 2001 and the remaining work will be completed by late April 2001, according to its current schedules. Leighton Contractors has advised that the primary reason for the delay is that the design of the bridge and the associated innovative construction method has proved to be more complex than anticipated, which has delayed not only the start of on-site bridge works, but also has resulted in the cycle time for the launch of each bridge segment to be longer than originally predicted.

Ms MacTiernan: You fast-forwarded this project so that it would be ready for your election.

Mr COURT: I was at the opening on the day the project was launched when the member for Armadale was criticising the project and carping about it. From the day we launched the project she has said the timing of it was based around the next election. On that assumption, the election will be the first week in May.

ELECTIVE SURGERY, AVAILABILITY

959. Mrs PARKER to the Minister for Health:

What progress has been made to ensure that elective surgery is available for people who require such treatment?

Mr DAY replied:

I thank the member for some notice of this question. One of the many success stories in the health arena in this State has been the increased provision of elective surgery. One way that has been achieved is through the establishment of the Central Wait List Bureau in April 1998, which has assisted 9 175 people. The bureau's staff have done good work in this area. The clearance time for elective surgery in teaching hospitals has fallen from 10.7 months in April 1998 to 3.5 months in May 2000. The number of people on the waiting list is about 10 500, which is the lowest it has been since July 1995. In addition, the Getting Patients Treated Program has been initiated in conjunction with the General Practice Divisions of Western Australia. Some 6 000 people have had their cases reviewed through that program, and 25 per cent of those have had surgery since February. The system the Government has set up means that more information is available to members of the public so that they can be informed about how they can get treatment provided earlier in a way that is more convenient to them and, in some cases, closer to home. People are more empowered than in the days of the Labor Government. It is a credit to the work of the Central Wait List Bureau that its representatives were recently invited to provide some presentations to the Australian Capital Territory's Department of Health and Community Care about what has been done here. There is a great deal of interest from outside the State about the work that has been pioneered in Western Australia. It is a credit to the staff of the Central Wait List Bureau, the Metropolitan Health Service and the Health Department who have been involved in providing that assistance to many patients over the past two years.

METROPOLITAN HEALTH SERVICE BOARD, FUNDING

960. Ms McHALE to the Minister for Health:

In view of the comment reported on 16 May that Andrew Weeks, the chief executive of the Metropolitan Health Service Board, was confident that metropolitan hospitals would receive their individual budgets before 1 July 2000, I ask -

- (1) Has the Metropolitan Health Service Board been given its budget for 2000-01?
- (2) If yes, what is the allocation, and if no, when can the board expect to be told of its budget?
- (3) Will the minister provide the allocations for each metropolitan hospital?

Mr DAY replied:

I thank the member for some notice of this question.

- (1)-(3) Discussions on the allocations to all health services, including the Metropolitan Health Service, are being undertaken and have not yet been finalised. It is important to understand that the Health budget was substantially increased for the next financial year, as it has been every year that this Government has been in office. Each year, the budget has grown by an average of \$90m, and the Government now provides \$700m more to the health system than when the Labor Party was in office. The average growth rate of the Health budget has been 6.9 per cent during our term in office, compared with 3.8 per cent in the last four years of the Labor Government.

It is time the Labor Party told the public of Western Australia about its vision for the provision of health services, how it would provide those services and the sort of funding it would make available to the health system.

Mr McGinty: Anyone could do better than the shambles you have left us in.

Mr DAY: I understand that the opposition spokesperson on Health addressed a breakfast meeting this morning on the issues affecting the health system. However, I am informed that any meaningful comment was limited to support for the policies that this Government has in place. The Labor Party is lacking a coherent and comprehensive health policy. It clearly has no credible policy for the provision of health services in a fair and equitable way from one end of Western Australia to the other, including the outer parts of the metropolitan area as well as the western suburbs and the central business district. It

is time the Labor Party introduced credibility into its arguments. All it has done is continually knock the many positive initiatives undertaken by this Government, including the Armadale-Kelmscott Memorial Hospital redevelopment, the Joondalup Health Campus redevelopment, the Peel Health Campus redevelopment and the South West Health Campus redevelopment. This Opposition has continually attacked and opposed those initiatives, and it is time it came up with a credible policy, as it is lacking one at the moment.

HOSPITALS, BUDGETS

961. Ms McHALE to the Minister for Health:

When will the individual hospitals receive their budgets?

Mr DAY replied:

As I indicated, the discussions about the allocation of the overall Health budget to the various health services in Western Australia - both rural and metropolitan health services - are being undertaken.

CRIME RATES, DECREASE

962. Mrs HODSON-THOMAS to the Acting Minister for Police:

Does the Australian Bureau of Statistics report on recorded crime in Australia in 1999, which was released today, show any decrease in crime rates in Western Australia?

Mrs EDWARDES replied:

The Australian Bureau of Statistics figures that were released today confirm that the crime rate in Western Australia is decreasing. With the exception of murder and sexual assault, all crime rates have shown a reduction since 1998. One of the most pleasing figures was a 21 per cent drop in the number of car thefts, which endorses the Government's stand on the installation of immobilisers in motor vehicles. The total robbery rate for Western Australia fell by 22.3 per cent, and armed robbery fell by 33.3 per cent. All areas of crime are of concern and the Government will continue to facilitate further reductions by introducing continuing measures to prevent crime and antisocial behaviour.

SUN CITY FORD NISSAN AND JEEP, GOVERNMENT CONTRACTS

963. Mr RIPPER to the Minister for Works:

I refer to the admission by the member for Geraldton, reported in the *Sunday Times* last week, that he touted government agencies for business and to the revelation that the Government has purchased nearly \$1.7m worth of cars from the member's car dealership over the past two years, and ask -

- (1) When did the Government first start purchasing vehicles from Sun City Ford Nissan and Jeep?
- (2) How many tenders has Sun City Ford Nissan and Jeep submitted for the supply of government vehicles, and how many were successful?
- (3) Has the Department of Contract and Management Services or the minister received any correspondence from the member for Geraldton or Sun City Ford Nissan and Jeep concerning the purchase of government vehicles?
- (4) If yes, on what dates was correspondence received, and will the minister table that correspondence?

Mr JOHNSON replied:

I thank the member for some notice of this question.

- (1) It is understood that government vehicles have been purchased from Sun City Ford Nissan and Jeep since the mid 1980s, when the Labor Party was in Government.
- (2) Under the Government's procurement policy, a mandatory common-use contract for the acquisition of vehicles requires that a government price be charged for all vehicles purchased from Australian manufacturers and distributors. Vehicles are delivered through the authorised dealership network at the government price. The price for Mitsubishi, Holden, Ford and Nissan cars is the same throughout the State. Sun City is the only authorised dealer for Ford and Nissan in the Geraldton area. Tendering for government agencies on a vehicle by vehicle basis is not permitted.
- (3) No.
- (4) Not applicable.

I will reiterate what the Premier said yesterday, and it should be noted, that in the period from March 1998 to January 2000, 57 vehicles were purchased from Sun City Ford and eight vehicles were purchased from Sun City Nissan - a total of 65 vehicles. During the same period, 144 vehicles were purchased from the Holden dealer in Geraldton. There is no way that the member for Geraldton was treated differently. One important issue raised by the question is that it highlights the Government's support of regional areas through providing greater opportunities for regional businesses. The message coming from the Opposition is that it does not support the buy local policy that the Government is conducting at the moment, under which local agencies in regional areas are

encouraged to buy their goods and services from local dealers. Members opposite want to see all the cars for the regional areas purchased in Perth. I take exception to the way the Opposition is trying to smear the member for Geraldton's name. He has more integrity in his little finger than some members sitting opposite have in their entire body. It is important to know that small business people in Australia, and particularly those in Western Australia, do not trust the Labor Party. They know that they cannot do business with the Labor Party. The only people who got a look in when Labor was last in government were five or six, or maybe eight or nine, big business people. The only way they got business was if they came bearing gifts of millions of dollars that went into stamp collections and the leader's account. How many were there - 12 or 13, each with \$1m? That is their way of doing business. There is more integrity on this side than there will ever be on that side of the House.

CONVENTION AND EXHIBITION CENTRE

964. Mr BRADSHAW to the Premier:

Is the Premier aware of criticism by the Opposition of the Government's support for a dedicated convention-exhibition centre, given the Burswood International Resort Casino's announced expansion of its convention facilities?

Mr COURT replied:

At lunchtime today the Burswood casino launched its expansion plans. It is going to spend \$75m to upgrade its facilities. That is something the Government has been very supportive of for many years - and I said it at the launch today; we have been pushing the Burswood resort to expand its facilities.

The reaction from the Opposition is to ask why would one support a dedicated convention-exhibition centre if Burswood resort is expanding its operations? Even after the expansion plans at Burswood, this town will still not have a dedicated convention-exhibition facility. The Opposition is saying that it is good enough for Perth not to have a decent convention-exhibition facility. I want to say to the members opposite that Perth -

Mr Kobelke: What is the Premier putting Burswood down for?

Mr COURT: I am not putting them down. Wake up - we do not have an exhibition centre - full stop.

Several members interjected.

Mr COURT: Knock, knock!

The SPEAKER: Almost daily I remind members of the Chair's policy to allow some interjection, even though it is disorderly, particularly from members asking pertinent questions. We have had a great range of interjection, a lot of which is not pertinent.

Mr COURT: The Opposition spokesman on tourism is the first opposition spokesman that I am aware of who was not even game to go to the tourism awards this year. I have never known an opposition spokesman to be so negative about the tourism industry.

Several members interjected.

Mr COURT: Opposition members are a bit sensitive now. They have knocked the Elle campaign; they have knocked Partnership 21; they have knocked the convention-exhibition centre; and they were gloating over the possibility of losing the motor rally. They cannot have it both ways.

I remind members opposite that Perth is not a one-horse town. We will have two very decent facilities in this town that will provide a great deal of competition and a great deal of employment.

The SPEAKER: Order! It appears that some members are not taking much notice of me. I have given a lot of latitude to the member for Rockingham, and it is obvious why I have. If I am not to be taken notice of, I will have cause to do something about it.

Mr COURT: Perth, Western Australia is a very sought-after destination and this town deserves to have decent facilities, and it is going to get them. I want to give a comment from Owen Cook from the Perth Convention Bureau.

Dr Gallop interjected.

Mr COURT: The Leader of the Opposition can knock it as long as he likes. Owen Cook of the Perth Convention Bureau said -

We have booked three large national and international conferences into this city as a consequence of the announcement of the Perth convention and exhibition centre that would not have been attracted to the city . . . now the multiplier effect of that is a significant amount of rooms, restaurants, booked taxis used, etcetera.

The end result is that, in this town, over the next two years, \$75m will be spent on the Burswood facilities; a dedicated convention-exhibition centre will be built; a soccer-rugby stadium will be built; the Woodside tower will be built; the Treasury building will be renovated; and the David Jones department store will be built - there will be a lot of activity in this town, but all that members opposite will do is criticise. "We don't want the Northbridge tunnel; we don't want the convention-exhibition centre." One judges Governments-

The SPEAKER: Order, members! I formally call the member for Geraldton to order for the first time.

Mr COURT: One judges Governments on their performance. These things are happening; we are doing things, yet all we get is constant carping criticism.

MEMBERS OF PARLIAMENT, BUSINESS WITH THE GOVERNMENT

965. Mr RIPPER to the Premier:

Yesterday the Premier said he would make inquiries to determine whether any guidelines exist regulating the activities of members of Parliament who do business with the Government.

- (1) Can the Premier now advise whether any guidelines exist; and, if so, will he table them?
- (2) The Premier said also that he would provide details to the Parliament on any contracts the member for Ningaloo may have with the Government in addition to the \$115 000 contract to Sweet Crete. Can the Premier now provide those details, including the likely total cost of the contract with Sweet Crete?

Mr COURT replied:

I thank the member for some notice of this question.

- (2) I will answer the second part first. I have asked the Carnarvon recovery committee to provide all the details. I have not received them as of yet but I hope to get them to the Parliament this afternoon.

Mr Ripper: Will there be a statement to the House?

Mr COURT: I do not mind doing that. I think we have answered the questions on it anyway, but I have asked the committee to update all the information in relation to this matter. The Carnarvon recovery committee has set aside a few hours today to provide that information and when I receive it I will provide it to the House.

- (1) I have made some inquiries and found that the conduct of members of Parliament can be regulated only by the Parliament. Members are required to comply with the Members of Parliament (Financial Interests) Act 1992, which includes registering -

Mr Ripper: What about outside? What attitude does the Government have to its purchasing activities?

Mr COURT: Can I finish the answer first?

Mr Ripper: As long as you answer that bit as well.

Mr COURT: That includes registering interests that may cause potential conflict of interest. I am unaware of any specific guidelines developed by Parliament which address the activities of members conducting business with government. It is the Government's role to provide guidance to its employees to ensure that all purchasing and contracting, including any business conducted with members of Parliament, is free from bias and represents value for money.

There are a number of safeguards to ensure that no individual or company that supplies goods and services to the public sector gains an unfair advantage over its competition. Government employees find guidance in codes of ethics and codes of conduct made under the Public Sector Management Act; policy and ethical standards statements in government buying; a competitive tendering and contracting framework; and best practice guidelines for contract management. This guidance helps to ensure that purchasing and contracting undertaken by government is fair, equitable and in the best interests of the Western Australian public, regardless of whom the Government is contracting with.

On seeking further advice, I have been told that in 1987 the Constitution Acts Amendment Act removed the concept of members' contracts with the Crown from the Western Australian Constitution following a joint select committee report on office of profit. I have not had the opportunity to read that joint select committee report. However, it was a recommendation - the Labor Party was in government - and the Constitution was changed in that regard. As a result of the Deputy Leader of the Opposition's question, I will read that report and the debate surrounding that change to the Constitution.

ANIMAL WELFARE BILL

966. Mrs PARKER to the Minister for Local Government:

Will the minister outline the coalition Government's commitment to animal welfare, with particular reference to the Animal Welfare Bill and support for the Royal Society for the Prevention of Cruelty to Animals, in light of the petition tabled by the member for Rockingham today?

Mr OMODEI replied:

I thank the member for some notice of the question and for her very strong support of animal welfare legislation, particularly her advocacy on behalf of the RSPCA. Earlier today the member for Rockingham tabled a petition in this place bearing more than 62 000 signatures. That petition called for increased penalties for cruelty to animals. That is not what the member has been saying in the community. He has been saying that the penalties should be \$50 000 and five years imprisonment - virtually stopping just short of the death penalty for acts of cruelty to animals. That is not what was said in the petition he presented.

Mr Thomas: That is the petitioners' views.

Mr OMODEI: Yes, that is right. At the bottom of the petition it says -

Please return this petition to the Labor Member for Rockingham, Mark McGowan MLA . . .

The postal address is then given. Obviously, the petition emanated from the member's office.

Mr Ripper: What is wrong with that?

Mr OMODEI: What is wrong with the petition is that all it does is talk about increased penalties for acts of cruelty to animals. The member knows that a Bill has been in this Parliament for eight months, and it says just that; that is, the penalties will increase to \$20 000 maximum and there will be jail sentences. More importantly, I contrast what the Labor Party did for the RSPCA and for prevention of cruelty to animals during the time it was in government: It did absolutely nothing, apart from one \$50 000 grant to the RSPCA during those 10 years. This Government has made grants available to the Ruby Benjamin Foundation, which is a well-known animal welfare group. Last week the Premier opened the Malaga headquarters for the RSPCA. The member for Ballajura will present a cheque for an amount in excess of \$500 000 to the RSPCA for the second stage of its education centre. The penalties in the legislation have been increased significantly.

I will deal with allocations for the RSPCA. For the benefit of the member for Rockingham, I say that the RSPCA's preferred option is to have an allocation of funds under the budget rather than returns from fines. Perhaps the member will consider that. It has taken some time to prepare the legislation. We had 1920s legislation. During the 10 years of Labor government, nothing was forthcoming. This Government has brought a Bill into the Parliament which will rectify the situation. It will renovate and renew that legislation.

The Government will look after the RSPCA in the next budget. The Government has a close relationship with the RSPCA. The Bill that has been in the Parliament for seven months is ready to proceed. I understand that it will be debated either today or tomorrow. I do not see any amendments on the Notice Paper regarding the Opposition's concerns about penalties, about the RSPCA or about anything else. I expect that the Bill will have a very speedy passage.

FINANCE BROKERS, LEGAL ADVICE

967. Mr McGINTY to the Premier:

I refer to the Government's legal advice regarding finance brokers and I ask -

- (1) Now that extracts from that legal advice have been read out and lawyers are giving evidence at the Gunning inquiry on their views of the legal opinions, why does the Premier insist that the legal advice still be kept secret?
- (2) Does the Premier now accept that legal advice from two Queen's Counsel never said that lenders were not clients of finance brokers, and that this excuse for government inactivity has proved, like the finance brokers to whom it relates, to be a fraud?
- (3) Will the Premier now stop this farcical cover-up of government and ministerial incompetence and release to the public the legal advice which was used to justify slamming the door in the faces of hundreds of lenders who have now lost their life savings?

Mr COURT replied:

- (1)-(3) The member who asked the question knows that it has been the practice of all Governments not to make legal advice public. It has been the practice of all former Governments, so the Opposition cannot have it both ways.
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