



WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FIFTH PARLIAMENT
SECOND SESSION
1999

LEGISLATIVE COUNCIL

Tuesday, 16 March 1999

Legislative Council

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

SALINITY IN WESTERN AUSTRALIA

Urgency Motion

THE PRESIDENT (Hon George Cash): I received the following letter this morning addressed to me -

Dear Mr President

At today's sitting it is my intention to move an Urgency Motion under SO 72 that the House at its rising do adjourn until 10.00am on the 25th December 1999 for the purpose of discussing the State Government's response to the challenges we face from salinity in WA.

Yours sincerely

Kim Chance MLC
Member for the Agricultural Region

In accordance with the standing orders, at least four members are required to rise in their places to indicate their support for this motion.

[At least four members rose in their places.]

HON KIM CHANCE (Agricultural) [3.34 pm]: I move -

That the House at its rising adjourn until 10.00 am on Friday, 25 December.

With a sense of some regret I rise to speak again on an issue that threatens the economic and social future of much of my electorate, in a sense far more so than any other single issue threatens the future and prosperity of my region - salinity and land and soil degradation. I regret having to do this again for two reasons: One is the subject matter itself, and the serious concern I have about land degradation. The other is that while looking through what has been said on this issue in the past, I noted we debated this issue at some length almost one year ago to the day, on 12 March 1998, in a motion referring the matter to the Standing Committee on Ecologically Sustainable Development, and I found many of the arguments made at that time by me and other members, particularly Hon Ljiljanna Ravlich, have not been addressed to any extent at all by the Government. In the meantime, between that date and this, we have had an update on the salinity action plan from which I am not able to advise members there has been any advance in either commitment or policy to address the salinity issue.

I have said before in this place that although the vision of the state salinity plan is an excellent one - I have always been a strong supporter of the plan - the reality is an entirely different matter. I will focus on this Government's inability to deliver practical, on-the-ground outcomes in the management and control of salinity. Regrettably that is the same message that I and Hon Ljiljanna Ravlich gave on 12 March 1998. Before going down that path, I remind members that the salinity problem in Western Australia is a massive challenge which will not be solved tomorrow, next week, next month or even in the next decade. Although it might seem insurmountable, a lot can be done, and much of the description of what can be done is included in the salinity action plan. This problem is so big that we must deal with the challenge of salinity in a time scale which includes the next century. Our principal weapon in meeting this challenge is the development and application of technology which suits this challenge.

Australians, and Western Australians in particular, have a long and proud history of innovation and invention born out of the need to sustain ourselves in some of the toughest and most hostile farming country on earth, not to mention one of the most fragile ecologies on earth. That tradition of innovation offers the hope that in the future we will possess the technical capacity to counter those manifold threats salinity poses to our industries, communities and infrastructure in rural Western Australia. At this stage, I see examples of that kind of innovation, if not daily, probably weekly. Most recently I received from the Shire of Northam a briefing note - I have had a briefing as well - dealing with a pilot project proposed by the Northam Land Conservation District Committee and the Avon Community Development Foundation, entitled "Avon Landscape Solutions". These two organisations and their coordinator have brought forward something which I do not have the time to go through in debating this motion, but which I urge members, particularly those from outside metropolitan electorates, to have a good look at. This is the kind of innovative vision the salinity action plan encouraged us to believe we would be able to implement.

It just has not happened. There has been a dead, bureaucratic response to the plan. I urge members, particularly my government colleagues in the Agricultural Region, to have a look at this and ask, "Is this not the kind of thing that we thought would happen? Why are we not seeing this type of thing implemented?" The project description indicates that it is a pilot

regional project encompassing participating shires in the Avon Valley with a target of one million hectares per 25 000 head of population. One of the project objectives is stated as -

1. To facilitate the accessibility of landscape data to all sectors of the regional community.

I will briefly explain that. There is a significant quality and quantity of data contained in a number of different agencies which has never been brought into one place where it can be accessed at a reasonable cost by people wanting to use it. The objectives continue -

2. To foster a strong, technically up to date regional capacity in accessing and using landscape information through training, data linkages and partnerships.

This is again a description of the skeletal framework of what we need to understand and have control of before we can launch into doing anything satisfactory to address the problems that we have. The objectives continue -

3. To facilitate an integrated and strategic approach to natural resource management that makes optimum use of landscape resources and delivers sustainable economic growth and enhances social well being.

I will go no further because the third of the six points listed describes what it is all about. It asks us to identify what we have in the landscape, identify what is a resource and what is a problem. That is sometimes the same thing as what one person sees as a problem, another sees as a resource. It asks us to do something - to use the words of the salinity action plan - about developing a commercially available tool for people to use in a rational, commercial sense in order to start generating jobs, employment growth and economic activity out of something that other people have always regarded as a problem.

If members are looking for an example or fail to understand what I am talking about, the key issue in soil and landscape degradation is a surfeit of saline water. However, saline water is at once a problem and a resource.

Hon E.R.J. Dermer: Isn't it an issue of a resource in the wrong place at the wrong time?

Hon KIM CHANCE: Exactly. In fact, wheat growers have a saying that they learnt at their fathers' knees: A weed is simply a plant in the wrong place. There is a similar problem with a surfeit of a resource. A surfeit of rain in our landscape becomes a flood, just as a surfeit of water inevitably brings with it problems of salinity and waterlogged soil. We should be encouraging that kind of vision. I wonder sometimes whether we are getting there.

We have an opportunity to deal with salinity in a way that also addresses some of the other problems facing rural and remote areas, which is really what the Avon people were trying to tell us. It is an opportunity that the State cannot afford any longer to let slide. We must start tackling the problem in a real way. We must be smarter and more cost effective in our attempts to deal with the problem. We must show that we are tackling salinity in a way that offers economically viable options for rural communities in which to proceed rather than simply facing the war against salinity as a stand-alone issue. It is part of a major issue.

As I have said before, we have a Government which is not backing up the glossy rhetoric of its approach to salinity with anything like the resources necessary to combat the problem. The Government is on the record stating that the area of land in Western Australia affected by salinity in 1996 was a little more than 1.8 million hectares and that there is an estimated potential 6.1 million hectares to be affected if no action is taken. That is the scale of the problem with which we are confronted. I do not necessarily stand by those figures; they are not my figures; they are figures provided in answer to question on notice 1716 of 1998. However, it is one authoritative view of the scale of the problem.

The last time I spoke about this issue, I dealt principally with the funding arrangements for the state salinity plan. I will revisit some of those issues today relating to the practical achievement of the outcomes which the State Government is setting out to achieve. As I said, we have just had an update of the state salinity plan. The state salinity plan is our vision for the future. The criticism from this side of the House has been the failure of the Government to implement the plan. However, I was disappointed when I read the updated salinity action plan because in a number of areas the plan alludes to research and development work that has been done elsewhere as a priority and in others it offers nothing at all. That fact was highlighted to me on page 11 of the plan under the unbelievable heading of "Action". It reads -

The Government through its agencies and with community groups and landholders, will continue to seek up to \$30m a year from the Natural Heritage Trust and other programs to complement State and private investment in revegetation with deep-rooted perennials.

On the face of it one could hardly criticise that. It is hardly action either; it is just an intent to continue to seek \$30m a year. Page 51 of the draft update provides a bar graph of what is really the engine room of the so-called \$1b salinity action plan. That bar graph is no different from the bar graph in the original salinity action plan; and I have the same criticisms of it: It is based on effectively a nil increase in the State's own commitment to fighting salinity. It is then based on a \$30m annual application to the State of the National Heritage Trust funding. That same \$30m was in the original salinity action plan - the same \$30m that everybody in this place knows we will never get. The budget itself shows that this year we will get about

\$15m of it; that is all we will ever get. Therefore, under "Action" at page 11 the Government is telling us that its action will be to continue to seek up to \$30m a year.

It is nonsense. Let us get fair dinkum about this problem. By all means seek \$30m; however, let us not show it as a given or as a major component - almost 30 per cent - of the total plan when we know it is an ambit claim. We would like to have \$30m. We should have more; I could not agree more with the Government.

Hon M.J. Criddle: What are you going to do about it?

Hon KIM CHANCE: That is a very good question. I discussed this exact problem at a meeting of agricultural and shadow ministers in Sydney last year in the context of the federal election.

HON M.J. CRIDDLE (Agricultural - Minister for Transport) [3.49 pm]: I thank Hon Kim Chance for raising the matter because it is an important issue in the wheatbelt - he knows it, I know it and everybody else in Western Australia knows it. The threat of salt encroachment on agricultural land is a serious problem that we all should consider. There is no immediate answer in the short term, but it will require a team effort ranging from the Government to the private sector and farmers. I am sure that Hon Kim Chance, as he travels around the wheatbelt, is aware that there is much work being done to combat the problem. I have never seen more trees being planted or more work being done on the issue. We need to encourage it.

Hon Kim Chance: There are many committed farmers out there.

Hon M.J. CRIDDLE: Absolutely. Hon Kim Chance said that he supports the plan but there are no outcomes. There have been some outcomes and people are committed. Anybody who considers the wheatbelt will recognise that. Hon Kim Chance also referred to the necessary technology and innovation. Many people have put their own money where they thought there was an opportunity to make gains on salt encroachment. Hon Kim Chance will be aware of the geophysical surveys of Chapman Valley and Toolibin. Some groups have taken advantage of the information to identify where the real salt encroachment is. I was interested in the member's comment about the group in the Avon Valley. We certainly need to take up opportunities to become involved where there is benefit.

Hon Kim Chance spoke also about vision. I have a copy of the draft salinity action plan, in which the vision is clearly enunciated. I was surprised to hear Hon Kim Chance say that the plan was not put in place with the right intent. That document summarises -

Hon Kim Chance: I did not say that.

Hon M.J. CRIDDLE: It sounded very much like it to me.

Hon Kim Chance: I said that in terms of financial commitment there is no significant difference between the two.

Hon M.J. CRIDDLE: The member is criticising different elements of the plan. He quoted a couple of pages.

Hon Ljiljanna Ravlich: How much does the Government put in?

Hon M.J. CRIDDLE: I will get to that point in a while. The vision is that land and water salinity will be brought under control where practical, and reversed to produce productivity, and a productive, healthy and sustainable landscape. That will be achieved by striking a new water balance in the landscape through a combination of water management techniques that will ideally mimic the water balance under the original native vegetation. One can clearly see the salt-encroached land around Leonora and such places. There are obvious places where salt is doing damage. I do not know how much the salt problem has grown over the ages. The problem was obviously in existence long before agriculture became involved.

The vision goes on to mention the increase in water use on agricultural land through new land improved crops and pastures and much wider use of commercial trees and perennial vegetation. The point is that agricultural people must benefit from it. If they could have a perennial or annual crop that soaks up water and they can obtain a profit from it, we will be close to having a viable way of solving the salt problem. We need to work on that, and I am sure that farmers work on it when they plant trees on their properties. Some of our trees are planted for other erosion problems, but people whose land has a salt problem have planted trees with the idea of being able to re-use land that has already been affected by salt encroachment.

The vision refers to developing regional, local and natural resource management strategies to incorporate priorities for tackling salinity on which the Government and the community have collaborated. There will be plenty of community collaboration - the community will be involved no matter what.

Hon Ken Travers: Members of the community are the only ones doing anything.

Hon M.J. CRIDDLE: I will refer to the financial side in a while. The Government has made commitments. National Heritage Trust funding in 1997-98 was about \$28m and in 1998-99 it was \$32m, so there has been a great contribution.

Hon Kim Chance: We are actually losing our community land care coordinators. The salinity action plan recognises the tenuous nature of their contract.

Hon M.J. CRIDDLE: I admit that there has been an ongoing problem. There are approximately 56 land care coordinators in Western Australia. Nobody is saying that they will not be funded. They will need to apply for NHT funding or for other sources of funding. They may be funded by local government or by other means. In fact, the Deputy Premier has sought funds from the Regional Forest Agreement adjustment to be used for agri-forestry and farm forestry with an inbuilt sustainability factor. He made strong recommendations to federal ministers Hill, Vaile and Tuckey for increased NHT funding for land care programs. There are 14 NHT programs. We need community land care coordinators to continue the work.

Hon Kim Chance: It is the key.

Hon M.J. CRIDDLE: I have no doubt that it is the key. The Deputy Premier strongly supports the continuation of land care funding.

In 1996 the Government invested approximately \$22.8m per annum in managing salinity. That comprised \$15.1m in state funds and \$7.7m in commonwealth contributions. The Government allocation for implementation of the salinity action plan in 1998-99 was \$10m, which was double that provided in the previous financial year. That is in addition to money redistributed to the salinity action plan from the existing budgets of key government agencies, including Agriculture Western Australia, the Department of Conservation and Land Management and the Water and Rivers Commission, which are spending money on commercial tree crops. Obviously, extra spending on commercial tree crops by CALM is funded separately. Of that \$10m allocation, \$1m will go to Agriculture Western Australia - that doubles direct assistance to assess and control salinity in priority rural towns under the rural towns program; \$315 000 has been allocated for a thorough assessment of revegetation options and the better integration of trees into farming systems; \$190 000 has been allocated for catchment support teams which provide the technical expertise to focus on catchments developing plans aimed at controlling salinity; \$160 000 to improve communication about salinity management by making scientific information available in more usable formats; \$90 000 for best-practice information on deep drainage; and \$65 000 to improve salinity prediction models initiated under the national dryland salinity program in the Kent catchment to make them more applicable in the wheatbelt.

Hon Ken Travers: Where do those figures come from?

Hon M.J. CRIDDLE: I will give them in a while. Some of them are mentioned in the three documents which I will table.

Of the \$4.65m allocated to CALM, \$2.5m is for the key wetlands and natural diversity recovery program to protect critical and regionally significant natural areas, \$500 000 for biological surveys which will identify further recovery catchments - Toolibin Lake is one, and obviously the Lake Muir-Unicup system of wetlands and Lake Warden have already been selected.

Hon Ljiljanna Ravlich: How much of it is new money?

Hon M.J. CRIDDLE: I said that I would tell members what the funding was. It is Hon Ljiljanna Ravlich's duty to listen to what I am saying. There is \$1.25m to manage remnant vegetation on crown land, including conservation reserves; and \$250 000 to monitor salinity levels and their effects on wetlands, flora and fauna and -

[The member's time expired.]

[See papers Nos 876A-C.]

HON KEN TRAVERS (North Metropolitan) [3.59 pm]: I welcome the opportunity to speak on this motion. The figures to which the minister referred are intriguing and I am keen to examine them. One of the great difficulties for members on this side of the House in dealing with the nuts and bolts of the salinity issue is how much funding is being allocated to it. If I heard correctly, the minister suggested we would be receiving approximately \$28m in National Heritage Trust funding this year for salinity and \$32m in the next financial year. That is the first time I have heard those figures. In fact if I read the salinity action plan correctly it is suggesting that funding from federal sources in this financial year is expected to be approximately only \$20m. I thought the amount was about \$15m. That goes to the nuts and bolts of the issue.

The draft update plan is an improvement and has addressed a number of areas that were not included in the original document. At the end of the day solving this problem rests with the ability to implement a successful policy. That in turn relies on the Government putting in the necessary money.

I am amazed to see from the graph on page 51 of the draft update plan the long-term predictions of the funding source. The graph clearly shows a steady and constant increase in the amount of money to be allocated to fight the salinity problem. However, its source is based on a wing and a prayer; that is, on the hope that private sector funding will continue to be massively increased. It is probably fair to make that assumption.

The issue has captured the imagination of people in areas affected by salinity. I would like to see a differentiation in the Government's funding between new money and repackaging of old money. When I follow through on this action plan I regularly see redressed money; that is, money that has been taken out of one arm of government and put into another. All of a sudden we are told great amounts of money are to be allocated, but that is not the case.

The minister's opening remarks in the debate probably summed up one of the problems of this Government in dealing with salinity. If I am correct, he said that the major issue with salinity is salt encroaching on agricultural land, as though that is the only problem, when we all know the ramifications are far broader than that. *The Bulletin* of 20 May 1997 ran an interesting article about salinity in Wagga Wagga, the home of the former captain of the Australian cricket team, if I remember correctly. It points out wider problems as a result of salinity, such as salt encroachment in urban areas. I understand that is now occurring in Western Australia. I realise the minister was speaking today mainly in a representative capacity for the Ministers for Water Resources - the lead agency - and Primary Industry; and other ministers. I am interested to hear what contributions departments such as Westrail and Main Roads are making to the problem. At a recent briefing it was clear that some of those government agencies were not dealing with the effect of salinity on their assets. I hope that the Minister for Finance will instruct them to calculate the risk of salinity on some of the fixed assets. Under the new accrual accounting system departments such as the Water Corporation, Westrail and Main Roads should be making allowances for it.

Hon Max Evans: As they start to solve the problem they will revalue the assets up.

Hon KEN TRAVERS: Not as I understand it. There does not appear to be a whole-of-government approach. I thank Hon Kim Chance for pointing out that the budget papers of 1998-99 show that the National Heritage Trust funding in 1997-98 was \$15.32m and the estimate for 1998-99 is \$14.02m. I look forward to seeing the funding figures the minister has tabled this afternoon. As I said, I am interested in whether they are an attempt to repackage funds that have been spent elsewhere.

The Government has a problem in this area. We all remember the Premier's helicopter ride when he launched the first salinity action plan. I re-read the formal coalition policy statements of the 1993 and 1996 elections. They promised huge amounts of money and resources from the Government. The reality is that nowhere near that funding commitment has come forth from either this Government or the Federal Government. No doubt the State Government promised its money in 1996 before asking the Federal Government for funding.

Money is wasted on advertisements such as those the Water and Rivers Commission ran in the newspapers, rather than, as Hon Kim Chance pointed out, spending it on the ground to assist some of the land care coordinators who are addressing this problem at the coalface. Although the salinity action plan contains some good initiatives, which have been updated to address some of the areas that were missing, it could have gone further in the areas outlined by Hon Kim Chance. We need cold, hard cash and commitment from the Government to fulfil promises and to enable communities to deal with the issue.

HON DEXTER DAVIES (Agricultural) [4.07 pm]: People have not become aware of the salinity problem in the agricultural region only recently. I have lived there all my life as have many other members. We have been aware of this very serious problem for a long time. It must be attacked in a bipartisan way, which is the coalition's objective. There is no denying that funding the salinity action plan, as with funding for any other program, is difficult. Hon Ken Travers referred to new money. Where will it come from?

Hon Ljiljanna Ravlich: Try privatisation, contracting out.

Hon Ken Travers interjected.

Hon DEXTER DAVIES: From hospital funding?

The PRESIDENT: Order! Hon Ken Travers has had his say. I am trying to listen to Hon Dexter Davies who should direct his comments to me. I am having difficulty hearing through his microphone.

Hon DEXTER DAVIES: Thank you, Mr President. Hon Ken Travers said other departments should be involved in addressing the problem. The Water and Rivers Commission spends money on planting for conservation purposes, remnant vegetation programs and recovery of water catchment areas. With the support of government, people are working tirelessly. Of course extra money would help. Hon Ken Travers said that the rural towns program was merely an agricultural program. Considerable amounts of money have been allocated throughout the agricultural sector to assist urban areas and towns in country areas.

Hon Ken Travers: How much does Westrail contribute?

Hon DEXTER DAVIES: I am trying to say that quite a bit of action is taking place. The Oil Mallee Association has provided a commercial return. As Hon Murray Criddle and Hon Kim Chance said, much of the land would be salt affected irrespective of what we have tried to do. It has been a threat for hundreds of years. We did certain things that in hindsight we would rather not have done, but that was believed to be best practice a long time ago. Things are being done to try to get a commercial return from some of the land that has been degraded by salt. That is a very positive way of trying to rectify that problem. In Victoria, brine shrimp has been trialled successfully by actually using the salt water. The Oil Mallee Association has also done good work. That is the positive side of the equation. We know the negative side of it. At the recent federal election, a certain political party told us about all the negative things but offered no solutions. We want to hear some solutions. As Hon Kim Chance said, the land care group in Northam has some good ideas. We should encourage

it to put its ideas forward and to get together with other land care groups. My family is in about five of those groups. Those groups put forward some very good ideas. It is a good idea to encourage the people on the ground to help themselves. It makes things happen. It is no good simply criticising and saying nothing is happening and it is all a waste of time. Things are happening.

Hon Ken Travers: No-one is denying that.

Hon DEXTER DAVIES: What solutions were put forward by members opposite?

Hon Kim Chance: Read my speech again! You will find many solutions.

The PRESIDENT: Order! Some members have spoken and we have had the benefit of their good advice. Other members wish to speak. In the meantime, Hon Dexter Davies has the floor, and members should stop their interjecting.

Hon DEXTER DAVIES: Thank you, Mr President. The crux of the matter is that this is a very serious problem, and there is probably not enough money to fix it anywhere, regardless of where we can get it from. We need to have a combination of money from farmers and from the people who live in Perth. We all need to work towards finding a solution. I can guarantee that the problem will not be fixed tomorrow, and it probably will not be fixed in our lifetime. No magic solution will fix the problem overnight. We need to coordinate our effort. In the beginning, all of the land care groups had good intentions, but they all wanted to do their own thing. They are now beginning to work together, and their coordination of effort has improved out of sight over the past 10 years. The more we can promote that coordination and get the energy flowing in the same direction to try to solve the problem, the sooner we will start to gain some ground and the greater will be our chance of solving the problem.

HON CHRISTINE SHARP (South West) [4.13 pm]: I am faced with an awesome challenge in having only 10 minutes to speak on salinity, because of the scale of the problem that we are facing. This urgency motion will take us an hour to debate today, and during that hour another 11.4 hectares of land will be lost to salinity. Already 2.5 million hectares of land has been lost to salinity. The current bill for salinity, according to the State of the Environment report, is \$1.4b; and every year, the price is increasing by an extra \$64m. That illustrates the seriousness of the problem.

I did not find out until 11.00 am that we would be debating this matter today, so I have not had time to prepare my thoughts and will speak off the cuff. I remind the Australian Labor Party that it should be a bit careful during this debate to not adopt its usual party political style of attacking the other side and making it wrong, and of seeking to embarrass the other side and make itself look good.

Hon Kim Chance: Me?

The PRESIDENT: Order, members!

Hon CHRISTINE SHARP: Of course it is important to scrutinise the performance of this Government. Hon Kim Chance reminded us that a year ago, it was moved in the Legislative Council that the Standing Committee on Ecologically Sustainable Development should present to the Legislative Council an annual report on the salinity action plan. However, although the Parliament was prorogued and that motion was lost, the ESD committee has resolved that it will report to the Parliament on that plan, and it will be encouraging evidence from members about any matter that they wish the committee to examine on behalf of this Chamber.

Hon Ken Travers interjected.

Hon CHRISTINE SHARP: We have not done it yet. Fortunately, Hon Ljiljanna Ravlich is a member of the ESD committee, and I am sure she will be very much on the ball on that matter and that the committee will have ample opportunity to conduct a proper scrutiny of the figures. However, we need to remember that many of the matters that have been the subject of some criticism today are beyond the competency of the State Government anyway, because they are federal issues. Therefore, we need to have some kind of intergovernmental consistency on this matter.

Members have talked about land conservation district committee officers. My local land care officer has just lost his job. The reason is that he has now been replaced by a bush care officer, because the fashion has changed in Canberra and it is no longer land care but bush care! Therefore, we have lost a very able and professional person who has been working in our community for some years and has all the networks in place and now have another person. That lack of long-term commitment and changing of flavours is very serious, but we need to remember that much of the funding is federally-sourced and we cannot blame this Government for that change.

One of the ideas that the ESD committee is considering and on which we will report is that we go to Canberra on behalf of this Parliament and this State and request that the Federal Government take more seriously the problem of salinity in Western Australia.

I have been somewhat critical of the possible motives of the Labor Party in this debate. I must admit that when we discussed the salinity action plan last year in this Chamber, I was very cynical. I said that I believed the Government had very much

pulled a rabbit out of a hat one week before the state election, because all of a sudden no *Pinus pinaster* was to be planted on the Gnangara water mound, when I knew, as a recently retired member of the Environmental Protection Authority, that that was because serious concerns had been raised about the atrazine that the Department of Conservation and Land Management wished to spray on that water supply mound, and that as a result the planting of pinaster was shifted to the wheatbelt, and a regional park was created on the Gnangara water mound so that Perth's water supplies would not be contaminated in that way.

Hon Ken Travers: Has it done anything about it?

Hon CHRISTINE SHARP: No. I regret to say that quite a lot of what goes on makes me feel very cynical. Nevertheless, I give credit where credit is due. That first salinity action plan was an absolute piece of election grandstanding with virtually no substance at all. However, Alex Campbell and his team have reviewed the salinity action plan and done the fairly serious job of taking on board the basic message that they were receiving from across Western Australia, which was that we will not have a salinity action plan unless the community is behind it. This plan is all about the community helping to solve this enormous problem. The review of the salinity action plan has been a serious and genuine attempt to address that matter and to provide some genuine community ownership of this problem, and I congratulate the review team for that.

During the year when the Standing Committee on Ecologically Sustainable Development looks at this matter, it will be looking for both intergovernmental consistency and policy consistency across the State Government. I will raise a couple of examples off the top of my head. One example is the plantation industry. Farm forestry is one of the few commercial solutions to the salinity problem, yet virtually no farmer in this State has made any serious money out of farm forestry. The reason is that while we are still logging our wildernesses and our old-growth forests - it costs less for the companies to do that than involve themselves in cooperative arrangements with farmers - we are robbing our farmers of one way of giving them the support they need to tackle this problem. Further, I have a letter from the Minister for Water Resources which states that the notion that all water supply catchment areas should be in nature reserves is considered to be ideal. It also states that there are benefits in allowing carefully managed logging in these areas, such as increased water yields and employment in the forestry industry. In other words, we are looking at logging our water catchments, including the Wellington Dam, which has been closed for 15 years because its water is too salty to use. This is crazy; this is not consistent across government.

Lastly, I will talk about where all this rests. The heart of this issue is that we must find strategies for making farming pay. We have lost about 200 000 family farms across Australia in the past 20 years. We have a community which we all know is disappearing in front of our eyes. If we do not have any people out there, how on earth will we solve the problem? The latest Australian Bureau of Agricultural and Resource Economics statistics indicate that the average income from a family farm provides only 37 per cent of what that farming family requires to live on. We have a system in which farming, although it provides 40 per cent of our export income, is not even providing half a family income.

The policies of Governments, both federal and state, Liberal and Labor, and of the Greens (WA) are not perfect; none of us is perfect. If we do not turn around our farming communities and recognise the seriousness of this environmental problem in all its breadth, not only the trees but also the micro flora and fauna in the soil, the biomass of the soil dwellers and the intrinsic fertility and stability of the whole landscape, something which at the moment looks serious, will engulf and overwhelm us.

HON B.K. DONALDSON (Agricultural) [4.23 pm]: I am surprised that Hon Kim Chance has raised this matter at this time of the year, because we had a very exhaustive debate on this issue in this House over a prolonged period. The House resolved at that time that the Standing Committee on Ecologically Sustainable Development would review the state salinity action plan over a period.

Hon Kim Chance: Our motion was in response to that.

Hon B.K. DONALDSON: I realise that. At the time, we argued in this House about the length of time of reporting and how many times the committee should report. We extended it to once in 12 months because the argument was put that on a three-monthly basis it would be like watching grass grow. Hon Kim Chance said something very interesting: This issue has been around for a long time. It is a serious situation and any of us who have lived in the country recognise that fact. We could have this debate every week if we wanted and point the finger at different Governments or people who have not responded at the right time. We could look back nine, 19 or 29 years ago and the same argument could have been presented in this House about what we were doing about the salinity that is causing huge problems in our agricultural lands and to our waterways.

Hon Christine Sharp has probably become more aware of what the salinity action plan stands for and she has probably acquired a deeper understanding of the fragmentation that existed for a long time in Western Australia between different scientists, farming organisations and individuals who used many varied ways to arrest the salinity that was creeping across Western Australia's farming lands. It is important that we do not - I will not use the word "politicise" -

Hon Kim Chance: But your Premier did; that is the point. He spent half a million dollars on the launch during an election campaign.

Hon B.K. DONALDSON: What the Premier said and what I am saying are two different things.

The PRESIDENT: Order! Hon Kim Chance will get his right of reply in due course.

Hon B.K. DONALDSON: It is a wider community problem, not just one for a few individuals. I do not think any Government of any persuasion could be held to account on this measure. I have always been pleased to see young farmers take a very keen interest in this matter. They are working very hard, as mentioned by Hon Dexter Davies. They are more conservationists than were some of the older people who were involved in farming. A dedicated effort is taking place, as Hon Christine Sharp said. Their livelihood is being affected. As they lose more land which they cannot utilise for agriculture, their income is affected. That is why a very creditable position on salinity has been taken by many of our younger farmers. They have been trying different methods to arrest its spread. The state salinity action plan is helping to coordinate that effort in a far more meaningful way. We have had too many experts over time with the best of intentions. While we are busy arguing about the best way to handle salinity, the salinity problem is passing us because of the lack of a coordinated approach about which people would feel comfortable; that is, we should tackle it this way rather than argue about the specifics. That is what the salinity action plan is all about.

Hon Kim Chance mentioned that the problem has existed for between 100 and 200 years, and probably longer. Our current concern is the effect on many of our country towns, which were built in the old days alongside a railway line, usually in a hollow where they could have the catchment area to get water into railway or town dams. Consequently, at present a series of towns are under threat from salinity. It is also appearing in some of the mortar and brick work and it is causing serious problems with some of the sporting and recreation areas in country towns. It is a major problem, but we must give something a chance at this stage.

Last year after a long debate the House resolved that the Standing Committee on Ecologically Sustainable Development would at least oversee what was happening and report to the House. All of us are posturing today on an issue that is important, but it is like watching grass grow. There has not been sufficient time and we have not had a report yet. I do not know when the first report is due. I await with keen interest to see what the committee will report to the House. The committee will, in some way, be able to assess how successful the state salinity action plan may be.

Agricultural practices have changed dramatically in many areas. Minimum till farming is one of those practices which is arresting some of the wash that occurs in heavy rainfall. We used the traditional farming practices of fallow and working country back, making it easier, if heavy rain fell, for a lot of the phosphates and nutrients from that farming land to go into creeks and rivers and then to find their way to the coast. Some of those different farming practices, such as minimum till, could be one of myriad ideas that are being put forward by the state salinity action plan. The Government must be working very well for the urgency motion this week to be on salinity, given that a lengthy debate was held on this subject last year.

Motion lapsed, pursuant to standing orders.

METROPOLITAN REGION SCHEME AMENDMENT No 1001/33 SOUTH WEST DISTRICTS OMNIBUS (No 3A) JERVOISE BAY

Motion for Disallowance

Pursuant to Standing Order No 152(b), the following motion by Hon Jim Scott was moved pro forma -

That the Metropolitan Region Scheme Amendment No 1001/33 South West Districts Omnibus (No 3A) Jervoise Bay, published in the *Gazette* on 17 November 1998, and tabled in the Legislative Council on 17 November 1998, be and is hereby disallowed.

HON J.A. SCOTT (South Metropolitan) [4.30 pm]: This disallowance motion is one of the most important motions to come before this House, and will be for a very long time into the future. It involves a very important area of metropolitan Perth. I now give a brief description of the area to be affected by the Jervoise Bay metropolitan region scheme amendment, as it is shortly titled. I refer to the northern end of Cockburn Sound, and it includes the northern half of the coastal protrusion of the Beeliar Regional Park. This is in an area close to a recent excision, which was much smaller than the one under consideration, from the parks and recreation estate to give land to boat builders. I understand that the Labor Party now believes it was mistake to have supported that amendment, even though I moved a disallowance motion at the time.

This is a very important recreation and fishing area and has unique features in its ecology and position. The unique limestone cliffs, as described in the Environmental Protection Authority report, are found nowhere else in the metropolitan area; they cannot be replaced. The limestone ridges inland, which are also under threat from the highways associated with this project, are an important geographic feature of the Beeliar Regional Park. The waters of Cockburn Sound are an important asset to the community, which is the fastest growing region in the State. Significant competing land and water

uses are found in this area. Also, approximately 80 per cent of Cockburn Sound is already taken up by industrial development, so only a very small amount remains for use by the community for beaching, fishing and other purposes.

This project to be built on this industrialised zone, if the MRS amendment is permitted, is one of a number of projects to be built in the Jervoise Bay area. We will see two major ports to the south of this area; namely, that operated by the Fremantle Port Authority, and the private port proposed for James Point.

Hon Ken Travers: The anti-MUA port.

Hon J.A. SCOTT: That is probably correct. I understand that one of the shareholders in the company favoured to build that facility is Mr Len Buckeridge.

Hon Ken Travers: Maybe the 500 Club will build it!

Hon J.A. SCOTT: We know how important that project will be for MUA members concerning the acquisition of jobs in the area.

In describing the project, I quote from a report entitled "The Economic, Environmental and Social and Cultural Impact of Industrial Infrastructure and Harbour Development, Jervoise Bay" by Paul Joyce from Curtin University of Technology. Paul Joyce was a parliamentary intern whom I asked to consider the social, environmental and economic impact of the Jervoise Bay proposal. Paul previously had been an electrician, and had been sceptical about my views on the effects of the Jervoise Bay proposal. However, he was in total agreement with my view by the time he finished his research. Page 4 of his report describes the proposal in the following terms -

The driving force behind this proposed development of Jervoise Bay is the Department of Commerce and Trade . . . in conjunction with LandCorp and Main Roads (WA). The proposed development is the provision of a maritime infrastructure support facility for a number of industries including the oil and gas industry; the mining and mineral processing industries; the shipbuilding industry and general manufacturing, fabrication and maintenance and repair industries. The proposal includes:

Reclamation of 60 hectares of waterfront land for the construction of berths, wharves and on-shore fabrication areas. This area extends over 900m of coastline and up to 950m offshore;

The provision of 80 ha of land to be developed as freehold lots for a variety of manufacturing and fabrication industries;

The construction of offshore breakwaters to provide wave protection;

The dredging of an approach channel and harbour basin;

The realignment of Cockburn Road.

All these constructions will have a massive effect on the environment in that area. Two of the original project proposals have been altered. The original breakwater was to be a horseshoe shape extending from the Jervoise Bay facility; however, this proposal was discarded largely as a result of community concern and the push for an examination following problems experienced with the northern breakwater at Jervoise Bay. This had been responsible for collecting significant amounts of in-flows which were highly nutrient-enriched and were the cause of algal blooms in the area which rendered the area unsafe and unfit for swimming.

Hon Peter Foss: They were not toxic - it was just not very nice.

Hon J.A. SCOTT: At one stage they became very nasty and stuck to people. There was a point at which some amount of toxic material was found in the area.

Hon Peter Foss: I am not aware of that. I would be interested to know from where you got that information.

Hon J.A. SCOTT: The beaches had also been very much eroded by that structure, causing a change in the movement of water in the area. Considerable environmental damage was caused by the construction in that area. Of most concern about this proposal is that there will be an increase in this type of problem. The cost of this infrastructure is also worth taking a good look at because, at the end of the day, this project is not driven by industry. It is a government-driven proposal which comes completely out of left field. The Government has always said that things must be left to market forces, that people should not interfere and pick winners in this State, and not set up one lot of companies with an advantage over other companies. Paul Joyce considered the cost of these reports, and I will quote one paragraph.

Hon Peter Foss: Which report are you referring to?

Hon J.A. SCOTT: The one by Paul Joyce from Curtin University.

Hon Peter Foss: Are you dignifying that by calling it a report?

Hon J.A. SCOTT: Yes, I am. Most of the information comes from reports commissioned by the Department of Commerce and Trade. All the information is verified. I think this is a very good report and I suggest that the Attorney General should read it very carefully because it raises many important issues.

The PRESIDENT: Order! The Attorney General. Hon Jim Scott is presenting his case.

Hon J.A. SCOTT: I will demonstrate how Paul Joyce clearly points out that the reports put forward by the consultants for the Government have highly exaggerated the profits that will be made from this project and also the number of jobs that will be created. Paul Joyce is not alone in making those statements. His report quotes extensively from the TriOcean Jervoise Bay future utilisation study, the Western Australian Planning Commission population projections, the State Planning Commission's "Kwinana Regional Strategy", the W.D. Scott and Co review of the environmental consequences of industrial development in Cockburn Sound, Industry Commission reports, Halpern Glick and Maunsell's "Industrial Infrastructure and Harbour Development Jervoise Bay: Public Environmental Review" and the Halpern Glick and Maunsell "Jervoise Bay Infrastructure Master Plan". Those are a few of the reports used by Paul Joyce, and most of them were commissioned by the Government to back up this project. I also point out that he did some of his work in conjunction with a masters student from the United States who was studying the sustainability of this project. He completed a very good report, from which I will quote. He has a lot to offer. Hon Peter Foss thinks it amusing and he somehow thinks that people are not qualified if they are not QCs.

Hon Peter Foss: People who want to write about a site and make a report should have some qualifications. The member should not be able to quote from and dignify research carried out in his office.

Hon J.A. SCOTT: These people have some qualifications.

Hon Peter Foss: A politics BA.

Hon J.A. SCOTT: It is not a bachelor of arts degree, majoring in politics at all. It is a bachelor of university studies in one case, and the other was an environmental science masters project.

Hon Peter Foss: Has Mr Joyce graduated yet?

Hon J.A. SCOTT: Not Mr Joyce, but Ms Sadler certainly has.

Hon Peter Foss: The wonderful thing about being an undergraduate is that you know more than anybody else in the world!

The PRESIDENT: Order! The Attorney General is interrupting my listening to Hon Jim Scott argument.

Hon J.A. SCOTT: I am sure that nobody in the world knows more than the Attorney General even if he downgrades himself! Mr Joyce indicated that the Commonwealth Government and the Western Australian Government have allocated \$203m for the development of Jervoise Bay provided that it meets environmental requirements. The costs associated with the development have been outlined in the Jervoise Bay master plan. He produced a table showing the following costs: The shipbuilding precinct, \$1.2m; the heavy marine fabrication precinct, \$158.9m; the marine industry technology park, \$23.7m; and the Cockburn Road realignment, \$19.9m; making a total of \$203.7m. He stated in the report that -

It is noted that, unless otherwise specified, the costing does not include costs associated with:

- Land acquisition and legal fees;
- Financing costs and interest charges;
- Subdivision lot development other than items indicated in the Masterplan;
- Buildings, structures and other site improvements;
- Ongoing monitoring and management costs

There are also various costs not outlined in the Masterplan:

- There have been at least 10 reports commissioned by the proponents into the feasibility and suitability of Jervoise Bay. Some of the consultants engaged by government for these purposes were unwilling to provide costs associated with these reports. On the basis of the cost of three of the reports, amounting to \$242,000, a conservative estimate -

Point of Order

Hon PETER FOSS: I have some difficulty. I raise a question as to when a person is reading a speech as opposed to not reading it. I understand that the document being read from by the honourable member was written by a member of his staff in his office. Any member could have something written by a member of staff in his office and give it the name of a report and quote it as such. I believe the member is reading a briefing note prepared by someone in his office, which constitutes

notes for his speech, and the member should not quote it at length because I do not believe it truly has the character of a quotable report.

The PRESIDENT: It is clear from the standing orders that it would be a breach of standing orders for a member to read a speech in this House unless leave were granted for that. In fact, I have been listening closely to Hon Jim Scott's speech, and some of his remarks have been interspersed with interjections, and clearly they were not being read. Hon Jim Scott and other members know the rules in this place. To date, I do not believe Hon Jim Scott has been reading the notes before him in the strict sense of the word. However, my attention has now been drawn to it and, if some other member wishes to exercise his rights with respect to the standing orders, I will be obliged to make a ruling in that regard. I will not comment at this stage on the issue raised as to whether the document said to be being read by Hon Jim Scott is a report, or notes or whatever.

Debate Resumed

Hon J.A. SCOTT: These are certainly not briefing notes, and the Attorney General knows full well that is not the case. The estimated cost of all the reports is in the region of \$500 000. There will be costs associated with the various environmental reports and in setting up the Jervoise Bay project team office. The report also states -

Hendy Cowan has not ruled out the possibility that money may have to be borrowed to finance the development. Any interest associated with such a loan needs to be incorporated in the overall cost;

The PRESIDENT: Hon Jim Scott should refer to the Deputy Premier or the Minister for Commerce and Trade.

Hon J.A. SCOTT: I was reading from this report. The report continues -

Additional costs will be incurred through the administration of assistance. It has been estimated that an additional \$360m. in administrative costs was incurred by State governments in providing assistance in 1994-95;

That was according to the Industry Commission. Significant administration costs will be incurred. The report continues -

It has been argued that government investment in Jervoise Bay will provide the base for private companies to invest a further \$400-500m in heavy fabrication and manufacturing facilities.

It is my understanding that will now be \$400m to \$600m, so that figure may be understated. However, I will leave it at that for the moment. The report continues -

The companies with the financial resource to provide such facilities have previously been identified as group 1 and group 2 firms.

The definition provided by the Department of Commerce and Trade, which is also included in this report, is that group 1 firms are mining, oil and gas companies that will be the end users of whatever the fabricating plants make at Jervoise bay. Group 2 companies are the oil and gas engineering fabricators that will tender for the work from group 1 firms. Group 3 firms are the smaller to medium size engineering firms not necessarily specialising in the oil and gas industry. Group 4 firms are organisations not directly involved in the mining, oil and gas industries but which have an affiliation to the site. The group 1 firms will not be located at that site but will be users in the sense that they will get material from the facility.

Paul Joyce points out that since group 1 firms will not be located on site and the presence of group 2 firms on the site will be unpredictable and irregular, it is unlikely that they will invest in any permanent facilities and will be more likely to hire or bring to the site any equipment required for a major construction project. He states that as group 3 firms do not have the financial resources to provide the necessary facilities, the Government will come under increasing pressure to provide more funds. He states that it will be difficult for the Government both politically and economically to abandon the project after investing so much money, so it is imperative that firms willing to invest in ongoing costs are identified before the development goes ahead. We have a vast array of extra costs, some of which may occur but some of which are already occurring in terms of reports, administration costs and the like. The real cost of this facility to the taxpayers has been vastly underestimated. The most interesting point relates to the Attorney General's derision of Paul Joyce's work.

Hon Peter Foss: I am derisive of the way the member refers to it.

Hon J.A. SCOTT: That is what he called his report. Maybe the minister can talk to Paul Joyce and get him to change the name of his report, so that it suits the minister.

Hon Peter Foss: Hon Jim Scott should not refer to as if it has some independent status.

Hon J.A. SCOTT: I stated exactly what the report was, who prepared it and why. The report referred to the use of multipliers by the consultant to estimate the number of jobs and benefits that will flow to the State from this project. He found the use of multipliers wanting to a large degree. He says on page 16 -

The potential economic benefits of Jervoise Bay are based upon an economic evaluation commissioned by the proponents of the development and outlined in the Jervoise Bay Masterplan. The benefits outlined are the result

of flawed and inadequate evaluation techniques, both in the methods employed and the use of multipliers. Multipliers are used to calculate the benefits to the broader economy from a particular project or industry. The output from one industry generates output in other industries; the employment created in one industry indirectly creates further employment in other industries and so on.

Multiplier analysis is frequently misused to overstate benefits particularly when the proponents of the project undertakes or commissions the analysis. In the case of Jervoise Bay, multipliers are used to identify additional gains to the economy so as to justify government assistance. The problem with multipliers is that they do not take into account the negative effects that a particular project or industry can have on the rest of the economy. If the Jervoise Bay development results in taking work away from other firms; simply relocating jobs rather than creating them; or denying alternative uses of the area; the multiplier effect is greatly reduced. Multipliers are also a double-edged sword. For every job lost as a result of this development, there will be further jobs lost indirectly in the broader economy. In addition, multipliers do not factor in alternative uses of the funds used to provide assistance. These funds may have a greater value and even higher multipliers if used elsewhere. The benefits associated with multipliers are generally found to be overstated when alternative uses of the resources allocated are taken into account.

My colleague Senator Dee Margetts once picked up on the multipliers used in this State by the mining industry. She showed that if the calculations about the number of jobs created by the amount of money expended by the mining industry were correct, there would have been more jobs in the mining industry than there were people in Australia. That related to claims by the mining industry in Western Australia, and indicates the figures are grossly exaggerated on quite a few occasions. Often the media and Parliaments are quick to enthuse about the wonderful results we might get without analysing whether the jobs really exist.

The report sets out the potential output value of Jervoise Bay. The report states -

- Industry sources have indicated that it costs approx. \$40m. to refit the modules used on the platforms on the North West Shelf. Each module takes approx. 12 months to complete and would occupy some 60 per cent of the existing Jervoise Bay facility. Therefore, 100 per cent utilisation of the existing facility has the potential to generate a throughput value of approx. \$60-65 m. per annum;
- The new facility is expected to be some four times larger than the existing site. Therefore, the new site has the potential to generate a throughput value of some \$260 m. per annum;
- The proponents argue that Jervoise Bay could be expected to win approx. 2.5% of capital expended on new projects in the mining and mineral-processing sector. These new projects are expected to be valued at \$4 billion when the new facility is completed.

[Questions without notice taken.]

Hon J.A. SCOTT: Prior to question time, I was outlining that as a result of the Ernst and Young report, the Government believed that approximately \$4b-worth of mineral processing projects would bring fabrication work to the value of approximately \$100m to the area. The area in Jervoise Bay that will be required to do that \$100m-worth of work will be 40 per cent of the common user area. Quoting from the Ernst and Young report, Paul Joyce says -

- The remaining 60 per cent of the common user area would generate a further \$160 million throughput value from general manufacturing and fabrication projects. This would provide the base load for a permanent workforce at Jervoise Bay. However, this work is based upon a wide range of industries and would be extremely variable;

Based on the above information, the output value to the economy has been calculated as follows using the WA average multiplier of 2.2:

$$\$260 \text{ million} \times 2.2 = \$572 \text{ million.}$$

This is probably the most basic and inadequate economic evaluation one is likely to find. The value of work at the new facility is based upon the potential value generated in an area the size of the existing site. The proponents have simply increased this value some 400 per cent, the increase in size from the existing facility to the new site.

Therefore, they have extrapolated a growth in the amount of money by multiplying it at the same rate as the growth in the amount of land that would be used, which is a nonsense. Mr Joyce said that although this was a highly unlikely figure, he would use it as a basis to consider the other potential benefits that would arise from the project. On page 19, he said -

The potential income value generated at Jervoise Bay is based on the assumption that labour consumes 25% of the value of work at the facility. This is calculated to be;

$$25\% \text{ of } \$260 \text{ million} = \$65 \text{ million.}$$

Using the WA average income multiplier of 2.4, the income value to the economy is estimated to be;

$$\$65 \text{ million} \times 2.4 = \$156 \text{ million.}$$

The proponents were unable to provide a detailed analysis of the workforce that would be employed at Jervoise Bay. In the absence of this information, it is impossible to estimate the percentage of value generated paid in wages. However, it is possible to make a more accurate estimate. The 25% labour consumption figure used in the economic analysis is based upon the economy average but the majority of work to be carried out at Jervoise Bay would be manufacturing based. Due to the capital-intensive nature of the manufacturing industry, the percentage of value paid in wages is much lower than the average of 25 per cent. The percentage paid out in wages and salaries in the manufacturing industry in Western Australia has been approx. 14% since 1990.

One wonders how they arrive at this figure, which is almost double the real figure. We have already seen some flaky calculations to produce the total value of work on the site. Now we see that the amount paid out in wages has been calculated at about the real average in Western Australia since 1990; that is, for the past eight years. Joyce states -

From the income value calculated, the employment figures have been estimated. Assuming a mean wage of \$40,000/year, the employment created directly on site is estimated at:

$$\$65 \text{ million} / \$40,000 = 1625.$$

Using the WA average employment multiplier of 2.6, the overall employment created is estimated at:

$$1625 \times 2.6 = 4225.$$

That is, jobs. It continues -

The employment figures are based upon, in part, the flawed evaluation used to estimate the potential output value generated by Jervoise Bay. Any calculation based upon this figure is not going to be fully accurate but in the absence of more reliable information and for means of comparison, the output figure of \$260 m. will be used. A more accurate employment figure can be estimated as follows:

$$14\% \text{ of } \$260 \text{ m.} = \$36.4 \text{ m. (wages and salaries)}$$

$$\$36.4 \text{ million} / \$40,000 \text{ (average wage)} = 910 \text{ jobs.}$$

That is a huge difference. Joyce points out -

This is consistent with union sources that indicate they expect the new facility to employ approx. 200-300 workers permanently. If module fabrication contracts are won, the number employed on site will rise to approx. 700-800 for the duration of the project. These figures -

That is, those used by the union -

- are based on the workforce used by United Construction in the Laminaria project in Fremantle in 1998.

That data is pretty recent and is relevant in estimating the number of jobs that will be forthcoming from that type of work. The Government has grossly exaggerated the amount of work benefit that will flow from this investment in Jervoise Bay. According to Paul Joyce -

Additional benefits have also been identified. They can be summarised as follows:

- . Leasing: 40 per cent utilisation of 50ha of common user area at an annual lease rates of \$8/sq. m. gives a lease income of \$1.6 m./year.

However, it has been recommended that the State government fund the common user area. If this does occur, there will be no lease income.

That money will not be coming to the State. The sale of 80 hectares of freehold land was said to bring in an income of \$24m, but the costs associated with the subdivision and development of the heavy marine fabrication precinct of \$10.3m and the marine industry technology park of \$8.4m are expected to be funded separately by LandCorp and offset against land sales revenues.

When these costs are taken into consideration, the potential sale income is considerably reduced. From the \$24m, we must take the costs of \$18.7m, which brings the figure back to \$5.3m. That is a vast reduction. I could continue talking about the flaws in the calculations put forward by the Government; however, from this data it is clear that it has grossly exaggerated the benefits both in employment and income to the State. The data is further flawed because it is highly unlikely that the common user area, where we are looking at building oil and mining infrastructure, in particular, will be working at full capacity all year round. There is significant information to show that so far the Australian manufacturing industry has largely

been outbid by other places for these large-scale projects. Very little of that fabrication takes place here because it is much cheaper to have it done in places such as Singapore. Members should also look at some other factors which have not been considered by the proponents of this scheme when stating the benefits of the project. Paul Joyce outlines a number of them on page 22 of his report, which states -

The benefits outlined above are further reduced when the following factors are taken into consideration:

- . The majority of jobs on site will not be permanent but dependent upon contracts;
- . The permanent workforce is not made up of new jobs but simply existing jobs relocating at Jervoise Bay;
- . All of the benefits outlined are based upon full utilisation of the site. Even the proponents admit that this is highly unlikely;
- . The site will have a clear competitive advantage over other local firms. It is inevitable that these firms will lose work and jobs to the new facility. The costs associated with this needs to be taken off any benefits from the new site;
- . The loss of alternative uses of Cockburn Sound as a result of industrial development will incur significant economic losses, eg. recreational and commercial fishing. These costs also need to be taken into consideration;
- . The module fabrication contracts will require 40 per cent of the new common user area. Since these contracts are unpredictable and intermittent and difficult for Jervoise Bay to win, there will be a substantial area of the facility that will remain idle while firms are tendering for these contracts. This will result in a considerable depreciation of fixed capital;
- . It is estimated that the common user facilities could be profitable if occupancies reach the higher levels of expectations (75-100% occupancy). The facilities would be expected to break even at the lower level of occupancy expectations (25-60% occupancy). Therefore, if Jervoise Bay is to be profitable it will need to win at least one module fabrication contract per year. In any year that one of these contracts is not carried out at Jervoise Bay, the site can be expected to lose money or break even at best.

The reports by the Government are just glossy blow-ups of the suggested great value of taking some of this very important area; that is, the ecology, the community amenity areas and the fishing areas, both professional and recreational. Many losses that will occur are not being taken into account by the Government or by other reports.

The Australian Petroleum Production and Exploration Association Ltd has been lukewarm about this project. It has said that it does not want to see a project proceed that is subsidised by the taxpayers. This project is to be subsidised; the Government says that it will put into it well in excess of \$200m, but I believe the figure will be closer to \$300m by the time it is finished. Currently the Government is giving a figure of \$204m but, as Joyce points out, many costs have already accrued that have not been accounted for in that costing. There are subsidies, and there will be more. Initially the site will be forced to operate very intermittently because, as a result of the current problems, not only the oil industry but the whole of the mining sector generally is at a very low ebb. A number of projects have been delayed and some have been canned altogether.

Hon B.K. Donaldson: What about the petrochemical plant they want to build down there?

Hon J.A. SCOTT: It is funny that Hon B.K. Donaldson should talk about the petrochemical plant because what is being built at Jervoise Bay is another Petrochemical Industries Co Ltd project. It is no wonder the Labor Party is so supportive of this project; it was also keen about that one. I thank the member for the interjection because that is precisely how I view this project.

I refer to a statement made by Paul Joyce, who quotes from the Industry Commission Annual Report 1996-97 of the Commonwealth Government of Australia concerning this type of government investment and how it picks favourites. It would have related very well to the PICL project. At page 12 it states -

The Industry Commission has found that much of the substantial assistance given to industry has little or no positive effect on the welfare of Australians. This is particularly the case with selective assistance. While Commonwealth industry assistance policies are generally industry or sector-wide, State assistance tends to be more firm or project specific. State assistance to industry generally includes:

- Facilitation (fast-tracking of approvals processes);
- Grants;
- Concessional or convertible loans
- Provision of free or subsidised lands or infrastructure;

Does this not sound like Jervoise Bay? It continues -

- Tax rebates or concessions;
- Reduced costs of utility services;
- Adjustment of existing regulation; and
- The provision of special legislation.

The difference in the commonwealth assistance is that any of the industries operating in that area may access it. It does not support one industry against another, as will occur in Jervoise Bay. One of the major problems with calculating the number of jobs which will be produced at Jervoise Bay is that it is likely, particularly in the lighter fabrication area, that many of the industries will come from other areas such as Welshpool. A recent article in *The West Australian* referred to a small fabrication company which had already moved to Jervoise Bay from Fremantle, and it speculated that that company would receive a great deal of work because of its new location.

The Government has been misleading in its attempts to find out how popular the project is with fabricating industries in this State. When it polled the various industries which it thought would be potential users of Jervoise Bay, the survey indicated on a scale of 10 that 5.9 per cent of fabricating industries were interested in moving to Jervoise Bay. What the Government forgot to tell people was that less than half of the companies asked to respond to the poll answered the letter. Therefore, the figure was closer to 2.9 per cent. That indicates a low level of interest, not the high level of interest claimed by the Government. This type of manipulation of figures is rife throughout these reports which claim the project is a great thing for the State.

I understand the motivation of the Government in wanting to put together a project like this because the State will lose a major amount of work associated with oil and gas platforms. The Laminaria project was a good example of that; only a tiny percentage of the work remained in the State. However, in answers to questions I asked in this place it was indicated that the majority of the construction work that went into the major infrastructure of those projects, such as the barge at Laminaria which was built in Norway, cannot be carried out at Jervoise Bay because of the proposed design. This will not enable the State to participate in that type of work which is important in raising the level of input of the Australian work force. Therefore, the data on the economic benefits is full of flaws and grossly exaggerated and the project will not provide the benefits claimed.

It is ironic that this project falls into the category of those covered by the statement of the Chamber of Commerce and Industry of Western Australia that subsidies and assistance divert resources into subsidised businesses, usually away from businesses or activities which are taxed in order to pay for the subsidies. Yet that same group is backing this project, which seems to go against its own precepts.

Based on the economic analysis, those involved in the northern gas industry are not interested in this project. I spoke to people working on the Gorgon project who were having difficulties solving the anticipated greenhouse problems in that oil field. Apparently, the CO₂ levels in the Gorgon oil fields are around 20 per cent whereas in the rest of Australia they are only about 2 per cent. When the facility is in full production it will produce all of the allowable 8 per cent increase in Australia's greenhouse gas emissions. Major technical problems need to be solved before that field can be developed. I asked them whether they would use the Jervoise Bay facility if it went ahead and they said it was highly unlikely. They said that, firstly, it was unlikely there would be an adequate skills base in Western Australia for the type of subsea construction and technical expertise required for that field; secondly, the price was unlikely to be competitive with what they could get overseas; and, thirdly, they did not want to see the industry in this State subsidised, because in the end they and the consumers would be the ones paying for it. I have already mentioned that the Australian Petroleum Production and Exploration Association Ltd has also been lukewarm about this project.

We are considering a major project going ahead in this State and the Chamber of Commerce and Industry is saying that it hopes to pick up the work at Jervoise Bay but APEA says it is unlikely to use the facility. We also see real problems with the economic analysis because currently the whole commodity sector in this country is in decline. The other aspect we have not heard about is the consideration of alternative sites for the project. Jervoise Bay is probably one of the worst possible sites one could choose to put a highly subsidised state project.

Sitting suspended from 6.00 to 7.30 pm

Hon J.A. SCOTT: Prior to the dinner break, I was pointing out that we had a situation in Australia, and particularly in Western Australia, in which we relied so much on commodities that we were experiencing a serious downturn in our commodities market and that it was not the time to be looking at a project of this type at Jervoise Bay. I was very pleased to listen to the ABC news and hear that point reiterated -

Hon N.F. Moore: How do you mean you were pleased that 300 people lost their jobs? You are outrageous! Somebody should write in the newspaper that you are pleased that there is a downturn in the economy.

Hon J.A. SCOTT: I am not pleased that there is a downturn in the economy; I am pleased that what I am saying has been shown to be correct.

Hon N.F. Moore: That is not what you said.

Hon J.A. SCOTT: The Government keeps telling me that I do not know what I am talking about. In fact, this is the truth. I want to prevent the waste of hundreds of millions of dollars of taxpayers' money on a project which will not succeed at this time and at that place. This is the importance of the economic side of the argument, which is just one part of the argument.

I had just moved on from that point to look at why we had not received any information about what alternative sites for this government-driven facility had been analysed by the Department of Commerce and Trade. I am concerned that if we must spend large amounts of taxpayers' money in subsidies to private industry, it be used strategically, not to then push a project into an area which has competing land use claims at a time when the market is probably at its very worst - in fact, the worst oil prices the oil industry has experienced in 25 years. It has been 25 years since oil prices have been so low. We have a significant downturn in the industry which is supposed to be the basis of the work that will be coming into Jervoise Bay. I would be more appreciative if the Government strategically improved the situation in the northern part of this State, near where the oilfields actually are and where many of the mineral industries have large mines and are looking at further downstream processing of their products. When we look at the problems in the north of this State in creating a real sense of decentralisation instead of the exploitive type of industry which is just the straight mining that we have done in the past, the Government, to its credit, has moved in the right direction in supporting a number of projects which want to move into downstream processing.

Hon Peter Foss: Deregulation of the gas price is probably the most important.

Hon J.A. SCOTT: The other important aspect is looking at the location of this development and at what will happen in the north of the State. This development is integral to what the motion is all about; that is, taking an area from the environmental heritage of this State and turning it into an industrialised area. We should be doing this in a more strategic way. The way in which the greatest improvement could be achieved is by placing that type of fabrication industry in the north west of this State because if we are -

Hon Peter Foss: What would we do with the aluminium fabrication industry?

Hon J.A. SCOTT: I am not talking about the aluminium fabricating industry because the boat building industries are already at Jervoise Bay. Some of those are struggling a little.

Hon Peter Foss: Do you think it would help to have the two side by side?

Hon J.A. SCOTT: No, I do not think we should have the two side by side. We are talking about a project in which the new work is principally driven by supply because all those aluminium fabricating industries and the jobs to which Hon Peter Foss has referred already exist in the State. They are not new jobs. The new jobs and the new income that we are looking for are in the mining industry and in providing that large oil infrastructure that has not been built to a large extent in this State, even though one of those projects was built in North Fremantle. I am not sure what happened with that project. I heard some rumours that it was not completed and it had to be moved somewhere else to be completed. I do not know whether other members know anything about that issue. I understood that there had been problems with the cost and that it had been moved somewhere else to be completed; that was not a factor of where it was located, but of the wage cost. I do not know whether that is correct, but that is the story I have been told. That is the type of problem that Jervoise Bay will be up against all the time.

There could be a number of advantages in the north of the State, one of which is that they will be much closer to where most of these modules are required. It costs a significant amount of money to move a big vessel, whether it be a barge, a ship, a drilling rig or any type of vessel that is used in offshore oil production. It costs massive amounts of money to transport those vessels over long distances. If we want to compete for overseas jobs with Asia, it would be much better suited in the north of the State where that significant advantage of being close to the job would be felt. I have worked in the oil industry and I know that the daily running costs of one of those vessels if it is being sent to undergo modifications, or something along that line, is huge. The daily cost is huge particularly when we are talking about it not just in terms of the number of people who are being paid while not actually drilling holes or producing oil, but in terms of the companies having those vessels shut down while these long trips are occurring.

Hon Peter Foss interjected.

Hon J.A. SCOTT: Yes, I worked on a drilling rig.

Hon Peter Foss: Were you drilling?

Hon J.A. SCOTT: I was a derrickman.

It is a very costly process to move them over long distances. The whole cost of transportation is very expensive. It would be an economic advantage to have them there for that reason, but if we are looking at the strategic development of this State, one of the problems experienced in the north west is getting some of those middle-level and lower-level industries, such as small fabrication industries, in place in the north west instead of having this fly-in fly-out situation that currently exists which

is preventing the real development in the north of our State. If this State is to be developed in a satisfactory manner, the subsidies must go to that region because we are making a massive amount of money from the resource industries in the form of various royalties. We in the south of the State are very much living off that and it is time that some of that money went back into those regions.

Anybody who looks at this problem realises that one of the great items that holds back the development in the north of the State is the daily cost of living because it does not have the necessary number of people to allow it to have lower costs for the day-to-day items. Many of the amenities that it requires are not available. It does not have the brickworks, the small fabricators and the lower-level industries to provide the many services that are needed, so things must be transported over long distances. It would be much better if we were pumping taxpayers' money into the development of a facility close to the oilfields where there would eventually be a more efficient operation in the longer term because the tyranny of distance would be broken down.

We must look also at the design of this project at Jervoise Bay because it has been put together by many people in government wanting to sell it to people who have not really shown an interest in developing such a facility.

Hon Peter Foss: You are not reading the report now; you are on to something else.

Hon J.A. SCOTT: No. I have read the Government's data that came out on compact disk, and when one reads the data, one finds that what I said about the Government's claimed interest rating is true and that it has been beaten up by not putting in the people who showed no interest at all - to the point of not even answering the request for expressions of interest. The project has an actual interest rating of about 2.9 on a scale of 10.

The other thing about the project that I would like Hon Peter Foss to enlighten me about is that I do not believe a single proponent has come forward and said, "I will put the hundreds of millions of dollars into this project to set up that facility for building these major modules." No non-government money has yet come forward that I have heard of. That was the position until very recently because I asked that question in this Parliament and I know that at that time, which was not many weeks ago, only government money was funding this project.

The other issue of this Jervoise Bay project is the design. This should really interest the Labor Party because it claims that it is concerned about the issues involved, the social amenity to people who live in the area, and it claims that it is concerned about the environmental issues, but it is prepared to trade those off. I am telling the Labor Party that it does not have to trade them off. Designs which are used in other countries can be built at Jervoise Bay on the water on what are, in effect, floating docks without degrading any of the coastal habitat in the M91 conservation reserve of Beeliar Regional Park, and none of the seagrass and marine biota must be dug up that will be affected by this project.

This project does not have to be environmentally damaging and it does not have to be something which cuts off the community forever from the coastline and, more importantly, which permanently damages that environment to the point where it can never be repaired. Why is it that both the Government and the Labor Party are not prepared to sit down and consider slowing down this process, looking at alternative places where this project could be established and looking at the financial backing to this project and deciding whether it really is a goer and will provide jobs? The Labor Party or the Government will not look at the design alternatives which would allow a win-win situation for everybody; they say that we must rush ahead with this project for some reason. I would like to know the reason for this great hurry because through an association with a member of my party who has a very keen interest in and knowledge on the oil industry, Brian Fleay, who has written the book *The Age of Decline in Oil*, I have become aware of data which shows that this State's oil industry is in a very precarious position, as is this industry in many places around the world, as we rely on very expensive offshore facilities to extract the oil. The reason we are in this precarious position is not simply the large downturn in the Asian economy, which will be slow to turn around; it is not simply a glut in the amount of oil available in the world; and it is not simply that world oil prices are the lowest for 25 years; it is because of the plans to get some of the Middle East countries out of debt. Saudi Arabia is in a very precarious position with its debt. Due to the Asian meltdown of the economies in that region, it had gone into severe debt and required large borrowings. A number of Middle East countries, members of the Organisation of Petroleum Exporting Countries, are in the same position. They are now considering cutting back on their production. However, they have already tried this way to get an increase in the price of oil on one occasion.

That failed for a number of reasons. First, Iraq came onto the world oil market with increasing amounts of oil for sale at a very low price. Also, those involved in the Organisation of Petroleum Exporting Countries did not abide by the agreement to reduce outputs because they were in debt. Therefore, their solution was to invite foreign investment in the Middle East oil fields. That is a very dangerous situation for Western Australia, Australia and people relying on expensive offshore oil, because the price of extracting oil from the Middle East oil wells is one-third to one-fifth cheaper than such extraction in Australia. The news tonight indicated that very little investment is occurring in major offshore oil infrastructure projects at the moment.

Point of Order

Hon PETER FOSS: We have moved a reasonable degree away from the question of whether certain hectares of land in

Cockburn should be re-zoned to industrial. I know that a fairly wide compass line can be drawn. However, discussion on why Iraq has broken an agreement restricting the amount of oil to be sold is slightly beyond the terms of the motion.

The PRESIDENT: I have just been reading the MRS Amendment No 10001/33 South West Districts Omnibus (No 3A) to ensure that we are talking about it, and not areas outside its parameters. It is true that the amendment deals with a number of issues, some being adjustments to road reserves, the extension of an industrial estate into Cockburn Sound and other matters. However, the Attorney General is correct: There is no reason for a lengthy discourse on the state of oil around the world. I ask Hon Jim Scott to confine himself to the issues which specifically affect the amendment before us.

Hon J.A. SCOTT: By way of explanation, I was just reaching the point of explaining that this MRS amendment involving Jervoise Bay will take the very important Beeliar Regional Park -

The PRESIDENT: Hon Jim Scott need not convince me as I have been listening closely to his comments. The Attorney General is correct in his point of order; that is, a discourse on the international oil situation is straying away from the impact of this amendment.

Debate Resumed

Hon J.A. SCOTT: I realise that my reference would seem to be oblique. However, my point is that the Middle East situation means that the industrialised facility for the area will have very little chance of success during the next 15 years. It would be a terrible disaster to bulldoze important environmental features and completely destroy the ecology of Cockburn Sound waters if ultimately no economic payback was received and no jobs were created, which is a very likely outcome. Any responsible party should look closely at this proposal before agreeing to it. That is my point which the Attorney General may be having trouble grasping.

Hon Peter Foss: I got it one hour ago, but I do not need to be told about it for another hour.

Hon J.A. SCOTT: I am pleased to hear it, but I doubt that the Attorney got that point one hour ago.

Hon Peter Foss: I do not believe you though.

Hon J.A. SCOTT: I know that the Attorney only believes what comes from his mouth.

Hon Peter Foss: I just do not need to hear it for another hour.

Hon J.A. SCOTT: The Labor Party's position on this issue is pretty irresponsible: It seems to be prepared to trade-off social and environmental values without scrutiny of economic benefits and jobs. Like the Government, the Labor Party seems to think that the project is worthwhile because it will create jobs. Also, I have heard it quoted that this project is a Labor icon; namely, that the 1983 Labor Party platform was to do exactly the same thing in the area. Everyone in the Labor Party knows that that is not true. A much smaller project was part of that party platform as it did not propose to remove a big chunk from Beeliar Regional Park. That proposal would not have caused anything like the loss of Beeliar Regional Park or ocean environment that is involved with the proposal before us.

Labor wants to see this exchange of environmental and social amenity without asking for some proper analyses of whether anything will be received in return. That is totally irresponsible, particularly when hundreds of millions of taxpayers' dollars will be required to provide jobs which may or may not arrive. We are aware of the Government's policy: It is prepared to trade important environmental values, many examples of which can be found including D'Entrecasteaux, Lake Chinokup and now Cockburn Sound.

Labor opposition members in this place say that they are concerned about jobs and that somewhere down the list they have some concern for the environment. However, they are doing nothing to ensure that the environment in Cockburn Sound is properly maintained. Everyone knows that the solutions proposed by the minister as conditions of the proposal are a nonsense. Also, the Opposition is ignoring the massive social concern.

As a planning exercise, this project is a social disaster. The great majority of the most popular beaches south of the Swan River will disappear, when taken in conjunction with other projects planned for the area, yet 200 000 people are expected to move into the area. The Peel region is the fastest growing region of the State. The few beaches which will remain, such as South Beach, Port Beach, and the dog beach in Fremantle - which is pretty topical most of the time - will receive a huge influx of visitors, not only from the Peel region but also from inland. It is planning stupidity to completely take up the coast with industry and private development so that the Australian way of life cannot be maintained because people cannot access the beach.

The efforts of the Labor Party on this issue are very poor indeed. Originally, the position was put forward by the member for Fremantle, who was quoted on the front page of *The Fremantle Herald* as saying that he would not agree to the Jervoise Bay proposal until the Government agreed to delete the eastern bypass. More than once the member for Fremantle tried to gain credit for opposing the eastern bypass. That is the biggest joke I have ever heard, because the eastern bypass is being built as part of the highway to service Jervoise Bay, and the eastern bypass would not be built if the Jervoise Bay

development and the new ports did not go ahead. The Labor Party has said that if the Jervoise Bay development goes ahead, it will not agree to the construction of the private port because it does not want to upset the Maritime Union of Australia. If the Jervoise Bay proposal goes ahead, the new road will be constructed, and it is likely that the new port will be put in place. The end result is that not only will the two ports in Jervoise Bay and Cockburn Sound block the beach from the community, but also the Fremantle port will be wound down. This is the first of a number of proposals for that area. If the proposed changes to facilitate Jervoise Bay and the proposals at James Point go ahead, it will mean disruption for many people. Roads will go through Fremantle suburbs and highways through the western suburbs - four-lane freight roads through Servetus Street and Curtin Avenue to link them up.

Hon M.J. Criddle: The roads are already there.

Hon J.A. SCOTT: Is there a four-lane freight road along Curtin Avenue? It also means the redevelopment of Leighton, and people are very concerned about the beachfront there because it looks as though it will become a private enclave beach. There has been gradual erosion of people's ability to access the beach and massive disruption for communities - largely linked to the issues I have talked about tonight. If the Minister for Transport disagrees with me, I will read from the Halpern Glick Maunsell document. The executive summary of the document states that the realignment of Cockburn Road is fundamental to the success of the development. The proposed route has been identified after detailed traffic studies which show a long-term demand for a coastal link to Fremantle from developing residential and industrial areas to the south.

We know from the latest transport studies that the road has nothing to do with residential traffic, it is to be a freight road. The latest metropolitan and regional road freight study clearly identifies that road as a major freight road. This will be disruptive to people who live in areas between Cottesloe and Cockburn. Anybody who claims differently is not being honest with either himself or anybody else.

I refer again to the position of the member for Fremantle; it seems that he has been very quick to back down on his promise relating to the eastern bypass issue, without any explanation to the community. He has gone without a whimper and has succumbed to whatever is driving this issue within the Labor Party. It is not being driven at a sensible rate, because we are still awaiting the results of the social impact study. I asked questions again last week about the Fremantle Rockingham industrial area regional strategy report. That has not yet been released and, when it is, it will show the social impact of this proposal. We were told that the Environmental Protection Authority could not look at the social impact of this project because it would be dealt with in the FRIARS report. Where is the FRIARS report? I asked the minister dealing with this issue where it was but it is not to be seen. This land exchange for industrial development should not take place until that report is available. There is no valid reason for exchanging this land until the project has been properly examined.

We know that in the past the Government has been very untruthful in relation to the roads for this project. I cannot say in this place that the previous Minister for Transport, Hon Eric Charlton, lied but I am prepared to say it outside. He constantly made statements in this House that had little relation to the truth with regard to the eastern bypass.

Hon Peter Foss: You do it outside the House with regard to national parks.

Hon J.A. SCOTT: I examine the facts and I know that when a number of four-lane roads are linked, they become a highway. I have heard the previous Minister for Transport stand in this place and tell people when I referred to the western suburbs -

The DEPUTY PRESIDENT (Hon Murray Montgomery): Order! The member will come back to the issue at hand.

Hon J.A. SCOTT: I mention this road because it is part of the project. It is the same road that will service Jervoise Bay. It is part of the reservation referred to in the amendment. The Government is trying to pass this off in each local area as local bypass roads, and it is being incredibly dishonest. It is saying that the changes are to allow traffic to get through from Cockburn -

Hon Peter Foss interjected.

Hon J.A. SCOTT: A section which goes below the project has been removed on this one. Part of the reason it has been removed is that it was badly planned in the first place, and the Cockburn council pointed out that people would need to make a right angle turn at an area covered by a state agreement with Alcoa. It was a stupid proposal in the first place, as is the whole planning for the road. It has been removed for that reason. The Government said it was done for environmental reasons, but some of us know better.

Hon Peter Foss: Quite right.

Hon J.A. SCOTT: I am glad the Attorney General said that is quite right.

Hon Peter Foss: It came after public consultation.

Hon J.A. SCOTT: There was a lot of public consultation under the EPA process and approximately 400 public submissions were received. I do not think many were in favour of this project. I wonder if the minister will indicate how many people who made submissions were in favour of this project.

Hon Peter Foss: You can read the submissions yourself.

Hon J.A. SCOTT: I imagine it was a very small number. It is a joke for the Government to talk about public consultation.

Hon Peter Foss interjected.

Hon J.A. SCOTT: I talk to the people, not advisers. There is a rush to get this through.

Hon Peter Foss interjected.

Hon J.A. SCOTT: I am asking for it to slow down and for the Government to examine this project properly.

Hon Peter Foss: You are not asking us to do anything that we have not already done.

Hon J.A. SCOTT: The Government is rushing to put in place a project before the social impact studies have been done, and even though the environmental studies indicate that the project cannot be managed in a way that will be environmentally sustainable.

Hon Peter Foss: Have you read the submissions in volumes 2 and 2A? Have you noticed a certain similarity between them?

The DEPUTY PRESIDENT: Order! The Attorney General will have his opportunity at a later stage.

Hon J.A. SCOTT: The Government took a scurrilous position on the road that will link this project; it pretended that the road was something else. In some documents the road is called the Jervoise Bay link road or highway. It is not called the Rockingham-Fremantle controlled access highway or the Fremantle eastern bypass. The proponents are a little more straightforward and have not been trying to mislead the public.

I am pointing out to the Labor Party that there is no need to hurry this project. Currently, with the downturn in the oil industry, there is a glut of oil in the Middle East that will not go away; in 10 years' time it is expected to be three times what it is today.

Hon M.D. Nixon: I thought we were going to run out of oil 20 years ago?

Hon J.A. SCOTT: I never said that.

Hon Peter Foss interjected.

Hon J.A. SCOTT: I thank the Attorney General for his comments, which have shown his ignorance. The Greens (WA) have said that the world oil production will peak in 26 years, and Australia's oil production will peak by 2005. That does not mean the supply of oil will run out; it means that supply will not match demand, and once the supply peters out there will not be enough to keep the industry going. It will take many years for the world supply of oil to run out. However, the effect of that downturn will be significant and will occur a lot sooner than the Attorney General might imagine. For the next decade at least we will see an oversupply and a lower level of investment in -

The DEPUTY PRESIDENT: Order! Hon Jim Scott will recollect that the President gave him some direction about the world supplies of oil. I suggest he return to the motion.

Hon J.A. SCOTT: I wanted to mention that only briefly, because I was explaining to the Labor Party why we do not need to rush into this project. I hope that before the Labor Party passes such an amendment it will send this proposal in its entirety - its economic, social and environmental aspects - to a committee. I will be appalled and will find it difficult to understand if the Labor Party refuses to do that. I will ask the Labor Party to put its position on this matter, because that is fundamental to this project not only because it will cost the taxpayers a fortune but also because the damage that will be done environmentally and socially will be irreparable.

Let us consider some of the social impacts. The Fremantle Rockingham Industrial Area Regional Strategy report has not been released, and no social impact study has been done, yet we are handing over the land. The Peel region is the fastest growing region in Western Australia. There will be huge concern about coastal access given that industry is now set to take up pretty well 100 per cent of Cockburn Sound. This project will be the first of three big projects that will impact on the area.

I have already spoken about the lack of suitable beaches from Fremantle to Rockingham, and the likelihood of losing some of the existing beaches.

Hon Peter Foss: How?

Hon J.A. SCOTT: A private marina development will be located at Catherine Point. That will involve excavating the coastline, and the beaches will be gone.

Hon Peter Foss: Does Catherine Point have a beach?

Hon J.A. SCOTT: There will not be a beach once it is dug up. The beaches are located at the bottom of the cliffs.

Hon Peter Foss: At what time of the year?

Hon J.A. SCOTT: I used to walk and jog in that area to keep fit; a number of people use the area.

Hon Peter Foss: On the piece of land that we are talking about?

Hon J.A. SCOTT: The Attorney General asked me what beaches would be lost in that area. We know that areas south of Rockingham will be lost to the public. An area at Port Kennedy will in effect become a private beach. We will also lose beach area south of Woodman Point. The minister has said that she would improve the Woodman Point access. However, there is not much point in that when the water has been polluted, because people will not swim in polluted waters. As I said, the change in the road system to service Jervoise Bay will completely change Leighton beach. The community is concerned about what will eventuate as the pressure mounts to move the road away from the beach, and to locate houses close to the beach. That could become a private beach for the wealthy. All of this will result in overcrowding at Rockingham, South beach, Port beach and Cottesloe.

The Jervoise Bay area is already under pressure through competition for land and water use. For instance, the Cockburn City Council is keen to set aside the area as a biotechnology park, which will be immediately adjacent to the area in the amendment. The council wants to turn that light industrial area into an urban area. If that area is adjacent to an industrial area it will cause economic loss and will militate against that area becoming urban. Local governments at Cockburn and Fremantle are against the development for good reasons. There will be further pressure on Wattleup and Hope Valley, because the industrial area will be extended. The residents who live in the industrial buffer zone will have considerable pressure on them to move out of that area. They do not want to move from there because they enjoy a semirural lifestyle away from high population density areas. Those people have very real concerns because they have already experienced a drop in the property values because they are in a buffer zone, which makes it difficult to sell their homes. Those people will be affected. They will also be affected by not having access to the beach. There is also fishing and mariculture activity in the area. There will be real problems.

We have already had the Department of Conservation and Land Management trying to reach agreements with the professional fishing industry to give up some of its fishing areas for recreational fishing because of the increased pressure on the sound. That has been caused partly by an increase in recreational fishing and partly by the environmental damage that has reduced the number of fish in the sound.

A previous Court Government is largely responsible for the damage that occurred when industry was first established in that area. We should not forget that this expansion is not very smart because the industry was put in the wrong place given the prevailing winds. We know Kwinana is in the wrong place and some people now want more industry there. We keep hearing that this industry will not pollute. Of course it will; it pollutes the air and the water.

The oyster industry has already been moved to accommodate this industrial development. Oysters clean up the ocean but in doing so take on many of the heavy metals in the water. Cockburn Sound already has an overload of tributyltin and the EPA is worried about increasing the levels.

Hon Peter Foss: What is an overload?

Hon J.A. SCOTT: An overload is having more tributyltin than any other coastal area in Australia. No amount of tributyltin is a safe amount.

Hon Peter Foss: I agree, but what is an overload?

Hon J.A. SCOTT: That is having so much that it is regarded as the most polluted area in Australia. Does the Attorney General think that is all right to have the highest level of tributyltin in Australia?

The DEPUTY PRESIDENT (Hon N.D. Griffiths): The honourable member will address the Chair and the Attorney General will save his remarks for his speech.

Hon J.A. SCOTT: The Attorney General's pedantry about whether it is an overload is beside the point. We have the highest level in Australia and that is bad news for mussel farmers. The Attorney General should see whether they disagree.

The Navy also uses that area and we are likely to see a considerable increase in the number of vessels moving in and out of the sound given the other projects planned for the area. Of course, the proposed major roads will also have a significant impact on the surrounding communities.

All these factors will add up to economic loss in that area that will have to be subtracted from any advantages of the project. Those losses should be weighed up seriously. The Attorney General may laugh.

Hon Peter Foss: Only at you.

Hon J.A. SCOTT: He is one of those economists who believe that we should count only the incomings and not the outgoings, as we saw when he was Minister for the Environment.

The next issue we must address is probably one of the most important factors. The project will cause irreversible damage to the limestone cliffs and the vegetation in that area, both of which have been described by the EPA as unique and irreplaceable. The Environment minister's solution is laughable: She will provide an access road to the polluted beach at Woodman Point. No-one believes that that is a solution. Many people have criticised both the EPA and the Government for being far too soft on the environmental issues associated with this development. The Conservation Council said -

As you are aware the WA Department of Commerce and Trade has put forward a proposal to develop a large marina for shipbuilding and oil rig construction at Jervoise Bay in Cockburn Sound, WA.

The Conservation Council of WA strongly supports ecologically sustainable development and the creation of new industries in WA however this project is not ecologically sustainable. The proposed marina will destroy part of the coastal reserve and the heritage listed Brownman Swamps.

That part of the project has now been reduced. The council continues -

It will also damage a part of Cockburn Sound which is already seriously affected by industrial pollution. Further the public will be excluded from the proposed marina area because of concerns about pollution from anti-fouling paints. We therefore can not support this proposal.

There are other sites which would be far more suitable for this shipbuilding harbour. The Jervoise Bay proposal is not ecologically sustainable and will in fact cause serious ecological damage to an important conservation and recreation area. We are strongly opposed to any suggestion that taxpayers money should be used to subsidise this inappropriate development and are concerned at reports in the media that the Federal Government is being asked to consider funding . . .

That was earlier in the piece. Considerable debate then ensued with the EPA on this matter. An article in *The West Australian* of 13 May 1998, under the heading "Conservation body attacks cliff plan", states -

THE WA Conservation Council wants the WA Planning Commission to withdraw a proposal to rezone unusual limestone cliffs in Cockburn to make way for the Jervoise Bay southern harbour development.

The council said the plan to rezone 25ha of the Beeliar Regional Park for industrial use was environmentally unacceptable and would result in land use which would affect the ecology of Cockburn Sound.

Council coordinator Rachel Siewert said the southern harbour could be built in the Pilbara closer to the raw materials and closer to the oil and gas industries it would service.

"Already more than 80 per cent of the beaches between Woodman Point and Wells Park have been given to industry and now they want more," Ms Siewert said.

She said the proposal should be withdrawn and further proposals for Cockburn Sound should be based on principles of ecologically sustainable development . . .

The commissioners could withdraw the amendment if all the public submissions opposed the rezoning.

But a commission spokeswoman said the decision would be based on a balance between environmental, economic and social considerations.

I want people to look at this balance, particularly those in the Labor Party. At the very least, members of the Labor Party should support this proposal being sent to a number of appropriate committees of this House to be examined.

I draw to the attention of the House the reports done for the proponent about the water quality in Cockburn Sound. A peer review document was provided by Unitas Consulting Ltd of the University of Tasmania. It is a technical review of a report on the investigation of the water quality in the Jervoise Bay northern harbour in May 1998 produced by Peter Thompson.

Peter Thompson said that although the report had produced some useful data on phytoplankton community succession and in that regard the report was adequate, the rest of the report contained a mixture of hypothesis, conjecture and unsubstantiated conclusions. The report was scathing of the Halpern Glick Maunsell Pty Ltd document on which the Government has based its environmental credentials. The Government did not want people to find out about that peer review because it had been hidden away and not made public. It was obtained only through freedom of information legislation. The reality is that the Environmental Protection Authority has said that this project is unsustainable; that the damage cannot be managed; that the authority is basically putting up the white flag; and that it hopes to do something to remedy the damage at a later date.

I will point out the record of the Department of Commerce and Trade. In the other section of this development at the northern part of Jervoise Bay, that department has not fulfilled its environmental commitments. It was to provide a contingency report, which was to be aimed at putting forward a number of actions to be taken if toxic algal blooms or pollution by either toxins or nutrients occurred which caused the ecology in the bay that was created by the northern breakwater to be degraded to the point where it might be dangerous to public health. That contingency report was supposed to be provided last April. I asked the Department of Environmental Protection about that report. It said that it was supposed to be in by last April but it had given the Department of Commerce and Trade to the end of the June to provide it. After all this time that report still has not been handed in. We know that the proponent, the Department of Commerce and Trade, is not living up to the commitments that it was supposed to make and be obliged to stand by for the condition of that project. How can we trust that department to properly maintain the project which it is planning to build in Cockburn Sound? We are told that the department is looking at providing intervention bores with which it will prevent the problem that it had in the northern harbour.

I will remind members what happened in the northern harbour. Large build-ups of algal blooms occurred there and the water became very unpleasant indeed.

Hon Peter Foss: It was found to be unsafe a while ago. I hope you are not saying that it still is.

Hon J.A. SCOTT: It was unsafe at one point. It did not become unsafe immediately but it became so later, during the life of those algal blooms. Another factor was that the department constructed the harbour in such a way that the emergency overflow pipe from the sewage farm on shore at Woodman Point was inside the breakwater. That was a really clever design! There was a period when large amounts of human excreta were also floating around in that area. I suppose the Attorney General would find that safe to swim in.

Hon Peter Foss: I am not aware of that at all.

Hon J.A. SCOTT: The Attorney General obviously does not read the newspapers.

Hon Peter Foss: I do; I do not always believe them.

Hon J.A. SCOTT: At the time the Department of Environmental Protection tried to pretend that it was rotted seagrass, but the local community had the material tested and found that faecal matter made up the bulk of that material.

Hon Peter Foss: I do not think that is correct.

Hon J.A. SCOTT: All sorts of excuses were put forward about from where it might have come. If the department is so good at engineering that it has a sewage overflow inside a breakwater, I hold little hope for Cockburn Sound's habitat.

Rather than read from the final newspaper article, I will read from a press release directly issued by RecFishWest as follows -

PROPOSED HARBOUR DEVELOPMENT AT JERVOISE BAY

RECFISHWEST* is alarmed at the proposed industrial and harbour development planned at Jervoise Bay and the potential for further pollution of Cockburn Sound.

In the past fortnight major algal blooms have appeared in the Jervoise Bay area of the Sound, a sight which sounds alarm bells for the recreational fishing community.

"It is also proposed to totally exclude recreational fishers from the proposed harbour on the basis that the area has the potential to be contaminated by several harmful waste products including tributyl tin. This would seem to be an early admission that pollutant levels within the harbour will not be able to be controlled", RECFISHWEST's chairman, Ian Stagles said.

"This harbour, because of the amount of time it takes to flush, has the potential to dramatically increase the algal blooms in the area. Algal blooms have in the past been responsible for the majority of seagrass losses in Cockburn Sound, which die as a result of light being cut off by the algal bloom in the water".

"The existing northern Jervoise Bay harbour was not supposed to create algal bloom problems but they have been very evident in recent weeks. This is obviously of great concern to us but added to this we understand that there is the possibility of toxic algal blooms developing".

The proposal would remove access to 234 hectares of highly valued area of Cockburn Sound for the recreational fishing and boating community. The area includes 2.6 hectares of seagrass habitat from which recreational fishers have taken crabs, and various prized fish species, for generations. It also contains 19 hectares of reef structure which also carries seagrass and is a very valuable marine habitat.

"This is one of the few remaining areas of natural shoreline left in the area for the recreational fishing community, and this proposal takes a large slice of it. Seagrass habitat is very important to several key recreational species and

having lost over eight per cent of the Sound's seagrass habitat since 1970 we are gravely concerned at the prospect of losing still more of what remains".

"We are opposed to this development in relation to both location and design. We are sure that the contemporary view is that it is simply no longer acceptable to have such valuable community recreational asset taken away, irreversibly changed and downgraded. The Commonwealth Government in the light of its coastal protection pledge, funded by the sale of Telstra, would need to be cautious of partly funding a potential environmental disaster. This project should go straight back to the drawing board and an appropriate consultative process be developed for alternative solutions, particularly in view of the proposals for further harbours in Cockburn Sound. This could incrementally destroy this wonderful area".

The footnote reads -

*RECFISHWEST represents Western Australia's 520,000 recreational fishers.

In terms of the spokesperson's comment that it is simply no longer acceptable to have such a valuable community recreational asset taken away, irreversibly changed and downgraded, I will read an item from "Earth 2000" of 12 January 1998.

It was looking at this issue which was dealt with by Robert Kennedy Jnr and John Cronin in a book and who are experts in environmental law and were representing the work of a group named Hudson Riverkeeper Inc in the United States. An article in *The West Australian* dated 12 January 1998 stated -

In their book, Cronin and Kennedy say the rights of fishermen and other river users are enshrined in the New York State constitution and statutes but are based on the oldest body of law on which so many English-speaking democracies rest - the Public Trust Doctrine.

"Appearing in the English Common Law and Roman Law before it," write the pair, "that doctrine establishes public ownership of certain natural resources and is one of two ancient principles that underlie modern environmental law and virtually all Riverkeeper's work.

"According to the Public Trust Doctrine, the public owns common or shared environments. Government trustees are obligated to maintain the value of these systems for all users - including future generations. Like other rights, public trust rights are said to derive from 'natural' or God-given law. They cannot be extinguished."

These rights, enshrined in the Magna Carta, ensured public access to clean natural resources for ever.

That is a principle which does not seem to be familiar to this Government. It seems to think that our community assets belong to certain key interest groups from which the Government receives most of its election funding.

Hon Peter Foss: It is a lovely quotation, but it does not represent our law.

Hon J.A. SCOTT: The minister is saying that we do not base our laws on those English precepts.

Hon Peter Foss: No, it does not represent our law.

Hon J.A. SCOTT: Obviously the minister is saying that we do not have that same outlook in Australia and that we will not protect public interests in these matters.

The DEPUTY PRESIDENT (Hon N.D. Griffiths): Order! I am sure the honourable member is addressing the Chair and I am looking forward very much to the Attorney's comments on the law in due course.

Hon J.A. SCOTT: The community has been completely shut out of this whole issue; people's views have not been heard and no attempt has been made to properly address either the environmental or the social issues that I have raised. No attempt has been made to protect the environmental values by looking at changes of design to this project. After the algal blooms were experienced a change was made to the design of island breakwaters, but that is the only thing we have seen. The problem with those island breakwaters is that they will become part of a number of sea walls that will be built when considering the other harbours that will be built in close proximity to this Jervoise Bay project. I attended the meeting at Cockburn Sound, and the Environmental Protection Authority had a scientist on hand to explain the probable impacts of this development to the community. I asked whether a probability of toxic algal blooms was likely and he replied that there were likely to be toxic algal blooms as a result of these developments. We will see considerable damage to the aquatic fauna and to the seagrass above and beyond that which already occurs in Cockburn Sound, remembering of course that we have already lost - I think the estimates are a bit low - about 90 per cent of the seagrass in the sound, according to EPA documents that I have read. The algae blocks out the sunlight that provides the energy for photosynthesis to occur. In some cleaner ocean areas in which there is much more light penetration, the seagrass can grow at a much greater depth, but anything now below 15 metres in Cockburn Sound dies because of a lack of sunlight. The proposals by the Government to replant the seagrass are a joke because if the channels are dug out to a depth of more than 15 metres, seagrass will not grow in those areas at all because of insufficient sunlight. This is particularly so when it is inside these sea walls, where nutrients will be trapped

which are flowing in underground plumes from the coast. This Government and previous Governments have been very remiss in allowing the level of pollution that has occurred in the past. The claims that the Government will put in an interception clause are fallacious because the best ever attempts at intervention of toxic or nutrient blooms have been 20 per cent. It will not work. We see a loss of vegetation, fish and habitat; we will see nutrient build-up, algal blooms and, likely, toxic blooms.

Hon Peter Foss interjected.

Hon J.A. SCOTT: Likely means a good chance.

Hon Peter Foss: Are you telling us that has happened?

Hon J.A. SCOTT: I am talking about the Jervoise Bay southern harbour, which this project covers.

Hon Peter Foss interjected.

Hon J.A. SCOTT: In the northern harbour.

Hon Peter Foss: The person you quoted a while ago did not say that.

Hon J.A. SCOTT: I am saying that it is likely that the area throughout the southern harbour, and between the southern harbour and the James Point private harbour and the Fremantle Port Authority harbour, will most likely have toxic algal blooms.

The reality is that this project is not environmentally sustainable. I will quote the recommendation in the document entitled "Sustainable Development Assessment of Proposed Expansion of Industry Infrastructure in Jervoise Bay, Cockburn Sound" presented by CeCilia Sadler, who has a bachelor of university studies, University of New Mexico; this was part of her environmental science masters project. She said -

Based on the analysis of material presented, the project is determined to be incompatible with the goals of sustainable development. The project is found to be in direct conflict with the ability of present and future generations to meet their needs due to significant, loss of the existing resource at a critical point. Any decision to proceed with the development could permanently, adversely affect the environment. The Agency protecting the environment does not have the authority to make the recommendations whether the environment can support development schemes that apply permanent environmental damage.

That is a shame. To continue -

The current government leadership should be held responsible for the consequences of making the decision to proceed with this project based on short-term gains and risky, incalculable long-term benefits. However, current and future generations will bear the costs and consequences of today's poor long-term decisions, which are assessed to be in conflict with the principles of sustainable development.

Hon Peter Foss: What mark did she get?

Hon J.A. SCOTT: I am not entirely sure. Quite high I think. The Attorney General would mark her down because she criticised the Government.

Hon Peter Foss: I am curious what other people thought of it.

Hon J.A. SCOTT: I know that the minister is derisory of the opinions of others.

Hon Simon O'Brien: You hold up the report of a student as an expert.

Hon J.A. SCOTT: She already has university qualifications but is doing extra studies.

Hon Simon O'Brien: It is universities studies.

Hon J.A. SCOTT: So what?

Hon Simon O'Brien: So she is an expert on Jervoise Bay, is she?

Hon J.A. SCOTT: She is doing an environmental science masters project.

The DEPUTY PRESIDENT (Hon Nick Griffiths): The member is directing himself to the question. I am sure that all honourable members would appreciate it if those interjecting would not divert the member from the issue before the Chair.

Hon J.A. SCOTT: We will see permanent damage. The measures put forward by the minister are ineffective. There has been a pretence that the trade-offs made in the Beeliar Regional Park near Mt Brown were somehow tied to the Jervoise Bay project. However, they had been agreed to before the project received approval. They were completely separate matters.

Draft contingency reports from the Department of Commerce and Trade regarding the northern harbour indicate the department's response if we had severe degradation of water in the harbour with severe toxic algal blooms: It would throw up its hands and erect a couple of signs saying, "We cannot do anything about it - nobody should go in the water." No contingency will be in place to clean up these algal blooms. No contingency will stop the nutrients running into the area. In fact, the Government will be able to do little once the damage is done. No real trade-offs have been made with environmental gains for the community.

Hon Peter Foss: Nothing?

Hon J.A. SCOTT: What are they? The Attorney General should tell me.

Hon Peter Foss: I want to be certain that you said no trade-offs had been made. I want to know what you are saying.

Hon J.A. SCOTT: The Attorney thinks that putting a road down to the beach on the south side of Woodman Point is somehow a trade-off. People would not have had a problem if the beach had not been degraded already. Who will make ongoing payments for the environmental damage which will be done; and who will pay for the ongoing efforts to replant seagrass, which are not likely to succeed if they are *Posidonia coriacea*?

I now complete my remarks, which will please the Attorney General.

Hon Peter Foss: That's the best thing you have said all day.

Hon J.A. SCOTT: I say to the Labor Party members, who have been very quiet so far -

Hon J.A. Cowdell: Just following standing orders - unlike the government members.

Hon J.A. SCOTT: No more work should be done, and no more taxpayers' money should be spent on this proposal until the environmental, economic and social impacts are thoroughly examined by a committee of this House. If the Labor Party has any credibility at all, it will insist that this project go to a committee. If it does not do so, the community will not forgive it. It will have no creditability whatsoever. We have no certainty that jobs will be created by this project. The Labor Party is telling us via the media and other means that it is trading off environmental and social values for jobs. If that is the Labor Party position, let us see what the trade-offs will achieve. Let us see the advantages before members permanently destroy that environment and take away Beeliar Regional Park's most important areas. The northern section, which has the best position and contains the best plant communities, will be irretrievably destroyed by the project; this point was clearly recognised by the EPA. Before members of the Labor Party sell off these assets, why not ensure we get something back? I look forward to hearing its members, particularly those representing the electorates of Cockburn, Peel and Rockingham, insist that beach access is maintained at places like James Point. We should not see that area developed. Those local members should at least ask for some trade-off from the Government to ensure that the environmental and social impacts of the proposal are alleviated. If they do not do that, they are not worth their place in this Parliament.

As I said before, these problems have solutions. We can look at other sites and other types of construction. I know that Japanese floating structures cause very little environmental damage without access problems. These facilities can be built for the type of work proposed at Jervoise Bay. The alternative represents the bottom line. The structure should not be located in Jervoise Bay, but in the north west of the State, if we are to spend this money on this type of project. If the structure must be at Jervoise Bay, the Labor Party should find out what can be done to look after the other community interests. Labor members should not think that concern about this proposal is found only in surrounding communities. Recfishwest has over half a million paid-up members who will not forgive either of the major parties in this place if their concerns are not at least addressed to some degree. The concerns can be addressed substantially, but the major parties are set to let down those people.

I urge members of this place to take steps to assist me in at least ensuring that a committee examination of this project takes place. I urge members to support my disallowance motion. This is the last chance for Cockburn Sound and for people's recreational facilities there. It is also the last chance for people living on routes of proposed highways who will have their houses demolished by this project.

Debate adjourned, on motion by Hon Peter Foss (Attorney General).

[Continued below.]

SITTINGS OF THE HOUSE - EXTENDED AFTER 10.00 PM

Tuesday, 16 March 1999

HON PETER FOSS (East Metropolitan - Attorney General) [9.00 pm]: I move -

That the House continue to sit beyond 10.00 pm.

I move this motion in the hope that we can deal with this matter tonight. It may very well be that the time is such that debate

will be adjourned prior to the end of this business, but I moved for the extension with the intent of dealing with the business tonight. Obviously, the leaders will keep this under review as the debate progresses. It is certainly not intended to go to any other business and it is only a hope that the business will be completed. The matter will be kept under review.

Question put and passed.

**METROPOLITAN REGION SCHEME AMENDMENT No 1001/33 SOUTH WEST DISTRICTS OMNIBUS
(No 3A) JERVOISE BAY**

Motion for Disallowance

Resumed from an earlier stage of the sitting.

HON J.A. COWDELL (South West) [9.02 pm]: I compliment Hon Jim Scott on the comprehensive and extensive nature of the case he has put in support of his motion. His final advice to the House was to challenge members to make sure that they get something back. I could not agree with him more.

I turn first to the industry, trade and employment dimension of this project and say very clearly that this House cannot lightly put down a \$200m downstream processing and infrastructure project, particularly in the current economic climate. We certainly cannot lightly dismiss a project that has been adopted as an important part of government policy, a project that is endorsed by both the Trades and Labor Council and the Chamber of Commerce and Industry of Western Australia, a project that had its genesis in the value-adding policies of the previous Labor Government, and a project that provides for productive infrastructure investment, at long last from this Government.

I will first comment on the touted industry, trade and employment prospects that the Government has used to sell this project. There can be no doubt of the desperate need for processing and jobs. We cannot view with any complacency the recent lay-off of 200 employees at Austral, 90 at Wavemaster International Pty Ltd, and more than 1 000 at United Construction Pty Ltd. We cannot ignore the very real problems of unemployment running at up to 17 per cent in adjoining communities, youth unemployment at more than 30 per cent and all the related problems of community breakdown. Similarly, we cannot continue as a quarry site forever, with multinational companies exploiting our natural resources but providing no downstream processing and no jobs for Western Australian workers. Having said this, the House must be convinced that the Government has done its homework on the prospects of this project.

We do not want another Beenup, where the project gobbled up \$43m of state funds on infrastructure and lasted for barely two years; or another Koolyanobbing where the Government spent \$17m on upgrading the railway track to Esperance, only to be told that we should forget that and build a new facility at Kwinana beach on the doorstep of Rockingham. We do not want the sort of expenditure we have seen on the new \$55m road to Telfer. In recent times the Government has not been renowned for its cost effectiveness with regard to infrastructure projects. Therefore, as we consider this matter, I seek assurances from the Government.

Firstly, I seek an assurance that the Commonwealth's commitment of \$80m is secure. Certainly some question has been raised in the media as to the nature of the advice of environment Minister Hill to Minister Minchin. We want to know that the Commonwealth's contribution of \$80m to this project is secure. We also want to be assured that the State's commitment, which has been estimated at various amounts up to \$60m, is secure. There was some suggestion in recent media comments by the Deputy Premier that the Government may like this amount to be provided by private enterprise as well, and that the State's contribution may not be of the order that was initially suggested. There is, of course, the projected private sector commitment of \$60m.

I noted the estimates for reclamation, a breakwater and dredging, which would cost in the order of \$160m, with a further \$40m needed for common user facilities. We want to know that commitments are in place, and we do not want the Government to launch upon this project to find there is no pledged contribution or reasonable expectation in terms of the pre-registration of expressions of interest of a significant private contribution. We look forward to government advice and assurances as to which companies have committed to participate in the new industrial area. We look for an assurance, and this particular issue was raised by Hon Jim Scott, that there was a comprehensive study of alternate sites - certainly alternate country sites were mentioned. We want the Government to address the suggestion that a similar facility at much reduced cost could be provided, for example, at the old BHP wharf site and adjoining land. We look for an assurance from the Government that there is a realistic expectation, in terms of its public comments, of \$100m annually in construction projects, and \$160m annually for support, repair and maintenance projects.

We would expect some assurance that there is a realistic basis for the expectation of the jobs projected in the construction phase and the projection of 1 600 jobs during operation. These two projections have come in for particularly severe criticism from various sources. Similarly in the public arena concern has been raised about the competitiveness of this projected facility given the new facilities in Dubai and the existing facilities in Korea and Singapore. We look forward to some assurance that the lack of communication between the resource developers and local companies has been tackled. I notice there was a government grant for a Chamber of Commerce and Industry strategy to address this problem. We would also

welcome the Government addressing the concerns about the current industrial cycle, and the anticipated pick-up of industry. We would expect also that the Government could assure us that other models have been examined, including floating dock facilities. We look forward to the Government establishing a comprehensive case as to the industrial, trade and employment gains that can be anticipated for this investment of \$200m; that is, \$80m from the Commonwealth, and presumably \$60m from the State Government and \$60m from private sources.

It would be an understatement to say that the environmental and social dimensions of this project appear to be predominantly negative. I read issue No 4 of a newsletter from the Department of Commerce and Trade which had a page 1 headline titled "Environment Green Light". We know that this is not the case. It may well be that, as the article said, Hon Cheryl Edwards has signed off on the project. However, this does not equate to an environmental green light. The article in the newsletter states -

The Minister issued a statement that the proposal could be implemented subject to two new environmental commitments -

It must be a worry that the Department of Commerce and Trade is indicating that the project must comply with only two new environmental conditions. The particular conditions mentioned were that the project include a multimillion dollar upgrade of the Beeliar Regional Park and Woodman Point. I do not know on how many occasions that particular pawn has been traded as a plus for whatever is going by. It has been traded yet again, and one of these days it will be a reality. The second condition was a program to improve ground water in Cockburn Sound. Those are the two new conditions as seen by the Department of Commerce and Trade and, as Hon Jim Scott stated, it is always a concern as to how this department views the world. We had the example of the non-existent Northern Harbour contingency report which has been on its way for the past 12 months, but still has not been sighted.

I have read the environmental reports, and EPA Bulletin No 908 is frankly damning. The report says -

The overriding environmental issue is water quality in that the proposal is likely to reduce flushing times in an area where the nutrient levels and chlorophyll a are already too high. The proposal is likely to lead to a further deterioration in environmental quality through an increase in chlorophyll a and an increased frequency of algal blooms. Within the context of the current water quality, the EPA has concluded that the proposal is unable to be managed to meet the EPA objectives for this issue.

Similarly, with respect to marine flora and focusing on the issue of seagrass, the EPA concluded that within the historical context of the loss of seagrass the proposal was unable to be managed to meet its objectives. Similarly, with respect to the removal of part of A class reserve 24309, the EPA stated that it appeared unlikely that this complex could be replaced by a reservation in another area. The EPA has concluded that the proposal is unable to be managed to meet its objectives for this issue. On the basis of these EPA reports, local concerns are genuine. I read the letters that I received from the local community - not to mention the message from Carmen Lawrence that appeared on page 1 of "The Fremantle Doctor" putting a similar view. I noted some of the detailed concerns from those who bothered to put pen to paper, in particular, L.G and M.E. Hine, Kevin Allen, Dr Colin Walker, the President of the Tree Society, and many of the others which were in a form letter format. Genuine local concerns have been placed on the public record.

The Government must present a compelling case for the delivery of industry, trade and employment in this project. However, the Government must also adopt a set of comprehensive policies to ensure that Cockburn Sound does not become a degraded industrial backwater. Someone suggested previously that I was not aware of the industrial situation or of the water quality in Cockburn Sound. Having lived at Cockburn Sound for 27 years, I can disabuse them of that view. If this project is to go ahead, we must be assured of a number of things. Firstly, we must be assured that it is not the thin end of the wedge for new projects. We must be assured that the type of schemes advanced by the Kwinana Industries Council are totally repudiated by both this Parliament and the Government. I refer particularly to the media reports last year where the Kwinana Industries Council suggested creating an industry exclusion and buffer zone from Woodman Point to the town of Kwinana which would likely result in the closure of public beaches, recreation areas, fishing zones, boat ramps and boat clubs. We expect a specific government repudiation of that plan and an assurance that public access points will be preserved, whether it be from Challenger Beach down through the access points to Wells Park at Kwinana Beach. We must be assured that the second port proposal is off the books and we must be assured that the proposed new Koolyanobbing loading facility will not be built at Kwinana Beach on the doorstep of Rockingham city. Further, we must be satisfied that the Government has an appropriate remediation program. One does not get a great deal of confidence from reading the Department of Commerce and Trade's bulletin. Apart from the predominant assurance of a \$2m boost for Beeliar Park, very little else is confirmed.

Hon J.A. Scott: That was given before.

Hon J.A. COWDELL: Indeed it was.

Of greater concern to the Labor Party is the Minister for the Environment's various responses to the Conservation Council

of Western Australia's appeals with respect to features of this project. I will not run through all of the minister's comments. Some of the pledges in the minister's letter of 22 December are vague. We seek assurances from the Government that offers such as unrestricted public access to breakwaters and harbour waters for 347 days a year are firm promises on the part of the Government rather than wishes of the minister. We also expect from the Government greater assurances than the minister was able to provide, particularly relating to a Cockburn Sound trust or a statutory authority. The minister said in her letter that the Environmental Protection Authority in its advice to her indicated that it would expect the proponent's development proposals, which had the potential to affect the marine environment of Cockburn Sound, to consider the cumulative environmental implications on the sound, taking into account the relationship between the proposal and the existing planned future uses for Cockburn Sound. Clearly, individual proponents cannot perform that function; there must be a statutory authority. With respect to this authority the minister wrote -

As Cockburn Sound is currently managed by a number of agencies the EPA concluded that some form of statutory management body with coordinating control over Cockburn Sound and its catchments should be developed to oversee existing and future uses within a multiple-use framework, consistent with an agreed set of environmental objectives.

The management structure and scope of responsibility of a body formed to coordinate environmental management of Cockburn Sound is being finalised. Decisions have yet to be made as to its independence and role as a decision-making authority.

That is an incomplete and totally inadequate response from the minister to the EPA report. We expect more definite assurances from the Government, particularly in that regard.

Finally, on the environmental side we must consider the bottom line. We must be assured that the Government recognises that the bottom line in Cockburn Sound is water quality and that it is taking remedial action to ensure that the quality does not deteriorate further. The environmental report suggests that this project will be an environmental negative for Cockburn Sound. We need an assurance that the Government is willing to take a set of countermeasures to ensure an appropriate level of quality in the environment of Cockburn Sound. I reject the concept of an environmental cross-barter in that the adoption of a Perth Bushplan can be compensation for the deterioration of water quality in Cockburn Sound. We are looking for action.

Hon Peter Foss: It was never suggested that it was for the vegetation.

Hon J.A. COWDELL: It was suggested in the EPA report that environmental degradation could be traded off provided the Minister for the Environment and the Government delivered something else. Specific measures must be provided for Cockburn Sound. The Australian Labor Party commits itself to the following environmental countermeasures and seeks an assurance from the Government that it will do likewise. Specifically, I refer to the extension of the Shoalwater Islands marine park to include most of the remaining Cockburn Sound seagrass meadows; a ban on the discharge of nitrogen-laden waste water to the shallow groundwater aquifer by Western Bioproducts; a monitored program to ensure the end of nitrogen and phosphorous discharge into the sound by CSBP; a tightening of FPA regulations on ballast discharge and the use of tributyltin; and a Cockburn Sound trust - that is a trust in terms of the advice of the Environmental Protection Authority on page 19 of its report which reads as follows -

A comparable situation which now has a clear management presence is the Swan River. Prior to the establishment of the Swan River Management Authority under the Waterways Commission Act, management responsibility for the river was dispersed and lacked coordination. The present Swan River Trust has dedicated legislation which provides for the integration of planning and management consistent with a range of other statutory processes.

We seek in similar vein a statutory arrangement in terms of a Cockburn Sound trust, not only in respect of the statutory arrangement but also to make sure there is significant local community representation on such a trust and that the trust has responsibility not only for the waterways but also for the land catchment area attached.

Hon J.A. Scott interjected.

Hon J.A. COWDELL: No, I do not mean members of the Kwinana Industry Council.

Also, I refer specifically to the funding of an ongoing program of research and investigation, as advocated very strongly by the EPA in its report, and also a rationalisation of other major developments within the sound; that is, the scrapping of some or all of: The FPA Naval Base harbour, the private port proposal for which the Department of Transport has called expressions of interest, the Mangles Bay residential marina and the extension of FPA bulk cargo facilities to ship Koolyanobbing iron ore from Kwinana Beach. The EPA has made a strong case that if this project is of such importance as to proceed, the Government must be aware that everything else cannot proceed as well - that is, that the four or five other projects that it talks about cannot be loaded on top of this.

Hon J.A. Scott: When you talk about the Cockburn Sound trust, do you refer to one that has the same statutory arrangements as the Swan River Trust?

Hon J.A. COWDELL: Yes, that is what I am looking at in terms of the EPA report. Further, we look to a government commitment, as Labor commits itself, to the rejection of prospecting licence applications in areas M91 and M92; also, the meeting of environmental conditions attached to project approval, but with detailed monitoring and compliance mechanisms which in the past have not always been in place; and the addition of any suitable adjoining private lands to Beeliar Regional Park and the expenditure of the \$3m upgrade funds by 2001. We must be very clear in this regard that we must adapt the project to the environmental situation of Cockburn Sound and take steps to ensure that the environmental negative is balanced by environmental positives. It is my concern that the Government will not provide the environmental positives as indicated in about 10 to 12 points in the EPA report to balance the environmental negative. That clearly needs to be undertaken. I notice that there are two major assurances and three or four minor ones. Some have the status of generalities from the Minister for the Environment and they are certainly not couched in terms of government policy or government assurance.

I conclude my comments on this disallowance motion by responding to some degree to the final notice that I received dated yesterday from Com-Net to Labor members of the Legislative Council. Specifically, that letter advanced the concept of response to the people as opposed to party. In part, it stated -

The communities elect people, not parties and it falls to those people to be responsible for their actions and not hide behind a party platform.

Let me say very clearly that Labor members are responsible for the policies that they put to the people and feel bound by them with respect to our votes in the Chamber. At the last election in the platform we put to the people on our policy on making resources work for Western Australia, we said -

Labor will:

... invest \$30m on developing the Jervoise Bay Marine Industry Park including the construction of a new breakwater, building a new wet berth for further shipbuilding and heavy marine engineering, and providing other essential infrastructure such as launching ramps, roads and hard stand areas.

The Labor Party has committed itself to a project of that nature for some years. It has gone to the people on that basis and put that policy. We do not intend to desert the objectives that we have put to the people. On the other hand, there needs to be a critical review of the proposal before us, and we seek assurances from the Government in terms of the gains that it has indicated to us, in terms of industry, trade and employment for which we embark on the project, and further that there will be real environmental trade-offs in terms of the 10 points to which we have committed ourselves. I look forward to the Government's detailed response to our concerns in that regard.

HON NORM KELLY (East Metropolitan) [9.39 pm]: In addressing this motion the Democrats have examined the three main planks for considering the social and environmental impacts of such a proposal. First, with the development of Cockburn Sound we are considering a huge issue. The motion refers to metropolitan region scheme amendment 1001/33. Four hundred public submissions were received, only two of which were supportive of the proposal. The 398 opposing submissions were based on a number of grounds. To a major extent they were based on environmental and social implications for the local area. The Government's attitude could be seen as trying to demean the views of local residents, simply because they may wish to sign their name to a form signalling their opposition to the development. People's views should not be dismissed in that way. An examination of the submissions will demonstrate the research and effort that went into them. Thankfully, some community leaders, some of whom are in the public gallery tonight, have shown the way and enabled the community to best express its views to the Western Australian Planning Commission and through public rallies. They have not only made the local community aware of the threat to the area but also offered to assist people who wanted to take action. Among the 99 per cent of submissions opposing development, many wish to demonstrate their objection to the development.

One of the critical studies relevant to the social impact is the Fremantle Rockingham Industrial Area Regional Strategy. In 1997 a FRIARS discussion paper was released which was to be followed by a draft strategy which would also be open for public comment before a final strategy was documented. The question of when that final document would be released has been asked a number of times. Hon Jim Scott asked a question without notice last week and again today. People are not only frustrated at not being able to obtain that document but also suspicious at the seemingly unnecessary delay. Figure 12 of the March 1997 discussion paper illustrates a timetable of the strategy's stages. The consultation period following the release of the discussion paper commenced in March 1997.

A draft regional strategy was to be released in the middle of 1997 followed by public comment and preparation of the final strategy, which was to be released in December 1997. In response to Hon Jim Scott's question last week the minister said that it had always been intended that the strategy would be released in the first half of 1999. When I asked him today how he could countenance that considering there is a clearly stated timetable in the discussion paper, unfortunately the minister was unable to answer me. The issue was so complex and confusing that he had to ask for that very simple question to be placed on notice. It is gutless of the minister to consider an issue like this without even bothering to give a response. He

was given notice of my questions last Thursday. Given the disallowance motion that is before this House, it is irresponsible for the minister not to respond to those questions. It is also interesting to see that government backbenchers, who found voice for a change, received lengthy one or two-page responses to their questions from the same minister representing the Minister for Planning. However, when a member on this side asked a question pertinent to tonight's debate there was no response. That confirms that part of the Government's strategy all along was to unnecessarily delay release of the final strategy until this motion had been dealt with.

I refer to other reports examining environmental aspects of the proposal. The Environmental Protection Authority report released in October 1998 clearly shows that the Jervoise Bay development should not proceed because it does not meet the EPA's objectives. Although the Western Australian Chamber of Commerce and Industry has obviously misread this document to which I will refer later, we need only refer to some of the economic factors considered by the EPA to see how clearly this development cannot conform to the objectives of the EPA.

The EPA's comments on seagrass read -

- (i) To maintain the ecological function, abundance, species diversity and geographic distribution of seagrasses.
- (ii) to maintain the ecosystem function, abundance, species diversity, productivity and geographic distribution of marine faunal communities.

The EPA's advice to this objective was as follows -

The impact of the proposal will be to further reduce the seagrass abundance and potential habitat, and within this context the proposal is not able to meet the EPA's objectives for this issue.

When I refer later to the conditions that may be imposed on such a development we can also see how weak is the response from this Government.

The EPA's report on the limestone cliffs states -

The EPA concludes that the conservation values that would be lost as a result of this proposal cannot be replaced as there are no known sites that are not already protected in the Perth Metropolitan Area. Accordingly, the EPA is of the view that the proposal cannot be managed to meet EPA objectives for this issue.

This is a recurring theme in the EPA report.

Under the heading of flora and fauna the objective is to maintain abundance, diversity and geographic distribution. The EPA noted the following -

- there will be a loss of 40 ha of Cottesloe complex vegetation association;

Once again the EPA is of the view that in this context the proposal cannot be managed to meet the EPA's objectives of this issue.

Water quality has been important to the people of the area in recent times, especially with algal blooms in the northern harbour. The EPA's advice in maintaining or improving the quality of the marine water is as follows -

Reduced flows to the north of the harbour will lead to poorer circulation in the remainder of Jervoise Bay, which will likely result in enhanced conditions for biological activity, and may result in algal blooms. The consequence of this is that a poor water quality in Jervoise Bay will get worse. The chlorophyll a levels are above the draft nutrient-related environmental quality criteria . . . and the impact of the proposal is likely to lead to a further increase in this level. Within this context the proposal is not able to be managed to meet the EPA's objectives.

Other issues, such as the increased levels of tributyltin in the area, also make it clear that this proposal cannot meet the objectives. Of course, if this proposal is so important to this State that these objectives can be waived, we would expect the Government to put in place conditions that would at least address the environmental drawbacks of such a development.

The EPA has put in place recommended ministerial conditions, and these have largely been taken on by the minister. One important deletion in the ministerial conditions is point 7 of appendix 3 of the EPA's report, headed "Reserve Replacement", which recommends that the proponents be required to identify land that has high conservation value to replace the land that will be excised. An argument could be mounted about what should be the proximity of the replacement land to the land that will be lost, but the fact that the minister has decided to ignore that recommendation from the EPA gives a huge free kick to the Department of Commerce and Trade. The economic benefit to the Department of Commerce and Trade is another cost that should be factored into the overall cost to the Western Australian taxpayer of this project were it to go ahead.

The people of Cockburn have repeatedly lost access to recreational areas. Already 80 per cent of the coastline has been dedicated to industry, and it is now proposed to further restrict the ability of local people to have access to a recreational

area. It would probably be far better if the Government said it wanted to make all of Cockburn Sound an industrial area with no public access. That would be a more honest approach than the continual small incremental losses of public access that have been occurring.

Another environmental concern was the replacement of seagrass. One of the EPA's conditions is that the areas of seagrass that will be lost must be revegetated. It is widely agreed that the ability to revegetate seagrass meadows is limited. It appears that at the very most, even if the revegetated seagrass does replace all of the seagrass which has been lost through dredging, it will be of a lower quality. Therefore, if this Government were serious about the environmental damage of such a project, it would err on the side of providing extra environmental remediation to the area.

Hon Jim Scott dealt in some detail with the economic considerations. Hon John Cowdell raised some serious concerns and sought assurances. I look forward to hearing the minister's response to those concerns. In doing my research into this issue, I was given a paper by Paul Joyce. I believe those members involved in this issue will be familiar with that paper. That paper takes a more realistic attitude to the economic issues that confront this development. I believe from my research and from the material that I have received from the Department of Commerce and Trade that what it has done in its quest for approval and support for this proposal is put forward the best-case scenario. The figures that it has used for the jobs, growth and income that will be generated by this development are very questionable, if not fanciful. The paper from Paul Joyce also questions those figures, and I believe they are worthy of further examination, perhaps, as suggested by Hon Jim Scott, by way of a parliamentary committee. The paper from Paul Joyce deals extensively with the issues that were raised in the Halpern Glick Maunsell report, such as the surveys of the industries that the Government is seeking to have locate to this development. Interestingly, only 14 of the 16 companies that were contacted in the survey bothered to respond, and those that responded gave a less than favourable response to the suitability of Jervoise Bay for such a development and whether such a development could be successful.

The mooted cost of such a development is \$200m. However, we need to look also at the additional costs of getting this project up and running. The numerous reports are estimated to have cost at least \$500 000. The cost of the promotion from the Jervoise Bay project team both within Australia and internationally for this project also needs to be factored into the overall costs to the taxpayer of allowing this proposal to go ahead. The use of multipliers to determine the number of jobs that will be generated by this proposal is also highly questionable, because it gives only a favourable view of the number of jobs that will be generated. Also, no examination appears to have been made of how such government investment money may be better spent in other industries by possibly using a higher multiplier to create more jobs.

Once again we have these favourable suggestions regarding the net outcomes of such a proposal. Unfortunately, when industry favours such a government proposal, its views can sometimes be warped. In the January-February edition of *Business Advocate*, the chief executive of the Chamber of Commerce and Industry of Western Australia put a nice gloss on this and said that the Environmental Protection Authority had advised that ecological standards it had set would be tested. That obviously means that that person has not read the report or he is putting a creative slant on it. The EPA clearly showed that it was not a case of the environmental standards being tested; it stated that the standards could not be complied with. Given that there may be economic imperatives for the project to proceed, it tried to calm the waters in some way by suggesting conditions which would lessen the environmental damage of such a proposal.

In the absence of the overall strategy plan that is needed for the area, industrial development has been occurring by increment. Members may recall that a similar metropolitan region scheme disallowance motion with respect to some lots on the waterfront at Henderson was debated in this place last year. Unfortunately, on that occasion the Australian Labor Party mistakenly gave the impression of support for the local community by voting in favour of the disallowance motion. That was not the case. I will not deal with the way in which the community was misinformed about the ALP's position. However, hopefully on this occasion the ALP will listen to the arguments and the responses and err on the side of caution before supporting this development.

If this disallowance motion receives support tonight, it will not cripple the project but only delay it. However, if it is later decided that the project should proceed, the Minister for Planning will not have to go through the full MRS amendment process that occurred on the first occasion. Therefore, it would not be as lengthy. Under the Act, those options are available to the Minister for Planning. By supporting a delay, there would be more time to scrutinise the figures that have been put forward by people from the Department of Commerce and Trade and the Government. I was pleased to hear Hon John Cowdell ask for a series of assurances. If those assurances cannot be given, the Government's proposal for the development of Jervoise Bay to proceed at this stage cannot be supported.

I have stated clearly the concerns of the Australian Democrats on this issue. We are not necessarily anti-development. However, we are opposed to developments which have not undergone appropriate impact assessments and which would have severe negative impacts on the environment. We are still awaiting the Fremantle Rockingham Industrial Area Regional Strategy report, which is two years late. That is probably a good reason to support this disallowance motion. If the Government can afford to delay such a strategy by two years and at the same time be fast-tracking this Jervoise Bay development proposal through DOCAT, that is of serious concern. If the development is so important to this State, the

Government should ensure that the FRIARS report is expedited so that it will be in the public arena before MRS disallowance motions such as this are debated. The Jervoise Bay infrastructure development has a high risk attached to it. It will be the taxpayers of not only Western Australia, but Australia, who will bear the cost. That is why it is imperative that this proposal be subject to a tougher form of scrutiny.

I support Hon Jim Scott's proposal that a parliamentary committee should scrutinise this matter. Strong arguments exist for supporting the disallowance motion. Although I appreciate the possible impact on jobs, those impacts have not been clearly stated by the Government. It is imperative that before the commitment of such funds, the Parliament should scrutinise that which is being put forward by the Government. For those reasons, the Democrats will support the disallowance motion.

HON MARK NEVILL (Mining and Pastoral) [10.07 pm]: I have been aware of this Jervoise Bay project for probably eight or nine years. It was originally put forward by the Labor Party in the early 1990s. I remember that the Keating Government made a commitment of about \$60m to this project. That was at a time when the Labor Party was in government in this State and had the strong support of the Premier of the day, Carmen Lawrence, the member for Fremantle. I have been surprised to see her position on this project in recent months.

My view has not changed. This project seemed to be delayed around the time the Howard Government was elected. It was one of the funding commitments that disappeared into the rhetoric of the black hole. Now it has been resurrected under this federation fund. It is now back with us, and I am pleased to see this facility being built in Western Australia.

Any development has an impact on the environment. Every square metre of Western Australia is unique and precious. I would like all of it to be preserved. However, whenever somebody decides to do something, it has an effect. Wherever that project is built along the coast, there will be some environmental costs. Hon Jim Scott said that it should be built up north. However, I am sure there would be problems in finding a site up north. Without doubt there are some environmental costs in building the project at the Jervoise Bay site. About 10.5 hectares of the Beeliar Regional Park will be excised for this project, and about a third of the limestone cliffs in that area will be lost. About 1 800 metres of those limestone cliffs, which are basically a wave-cut platform, will remain. The people in the South Metropolitan Region are reasonably well-served by parks. The Woodman Point park comprises in the vicinity of 200 hectares. It is a popular park. It takes in parts of the old munitions reserve and has a number of community facilities. As I understand it, it stays the same. It is affected by barging the limestone from the dredging operation where it is piped to Cockburn Cement Ltd. I hope that process stops as soon as possible because the goldfields can supply Cockburn Cement with as much limestone as it can use. I know a lot of thought has been given by Loongana Lime Pty Ltd to railing the limestone to Cockburn Cement. The sooner that happens the better for Cockburn Sound because I suspect the dredging is having a much more adverse impact than this project will.

The area is also served by the Beeliar Regional Park, which comprises about 1 500 ha. Here we are removing 10 ha from this park, albeit it is a very important part of the reserve on the coast. One of the negotiated trade-offs for that excision is that the Department of Commerce and Trade must give the Department of Conservation and Land Management about \$2m to spend on upgrading the parks, and to put in boardwalks and viewing platforms. I do not know whether that has been resolved. All around the State there is a desperate need to have money spent in regional parks, and the \$2m being spent in this area is quite significant. It also involves the realignment of the coast road behind the hills on the east side of the road. On my understanding, that will give better protection to the wetlands at the back of those hills. The area is well-served by reserves, but this project will have an impact there.

What are the pluses of this project? It is important that we have a project such as this in Western Australia. We cannot build it in the Geraldton area because all those coastal areas are too precious. The Greens (WA) have already rejected the area to the north of Geraldton for the Kingstream project. I hazard a guess that we would have the same problems in the Pilbara with unique mangrove swamps, native title issues in the intertidal zone, and so on. We have the choice of saying that we do not want the work, that we will let it go to Singapore, or Korea, or offshore. Last year the *Griffin Venture* was in Fremantle harbour to be refitted, as a result of which about \$20m was spent locally. The Tradewinds Hotel was booked out for about three months, and many other companies got work as a result of that work. It added significant benefits to the Fremantle economy.

Jobs are important. Most of those who have not had jobs for a long time probably end up in jail. Unless we can dream up something better and provide people with jobs, we will have more problems. It is also important for people to have jobs close to where they live. We have this not-in-my-back-yard mind-set these days, that something should always be built in the backyard of someone else. These facilities at Henderson and Jervoise Bay will be used for clean industries. I am not aware of any pollution or contamination going into the ocean in Cockburn Sound from the shiplifting facility, which has been going for some time. We must remember that analytical techniques in the past 10 to 15 years have gone from picking up parts per million to parts per trillion. In any analysis of sediment along the coast, we will find concentrations of toxic compounds in infinitesimal amounts which are not a significant threat to humans and the environment. Of course, we must minimise them or eliminate them where we can.

From my examination of the information, the industries to be built there will be clean industries. They can be alongside the areas in which people will be involved in recreation, be it on or under the water. There will be significant rehabilitation

protection of those environmental areas, particularly on the land. There are problems with the sound. I am aware of the paucity of seagrasses there. That area requires a lot of work. When I was at university studying geology in the early 1970s, Vic Semeniuk was a PhD student doing research on Cockburn Sound. I cannot remember the details of his work, but I can remember his giving us talks, which PhD students did, about some very startling and interesting findings on the effects of industry on Cockburn Sound, on molluscs and things like that. We must manage the sound and put the research, money and effort into it. No problem is insurmountable. It requires the focus, the funds and the determination to overcome it. Most of those things can be sorted out.

There has been a lot of talk about the contracts that might, or might not, come to this Jervoise Bay facility. There is a small probability that we could build it and not get any contracts. We do not know whether we will be awarded a contract until it is let. The contract must be won, typically against bids from other people.

Hon J.A. Scott interjected.

Hon MARK NEVILL: Earlier the member spoke about a downturn in the petroleum industry. This is a good time to be building a facility such as this. There is less demand on the civil engineering services around the State and we will get a good deal for what we are doing. If the mining industry is booming, there are fewer people to do the job and prices go up. That may well be a benefit.

Hon Peter Foss: It is a well-known statement that if you can afford the money, the best time to build something is in a downturn.

Hon MARK NEVILL: Sometimes we make mistakes. I thought Mt Isa Mines and Selcast organisations were very brave when they built the Agnew nickel mine in the late 1970s or early 1980s. They built it at the bottom of a downturn. I thought they were smart operators. It turned out that with the price of nickel - there were other problems with that mine - they lost money for 10 years and eventually sold it and bailed out. Some of these decisions can turn out to be wrong even when projects are built at the bottom of the economic cycle. There is nothing infallible about those decisions. I do not think we can say that this facility at Jervoise Bay will get these contracts from the Gorgon project, the North West Shelf and, in 20 years, from the Browse Basin. We must take a risk and put the infrastructure in place so that we can capitalise on it.

Hon J.A. Scott: Is the industry supposed to be taking that risk?

Hon MARK NEVILL: I do not think we will find industry developing something like that by itself. I believe the Government should give some assistance in these areas. Many people will benefit from this facility, both in its construction and the ongoing work. We need only look at the success of Henderson. Even there, some companies have gone into receivership while others are doing very well. It is cyclical.

Hon J.A. Scott: It will be subsidised.

Hon MARK NEVILL: It may be, but it is a great industry. I suppose an argument can be put forward that just about every industry in Australia is subsidised.

Hon Jim Scott said earlier that government money should build a project in the north west. At the same time, the Greens (WA) and others argue that there should not be any cut in the diesel fuel excise. That means that businesses in the north west must pay a high price for diesel, which increases their freight costs and makes them uncompetitive.

Hon J.A. Scott: They should not be using diesel; they should be using trucks using natural gas.

Hon MARK NEVILL: That may be possible. However, I can remember 10 years ago when the environmental movement was saying we should not use gas for generating power. That argument has been turned on its head. The environmental movement said that should be used for petrochemical feedstock and transport because we would run out of liquid fuels. In the 1960s the Club of Rome forecast that we would run out of energy by 1972. It has never been in greater supply or cheaper than it is now. It is the same with every other mineral; the real value is dropping. We cannot expect the mining and petroleum industries in this State to subsidise our standard of living.

The PRESIDENT: Order! I raised with Hon Jim Scott the problem of a discourse on the oil situation around the world. Those comments equally apply to Hon Mark Nevill. We are dealing with the amendment.

Hon MARK NEVILL: I said earlier that jobs are absolutely important. These sorts of projects are important to attract work that is going overseas back to Western Australia. We are still running a horrific current account deficit. The last one was a record, although that did not seem to bother anyone. We need to train more apprentices, and we need to develop those skills that we do not have. A nickel laterite project in the goldfields recently imported \$13m worth of stainless steel valves from Italy. I am sure those valves could be made here. However, we must start with joint ventures and work our way up. Over recent years companies like Transfield Pty Ltd and United Construction Pty Ltd have developed expertise in the oil industry. They had a major involvement in the *Griffin Venture* refit. If I recall correctly, United Construction won a contract for some of the Laminaria oilfield modules. The modules were constructed in parts at Kwinana. The parts were trucked

to North Quay, and the company spent a further nine months on their assembly and construction. When they had been constructed they were shipped to Singapore for installation on the floating platform. If Jervoise Bay were operating now they could be constructed on site, which would reduce their costs dramatically. It means that the companies could compete in tenders more competitively with overseas operations.

I do not particularly mind where this facility is built. It is up to people like Hon Jim Scott to nail down an alternative site. He referred to better designs. What are those better designs? If I knew of a better design I would tell the Government; I would hold up a mud map of that design in this Parliament and I would suggest other areas around the State where this facility could go.

As much as I dislike to say it, it would be difficult to get a project like this to work in the north west of Western Australia. It is almost impossible to attract highly skilled tradesmen to the north of Western Australia. I do not know whether we could get the required labour in the north west. I think we would end up flying in and flying out that labour. I suspect that is the reality while we have a fringe benefits tax on a lot of the benefits that people receive in the north. The only two places we would be able to build something like that is probably around Geraldton, which is unacceptable to the Greens, and around Perth. If there is a better site than Jervoise Bay it is up to Hon Jim Scott to suggest that.

Hon Norm Kelly: Oakajee is going to be built anyway. Surely that should be given further consideration?

Hon MARK NEVILL: I do not know what the Democrats' position is on Oakajee, but I thought the Greens wanted it shifted 80 kilometres inland. There will always be an environmental cost to development. We must minimise that cost. It might mean relocating the development from Jervoise Bay to somewhere else, although I have not heard of any other suggestions for a compelling alternative. This project has been around for seven or eight years, and there has been a long-term commitment to it. In those seven or eight years I have not heard of an alternative area that could reasonably be used.

I was disappointed by the speech made by Hon Jim Scott tonight. It was unfocused. He said that we should not spend government money on the Jervoise Bay facility, which is a private facility. He then said that we should be spending the taxpayers' money in the Pilbara on such a facility. He said we should be populating the Pilbara so that there is a big enough population to get its cost of living down. At the same time, Hon Jim Scott wants to keep diesel prices up, which will increase the cost of transport and keep up the cost of other things. I do not believe that the Democrats or the Greens have put up a persuasive argument.

There is a risk in building this project. It might take five or 10 years for it to be fully utilised. However, people throughout Western Australia are taking risks all the time. In Port Hedland the direct reduced iron process plant has taken a big risk with FINMET technology. It may lose money hand over fist; it may close one day. I would not wish that, but it has taken massive risks. In the nickel industry three lateritic ore bodies are being developed with completely new autoclave technology. They are experiencing problems with that technology and are working furiously to overcome them. One or two of those companies might go broke in the process, but they will overcome those problems. The people are determined to make a success of those plants and to overcome the problems. I believe that there will be problems with this project. However, with the right will and the right funding those problems can be overcome. These are clean industries and we should keep them clean. We will not have scrape and paint jobs at Cockburn Sound. That sort of work would never be economical in Western Australia.

If industry is built properly, aesthetically and screened with trees and the like, one can live and work in that environment. It does not need to be built way up in the backblocks with people having to travel vast distances. When fuel prices increase, as the Greens predict, people will not be able to afford to travel those distances. This will be a long-term project with long-term employment and will be of great benefit to many people in the region. The improvements to the environment, particularly the land, will be another benefit to the constituents of that area. I am less confident about the environmental solutions in the sound. However, we must conduct research and put money into ensuring that the sound is properly flushed so that some of the seagrass meadows can be regenerated. At the end of the day it may mean putting a tunnel under the gap between Garden Island and Rockingham Point. However, we have taken some risks with the Dawesville Channel.

Hon J.A. Scott: What about the compounding effect of all the sub-projects?

Hon MARK NEVILL: There is a compounding effect; however, we have the engineering and technical skills to overcome those problems. If we overstep the mark, we will have to start winding back some of the areas when industries become defunct, which is often the case. The BHP pig iron plant has been phased out. I do not know how long Western Mining's nickel refinery will be there, because the new lateritic deposits in the goldfields are producing refined nickel metal. They do not have to go to a smelter or refinery. There will be industries along the Kwinana strip that will become obsolete and, if there is too much pressure on the environment, those areas should be changed into parks or whatever. It can be managed.

Hon Greg Smith interjected.

Hon MARK NEVILL: They can be rehabilitated; I am not such a pessimist.

Mr President, this proposal has been on the drawing board for many years. It is a project worth supporting. The Labor Party's position on the project is clear and the Trades and Labor Council's position has been clear for a long time. This amendment should not be disallowed.

[Interruption from the gallery.]

The PRESIDENT: All members are very happy that members in the public gallery attend the debates. However, the standing orders provide that only the members on the floor of the House have an opportunity to speak; therefore, do not spoil it for everyone. Just listen and we can all have a peaceful night.

HON B.M. SCOTT (South Metropolitan) [10.32 pm]: We have heard some very good speeches this evening. There is no need for me to go into all of the details of the proposed Jervoise Bay development. I would like to put into perspective tonight the fact that I represent the South Metropolitan Region and there have been genuine concerns about this project. I have worked with a number of people. I acknowledge the work that they have done in that area and I recognise their concerns for the environment, particularly the water quality in Cockburn Sound. However, I was very interested to hear what the Labor Party has said tonight. It is almost putting a gun at our heads saying, "You can have this one development but nothing else." That is very interesting and it will be interesting also to see how the debate progresses.

The issue of whether the project will provide jobs in the region has been clearly enunciated by Hon Mark Nevill. There is no doubt in my mind that the provision of jobs is one of the major concerns for the region that I represent, but not at the cost of the environment. I want to make that clear in what I say tonight. Hon Mark Nevill alluded briefly to the need of young people for training, expertise and skills; we sadly lack that currently. The proposed marine industry technology park is one of the aspects of the development in which I have been particularly interested and one which I have worked on with the minister. This will be like the technology park at Bentley but will focus on a range of exciting marine industries for this State. As previous speakers have said, the area already has the successful shipbuilding industry, which is a clean industry and provides a large number of jobs. There has been a great need in the Fremantle area and the South Metropolitan Region generally for highly skilled people in a range of trades. Many of those people have had to leave this State to train. For instance, many marine engineers and architects have had to train in Tasmania. Therefore, we are considering the provision of facilities in a marine technology park for very good training right across the board.

I want to keep my brief remarks to the underlying aspect that the metropolitan region scheme amendment No 1001/33 proposes to modify the metropolitan region scheme by adjusting the road reserves at the junction of Russell and Cockburn Roads to facilitate the realignment of Cockburn Road into Russell Road and to provide east-west access to Stock Road; to extend the existing industrial zone westwards to include the existing coastal foreshore by 10.5 hectares in the southern portion of the Henderson industrial estate and to extend it into Cockburn Sound by 60 hectares; and to provide a new road reserve along the southern boundary of the Henderson industrial estate to provide a southern east-west link road around the estate.

In the past months that I have worked with community groups I have faced a dilemma in deciding whether this infrastructure project was the right way to go for Western Australia. However, we came into government on a promise of better management and more jobs and there is nothing more devastating to me than to have large numbers of unemployed young people in my electorate. Therefore, the prospect of an infrastructure project that will provide a large number of jobs is a big consideration. However, I understand also the serious concerns faced by people living in that region and the cumulative effect of the number of projects proposed for the region. I do know though that the water quality of Cockburn Sound is better now than it was 10 years ago. I would like to pick up on the remarks that Hon Mark Nevill made; that is, if we are to provide an infrastructure project to create training and jobs on land, we must find the money to ensure that the imposts are placed on government and agencies so that the environment is protected. I took a group of very concerned people to a meeting with the Minister for Commerce and Trade. At that meeting he made a commitment that a trust similar to the Swan River Trust will be established. I will monitor that closely because a Cockburn Sound trust would be one mechanism for ensuring that the concerns of the people in that area are met.

The Environmental Protection Authority assessed the proposal of the level of public environmental review and reported on the environmental impacts as follows -

The EPA advised that if the proposal was approved for implementation, that the Ministerial Statement should include conditions relating to:

- seagrass;
- water quality;
- a dredging and spoil management plan;
- a reserve replacement plan;
- a public access management plan; and
- a noise management plan.

The EPA's report did not say that the Jervoise Bay proposal was environmentally unacceptable. However, in providing

advice on the proposal that may assist in ensuring its overall environmental acceptability, the EPA stated that this could not be achieved by the proponent within the context of this project area. In other words, issues outside the project area that influence the water quality and the aspects I referred to earlier must be managed. It is in that context that Hon Mark Nevill has made a significant contribution to this debate in saying that as a Government and a State we must consider any major infrastructure project on balance, but ensure the brakes are in place.

We are all aware that the marine environment of Cockburn Sound has been subject to the huge pressure from development and the Government recognises the need for action to remediate past impacts. As a government member, I will ensure that the Government is very conscious of past impacts and that significant initiatives are put in place to preserve the seagrasses and improve the water quality.

Previous speakers referred to the 400 submissions received. I have looked closely at them and the report and it appears that the major concern is not so much the development of the infrastructure project on the land but the impact it will have on the water quality and recreational enjoyment of that area. I have used that area for a long time and I am very privileged to be able to represent it and the views of my many constituents. As I said, this issue has confronted me with a huge dilemma. I have researched it very well and I have assured my constituents that I will be concerned about the environmental impact.

When we first met with the Department of Commerce and Trade, I was very concerned that a 2.5 kilometre, U-shaped pier would be built. We all know the history of the impact of improper flushing of the sound and that such a pier would stop the natural flushing process. It has been decided that the pier will be separate from and parallel to the land pier. Local people also raised the issue of access to the local area by local fishermen. I have asked the Minister for Commerce and Trade to consider bridging the gap from the infrastructure land-based development to the pier so that fishermen can use it.

The other issue I have taken up in relation to the flushing of Cockburn Sound is that of bridging the causeway. Many members of this Chamber are aware that when the Navy took over Garden Island and built the causeway it was never intended that it be solid; in fact, the Navy wanted to bridge it. It was advised and pressured to do otherwise because there was a need to protect the proposed port in Mangles Bay. Many problems have arisen in the sound as a result.

I refer again to Hon Mark Nevill's words of wisdom; that is, that if this project is to go ahead, the Government must look at solutions that will guarantee for the people of the region not only jobs but also equal access to the sound, improved water quality and fishing and recreational access.

Algal blooms and seagrass health are critical factors. The algal bloom that appeared last summer near Woodman Point was a grave concern, and it did not disappear as quickly as people wanted. We now have the prospect of chemical plumes being caused by nutrients. The Department of Commerce and Trade has made a commitment that that issue will also be addressed. It has also made a commitment to remediate two plumes of nutrient-rich ground water entering the northern harbour of Jervoise Bay.

People in that region want a better marine environment. However, they are looking for a Government that can be believed in saying that it will respect the critical environmental issues so that their access will not be impeded. The proponent's commitment, which is part of the legally binding conditions of the environmental approval, requires the proponent to prepare and implement a ground water recovery plan that includes intervention in the flow of ground water into the northern harbour, denitrification of the diverted ground water and disposal of the denitrified ground water. The ground water recovery plan will be prepared in consultation with government agencies, including the Water Corporation, the Department of Environmental Protection and the Water and Rivers Commission.

It has been a struggle for me to accept the dilemma facing me as the local representative in trying to represent my constituents and their concerns and balance that with what is best for Western Australia. I have come to the conclusion that all of these problems are not necessarily caused by, for instance, the shipbuilding in Henderson and will not be added to by this project so long as we put the environmental brakes on it. I will continually lobby the Minister for Commerce and Trade and other ministers. I hope this project is successful because it will provide jobs in the long run, and we need that. I am concerned about the cumulative effects of a number of other developments in Cockburn Sound. However, this project should provide jobs. If we can be assured that the proper instruments are established and that money is provided to protect the sound, I will be more than happy.

Many people in the region have been unsure about their future land use. Any Government needs to make decisions, to make them public and to get on with the job so that people know where they stand. I look forward to the announcements in the Fremantle Rockingham Industry Area Regional Strategy report, which has brought together a range of different reports. We have been faced with report after report, and one report must await another report. Hopefully FRIARS will bring it all together and it will not be all bad news for the local residents. In the long term, balanced development and job creation should be the aim, but at the same time we should preserve the environment of Cockburn Sound and maintain access to as many beaches as possible for the people of the region. We should also guarantee that the crabs and fish that people catch are edible now and into the future not just for my children and their children but also for their grandchildren.

HON TOM HELM (Mining and Pastoral) [10.48 pm]: With all due respect to the Greens (WA) and Australian Democrats, I urge the House not to support this disallowance motion. As members know, I come from a city that had a river that was so polluted it spontaneously combusted! Fish were discovered again only recently in the Mersey River. One does not need to go to Liverpool to ask whether people would prefer a pristine river or jobs. As soon as the shipbuilding and associated industries left Liverpool, the water was clean again. The people of Liverpool can now go fishing, but that is all they can do - there are very few jobs in Liverpool. One of the successful shipbuilding facilities at Merseyside will make a bid to come to Jervoise Bay because, like everyone else, it has learnt how to do its job cleaner and better.

It is a shame that we must debate this matter when we have before us the spectre of 800 or 900 people in the Pilbara and Kambalda losing their jobs and the spectre of the downturn in the resource industry and its effect on us. I would prefer the Government to support the resources industry to retain jobs, but of course that will not be the case. Governments of all persuasions beat their chests and say how wonderful they are at providing employment when the resource sector is booming, but when it suffers a downturn it is back to the old routine - that is, sacking, purging and not paying regard to people's lives.

Earlier Hon Jim Scott told us that shipbuilding or ship-repairing facilities are better suited to places like Dubai, Singapore and Korea. If Hon Jim Scott did not say that, I certainly would not misrepresent him. Nonetheless, I remind the House that Australia has fitters and boilermakers who must go to Singapore, Dubai and Taiwan to work in their trades. They are very good at their trades but in order to make a living they must go overseas to do what they should be doing here.

Hon J.A. Scott interjected.

Hon TOM HELM: We can talk about the north; I would not argue too much with that, but we have seen what happened with the FPA plant. It employed many people and it was a capital-intensive construction, but did it increase the population of Hedland and for how long? Hon Jim Scott knows that we are unable to convince any Government that it is a good idea to try to populate our most isolated areas.

Hon Peter Foss: "Federal Government" is the appropriate term.

Hon TOM HELM: No Government has played a good role. I am not critical only of the present State Government.

Hon Peter Foss interjected.

Hon TOM HELM: If we are to talk about Sir Charles Court, who should be recognised for helping to put together Karratha - iron ore played a big role, too - we must consider the Government's cuts in education, health, the patient assisted travel scheme and all the other things that make living in the north west somewhat tolerable.

Hon Barry House: Where are the cuts in education?

Hon TOM HELM: Does Hon Barry House not read the newspaper?

The PRESIDENT: Order!

Hon TOM HELM: We have problems in the bush.

The PRESIDENT: Order! I am interested in knowing whether Hon Tom Helm supports or rejects the motion. I do not need an industrial relations dissertation.

Hon TOM HELM: You are right, Mr President. You just have to keep other members a little quieter and I will be okay then.

The PRESIDENT: I will do that if Hon Tom Helm sticks to the motion.

Hon TOM HELM: The Australian Labor Party has not been particularly flash in that regard either, so let us not say what a wonderful job it is doing. The loss of jobs in Kambalda is significant when the Minister for Mines upholds the non-forfeiture of leases in the goldfields, where thousands of leases have been tied up and people cannot work on them. Prospectors cannot do their jobs. It brings us to one conclusion: Nobody denies that there will be problems with Cockburn Sound and with the Jervoise Bay proposal. Hon Barbara Scott stated how we should lobby the Government, but perhaps a better assurance could come through me from the Australian Manufacturing Workers Union: Commitments have been received by the union on a wide range of matters, not only enterprise bargaining agreements, a different way of looking at industrial relations in terms of wages and conditions, continuity of supply and so on but also environmental issues that people have brought to the attention of the general public and Parliament. Those environmental matters will be looked after by my union because it is well aware of how people make commitments in regard to certain facilities but do not mean them and do not carry them out. The assurances for which Hon John Cowdell asked for on behalf of the Labor Party will be delivered because we have union involvement.

Members have spoken about jobs but we have been shown no figures, so I shall put together some numbers for the benefit of the House. In 1997 a floating production storage and offloading vessel came to Cockburn for an ordinary maintenance

job. That one vessel directly created 500 jobs. The eight modules for the Laminaria project directly created 700 jobs. That is what happens when such a facility is in place. That is the very minimum of what it can do. We must not forget that FPSOs are getting a bit old, so they will need more maintenance. Also, changes in technology suggest that new modules will be required on the decks of those vessels. We have the technology, the ability, the workers, the engineers and the architects who are required to do that.

Hon J.A. Scott: When did that happen?

Hon TOM HELM: That was in June 1997. In Jervoise Bay at the moment we have only part of the small monopad job which has directly created 150 jobs. Australia had no capacity to bid for the Rankin A or Goodwyn A piles or legs because those platforms were too big for the facilities that we were able to supply. At a conservative estimate, Australia received only \$100m of work out of a \$1.5b project on the Laminaria job. It is just crazy. We cannot continue having our resources exploited. This is the opportunity that we have been looking for. People are right to say that given the downturn, it is now the time to invest. I will refer to that matter later, because I know somebody who wants to invest, and invest big-style.

I am advised that the Jervoise Bay project must be created now, while oil and gas companies are having their projects put on hold. That will not mean that gas and oil will disappear. The resources will always be there and they will be needed. We know that and this matter must be addressed if we are to take any part in these projects - that is, not giving investors billions of dollars to invest offshore or allow multi-national companies to make a killing on the stock market, but providing jobs now to people who need them and thereafter providing work for their children. Why should people need to fly in and fly out? Why should development companies reduce the number of apprentices whom they are hiring? Why can we not take the opportunity to put together a training program and to provide jobs for people who need them? If we do not do that now we will not be able to bid for the \$26b of work on platforms, FPSOs, monopads and the pipeline facilities that will be required in the next 15 years. FPSOs, monopads and so on, while they are producing oil and gas, need to be maintained and renewed.

I believe this to be true because, living in the Pilbara, I know how things are priced and how they work out. I am also advised that it would be stretching a long bow to say that we can put such a facility in Geraldton. The Geraldton port area is not appropriate because of its wave and tidal conditions. Jervoise Bay is the only suitable site. It has a huge hard stand, Austal Ships Pty Ltd and associated businesses. It makes a whole heap of sense for the harbour to be there. To go anywhere else is like asking Transfield Pty Ltd to build its facility somewhere else. It would simply be adding to the costs.

We must put a facility together which will be attractive to businesses and will employ our people. Those people who are losing their jobs in the north of the State and in Kambalda all live in this area. This is where the unemployment pools are and where people have settled. We need no longer put the people where the jobs are; we can put the jobs where the people are. It is a different ball game now because we are almost in the twenty-first century. Although I hope I will not lose the friendship and respect of Hon Jim Scott, the Greens (WA) and the Australian Democrats who are taking an opposing view to mine, I hope they see my position in the sense that there is no way I could go to a workshop and talk to my comrades in the trade union movement and say that I supported a disallowance motion and let slip from our grasp an opportunity that does not present itself very often. They should sit in my position or walk in my shoes and see how that news would go down in those workshops in the Kwinana strip and those construction sites in the north of the State that are closing down quite rapidly.

I had the good fortune to catch up with a friend of mine who was from the United Kingdom. He was on the *Arcadia* doing a world tour and is semi-retired. I think he is the second largest shareholder in a company called Cammell Laird Holdings Plc.

Hon Peter Foss: It is a very well-known company.

Hon TOM HELM: It is now a public company. Margaret Thatcher bought it for a pound and closed it down. My friend opened it up again. This group of companies has been floated on the stock exchange for about 18 months now. I used to work for Cammell Laird in the sixties. It has opened up a shipyard on the Tyne and another on the Clyde. I understand that in February it bought the Gibraltar shipyards. I am advised that it has something like £400m in its back pocket. It is willing to put in an expression of interest for the development of Jervoise Bay. I reassure members that I am not talking pie in the sky. This group of companies is prepared to come in on the terms of reference that have been proposed for up to the year 2005 or 2010, except it wants to do it now. It has done its homework and reckons that Australia can compete one on one with Singapore, Dubai, Korea, Taiwan or anywhere else for that matter. As Hon Mark Nevill has told us, we must be a bit adventurous and take the chance. This group of companies is prepared to take the chance. It has done its homework. It says that if a dry dock of 250 metres can be built at the same time as the site is developed, 1 200 jobs will be created almost immediately in the construction phase.

It is a company that does ship repair work and other associated work. It constructed some oil rigs and gas platforms using innovative ideas which have proved successful. We have been talking to Hon Hendy Cowan, the Minister for Commerce and Trade. He said those concepts are not impossible to achieve. This group of companies will spend a lot more than either

the State or the Federal Government will spend. It has done the research and the work. The jobs are there for us to have. The Australian Manufacturing Workers Union says that it will put together a greenfield-site agreement which will meet most of the complaints of people who have been surveyed about using this site. There will be continuity of supply and so on. All those things that are in place take us down the track of saying that the union movement has done its bit. We will get \$60m, \$80m or \$100m from the State Government for infrastructure and \$80m from the Federal Government. My advice is that that is all this company would need for it to put in its money, which is substantially more than that. If this disallowance were to continue, it would take that offer away.

The development cannot happen, as the Government has suggested, in the year 2005 or 2010; it must happen now when we have the workers and the downturn in the industry so that machinery can be temporarily stood down while it is repaired or maintained. All those things must happen, and happen now. As to the damage to the environment, we have heard what Hon John Cowdell has said on behalf of the Labor Party, what the Trades and Labor Council has said and what my union has said about making sure that all those assurances, all those safety measures and all that remedial work that has been promised, take place. I am sure that if they do take place, we will not have the pristine bay that we have now but we will have something close to it. However, we will have jobs for our children and the families in the Western Australia and the ability to get downstream processing from the resources that are available to us.

Debate adjourned, on motion by Hon Peter Foss (Attorney General).

ADJOURNMENT OF THE HOUSE

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [11.07 pm]: I move -

That the House do now adjourn.

Mr Darryl Duke - Adjournment Debate

HON TOM HELM (Mining and Pastoral) [11.07 pm]: Members will have heard me talk on occasions in this place about a constituent of mine called Mr Darryl Duke who came to me with concerns about contempt of court proceedings which were taking place in regard to a matter before the Magistrate's Court in Kalgoorlie. Mr Duke received a letter from Mr R. M. Lane, who is superintendent of the police internal investigations unit. In part, he responds to a letter which Mr Duke sent him with four matters contained in it. The superintendent set them out. He wrote -

Your letter of complaint alleges that:

- (1) You were offered indemnity, if you were able to provide certain information against co-offenders.
- (2) A member of the Gold Stealing Detection Unit divulged your past criminal convictions to your employer, resulting in your access being denied for entry onto Mariners Decline mine site.
- (3) A police photograph of you was utilised during a GWN news segment on gold stealing inquiry.
- (4) The subsequent release of the photograph and a report in the local newspaper was a contempt of court.

The superintendent also wrote that the first allegation was not able to be proved. On the second issue in which somebody from the gold stealing detection unit told Mr Bruce Heron at Byrnes Mining, Kalgoorlie, of the criminal conviction of Mr Duke, the superintendent wrote -

Although it is evident that the phone call was in fact made, no evidence is available to attribute the making of the call to any particular officer whether attached to GSDU, general duties or any other unit.

He goes onto say -

Although it is evident that the phone call was in fact made, no evidence is available to attribute the making of the call to any particular officer whether attached to GSDU, general duties or any other unit.

Although he agrees that a telephone call was made, he claims that he was unable to get the evidence together to say from whom it was made. One would not think he made the telephone call himself. To continue -

The officer concedes that he was in error in allowing the camera person to take footage of the lockup photographs of yourself and one other without ensuring that only an upper torso frame was visible.

He says further on -

... however, the indiscretion is deserving of disciplinary action and it has been recommended that he be dealt with internally as breach of discipline under the provisions of the Police Force Regulations.

The fourth issue refers to the release of the photograph and subsequent airing of the segment by GWN containing same shortly after your arrest and charging and whilst court proceedings were in train was thought in some circles to be contempt of court.

The legal opinion obtained from Legal Services Unit inferred that the action came within the ambit of contempt of court under a civil action brought before the Supreme Court and felt that the matter could be directed to the DPP for a decision, however, it was doubted that under the DPP guidelines for prosecuting the matter would proceed in the public interest. I do not propose to forward the file to the DPP for a direction as to a prosecution.

The police investigation into your complaint has been completed and forwarded to the State Ombudsman for assessment. If you are not satisfied with the result of the inquiry or wish to raise matters which you believe may not have been taken into account, you may contact the Ombudsman . . .

I bring this to the attention of the House because we have what we think are two safeguards in relation to a group of people with real power. However, that real power is held in check largely by the Director of Public Prosecutions and the police internal investigations unit.

I received a copy of the front page of the *Kalgoorlie Miner* containing the headline "Detectives 'let down' by senior Fields police". It heads a story of a detective who said that some heavy-handed business had taken place in the gold stealing unit and nobody had bothered to investigate the matter. I have written to the inspector of the internal investigations unit to say that at the very least he should have agreed that contempt had taken place. Surely in the light of the fact that after 17 years as a miner Mr Duke lost his job and for a number of years has been unable to find work, at least in the first instance an apology is warranted. The Ombudsman does not instil much faith in people; nonetheless, that is not my issue.

My point is that we should understand the meaning of the actions of some of these people. I am obliged to use Parliament to bring these issues to people's attention hoping that the next person who goes down that track will not be treated in the same way.

Question put and passed.

House adjourned at 11.12 pm

QUESTIONS ON NOTICE

Answers to questions are as supplied by the relevant Minister's office.

FORESTRY EMPLOYMENT STATISTICS

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

- (1) In the South West Region how many timber mills have opened since 1987?
- (2) In the South West Region how many timber mills have closed since 1987?
- (3) According to the Comprehensive Regional Assessment, 20 000 people are dependant on the timber industry for employment -
 - (a) how many are directly employed in the State forest harvesting and milling processes; and
 - (b) where in the timber industry are the others employed and how many in each category?
- (4) How many were employed in State forest harvesting and milling processes in 1987?

Hon MAX EVANS replied:

- (1)-(2) Statistics available to the Government on timber mills have been gained by a requirement of the owner of a sawmill only to operate it if it is registered in accordance with Regulations under the Timber Industry Regulation Act 1926-1969 (TIR Act). The regulations require that application for registration of a sawmill be made to the "controlling officer" appointed under the TIR Act. The Minister for the Environment was responsible for the administration of the TIR Act until October 1990 when responsibility was transferred to the Minister for Productivity and Labour Relations. CALM, as a service to WorkSafe, continued to maintain a pre-existing system to ensure mills were registered until December 1997 when the function was resumed by WorkSafe. The information required to be supplied by a sawmill owner when registering a mill consists of the name and location of the mill and the number of persons proposed to be employed during the year at the mill. The information does not indicate which or when mills may have closed during a particular period.
- (3) (a)-(b) The figure of 20 000 people employed directly and indirectly in timber production and timber-using industries in Western Australia is outlined in Section 3.3 of the paper "Towards a Regional Forest Agreement for the South West Forest Region of Western Australia.
- (4) The only known record of employment available for 1987 is found in the CALM Annual Reports for the financial years 1986/87 and 1987/88. I seek leave to table copies of the relevant pages. The records show the number of mills on Crown land or private property. However, the numbers of employees are not differentiated into Crown land or private property. [See paper No 878.]

GOVERNMENT DEPARTMENTS AND AGENCIES - CREDIT CARD MONITORING

441. Hon LJILJANNA RAVLICH to the Minister for Transport:

- (1) What monitoring is done by his departments and agencies to identify any inappropriate use of corporate credit cards?
- (2) What policies have been implemented to address instances of inappropriate use?
- (3) Has there been any inappropriate use of corporate credit cards within the Minister's departments and agencies?
- (4) Will the Minister provide details and advise what action was taken in these instances?

Hon M.J. CRIDDLE replied:

- (1) All purchases are supported with documentary evidence and a process is in place to ensure that they are authenticated. This activity is also subject to independent internal audit review.
- (2) Policies contained within the Criminal Code 1993, Public Sector Management Act 1994 and Anti-Corruption Commission Act 1988, and internal policies and procedures manuals.
- (3) I am advised there has been one incident.

- (4) The incident has been reported to the Police and Anti-Corruption Commissioner and the officer concerned has made restitution and his resignation was accepted.

POLLUTION MONITORING

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

- (1) What has been the Department of Environmental Protection's ("DEP") budget for monitoring industrial pollution in each of the years 1993 to 1998?
- (2) How many staff in the DEP have been engaged in monitoring industrial pollution in each of the years 1993 to 1998?
- (3) How many pollution monitoring sites have there been in the State in each of the years 1993 to 1998?
- (4) How many industries are monitored?
- (5) Has the DEP carried out any epidemiological studies on the impacts on people's health from smog pollution?
- (6) If not, why not?
- (7) If yes, will the Minister for the Environment table the results?

Hon MAX EVANS replied:

- (1)-(3) The Department of Environmental Protection (DEP) has been monitoring ambient air for sulphur dioxide since 1978 and a range of other common pollutants (ozone, nitrogen dioxide, particles, lead and carbon monoxide) since 1989. The DEP operating and capital budgets for ambient air monitoring for the financial years since 1993/4 is shown in the table below as is the number of DEP staff employed on air monitoring during the years 1993 to 1998.

Year	Operating Budget (\$)	Capital Budget	Staffing level	DEP Monitoring Sites
93/94	73 000	136 000	8	12
94/95	73 000	42 000	8	14
95/96	75 000	392 000	6	10
96/97	105 000	726 000	6	12
97/98	88 000	479 000	6	12
98/99	80 000	448 000	6	13

There is currently a total of 37 ambient air monitoring stations in Western Australia. Of these, the Department of Environmental Protection operates 13 and the rest are operated by industry. Eight of the industry monitoring stations are for fluoride only.

Of the 13 monitoring stations operated by DEP, there are 10 in the Greater Perth area, including three in the Kwinana area. There is one monitoring station each in Bunbury and Busselton, and Dampier in the Pilbara region. The attached document provides maps (figures 1 to 4) which show the locations of all the air monitors mentioned above, and a table (Table 1) which sets out the air quality parameters monitored at each site. [See paper No 879.]

- (4) In the Kwinana area, the impacts of eight industries on ambient air are monitored. Impacts of emissions from three industries are monitored in Kalgoorlie and from three brick production facilities in the Swan Valley. Impacts from two power stations are monitored in the Southwest Region.
- (5) The Government's response to the Select Committee on Perth's Air Quality supported the recommendation that, as part of the development of the Air Quality Management Plan, research into health effects of air pollutants be conducted. An expert Health Research Group has been formed with the participation of DEP, the Health Department of WA and health experts from the universities. This group is developing a protocol for epidemiological investigations to be undertaken commencing in the new year. To date, therefore, no epidemiological studies have been undertaken on the health impacts of photochemical smog in WA.
- (6) The Government has not previously conducted health research of this type because investigations into health effects from air pollutants have been conducted interstate (eg Sydney) and overseas (eg the US).
- (7) Not applicable.

CABLE SANDS (WA), JANGARDUP MINERAL SANDS MINE

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

Further to question on notice 409 of October 15, 1998-

- (1) Will the Minister for the Environment table the audit programme of the Ministerial Conditions and Proponent Commitments which the Department of Environmental Protection/Environmental Protection Authority (DEP/EPA) prepared for Cable Sands' (WA) Jangardup mineral sands mine?
- (2) Will the Minister table Statements 103 and 455 which provide conditions applying to Cable Sands' (WA) Jangardup mining operations?
- (3) Does the EPA's report and recommendations on the Heavy Minerals Mine at Jangardup, Bulletin 422 of January 1990 contain Appendix D, Summary of proponents' additional commitments?
- (4) Does number A4 state, "The contribution of funds to encourage the establishment of extra houses in Nannup"?
- (5) Why does a proponent commitment written in this EPA report not need to be audited by the DEP or the EPA?
- (6) If auditing this commitment is not the responsibility of the DEP or EPA, whose responsibility is it?

Hon MAX EVANS replied:

- (1)-(2) I seek leave to table the Department of Environmental Protection's audit tables for Statements 103 and 455. [See paper No 880.]
- (3)-(4) Yes.
- (5) Where there is an environmental basis for the proponent's commitments, the Department of Environmental Protection (DEP) will audit the commitments. However, the DEP does not consider that commitment A4 is an environmental commitment requiring audit by the DEP.
- (6) The Honourable Member should contact the proponent, Cable Sands, as to the outcome of commitment A4 of Appendix D, Bulletin 422.

BP GARAGE SITE, GUILDFORD

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

I refer to the recent remediation of the BP garage site in Guildford -

- (1) To what location has the excavated material from the BP garage site been taken?
- (2) Is this location a registered waste disposal site?
- (3) Are any residential properties located within 100m of this disposal site?
- (4) Will the Minister for the Environment table all results taken from the excavated material at the BP garage site?

Hon MAX EVANS replied:

- (1) The excavated soil from the former BP garage site in Guildford has been taken to the BP refinery in Kwinana.
- (2) The contaminated soil is not disposed of at the refinery, it undergoes bioremediation by landfarming to reduce the contaminant levels in the soil to acceptable residential standards. The remediated soil from the refinery is then taken to other BP service station sites and is used as clean backfill material where contaminated soil has been excavated. The DEP licence for the BP refinery covers their landfarming operation.
- (3) No.
- (4) I seek leave to table the relevant table of results from the "Environmental Site Closure Report, BP Guildford Service Station, Part I - On-site Remedial Activities". Arrangements can be made for the Member to view the complete report in the Department of Environmental Protection Library. Two samples were taken from the excavated material at the former BP garage site. These were denoted S22 and S23. As can be seen from the tabled documents, analysis of these samples only detected one Total Petroleum Hydrocarbon or BTEX (Benzene, Toluene, Ethyl-benzene, Xylene) result above detection limit. This was in the carbon chainlength range C15-C28 at 120 mg/kg, which is slightly above detection limit of 100 mg/kg, but well below acceptable residential criteria of 1000 mg/kg. [See paper No 881.]

WORLD SWIMMING CHAMPIONSHIPS, HATS CONTRACT

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

With regards to the hats awarded to medal winners at the 8th World Swimming Championships held in Perth in January 1998 -

- (1) Was a contract awarded for the provision of these hats?

- (2) If yes -
- (a) which company won the contract;
 - (b) on what date was the contract awarded;
 - (c) what was the cost of the contract;
 - (d) who made the decision to award the contract to the successful tenderer;
 - (e) how many other firms tendered for the contract; and
 - (f) if the contract was advertised, where and when was it advertised?
- (3) If not -
- (a) were the hats supplied as part of a sponsorship deal;
 - (b) which company was supplying the hats as sponsorship;
 - (c) how much was the sponsorship deal worth to the event;
 - (d) did the company commit any financial sponsorship, and if yes, how much;
 - (e) did any other companies approach the organisers with a view to a similar hat sponsorship deal; and
 - (f) who made the decision to enter this sponsorship arrangement?

Hon N.F. MOORE replied:

- (1) No.
- (2) Not applicable.
- (3)
- (a) Yes.
 - (b) Gosh Leather.
 - (c) Approximately \$120 000.
 - (d) Yes, \$50 000.
 - (e) Yes.
 - (f) News Limited in consultation with the 8th FINA World Championship Organising Committee.

RENAL DIALYSIS, KALGOORLIE

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

Further to question on notice 334 of 1998 -

- (1) How many patients currently receive renal dialysis treatment in Kalgoorlie?
- (2) How many are Aboriginal patients?

Hon MAX EVANS replied:

- (1) 16.
- (2) 14.

HEALTH, GOLDFIELDS

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

Further to the answer to question 334, part (4) of 1998 -

- (1) What was the normal town or community of residences of the 13 Goldfields patients?
- (2) What was the normal town or community of residences of the five North West patients?

Hon MAX EVANS replied:

- (1) The majority of renal dialysis patients in the Goldfields Health Zone are from Kalgoorlie, Leonora, Esperance and Wiluna.
- (2) The majority of renal dialysis patients in the North West Health Zone are from Derby, Kununurra, Fitzroy Crossing and Halls Creek.

DENTAL PRACTICES, INCORPORATION

1034. Hon N.D. GRIFFITHS to the Minister for Finance representing the Minister for Health:

- (1) Has consideration been given to permit dental practices to incorporate?
- (2) Has any decision been made with respect to the issue?
- (3) If so, what?

- (4) If not -
- (a) will the matter be considered; and
 - (b) what is the proposed time frame?

Hon MAX EVANS replied:

- (1) Yes.
- (2) No.
- (3) Not applicable.
- (4) (a) The matter is being considered as part of the review of Western Australian health practitioner legislation.
- (b) The review is under way and is scheduled to be completed by June 1999.

KUNUNURRA PROGRESS ASSOCIATION, LEASED LAND

1043. Hon TOM STEPHENS to the Minister for Finance representing the Minister for Lands:

- (1) Will the Minister for Lands give an undertaking to maintain the existing 12 month lease over land currently available to the Kununurra Progress Association and used for a picture garden while the Kununurra community explore options for the optimum future use of the leased land?
- (2) If not, why not?

Hon MAX EVANS replied:

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

LANDCORP, CANNINGVALE BUSINESS PARK LAND AUCTION

1090. Hon LJILJANNA RAVLICH to the Minister for Finance representing the Minister for Lands:

In relation to the eight lots at LandCorp's Canning Vale Business Park auctioned on November 5, 1998 -

- (1) For each lot, can the Minister for Lands state -
 - (a) the lot number;
 - (b) the auction sale price; and
 - (c) the name of the buyer?
- (2) Was each lot valued prior to auction?
- (3) If yes, what were the valuations of each lot, and on what date were they conducted?
- (4) Who conducted the land valuations?

Hon MAX EVANS replied:

(1)

(1)(a) LOT	(1)(b) SALE PRICE	(1)(c) PURCHASER	(3) AVERAGE VALUATION
101	Passed in	Nil	\$306,600
102	\$335,000	NAL Pty Ltd	\$298,000
103	\$400,000	Mandarine Pty Ltd	\$295,000
106	Passed in	Nil	\$255,625
126	\$240,000	Joneg Pty Ltd	\$253,000
128	\$552,500	C Zorzi & Co Pty Ltd	\$556,500
129	\$520,000	Marina Nominees Pty	\$515,750
132	Passed In	Nil	\$347,375

- (2) Yes.
- (3) See table above.
- Two valuations were conducted and received on 6 and 11 August 1998 respectively.
- (4) Valuations were conducted by:
- | | |
|-------------|-------------------------|
| K DiPrinzio | Ray White Valuers |
| R Richmond | Sullivan and Associates |

QUESTIONS WITHOUT NOTICE

ABORIGINAL COMMUNITIES, SWIMMING POOLS

936. Hon TOM STEPHENS to the minister representing the Minister for Aboriginal Affairs:

- (1) What funds does the State Government have allocated in this year's budget for the construction of swimming pools in remote Aboriginal communities?
- (2) How many remote Aboriginal communities has the Minister for Aboriginal Affairs encouraged to apply for state government funds for the provision of swimming pools to their community?
- (3) Does the minister intend to leave various remote communities with whom he met recently under the impression that they would have a guaranteed opportunity of participating in the swimming pool program and no prospect of applying for the allocation of funds under this program for use in any other essential community infrastructure?
- (4) Will the minister table in the Legislative Council today all available details that relate to the proposed swimming pools program?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question. The Minister for Aboriginal Affairs has provided the following response -

- (1) No funds have been allocated in this year's budget.
- (2) Seven Aboriginal communities and one school have been offered the opportunity to participate in the environmental health package, which includes the provision of swimming pools.
- (3) The program consists of a package of improvements to address the environmental health needs of Aboriginal communities. The communities can choose all or part of the package, but will not be able to transfer the funds to other infrastructure requirements that may be addressed under other programs.
- (4) The minister is unable to table details because the package is still being developed.

KALGOORLIE BUSH TWO-UP FACILITY

937. Hon TOM STEPHENS to the Minister for Racing and Gaming:

Some notice of this question has been given.

- (1) Has the minister received representations from the operators of the Kalgoorlie bush two-up facility regarding their recent loss of trade?
- (2) Is the minister aware that there is a risk that this game, important to the history of the goldfields and the tourism of the region, is at risk of folding?
- (3) Does the minister accept that this situation has been caused by other clubs in Kalgoorlie being granted licences to run two-up games?
- (4) What steps will the minister take to protect the viability of the Kalgoorlie bush two-up facility?

Hon MAX EVANS replied:

- (1)-(4) It must be a long time since the Leader of the Opposition has been in Kalgoorlie. This has been an issue for about

12 months. The member for Kalgoorlie approached me this afternoon about it. Suddenly someone has discovered the problem. The Government has taken up the issue with the local council. It is the town's industry that is at risk, but I cannot stir any interest on the part of the local council. Gaming is allowed in clubs when the profits go back to the membership, and that arrangement has expanded. However, no-one has requested that the number of games played in the town be reduced. The people running the bush two-up facility have not approached me about this issue, although I have had indirect approaches. I know the situation is getting worse, but the clubs must act; it is up to them.

MIRIUWUNG GAJERRONG DECISION, APPEAL

938. Hon N.D. GRIFFITHS to the Leader of the House representing the Premier:

- (1) What are the Government's legal costs incurred in the failed attempt to bypass the Full Bench of the Federal Court in the appeal against the Miriuwung Gajerrong decision?
- (2) Was the Premier or the Cabinet involved in the decision to seek leave to appeal directly to the High Court?
- (3) Who in the Commonwealth Government was consulted on this matter and by whom within the State Government?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) The Government has not attempted to bypass the Full Bench of the Federal Court. The Government, in conjunction with the Northern Territory Government, and with the support of the Commonwealth Government, sought to expedite the resolution of certain key legal issues by applying to the High Court for removal of those key legal issues into the High Court. The cost of the action is unknown at this stage because, although costs have been awarded against the applicants, they are yet to be settled.
- (2) Cabinet made the decision to appeal against Justice Lee's decision and to apply for the removal of certain key legal issues into the High Court for its decision upon them.
- (3) The federal Attorney General and lawyers representing the Commonwealth were consulted by the state Attorney General and lawyers representing the Government of Western Australia.

ILLEGAL LAND CLEARING

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

- (1) Does Agriculture Western Australia have a process whereby illegal land clearing can be detected?
- (2) If so, how much illegal clearing is occurring?
- (3) If so, how much money has been allocated to this process?
- (4) If so, what is the department's strategy to deal with this illegal clearing?
- (5) If not, what is the Government doing about illegal clearing?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1) Yes.
- (2) A number of cases have been inspected or are under ongoing inspection.
- (3) The costs are absorbed into the full range of departmental functions.
- (4) Agriculture Western Australia's prime aim when illegal land clearing has been reported is to have the land revegetated.

FREMANTLE ROCKINGHAM INDUSTRIAL AREA REGIONAL STRATEGY REPORT

940. Hon NORM KELLY to the Attorney General representing the Minister for Planning:

In reference to the Fremantle Rockingham Industrial Area Regional Strategy and the response to question without notice No 888 of 9 March -

- (1) Is the minister aware of the FRIARS discussion paper released in March 1997?

- (2) Is the minister aware that figure 1.2 of that paper states that a draft strategy would be released in mid 1997 and that a final strategy would be released in December 1997?
- (3) Based on this information, how can the minister state that it was always intended that the strategy would be released in the first half of 1999?
- (4) When did this change in the timetable occur?
- (5) Who instigated the change in the timetable?

Hon PETER FOSS replied:

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

PCCOPS AUTOMATIC PHONE UP SYSTEM

941. Hon MURIEL PATTERSON to the Attorney General representing the Minister for Police:

Some notice of this question has been given. Will the minister indicate whether the police stations in the south west have access to the PCCOPSTM automatic phone up system for dealing with local issues?

Hon PETER FOSS replied:

I thank the member for some notice of this question. The PCCOPS system presently operates within the boundaries of the metropolitan area, as outlined in the StreetSmart Perth 1998 street directory. Due to the boundaries of the StreetSmart Perth 1998 street directory, the PCCOPS system is not presently able to provide a service outside the metropolitan area. There are plans in the future to expand the system on a statewide and national basis. However, there is no indication, at this time, as to when this may occur.

SUBDIVISION SP 108488 AT 89-993 CHAPMAN/14 YORK AVENUE, LOT 888, BENTLEY

942. Hon CHERYL DAVENPORT to the Attorney General representing the Minister for Planning:

- (1) Will the minister inform the House why he approved the proposed subdivision SP 108488 at 89-993 Chapman/14 York Avenue - Lot 888 - Bentley without consulting the City of Canning?
- (2) Will the council and local residents be in a position to make further submissions in relation to this proposal?
- (3) If not, why not?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

- (1) The Western Australian Planning Commission approved the subdivision. The City of Canning was consulted.
- (2) No.
- (3) The application has been determined by the Western Australian Planning Commission.

WHITBY FALLS PSYCHIATRIC HOSTEL FOR MEN, CLOSURE

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

Some notice of this question has been given. My question relates to the proposal to close Whitby Falls psychiatric hostel for men.

- (1) Because men with psychiatric conditions assessed by the Health Department's health workers as significant enough to have seen them institutionalised will find it difficult to find alternative accommodation, does the minister have accommodation readily available to house these men?
- (2) Does the minister intend that these men should be housed in nursing homes or hostels?
- (3) If yes, is the minister aware that nursing homes and hostels often offer accommodation to both men and women?
- (4) Do any of these men have problems of inappropriate behaviour towards women?
- (5) Does the minister have plans to house these men in Homeswest accommodation?
- (6) If yes, will carers be provided to ensure that these men, some of whom have brain damage and cannot be rehabilitated, are properly cared for?

Hon MAX EVANS replied:

- (1) A program is now being conducted by an appointed project officer in conjunction with mental health services and disability services to identify the specific needs of each individual and then to find suitable accommodation to best meet those needs.
- (2) These men should live in the most suitable environment which meets their assessed needs and is agreeable to the individual concerned.
- (3) Not applicable.
- (4) The overriding problem is that these men have poor social skills resulting from long-term institutionalisation. These residents are 60 years and older. There are no documented problems of inappropriate behaviour with female staff. Given the many years of institutionalisation, it is expected that some of these men will require assistance in learning to live in a new environment.
- (5) See (2). No plans have been made about where the men will live.
- (6) See (2). An appropriate environment incorporates issues to do with the need for care in the most appropriate way.

WESTERN POWER EMPLOYEES, CERTIFIED AGREEMENT

944. Hon HELEN HODGSON to the Leader of the House representing the Minister for Energy:

- (1) Is there a current certified agreement in force for the employees of Western Power?
- (2) If not, when did the certified agreement expire?
- (3) Are negotiations underway in respect of a new certified agreement; and, if so, what is the progress of negotiations?
- (4) Has Western Power initiated proceedings in the Industrial Relations Commission in relation to the certified agreement?
- (5) Will the certified agreement currently being negotiated address the issues of voluntary redundancies, redeployment and retraining and staffing levels?
- (6) Does the minister support the inclusion of these issues in the terms of the certified agreement?

Hon N.F. MOORE replied:

I thank the member for some notice of this question. I am advised by Western Power -

- (1) No.
- (2) July 1997.
- (3) No.
- (4) Yes.
- (5)-(6) Not applicable.

GERALDTON, LAND AVAILABILITY

945. Hon B.K. DONALDSON to the Attorney General representing the Minister for Planning:

- (1) Will the minister indicate to the House what is the current availability of land for industrial and residential use in and around Geraldton?
- (2) Is this land free from native title claims?

Hon PETER FOSS replied:

I thank the member for some notice of this question. The Ministry for Planning's staff surveyed the Geraldton and Greenough area last year, and the following was established -

- (1) There were 1 440 vacant, serviced residential lots less than 3 000 square metres and a further 300 vacant rural-living lots greater than 3 000 square metres in the greater Geraldton area. The annual lot uptake for housing over the past six years has varied between 250 and 400 lots per annum. In terms of industrial land availability, excluding the proposed Oakajee site, 148 lots, representing 22 per cent or 240 hectares of existing industrial zoned land, were vacant.

- (2) Land identified for future development is in freehold title and therefore not subject to native title claims.

STATE TRAINING BOARD, PERSONAL INDEMNITY INSURANCE

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

- (1) How much personal indemnity insurance policy coverage is currently in place for each member of the State Training Board?
- (2) Will the minister advise whether the personal indemnity insurance for the members of the State Training Board requires notification to be made to the insurer of any likely event that could result in a claim?
- (3) Has the chair of the State Training Board or the director of the Office of the State Training Board advised its personal indemnity insurers that there is a likelihood of a claim against either the State Training Board as an entity and/or individual members of the State Training Board?

Hon N.F. MOORE replied:

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

Hon Ljiljanna Ravlich interjected.

The PRESIDENT: Order! I gave Hon Ljiljanna Ravlich the call for one question and I got six.

Hon N.F. MOORE: I will try to help the member by indicating to her that I have a series of questions from her directed to the same minister and I have the same answer for all of them. I suggest that she not ask all of the others, which will save her getting up. I will check with the Minister for Employment and Training why there is no answer to this question. I do not know until I get the file when the House begins question time if there is a particular reason. For example, the minister may not be available to check off the answer. I am answering on behalf of a minister. I am not prepared to accept something which the minister has not signed off.

MAIN ROADS WA, CONTRACTS

947. Hon JOHN HALDEN to the Minister for Transport:

- (1) Have there been any significant cost blow-outs in any Main Roads' contracts in this financial year?
- (2) If yes, what are the contracts and the amounts?
- (3) Has Main Roads commenced any new projects in this financial year that were not included in its budget?
- (4) If yes, what are the projects and their value?
- (5) Is there a current capital deficit in Main Roads' expenditure for this financial year?
- (6) If yes, what is the amount of the capital deficit currently?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1)-(2) Changes in contract price occur for a number of reasons. Main Roads manages these changes on a case-by-case basis applying appropriate internal controls. In addition, the Auditor General has full access to all records and changes. I am unaware of any specific issues raised by the Auditor General on Main Roads' procedures and processes in regard to contract management.
- (3)-(4) Changes are being made to roads programs on a regular basis to meet changing demands. This has always been the practice. Any major changes are referred to me by the commissioner.
- (5)-(6) Main Roads' income and expenditure for 1998-99 are on target.

CABINET FACILITIES, CONSULTANTS' REPORT

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

I refer to the \$80 000 spent on consultants to upgrade the cabinet dining room and related facilities and ask -

- (1) What was the justification for spending this money and for the proposed upgrade in the current environment of budgetary constraint?
- (2) Who commissioned the consultants' report and why was it deemed necessary?

- (3) Will the minister table the consultants' report and, if not, why not?
- (4) Has the proposed refit been cancelled or is it merely postponed?

Hon N.F. MOORE replied:

I thank the member for some notice of this question which refers to the cabinet dining room. I suspect that the member means the cabinet office.

Hon Ljiljanna Ravlich: Yes.

Hon N.F. MOORE: Hon Ljiljanna Ravlich is not asking the question. One of these days she may get the chance to answer. The answer is based on the assumption that the member is talking about the twenty-fifth floor of the Governor Stirling Tower.

Hon Bob Thomas interjected.

Hon N.F. MOORE: I am not aware that we have a cabinet dining room.

Several members interjected.

The PRESIDENT: I am sure that the Leader of the House appreciates members' help.

Hon N.F. MOORE: I do appreciate members' help, Mr President.

- (1)-(4) The proposed refurbishment relates to the entire twenty-fifth floor of the Governor Stirling Tower and includes improved cabinet facilities and the provision of a suitable area for formal government functions. The floor is in need of refurbishment as virtually no work has been undertaken on it since it was originally fitted out in 1984. I remember a little about that. The then Government shifted from the superannuation building to Governor Stirling Tower at great expense to the Government at the time. The existing facilities are acceptable for the actual cabinet meetings, but not for other cabinet-related activities. The previous Government had access to facilities on another floor of the building, leased to the private sector, but that arrangement ceased around 1992; for example, the current facilities are also inadequate for holding a Premiers' meeting or other major inter-governmental forums.

The consultant was engaged in March 1997 by the Department of Contract and Management Services on behalf of the Government Property Office to redesign the floor space. The scope of works in the consultant's contract covered the normal office fit-out process; that is, the preparation of a project brief, sketch and estimates and a full set of contract documentation, as well as the selection of all loose furniture and equipment and the administration of the building contract. The project had progressed to the contract documentation stage when in January this year a decision was made to defer the project in light of the current environment of budgetary constraint. Under a standard office fit-out project up to 70 per cent of all consultants' fees are incurred in getting to the contract documentation stage. The full set of contract documentation, which includes all architectural and engineering plans and specifications, will be used when a decision is made to proceed with the project.

ELLE MACPHERSON ADVERTISEMENT

949. Hon KEN TRAVERS to the Minister for Tourism:

- (1) Did the minister receive a memorandum from Shane Crockett, the chief executive officer of the Western Australian Tourism Commission, dated 10 December 1997, warning him that Elle Macpherson may attempt through the courts to stop the showing of her television advertisement?
- (2) If yes, what was the basis of this memorandum?
- (3) What action did he take as a result of this memorandum?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

- (1) Yes, I received a memo from the chief executive officer dated 10 December 1998. However, the memo was not issued as a warning, but as a means of updating me on the progress of the negotiations.
- (2) The statement referred to in the memo was based on correspondence between the Crown Solicitor's Office and Ms Macpherson's legal representatives dated 9 December 1997.
- (3) I was not required to take any action but, as outlined in the memo, the recommended course of action was for the Chairman of the Western Australian Tourism Commission to contact Ms Macpherson's management to endeavour to agree on a position. This was done and a successful contract was negotiated.

GREENWOOD PRIMARY SCHOOL SITE

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

Can the minister outline to the House the reasons behind the recent decision by the State Planning Commission to allow the developers of the former Greenwood Primary School site to swap part of the site with public open space?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

The procedures for the transfer of land is governed by the Land Administration Act, which is not within the Planning portfolio. The Western Australian Planning Commission made a recommendation to the Minister for Planning on the rezoning of the former Greenwood Primary School site and abutting crown reserves for parks and recreation - amendment 833 - not on the transfer of the land. The Minister for Planning requested the rezoning amendment to be modified, as recommended by the commission, to incorporate the northern and southern linear crown reserves within the residential R20 zoning in exchange for an equal portion of land - 5 216 square metres - in the north-west corner, abutting Blackall Reserve, to be rezoned as "Parks and Recreation - Local Reserve". The reasons for requesting the modification to the amendment were -

The former primary school site encroaches onto the adjacent Blackall Reserve, which is currently being used as an oval, with cricket nets, and as such would have been open to development into residential lots, restricting practical use of this reserve. The modified amendment proposal therefore introduces a larger, more useable public and open space component and maintains the use and enjoyment of the existing Blackall Reserve.

The 5 216 square metre area proposed to be rezoned to "Parks and Recreation - Local Reserve" has been located within the school site to maximise retention of the most significant trees and subsequent bird life, which was a significant concern to local residents. With the sale of the school and subsequent development for residential purposes, most of these trees would have been lost if not contained within a parks and recreational zoning.

The retention of all the linear reserves as currently exist would create an unsafe environment with the redevelopment of the school site, because surveillance of the linear reserves would be limited as it would have been difficult to develop the site without a considerable amount of houses backing onto the reserves.

The modified amendment therefore would meet the objectives of improving and consolidating public open space layout and reducing the potential for crime and antisocial behaviour associated with the reserves.

The commission will give further consideration to pedestrian-cycle movements throughout the area and the further retention of significant trees where possible when an application for subdivision approval is lodged.

PEKO EXPLORATION DECISION

951. Hon TOM HELM to the Minister for Mines:

I refer to the minister's letter dated 11 June 1998 to Peko Exploration.

- (1) Can the minister explain to the House how that decision was arrived at?
- (2) Given the extremely wide discretionary powers given to the minister under section 99 of the Mining Act with regard to applications for exemption, is the minister prepared to put in place procedures whereby he can make such a decision prior to having to overturn Supreme Court decisions?
- (3) If so, is the minister prepared to adequately compensate the applicant who successfully applied for forfeiture?
- (4) Under section 99(c) of the Mining Act, the minister had discretion to award the whole amount of the penalty to the applicant who applied for forfeiture. Why did the minister not do so and, furthermore, go some way to compensating GHK Mining for its legal expenditure to date?
- (5) If the minister needs the power of veto, why did he not exercise it sooner rather than later?

Hon N.F. MOORE replied:

- (5) If the Labor Party wants to have a spokesman on mining matters, it should get somebody other than Hon Tom Helm because he does not know what he is talking about. This member has no idea at all about the Mining Act.

Several members interjected.

The PRESIDENT: Order! I have a number of members who have not had a chance to ask a first question, and I have a number of members who want to ask a second and subsequent questions. We will run out of time. Members' interjections do not help because I am required to waste the time of the House to draw this to their notice.

Hon N.F. MOORE: I give the member some advice: Read the Mining Act, some of the history of ministerial discretion, the story for example of Pan Continental Mining Company at Paddington, and the history of a whole range of decisions made by ministers over a long period of time about these sorts of issues. The sooner he understands that, the better chance he has of being able to make sensible comments in the media about these issues. I suggest he talk to his colleagues who know about the mining industry, and they will tell him that he has it wrong.

- (1) Under the Mining Act a sub-economic resource is a valid reason for exemption from expenditure. I decided to allow exemption from the expenditure condition and not to forfeit the mining lease held by Peko Exploration Ltd as it contained a resource deemed uneconomic to develop. Peko Exploration had incurred significant past expenditure on the lease in question; from 1988 to 1997 more than \$3m was spent on the area in which the ore reserves were identified. The resource was deemed uneconomic as a "stand alone" prospect, but could be processed, subject to the gold price, at the Kanowna Belle plant about 34 kilometres away. There must be an incentive for companies to spend big money knowing that if they find a deposit, they will not lose it.
- (2) The Supreme Court action related to an undertaking that Peko Exploration would be given the opportunity to lodge a submission and have it considered prior to my determination of the matter. Procedures are in place to prevent a recurrence of the circumstances that led to the undertaking being breached.
- (3) A claim has been received from GHK Mining Pty Ltd for reimbursement of some of its expenses associated with marking out tenements over the subject ground and is currently being considered.
- (4) Section 99(c) of the Mining Act allows the minister to award the whole amount of the penalty or any part thereof to the applicant who applied for forfeiture. In this case it was decided to award \$1 500 to GHK Mining, that amount being 50 per cent of the \$3 000 fine that was imposed. There is no statutory requirement that any such payments should relate to the costs that may have been incurred by the plaintiff or the Department of Minerals and Energy.

WESTERN SUBURBS HIGHWAY

952. Hon J.A. SCOTT to the Minister for Transport:

No notice of this question has been given.

- (1) Will the minister confirm the many statements by his predecessor, Hon Eric Charlton, that there is no plan for a western suburbs highway and that the eastern bypass through Fremantle is proposed to be a local bypass road to take traffic off Hampton Road?
- (2) If so, can the minister explain why the recent metropolitan road transport freight study identifies the western suburbs highway as a major freight route from the northern suburbs to the Kwinana industrial area?

Hon M.J. CRIDDLE replied:

- (1)-(2) I am not aware of all the statements made by the previous minister, but the current upgrade of West Coast Highway-Servetus Street, and the eastern bypass, which is proposed in the next few years, is the preferred route. I understand that the highway to which the member refers is still in the plan, but there is no intention and certainly no funding available over the next 10 years to go ahead with it.

MR LYNDON ROWE, COMMENTS ON GOVERNMENT EXPENDITURE

953. Hon E.R.J. DERMER to the Minister for Finance:

No notice of this question has been given. I refer to the reported comments of the chief executive of the Chamber of Commerce and Industry, Mr Lyndon Rowe, that the Government has shown a lack of discipline by spending up big during a period of strong growth and faces a headache as the economy slows next year.

- (1) Has the minister spoken to or is he intending to speak to Mr Rowe about his reported comments?
- (2) Will the minister make a public response to Mr Rowe's comments? If not, why not?
- (3) What impact will Mr Rowe's comments have on the Government's future budget planning?

Hon MAX EVANS replied:

- (1)-(2) The Treasurer normally makes comments on matters of finance. I think Mr Rowe was making his comment on the mid-term financial review statements etc, which have no real relationship to the budget itself. I do not see the position as Mr Rowe has stated. The CCI puts up a submission to the Government each year at budget time about spending more money to help many different things.
- (3) None.

FAMILY AND CHILDREN'S SERVICES, FURNITURE LOANS SCHEME

954. Hon J.A. COWDELL to the minister representing the Minister for Family and Children's Services:

- (1) How much has been provided under the furniture loans scheme operated by Family and Children's Services for the financial years 1996-97, 1997-98 and 1998-99?
- (2) How many applicants have benefited from these loans?
- (3) Will this scheme cease operation with the commencement of the no interest loans network on 1 July 1999?

Hon M.J. CRIDDLE replied:

I thank the member for some notice of this question.

- (1)

1996-97	\$374 279
1997-98	\$376 091
1998-99 (to February 1999)	\$248 716
- (2)

1996-97	743 applicants
1997-98	755 applicants
Up until February 1999	462 applicants
- (3) As outlined in the minister's speech at the launch of the research project into a community based statewide no-interest loans scheme in Western Australia, the State Government has decided to replace the departmental scheme with a community based network of no-interest loan schemes. The Government will also enhance the funding available to it to bring funding to the scheme to a total of \$1.5m over three years, as recommended in the research. The practical details of the new no-interest loans scheme will be finalised in consultation with the non-government sector before advertising for requests for proposals in April 1999. A commencement date for the new statewide community based no-interest loans scheme will be negotiated with the service provider once it has been selected through the request for proposal process. The departmental scheme will not be closed on commencement of the new statewide community-based no-interest loans scheme; it will be gradually phased out as the new enhanced service becomes operational.

This is an exciting initiative developed in close cooperation between the Government and the non-government community services sector, and was applauded by Western Australian Council of Social Service's executive director, Shawn Boyle, as a highly significant initiative to reduce the growing incidence of poverty in Western Australia.

For the information of members, I seek leave to table a copy of the research proposal, the business plan, the proposal summary, the minister's speech at the launch of the research and the media statement released by WACOSS on the day of the announcement.

Leave granted. [See paper No 877.]

GERALDTON PORT AUTHORITY, TENDER ASSISTANCE

955. Hon KIM CHANCE to the Minister for Transport:

- (1) Is the minister aware that Bernard Brown of the Geraldton Shipping Agency yesterday admitted publicly that John Durant and Gavin Treasure from the Geraldton Port Authority helped in preparing his tender submission for contracting of services to the port authority?
- (2) Does the minister accept that this compromises the tender process?
- (3) What action will the minister take to review the probity of the entire tender process used by the Geraldton Port Authority?

Hon M.J. CRIDDLE replied:

- (1)-(3) I am unaware of the facts that the member presented. I would be concerned if that sort of arrangement was put in place. I will investigate the matter.
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