

1998 Western Australian Supplementary Information

REPORT TO NATIONAL COMPETITION COUNCIL

MATTERS ARISING FROM THE NCC'S
1997 ASSESSMENT OF WESTERN AUSTRALIA'S
PROGRESS IN IMPLEMENTING NCP

31 March 1998

Competition Policy Unit,
Treasury Western Australia

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1. INTRODUCTION

In its report on jurisdictions' progress in implementing National Competition Policy (NCP) during 1996/97, the National Competition Council (NCC) recommended that Western Australia be paid in full, but that it be reassessed in four- areas prior to the next payment. The NCC has requested that Western Australia report on progress in these areas by 31 March 1998. These areas are:

- Legislation Review of Agreement Acts
- Gas Reform - Adoption of National Code
- Gas Reform - Regulatory Barriers to Trade
- *Local Government - Especially Competitive Neutrality*

This is a detailed response to the National Competition Council on progress on the four residual matters from the first tranche assessment.

2. LEGISLATION REVIEW

NCC comment:

“... the Council sought a commitment from Western Australia to examine a small sample of its resource development agreement legislation over the next 12 months and ascertain the degree to which competition is restricted. Where non-trivial restrictions imposing a net cost to the community (taking into account the costs arising from a listing for review, for example arising from uncertainty), are identified, the Council would expect the relevant legislation, and other Acts similar in effect, to be examined in more detail.

With the exception of the treatment of agreement Acts, the Council is satisfied that Western Australia’s review program satisfies the intent of the Competition Principles Agreement. The Council believes that an approach to the review of agreement legislation consistent with Western Australia’s NCP obligations can be implemented within 12 months. Accordingly, the Council proposes to reassess Western Australia’s progress in examining its agreement legislation prior to July 1998.

Western Australian report:

The Council nominated a sample of three resource development agreement acts to be assessed for restrictions on competition. ACIL has been retained by the Department of Resources Development to conduct these reviews, which commenced on 30 January 1998.

The North West Gas Development (Woodside) Agreement Amendment Act 1994 is also currently being reviewed as scheduled in the Legislation Review Table.

The parties to the respective agreements are being consulted during the review process, but it is not considered appropriate, given the nature of the legislation, to invite wider public input at this stage. All four reviews are expected to be completed in April 1998. A decision

on the benefits of reviewing other resource development agreement acts will be made on the basis of the outcomes of the above four reviews.

In addition, the *Iron Ore (Dampier Mining Company Limited) Agreement Act 1969* was repealed in 1997, five agreement acts (including three resource development agreement acts) are scheduled for repeal in 1998 and a further four have been identified for repeal and will be repealed as the legislative programme permits. Six other (non-resource) agreement acts have been added to the Legislation Review Table for review in 1999. These acts are:

- Camballin Farms (AIL Holdings Pty Ltd) Agreement Act 1985
- Esperance Lands Agreement Act 1960
- Irrigation (Dunham River) Agreement Act 1968
- Northern Developments (Ord River) Pty Ltd Agreement Act 1960
- Northern Developments Pty Ltd Agreement Act 1957
- Northern Developments Pty Ltd Agreement Act 1969

Ministers and agencies have been made aware that all new agreement legislation must be examined for anti-competitive effects, and that provisions should not have a negative impact on competition unless a net public benefit can be demonstrated.

Conclusion:

Western Australia's reviews of the four agreements acts are well advanced and will be completed within a month. Western Australia therefore will comply with the first tranche requirement that an approach to the review of agreement legislation, consistent with Western Australia's NCP obligations, be established.

3. GAS REFORM – Adoption of the national code

NCC Comment:

“The Council recommends that, for Western Australia to be assessed as having satisfied its first tranche commitments in respect of implementation of a uniform national framework for access to gas transportation services, it will need to have committed to adoption of the National Code and have a timetable for implementation. The Council proposes to reassess this matter for report to the Commonwealth Treasurer prior to July 1998.”

Western Australian report:

Western Australia signed the Natural Gas Pipeline Access Agreement at the meeting of the Council of Australian Governments on 7 November 1997. This commits Western Australia to adoption of the National Third Party Access Code for Natural Gas Pipeline Systems (the Code) by 1 January 2000. However, it is important to note that COAG has agreed that jurisdictions will all achieve an “essentially identical effect” rather than necessarily follow identical paths to this outcome.

Legislation is currently being drafted to implement the Code, including the establishment of a State-based Independent Gas Pipelines Access Regulator (the Regulator). This legislation will follow the South Australian legislation model and is expected to be introduced into Parliament in the Autumn 1998 Session. Subject to the passing of the legislation by Parliament in this Session, the legislation is intended to be enacted by 30 June 1998. Owners of pipelines included in the Schedule will be expected to submit their access arrangements for approval by the Regulator within 90 days of the enactment of the legislation.

Recruitment of the Regulator is expected to commence shortly, so that the Regulator can be appointed simultaneously with the legislation coming into force. The legislation will also establish an

Arbitrator, who will be quite separate from the Regulator. The Arbitrator will have additional functions to those contained in the Code in that she/he will have the power to hear -as industry disputes currently heard by the gas referee (ie will not be confined to access disputes). A Western Australian appeals body to hear administrative appeals against the decisions of the Arbitrator and other State bodies, is also to be established.

Conclusions:

Western Australia has satisfied its first tranche commitments by signing, the Natural Gas Pipeline Access Agreement; and is currently drafting legislation to implement the agreement, establishing an independent State-based regulator and arbitrator, and requiring pipeline owners to submit access arrangements for approval by the Regulator within 90 days of the enactment of the legislation.

4. GAS REFORM - Regulatory barrier to trade

NCC Comment:

“The Council considers that the restriction on licensing an alternative gas pipeline to the south-west constitutes a regulatory barrier to free and fair trade in gas within Western Australia....

The Council recommends that, for Western Australia to be assessed as having satisfied its first tranche commitments in respect of removing all legislative and regulatory barriers to free and fair trade in gas, it will need to have progressed an appropriate ‘expressions of interest’ process for the construction of the second pipeline prior to 30 June 1998. The Council proposes to reassess this matter for report to the Commonwealth Treasurer prior to July 1998.”

Western Australian report:

In 1997 the Western Australian Premier gave a commitment to the National Competition Council that the process of seeking expressions of interest in building a second pipeline would be brought forward from early 1999 to mid-1998. No departure from this commitment is contemplated. Now that the successful bidder for the Dampier to Bunbury Natural Gas Pipeline (DBNGP) has been announced, the Government will focus resources on seeking formal expressions of interest by mid-1998, through a transparent and non-discriminatory process, for a second north west to south west natural gas pipeline.

Although the current gas specification for the DBNGP was broadened in February 1998, potential exists for a second gas pipeline which could deliver gas quality different from that currently provided by the DBNGP.

Prior to seeking formal expressions of interest for a second pipeline, the Government has sought to establish a framework which would encourage private investment. Land access is essential to this process.

The Government enacted the *Dampier to Bunbury Pipeline Act 1997* in December 1997 and the *Dampier to Bunbury Pipeline (Corridor) Regulations 1998* in March 1998. The Act provides, amongst other matters, for the establishment of a DBNGP corridor, which may contain other pipelines for transporting gas from the north west to the south west of the State. The Act also establishes a DBNGP Land Access Minister, to manage the DBNCP corridor and access to it.

An essential component of the legislation is that the Land Access Minister has the power to increase the size of the access corridor and confer third party rights to the use of that corridor. The current DBNGP access corridor is currently being expanded from 30m to 100m to accommodate not only the new owner's announced expansion of the DBNGP, but also additional pipelines.

The Western Australian legislation currently being, drafted to adopt the National Third Party Code for Natural Gas Pipeline Systems, as well as the establishment of the Western Australian Gas Access Regulator, are also intended to encourage new pipeline infrastructure.

In view of current and proposed legislation, the Government is now planning the process for seeking, evaluating and selecting a preferred proponent(s) for a second pipeline in order to achieve the best outcome from seeking expressions of interest. The Western Australian Government will draw on its successful experience gained in the expressions of interest process for the Goldfields Gas Pipeline, which culminated in the commencement of pipeline operations Transporting gas from the north west of the Goldfields region in July 1996.

Conclusion:

Western Australia is on track to meet its first tranche commitment as it is now planning the process for seeking, evaluating and selecting the preferred proponents for a second pipeline and will have "...progressed an appropriate "expression of interest" process ..." prior to 30 June 1998.

5. LOCAL GOVERNMENT

NCC Comment:

From the NCC First Tranche Assessment Report:

The Council is satisfied that the approach to reform at local government level proposed by Western Australia meets the intent of the Competition Principles Agreement. However, there is little evidence that implementation of the NCP program has advanced greatly, particularly in relation to competitive neutrality. Accordingly, the Council is not yet in a position to be satisfied that Western Australia has met its first tranche reform commitments.

Advice provided subsequently by Graeme Samuel in a letter dated 21 August 1997:

...the critical element of judging first tranche progress is evidence that governments are on target with the application of corporatisation reforms or competitively neutral pricing principles. The evidence sought by the Council could be readily provided through identification of all business considered to be significant at local government level, the reforms implemented for these businesses, or the anticipated timing of planned reforms.

Western Australian Report:

Western Australian Local Government in Perspective

The application of National Competition Policy to local government in Western Australia needs to be kept in perspective. Concerns about the application of corporatisation reforms and competitive neutrality need to be considered in relation to the significance of the business activity. The emphasis on completing reviews and implementing reform needs to be cognisant of the benefits and costs of review and reform, otherwise effort (and resources) could be misallocated and not in the public interest.

It is important to recognise the size and significance of local government businesses in Western Australia. In Western Australia,

local governments are not as big and are responsible for fewer activities than those in other states. For example, in some states, local governments are responsible for water and sewerage services and public transport in a few cases. In Western Australia, the largest business activities are waste collection and disposal, regional airports, recreation centres, aged care centres, child-care centres and golf courses.

Moreover, like businesses tend to be smaller given the lower population per local government. In Western Australia, there are some 144 local governments covering a total population of 1.76 million (1996 estimate).

One indication of the scale of Western Australia's business activities is that it has no Public Trading Enterprises (PTEs), whereas Queensland and New South Wales local government PTEs have outlays of \$456 million and \$238 million respectively in 1996-97 (ABS Cat. No. 5512.0)

Furthermore, in the more remote regions, the scope for competition, now and in the future is limited. The small size of some of the activities captured, coupled with the isolation of the regions mean that the potential benefits from improved allocation of resources are not extensive.

Progress with Competitive Neutrality reviews and reforms Reviews

In spite of this, Western Australia has made substantial progress implementing a competitive neutrality program for local governments in accord with the Clause 7 Statement.

There are a total of 54 Category One local governments which were required to complete competitive neutrality reviews by 1 June 1997.

Of these, 13 local governments had no significant business activities, 24 have completed their reviews or have decided to implement competitive neutrality without conducting a review, 7 have not had their reviews considered by Council and 10 local Governments are in the process of undertaking their reviews. In summary, 37 of the 54 local governments have met their commitments under competitive neutrality, 7 are awaiting Council approval and the remaining 10 local governments are in the process of undertaking reviews.

A more detailed picture of progress made by local governments in relation to conducting their competitive neutrality reviews is provided in Attachment 1. This attachment lists each Category One local government, the significant business activities they have reviewed and the review outcomes.

Reform

Of the 83 reviews that have been completed, competitive neutrality is to be implemented in 44 cases. The most common method being adopted for implementing competitive neutrality is through full cost pricing. In 6 cases, competitive neutrality will be established through the removal of competitive advantages and disadvantages and for 9 activities, a commercialisation model will be adopted and business units established.

The 90 Category two local governments are required to complete their competitive neutrality reviews by 1 June 1998. It is expected that very few of these will have any significant business activities.

Progress with local law review

The Clause 7 Statement required that each local government identify those local laws that restrict competition in their 1996/97 annual reports. In addition, local governments were required to nominate a timeframe for reviewing these local laws. A brochure was produced outlining local governments' annual reporting requirements, including those for local law review. A summary of a completed local law review was provided in the brochure to demonstrate the reporting requirements in detail.

These annual reports have been reviewed and local governments have largely met the requirements of the Clause 7 statement. Where complete information was not provided, local governments have been asked to provide this information to the Department of Local Government.

Support Programs

A major program supporting implementation of National Competition Policy by local governments has been implemented. Details are provided in Attachment 2.

Conclusion

Australia therefore will comply with the first tranche requirement that an approach to the review of agreement legislation, consistent with Western Australia's NCP obligations, be established.

- Western Australia has satisfied its first tranche commitments by signing the Natural Gas Pipeline Access Agreement. It is now drafting legislation to implement the agreement, establishing, an independent State-based regulator and arbitrator, and requiring, pipeline owners to submit access arrangements for approval by the Regulator within 90 days of the enactment of the legislation.
- Western Australia is on track to meet its first tranche commitment as it is now planning the process for seeking, evaluating and selecting the preferred proponents for a second pipeline and will have "...progressed an appropriate "expression of interest" process ..." prior to 30 June 1998.
- Western Australia has met its first tranche obligations by providing evidence of substantial progress in advancing competitive neutrality reforms. The majority of Western Australia's Category One local governments have met all competitive neutrality obligations. Detailed information on identification of significant local government businesses, reviews conducted and reforms being implemented have been provided.

Attachment 1

**COMPETITIVE NEUTRALITY REVIEWS
CATEGORY ONE COUNCILS**

LOCAL GOVERNMENT	Review Completed		Review Recommends Implementation	
	Y/N	Activity	Yes, by 30/6/98	No
ALBANY (T)	Y	Daycare Centre Leisure Aquatic Centre Leisure Aquatic Centre café Waste collection Waste disposal	✓ ✓ ✓ ✓	✓
ALBANY (S)	N	Albany airport		
ARMADALE	Y	Armadale Aquatic Centre Waste collection Waste disposal	✓	✓ ✓
ASHBURTON	Y	Waste management		✓
AUGUSTA-MARGARET RIVER	N	Turner Caravan Park Augusta Private works		
BASSENDAN		No activity over \$200,000		
BAYSWATER	Y	Bayswater golf course Aged persons' home (2) Childcare centres (4)	✓ ✓	✓
BELMONT	Y	Belmont Childcare Centre		✓
BROOME	N	All activities have been leased to private sector or are in process of being sold. Reviews not considered necessary.		
BUNBURY	N	Resolved to apply CN principles to all activities without review.	✓	
BUSSELTON	N	Domestic rubbish collection Kookaburra Caravan Park		
CAMBRIDGE	Y	Wembley Golf Course Bold Park Aquatic Centre Works & maintenance functions Parks maintenance functions	✓	✓ ✓ ✓
CANNING	Y	Waste disposal Domestic rubbish collections Commercial rubbish collection Crossover/stormwater connections Private works	✓ ✓ ✓ ✓ ✓	

		Swimming Centre Golf course Canning Lodge Youth accomodation	✓ ✓ ✓ ✓	
CARNARVON	Y	Carnarvon airport	✓	
CLAREMONT		No activity over \$200,000		
COCKBURN	Y	South Lake Leisure Centre Waste disposal service Waste collection service	✓	✓ ✓
COLLIE	Y	Waste management		✓
COTTESLOE		No activity over \$200,000		
DERBY - WEST KIMBERLEY		N Waste management	Report to be presented to Council 29 April	
EAST PILBARA		Y Newman airport Parks and gardens maintenance Commercial rubbish collection		✓ ✓
ESPERANCE	Y	Esperance airport	✓ (Council to consider on 22/4)	
FREMANTLE	Y	Development assessments Info & compliance Children's services Seniors services Fremantle Art Centre Properties Fremantle Leisure Centre Commercial parking Domestic Waste Commercial Waste .Construction Street works Fremantle Golf Course	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓
GERALDTON	Y	Rubbish collection Queens Park Theatre	✓	✓
GINGIN	Y	Guilderton Caravan Park		✓
GOSNELLS	Y	Waste disposal Refuse collection City of Gosnells Leisure World		✓ ✓ ✓
GREENOUGH	Y	Geraldton airport	✓	
HARVEY		No activity over \$200,000		
KALAMUNDA		No activity over \$200,000		
KALGOORLIE - BOULDER		Y Airport Endowment rental properties Sewerage	Council to consider reports on 9/4.	
KATANNING	Y	Tatanning salesyard		✓

KWINANA	N	Aged persons' home Aquatic & Rec Centre	
MANDURAH	Y	Mandurah Aquatic & Rec Centre	✓
MANJIMUP		No activity over \$200,000	
MELVILLE	Y	Meals on wheels Recreation facilities Point Walter Golf Course Waste services Re instatements	✓ ✓ ✓ ✓
MERREDIN		No activity over \$200,000	
MUNDARING		No activity over \$200,000	
MURRAY	Y	Recreational Centre	✓
NARROGIN (T)		Y No activity over \$200,000	
NEDLANDS		No activity over \$200,000	
NORTHAM (T)		No activity over \$200,000	
PERTH	N	Waste management Citiplace Child Care Centre Parking services	To Council 14/4
PORT HEDLAND	Y	Airport Refuse collection Cultural Centre South Hedland Aquatic Centre	✓ ✓ ✓ ✓
ROCKINGHAM		N Waste management Rockingham Day Care Centre	Reports to be considered to Council 22/4
ROEBOURNE	N	Waste management Airport Airport restaurant	
SOUTH PERTH		N Collier Park Hostel Collier Park Restaurant Village Collier Park Golf Course Waste transfer station	
STIRLING	Y	Domestic waste management Commercial waste management Bulk waste management Hamersley Golf Course Maylands Golf Course Meals on Wheels Hamersley Recreation Centre Herb Graham Recreation Centre Inglewood Pool	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓
SUBIACO	Y	Meals on Wheels Parking Waste management	✓ ✓ ✓
SWAN	Y	Swan Child Care Centre	✓

		Waste collection Swan Park Rec Centre Altana Park Rec Centre	✓	✓ ✓
VICTORIA PARK	N	Aquatic centre		
VINCENT	N	Beatty Park Waste management	Report to be presented to Council 28 April	
WAGIN		No activity over \$200,000		
WANNEROO	N	Sanitation household refuse Domestic refuse carts collections Commercial refuse collection Graigie Leisure Centre pool Graigie Leisure Centre - sports/functions Craigie Leisure Centre - Fitness Centre Aquamotion -pool Ocean Ridge Community Centre Sorrento/Duncraig Rec Centre		
WYNDHAM - EAST KIMBERLEY		Kununarra airport	To be presented to Council on 16/4	
YORK		No activity over \$200,000		

Attachment 2 - Information on Support Programs

A range of support programs have been undertaken to assist local Governments in meeting these commitments. In August 1997, Cabinet allocated \$250,000 to assist local Governments in fulfilling their NCP commitments. From this fund, guidelines on conducting competitive neutrality reviews have been produced. These guidelines are designed to be a user-friendly guide to explain the concepts and be a practical instrument to enable local governments to undertake reviews.

To support these guidelines, a series of examples were commissioned to provide a case study for the more common of the local government business activities. These case studies were conducted for real life Council business activities and included reviews for a waste management service, golf course, recreation centre, parking facility, airport, aged care centre and private works.

The support fund also involves a person employed on a full time basis for local governments to contact for information and support. This enables local governments to ask questions regarding NCP and enables the State Government to closely monitor the progress of local governments.

The State Government is considering making further competition payments to local governments. The details of the proposed payments have not yet been finalised but it is expected that these payments will be dependent on local governments making satisfactory progress in meeting their NCP commitments.

In addition, efforts are also being made to increase the general understanding and acceptance of NCP in the community. In encouraging reform at the local government level, it is particularly important that the community understands the benefits of NCP and its potential impacts on local Government services. To this end, a number of newsletters have been sent out to local governments identifying the main impacts of NCP. Staff of the Competition Policy Unit have also attended and spoken at conferences on local government issues.

The first of a planned series of community workshops was held in Geraldton (400km north of Perth) in 1997. This involved local government representatives, local business people, community representatives and local State government employees. The seminar was held in conjunction with the Department of Commerce and Trade and WAMA.

Additional information supplied by Western Australia on 19 May 1998:

Implementing competitive neutrality for local governments in Western Australia

Western Australia has embarked upon a very comprehensive competitive neutrality review program. A very large number of activities, many of them relatively small, have been subject to the competitive neutrality review process.

Of the 83 reviews conducted, competitive neutrality is to be implemented in 44 cases. Therefore, for 39 reviews, it was found that implementing competitive neutrality was not in the public interest.

In weighing the benefits and costs of implementing competitive neutrality, many of the reviews conducted found significant costs involved in terms of setting up the regime and ongoing administration costs. In many cases the benefits from implementing competitive neutrality are likely to be small. Western Australia was surprised at the number of local governments implementing competitive neutrality – feeling that the number was relatively high, considering the benefits to be achieved at the local government level in Western Australia, rather than low.

The primary reason for the costs of implementing competitive neutrality outweighing the benefits, and therefore the low number of Councils deciding to implement competitive neutrality, is the scale of the activities involved. A large number of the activities reviewed had incomes of under \$300,000. In the majority of these cases, the costs of implementing competitive neutrality would be greater than any benefits to be gained from improved resource allocation.

In this regard, it is important that the Council recognise the size and significance of local government businesses in Western Australia. In Western Australia, local governments are not as big and are responsible for fewer activities than those in other states. For example, in some states, local governments are responsible for water and sewerage services and public transport in a few cases. In Western Australia, they are not, with the largest business activities being waste collection and disposal, regional airports, recreation centres, aged care centres, child-care centres and golf courses.

Moreover, like businesses tend to be smaller given the lower population per local government. In Western Australia, there are some 144 local governments covering a total population of 1.76m (1996 estimate).

This strongly suggests that potential gains from NCP in local governments in Western Australia are less than in other States and much less than from competitive neutrality review and reform of the much larger Western Australian Government business activities.

As well as being very small, almost one half of the metropolitan activities (12 out of 29) for which it was recommended that implementing competitive neutrality was not in the public interest, involved more social service type activities (for example, meals on wheels for elderly citizens). For these services, social reasons contributed to the recommendation not to implement competitive neutrality.

A further important reason for the low level of implementation is the isolation of many communities. In the more remote regions, NCP will have little relevance as there is no competition and unlikely to be any in the future. Over one quarter of the business activities for which no reform was recommended (10 out of 39) involve very small country business activities. In general, the local government undertakes provision of this service as no private firm would be willing to operate in the market. The small size of some of the activities captured, coupled with the isolation of the regions mean that benefits from an improved allocation of resources are likely to be of little significance.

Furthermore, in many northern centres, the isolation of the communities makes it untenable for a private company to achieve economies of scale. This further reduces the likelihood of private sector participation and therefore competition.

The smaller scale of local governments and local government businesses means that the value of competitive neutrality reform for Western Australia is very limited. Consequently, in most cases we do not believe that it warrants the same emphasis as other much higher return areas of National Competition Policy review and reform.

**Additional information supplied by Western
Australia on
26 June 1998:**



OFFICE OF THE PREMIER

197 ST GEORGES TERRACE, PERTH, WESTERN AUSTRALIA 6000
TELEPHONE (08) 9222 9888 FACSIMILE (08) 9322 1213

Mr G Samuel
President
National Competition Council
Level 12
2 Lonsdale Street
MELBOURNE VIC 3000

Dear Mr Samuel

WESTERN AUSTRALIA'S COMPETITION REFORMS

I understand that, as part of your Council's deliberations on Western Australia's competition reform program,, clarification is required on three issues.

The first of these concerns the process for seeking expressions of interest for the construction of a second gas pipeline from the north-west of the State. I would like to assure you that the Government's commitment to undertake this process remains firm. However, in view of the fact that the Dampier to Bunbury Natural Gas Pipeline was sold only in April, the Government has been concerned to allow the new owner adequate time to assess its position before embarking on an expressions of interest process.

Accordingly, the Government now believes that an expressions of interest process to commence early in the September quarter of 1998 would be the most appropriate timing and steps are being put in place to effect this process in as expeditious a manner as possible. As I have previously undertaken, that process will be an open and competitive one. In the event that the expressions of interest process is not successful, the same principles would continue to apply.

The second issue concerns whether there are any legislative impediments to the construction of a new pipeline. I can assure you that there are no legislative impediments in this regard and nor is it the Government's intention to impose any such legislative impediments.

Thirdly, you have requested advice on progress with the Gas Pipeline Access (Western Australia) Bill 1998 which gives effect to the national gas access arrangements. This legislation was introduced and second read in the Legislative Assembly on 18 June 1998.

The Legislative Assembly will, however, be breaking for the winter recess on 25 June and will be resuming on 11 August 1998. It is anticipated that the Bill will pass through the Legislative Assembly shortly after Parliament resumes.

I must point out, however, that the Bill implements an intergovernmental agreement and the Standing Orders of the Legislative Council require such Bills to sit on its notice paper for thirty calendar days. While the Government will give priority to the passage of this legislation in the Legislative Council, it is possible that the Bill would pass through that House before the end of September.

I trust this information satisfies your inquiries. However, if you have any further concerns, please do not hesitate to contact John Langoulant, Under Treasurer, on (08) 9222 9200.

With kind regards.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Court', with a long horizontal flourish extending to the right.

RICHARD COURT MLA
PREMIER AND TREASURER