

Legislative Council

Thursday, 29 October 1987

THE PRESIDENT (Hon Clive Griffiths) took the Chair at 11.00 am, and read prayers.

SWEARING-IN OF MEMBER

The Clerk of the Council produced and tabled the writ for the by-election in the South West Province.

Hon Barry John House took and subscribed the Oath of Allegiance and signed the Roll.

[Applause]

SMALL BUSINESS GUARANTEES AMENDMENT BILL

Second Reading

Debate resumed from 22 October.

HON NEIL OLIVER (West) [11.08 am]: Before speaking in support of the legislation, because it provides another opportunity for the public and for small businesses people in general to take advantage of the provisions in the principal Act, I would like to be associated with the formalities that have just occurred in being one of the first members to extend to Hon Barry House --

The PRESIDENT: Order! I do not know what the idea is on the part of honourable members, but it seemed to me that particularly at this point in time it might be appropriate for members to conform to the rules of this place, which are that no audible conversation is to take place while a member is addressing the Chair; and I suggest that members cease forthwith.

Hon NEIL OLIVER: Thank you, Mr President. I take this opportunity, noting, Sir, that you of course had the first opportunity of extending to our new member, Hon Barry House, the member for South West Province, your congratulations, to welcome him to this House. We must congratulate him on the excellent result he had last Saturday. It was an incredible result, and we look forward to the valuable contribution he will make in this Chamber. He may not yet be aware that even yesterday he had an effect on this House, in that if he had been sworn in very early yesterday afternoon and been able to take his place in the Chamber -- I know that circumstances were such that he was not in a position to take his seat yesterday -- I must admit that it would have caused some concern to the Leader of the Government.

The PRESIDENT: Order! I can understand the honourable member's desire to give some words of welcome to a new member, but for goodness' sake, this Bill has absolutely nothing to do with that. I recommend that if he is going to welcome the new member, he should be as brief as possible in order to demonstrate at least to that new member that some people in this Chamber abide by its rules.

Hon NEIL OLIVER: I was just reflecting on the result of the South West Province by-election and the effect that the new member has already had on the conduct of business in this House, and no doubt will have in the future conduct of business in this House by his contribution.

In respect of the Small Business Guarantees Amendment Bill, I have already indicated that the Opposition supports it in that small business, is probably the most fertile margin of the economy in people's minds and in the thoughts and plans and projects as yet unborn in business. The future emerges centrifugally and at first visibly on the fringes of existing companies and industries. I refer to what George Gilder wrote in *The Spirit of Enterprise* --

The fastest-growing new firms often arise through defections of restive managers and engineers from large corporations or through the initiatives of immigrants and outcasts beyond the established circles of commerce. All programmes that favour established companies, certified borrowers, immobile forms of pay, pensions, and perquisites, institutionally managed savings and wealth, against mobile capital,

personal earnings, disposable savings, and small business borrowing, tender to thwart the turbulent, creative, and unpredictable processes of innovation and growth.

Those are very profound words and reflect very much on the small business which exists in Western Australia. I think it is in keeping with the character of Australians, particularly as we approach in 1988 Bicentennial celebrations. That is, the average Australian wants to do his own thing and to get on in an entrepreneurial way to establish his own business. Australians prefer to stand up and weather the storms of all the economic factors that arise and tend to threaten people who move into the realm of small business.

Members who have travelled overseas would be well aware that it is becoming increasingly obvious that small business plays a bigger role in the Australian economy than it does in any other economy among the Western nations. Small business is a major contributor to the wealth of Australia. Unfortunately, in recent times the higher interest rates have had a serious effect upon small business. This has not been some form of conspiracy but of course when a Government -- possibly through direction to the Reserve Bank -- interferes with the value of the Australian dollar, it must have an effect on the interest rate factor. We have seen the principal funding interest rates increase at an alarming rate in the captive capital market during the current year. Possibly in some respects, this may be due to the tax exemption havens that often arise in Australia, due to the ambient cash capacious channels for subsidised borrowings that exist within our financial system. We have already spoken in this respect on deregulation of building societies.

We support the need for the Bill because it clearly spells out the legal ability of the Small Business Corporation to undertake the administration of the Act. Apparently in some quarters -- and this has possibly been legally tested -- the role of the Small Business Corporation has been required to be clearly re-stated and re-endorsed in this Bill. I commend the Government for bringing forward this legislation to clarify that specific possibility because it could lead to confusion about the activities of the corporation.

I refer now to the Minister's second reading speech, which reads in part as follows --

... "amount of the guarantee" as it applies to the Act to include the principal sum only and not to include interest charges and expenses.

I am a little uncertain about that because I believe later in the Bill there is an ability to incorporate that and no doubt to extend the guarantee to capitalise the interest charges and expenses. While I believe this is a commendable action, I believe that the Small Business Corporation will use its banking skills to ensure that it capitalises loans that have only been approved with a high degree of caution, taking into account the equity of capital assets of the particular enterprise. No doubt the Minister will reply to that comment in closing the second reading debate.

I commend the Government for allowing for the lender in this instance to have the first right to take reasonable steps to exercise his rights and remedies under the securities pertaining to the guarantee. I think that is a sound move. It will ensure that small business entrepreneurs are subjected to market forces, but, at the same time, to the guidance of the officers of the Small Business Development Corporation in regard to lenders. The Small Business Development Corporation has gone through many stages from being an advisory group in its early days. I recall that the setting up of its predecessor was part of the Liberal Party's policy speech in 1977. It was to be established to provide assistance to small businesses. The Court Government recognised the need for some form of service to be given to small businesses and the part they played in the economy of Western Australia.

I was perhaps one of the first people involved in the legislation because I happened to be in Toodyay, which was then part of my electorate, when the then Premier, Sir Charles Court, made a speech at a public meeting. He referred to the Liberal Party's policies that would be put in place if the Court Government were re-elected in 1977. One of those policies was that it would set up a small business advisory group. There was an interchange of views at the conclusion of that meeting and I received an inquiry from a local entrepreneur, a well-known person by the name of Fred McKittrick, who ran the local general store. He asked me to explain what Sir Charles Court had said about that group. I said that I did not know much about it because it was the first I had heard about it. I approached Sir Charles as he was getting into his car to leave the meeting and told him that I had already received an inquiry

about it. I asked him where I should direct that person. He advised me to take all the details down and put together a package, using my own experience, and advise that person of what to do. He said there was nothing much more he could do until the Government was re-elected.

That involved my sitting in the kitchen at the rear of Fred McKittrick's store and taking all the details down. His store comprised a food outlet which had to compete with the major chains in Northam. Mixed up in the store were goods generally carried by a general store, including shirts, suits, pullovers, and a newsagency. The plan I drew up that day was actually the embryo stage of the Small Business Advisory Council, as it was later called. I might add that Fred McKittrick went on to bigger and better things by enlarging and modernising his store, even though it had been classified for preservation by the National Trust. He was not even allowed to paint it without approval. The store has continued to flourish. He later sold it for a handsome profit. Prior to the advisory council being set up, he was a very worried man. He had to deal with all sorts of pressures and problems, being in a fairly remote area and having only one bank in the town. He was not able to go into the marketplace to obtain loans from other lenders. Fred McKittrick was better for the policy decision by the Court Government.

Apart from my experience with that, I have always been a bit sceptical of the Government's interference in the activities of small business. Mr President, you come from that area and you have explained to me some of the problems that you associated with that area in the times of price control, which is a period which this country would like to forget.

For the benefit of members I will not give an example of what occurred with many people at that time. As I said, I was somewhat sceptical of public servants advising small business operators on how to run their businesses. At that time, an Australian of Italian extraction who now owns a very small butcher shop in my electorate, decided to establish himself by taking on the great national corporations. He approached the Small Business Advisory Council, which advised him to specialise because it was impossible for him to buy in the marketplace in the manner in which these great national corporations did. It told him to be selective. He took that advice and today is very successful. His name is Vince Garreffa. He has a very successful specialist butcher business in Midland. He not only competes with other businesses in the retail market but is involved with the catering and restaurant industry. It is unfortunate that Hon Des Dans is not here because he was responsible for overseeing the America's Cup which was a great stimulant to this gentleman's business.

He was very successful during the time of the America's Cup and weathered the storm after the America's Cup was lost. That is an example of a person who enjoyed the benefits of the Small Business Advisory Council. I am not aware of other people who have had disastrous experiences, but I am disappointed that not enough small business people make use of those facilities. I now quote from the publication entitled *Small Business in Western Australia* of August 1987, volume III, number 1 --

The small business sector is extremely dynamic. There are an estimated 8,000 new small firms opening each year in Western Australia. They are starting up in every industry and in every area of the State.

It goes on to state --

The current slowdown in the Australian economy has not been easy for small business.

In spite of the difficult economic times, small businesses continue to make a significant contribution to the economy. In Western Australia, the more than 70,000 small firms still comprise 97% of all firms and employ 55% of workers in the private sector. The resilience of the small business sector can be explained by several factors.

The small business sector is extremely dynamic. There are an estimated 8,000 new small firms opening each year in Western Australia. They are starting up in every industry and in every area of the State. In many cases they are providing needed services and products to new communities and to the changing tastes of Western Australians.

Hon D.J. Wordsworth: How many of those 8 000 consult the organisation?

Hon NEIL OLIVER: I thank the member for that question, which I will deal with in a short time. The figure is very disappointing. The article continued --

On the downside, many small firms close each year as well. It has been reported by Professor Alan Williams, of the University of Newcastle, that approximately half the small firms which start in a particular year will have closed within 2 years. The cost to individuals and the community of these closures is considerable and increased counselling and training to individuals starting their own businesses is certainly needed.

In my electorate the Small Business Development Corporation has conducted seminars in the past four years at the request of the Midland and Districts Chamber of Commerce. At times this chamber of commerce has not been very popular with this Government but I can assure the Government that they have cooperated with its initiatives in this regard and I hope that the Government will recognise that this chamber of commerce is not always opposed to it.

It is interesting to note that in the year ended June 1987 only 47 loans were approved, with a total expenditure of around \$2 million. The average loan, therefore, represents a figure in the region of \$54 000. That figure can be compared with the 68 applications made in 1985-86. The figures are very disappointing and I am keen to hear from the Minister -- he may wish to consult with the responsible Minister -- how the Government intends to make small business generally aware of the facilities available through the initiatives of both the Court Government and the Burke Government, to promote, enhance, develop and increase the success of small business in Western Australia.

The reason for my comment is that there are approximately 70 000 small businesses in Western Australia and the figures suggest that only two or three per cent of that number will be in existence after 10 years, which implies a take-up rate in small business of about 7 000 a year. If we take into account the number of applications to the Small Business Development Corporation in the last two financial years -- 68 in 1985-86 and 47 in 1986-87 -- the number of people who apparently know about this guarantee facility pales into utter insignificance.

I will be interested to hear how the Government plans to expand the seminars. I was certainly instrumental in the holding of the first seminar in Midland five years ago and the second seminar held during the last two years. I believe Hon Gavan Troy played a major role in that seminar. In connection with what has been achieved in Midland, I hope the Government will seek the cooperation of other members in this Parliament to assist its programme. Members of Parliament are very much involved with the community, they are aware of the problems of small businesses and are aware of those people employed in other organisations who wish to take that massive step from the security of a regular pay cheque into an area that the Government is very determined to develop. The Government has clearly stated that the development of small business is part of its policy.

It is also interesting to note that the request I have made requires expediency. The various documents the Government has produced, including the Budget -- although there seems to be a temporary break in the financial uncertainties of this troubled world in which we live -- predict that from 1990 Western Australia is expected to experience substantially greater economic growth than the rest of the nation. If we parallel that with the percentages of the small business community's token share of the Western Australian market, we find this matter needs to be addressed as a matter of urgency.

I am interested to see a change from the legislation that we have become used to from this Government regarding the delegation of ministerial responsibility to the Public Service and away from the Parliament. Many Ministers are no longer accountable to the Parliament, and in many cases they share portfolios. As a result it is difficult to understand lines of demarcation, such as those between Treasury and Budget Management. I trust that this is not a policy of confusion. Ministers seem to be unable to coordinate their media statements. I am very pleased to see that this legislation empowers express ministerial direction to undertake the administration of the scheme. That is a very commendable move by the Minister, and it indicates to me that he is prepared to accept those responsibilities, unlike many other Ministers, who seem to be shedding them to the Public Service and to advisers. I hope that this Minister does not take that as a reflection of the manner in which he administers his portfolio; I know he takes firm control of it.

The Bill is a very small one, and it has the support of the industry. I have written to as many people as possible since this Bill was introduced last week, and I have received a series of phone calls. I have not been able to contact all the people, but three out of the eight people canvassed by me have indicated that the Government has the support of the industry; in particular the support of the Confederation of Western Australian Industry, the Western Australian Chamber of Commerce and Industry, and the Australian Small Business Association. I had a very long conversation yesterday with the principal of the Australian Small Business Association, Mr Achurch, who was very supportive of this legislation and of the officers of the Small Business Development Corporation and the way in which they have administered the Act to date. This move has his full support, and he sees it as further enhancing the activities of the association and clearing some grey areas.

I direct the Minister to some of the problems facing small business. We have just completed a series of by-elections. All the members of this House have been involved in what may be called canvassing the electorate and the use of leather. That is not an occupation in which members become involved only at election time. I assure the Minister that I have been approached in the various shopping centres I have attended. This has not been solicited, but it has been brought to my attention because I have been standing there; people have known me and they have come forward regarding the Government charges which have been forced on businesses in this State.

I hope the Minister will bring this matter to the attention of the Minister for Budget Management, who must have some role to play in this matter before it gets to the Treasury and the Treasury makes its decision. I also refer to payroll tax. I know that payroll tax is a major item of Government revenue, and I realise the difficulties that this State faces in abolishing the tax. I realise that it was a Federal tax born out of the war years, and that it was then placed upon the States as a deal to provide revenue which they had to make up. But payroll tax is a tax on employment. It is a problem which we as members of Parliament have to address, not just the Government. It is something too big for the Government, and it is something we all have to address.

I wish members to recall my remarks on payroll tax legislation on numerous occasions in this House; I have raised the matter each year. I implore the Minister to consult the responsible Minister regarding some form of indexation to payroll tax to avoid the problems caused by inflation. I urge that payroll tax be not brought up as a Budget matter when the Treasurer delivers the Budget. The reason is that when a small business passes across the threshold and loses its exemption, the proprietor can take only one action, and it is not a decision which he needs even to consider or contemplate. The last person on must be the first person to go. That business must endeavour to bring its total gross salaries below the level of the threshold. If the Government, in its wisdom, were to exempt it, it would realise that it is a reasonable and logical request. I trust the Minister will take on board that suggestion of mine which I now repeat for the third time.

The reason I have made this contribution to the debate is that I wish to point out to the Minister the successes of the corporation, and the decision of the Government to remove the uncertainties and problem areas that I experienced in small business. I can say with total confidence that there would not be a member in this House who does not agree with the comments that I have put forward about this legislation. Therefore, in supporting the legislation, I hope I do not have to stand up again in this House and implore this Government to be cautious in the manner in which it increases its charges in view of the effect that has on small business. I believe the Government should review its policy on the indexation of payroll tax so that we do not have it only once a year, when the Budget is introduced.

HON H.W. GAYFER (Central) [11.51 am]: I also compliment Hon Barry House, MLC, on his election to this august body. I hope he will be another of us who is imbued with the spirit of the place and the traditions that surround it. I welcome him here and trust he will have many years to enjoy what I consider the privilege of being able to sit here.

Hon Neil Oliver has spoken at great length on the Small Business Guarantees Amendment Bill and has displayed a great deal of research on and personal knowledge of the subject. We in the National Party have taken a very strong line in this regard. One of our members, Mr Max Trenorden, has spent most of his time in meticulous research into the small business community.

The Small Business Development Corporation is under-utilised, there is no doubt about that. Those of us who have attended its seminars will know that. While quite a few people do attend those seminars, as a result of them there does not seem to be enough applications made or feedback requested at a later stage from the Small Business Development Corporation. I was interested to hear that fewer than 50 applications for loans were made in 1986-87. That is rather surprising when one realises how many small businesses there are in the State.

However, the Small Business Guarantees Amendment Bill seeks to amend the Small Business Development Corporation's activities. The corporation is responsible for administering the guarantee scheme which was introduced as part of the Government's policy in the small business sector. The purpose of the Bill is threefold: firstly, to remove any doubt as to the legal ability of the Small Business Development Corporation to administer the Small Business Guarantees Act. That is really what it does; it puts beyond doubt that it does not have any legal ability to administer the Act. Of course, that is subject to the general direction of the Minister and that is part of another argument. But that, as I see it, is the main action of this legislation. Secondly, the Bill seeks to clarify by definition the term "the amount of the guarantee" which is now to include the principal sum only and not the interest charges and expenses associated with it. Thirdly, it seeks to modify the provision for enforcement of a guarantee by a lender against the Minister by allowing the lender first to take all reasonable steps to exercise his rights and remedies under securities pertaining to the guarantee.

All of these are cleaning-up processes. The National Party has considered the Bill in a committee. We quite agree with what the Bill seeks to do and support the Bill accordingly.

HON D.J. WORDSWORTH (South) [11.55 am]: I wish to comment on some of the issues raised by Hon Neil Oliver. The number of people who every year enter private enterprise and exit so quickly is rather staggering. Indeed, I think Hon Neil Oliver gave a figure in the order of 8 000 in and 4 000 out within 2 years. That is a shocking record, and it is for this reason that previous Governments have set up such bodies as the Small Business Advisory Council, and why this Government is proposing this amendment to the Small Business Guarantees Act.

As members of Parliament we are all aware of these organisations. I must admit that I was staggered that the Small Business Advisory Council continued to call me Minister for Forests some three years after there had been a change in Government. Perhaps they are not quite as bright as they should be down at the advisory council, and I hope they are more up to date with some of the other advice they give. Be that as it may, it does keep members informed when they are visiting rural areas, and gets in touch with people so they are aware that such visits are taking place.

I must admit that when a small businessman says to me, "What are you doing for us; how can you help me out of this predicament?", I put him onto the Small Business Advisory Council. Most such farmers become rather cynical. Indeed, they find that it is the Government that causes their biggest problems and they cannot really believe the Government is going to help them out by some advisory service, otherwise the two would have got together and made it easier for small business to survive. The small businessman has to fight his way through a multitude of red-tape requirements -- application forms, permits, and the like -- in order to conduct his business, and the Government thinks this fulfils a need in the community.

The number of laws to which any business must conform is quite frightening, and there are quite high penalties for ignorance, whether or not they employ additional labour. One must be almost a Philadelphia lawyer to find one's way through the maze of legislation that small business has to face. Indeed, most of them finally throw in the sponge and go and work for someone else, preferably the Government.

I guess one of the major small businesses is farming, but it is not a direction in which the Small Business Advisory Council or this guarantee applies. We in farming must learn a lot more about business. I was rather disappointed, for example, when the price of wheat went down below the cost of production, that farmers were not given some idea of how to work out the amount of wheat they should produce. It became a guessing competition when in fact it is fairly easy to work out how much wheat a farmer has to produce, even if it is at a loss, to cover the fixed costs he has in running his business, and how much overall loss is the least

loss he will have to suffer under those circumstances. I was somewhat amused at the article in *The West Australian* on Friday 11 September which appeared under the heading "Loan support to be easier". It stated --

The Small Business Development Corporation will get more power under a Bill introduced in State Parliament yesterday.

It will get power to act as guarantor for Government loans to small business.

Previously the corporation needed ministerial approval.

In other words, it seemed to suggest it was the Minister who was the problem rather than anything else. I hope these changes will see an improvement. It is staggering that on past records, of the 8 000 people who set off in business every year, only 40 to 60 of them would have got a guarantee.

HON GRAHAM EDWARDS (North Metropolitan -- Minister for Sport and Recreation) [12.02 pm]: I am pleased to join with two of the three speakers opposite in welcoming Hon Barry House to this Chamber. I would have much preferred to be welcoming our own candidate; but that was not the case, and I congratulate Barry House on his win and look forward to the contribution I hope he will make to this Chamber in the future.

This has been a wide-ranging debate, some of it relevant to this Bill and some not. Hon Mick Gayfer hit the nail fairly and squarely on the head when he said this Bill represents a cleaning-up process. Basically it does that, and it is to the benefit of the whole business community in Western Australia.

I refer to some comments made by Hon Neil Oliver. The Small Business Development Corporation with the Government and the business community does promote fairly well that which the corporation has to offer. For example, I opened a seminar yesterday in the City of Wanneroo which was organised by the Small Business Development Corporation in conjunction with a local Rotary club. Those people had come together to arrange a seminar to discuss small business, where it was going, and those things which the Small Business Development Corporation had to offer both new and existing businesses. I will convey his concern about the promotion of that corporation to the Minister, but I am sure that its promotion is something that is considerably undertaken.

Because the debate was so wide ranging I think I should reiterate what this Bill seeks to do. Proposed new section 3A empowers the Small Business Development Corporation to administer the Small Business Guarantees Act 1984 subject to the general directions and control of the Minister. The section removes any doubt covering the legal ability of the corporation to undertake the administration of the guarantees scheme by providing it with adequate enabling power. New section 5 defines "amount of guarantee" to mean the principal amount of the loan and to not include interest charges and expenses. The inclusion of this definition avoids any ambiguity regarding the amount of any one guarantee as prescribed in regulations to the Act. The intent of the Act is that the prescribed amount is the principal amount of the loan and that any relevant interest charges and expenses will not be contained within the threshold of the prescribed amount.

Section 5 is amended by deleting the word "exercised" and substituting the words "taken all reasonable steps to exercise" prior to enforcement of a guarantee by a lender against the Minister. The lender must first have exhausted his rights and remedies under all other securities held by or for him in respect of the debt guaranteed. The words "taken all reasonable steps to exercise" are more practicable than the sole word "exercised" which may prove an unnecessary obstacle to those lenders participating in the guarantee scheme.

I thank members for their contribution and for their support of this Bill which has the support also of the small business community.

Question put and passed.

Bill read a second time.

In Committee, etc

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Sport and Recreation), and passed.

FISHERIES ADJUSTMENT SCHEMES BILL*Second Reading*

Debate resumed from 22 October.

HON G.E. MASTERS (West -- Leader of the Opposition) [12.09 pm]: The Opposition supports this Bill. There is no doubt that this legislation is well warranted and certainly is supported by the industry and industry groups. The Bill proposes to make provision for buy-back schemes to be organised where there appears to be a need in the fishing industry. As the name of the scheme implies, fishing licences will be purchased from those fishermen who find themselves in some sort of difficulty. I will explain that later.

All important fisheries are, or will be in the near future, limited-entry fisheries. Limited-entry fisheries simply means that in respect of the fishery concerned the number of fishermen, fishing boats, and in some cases fishing pots is limited. There is no better example of a properly managed limited-entry fishery than the rock lobster industry. I understand that there are 750 boats in that fishery, probably averaging 100 pots each.

Over a period of time it has become evident that more and more fisheries need to be managed and the management programmes includes limited entry simply to protect the industry. I have probably mentioned this before, but a few years ago I visited the North Sea fishery in the United Kingdom and I was horrified to see in Hull and Grimsby and in the Scottish ports, lines of big fishing boats tied up on the waterfront, going rusty, simply because there has been an over fishing of the North Sea. Those strong and lucrative fisheries have been decimated to the stage that the fishermen have nothing to do. I think the situation now is changing and the fish are returning simply because of the reduction in the fishing effort. That is the last thing we want in Western Australia where, after all, we have only what one could term a fair fishery. The rock lobster industry is a good industry but the seas along the Western Australian coast do not abound with fish. If fishermen are allowed to fish without any limitation and to take any sized fish, obviously we would suffer the fate which has been suffered by some of the United Kingdom and Europe fishing fleets and we would have no fish at all.

Limited-entry fishery is a method of managing the industry so that it is protected and is there forever and a day. When a limited-entry fishery is set up the fishermen who apply to be part of that limited-entry fishery must have certain qualifications and, in particular, a history of fishing in that fishery. If they do not comply with those requirements they are not eligible for a limited-entry licence. Again I refer to the rock lobster fishery, the shark fishery, the tuna fishery and the like -- they are all managed fisheries. If a fisherman is unsuccessful in obtaining a licence in a limited-entry fishery he must look elsewhere. As the limited-entry fishery management programmes progress it is obvious that a number of boats and fishermen will be pushed out of the industry and those fishermen will end up fishing in the open access area which, generally speaking, will be the long line, the troll line and the scale fish area. Eventually, the open-access fishery will be under too much pressure and too many fish may be taken out of what is left after the limited-entry areas have been established. If the fishermen are able to survive it will be with difficulty and, in many cases, their businesses will be unprofitable and they will face the situation of becoming bankrupt or trying to sell their licences.

Those fishermen who move into the open-access area and find their business unprofitable will be able to offer their licences to other fishermen or to the public. Someone may take the chance and buy the licence. There is nothing to stop a fisherman with a licence to fish in the open-access fishery to sell his licence. However, at the end of the day because of the lack of fish in that area there is nowhere for that fisherman to go and that is the reason for the establishment of the buy-back scheme. If a fisherman is going broke and cannot sell his licence he will be in a position to go to the committee administering the buy-back scheme and it will set a price for the licence which, if he wants, he can accept. It is something like an insurance scheme and to fund it each fishing boat will be levied \$100 per year for five years.

It means that every fishing boat that operates along the Western Australian coast, regardless of whether the boat is used for rock lobster or estuarine fishing, will be levied \$100 for five years.

Hon Graham Edwards: It is described as a unit.

Hon G.E. MASTERS: The Minister is correct. It is proposed that the levy will bring in something in the order of \$1.6 million and the Government is proposing, in the first year, to contribute \$160 000 to the scheme. All in all it is a scheme which is funded by the fishermen as an insurance scheme but, at the same time, it is backed by Government grants; that is, whatever the Government sees fit to contribute from time to time. I do not think that the Government intends contributing a fixed \$160 000 each year; it may be more; but in this year the Government is making available \$160 000.

Hon Graham Edwards: It is for this year.

Hon G.E. MASTERS: Yes, but it is obvious that the Government has committed that amount thus far and we can expect it will make similar contributions in the future. It will be a Government decision.

I have outlined to the House what the Government proposes and I think it is an excellent idea. The Western Australian Fishing Industry Council has made these recommendations to the Government and rather than this scheme being an initiative of the Government, it is an initiative of the industry itself. The peak councils of the fishing industry largely control the fishing industry and they do it well. It is fortunate for the Government and certainly for the Minister for Fisheries that there is such a great input from the industry and the peak councils because it means, in the main, that the Government's Minister is able to recommend to Cabinet that certain action be taken knowing that he will be backed by the industry and by the councils. As the Minister is aware there have been many arguments in the industry about what is right and what is wrong.

Hon Graham Edwards: There always will be.

Hon G.E. MASTERS: They can only do their best and the Government and the Minister must take notice of the elected peak councils.

As I understand it, a number of buy-back schemes may be set up where it is considered appropriate and those schemes will be administered by a committee. It could well be that one committee will administer two or three schemes.

The proposed scheme is important for a number of reasons. We are talking about open-access fisheries which I imagine would be wet fish areas off our coast, but there are increasing difficulties in other areas where there is a conflict between the recreational fishermen and the professional fishermen. I see these schemes being used for this purpose. An example of where there is conflict between recreational fishermen and professional fishermen is in the Mandurah area where there has been an increasing problem with amateur fishermen and the same argument could apply to the amateur fishermen who fish in the Swan River.

I have a special interest in the Geographe Bay area. Here there is increasing difficulty as more people use the area for holidays with fishing as part of their activities.

The time will come when the Government of the day will set up a buy-back scheme in Mandurah where those fishermen who have not made progress will be encouraged to sell their licences to the buy-back scheme. I understand that once the buy-back proposition is pursued the licence is torn up and not resold, as this is a method to dispose of fishing licences and reduce the number of fishing boats. Over a period of time, obviously the aim is to have fewer and fewer fishing boats. Obviously the industry would not view with any enthusiasm any Government suddenly deciding to increase the number of professional fishing licences in Western Australia.

I can see great benefits in the areas I have spoken on where there is conflict of interest between professional and recreational fishing. I do not know if the sum of money involved will be sufficient. I also doubt whether five years is sufficient time but we have to start somewhere. Perhaps in four or five years' time the Government of the day will say the buy-back scheme should continue; legislation will be extended, with the cost to each fisherman increased to \$200 per boat. That is a likely option.

I commend the Bill to the House. I think it is an excellent move forward in reducing the fishing pressure off our coastline.

HON P.H. LOCKYER (Lower North) [12.22 pm]: I support this Bill. I notice mention is made of the buy-back scheme which was implemented in the Exmouth area. If that step had not been taken the Exmouth prawn fishing industry would not exist today. Fishing industries across the world, but particularly in Western Australia, are under enormous pressure. This became evident back in the late 1970s and the early 1980s, particularly in the years during which Mr Masters handled the portfolio of Fisheries and Wildlife. Hard though he was at the time, he was faced with many problems, such as closing the blowholes to professional rock lobster fishermen. We had to wait for a Labor Government to come in and do it. Though Mr Masters was very tough he was also very intelligent. If I recall correctly he implemented the buy-back scheme in Exmouth --

Hon G.E. Masters: I didn't, actually. We started in the Gulf but things took a nasty turn.

Hon P.H. LOCKYER: It is important to understand that not only the rock lobster and prawn industry but also the general scale fish industry has been under enormous pressure, particularly in Shark Bay. The industry has realised over the past few years that entry to the industry should be limited. This has taken some of the pressure off but obviously the tonnage from that fishery cannot be contained. I am pleased to see the industry putting pressure on the Government to make the contribution of \$100 per fishing unit.

I want to be reassured that once the buy-back scheme goes into operation the actual licence disappears; this has happened at the Exmouth fishery. Pressure has been applied to me by people wishing to get into the industry and no doubt honourable colleagues opposite would have the same problem. The Shark Bay fishery has two zones and people continually seek new methods to change from one zone to another. The only way to do that is to buy a licence, and I feel there are far too many licences available at the moment. I hope that fishermen within the industry take advantage of the buy-back scheme, and for that reason I support the Bill.

HON E.J. CHARLTON (Central) [12.26 pm]: On behalf of the National Party I endorse the comments made on the Bill. We totally support the Bill. The National Party supports the principle relating to the management of the fishing industry.

I will not comment on all aspects of the Bill but I note the provision for the payment of \$100 per fishing unit. The administration of that provision needs to be taken very seriously. As time goes by complaints could arise if this area is not administered in an efficient economic manner. I have not had as much experience in the fishing industry as other members but I have had some discussions with people who operate off the south coast. The main problem in that area relates to access and will not be resolved without some form of financial input. The fishing industry in the area is tremendous but access for fishermen is difficult.

Members may recall a rescue operation in the area recently. I spoke to the gentlemen who had been rescued, one of whom had an artificial leg. They clung to a ledge just off Cocklebidy and had it not been for their knowledge of the area they would not have been able to gain access to the beach that night. The man with one leg had tied his artificial leg to himself with a piece of string. I found it amazing to talk to those three people that night.

One of the problems discussed that night was that of access to and from the mainland and the lucrative fishing market.

Hon Graham Edwards: It is difficult terrain for anyone.

Hon E.J. CHARLTON: Absolutely.

Hon D.K. Dans: It is doubtful the fish are there. From my experience, there have been a number of ventures in the area but either the fish are cleared out or it is possible to get a mixed bag only. The area is difficult to fish.

Hon E.J. CHARLTON: That may be so, but I am not in a position to debate that point. According to my information the fish are there. The reason the industry has not become an economic proposition is that the whole length of the bight has to be traversed to off-load the catch. Road access is limited and vehicles are worn out within 12 months trying to overcome the sand hills. The suggestion has been made that perhaps a freezer ship should sit off the coast and carry out freezing operations on the spot. That point has not been incorporated in

this Bill and was not intended to be, but I raise it on behalf of those in the industry who consider the area could have a lucrative future. Advantage has not been taken of the situation for the reasons I have mentioned, and I raise those points with the Minister as others have done in the past.

Hon D.K. Dans: The last trawling company down there went broke.

Hon E.J. CHARLTON: I know it did; and for the reasons I have just outlined. There are other reasons, of course, such as bad export deals and problems with agents.

I support the Bill, even though perhaps I am more au fait with the fresh water fish which were the topic of conversation on television last night, and if we were to talk about that at some other time, I would be a little more informed. The National Party supports the Bill, but I want to place on record those few observations about the administration and also the point about the Great Australian Bight fishermen.

HON GRAHAM EDWARDS (North Metropolitan -- Minister for Sport and Recreation) [12.31 pm]: I thank members opposite for their support of this Bill, for the work they have put into it and for the good understanding they obviously have of the Bill and the fishing industry generally.

This Bill is warranted and is supported by the industry. The industry is a very intensive one and I believe it has been well managed by the department for a number of years and the department has been well supported by successive Ministers. The process of buying-back and of limited-entry fishing is very important if we are to continue that good management which is crucial if this very lucrative and important industry is to continue to survive and we in this State are to continue to derive in the future the benefits from this industry which we have derived in the past.

Licences must be annulled and cancelled before payment is actually made, and I think that will answer the questions which members had in relation to the end result of achieving fewer people in that industry. In response to Hon Eric Charlton's comments, I am happy to take that matter up with the Minister on the member's behalf, but I suggest it may be more suitable for the member to take them up directly with the Minister.

I thank members opposite for their support and commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Hon Mark Nevill) in the Chair; Hon Graham Edwards (Minister for Sport and Recreation) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Fisheries adjustment schemes --

Hon G.E. MASTERS: I know the Minister does not have his advisor with him -- and I do not think that would be necessary -- but when I was speaking in the second reading debate, the Minister made reference to what he called a fishing unit. I presume what the Minister was getting at was the \$100 levy -- if that is the appropriate way of describing it -- per fishing unit.

Hon Graham Edwards: Yes.

Hon G.E. MASTERS: What does that mean in regard to, for example, estuarine fishermen? There are many small boats in Mandurah, and I guess the fishermen may have a fairly reasonably sized boat with one or two smaller dinghies operating from them. Is the fishing unit the main boat plus the dinghies that operate from it, rather than each dinghy being a separate unit; and if so, are the fishermen just paying \$100 for their operation?

Hon GRAHAM EDWARDS: That is right, and that is why I mentioned the word "unit". The definition is --

A fishing unit is, in its simplest form, a fishing boat. In other instances, such as in the estuarine fisheries, a fishing unit would comprise of the "mother boat" with the netting dinghies attached to the licence.

Hon D.J. WORDSWORTH: I would like to speak to the matter because it seems there is a lot of difference between a small boat, such as those on the Swan River which are little more than rowing dinghies, and the big prawn trawlers. I cannot believe that both would have to pay the same fee of \$100 because if one were to buy out a prawn trawler and its licence the cost would be a completely different scale than if one were to buy a smaller unit.

Hon D.K. Dans: You want to try to buy one of those licences on the river.

Hon GRAHAM EDWARDS: I think Hon Des Dans has made a very good point, but the fact is that this is what was agreed to and pushed for by the industry itself, and it is supported by the Government. We can get into a whole range of debates right across the length and breadth of this coastline regarding the size of a unit.

Hon G.E. MASTERS: Another point is that the operators of those small boats mentioned by Hon David Wordsworth are the most likely people to benefit from this scheme. I do not think it is possible that the operator of a prawning boat or a rock lobster boat would have the advantage of a buy-back scheme. I do not think it is anticipated at all that the limited entry fisheries will be included. The reason they have to pay \$100 is that they gain some benefit from the open access or the wet fish area because when their seasons are finished there is nothing to stop them from fishing in other fisheries; and for that reason the argument has been put forward that they would at least see some benefit and therefore they should pay the \$100.

I think the greatest benefit -- and probably the only benefit -- will go to the operators of those smaller boats who are marginal in their profitability and who may at some stage have nowhere else to go to but to sell their licence to a buy-back scheme. I take the point made by Hon Des Dans that on the Swan River licences still cost an arm and a leg, but I think that is the reason for it and that the scheme is there to protect those people. I made the point earlier in my second reading speech that if there is growing conflict, both recreational and professional, those people will be the first to go for one reason or another, and it is their insurance scheme.

Clause put and passed.

Clauses 5 to 20 put and passed.

Schedule put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Sport and Recreation), and passed.

SOIL FERTILITY RESEARCH AMENDMENT BILL

Second Reading

Debate resumed from 22 October.

HON W.N. STRETCH (Lower Central) [12.40 pm]: The Liberal Party supports this Bill.

The history of the fund needs to be elaborated. It was originally set up in 1954 by a levy of an old-fashioned penny a bushel. Over the years it has built up until it totals a fund of \$354 055. As was noted in the Minister's speech, the purpose of this fund is to provide funding for two postgraduate research scholarships. Of course research and development in the agricultural and grain growing industries are of as much importance as they are in other industries. It is definitely the way we have to go to keep in front of steadily rising costs. The Bill is commendable. Many of the small trust funds that have been set up over the years have tended to have their funds eroded by administration costs of the trust funds themselves. I think this is a worthwhile move, which we welcome because it will help to keep the capital of the fund more intact and therefore it will leave more money free to give to these scholarships for research projects. I do not envy any trustee of funds in this economic climate. I suppose trustees would get between 12 per cent and 15 per cent -- maybe more --

which would give them in the vicinity of \$40 000 to spend on research. It must be a bit of a headache at present. However, they have obviously done a good job over the years to build up this fund and maintain it.

The Liberal Party hopes that under the new trusteeship this situation will continue and possibly even improve because a doubling-up of administration costs has occurred. The administration of the Bill is not specified exactly. I suppose that is understandable because one never knows what bodies will be available some years down the track, so this legislation has been left fairly loose. However, there is a very strong indication that for now it will be administered by the State Research Advisory Committee, set up under the Wheat Marketing Act of 1984. The changes are fairly minimal. There will now be five trustees instead of six and under the present Act, they were the president of the wheat section of what was then known as the Farmers' Union of WA, two vice presidents and the Director from the Institute of Agriculture, and the Grain Pool representative. By general agreement within the industry that is now modernised so that three will be nominated by the Western Australian Farmers Federation, one will be from the School of Agriculture and one will be the permanent head of the Department of Agriculture. That knits in very neatly with the members of the State Wheat Advisory Committee because under the Act the members of the committee shall include --

- (a) at least 1 person appointed to represent wheat growers;
- (b) at least 1 person appointed to represent flour millers;
- (c) at least 1 person who is an officer of the Department of Public Service of the State known as the Department of Agriculture;
- (d) at least 1 person appointed to represent the State corporation; and
- (e) at least 1 person appointed to represent The University of Western Australia.

That is a nice overlap of personnel and it will cost virtually no more to administer those two trusts than it does to administer the one.

The Liberal Party welcomes the legislation. We applaud the work that has been done by these research graduates in the past and look forward to ongoing research and greater benefits to the grain growing industries of Western Australia as a result.

HON E.J. CHARLTON (Central) [12.45 pm]: The National Party supports the Bill. Obviously the administration of this operation is in line with what the industry has accepted and fully supports. I register the point that there will be no change to the financial administration of the Act.

This is an important levy. Soil fertility is a very important aspect at this stage of the development of the agricultural industry. A number of things are happening because of the financial and economic situation confronting the industry and as a result there has been a drop in the soil fertility, particularly in certain parts of the State. That has come about because of the impact of nitrogenous fertilisers and the use of fertilisers generally in the establishment and maintenance of the various pastures which have been produced over recent years. This has caused soil fertility to be reduced in some areas -- I emphasise "some areas" -- and as a result of that there are problems with the level of protein in some of our grains and so forth. While this Bill does not address that point, it addresses the administration of this soil research facility.

I digress to make one other point -- that is, soil fertility associated with the growing of lupins. I think that the media should publicise this matter because at the moment we have a fast developing lupin industry which has attracted a research levy. I might add that this has been spent on research in developing the lupin industry in recent years. I would sound a note of warning: The lupin industry will face some pretty difficult problems in the immediate future if research is not carried out in the northern area of the State. That is the home of the lupin industry where this fund originated -- I think from Morawa -- and lupin growers in the Geraldton area and areas to the north, east and south are facing a dilemma because of disease problems that appear to be gathering momentum. That is phomopsis, which is a stress problem associated with the lupin plant. No-one seems to know why it develops with the stress that comes on at the end of a season. I led a deputation to the Minister for Agriculture last week and I hope he took on board some of the things the deputation put to him because

the research and the money that is to be contributed to that research are significant when it comes to dealing with the problems facing the industry at the moment.

I hope the Minister handling the Bill in this House will pass my comments to the Minister for Agriculture. I will certainly be contacting the Minister for Agriculture continually about this problem. I hope that there will be a response by both the Government and the Department of Agriculture in respect of that problem, which has been the subject of lot of documentation of the problem.

While many areas in the north of the State are experiencing a successful cereals season, the season for lupin crops is going in the other direction. Here we have an industry which has recently been able to develop worldwide markets, but just as the commodity is selling well we are experiencing this production problem, a problem not too many people know about. A lot of people have a lot of theories. I would like to attract the support of all members in this place for the proposition of their following every avenue available to them to bring to the attention of the Government and the Department of Agriculture the problems confronting lupin growers in the north of the State. As a lupin grower myself, I have seen the problem getting worse year by year. It has now reached the stage where some growers are saying that they will cut back on the area involved and go back into some other form of agriculture.

I support the Bill.

HON GRAHAM EDWARDS (North Metropolitan -- Minister for Sport and Recreation) [12.51 pm]: I thank the Opposition for its support of the Bill. I will convey Hon Eric Charlton's remarks to the Minister for Agriculture and I am sure he will pursue the matter.

Question put and passed.

Bill read a second time.

Sitting suspended from 12.52 to 2.30 pm

In Committee, etc

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Sport and Recreation), and passed.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Consideration of Tabled Paper

Debate resumed from 28 October.

HON P.G. PENDAL (South Central Metropolitan) [2.35 pm]: I rise to support the motion and in doing so join with other members in expressing very hearty congratulations to Hon Barry House for his magnificent win for the Liberal Party in the South West Province by-election last Saturday. Not only will Hon Barry House add a great deal of lustre to the Opposition parties in this House but also his election, along with that of the new members for Darling Range and Gascoyne, will be seen as a turning point in the fortunes of the Liberal Party in this State. In the years ahead those members will have that special satisfaction of knowing that their efforts, together with those of many other people, helped turn the tide. I not only want to pay tribute to the members who were elected but also to Barry MacKinnon, the Leader of the Opposition, who came to that job less than a year ago. Everyone knows that in politics leadership is difficult at the best of times and it is that much more difficult in times which are not favourable to the party in Opposition. In my judgment Barry MacKinnon has grown enormously in that job and the challenge is now before him to grow further.

A Government member interjected.

Hon P.G. PENDAL: That challenge is entirely in the imagination of the members who interject and I might add that the weakness of the interjection is directly commensurate with the weakness of the rumours that have been circulated.

Hon D.K. Dans interjected.

Hon P.G. PENDAL: I think Hon Des Dans should take the advice that the man in Gascoyne gave him the other day. I take the advice of Hon Bill Stretch and I will not start that again.

Having made those comments about the recent by-elections I take this opportunity to touch on two or three matters that are of direct interest to the Budget debate and also matters that are not related to finances but are important to the people of this State. In the main they are economic or financial issues but I begin with a matter that in no way is unimportant.

I want to begin by discussing today a suggestion that has arisen across Australia in the last couple of weeks that abortions are being carried out in Australia for reasons other than those which have come to be accepted -- much to my regret -- by a broad cross section of the Australian community. In particular I draw the attention of the House to the report emanating from a medical journal *The Australian Doctor* that a number of abortions have occurred on the grounds that the gender of the foetus is unacceptable to the parents. Mr President, you would be aware that the debate on abortion in this country and in this State has been emotive for many years. A generation ago -- certainly when I was growing up -- much of the debate in Western Australia centred around the level at which abortions should occur.

Arising out of a number of important court rulings across Australia, in particular court rulings like the case in New South Wales, it has come to be accepted that abortions are justifiable and acceptable if the life of the mother is at stake, or if there is a level of deformity in the foetus which would lead most people to believe that abortion is justified. I hasten to add that I personally do not accept that. To me, the debate on abortion is very much equated to the debate on capital punishment. I was one of those who crossed the floor of this House a few years ago to support the abolition of the death penalty. Not everyone, certainly not everyone in the Liberal Party, adheres to that view; certainly not everyone in the community. Nonetheless that was the decision I made, with a few others on this side of the House.

I rise now only to bring to the attention of members the fact that there is a direct equation between the loss of life in aborting a foetus and the loss of life when someone is strung up on a gallows. Therefore I maintain that my decision is more consistent than that of most other members. Notwithstanding that, I maintain that people feel differently. That is the reason why, in the last generation, we have had generally in Australia a community which says that people like me are wrong, and that in the main one can accept abortions taking place where the mother's life is at stake, or where the deformity of the foetus is at such a grotesque level that there is justification for aborting it. That is the past, and indeed it is the present. Whether we like it or not, that is the situation which faces all of us right now.

However, I put it to members that we are facing a whole new and very horrific ball game when it comes to permitting or endorsing abortion of unborn children on the ground that they happen to be the wrong sex. The parent might have thought, "I wanted a boy", and through the present sophisticated diagnostic methods it has been discovered it is a girl, therefore it must be aborted. I do not know if members are aware -- I was not until it was drawn to my attention -- that the technological advances in diagnostic activities have so dramatically improved in recent years that it is now possible to determine the sex of an unborn child 10 weeks into a pregnancy. Something even more dramatic is about to occur, which will open up a whole new opportunity for abuse on the part of many people. Within the lifetime of most people in this Chamber, I am told, it will be possible to diagnose the age at which that unborn child will die. That is mind-boggling. It will soon be possible for medical science to tell us at what age an unborn child will probably die. Not only that; the diagnostic activity is so advanced that within the lifetime even of Mr Butler it will be possible to determine --

Hon T.G. Butler: I will throw a party when that happens.

Hon P.G. PENDAL: I would not even notice if it happened.

Several members interjected.

The PRESIDENT: Order!

Hon P.G. PENDAL: It will soon be possible to determine, I am told, the vulnerability of the unborn child to certain diseases.

Hon Mark Nevill: You can do that now.

Hon P.G. PENDAL: I agree that a lot of it can be done now, but the information I have is that within the lifetime of most members those two things will become common. In the main, that can be welcomed by many people as an advance in medical science and technology in research which may well have some ultimate benefit to mankind. I also put it to members who may remember the Hitler days that the objective of creating some sort of master race now comes within the realms of possibility. If one is able, in the course of a woman's pregnancy -- perhaps even as early as 10 days into her pregnancy -- to determine the sex and the diseases which that child is likely to attract, in its peculiar state, the possibility is put into the hands of people outside that family unit of doing horrific things to the community as we know it now. I am told that at least five abortions have been performed in Australia on the basis that the child has been the wrong sex. If the reporting of medical research is anything like the reporting of other forms of research, that research is probably two or three years old. One can assume that the five abortions which have been reported have now been overtaken and we are perhaps talking about actual situations occurring in Western Australia.

I put a question to the Minister for Health on the Notice Paper yesterday to try to determine where we are in this horrendous step towards aborting children on the ground that they are of the "wrong" sex. I asked the Minister whether he was aware of those reports and whether he would investigate if abortions are being performed for that purpose in Western Australia, and whether any public or private hospital facility is being used. Finally, I asked him whether he would be prepared to step in and take some action which would perhaps set the lead to people to say "No, the community says, 'This is where you draw the line'."

To his credit, I am pleased to say that the Minister for Health stated in questions on notice today to the effect that he is aware of those reports. He went on to say, "To the best of my knowledge no such abortions are done in Western Australia" -- and this is the bit I underline and that I ask members to take into account -- "but I will certainly ensure the situation is monitored." Apparently all the cases I have quoted here today have caused the medical fraternity in Australia such turmoil and mental anguish that in many cases those doctors are actually withholding knowledge of the gender of a child from the mother-to-be because the medical practitioners fear that the mother may resort to an abortion for the reasons I have stated. If that is correct, in this time of uncertainty for medical practitioners, I for one want to commend them.

Hon Kay Hallahan: For withholding information?

Hon P.G. PENDAL: Yes.

Hon Kay Hallahan: I cannot commend withholding information.

Hon P.G. PENDAL: Can the Minister not? I thought I would get that sort of reaction from the Minister.

Hon Kay Hallahan: I am glad you are not disappointed.

Hon P.G. PENDAL: I am not. Nothing about the Minister in her attitudes on these matters disappoints me, but I will not be diverted. Let me be quite clear so the Minister can be clear.

Hon Kay Hallahan: And you should be clear about what I am saying.

Hon P.G. PENDAL: We will clarify it right now.

A Government member: What is your attitude towards homosexuality?

Hon P.G. PENDAL: The member should go back to sleep for five minutes. He can come out of his Rip Van Winkle slumber when I have resumed my seat.

Let us be clear about this matter. I have not raised it here because I think it is worth chucking into a debate to antagonise people. I happen to think that it is one of the most serious pieces of technology facing the Australian community, and no doubt the international community as well. I go back to what the Minister said. What I am saying to her is this: A patient may go to a doctor and say, "I want to have my unborn child tested for Down's syndrome", especially if it is a woman in the later years of child bearing, or if for some other reason she wants to have a diagnosis made about the state of her unborn child. That has always been the argument in the past -- to find out the health or otherwise of the unborn child.

What I am saying now is that the argument has developed beyond that to the stage where the would-be mother, or mother-to-be, goes to the doctor, goes through those tests, and in the meantime discovers as a result of that diagnostic activity that the child is the "wrong" sex. That is where I come to answering the Minister. It is at that point, not the point of saying to the would-be mother, "I am sorry to tell you that your unborn child will be a Down's syndrome child or has some other terrible scourge", but where apparently some doctors are stopping short of saying to that woman, "I know you have wanted a girl all these weeks, but you are going to have a boy." Does the Minister see my point?

Hon Kay Hallahan: Yes.

Hon P.G. PENDAL: I am glad the Minister has confirmed that she follows my point there, because it is at that point that the doctors apparently are saying to themselves, "I am going to withhold that information about the sex of the child if it means that the mother-to-be will say she is sorry it is a girl because she wanted a boy and she wants a referral to someone who will abort the child." If that is what the Minister is saying --

Hon Kay Hallahan: No. I accept your point about the dilemma the medical practitioner might be in, and I think that is a dilemma. I don't agree with his withholding information on the basis of what action the patient may choose to take. That is the patient's choice on the basis of the information received. That is where I would disagree.

Hon P.G. PENDAL: That is where I differ from the Minister. If the Minister is saying she would endorse the view that it is the mother's right to have that information, which would then lead as a direct action to the mother's saying as a result of that information, "I will now have an abortion because it is the wrong sex", I want to say here that I think that is horrific. It is one of the worst possible things that could be imposed on our society.

Hon Kay Hallahan: I just do not think we can rationalise professional people not giving information on the basis of some decision they find undesirable being made. It is the dilemma the society has got -- people making choices.

Hon P.G. PENDAL: But the Minister would know that there are still people -- and I am not one of them, I might add -- who will argue with the medical fraternity that a patient has the right in all cases to know that he or she has a terminal illness, for example. As a community what we tend to do is say, "Of course they have a right to know they have this dreaded terminal illness, or whatever it might be." But there are still individual cases where I believe people are best left in a position of ignorance, and if that sounds paternalistic I would plead guilty to that immediately. What the Minister suggests is that we can treat everyone like the next person, but that is not the way human beings are.

Hon Kay Hallahan: You just have to look at the corruption of the professionals if they do not keep to certain principles.

Hon P.G. PENDAL: I am not sure what that means but I will not be diverted from the point I am making. I want it placed on record that if we in this country have reached the stage where we will permit the abortion of unborn children on the basis that they are of the "wrong" sex, then we have reached a horrendous position in the human race. Even though I will never, because of my personal beliefs, accept that abortion in itself is right, I can at least understand the argument of perhaps most people in this Chamber when they say that an abortion should take place where the life of the mother is at stake or where the child has some grotesque deformity. I can at least understand the rationale behind that, but I do not believe there are many people in Australia who, while pro-abortion in their general attitude, would come to accept the view that we should permit the abortion of a child simply because it happens to be the "wrong" sex.

I want to say here that I commend the Minister for Health for the answer he delivered to this House only today to the question I asked him; that, in his words, "I will certainly ensure the situation is monitored." The use of those words indicates that he would take a different position on it, I am glad to say, from that of the Minister for Community Services.

Hon Kay Hallahan: You can't say that.

Hon P.G. PENDAL: I can draw any conclusions I like --

Hon Kay Hallahan: You probably would, knowing you and your history.

The PRESIDENT: Order!

Hon P.G. PENDAL: -- from his remarks and the remarks of the Minister that she has made in this House. I hope that the Minister for Health might even go one step further and call a conference between himself and members of the medical profession by way of the Australian Medical Association in order that we in this society can at least, in 1987, learn where we are going to draw the line. The line must be drawn somewhere and I would be devastated to think that this community, notwithstanding its alleged level of sophistication, would accept that that should become the norm. If nothing else, I think the Minister for Health's attitude and the attitude I am trying to get across would at least signal to the next generation of young Western Australians and Australians that we do need to draw the line at some point more precisely than it has been drawn up to now.

In a very short space of time I think we will need to go one step further. That may well be an amendment to the Criminal Code -- I am not sure that is the way out -- to signal not only to that next generation in Western Australia but to people around Australia that while there has come to be a level of acceptance about abortion in the circumstances I described earlier, at least the criminal law of this country will draw the line there and say that conceiving a child of the wrong gender is no reason for aborting that child.

I said I wanted to discuss a number of matters related to the Budget but you, Mr President, are aware that the Budget debate allows members to discuss all sorts of things, including non-financial matters. I turn to several matters which directly impinge on the Budget introduced by the Treasurer about eight weeks ago, and specifically draw out a number of points to do with tourism, since I have responsibility for that topic in the Opposition ranks.

There is no doubt that the present Government came to office in 1983 on a tourism hype, if you like. There are good grounds for believing that the Government showed the outgoing Government, now the Opposition, a thing or two about the priority one should give to tourism.

Hon Kay Hallahan: Well, there is a concession. Goodness me!

Hon P.G. PENDAL: It makes me choke a bit, especially to say it in front of the Minister for Community Services, but I have said it before. The Government in 1983-84 gave a priority to tourism which the previous Government and Governments did not. One can always rely on the Minister for Community Services to come in at the right time because while I was prepared to commend the Government publicly --

Hon Kay Hallahan: You are about to put a "but" on the end.

Hon P.G. PENDAL: Yes. The fact is that the tourism bubble really has burst for the current Government.

Hon John Halden: Ask the airlines.

Hon P.G. PENDAL: It is no good doing that. They are so angry with this Government because they cannot get people in or out of the country as a result of the restrictive trade that is being imposed and kept on them, and that anger is rising to the surface in the tourism debate. The Government is copping a huge amount of flak. I acknowledge, as I have before, that the priority the Government has given to tourism in Western Australia since 1983 is commendable.

Hon Tom Stephens: What was that? Would you say the first bit again?

Hon P.G. PENDAL: Hon Tom Stephens should talk to Hon Kay Hallahan.

That situation really has altered very significantly in the last 12 months. What has happened is that in 1983 the present Government came to office and discovered a new toy -- a bit like a child -- which was tourism. It played with the toy for a couple of years, and I say to Mr Stephens through you, Mr President, that the Government is now tired of it.

Hon John Halden: What proof is there of that?

Hon P.G. PENDAL: I am so grateful that members opposite are predictable and come in at the right time and ask for proof. I will give it to them. One of the few reasons one can justify the maintenance of a very large tourism bureaucracy -- make no mistake we have that; we spend about \$16 million a year of taxpayers' funds on the Western Australian Tourism

Commission -- is that it is to market Western Australia. That is one of the central and underpinning reasons. Even Mr Halden would have to agree with that. There is no point in having a tourist paradise if we are not telling people about it and attracting them here.

Hon John Halden: I am pleased you have got that concept.

Hon P.G. PENDAL: It was there long before this Government came along.

If we have a body whose job it is to market tourism and promote it and entice people to the State, why would we turn around and reduce the amount of money which the Tourism Commission has to market the product, in this case Western Australia? The marketing and promotions budget for the Western Australian Tourism Commission has gone down -- it must be the only statistic that has gone down, Mr Stephens -- from \$3.9 million to \$3.8 million in dollar terms. If one takes into account a modest 7.5 per cent inflation factor the budget for that particular item should have been somewhere in the vicinity of \$4.5 million.

Hon John Halden: What is the different factor between last year and this year?

Hon P.G. PENDAL: I will come to that. I am so grateful Hon John Halden is so predictable. He is very obliging.

There has actually been a drop of \$738 000 in that part of the tourism budget. I will answer the point raised by Hon John Halden because he will tell the House that the big factor this year as opposed to last year is the America's Cup, and whereas last year we spent a lot of money promoting the America's Cup he will say that is not in the Budget and we do not need to promote it. He would be dead right, but these cuts are not related to America's Cup activities. These figures already take into account the spending of \$1.6 million last year that obviously will not be needed in the Budget this year.

Therefore even if we extract out of the State Budget that \$1.6 million which was spent on the America's Cup and put it on one side and ignore it we are still spending \$738 000 less in real terms this year on tourism promotion than we were 12 months ago. The Government cannot possibly claim that it is promoting the State in a better way this year with a reduced amount of money in a time of higher costs. The Budget introduced this year by the Treasurer and read here by the Minister for Budget Management shows 13 more marketing personnel will be employed by the WA Tourism Commission who will actually be spending a lower amount of tourism promotion dollars. At a time when the Government has not only effectively, but also in real terms, cut the amount of money for marketing in tourism we will have 13 more people doing the job. It simply does not make sense. Indeed if one is going to reduce the budget one might have said that short of any wholesale cuts in staff one would keep staff levels about the same. However, we are in the extraordinary position this year, according to the Budget documents, of adding 13 staff to the promotional area of the Tourism Commission when its budget allocation is going down. There is a big difference between what the Government says is happening in tourism and what is actually happening. I draw the attention of members to the figures in the Budget and the figures that appear in the 1985-86 annual report of the Western Australian Tourism Commission. They tell two entirely different stories. One would expect, in examining both sets of figures, to get the same story from both. However, two different stories emerge.

Incidentally, the Tourism Commission annual report is circulated largely within the tourism industry. It showed that more than 50 per cent of its budget went on marketing and promotion. In other words, it is in the Government's interest to say to the tourism industry of this State that the tourism budget allows for an amount of 50 per cent to be spent on marketing and promotion. That makes sense. However, when one examines the figures appropriated in the Budget for that purpose, one finds that not 50 per cent of the budget has been spent, but that approximately 25 per cent of the budget has been spent in that way. It is one thing to put out a bit of public relations hype and say, "This is the way we are promoting this State"; but it is quite another to look at the facts of what is contained in the Budget.

A further analysis of the annual report shows that only about 12 per cent of its funds were spent on administration, finance, and human resources. Again, on the surface, one could say that an organisation doing an important job like this has done very well to contain its administration and human resources costs. But, again, upon examination of the Budget, one finds a vastly different story. One finds that not 12 per cent is being spent on those things,

but almost 50 per cent. I have not dreamt those figures. I invite members to do the comparison themselves. It is a con job for the Government to suggest to the taxpayers of Western Australia that it is putting a lot of money into tourism promotion and advertising when, in fact, a whole lot more than is being admitted is being pumped into staff, personnel, and administration.

Hon John Halden: Do you consider there is a labour cost in promotion?

Hon P.G. PENDAL: Of course there is.

Hon John Halden: Did you account for that figure?

Hon P.G. PENDAL: Yes, and so would the member if he examined the figures. The member is quite right; there is a labour component, but why would the commission want another 13 staff members to promote a smaller budget? That does not make sense. I blame the Government and not the Tourism Commission. I think that since the Government got rid of a couple of passengers from the Tourism Commission a year or two ago -- I will not name them -- and replaced them with people like the new general manager, Barry Jones, who I think was a superb choice, things seem to have improved. I was asked, as Opposition spokesman, to criticise that appointment and I refused. I said I would wait until I saw what happened.

Hon Kay Hallahan: How wonderful. There is such promise standing there before us.

Hon P.G. PENDAL: All members of the Opposition are like that. There is so much promise on this side waiting to remove the Minister from the frontbench as we removed the smirk from her face the other night at the Lord Forrest Hotel after such a devastating defeat in that by-election.

I was making the point that my criticisms were not directed at the commission, but were directed at the Minister and the Government which is bleeding the commission dry.

Hon Kay Hallahan: That is unfair.

Hon P.G. PENDAL: No, it is not. The funds have decreased. Can the Minister inform me of one other department or agency that has experienced a decrease in funds? I will bet hers has not. I think the Minister for Tourism has become a weak and ineffective Minister.

Hon Kay Hallahan: That is unforgivable.

Hon P.G. PENDAL: It is not. She has become weak and ineffective, but visually she is very attractive.

Hon Kay Hallahan: What have you got as a claim to fame?

Hon P.G. PENDAL: I am trying to pay the Government a compliment. The appointment of Barry Jones as General Manager of the Tourism Commission was greeted with some scepticism within the tourism industry and with untypical silence by me. I repeat that people were encouraging me to say that the appointment was a bad one.

Hon Kay Hallahan: Are you suggesting that that was the action of an ineffective Minister?

Hon P.G. PENDAL: No, I am paying tribute to her because she had the capacity to appoint someone who was very capable. The sad thing is that she has failed to give the man the capacity to do his job. I think the Government appointed one of the best marketing people and a person with great initiative in tourism. However, it said, "Here is the job to do, but you do it on a smaller budget." Those are the facts according to the Budget. That fact has also not gone unnoticed by the tourism industry. The industry has noted that at last the bubble has burst and that the Government's plaything has all of a sudden become a nonentity and of no interest at all.

Hon Kay Hallahan: Even you, as the member for misinformation, could not read that into it. It is not true.

Hon P.G. PENDAL: It is not what I have read into it; it is a fact according to the Government's Budget.

Another decision by the Federal and State Governments which has had such a devastating effect on the industry in Western Australia is the level of bias that Qantas Airways Ltd shows in directing huge amounts of tourist traffic to the eastern seaboard of Australia. There is no

doubt that Western Australia is degenerating into a very poor relation in the overall Australian tourism market. The Federal Government, and particularly Qantas, is being permitted to show the most abominable level of bias against this State by taking Japanese tourists to the eastern seaboard and, in particular, to Queensland at the expense of the Western Australian tourism market.

Earlier this month, perhaps 5 or 6 October, Qantas, through its chief executive, Mr John Menadue, who members will recall was a former Australian Ambassador to Japan -- and that is important to the point I am about to make -- announced that Qantas intended to double the number of flights from Japan into Australia each week. If members look at this closely, they will find that the eastern seaboard was and is now to get new flights, every morning and every evening, seven days a week, yet not one of those flights will come to Western Australia. On the surface, one can say that that is because Qantas is responding to what the market says. The market says, "Bring Japanese tourists to the eastern seaboard, and in particular bring them to the Gold Coast and parts of northern New South Wales." I put it to members that that is a false claim, because tourists will go where the marketing and promotions take them.

That was part of my complaint in this debate five or 10 minutes ago. If, for example, Western Australia is not promoted as a tourism destination in the minds of Japanese workers, but eastern Australia is, they will go to eastern Australia if they have the choice for a holiday. It is not because the market says they must but because the marketing says that they must go there. The announcement by Mr John Menadue earlier this month is not the only evidence I put forward. I quote here an English translation of a Japanese publication sent to me by a prominent Perth individual about January or February of this year. Mr John Menadue was interviewed in an article -- I am not sure of the publication, but I have it in my files -- on the prospects of taking an increased number of Japanese tourists into Australia. Mr John Menadue was quoted as saying --

"My next hope is to increase services to Osaka and Nagoya." The story went on to express his intention of publicising new popular resorts in Australia, recommending Queensland, and in particular Cairns, where it is always summer.

If we take into account some of the difficulties in translating Japanese words into English, one could not take that literally with every word. But its thrust is not lost on anyone who likes to read it, and that is that the chief executive of Australia's one and only national airline in Japan is being interviewed by a leading trade journal in the tourism industry and saying, that his hope is to increase services to Osaka and Nagoya, and also to publicise lots of new resorts in Australia, and in particular to publicise Queensland, and specifically within Queensland, Cairns.

Qantas is being remiss. In fact it is not acting as a national airline at all; it is acting like some regional airline for New South Wales and Queensland by being as parochial as Western Australia is often claimed to be. Until that sort of situation is redressed, so far as the Japanese tourists are concerned the Western Australian market will not occur. That has a big impact on the Western Australian scene.

Hon T.G. Butler: Are you suggesting he did not mention Western Australia?

Hon P.G. PENDAL: That is exactly what I am suggesting.

Hon T.G. Butler: That is not what you said. You said he was going to develop a whole range of tourist spots in Australia, but in particular Queensland and Cairns.

Hon P.G. PENDAL: I will read the article again for the member's benefit. He says --

"My next hope is to increase services to Osaka and Nagoya." The story went on to express his intention of publicising new popular resorts in Australia, recommending Queensland, and in particular Cairns, where it is always summer.

What I am saying is that Qantas has a responsibility to promote markets and destinations in Australia other than Cairns and other than Queensland.

Hon T.G. Butler interjected.

Hon P.G. PENDAL: We have direct flights from Japan to Perth, none of which, incidentally, has been increased as a result of the announcements over the last few days. I am simply

saying that it is the Government which has set the pace in trying to entice a great number of Japanese tourists here, but it will be undermined by the people in charge of the airline services, in this case the national carrier, Qantas, which is deliberately biasing the Government's attempts and attracting tourists to the eastern seaboard and not to the western part of this continent.

Hon Mark Nevill: That is an absolute beat up.

Hon P.G. PENDAL: It is not. The member should talk to people in the industry and they will tell him that they are very concerned about the level of this. There is nothing new about it; it has gone on since federation. It is not political. Someone should grab hold of Mr John Menadue by both ears and say, "You start to direct some of your activities to the western seaboard of Australia." I was asked at a public meeting, "Surely you are saying that Qantas ought to go where the markets are." I said, "On the contrary, I believe that the markets are where the marketeers make them. If we had our share of the publicity within Qantas in Japan, and it was shown that the south west of this State, or the north west and the Kimberleys or the eastern goldfields which the member represents, were desirable tourist destinations, there would be many more Japanese honeymooners spending time in the member's electorate and putting money in the pockets of his constituents rather than in the pockets of people in Cairns and on the eastern seaboard.

Hon John Halden: Why are there no empty seats on international flights coming into this State?

Hon P.G. PENDAL: Does the member know why? Because we protect Qantas. We limit the number of flights by foreign airlines which can land here. Is the member seriously saying that he does not understand that?

Hon John Halden: The two-airline policy expires next year.

Hon P.G. PENDAL: The two-airline policy does not make a scrap of difference to bringing people from overseas.

Several members interjected.

Hon P.G. PENDAL: The reason that one cannot book a flight out of this country between now and February -- and if one gets out one must be careful about getting back in -- is because we protect Qantas. I have the quote here somewhere; the Federal Minister, John Brown, is quite open about it. He says, "We have to find a way of getting more foreign air seats into and out of Australia to foreign lands while at the same time we protect Qantas."

I am not sure that we should be buying that. There are queues a mile long of people wanting to come here and spend \$4 000 of their annual salaries in our country. Why can they not get in? No plane seats are available. There was a story in the paper in the last day or so about this. It is at the heart of the Western Australian tourism industry's problems. People are literally lined up. I was contacted by an agent a couple of days ago. He said that he had been contacted by someone who wanted to get from Djakarta to Perth -- a simple flight. Could he get there?

Hon H.W. Gayfer interjected.

Hon P.G. PENDAL: The member is right, but it was even worse than that. He had to fly from Djakarta to Singapore, then to Hong Kong, then to Brunei, then to Darwin, then to Alice Springs and then to Perth. There is no person here who could reasonably say that is the way to get tourists to come to Australia. I am not saying that is a political problem or that it is the member's fault.

Hon Mark Nevill: I am not arguing that Qantas is not over-protected or that there is not a need for more competition. What I am arguing about is your view that Qantas is concentrating only on Queensland. I think if we can get people into Australia, the other side of that problem is breaking down this two-airline policy.

Hon P.G. PENDAL: That may be right, but I am simply trying to focus some attention on the inability that we in this country seem to have at the moment to remove our blinkers about protecting Qantas at a time when we could be bringing thousands of people into this country by way of Qantas and other airlines. That is going to necessitate the renegotiation of the bilateral agreements that we have because, as Hon Tom Butler would be aware, we cannot

say we will let Garuda come into Australia with one more flight without Indonesia allowing us to send Qantas over there on one more flight -- or Cathay Pacific, Singapore Airlines, or any other airline. Those airlines are all tied up with and part of those bilateral agreements. I suggest to the Government that in the Bicentennial year it should be asking those other Governments for a suspension or a moratorium on those bilateral agreements so that for that year we will be able to say to them, "You can fly into Australia at your will and we will fly out to your countries at our will."

The Government has the ball at its feet when it comes to changing those bilateral agreements, and the Bicentenary offers it the greatest opportunity it will have for many years to say, "Let us leave those agreements aside for one year, and if at the end of that year we still see some need to protect Qantas -- out of a sense of patriotism -- well and good." I would be the first to say that we should secure a part of the market for Qantas.

There are some other matters that I seek to move on to, but I appeal to the Government in this Budget debate to make some impact on the Federal Government concerning Qantas and to reconsider what it is going to do about those people in this State who are concerned with tourism -- such as Hon Barry Jones and the people at the Tourism Commission -- who have been given a job to do but have been strangled in their efforts to perform that job.

I now want to touch on a matter for which the Premier berated me a couple of weeks ago when he said it was very unfair of me to be asking questions about whether he intervened in the appointment of the recommended person for the position of Deputy Commissioner of Police.

[Leave granted for the member's time to be extended.]

Hon P.G. PENDAL: I thank the House for that extension of time because the matter I am talking about is important. Information was published in the media to the effect that a certain person, Mr Gibson, had been recommended for the No 2 job in the Police Force, and that Cabinet had decided, without any explanation to the public, that he would not get the job and it would go to someone else: Mr Peters. I have no reason to believe that Mr Peters is anything other than a thoroughly professional and competent officer, but the point I raise and the one that was brought to me as a local member of Parliament was that Mr Gibson's appointment was vetoed because about 10 years ago he had been involved with an inquiry and investigation into the leaking of official information from the State Housing Commission to the then Opposition shadow Minister for Housing, Mr Brian Burke. It transpired many years down the track that Mr Burke was no longer the shadow Minister for Housing; he was the Premier. As Premier, Mr Burke was in a position to determine who would get the No 2 job in the Police Force. I underline the fact that the person who was nominated for that position was nominated by the Commissioner for Police, Mr Brian Bull, but for some reason the Cabinet intervened -- and if not Cabinet, certain Ministers -- and decided that Mr Gibson should not get the job; and it consequently went to Mr Peters.

I was accused by the Premier, in response to some of my questions -- which he answered very unwillingly -- of making some sort of snide connection between an event which occurred six or seven years ago and an event which has occurred now. However, the Premier had the opportunity to provide an explanation of why Cabinet rejected the nominee for the position, who had been nominated by the Commissioner for Police, and in the absence of an explanation I do not think the Premier is in a strong position to say that I was making snide suggestions or unfair connections between those two otherwise remote occurrences. The information I received is there for anyone to see, and it was passed out years ago by a person who worked in the State Housing Commission and who happened to be on the State ALP Executive. That information was leaked to Mr Burke. The result was that Mr Burke did not suffer -- he is a survivor of the highest order -- but the person who leaked the information suffered because he was charged under the Criminal Code of this State; convicted; and lost his job.

Hon T.G. Butler: He was persecuted.

Hon P.G. PENDAL: He was not; he was charged under a Statute of this State and found guilty, and as a result he was kicked out of the Public Service. He might have lost his job and his status in the community, but Mr Burke did not. I asked Mr Burke for information by way of questions. I could have made assertions in the House, but I refused to do so and I

refused to talk about the matter publicly until Mr Burke was brought to account for the events which occurred. The level of interference that is occurring not only in that appointment but also in others -- and I am entitled to believe it was interference, in the absence of the Premier being prepared to say or do anything to the contrary -- is frightening.

Hon Mark Nevill: It is all innuendo. Why do you not let a few facts out for a change?

Hon P.G. PENDAL: I can tell the member the facts. I was not going to spend any time on this, but the information I received from this individual -- and I will not mention his name -- is there as a matter of record. It is not innuendo. Mr Courtis leaked information that he was not entitled to leak. That information belonged to the people of this State. Mr Courtis was a custodian of that information, and as a result of leaking that information, he was kicked out of the Public Service and his reputation was totally ruined. I repeat: That is only part of a very much wider spectrum of these events. A story appeared in the *Times on Sunday* that members may have missed. The article was headed "Captain Clean calls in cops" and it reads as follows --

For a former journalist who prides himself on his good relations with the media, WA Premier Brian ("Captain Clean") Burke is losing his cool after more than four years in the job.

Last week, his patience snapped (again) when Mark Thornton, a reporter on the State's morning daily, *The West Australian*, asked about Mr Burke's connections with a Mr Alex Clark, the head of the failed WA credit union, the Teachers Credit Society.

After the society's collapse, Mr Burke said that the Government could not have acted sooner or have prevented the problem but that he would legislate to tighten control of credit unions and "squeeze them back into their box".

We have seen some of that in the activities of Hon Max Evans who has fought that Bill in its passage through this place. The article continues --

Thornton remarked to one of Mr Burke's press secretaries that the Premier should have known more about the operations of Teachers' Credit because Mr Burke was a friend of Mr Clark and they dined together every Friday night. Asked how he knew this, Thornton replied that a senior policeman had told him.

Even if that is innuendo, and I do not believe it is, and even if it is playing with the facts, and I do not believe it is --

Hon Mark Nevill interjected.

Hon P.G. PENDAL: The article gets to the basis of what I think is the sort of morality of the Government run by members opposite. The article continues --

Soon after, an irate Mr Burke, who claims to have met Mr Clark only once, was on the blower to Thornton demanding to know what was going on. Not satisfied, he rang the paper's new chief of staff, Paul Murray, and put the same question.

Then, in a state of high excitement, he rang the police to complain about the officer who had spoken to Thornton.

Several members interjected.

Hon P.G. PENDAL: Members should think about that. We have reached the stage where the Premier is running around heavyving journalists --

Several members interjected.

The PRESIDENT: Order!

Hon P.G. PENDAL: We have seen one or two examples of that in the south west recently. I repeat the article read --

Then, in a state of high excitement, he rang the police to complain about the officer who had spoken to Thornton. A couple of hours later, a superintendent from the police internal investigations unit rang to say he had received a complaint about Thornton's allegation --

Several members interjected.

The PRESIDENT: Order! Look, Hon Philip Lockyer comes into this place and immediately embarks on a tirade of interjections with Hon Doug Wenn, who is equally bad. If the two members do not stop it, they will be dealt with.

Hon P.G. PENDAL: The story continues --

Hon Mark Nevill interjected.

The PRESIDENT: Order! If Hon Mark Nevill interjects once more, I will take some action against him. He has been sitting in the Chamber for two days assuming for some reason that the rules that belong to this House do not apply to him. If Hon Mark Nevill does it again, he can expect me to take some action.

Hon P.G. PENDAL: I repeat the article --

Then, in a state of high excitement, he rang the police to complain about the officer who had spoken to Thornton. A couple of hours later, a superintendent from the police internal investigations unit rang to say he had received a complaint about Thornton's allegation. After another phone call, the police decided to visit Newspaper House to --

I repeat "to visit Newspaper House": People who read about what Hitler and Mussolini did in this regard recoiled in horror, yet that is the sort of thing going on in Western Australia now. The police were sent into a workplace to investigate a journalist because he had the temerity and audacity to write what he believed to be the truth. The article continues --

After another phone call, the police decided to visit Newspaper House to interview Thornton, which they did briefly.

No more has been heard of the matter since then, although it is understood that Mr Burke regrets acting so hastily and involving the police;

Hon Mark Nevill interjected.

Hon P.G. PENDAL: I am not surprised --

Hon Mark Nevill interjected.

Hon P.G. PENDAL: I am in no position --

The PRESIDENT: Order! I warned Hon Mark Nevill once and I am asking him once again to stop his interjections. He does not have to like what Hon Philip Pendal is saying; Hon Mark Nevill will have the opportunity to comment when the time is appropriate.

Hon P.G. PENDAL: The only point that I can make in summing up is this: It has come to a very sorry pass when a Government can interfere with people in the way the current Government has a penchant for doing. That has been shown by this matter. Even if the allegations are untrue, the fact that the Premier would send the police in as though they were storm-troopers is an insult to the police --

Several members interjected.

Sitting suspended from 3.45 to 4.02 pm

[Questions taken.]

Hon P.G. PENDAL: In concluding my comments, I want to read a quote that connects with a matter I raised at the start of my speech -- the question of people seeking abortions based on the sex of the unborn child. I will quote from an article which I think comes from the King Edward Memorial Hospital but was published in the *British Medical Bulletin*, volume 39 of 1983. The article is headed "Ethical and Legal Aspects of Early Prenatal Diagnosis", and I quote from page 313 as follows --

This facility for selecting the sex of children has been sought by a few people in the UK for non-clinical reasons. Indeed, there have been instances in my experience in which prenatal diagnosis has been obtained by misrepresentation of the indication, and followed by termination elsewhere. This procedure is clearly contrary to the grounds allowed under the Abortion Act 1967.

I ask the Minister for Community Services to note this because it is at the heart of the exchange we had. To continue --

For this reason, many genetic centres now omit details of the sex chromosome constitution in their report where no abnormality has been detected. The legal position in the UK seems to be that the laboratory has a duty to report results obtained to the person requesting the investigation. In most instances this will be the obstetrician requesting the analysis and the legal duty is fulfilled if the laboratory indicates that it will disclose the sex chromosome findings to the obstetrician if a request is made in an individual case. Even in private cases, the analysis is usually requested by the obstetrician. A laboratory would need to consider carefully a private request direct from a patient.

I ask the Minister for Community Services particularly to note this next piece --

It has been suggested that under American law there is no obligation to disclose information secondary to the original purpose of the test.

That quote is of relevance to the point I raised earlier.

I support the motion.

Debate adjourned to a later stage of the sitting, on motion by Hon John Halden.

ASSOCIATIONS INCORPORATION BILL

Returned

Bill returned from the Assembly without amendment.

ACTS AMENDMENT (MEAT INDUSTRY) BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Graham Edwards (Minister for Sport and Recreation), read a first time.

Second Reading

HON GRAHAM EDWARDS (North Metropolitan -- Minister for Sport and Recreation) [4.10 pm]: I move --

That the Bill be now read a second time.

The purpose of the Bill is to amend the Abattoirs Act 1909 and the Marketing of Meat Act 1971.

In 1985 legislation was enacted to establish the Western Australian Meat Marketing Corporation under the Marketing of Meat Act. At the same time, the trading powers of the Western Australian Meat Commission -- established under the Abattoirs Act -- were reduced and now cover only inedible by-products of the slaughtering process.

An anomaly has arisen in the trading powers of the Western Australian Meat Commission in that certain by-products, which are the property of the commission, may have edible uses. The Bill amends the trading powers of the commission so that the commission may trade in lungs, spleens, glands, and other by-products of slaughtering owned by the commission and which are intended for human consumption. This provision will enable the commission to sell these by-products in their most commercial use as market conditions vary over time.

The Bill also amends two areas of operation of the Western Australian Meat Marketing Corporation where changes to its marketing powers will enhance its performance. Firstly, under the existing Act the corporation acquires lambs on delivery to abattoirs in accordance with a published price schedule. The Act does not specifically provide the power for the corporation to purchase lambs at auction or on farms. The Bill provides for the corporation to purchase lambs by these additional methods, and thereby provide further flexibility in its trading operations.

Secondly, under existing legislation the corporation is empowered to export various classes of livestock but not live lambs. The Bill extends the powers of the corporation to enable it to export live lambs.

The Bill provides also for some consequential amendments which are necessary as a result of amendments made during the passage of the 1985 legislation.

I commend this Bill to the House.

Debate adjourned, on motion by Hon D.J. Wordsworth.

ACTS AMENDMENT (BUILDING SOCIETIES AND CREDIT UNIONS) BILL

Third Reading

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [4.13 pm]: I move --

That the Bill be now read a third time.

HON NEIL OLIVER (West) [4.14 pm]: The deregulation of banks spoken about by the Leader of the House has had a very serious effect on building societies and mergers thereof. It brings into the spotlight the need for legislation to be introduced for deregulation of building societies to allow them to be more flexible. The legislation has failed to provide that degree of deregulation because of the powers that rest with the registrar.

Mr Pat Ryan, Chief General Manager of the Challenge Bank, holds the view that building societies grew to the size they did because of restrictions on banks in the 1970s. He said --

It was only because building societies were able to offer better interest rates in the '70s did they get the business.

Because there were no controls on them they were able to grow. He said --

Since 1980, more relaxed rules for savings banks have enabled them to grow at the expense of building societies in the vital home loan market. In 1981-82, for instance, the societies held almost 28 per cent of this market. By 1985-86 this was down to just above 21 per cent. On the other hand, the banks' share went from just over 40 per cent to more than 55 per cent in the same period. It is now only a relaxation of rules, but the banks have also been pursuing home buyers more aggressively.

...

Perth's decision also "had a lot to do with customer perception -- the image of a bank is very important to customers. The public would much more readily deal with a bank than a building society," according to Ryan. "Since we changed our name, people are more prepared to do a complete range of business with us ... The established banks have a much broader cross-section of customers. Building societies have never developed a bank relationship with people. We anticipate that customers who previously had a limited relationship with us will be using more of our services."

I have received an undertaking from the Minister that he will consult with the Treasurer on this matter. Those comments clearly indicate that the essence of the Government's deregulation and proposals relating to the registrar and the removal of the advisory committee are not reflected in the regulations and controls that it is proposing in this legislation.

Question put and passed.

Bill read a third time and transmitted to the Assembly.

ACTS AMENDMENT (IMPRISONMENT AND PAROLE) BILL

Second Reading

HON J.M. BERINSON (North Central Metropolitan -- Minister for Corrective Services) [4.17 pm]: I move --

That the Bill be now read a second time.

The present parole system was implemented in 1964. It has the effect that, where imprisonment is imposed, the former single fixed term is replaced in most cases by both a minimum and maximum term. The maximum term is intended to reflect the seriousness of the offence, but on completion of the minimum term, it is open to the Parole Board to release

the prisoner on parole for the period to the expiry of the maximum term. The board can impose such conditions on the parolee as it determines.

Parole is meant, in part, to assist the prisoner's orderly return to the community. Because it limits his freedom in a number of respects, it also serves as an extension of the main prison penalty served. A parolee is still under sentence.

Over the years, a number of difficulties have emerged in respect of the parole system and it has been the subject of considerable attention and criticism. This criticism has led to or been the subject of a number of reports. These include the Parker report in 1979, and a report on that document in 1980 by the Law Society of Western Australia. The conclusions of both these documents were considered by the 1981 Dixon committee on the rate of imprisonment and by an ad hoc interdepartmental committee on the rate of imprisonment in 1983. Further substantial work has been done on an interdepartmental basis in more recent years.

This Bill is intended to change the parole system to meet the main points of the criticism of it. However, the basic philosophy of parole is retained. Some have argued in fact that parole should be abolished. That view is rejected by the Government on the basis that parole, in practice, has proved useful and constructive in very many cases. It remains an important alternative in the available range of prison and community-based penalties.

This Bill preserves the nature of parole as a part of the period under sentence, but a part which is served under supervision in the community rather than in prison. The system will continue to be supported by the sanction that a serious breach of parole returns the offender to prison.

While parole, as modified by the Bill, will in future be virtually automatic in the great majority of cases, the Parole Board will have an unfettered discretion to defer, refuse, or cancel parole where special considerations, particularly questions of public safety, arise. Minimum non-parole periods for the most serious offenders, including those under life sentence, will increase. On the other hand, there will be some reduction in the average non-parole periods applying to shorter terms.

Under the Bill, it will be for the court to decide in its absolute discretion whether a term of imprisonment should include a component of parole. If the court does not positively order that parole is to apply to a sentence, the prisoner cannot be released on parole. Under the present system a court which decides that parole should apply to a sentence has, in effect, to fix two sentences for one offence: The head sentence and then the minimum term. This creates a number of difficulties, including a public perception that the real sentence is the minimum term. There has also been a tendency for a wide disparity to develop between minimum terms and head sentences.

In addition, there has been real difficulty in applying regular criteria to determining the proportion which the minimum term should bear to the head sentence. There have been wide variations in practice, which have led to impressions and charges of inconsistent sentencing. Where minimum terms have been a very small proportion of the respective head sentences, there has been some criticism of the head sentences as a farce. In such cases, a breach of parole can also create a disproportionate number of "days owing" to the Parole Board.

In the past, courts have sometimes given the impression that mitigating factors have only been taken account of when fixing the minimum term, that being the period which the court considers that the offender must spend in custody. This has often been the apparent basis of the wide disparity between a particular head sentence and the associated minimum term.

To deal with these difficulties, the Bill proposes that courts, in future, should impose a head sentence only. Where the court also orders parole, a statutory formula will then apply to determine the date of release on parole. The court will weigh mitigating factors in fixing the head sentence; this was, of course, the position before parole was first introduced.

The statutory formula provided in the Bill for determining the date of release on parole takes into account a number of important considerations. These include the following --

- (a) The current and continuing system of remission of one-third of a head sentence as introduced into the Prisons Act in 1981.
- (b) The effect of the present system in a number of cases of creating very long periods on parole. Professional opinion supports the view that parole beyond

a period of two years is unlikely to be of value and can well be counterproductive.

- (c) That professional opinion also suggests that a period of parole can be too short, and that less than six months is probably pointless. The existing Act reflects this view by precluding parole for sentences of less than a year unless in exceptional circumstances. This limitation is proposed to continue but without the provision for exceptions.

The proposed statutory formula for determining the date of release on parole is on the following basis --

Where the court orders that parole will apply to sentences of between one and six years, the prisoner will serve a non-parole period in custody of one-third of the sentence. This will be followed by a period on parole which is equal to the time spent in custody, or six months, whichever is the longer. There will be no power to order parole for sentences less than one year.

Where the court orders that parole will apply to determinate sentences longer than six years, the prisoner will serve a non-parole period in custody of two years less than two-thirds of the sentence. The period on parole in such cases will be two years.

Where an offender sentenced to more than six years completes his parole without incident, it will be seen that the total of his time in prison, plus time on parole, will have brought him to the date when he would have been released in any event -- as a result of the standard remission -- had a head sentence only been imposed.

Under current sentencing practice, minimum terms, on average, are a little over 40 per cent of their head sentences. As a result of the proposed changes, prisoners convicted of the more serious offences will spend more time in custody than is now usually the case, while some of the shorter-term prisoners will spend less.

In summary, the method of calculation will have the effect that --

a head sentence only will be imposed by the court;

the non-parole period in custody -- where parole is ordered -- will be calculated on the basis of the statutory formula; and

apart from indeterminate -- including life -- sentences, the period on parole will equal the period in custody subject to a minimum parole period of six months and a maximum parole period of two years.

The present scheme requires the Parole Board to consider every case in detail before ordering release. This occurs just before the end of the minimum term and has also produced some difficulty. While the great majority of cases -- over 90 per cent -- are routine, and lead to release within days of the earliest eligibility date, the system engenders uncertainty and tension, affecting all prisoners until the decision is made. This makes it difficult to prepare prisoners for release and creates unnecessary hardship for prisoners and their families.

The Bill seeks to minimise these problems by provisions which only require the Parole Board, as such, to consider the difficult special cases, and enable the routine cases to be dealt with by a single member of the board or its secretary.

Where there are special circumstances or reasons for concern in respect of a prisoner, and these are reported to the Parole Board -- whether by prisons, the police or others -- the Bill ensures that the board can give full consideration to the case. In such limited cases the board will retain a power to refuse to order release on parole or to defer release. An example of the situation which this process will meet is where the prisoner's release is seen as presenting too great a risk to the community.

Under the scheme proposed by the Bill, and subject only to such special cases, release on parole at the end of the fixed non-parole period will be routine and virtually automatic for the ordinary prisoner.

I now turn to the question of Parole Board procedures. Recent decisions of the High Court and the Full Court of the Supreme Court in the case of *Birnie v WA Parole Board* -- September 1987 -- have created further difficulties for the Parole Board. The decisions have

the effect that when the board is considering many of the matters requiring its decision, the parolee or applicant for parole has a right to be heard under the rules of natural justice.

The Birnie decision was rather surprising because the board has operated without hearings, as this Parliament clearly intended, for almost a quarter of a century. Nonetheless, in keeping with recent developments in the field of administrative law, the High Court has ruled that unless the rules of natural justice are expressly excluded by Parliament they will be held to apply to a variety of decisions under the Parole Act. The High Court has said, in effect, that if Parliament does not like this result it must amend the Statute to expressly exclude the rules of natural justice. As the Government has previously made clear, we propose to do so.

To do otherwise would require a full-time board with drastic effects on the present decision-making process and greatly increased costs. That, however, is a relatively minor consideration. More fundamentally, the Government takes the view that parole should continue to be available as a privilege and not a right. This requires the board to have maximum discretion in arriving at its decisions, and in the process by which it does so.

Where a parolee successfully completes the period on parole, his liability under the sentence imposed upon him ends. However, where a parolee breaches parole, he may -- and in some cases must -- be returned to prison. Under the present system the time spent on parole up to the date of breach is not credited in any way, and the parolee has to serve the whole of the rest of the term of imprisonment -- that is, the whole of the head sentence -- less only the time previously spent in custody. In such a case, the one-third remission otherwise available under the Prisons Act is also lost.

The Bill aims to mitigate this position and to provide an incentive for continued good behaviour on parole, by allowing half of the time successfully completed on parole -- the so called "clean street time" -- to be credited against the remainder of the sentence.

Changes leading to longer non-parole periods in prison are proposed for persons under sentence of life imprisonment. Under the present system, where a prisoner is sentenced to life imprisonment for wilful murder, he will not normally be considered for release on parole until 10 years after the date of sentencing. That period is to be increased to 12 years.

Where life imprisonment is imposed for an offence other than wilful murder, the current system allows consideration of parole after five years. This is to be increased to seven years. Where a prisoner is sentenced to strict security life imprisonment, consideration of release on parole cannot now occur less than 20 years after the date of sentencing. The Bill maintains this stringent standard.

As is the case in the present Act, the Bill provides that the Minister, in respect of any prisoner, may request a written report at any time as to whether the prisoner should be released on parole. Where there are circumstances that seem to the board to be exceptional, the board may also provide a written report to the Minister on its own initiative.

Where it recommends the release of a person sentenced to life imprisonment or strict security life imprisonment, the board will be required to report, among other matters, on the degree of risk to an individual or the community that the release of the prisoner appears to present. On receiving a report, the Governor may order the release of the prisoner on parole. In every case where the prisoner is subject to a sentence of strict security life imprisonment, the Minister must table the order together with an explanatory note in each House within 15 sitting days.

Where a prisoner sentenced to life, or strict security life imprisonment, is released on parole, the Bill provides that the period on parole is a period not more than five years, to be specified by the Governor in the order. The special nature of these cases may well require parole periods longer than two years. Should that person's parole be cancelled, any subsequent release on parole is governed by the same procedures. The Bill provides for the release on parole of persons serving indeterminate sentences. The present position is substantially preserved except that, on release, the parole period is not to exceed two years. The transitional provisions aim to promote the standard of a maximum two year period on parole by applying it to current prisoners and parolees.

The Bill includes consequential amendments to the Prisons Act, Criminal Code and Parole Orders (Transfer) Act. It also includes amendments to the Criminal Code to improve the scope of provisions which allow juvenile offenders to be kept in institutions of the Department for Community Services, rather than in adult prisons. Under these provisions, a

child sentenced for an indictable offence may serve part of the sentence in a juvenile institution if the court so directs.

The Bill effects significant improvements to the parole system while preserving its fundamental features. The main changes resulting from the Bill may be summarised as follows --

Courts in future will impose a single sentence appropriate to the offence.

The need to impose minimum terms as well will be abolished.

Parole will only be available where a court makes a positive order to that effect. In such circumstances, the date of eligibility for parole will be fixed by application of a statutory formula.

Parole periods, in general, will be subject to a minimum of six months and a maximum of two years.

In the great majority of cases, release on parole on the due date will be virtually automatic.

The Parole Board, however, will have an unfettered discretion to defer, refuse, or cancel parole and to determine its own procedures.

As an added incentive to continued good behaviour on parole, credit will be given against head sentences of one-half of clean street time.

The subject matter of this Bill is both important and complex. I look forward to constructive comment on it.

I commend the Bill to the House.

Debate adjourned, on motion by Hon G.E. Masters (Leader of the Opposition).

CHILD WELFARE AMENDMENT BILL (No 2)

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services)
[4.32 pm]: I move --

That the Bill be now read a second time.

The Bill before the House seeks to protect vulnerable child witnesses from intimidation in the courtroom.

Modern technology is opening up new ways of conducting legal proceedings which retain all the traditional rights of the parties but also secure the interests of other people involved in the case. Closed circuit television enables people outside the courtroom to participate in the trial and will become an increasingly important tool in the conduct of legal proceedings. Sir Anthony Mason, the Chief Justice of the High Court, has announced that applications to the High Court for special leave to appeal in civil matters will soon be heard by video link.

This Bill will allow closed circuit television to be used in trials in the Children's Court, both in criminal prosecutions against adults who have been charged with assault or sexual interference with children, and in care and protection applications. At present children who give evidence in these cases have to give their evidence in the presence of the adult who is alleged to have assaulted them. This can be highly traumatic for a child who is already the victim of ill-treatment and can intimidate the child from giving vital evidence.

The Bill provides for segregated proceedings which may only be conducted in a courtroom which has been declared by the Attorney General to be equipped to allow the defendant to watch the proceedings from another room and talk to his counsel. The application for segregated proceedings will have to be made by the prosecution and once made has to be accepted by the court. It was decided not to give the court a discretion because to do so would require factual evidence to be given to enable a decision to be made on whether the proceedings should be segregated proceedings. This would require a prejudging of the case by the court on the basis of matters such as the defendant's prior history of offences against children which would not be admissible in criminal proceedings. If segregated proceedings were ordered after such a hearing it would reflect badly on the defendant in the criminal hearing.

By leaving the decision on whether segregated proceedings should be held to the prosecution it will not be a court decision and will not imply anything about the defendant's character. The result of an application will be that the defendant will leave the courtroom and watch the trial on closed circuit television while any child witnesses give their evidence. The defendant will be able to instruct his or her counsel by telephone as the child or children give evidence. Once the child or children have left the courtroom, the defendant will be able to return and the trial will continue in the usual way.

A number of other amendments are also included in this Bill. One amendment follows from the reorganisation of the Department for Community Services. To enable the department to operate more efficiently the Director General will be able to delegate his functions and functions delegated to him by the Minister to officers at an appropriate level. The obsolete requirement that the Clerk of the Children's Court be appointed by the Governor is to be repealed as clerks are now appointed under the Public Service Act 1978. A new clause is included to allow magistrates to send adults who have been convicted in the Children's Court of offences against children to the District Court for sentence. Magistrates in the Children's Court are limited to a maximum penalty of 18 months' imprisonment and the amendment will allow a heavier penalty to be imposed in appropriate cases. References to repealed provisions of the Criminal Code are to be removed from the Act.

Finally, the Bill will give clear protection from legal proceedings to people who provide information about children to the department on reasonable grounds and in good faith. Such protection already exists at common law but is to be included in the Act to make the law easily accessible to officers and other people working with children.

I believe this Bill introduces an important protection of child witnesses. If the system works well, it may be possible to extend it to protect other victims of crime.

I commend the Bill to the House.

Debate adjourned, on motion by Hon P.G. Pendal.

ACTS AMENDMENT (CHILD CARE SERVICES) BILL

Introduction and First Reading

Bill introduced, on motion without notice by Hon Kay Hallahan (Minister for Community Services), and read a first time.

As to Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [4.36 pm]: I seek leave to proceed forthwith to the second reading of this Bill.

HON G.E. MASTERS (West -- Leader of the Opposition) [4.37 pm]: I am not going to oppose that request --

The PRESIDENT: Order! This is not a debatable question.

Hon G.E. MASTERS: Mr President, I would seek further comment from the Minister. I understood there was confusion yesterday. I do not want this to be a practice. When it does occur, I question the Minister for the reason for the departure from procedure.

The PRESIDENT: For the Leader of the Opposition's information, he is not allowed to say that.

Hon KAY HALLAHAN: Mr President, I am probably not allowed to say this either: I did give notice but there was massive confusion here yesterday as I had two Bills amending the same Act. This will not become a practice.

Leave granted.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [4.40 pm]: I move --

That the Bill be now read a second time.

One of the State Government's important roles is to provide for the licensing of child care services. The review of welfare and community services clearly demonstrated that a

comprehensive review of licensing practices was required. Since the election of Labor Governments, State and federally, in 1983, there have been enormous changes to the provision of children's services in Western Australia. It is appropriate to provide the House with some details of these developments, which I have previously described as a mini revolution.

While the funding of child care remains a Commonwealth Government responsibility, the State Government has entered into an agreement with the Commonwealth and is jointly funding the capital for a specific number of services. The processes for establishing new child care services have changed to a planning approach in addition to the submission method of applying for funding. Between 1983 and December 1988, 38 new child care centres will have been built through the Commonwealth-State agreement, with the State Government contributing half the capital funding, an amount of approximately \$5 million. Four hundred and eighty two additional family day care places and nine occasional care centres will have been established, and eight child care centres will have been built as a result of submissions with direct Commonwealth funding. We are also witnessing innovative approaches by community groups as they find ways of meeting child care needs outside of formalised funding arrangements. Despite this growth, the demand for child care continues to exceed supply. State Governments have the responsibility for licensing child care services.

Children, I believe, are our most valuable resource and the needs of children attending child care services have to be adequately met and their rights protected. It is vital that licensing and regulatory requirements reflect the changes which have occurred in the community at large and in the child care community. A child care regulation review consultative committee was appointed to provide the Government with advice about the need for change. The committee comprised eight people who, together with staff from the Department of Community Services, had between them an enormous range of expertise and experience in the field of child care services.

Members, at this point I would like to pay a tribute to the late Sister Mary Martin of the Katherine McAullay Centre, who was a member of the committee. Sister Martin passed away on 11 July after making a very significant contribution to the wellbeing of children and their families in Western Australia. There are many people today who have worked to bring this Bill before the House and I know that they will all remember with great affection the work of Sister Martin, who would thoroughly endorse this Bill.

The review concerned legislation and regulations governing the operation of child care services, taking account of --

The provision of a standard of care which a child could normally expect in a caring home;

the need for flexibility to allow for innovation and adequate management initiative without comprising standards;

the need to be, as far as possible, self-regulatory;

the need for regulations to be concise and clear in their expectations, guidelines and rules for service provision;

the service expectations of consumers; and

the ability of the average family to pay for child care.

Extensive consultation occurred, and in response to requests from child care services providers, the period of consultation was extended.

The consultative committee recommended a blueprint for licensing child care services in Western Australia, which not only responded to the concerns expressed about existing requirements but also created a fresh approach to the whole issue. Details of the amendments in the Bill are as follows: The existing provisions in the Child Welfare Act are to be repealed. Since child care services are a community service the new provisions are to be incorporated in the Community Services Act. A child care service is defined as a service for the casual or day-to-day care of a pre-school age child or children but allows the age to be varied by regulation. This would allow after-school care to be regulated if that became necessary.

There are a number of important exclusions. Care by parents or relatives or care when parents or relatives are close by is excluded. Also excluded are baby-sitting in the child's own home, care provided without payment or reward and foster care. A relative is defined widely and in the case of Aboriginal children includes people who are regarded as relatives under customary law.

The maximum penalty for providing a child care service without a licence or permit is to be raised to \$2 000 for a first offence and \$4 000 for a subsequent offence. Substantial penalties are necessary to protect children and to ensure that it is not financially worthwhile to operate without a licence or a permit.

Licences are to be for two years and will be granted if the director general is satisfied the applicant is a fit and proper person to hold a licence and is capable of providing a child care service in accordance with the regulations. A permit may be granted for up to a year and is intended to allow for innovative or short-term child care services to be provided. A licence or permit may become cancelled or suspended if the holder ceases to meet the statutory requirements or has persistently failed to comply with the regulations. A person who is refused a licence or permit or who has their licence or permit cancelled or suspended will be able to appeal to the Local Court.

The Minister will have power to exempt child care services from certain regulations in specific instances. There will be power to enter and inspect premises approved for the conduct of a child care service. A justice will be able to issue a warrant to allow other premises where it is suspected that an unlicensed service is being carried on to be searched. The new provisions will apply to all State Government departments and authorities which provide child care services.

Finally, the regulation-making powers in the Community Services Act have been enlarged to allow for the regulations to be made.

I commend the Bill to the House.

Debate adjourned, on motion by Hon G.E. Masters (Leader of the Opposition).

THE PRESIDENT (Hon Clive Griffiths): I have a letter which I want to read to the House --

Dear Mr President,

I regret that no Hansard reporter was on duty when the Council resumed its sitting at 2.30 pm today.

This was caused by a combination of errors. I accept responsibility for the matter and will institute procedures to ensure it does not recur.

I apologise to you and the House for the error.

Yours sincerely,

N.J. Burrell

Chief Hansard Reporter

GOVERNMENT EMPLOYEES' HOUSING AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [4.48 pm]: I move --

That the Bill be now read a second time.

Three of the major public sector unions have been pressing for a number of years to be represented on the GEHA so that they have a direct say in the operations of the authority.

Currently there is one union member of the authority who represents the interests of all tenants. This membership is rotated in turn on a three-yearly basis, between the State School

Teachers' Union of WA, the WA Police Union of Workers and the Civil Service Association of WA. These three unions represent over 80 per cent of the tenants occupying GEHA accommodation in country areas of the State. The other membership of the authority is presently made up of the following --

- | | |
|-------------|---|
| Chairman -- | who is the nominee of the Chairman of the Public Service Board; |
| members -- | Under Treasurer or his nominee; |
| | Director General of Education or his nominee; |
| | General Manager, State Housing Commission or his nominee. |

During discussions on the question of expanding union membership it became obvious that the total membership and method of appointment to the authority should be reviewed. The review resulted in the Government deciding that the chairman need not be the nominee of the Chairman of the Public Service Board. It was also considered that the Commissioner of Police should be represented on GEHA, as the Police Department is second only to the Education Department in the number of employees occupying GEHA housing.

The Government agreed with the request by the three unions that they be included in the membership of the authority, as it would enable them to represent directly their membership and bring to authority meetings matters of concern. Consequently, it is intended to expand the authority membership from five members to eight, by including all three of the major affected unions, the Teachers Union, the Police Union and the Civil Service Association and also the Commissioner of Police, or his nominee. Further, the chairman will no longer be representing the Chairman of the Public Service Board, but an independent person with suitable experience and qualifications.

In addition, the current legislation requires appointments to the authority to be made by the Governor-in-Executive-Council. The Government proposes that all such appointments now be made by the Minister. Because of these changes it is necessary to make minor amendments to certain other sections of the legislation, and I refer to the proposed changes to sections 11 and 12 which relate to leave of absence, termination of appointment and quorum requirements.

Section 19 is to be amended due to the fact that the relevant section of the Education Act 1928 was repealed in 1979. Amendments proposed to section 28 will empower the authority to determine the tenancy where a tenant owns property within proximity of the GEHA accommodation and in which the person could reside.

The final provisions in the Bill provide for a sunset clause, in accordance with Government policy. This will ensure that the legislation will be reviewed in 1992 and every five years. Subsequently, a report on the need for the Act to continue in operation will be laid before each House of Parliament.

I commend the Bill to the House.

Debate adjourned, on motion by Hon P.G. Pendal.

TAXI-CAR CONTROL AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon Kay Hallahan (Minister for Community Services), read a first time.

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [4.52 pm]: On behalf of the Minister for Sport and Recreation, I move --

That the Bill be now read a second time.

This Bill is a further progression in the provision of an efficient and effective taxicar service in the metropolitan area. The purpose of this Bill is to provide increased penalties for breaches of the taxicar control regulations. The existing penalty for this part of the Act dates from 1964 and provides for a maximum fine of \$40. However, experience has shown that with the changing value of money the deterrent effect of the current penalty has largely been lost. It is therefore proposed that a more appropriate scale of penalties be introduced in line with present day values.

Of most concern to the taxi industry is the penalty relating to unpaid taxi fares. There is strong evidence to suggest that attempted fare evasion is a major contributing factor in many of the incidents of violence on taxi drivers. This Government has a deep concern for the well-being of the taxi industry and the individual taxi driver. This action to increase the penalty for fare evading passengers will provide a much needed deterrent and will reduce the number of incidents experienced by the industry. Furthermore, those members of the public who do offend will receive a far more appropriate penalty for the offence committed.

Accordingly, it is intended to increase the penalty for fare evasion to \$500. In addition, it is intended that the penalty for breaches of all other regulations be increased to \$100 for a first offence and \$200 for a second or subsequent offence.

I commend the Bill to the House.

Debate adjourned, on motion by Hon D.J. Wordsworth.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Consideration of Tabled Paper

Order of the Day read for the resumption of debate from an earlier stage of the sitting.

Debate adjourned, on motion by Hon B.J. House.

ADJOURNMENT OF THE HOUSE: SPECIAL

On motion by Hon J.M. Berinson (Leader of the House), resolved --

That the House at its rising adjourn until Tuesday, 10 November.

ADJOURNMENT OF THE HOUSE: ORDINARY

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [4.55 pm]: I move --

That the House do now adjourn.

Parliamentary Privileges Act: Breaches

HON NEIL OLIVER (West) [4.56 pm]: I draw the attention of members to the circumstances that now surround the Parliamentary Privileges Act, which went out the window of this House last night. I sought the assistance of members to convey to the Attorney General that he or the police, acting under his direction or at his request, should investigate whether an offence had been committed in terms of the relevant sections of the Criminal Code. The authority for requesting or directing the Attorney General to investigate those circumstances is specifically contained in section 15 of the Parliamentary Privileges Act 1891, and I would suggest and commend to the Attorney General that he acquaint himself with that Statute.

Hon J.M. Berinson: I assure you I have already done so.

Hon NEIL OLIVER: I presume then that the police would review the evidence given --

Hon J.M. Berinson: I assure you I have already done so. Do you still want to continue in that vein?

The PRESIDENT: Order! The Attorney General does not have to tell him not to continue; I am going to. On the adjournment debate the honourable member can speak about items of urgency and he can actually speak on most subjects, but nothing in that provision permits him to contravene the Standing Orders, and Standing Order No 81, as I pointed out to another honourable member last night, specifically precludes him from referring to a debate in the same session unless it is relevant to the subject presently under discussion. My ruling last night in regard to that particular Standing Order was to the effect that it is not possible to refer to comments made in that debate.

I went on to say that an honourable member is able to make some sort of broad reference to subjects that were perhaps mentioned in that debate, but not the debate itself. That is the crux of what I said. What is happening in this place is that I have to have ears that are far more attuned to the mental thinking of members than mine apparently are.

It seems terribly simple to me, and I cannot understand why I seem to be having all the trouble in the world lately simply asking members to say what they want to say and keep within the rules. We had a debate on that yesterday, the House made a decision, and any member who reflects on that decision is breaking the rules. Any member who makes reference to the debate is breaking the rules. Within those constraints the member can say what he likes.

Hon NEIL OLIVER: Thank you, Mr President.

The Parliamentary Privileges Act enables the Attorney General in the State of Western Australia to inquire into matters in which one may presume there has been a breach of the Criminal Code. An Attorney General may, if requested or directed by this House, undertake an investigation. In addition to that, an Attorney General may, if necessary, utilise the services of the police to undertake that investigation. Having then had the opportunity to review the evidence which was given before any Select Committee of this House it is then determined whether a *prima facie* case exists. It is then the responsibility of an Attorney General to act accordingly. The Act clearly states that the Attorney General is the person who mounts the prosecution. An Attorney General, when taking into account these directions and recommendations takes into account the relevant statutory provisions. It is essential that legal opinions be sought.

Frankly, whenever there is an impasse in which an Attorney General is in disagreement, it would be better for the chief legal officer of the State to resolve that situation by seeking an opinion from the Supreme Court. I can only presume that that should be undertaken by an Attorney General. If there is a disagreement with an Attorney General obviously that matter then falls upon a member of this House, who may take action.

Hon J.M. Berinson: I dealt with section 15 in my speech.

Hon NEIL OLIVER: Frankly, I find great difficulty coming to grips with that.

Hon J.M. Berinson: So do I; I do not understand what you are saying.

Hon NEIL OLIVER: I express my concern not only because of the way in which I interpret the privileges Act, but also because of the history of the rules that have applied to this House of Parliament which I know you, Mr President, personally hold very dearly.

Question put and passed.

House adjourned at 5.03 pm.

QUESTIONS ON NOTICE

ART GALLERY *Advisory Service*

382. Hon P.G. PENDAL, to the Leader of the House representing the Minister for The Arts:

- (1) Has a public advisory service on artworks been available recently at the WA Art Gallery?
- (2) Is it correct that this service has now been discontinued?
- (3) If so --
 - (a) what are the reasons for the closure;
 - (b) where else can similar advice be obtained, free of charge, by the public?

Hon J.M. BERINSON replied:

- (1) No. The formal service which invited the public to the Art Gallery on Wednesday afternoons was only available until June 1987.
- (2) The public advisory service on artworks was temporarily suspended and is under review. It is expected that the gallery will offer a service.
- (3)
 - (a) The reason for the temporary suspension of the service was at the board's request while a complete stocktake of the collection was carried out involving extra duties for the professional staff. A pro forma is being devised to enable mail inquiries to be answered. Other State galleries have varying views on a public advisory service. Some do not provide a service at all;
 - (b) similar advice can be obtained from commercial art galleries. The Art Gallery of Western Australia can provide a list of professional commercial galleries and Commonwealth Government approved valuers. Valuations cannot be given by the gallery, and a small charge is made by valuers for this service.

GRAIN FREIGHT RATES *Broomehill-Albany*

384. Hon A.A. LEWIS, to the Minister for Sport and Recreation representing the Minister for Transport:

- (1) Is it correct that the charge for rail freight for grain is \$11.50 per tonne from Broomehill to Albany?
- (2) Is it also correct that Westrail has contracted to move the grain from the Kojonup bin to Albany for \$8.50 per tonne?
- (3) Is it correct that the grain mentioned in part (2) above will be trucked to Broomehill and then taken by rail to Albany?

Hon GRAHAM EDWARDS replied:

- (1) No. The correct rate is \$11.60 per tonne.
- (2) No. The contracted rate is \$8.65 per tonne.
- (3) Kojonup grain will be road hauled to either Katanning or Broomehill depending on operating convenience.

FISHERIES: MARRON *Marketing: Legislation*

387. Hon A.A. LEWIS, to the Minister for Sport and Recreation representing the Minister for Fisheries:

- (1) Is it the intention of the Government to legislate for smaller size marron to be marketed?
- (2) If so, what are the proposed sizes?

Hon GRAHAM EDWARDS replied:

(1)-(2)

Legislation will be introduced to provide the authority to prescribe different legal minimum lengths for any species of fish on a geographical basis or for a purpose. This authority will be used to provide an opportunity for the aquaculture industry to commence culture of an array of species in the longer term. In the case of marron, through subsidiary licensing controls, some growers may be permitted to sell marron for food purposes at a size less than the legal minimum size for the sport fishery. The market for small marron is unlikely to accept animals less than 40 gram size. However, it should be noted marron farmers for many years have sold small marron for stocking purposes to agricultural farmers. For specific circumstances, there will be no minimum size for marron grown by the aquaculture industry.

QUESTIONS WITHOUT NOTICE

WESTERN CONTINENTAL CORPORATION LTD

Government Assistance

402. Hon G.E. MASTERS, to the Minister for Budget Management:

To his knowledge, has the Government received any requests for help from Western Continental Corporation Ltd, a company now reported to be under receivership?

Hon J.M. BERINSON replied:

No.

WESTERN CONTINENTAL CORPORATION LTD

Government Assistance

403. Hon G.E. MASTERS, to the Minister for Budget Management:

(1) Will the Government give consideration to any request for help which might be made from Western Continental?

(2) If not, why not?

Hon J.M. BERINSON replied:

(1)-(2)

That is a hypothetical question which cannot produce a helpful response.

COMPANIES

Government Assistance

404. Hon G.E. MASTERS, to the Minister for Budget Management:

To his knowledge, has the Government received any other requests for help resulting from the financial crisis -- discounting those that have been recently publicised?

Hon J.M. BERINSON replied:

Not to my knowledge.
