

Legislative Assembly

Thursday, 21 June 1990

THE SPEAKER (Mr Barnett) took the Chair at 10.00 am, and read prayers.

PETITION - REGIONAL OPEN SPACE, KOONDOOLA

Preservation

MRS EDWARDES (Kingsley) [10.05 am]: I have a petition which reads as follows -

To: The Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australian in Parliament assembled.

We, the undersigned, being electors, resident in the State of Western Australia, do hereby request that the Regional Open Space, Koondoola (reserved for Parks and Recreation bounded by Alexander Drive, Marangaroo Drive, Koondoola Avenue, Waddington Crescent, Rendell Way and Beach Road be preserved in its entirety as a Regional Open Space for the benefit of the community at large and all efforts of intrusion in the name of Urban Development be totally rejected, bearing in mind the following:

Our past planners acknowledged the needs of the Community to have this area available and developed (as Parks and Recreation) for the health and well being of our people.

People have invested their lives and their families in homes in the area in the knowledge and expectation of this amenity being available for their relaxation and recreation.

The rapidly exploding population of these northern suburban areas are extremely poorly catered for in respect of Parks and Recreation.

The huge Industrial Developments of Malaga Industrial Area demand a buffer zone to the adjacent Residential Developments.

The "Greenhouse Effect" demands responsible preservation and maintenance (even reclamation) of "Green Belt" areas within our suburbs to combat the proliferation of pollution and contamination of continually sprawling Industrial and Urban developments in our Cities.

The location of Water Treatment facilities within this area demands separation from their service areas in the interests of health and well-being of, the community as well as to preserve economy of supply in water quality.

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

The petition bears 1 164 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 60.]

PETITION - RENAL DIALYSIS UNIT

Fremantle Hospital

MR KIERATH (Riverton) [10.06 am]: I have a petition which reads as follows -

To the Honourable Speaker and Members of the Legislative Assembly of the Parliament of Western Australian in Parliament assembled.

We the undersigned hereby petition that a renal dialysis unit be established at Fremantle Hospital, thereby allowing patients ready access to extra life-saving medical services. The Unit centred at Shenton Park is not easily accessible to patients south of the Swan River.

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

This petition bears eight signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

[See petition No 61.]

RACING PENALTIES (APPEALS) BILL

Introduction and First Reading

Bill introduced, on motion by Mrs Beggs (Minister for Racing and Gaming), and read a first time.

UNCLAIMED MONEY BILL

Second Reading

MR TAYLOR (Kalgoorlie - Minister for Finance and Economic Development) [10.10 am]:
I move -

That the Bill be now read a second time.

The law relating to the general treatment and disposition of unclaimed moneys is presently governed by the Unclaimed Moneys Act 1912. In 1973 the Law Reform Commission was asked to review the Act and it found in December 1980 that the existing law was deficient in a number of respects. The Bill largely incorporates the recommendations of the Law Reform Commission which was consulted during its drafting, and it achieves a significant reform of the law in relation to unclaimed moneys. Overall the Bill has been structured to provide equity while, at the same time, minimising the impact of red tape on the private sector. Equity is achieved by broadening the application of the Bill beyond the present Act's narrow focus on companies to embrace the full range of commercial activity and all State departments and statutory authorities. Equity for the "owners" of unclaimed money is enhanced by consolidated advertising provisions which are likely to be more effective in reaching the general community. The reductions in red tape and cost to the private sector are achieved by lifting the minimum compliance limit to \$100 per individual amount, compared with the present limit of \$10, and by Treasury's taking on the responsibility for advertising which is presently carried out by the firms holding unclaimed money.

The \$100 minimum for compulsory compliance will substantially reduce the impact on organisations bound by the Bill. While \$100 is the minimum for mandatory compliance, there is provision for holders of unclaimed money to pay in lesser amounts voluntarily if they wish. This will allow businesses to clear such moneys from their books and take advantage of the statutory protection which the Bill provides for all persons who pay unclaimed moneys into Treasury. The business community is further assisted by provisions for voluntary payment on an accelerated basis. While in normal circumstances the Bill only applies to moneys which have been held without claim for six years, voluntary payment is possible after six months where a person ceases to carry on business or dies or after two years in other cases. This provides an option to avoid the administrative cost of holding moneys for the full six years.

With regard to advertising, the Bill provides that the Treasurer will each year cause a full listing of unclaimed moneys identified by holders to be advertised in one or more special issues of the *Government Gazette* which will be made widely available in State and local government offices and police stations.

The SPEAKER: Order! There are one or two members who are creating such a disturbance that the bulk of members who are listening to the second reading speech cannot hear it properly.

Mr TAYLOR: Treasury will also publicise the availability of the *Gazette* by Press advertisement. This is a considerable improvement on the present position where advertisements are spread over several issues of the ordinary weekly *Gazette* without this being more widely known to the public. It is also notable that Treasury will bear the cost of

advertising, in contrast with the existing Act which requires the holder to pay the cost and to deduct it from the unclaimed moneys held, to the ultimate disadvantage of the claimants.

The basic scheme of the Bill is -

- to define unclaimed moneys and persons - including organisations - to whom the Bill will apply;

- to require persons who, at 31 December in any year, have held such moneys without claim for specified periods to provide details to the Treasurer for public advertisement. Where the moneys remain unclaimed at 31 July, within 14 days they must be paid to the Treasurer for payment into Consolidated Revenue;

- to supplement, without overriding, specific unclaimed moneys provisions in various other Acts - such as the Companies (Western Australia) Code, Public Trustee Act and port authority Acts - so that, as far as possible, all such moneys are treated consistently;

- to make provision for claims and their payment, including a "Special Act"; that is, permanent appropriation of Consolidated Revenue Fund to ensure that money is always available to meet claims; and

- to provide flexibility to deal with new circumstances and unintended consequences by allowing the Treasurer, by regulation, to both provide exemptions and specify inclusions to the application of the Bill.

The Unclaimed Money Bill will remove anomalies and inconsistencies in the existing law and will provide both equity and efficiency in its operation. It incorporates almost all of the Law Reform Commission's recommendations and is a significant and welcome reform to this area of the law. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

STAMP AMENDMENT BILL

Second Reading

MR TAYLOR (Kalgoorlie - Minister for Finance and Economic Development) [10.15 am]:
I move -

That the Bill be now read a second time.

The purpose of this Bill is to allow a refund of stamp duty where the instrument on which the duty was assessed is subsequently cancelled, or not carried into effect, and where the person who paid or is liable to pay the duty did not or will not benefit from the cancelled instrument.

The Bill will be retrospective from 1 July 1988 to give refunds to a number of taxpayers who have been unfairly affected by the current Act and who have been promised their refunds for some time subject to these amendments being passed. Prior to 1 July 1988, it was understood that the legislation allowed a refund where a person liable for the duty did not receive a significant benefit. However, Crown Law advice made it clear that a refund should not be granted if any person received a significant benefit, whether it be the person liable or someone else. Accordingly, the practice was changed to allow a refund only where the instrument was cancelled and no person at all had obtained, or would obtain, a benefit as a result of the cancellation. This would mean, for example, that where a buyer did not proceed with a contract of sale and forfeited the deposit paid to the vendor, he or she would not be eligible for a refund of the duty paid. Where the deposit had been returned to the purchaser, the duty would have been refunded.

It is quite inequitable for a person to be liable for duty on a cancelled dealing just because he or she is obliged to forgo a deposit to another person. That person would not only lose the deposit but must also pay the duty. This is the plight of those taxpayers awaiting a refund. This Bill redresses the inequity by making it clear that a refund will be made to the person liable to pay the duty where that person does not benefit from the cancellation of the contract. It allows a proportionate refund where the person liable to pay the duty receives a relatively small benefit from the cancelled contract. In such cases the amount of the refund is reduced by the amount of money or the value of any property, right or service received by

the liable person. This means that when this amount or value equals or exceeds the duty no refund will be made.

The Bill also recognises and takes into account the fact that it is possible for a single document to deal with two or more separate matters and for these matters to be separately and distinctly chargeable with duty under the Stamp Act. Accordingly, where any one of these matters is cancelled or not carried into effect, the procedures for refunding the duty applicable to that matter will be treated as if it were a separate instrument, and the provisions I have just outlined will apply to the cancelled matter. To ensure that these refund provisions are not exploited to avoid the proper payment of stamp duty, they will not apply to a contract of sale of property if the commissioner believes that the instrument is cancelled just to allow an on-sale of the same property to another person; that is, where the buyer arranges for the vendor to cancel their contract and draws up a fresh contract with a second buyer, thus disguising two sales as being one. The commissioner, in these circumstances, would refuse to refund any duty paid or payable in respect of the first contract.

Provisions have been included in the Bill to enable the commissioner to rebate rather than refund the duty where the duty has not been paid. The commissioner may also endorse the details of a refund on an instrument, at the request of any party to the instrument. Any such endorsement would be *prima facie* evidence that the instrument had been duly stamped or that it was not chargeable with duty, and would be admissible in evidence in any Court. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

LOTTERIES COMMISSION BILL

Second Reading

MRS BEGGS (Whitford - Minister for Racing and Gaming) [10.20 am]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to provide a legislative basis which addresses the scale and complexity of the Lotteries Commission's current operations and which enhances its capacity to fulfil its role in funding significant community initiatives. The Bill replaces the Lotteries Control Act 1954 and the Lotto Act 1981. In recent years these Acts have proved inadequate in some respects, and were criticised in 1986 in the tenth report of the Standing Committee on Government Agencies. This Bill incorporates many of the changes foreshadowed by that report.

The Bill differs significantly from those it replaces in four important areas. In the area of operating lotteries, Instant Lotteries and Lotto, the Bill includes provisions that will enable the commission to be more flexible in developing and marketing its products. The commission has been conducting Soccer Football Pools in Western Australia since May 1989 under licence from the Gaming Commission. This Bill validates the conduct of Football Pools by the commission from the time the original licence was granted. Other changes include the capacity to offer a greater range of prizes, to reduce the time that the commission must hold unclaimed prizes, and to allow moneys held as unclaimed prizes to be returned to the prize pool as additional or increased prizes, in line with the rest of Australia. The Bill also prohibits the operation of commercial lottery or Lotto syndicates that charge fees for services.

The second area addressed by the Bill is the need to increase the number of commissioners to cope with the dramatic increase in the complexity and scale of the commission's activities. It has become apparent that four commissioners cannot provide the necessary range of expertise in finance, management, computer operations and marketing, as well as maintain a balance of community interests. The Bill proposes an increase in the number of commissioners from four to six to enable the necessary balance to be achieved.

The third area of change in the Bill covers the important role of the Lotteries Commission in funding community activities. It has been apparent for some years that the provisions in the current Acts that relate to funding are inflexible, outdated and inequitable. The Bill provides that, from the gross sales of all Lotteries Commission products other than Soccer Pools, 16 per cent shall be paid to the hospital fund account; two per cent to the sports lottery

account; two per cent to the arts lottery account; and five per cent shall be distributed by the commission to eligible organisations for approved purposes. All proceeds from Soccer Pools, after deductions for prizes and administration, are to be paid into the hospital fund account. Eligible organisations are defined as non-Government, non-profit bodies, and approved purposes are those of a charitable or benevolent nature. Local government authorities are eligible for funds in those areas of their activities that are consistent with the approved purposes. The effect of these provisions will be to ensure that current and future commissions are able to respond to changing priorities in the community. The fact that all the funds for all areas of activity supported by the commission will now be percentage based is far more equitable, and ensures that no area benefits to the detriment of another.

In recent years the increased turnover of the commission, together with prevailing interest rates, has created, for the first time, a significant investment income. Neither of the previous Acts contained specific provisions governing how this income should be treated. The Bill provides for any surplus income, after prizes, distributions and commissions have been paid, to be distributed to eligible organisations in the same manner as the five per cent distribution undertaken by the commission.

Finally, the Bill removes some anomalies that have existed since some of the commission's powers were transferred to the Gaming Commission. It also strengthens accountability requirements by clarifying the commission's relationship with the Minister. I am confident that this Bill will ensure that the Lotteries Commission is equipped to make an effective and significant contribution to the Western Australian community. I commend the Bill to the House.

Debate adjourned, on motion by Mr Clarko.

BUILDERS' REGISTRATION AMENDMENT BILL

Second Reading

MRS HENDERSON (Thornlie - Minister for Consumer Affairs) [10.25 am]: I move -

That the Bill be now read a second time.

This Bill deals with amendments to the Builders' Registration Act and covers a number of matters, including increasing penalties under the Act, providing protection for board officers acting in good faith, extending the operations of the Act to the Geraldton and mid-west region, and revamping of the provisions in relation to the keeping of a register by the board.

The relevant penalties under the Act were last reviewed in the mid 1970s. Since then, inflation has rendered the punitive intent of the fines ineffective, and considerable increases are now required to make the fines a deterrent to errant builders and owners. During the past 12 to 18 months, a considerable degree of unregistered building activity and licence lending has occurred. Prosecutions are not succeeding as a deterrent. Should these practices continue unabated they will have serious financial consequences for consumers who have unwittingly entered into building contracts. Should builders perceive that the penalties invoked for not complying with an order or direction of the board are minimal, they will not hesitate to ignore the requirements of the legislation. The penalty for unlicensed builders has been increased from \$400 to \$10 000, and the penalty for persons who obtain a building licence by making a false representation to a local authority has been increased from \$400 to \$10 000. The penalty for selling an owner-built property within three years has been increased from \$1 000 to \$10 000, in line with increases in other sections of the Act.

The provisions in regard to the keeping of a register by the board have been substantially amended. Section 9 of the Builders' Registration Act currently provides that the board shall publish a copy of the board's register of builders, or supplementary lists of alterations, additions and removals, in the *Government Gazette* in July of each year. This amendment Bill provides that there is now no requirement to publish the register in the *Government Gazette*. However, a complete register will be maintained by the board. The board will publish a notice in the *Government Gazette*, no later than 31 August in each year, advising that a copy of the register is available for public viewing or purchase at the board's office. The register will be able to be inspected free of charge, and certified copies made available to the public upon payment of a prescribed fee. A certificate can be obtained which will indicate whether a person is a registered builder. The amendments will also allow the board to progressively update the register at its meetings.

The Bill also extends the operations of the Builders' Registration Board to the districts of the City of Geraldton, Shires of Greenough, Chapman Valley, Irwin and Northampton. It has been the policy of this Government to gradually extend the operations of the board to major regional centres. The board's operations were extended to Mandurah in early 1984 and to the City of Bunbury, Shires of Busselton, Collie, Dardanup, Harvey and Murray, in September 1986. This particular extension resulted from a willingness by local builders in these areas to endeavour to improve and maintain the local image of the building industry and also to enhance consumer protection.

There has been extensive consultation with the local government authorities involved and with local builders. A regional advisory committee was set up, in consultation with the board and representatives from local government, the Master Builders Association and Homeswest. That committee has ensured there is full local knowledge of the Builders' Registration Board and its requirements. I am advised that the board expects its operations in these new areas to be self funding. The amendment will not be retrospective and will affect only new building work commenced after the proclamation of the amendment. I am confident that this extension of the board's operations will provide significant improvements for builders and consumers in the districts affected.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

COLLIE COAL (WESTERN COLLIERIES) AGREEMENT AMENDMENT BILL

Second Reading

MR TAYLOR (Kalgoorlie - Deputy Premier) [10.29 am]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to ratify an amendment agreement between the State, Western Collieries Ltd, Western Collieries and Dampier (a Western Collieries Ltd subsidiary) and BHP Minerals Limited, the provisions of which amalgamate the Collie Coal (Western Collieries) Agreement and the Collie Coal (Western Collieries and Dampier) Agreement. Members will recall that in 1985 BHP Minerals Limited withdrew from the Collie Coal (Western Collieries and Dampier Pty Ltd) Agreement, resulting in Western Collieries Ltd being the sole proponent to both the Collie Coal (Western Collieries) Agreement and the Collie Coal (Western Collieries and Dampier) Agreement.

For a number of reasons, which I shall address, it was seen as necessary and advantageous to both the State and the company to consolidate the two coal agreements into one administratively efficient agreement. Amalgamation of the agreements is achieved by transferring the outstanding obligations set out in the Collie Coal (Western Collieries and Dampier) Agreement to the Collie Coal (Western Collieries) Agreement. The Collie Coal (Western Collieries and Dampier) Agreement will then, under the provisions of the amendment agreement, be terminated. The amalgamation of the two agreements will facilitate a single operating agreement and one consolidated mining lease.

I now table the plan marked "B" referred to in the amendment agreement, together with a plan marked "X".

[See papers Nos 338 and 339.]

Mr TAYLOR: Plan B serves to show the location of the Western Collieries and Dampier Agreement lease areas - marked blue on Plan B. The significance of the blue area is that it represents the mining lease which is to be included under the Western Collieries Ltd Agreement. The area bordered yellow on plan B identifies the Shotts water bore field, which is an important source of water for the Muja power station. This area has protection provisions under the Western Collieries and Dampier Agreement and these provisions are to be incorporated within the Western Collieries Ltd Agreement. Plan X is not part of the amendment agreement but is tabled to show the resulting area of the mining lease under the Collie Coal (Western Collieries) Agreement - the area bordered green plus the blue areas - following consolidation of the two agreements, and the position of such mining lease relative to the Collie townsite, which is bordered pink.

In addition to transferring the outstanding obligations of the Collie Coal (Western Collieries and Dampier) Agreement to the Collie Coal (Western Collieries) Agreement, the amendment agreement serves to amend certain clauses of the Collie Coal (Western Collieries) Agreement to reflect current practices in other modern State resource agreements.

The major benefits to the State by way of this amendment agreement are -

A new provision that requires the company to explore the consolidated mining lease in a specified manner. Such exploration will significantly increase the State's knowledge of coal reserves in the Collie basin.

The updating of the Collie Coal (Western Collieries) Agreement to incorporate the State's current policy to maximise the opportunities for local industry participation.

The inclusion from the Western Collieries and Dampier Agreement of the provision relating to the protection of the State's interest in the Shotts bore field.

A new requirement for Western Collieries Ltd to submit from time to time details relating to its current investigations for the marketing of coal.

The opportunity to update the Collie Coal (Western Collieries) Agreement to a standard equivalent to modern State resource development agreements.

The major benefits to Western Collieries Ltd by way of this amendment agreement are -

A number of mining tenements held under the provisions of the two agreements will be brought under a consolidated mining lease.

By operating under a single State agreement Western Collieries Ltd will be afforded ease of administration.

A 15 year extension - to the year 2010 - for submission of proposals for mining within the blue areas - Western Collieries and Dampier land - on plan B.

I turn now to the major specific provisions of the amendment agreement scheduled to the Bill before the House. Clause 4(1) amends the definitions which include the Forests Act having been repealed and replaced by the CALM Act. A new definition - the blue areas on plan B - is added to identify Western Collieries and Dampier land. Clause 4(3) relates to a 15 year extension for submission of proposals within the blue areas on plan B. Under clause 4(6) the exploration program and the reporting requirements of coal reserves are specified whereby Western Colliers Ltd is required to explore the land within the mining lease to an "indicated" level in accordance with the code for reporting of identified coal resources and reserves ratified by the Australian Minerals and Energy Council. A cumulative drilling program for the next five years is specified in this clause. Clause 4(7) calls for the maximisation of opportunities for local industry participation. Clause 4(8) brings in clause 18(3) of the Collie Coal (Western Collieries and Dampier) Agreement, which relates to the protection of the Shotts water bore field designated yellow on plan B.

Under clause 4(10), clause 21(2a)(a) of the Collie Coal (Western Collieries) Agreement has been amended to relate to the inclusion of the Western Collieries and Dampier land into the Western Collieries mining lease and includes the mining provisions, which is the current practice in respect of leases issued under the 1978 Mining Act for incorporation of additional areas within the mining lease. The amendment of clause 21(2a)(b) of the Western Collieries Agreement allows the Minister for Mines in his discretion to include additional areas in the mining lease, provided the Minister is satisfied with the exploration to be carried out on the land.

Clause 4(12)(a) reflects that it is approved proposals rather than clauses 7(1)(c) and 8 of the existing Collie Coal (Western Collieries) Agreement which are to determine the tonnages of coal to be mined and made available for sale. Clause 4(12)(b) provides for the submission of coal marketing reports. Clause 4(14) deletes clause 33 of the Collie Coal (Western Collieries) Agreement - which relates to substituted securities - as this clause has become obsolete through time and is not intended to apply to Western Collieries and Dampier land. Clause 4(15) amends clause 38 of the existing Collie Coal (Western Collieries) Agreement by deleting references to the coal mining lease applications, the areas of which are now included in the consolidated mining lease.

Clause 5 cancels and terminates the Collie Coal (Western Collieries and Dampier)

Agreement. Other amendments contained in the amendment agreement scheduled to the Bill are of a minor nature. The content of the Collie Coal (Western Collieries) Amendment Agreement Bill is the culmination of extended negotiations with Western Collieries Ltd and its provisions will enable the rationalisation of lease holdings to the benefit of the company and the State.

I commend the Bill to the House.

Debate adjourned, on motion by Dr Turnbull.

GOVERNMENT AGREEMENTS AMENDMENT BILL

Second Reading

The SPEAKER: This second reading can be incorporated in *Hansard*, if the Minister wants.

MR TAYLOR (Kalgoorlie - Minister for Finance and Economic Development) [10.35 am]:
I move -

That the Bill be now read a second time.

I seek leave to incorporate this second reading speech in *Hansard*.

Point of Order

Mr COURT: Is this procedure being adopted because the Bill has been read in the upper House and has come to this Chamber unchanged?

Mr Taylor: Yes.

Mr COURT: If there had been a change, would we then go through the usual procedure?

Mr Pearce: Normally we do it because it is substantially the same.

The SPEAKER: Would the Leader of the House like to swap chairs? That is very good. Carry on; it will help me. Is the member satisfied, or does he want a further explanation?

Mr COURT: No; that is fine.

Debate Resumed

[Leave granted for the following text to be incorporated.]

The purpose of this Bill is to amend the Government Agreements Act 1979. At the time the Government Agreements Act was promulgated the Minister responsible for the administration of resource development State agreements Acts was designated as the Minister for Industrial Development. The Act contains two references to that ministerial title. Since 1979 there have been a number of changes in the title of the Minister responsible for administration of these agreements Acts. These changes have resulted in alterations to the original designation by Order-in-Council under the provisions of the Alteration of Statutory Designations Act. Continued resort to this procedure is, however, unsatisfactory and the Crown Law Department was asked to examine options for achieving a continuity of ministerial responsibility for the resource development State agreements Acts.

The Crown Law Department has advised that a long term solution to the problem is to amend the Act so that it refers to "the Minister" without a specific title. This amendment will result in "the Minister" meaning the Minister to whom the Government Agreements Act is committed and it will follow that the Act applies to those agreements Acts which are the responsibility of that Minister.

The Bill before the House serves to amend the principal Act by deleting the words "for industrial development" where they appear in section 2 and section 4(3)(A) of that Act. The amendments, although of a minor nature, will assist in the overall administration of the resource development State agreement Acts to ensure that such agreements continue to fall under the responsibility of "the Minister" designated to administer the Government Agreements Act from time to time, notwithstanding the title he or she may carry.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Court.

WADC LIQUIDATION BILL*Second Reading*

Debate resumed from 20 June.

MR SHAVE (Melville) [10.37 am]: I support the comments made by the member for Nedlands previously in opposition to this Bill. In doing so we need to go back to the period when the Western Australian Development Corporation was incorporated. We must ascertain the basis of this incorporation and remember what the Parliament of Western Australia and the people of Western Australia were told when this Bill was incorporated. In November 1983, Mr Brian Burke, the then Premier said -

It is a key part of our programme to assist the growth and development of business enterprises in Western Australia and to put this State back on the path of economic growth and prosperity.

He also said -

What is lacking is any mechanism through which a business can obtain access to a package of equity capital, borrowed funds, and advisory support from a single source which has, as its primary objective, the promotion of business in this State. The absence of such support can be seen in the extent to which local equity in resource and other developments in this State is watered down and farmed out to other interests in Australia and overseas even though the basic resource, the initiative, and the initial venture capital may have all been Western Australian.

He further goes on in his second reading speech to say -

The commercial activities of the corporation are not to be subject to political interference.

He also said -

The truth about this piece of legislation is that any advantage the corporation has as a result of Government ownership will be confiscated from it under the terms of the Bill.

He continued -

In the final analysis, the institutional framework adopted by the Government reflects the cautious approach to the finance industry in the establishment and management of a new financial intermediary while being prepared to take advantage of development and financial opportunities for the benefit of our State.

When initially instituted, this Bill clearly showed the difference in the approach of socialist and conservative Governments. On one hand the then Premier said that it was necessary for the Government to be involved so that business could prosper. Mr Burke also said on 22 November 1983 -

Far from being the sort of socialistic monster the Opposition pretends to paint the WA development corporation - the Opposition is not dinkum about that, because we know it is a political painting - it is the one initiative in this State's recent history which indicates seriously to average Western Australians that the Government is providing them with an opportunity to share directly in the ownership of some of the most exciting and profitable assets this State has produced.

Later in the same speech, Mr Burke said -

Before I conclude my comments on this Bill I draw attention particularly to the fact that the Government does not have the power to interfere in the business of the corporation.

Mr Burke concluded his speech by saying -

The average Western Australian is sick and tired of Governments hiving off large chunks of his or her State, and consigning those chunks to overseas interests without adequate protection afforded to those who owned the consignment prior to its transfer to interests represented in other countries.

Premier Burke said, in effect, "This is not Government interference in the marketplace; we

are setting up this corporation specifically to help business and so that business can prosper. There will be no political interference." He stated that in this place on Tuesday, 22 November 1983.

Let me give the House a different view. Mr Des Keegan, a well known journalist, writes for *The Australian* and is regarded as a conservative journalist. These are some of the comments he made -

Two centuries of free enterprise has brought more economic growth, prosperity and leisure to the common man than the previous 5 000 years, yet the entrepreneur who brought the wealth is under threat from the State . . .

"It is from (the fruits of entrepreneurship) that our ability to pay social welfare comes, but equality of poverty is assured in a collectivist society, except for the commissars . . .

"Australia has armies of bureaucrats blocking entrepreneurs at every turn. Red tape and officialdom everywhere prevents the orderly rhythm of business and economic growth . . .

"Economists rarely assign a weight, even a function, to the role of the entrepreneur in society. Yet there would be precious little debate about redistribution of wealth if entrepreneurs had not sought profits in new ways. There would be no significant surplus to redistribute".

I have given the House two very diverse views. On reflection, if we look at the events of recent times in Eastern Europe, what Mr Keegan is saying is right; if we look at what the Government of Western Australia is now proposing to do in liquidating Western Australian Development Corporation, perhaps it also thinks Mr Keegan is right. Quite clearly, the establishment of WADC was a clear indication of Government becoming involved in business, believing it had the expertise to run businesses, which it does not have. Once in, it found it had a problem on its hands.

Yesterday the member for Nedlands spoke about the function of the liquidator. I believe the Minister for Finance and Economic Development is endeavouring, in good faith, to wind up what is a very messy business. I have no objection to that; however, I do object to whom he chooses as the liquidator. If a company gets in financial trouble, it does not call in its general manager or its accountant to do an audit; it calls in an independent person to assess the problems in the company. I am not casting any aspersions on the credibility of the Treasury officers who it is proposed will be given the job of liquidating WADC, but I must tell the Government, in case it has not realised it, that there is real concern in the public arena about the operations of this Government. We now have a situation in this Parliament where the Opposition parties are seriously contemplating blocking Supply. It may be that the Government thinks it is a foregone conclusion that Supply will not be blocked in this current session of Parliament, but I can assure members opposite that the issue is very much alive and it may well happen.

Mr Pearce: If that were the case you would be out doorknocking now. You would be the first member in this place to lose his seat in an election in the next few weeks.

Mr Taylor: One thousand votes!

Mr SHAVE: That is not true.

Mr Taylor: I was right and you were wrong.

Mr SHAVE: It was not 1 000 votes, it was 300 votes. I gave the Minister for Finance and Economic Development the figures done by the Auditor General.

Mr Taylor: You were rolled over on that.

Mr Pearce: I will make another prediction about an election in your seat if one were to be held in the next few weeks: Our candidate will carry the Premier's photograph on his or her doorknock cards, but you will not carry your leader's.

Mr SHAVE: I am not afraid to stand up for myself.

Mr Pearce: You would be afraid to stand up with your leader, though.

Mr SHAVE: Do members opposite know why they lost the last election?

Mr Pearce: We did not lose the last election.

Mr SHAVE: The Government did, in my seat, and it did so because it was silly enough to have photos of the Premier all around my electorate but no photos of the Government's candidate. People did not know who the Labor candidate was - that is how bad it was. Whatever members opposite might say about my electorate and the margin of 300 votes, which the Labor candidate was unfortunate enough to lose on that basis, we shall see at the next election whether I get elected. While we are talking about this subject, I must say that I feel much more comfortable in my seat than the Leader of the House should feel in his, with his three per cent margin; because from what I am told out on the street he has major problems.

Mr Pearce: At least you have the decency to laugh when you say that.

Mr SHAVE: I have told the Leader of the House before that he should be very careful, because if I tell the member for Roleystone how bad the position is perhaps he will switch over and stand for Armadale, and that will be the end for the Leader of the House. There will be no Government jobs for him.

Mr Pearce: I invited the member for Roleystone to transfer last time, and he declined to do so.

The SPEAKER: Order! The member for Melville should not rush too quickly back to the subject matter, but he should drift back to it at some time.

Mr SHAVE: I will drift back to the subject matter now, Mr Speaker.

Mrs Watkins: Aren't you standing for the safe seat of South Perth?

Mr SHAVE: The member for Wanneroo is another person who should look very carefully at what is happening out on the street. Returning to the subject matter -

Mr Taylor: Are you going to run for South Perth?

Mr SHAVE: Returning to the subject matter of the discussion -

Mr Pearce: Why won't you discuss whether you will run for South Perth?

Mr SHAVE: I will not discuss it because I am not running for South Perth, I am running for the seat of Melville. If Supply is blocked I will run for the seat of Melville.

Mr Pearce: What if Supply is not blocked?

Mr Taylor: What about in 1993?

Mr SHAVE: Do members opposite suggest I should make all those decisions now?

Mr Pearce: You should show a commitment to your electorate, at least for the term for which you were elected.

Mr SHAVE: I am showing a very strong commitment to my electorate.

To return to the Bill, the clear indication of the then Premier was that WADC would be introduced to develop Western Australia and its assets, that there would be no political interference, and that it would be run in a proper, commercial manner. In fact, during the comments made in this place at the time, accusations were heaped upon Mr Hassell, the then Deputy Leader of the Opposition. He was concerned about the setting up of WADC and suggested that, in time, the corporation could go bankrupt - in fact, it appears that it has - but he was ridiculed. So the Government, of which members opposite were part, sold a proposal to the people of Western Australia that WADC would be an independent corporation which would promote Western Australia and its assets.

What a sad situation we have today. We have the Treasurer, who was a member of that Government, saying in his second reading speech -

It is an element of the Government's commitment to withdraw from speculative business activities.

Let us look at some of the assets to be disposed of which are creating a problem: Perth Underwater World Joint Venture and Underwater World Sentosa Pty Ltd at Singapore. It is implied that the Government became involved because some Western Australian technology was to be applied. That venture is in trouble, along with most of the other ventures in which

this Government was involved. The Treasurer said that the Government is getting out of speculative activities. Mr Burke was kind enough to tell us that WADC would assist everyone and then it started.

The Government thinks it is an expert on everything, which is easy when it is working with other people's money, but were it working with its own money it would soon become efficient. Mr Burke's Government became involved in WADC activities and just before 1986 a Government Press release announced that WADC had made a profit of \$34 600 000. That was very good publicity and WADC had a good run in the Press and the people of Western Australia thought they had a superstar in Brian Burke, but \$13 million out of that \$34 million came from the sale of the old Perth Technical College site to the Superannuation Board. Anyone could have done that. WADC charged the IBJ Bank a \$15 million fee to obtain a licence in Australia. LandCorp was involved in another interesting cover-up because the Treasurer actually paid WADC fees for asset management. This was a direct cash fee for professional services, which in 1987-88 was \$1 953 072; and in 1988-89 \$2 463 853. These huge fees were paid by the Government to one of its own statutory authorities when those functions could have been carried out within the Government. A number of Premiers have told us the great story about the benefits that WADC has brought to this State; huge dividends were paid to the State. The Government quoted a huge amount of \$77 759 000 as the accumulated profit of WADC over 5.5 years. If one looks at the \$77 million profit it can be seen that LandCorp contributed \$22 525 000 over 1.5 years, the bank licence fee contributed \$15 million and the old Perth Technical College sale contributed \$13 million.

The Government trumpeted that it was an active Government making active profits whereas it was paper shuffling, it was ineffective, and it did not achieve anything. The greatest beneficiaries of the establishment of WADC were its directors. The fees that those directors were paid were phenomenal and would have been the envy of most company directors. We were told that their fees were equivalent to those paid to the directors of BHP. I would not have minded if those people had produced what the directors of BHP produce. The public was told that a profit was being made when, in fact, it was a paper profit. It was achieved by shuffling Government assets from one corporation to another at cost; then the second corporation would sell off the assets at a profit. It is a bit like buying a block of land in City Beach in 1963 for three hundred pounds and transferring the title from one company to another company at book value and having that latter company sell it off for \$250 000 to show that it has made a profit. Quite obviously that would not be done because a considerable amount of capital gains tax would be payable.

The Deputy Premier stated that WADC liquidators will comprise two Treasury officers appointed by the Minister for Finance and Economic Development; that all WADC liabilities will be met in full; and that the Consolidated Revenue Fund will be permanently appropriated to the extent necessary to discharge any liabilities that may remain when the liquidator has gone out of being. I acknowledge that someone will have to pay these debts, which will undoubtedly have to come out of the Consolidated Revenue Fund and, if that is the case, it is the view of the members on this side of the House that the party conducting the liquidation should be accountable to this Parliament and should be independent of the Government. I reiterate that I am not suggesting that the Government officers will be seen to be anything other than honourable in their actions, but they could be subject to ministerial pressure. We have seen a Premier and a Deputy Premier leave their positions; we have seen a senior Minister go to the backbench of Parliament; and we have not been told why. That is the reason the people of Western Australia are demanding a Royal Commission. The Minister for Finance and Economic Development made this comment in his second reading speech -

It will be necessary for members of the liquidator and other persons delegated by the liquidator to act as directors of companies in which WADC now has shares. There is the possibility that a conflict could arise between their duties as directors of these companies and their duties under the WADC Liquidation Act. The Bill provides that in such an event their duties as a director of the company are to prevail.

That does not sit very easily with me. We have been told, "Don't worry, everything will be all right." Everything is not all right within this Government; if it were all right we would have a Royal Commission and the people of Western Australia would know what are the facts about the dealings of this Government.

Members on this side of the House will not support what this Government proposes to do. We have no objection whatsoever to liquidating WADC, but we do object to the way it is to be liquidated internally. The public will not be given full access to the facts, as they would if the liquidation were carried out by independent liquidators. Members on this side of the House believe that something is wrong within the operations of this Government because it will not agree to a Royal Commission looking into its affairs.

In its present form, the Bill is not different from any other action the Government has taken. The Government is not prepared to be open and tell the public of Western Australia what it has done, how much it has lost, or why the money was lost. The money that the Government has lost was the property of the people of Western Australia; the Government was merely the custodian of that money. The Government should act in the same way as directors of any company and it should be answerable to its shareholders. The Government does not wish to be accountable; it wants to do everything internally. It says to the people of Western Australia that they should not worry, that everything will be all right, that the Government will look after them because the Government is honest. Clearly, the Government is not honest. If it were honest, it would be an open Government. It is not good enough for the Minister for Finance and Economic Development to say that he has been advised by his officers that this is the best and most appropriate way to liquidate the Western Australian Development Corporation. What is the best way? What is the Government trying to achieve? Is the Government saying that it is prepared to do whatever it can to liquidate the organisation quickly? Or is the Government saying that it is operating in this way because it is the cheapest way? Or is it that the Government does not want the public or the Opposition to know exactly what it is doing? None of those options is acceptable to the Opposition.

The premise is that liquidation can be carried out quickly and efficiently and it will not cost any more than the appointment of an independent liquidator. Were an independent liquidator appointed at a cost of \$100 000 or \$200 000 extra to provide the specific data that the people of Western Australia are entitled to see, I would have no objection to that cost. It would be a similar situation to buying a car; people do not always buy a second-hand car; sometimes people buy a new car because it will perform better. Internal liquidators appointed out of Treasury are only Government officials. I am not being derogatory. Their jobs depend on their appointments by Ministers; they are answerable to Ministers; they have mortgages and they have an obligation to those people. I am not suggesting that the Minister is in any way an unethical person. I am saying that the situation is not satisfactory.

The former Deputy Premier, Mr David Parker, said that the Government was conned; it did not know what it was doing. I do not think that the members on the other side of the House possess the necessary expertise to run the affairs of Western Australia either. My concern is that we will witness another whitewash. If the situation becomes uncomfortable politically for the Government, it will not make the necessary decisions that an independent liquidator would make. For that reason, no way in the world will the Opposition support the Bill in its present form.

MR TRENORDEN (Avon) [11.03 am]: I was amazed to hear the comments of the Minister yesterday about the operations of the Financial Administration and Audit Act and the Auditor General. As a result of my involvement with the Public Accounts and Expenditure Review Committee's inquiries into the State Government Insurance Commission, I have learnt a considerable amount about the Financial Administration and Audit Act and its purposes. I will not rehash the arguments raised yesterday in relation to the differences between the operations of the Corporate Affairs Department and the operations of the Auditor General. It is obvious to everyone, except perhaps the layman, that the Financial Administration and Audit Act is a reporting mechanism. The Corporate Affairs mechanism is a spontaneous one to give accountability to a course of action, whether in the private sector or the public sector. To say that one mechanism is more powerful than the other is to compare apples with oranges.

Why has the liquidation of the Western Australian Development Corporation been set up in this way? The liquidation process has received a fair amount of publicity recently as it relates to Petrochemical Industries Ltd, and many people have made comments in the Press about the subject. The liquidator has stated that he has the right to go back to the inception of the company and examine the transactions that have taken place since that time. The two injured parties, Messrs Connell and Dempster, have stated that certain actions occurred

before the Western Australian Government became involved and that, therefore, those matters do not fall within the jurisdiction of the liquidator. My point is that the liquidator can inquire into those operations and follow the whole process through, no matter where the trail may lead.

The problem is that the Bill is constructed in such a way that if the liquidator, in the process of dismantling WADC, finds a trail that he considers is suspect or even a little unusual, he does not have a mandate to follow it through. That is the difference; that is the argument which has been raging in this place during debate. The two officials appointed will have the task of dismantling the assets of WADC and placing those assets in various pigeonholes prior to sale. Their role will not be to pursue matters; the Bill requires that they locate money within the Consolidated Revenue Fund to meet any liabilities. The officials cannot question whether certain things should happen and they cannot say to the taxpayers that they wish to query any part of any transaction. The officials are required only to sell any assets to meet any debts.

Being a sceptic, I find it difficult to come to any conclusion other than that this is a cover-up. Why has the Government not used the provisions of the Companies Code? One would think that no argument could be made against the use of the Companies Code. What complications would arise if the provisions of the Companies Code were included in this legislation? I will be interested to hear what the Minister has to say on that point. The Opposition will be watching the reactions of the Minister very closely.

Mr Cowan: It is true that the Companies (Western Australia) Code has a specific provision regarding liquidation and the appointment of a liquidator. The Financial Administration and Audit Act does not contain a provision specifically referring to liquidation. While this may be a public operation which must report to the Government, it does not make the issue public at the time the company is wound up.

Mr TRENORDEN: More to the point, the FAAA has a reporting mechanism, but contains no requirement to report other than certain transactions which have taken place at their conclusion in terms of an audit. The FAAA has other outcome requirements as well but it does not require the same kind of action as does the corporation legislation. We will be watching the proceedings closely. We do not accept the Bill as proposed by the Government, and we will be seeking to amend it. We hope that the Minister for Finance and Economic Development will allow the provisions we offer to be included.

MR LEWIS (Applecross) [11.11 am]: The Minister for Finance and Economic Development is genuine in his intention, but unfortunately he has been badly advised about how the wind up of Western Australian Development Corporation should be achieved. The Minister has not given adequate reasons why WADC cannot be wound up under the Companies (Western Australia) Code. He indicated the other day that two Treasury officers would control the wind-up of WADC but, to my mind, these officers are not experienced in liquidation; the Minister must accept that liquidation is a very specialised sector of the accounting industry. To appoint two Treasury officers who are not au fait with the professional manner in which a company should be liquidated is not the way to go. Obviously, a certain amount of cynicism exists within the community about the Government's approaching this matter in a way so as to contain or hide some activities that have taken place in WADC. The Minister must accept the criticism of the manner in which he is undertaking the wind-up, and this criticism will remain.

Mr Taylor: I will answer that when I respond.

Mr LEWIS: It is a legitimate criticism and it is beholden on the Minister to answer these questions to the community. It was said the other day that to put Treasury officers in charge of liquidating WADC was like putting Mr Connell in charge of liquidating Rothwells.

Mr Taylor: That is extraordinary!

Mr LEWIS: I refer now to the affairs of LandCorp which is an integral part of WADC. As the Leader of the National Party indicated the other day, this liquidation Bill is really one that puts in place another body corporate that can go on for ever. It is perfectly apparent in the second reading speech that this Government has made a decision regarding LandCorp; in the interim period LandCorp will come under the control of a body corporate which will be set up by a Statute and controlled by two Treasury officers. LandCorp has had quite a checkered

career; it was originally established by a Labor Government and it came under the control of a coalition Government under the flag of the Urban Lands Council. In those days its brief was to provide adequate land at a reasonable price in competition with the private sector. In other words, it was a moderating influence to provide sufficient land at the lower end of the market. The body, for marketing reasons, became Landbank, which was a marketing name for the same operation. This body became involved in higher priced developments which could only be considered as middle or upper regions of the market; that is especially the case with developments such as St John's Wood which was not part of its brief at all.

In the paper shuffling and manoeuvring at WADC, in an effort to arrange profits, Landbank was ignored lock, stock and barrel. The book value has never been disclosed and Landbank was shifted across under the umbrella of WADC as a result of the smart deals on the Terrace. The Government department sold the assets below value to WADC which then on-sold them to a purchaser waiting in the wings. This allowed WADC to suddenly write-up magnificent profits as the smart operators at WADC claimed the profits which were intended for Landbank. How they went about arranging these figures, nobody knows. No statutory requirement to do so was in place under the umbrella of WADC. The fundamental question involving LandCorp, as it is now known, is: Why do we require a Statute to shift LandCorp to some other body? It was easy enough to shift Landbank to WADC, so why cannot WADC simply transfer LandCorp and its assets to some statutory, or even a non-statutory, body within the ministry?

It has been rightly said during this debate that this legislation is designed to do nothing more than give a perception to the community that the Government is out of WA Inc as it is winding up its affairs. However, the legislation does not do that. It is changing the name but the organisation is still in place and will be within a new body corporate. I suggest to the Minister that the whole intent of this Bill is to create a public deception, if one likes, that WADC will be wound up and gone forever. However, the machinery is still in place and will remain so.

Among the assets of WADC is the Port Kennedy project. The responsible Minister will remember the debate in this House two or three weeks ago about the Port Kennedy project which was in the process of shifting huge public profits to the private sector on the basis of project enhancement because of forthcoming approvals from Government agencies. I have spoken to Treasury officials, as well as colleagues on this side of the Parliament, and concerns have been expressed as to what could happen if the Government is not vigilant in this matter. I hope that, because the Port Kennedy project is being liquidated, and because of my comments and comments by the members for Cottesloe and Wagin about the Opposition's fears that this project will be another scam, the Minister will reassure the Parliament that the Government will be vigilant and ensure that any windfall profits from the project are not transferred from the public purse to the private purse without some performance in the project in the short to medium term.

Everyone supports the need to repeal WADC. However, I suggest that the Government does not need this legislation to put in place another body to facilitate that liquidation. It would be very simple to introduce a Bill repealing the Western Australian Development Corporation Act. WADC would be liquidated in accordance with the Companies Code of Western Australia. The courts would appoint a competent and professional liquidator to do his job in accordance with the code, which would also require reporting and the like. The liquidator would investigate many of the things that could have occurred which were not in accordance with the proprieties of corporate management or with the Act.

By introducing this legislation, it seems that the Government does not want that to happen. That is sad and can only be seen as the Government again placing itself in a position to cover up the facts rather than living by its word and being truly accountable, hiding nothing.

MR BLAIKIE (Vasse) [11.24 am]: I also wish to express my disapproval of what the Government purports to do with this legislation. On the one hand it has indicated that it will wind up the Western Australian Development Corporation but, on the other hand, once the public understands what the Government is doing, it will become a sham and a debacle far worse than WADC ever was.

I was a member of the House at the time the WADC Bill was introduced. It was interesting to note then how the Premier of the day, Brian Burke, said that the reason for the legislation

was for the State to have its own development corporation so that profits from it could be channelled to advantage the State and that those profits would help to lessen the burden on the State's taxpayers. The theory was that, if the development corporation made \$100 million or more, it would be paid into the Consolidated Revenue Fund so that less money would have to be drawn from the State's taxpayers.

Arguments raged in the House over the Government's pursuing its monetary fairy story. The Opposition pointed out that Governments have no role in business and the track record of Governments' involvement was one of failure. The Opposition said then that if the Government became involved it would fail and we predicted that there would be losses to the State. However, the Opposition did not really understand that there would be corruption of the worst order and that the State would lose hundreds of millions of dollars.

Instead of WADC's being a bonus to the State, it is a millstone around the necks of every taxpayer in Western Australia who is now obliged to pay back the hundreds of millions of dollars that have been lost by a series of nefarious deals which have involved people being charged and brought before the courts. I am aware that the charges have not been proved, but charges were laid.

Mr Taylor: What are you talking about? What has this got to do with WADC? No charges have been laid against anyone associated with WADC.

Mr BLAIKIE: I am talking about the Government's business dealings and the Government's record of managing the State's finances.

Mr Taylor: Let's make sure we have it straight, then.

Mr BLAIKIE: Yes, I will show the Minister how this will link into WADC.

It is important also to understand that the Government decided to move away from the Government sector for its advice on the management of the State's resources. It was to the State's great disadvantage that it employed people such as Tony Lloyd, Len Brush and Kevin Edwards. The Government certainly does not mind hiding behind those names now and allowing those people to be the patsies for the losses of hundreds of millions of dollars of taxpayers' money. However, in private enterprise, when losses of that magnitude occur, the chairman of the board and the directors must accept responsibility for the failures. Brian Burke resigned but only after the State had lost literally tens of millions of dollars. For his resignation he was paid in the vicinity of \$500 000 in the form of superannuation. If he had been a company director in private enterprise, not only would he not have been paid, but also the shareholders would have wanted to know about his performance. If there were any unethical or criminal overtones in his actions, he would have been dealt with by the courts.

Malcolm Bryce, a Deputy Premier of the State, also resigned after the State lost tens of millions of dollars. He was rewarded with a very substantial payout, again in the vicinity of \$500 000, by the taxpayers of this State as part of his golden handshake. As part of the Government's consideration for how well he performed as one of the old boys, he heads the Government's new Institute of Technology. He has also been appointed as deputy chairman of the board of the R & I Bank.

Failures in the business world who continue to be failures and lose money find it pretty difficult to get a job because their track record shows that they cannot be trusted and also that they are incompetent. What did this Government do? It arranged for Brian Burke to be Australia's Ambassador to Ireland - Robert Trimboli went there and found it convenient - and that was part of his reward. The Government also arranged for Malcolm Bryce to be Deputy Chairman of the R & I Bank. Is it any wonder that people from other parts of Australia and around the world look at what has happened in Western Australia and shake their heads in disbelief that what is happening is really occurring? They know that things are bad in this State.

On my return flight from America in March this year I was reading the aircraft company's magazine which included an interesting article about television soapies. It reviewed the soapie "Dallas" and said that J.R. Ewing was up to his usual tricks. He is not only a hard-nosed businessman, but also a black-hearted one. Apparently the next episode of that soapie was centred on one of his smart deals where he chiselled the rights to an oil well from a family. As a result of the deal members of that family who thought they had a reasonable future were forced to go out to work and to sell the family vehicle. It was referred to as a

deplorable state of affairs. The article referred to the fact that a lot of people watch "Dallas". It also said that in Australia there is a State called Western Australia and if people were of the opinion that J.R. Ewing was a black-hearted fellow and that "Dallas" was worth watching they should read what was happening in Western Australia. It said the State Government had a series of mates to whom it had granted privileges which other people are not granted. The journalist wrote that Robert Holmes a Court had got hundreds of millions of dollars of preferential sales by selling property and shares. Reference was also made to Alan Bond who was involved in all sorts of deals. The article said a bank building, half of which was owned by Bond, was being constructed and the Government bought it back from Bond. It referred also to a fellow who owned racehorses, named Laurie Connell, who had a bank which failed and how the Government stepped in and rescued it. The comment was made that if people thought "Dallas" was good viewing what was happening in Western Australia was absolutely riveting. The events in WA could not be made into a soapie because these are facts and no-one would believe that they could actually happen. Notwithstanding how true are the events in Western Australia the journalist said that people would continue viewing "Dallas" because the events in that show are more believable. It is an example of what journalists around the world are writing about Western Australia.

I have referred to former Premier Brian Burke and former Deputy Premier Malcolm Bryce and I will refer now to former Premier Peter Dowding and former Deputy Premier David Parker. Again, those two gentlemen retired from this Parliament with a hefty golden handshake from the taxpayers of this State - both of them would probably have received more than \$500 000. Former Premier Dowding is entitled to office facilities, a motor vehicle, travel and the like and the same applies to former Deputy Premier Parker. What did they do for Western Australia? They certainly did not tell the truth in the Parliament; they certainly did not tell the truth to the public. They deceived the State of Western Australia, the taxpayers of Western Australia and the Parliament of Western Australia and they were responsible for losses totalling hundreds of millions of dollars.

I come back to the point I made earlier; that is, in any area of business other than Government they would have been sacked and publicly disgraced, not only for their incompetence, but also for allowing the State to come under the veil of corruption and financial intrigue.

Only a few years ago a Minister in a former Federal Government brought a colour television set into the country and did not declare it. He was sacked from the office of Minister for committing that offence and the amount of Australian taxpayers' money involved would have been \$100 or \$200. The principles of the Westminster system of Government were at stake and at all times the Government and Ministers must be beyond reproach and above any suspicion of coercion and corruption. I ask the House to consider how important it was for a Minister to be sacked because he failed to declare, on the privileges he had, a colour television set which he brought into the country, and by not declaring it evaded payment of the duty. The Government of the day acted properly and I believe the Minister should have stepped down. He did not receive any benefits and was identified for what he did. He certainly was not given any accolades.

Messrs Burke, Bryce, Dowding and Parker, who have been responsible for the losses of hundreds of millions of taxpayers' funds, have left this State in a great flurry and with all the trimmings which usually go to people of integrity and repute. They have no integrity and by their lack of repute they can be well judged. They were all members of the Government which is still in power and which is now involved in trying to get out of the shocking deals and mess in which it has been involved.

I come back to the Bill, which is to repeal the Western Australian Development Corporation Act and thereby to abolish the Western Australian Development Corporation, to establish a body to wind up its affairs, to make provision for payment of creditors in full, and for connected purposes. This Bill will make provision for the payment of creditors in full, but it makes no provision for finding out what happened to the money that has been lost. I do not know how much money has been lost and I shudder to think what the final total will be. One day we will get to the bottom of it, but this Bill will not find out who has the money. It certainly will not be recovered as one would expect should happen in the event of liquidation. Apart from that, the Government will appoint the liquidator. Very few members of the public would have faith in any liquidator appointed by this Government. We have

already witnessed the wizardry of people such as Len Brush; he was one of the Government's top dogs, and a great friend of the Premier, which is how he got his job. We have seen the wizardry of Kevin Edwards. We know what a wizard he was at adding things up - in fact, he was much better at subtraction than addition. I remind members also of the wizardry of Tony Lloyd. That is the sort of person the Government has appointed in the past. This Government and the Deputy Premier defended the appointment of those people. The Deputy Premier was a member of the Cabinet which not only agreed to those appointments but also ensured that career officers were moved sideways to make way for Government advisers.

The Government will appoint its own liquidator, and I believe that will be a scam. The basis for saying that is the Government's track record. It has proved that it cannot be trusted; it has proved that it does not pursue wrongdoers, and that any wrongdoing is rewarded by lush benefits, as in the case of Burke, Bryce, Dowding and Parker. Instead of being admonished those people have gone to better and greener pastures. I am very anxious for WADC to be wound up, and I believe it should not have been established in the first place. The Opposition told the Government that in 1983 but the Government would not listen. The Opposition is now saying that this Bill is a sham which will allow the Government to do some window dressing and to say to the public that it is accountable. The Government can tell the public that it has introduced legislation to abolish WADC. I dare say David Parker is looking for a job and he could well be appointed as one of the liquidators. He would certainly be available to do that job, and what a wonderful choice he would be! Perhaps Brian Burke or Arthur Tonkin could also be appointed. A host of former colleagues of the Minister will be available, and perhaps even people on the Federal scene, such as Mick Young, could be involved. The Government has not selected people in the past on the basis of their competence, but rather on the basis of their political loyalties to the ALP. Such people have no regard for their obligations to Western Australia.

I assure the Government that the Opposition has seen through its smokescreen, and I hope that this legislation will not get an easy passage through the House but will be debated clause by clause in the Committee stage, and eventually rejected.

MR TAYLOR (Kalgoorlie - Minister for Finance and Economic Development) [11.44 am]: The speech made by the member who has just resumed his seat would certainly take first prize as the most mixed up and confused address I have ever heard. The member for Vasse wants to sit in judgment of people of the calibre of Burke, Bryce, Dowding and Parker, but if a judgment were made of the contributions of members of Parliament in this State, and if their contributions were measured against his, he would be well and truly behind when the prizes were handed out. The contribution by the member for Vasse in relation to this issue is absolutely insignificant in comparison with the contribution by the members he has seen fit to abuse in this House today. He never had the courage to say those things to their faces, and he certainly does not have the courage to face Burke, Bryce, Dowding and Parker outside this place and to repeat those comments. He is all bulldust and bluster and he is prepared to make those comments only in this place. His contribution to this debate is an absolute and utter disgrace.

Several members interjected.

Mr TAYLOR: I will certainly support people of that calibre against the contribution of this heavyweight lightweight who is the member for Vasse. Having got that off my chest, I turn to the comments of the former Deputy Leader of the Opposition, the member for Nedlands, about the way this legislation has been handled. I start by referring to comments made by these charlatans on the Opposition benches - with one or two exceptions, I indicate to the Leader of the National Party - about WADC and how it should be brought to a conclusion. I have been digging for facts in the last few hours in relation to this issue. My first example is from *The West Australian* of 18 June 1986 which states -

WADC a Lib. target

A Liberal Party meeting yesterday decided to take a close look at the Financial Administration and Audit Bill now before Parliament to see whether the two corporations could be brought under its provisions.

The two corporations referred to are WADC and Exim. As I pointed out by way of

interjection yesterday, this legislation will do exactly that. It is clear in the legislation that the liquidation will be covered by the Financial Administration and Audit Act and the Opposition called for that in June 1986. My second example relates to an article in the *Western Mail* in May 1987, under the heading "Labor plays a dead bat to Exim", which quotes Opposition members of Parliament as follows -

In many cases, questions about Exim and the WA Development Corporation have been diverted around the barrier of "commercial confidentiality."

This Bill before the House contains no provision for commercial confidentiality. In fact, it contains a provision indicating that the Minister responsible has a clear obligation in relation to issues raised in this Parliament and is answerable to the Parliament.

Mr Court: We always know when we are on the right track because you raise your voice and smile at the same time.

Mr TAYLOR: I am raising my voice because I am enjoying every minute of this. In June 1988 it was stated in *The West Australian* under the heading "Libs call for WADC to disclose salaries" -

The WA Opposition yesterday called for full disclosure of WA Development Corporation salaries and consulting fees.

It continued -

Mr Court said yesterday the Liberal Party had always said that the Government must be fully accountable when taxpayers' funds were involved.

This legislation makes the Government and the liquidator fully accountable to this Parliament and fully accountable under the Financial Administration and Audit Act.

Mr Court: You are asking for a blank cheque and you will not get it if we have our way.

Mr TAYLOR: I will come to that in a moment. In March 1989 the member for Nedlands was asked some questions about WADC and Exim activities by Kevin Hume on his "Drive" program. Kevin Hume asked Mr Court why he had not talked to any of the people working at WADC, such as John Horgan. Mr Court replied -

This has been the whole problem. You see even the Burt Commission of Accountability, when they wanted to question the WADC on certain activities, they simply would not talk to them. They said that they didn't have to and when we ask questions in Parliament we are always told that it's commercially confidential.

Mr Court went on to say -

We have not been given answers on the very important questions and if I can just quote to you from the report,

He is referring to the Burt Commission report and continued -

the WADC said that it couldn't operate with this sort of direction because, "if its decisions, and particularly its investment decisions, were made subject to ministerial control and by parliamentary questions be opened to public scrutiny", it's saying that if they had to be opened to public scrutiny through Parliament they couldn't operate and that's why it's got to go. It's been operating outside that scrutiny ...

That is why this Bill is before the Parliament - to ensure that that scrutiny is given to the operations of the winding up of WADC. The next matter occurred in June 1989. The infamous Mr Cash, when talking to Des Guilloyle on 6WF about various initiatives relating to the Asset Management Taskforce, said the following -

Well we would be prepared to accept the initiatives. We believe that it's positive and constructive. The only question that would remain is the aspect of accountability. You will recall that the Burt Commission that was set up by the Burke Government looked at the question of accountability and it found very clearly that the WADC and some other Government agencies were not as accountable to Parliament as they should have been and as a result of that a bill was brought into the Parliament and the question of accountability was considered and discussed.

We'll be watching this taskforce to ensure that it does meet the criteria set down by

the Burt Commission, that there is an increase in public scrutiny of Government investment activities and that the actions of the committee are in fact answerable to the Parliament through the Minister.

That is exactly what this legislation provides. Mr Cash went on to say, in relation to WADC -

The WADC, according to the Government, is to be disbanded so this is a new taskforce to look at Government assets generally.

That is the Asset Management Taskforce. He continued -

We support the proper use of Government assets so that we get a reasonable return from those assets. The big question is the question of accountability. I think it's fair to say that the community, through the vote at the last election, demonstrated that it was happy with the accountability of the Government in general -

That was very generous of him -

and that it required the Parliament, and the Parliament through the Opposition, to ensure that there was greater scrutiny on the Government in the manner in which it was conducting its business, especially in respect of financial affairs.

Once again we have an opportunity for the Opposition to scrutinise the Government's operations in this matter through this Bill before the House.

I will deal now with what the member for Nedlands said on 96FM news in September 1989 about the Underwater World International agreement WADC had entered into. He said -

The Underwater World International agreement that WADC has entered into has been outside the scrutiny of Parliament, as had been most of the WADC's business dealings and as such, the taxpayers have not been able to question just what has been taking place.

This legislation quite clearly provides for the Parliament to question what the member for Nedlands said had been taking place.

Mr Court: You have to be joking! You brought it under the Financial Administration and Audit Act and the Acts Amendment (Accountability) Act last year.

Mr TAYLOR: That is dead right. On 20 March 1990 - and I come to this because every member opposite has said they will not support this legislation for the winding up and liquidation of WADC -

Mr Court: We will support its liquidation.

Mr TAYLOR: If members opposite do not support it in this way they will not support it in any other way. This is what Mr Court had to say in March 1990 -

Opposition spokesman Richard Court said he welcomed the news that the WADC was to be wound-up by June 30th.

He went on to say the following -

The sooner, the better. We have heard from this crippled Government on many occasions that WADC is to be finally wound-up. Transferring the remaining problems to other Government departments however, does not exactly solve the problem and we want completely open accountability as to what the final financial outcome of any sale is going to be.

That is exactly what this legislation provides - complete accountability in relation to these sorts of issues. I will deal now with matters relating to accountability as I go through some of the quite remarkable comments made by Opposition members in relation to this issue. I refer first to the Burt Commission on Accountability. This report compares accountability to taxpayers under the Financial Administration and Audit Act with the accountability of shareholders under the Companies Code. The conclusion reached by the Burt Commission was that the standards prescribed in the Financial Administration and Audit Act and Treasurer's Instructions provide greater access to information than is normally provided to shareholders as owners under the Companies Code.

I turn now to that part of the Burt Commission report dealing with accountability. It states -

Hence it can be seen that accountability is accountability to the Parliament and, as will appear, the Parliament is the place within which the idea of public scrutiny must find its fulfillment. Whether those ends will be achieved in fact will depend upon the manner in which the Parliament calls up the information which the recommendations contained in this report will make available to it and upon the manner in which the Parliament uses that information when it becomes possessed of it. In other words, the recommendations contained in this report are but means to an end and the attainment of the end is dependent upon the proper operation of the Parliamentary system and upon the proper use of Parliamentary questions in particular.

That is why this legislation is before the House, because the Burt Commission on Accountability recommended particularly that the proper way to attack these sorts of issues and deal with them is to bring them before this Parliament - not to send them off elsewhere but to deal with them through the proper system of Government and Parliament.

I will deal now with the role of the Auditor General because some members made certain criticisms of that role. His role is, in fact, an integral part of the Westminster system of parliamentary democracy. Parliament confers responsibility on Government agencies which are subject to the control of a Minister of the Crown and through that Minister the agencies must account for all the things done in the exercise of their authority, the manner in which they operate, and the ends sought to be achieved by each agency. That is the role of the Auditor General. He has a specific responsibility to the general community conferred by his office and through this Parliament. He is not responsible to a Minister or to the Government but to this Parliament through the Financial Administration and Audit Act to conduct audit examinations and investigation processes to establish responsibility and to see that they are properly conferred, reported and fairly presented; also, that there is due regard to economy, efficiency and effectiveness in fulfilling those responsibilities. Under this legislation the liquidator quite clearly is responsible to the Auditor General and the Financial Administration and Audit Act.

I come now to the matter of the liquidator. According to this Opposition, under the Companies Code the liquidator would bring out into the open anything currently hidden. Opposition members have not said anything about what might be hidden, merely that it is this conspiracy that underlines things.

Mr Court: How would we know?

Mr TAYLOR: If the member for Nedlands thinks anything has been hidden he should go to the Corporate Affairs Commission, the police, or the Official Corruption Commission, or raise the matter in this Parliament. He should deal with those issues if he thinks people have done anything wrong; but he has not done that. The member for Nedlands suggested that a liquidator appointed under the Companies Code would result in a public release of information. That is not so when we are dealing with a voluntary winding up under section 392 of the Companies Code and when a company is solvent, as WADC is. It has a substantial surplus of assets over liabilities.

Mr Court: Well, why do you need Consolidated Revenue funds?

Mr TAYLOR: I will deal with that in a moment. A voluntary liquidation under the Companies Code is a private affair between the shareholder and liquidator and not the public affair suggested by members opposite. In fact, if a registered liquidator - and I asked Treasury to confirm this with the registered liquidator who gave that confirmation to Treasury officials yesterday - followed the approach suggested by the member for Nedlands the public disclosure under this Bill would be lost totally and that is why this Bill is before the House. It makes clear the duties, obligations and responsibilities of the liquidator in a public forum. Equally, the liquidator's accountability under the Bill is also established clearly. It must be appreciated that the fullest disclosure is provided for under the WADC Liquidation Bill through the requirement for it to comply, as I have said previously on a number of occasions, with the Financial Administration and Audit Act and provide for the public disclosure of any directions given to the liquidator by the Minister.

The member for Vasse made snide remarks about people being told what to do, and also made an extraordinary comment when he said, "How can we have faith in the liquidators; it is a phoney and a sham". That is the sort of remark that this member has made, under the

privilege of this Parliament, about the Treasury officers who will be dealing with this legislation. It is a disgrace. It must be appreciated, as I have said, that these liquidators will operate under the Financial Administration and Audit Act, which provides for public disclosure of any directions given by the Minister, and that is required under clause 12 of this legislation.

Mr Blaikie: If the Minister does not give directions, what do they do?

Mr TAYLOR: The Minister does not give directions. That is exactly what I am saying. They will get on with the job. They will also be reporting to this Parliament; they will be operating under the Financial Administration and Audit Act and under the full scrutiny of the Auditor General; and they will be operating under the lazy scrutiny of members like the member for Vasse.

Mr Court interjected.

Mr TAYLOR: I am just showing that the member for Nedlands was trying to be clever yesterday about these issues, but he has been hoist on his own petard over what he has been saying over the last couple of years about exactly what is the situation in respect of this winding up; and he knows that he has gone - hook, line and sinker.

Mr Bradshaw: No way.

Mr TAYLOR: The member for Wellington would not know. The WADC Liquidation Bill provides for the disclosure that has been accepted by this Parliament for other agencies, and it is clearly a much more responsible route, in my view, than trying to do down the road suggested by the Leader of the Opposition.

Mr Lewis: Did you have red meat for breakfast?

Mr TAYLOR: No; actually, I had a pink lady.

Mr Lewis: What is that?

Mr TAYLOR: I will tell the member after lunch. It was very nice, too.

In respect of the Treasurer's guarantee, the Leader of the National Party queried the use of the word "shall" in clause 16(4) as locking the Treasurer into having to cause the payment of funds called in under the guarantee. It should be recognised that the Treasurer is the only party who can approve the giving of the guarantee in the first instance and, most importantly, without that assured fund flow to support the guarantee, no financier would take this Bill seriously in terms of our saying that we are winding up WADC.

In respect of the Consolidated Revenue Fund appropriation for liabilities, that is a safeguard clause in the event that a liability will need to be met after the liquidator has gone out of existence. We do not believe that will be the case but it would be an extraordinary piece of legislation if it did not have that safeguard and if it did not have the ability to access the Consolidated Revenue Fund, as do most other money Bills that come before this House.

What I have sought to do here - and this has been recognised at least by a couple of members opposite - is to bring before the House something that will provide quite openly and clearly, in a public way, an opportunity for people to be aware of how we will bring WADC to an end. The Liberal Party, in particular, has said it must be brought to an end on 30 June, and that should be done quickly. I have said that the Bill is now before the House.

Members opposite have the opportunity of voting in favour of the liquidation of WADC on 30 June, or in fact they have the ability to pretend that what they want is something different, because they know that in this case the approach that we are taking is the right and proper approach. It is the approach that will be the most publicly available for scrutiny of these issues.

The Leader of the National Party believes the liquidator should report every six months about the liquidation of WADC. I am prepared to give a commitment now that every six months we will have a report about these procedures so that people will be well aware of exactly what is happening.

Mr Cowan: Will you go a step further and say the liquidation will take place under the Companies (Western Australia) Code?

Mr TAYLOR: No, because I have made it very clear that the most public way for it to take

place is through this approach, and this is the approach that we will be taking to the liquidation of WADC. There will be no other approach. This is the approach which will be taken, and I would expect the Opposition to support it.

Government members: Hear, hear!

Question put and a division taken with the following result -

Ayes (25)

Mrs Beggs	Mrs Henderson	Mr Pearce	Mr Troy
Mrs Buchanan	Mr Gordon Hill	Mr Read	Dr Watson
Mr Catania	Mr Kobelke	Mr Ripper	Mr Wilson
Mr Cunningham	Dr Lawrence	Mr D.L. Smith	Mrs Watkins (<i>Teller</i>)
Mr Donovan	Mr Leahy	Mr P.J. Smith	
Dr Edwards	Mr Marlborough	Mr Taylor	
Mr Grill	Mr McGinty	Mr Thomas	

Noes (20)

Mr Bradshaw	Mr Grayden	Mr Mensaros	Mr Strickland
Mr Clarko	Mr House	Mr Minson	Mr Trenorden
Mr Court	Mr Kierath	Mr Nicholls	Dr Turnbull
Mr Cowan	Mr Lewis	Mr Omodei	Mr Wiese
Mrs Edwardes	Mr McNee	Mr Shave	Mr Blaikie (<i>Teller</i>)

Pairs

Mr Carr	Mr Watt
Mr Graham	Mr Hassell
Dr Gallop	Mr MacKinnon
Mr Bridge	Mr Fred Tubby

Question thus passed.

Bill read a second time.

Committee

The Deputy Chairman of Committees (Mr Ripper) in the Chair; Mr Taylor (Minister for Finance and Economic Development) in charge of the Bill.

Clause 1: Short title -

Mr COURT: The title is for the WADC Liquidation Bill. In fact, WADC, as we know it, is being repealed. This Bill repeals WADC and the liquidation referred to is the liquidation of a new corporation. When the Minister was giving his summation on the second reading speech, he failed to explain why the Government did not use the Acts Amendment (Accountability) Act that was passed in this House last year. He conveniently ignored the fact that that Act was specifically created to provide for the liquidation of WADC. Why did he not use the powers given to him by Parliament to liquidate WADC? Instead of his doing that, Parliament is now proceeding to repeal the WADC Liquidation Bill, as I spelt out during the second reading debate yesterday. The liquidation process, as we pointed out in simple terms yesterday, does not comply with the time allowance necessary for a liquidation. I will be interested in the Minister's explanation as to why the Government did not use the liquidation powers that were granted to the Government by this Parliament last year.

Mr TAYLOR: It is clear that, under the Burt Commission on Accountability, we should bring this sort of legislation before the House to make it open and accountable to the public. The course to take with this liquidation is a very open one. That is what is required of the Government and it is why it is discussing this issue today. I could have taken the path provided in that legislation but the recommendation to me, and one I accept for the right reasons, is that the most accountable and public way to approach this liquidation is to introduce legislation so that Parliament knows what is happening.

As I pointed out in my reply during the second reading debate, the Opposition has been saying for some time that one of the great problems of WADC is that it did not come under the Financial Administration and Audit Act; this liquidation does.

Mr COWAN: I planned to raise this debate during discussion on clause 4, but as it has been raised under the Short Title of the Bill, I will continue with the debate. The point raised by the member for Nedlands is that the Government already has provision in the Western Australian Development Corporation Act for the Minister to direct the corporation to wind up its affairs. That is contained in section 13(a) of the Acts Amendment (Accountability) Act. Section 24 of the Western Australian Development Corporation Act was repealed and a new section 24 was applied which brings the corporation under the auspices of the Financial Administration and Audit Act.

Mr Taylor: It did when you were talking about it in 1986-87. We are in exactly the same situation of having this liquidation done under the provisions of that Act.

Mr COWAN: Under the provisions of the Western Australian Development Corporation Act the Minister can direct that WADC be wound up; under section 24 of that Act it is subject to the Financial Administration and Audit Act and in addition to those two provisions in the WADC Act, section 4(5) provides that the operations of WADC comply with the Companies (Western Australia) Code. The Western Australian Development Corporation is to be wound up and both sides of the Chamber accept that. However, we are debating how it will be wound up and under what rules it will be wound up. Under the Companies Code, specific provisions relate to the winding up of a company.

Mr Taylor: I do not know whether the Leader of the National Party was present during debate in relation to the voluntary winding up, which is what this is, of a company. There is no open or accountable approach. I said that we approached the liquidator yesterday and asked for his advice on that very matter. His advice is that liquidation is not a public and open process until it is a process where it is not voluntarily winding up and is being done through a Supreme Court appointed liquidator.

Mr COWAN: Nevertheless, under the WADC Act winding up the corporation is still the subject of the FAAA. It does not matter whether it is dealt with under section 24 of the WADC Act - I believe it has reporting requirements - as the company will be subject to the FAAA. The Minister claims there is not provision for some reporting - his advisers will have a little more knowledge of the Companies Code than I would and they might be right. Nevertheless, for those reasons, the WADC Liquidation Bill does not improve on those provisions. I reject the claim by the Minister that by bringing this under the auspices of the FAAA the Government is making a contribution to public accountability. Under the WADC Act that provision exists. This legislation will only establish the Government's right to appoint a liquidator which will be someone from Treasury. I suggest the House reject this legislation on the basis that the provisions for liquidation exist. WADC must comply with the FAAA and section 24 of the WADC Act. That is explicit. It must also operate under the provisions of the Companies Code. That is also explicit. There is no advantage in supporting this method of winding up WADC.

Mr COURT: When talking to the short title I said that we are not talking about the liquidation of WADC, we are talking about the repeal of that legislation. The Minister, who claims he received advice from certain people should clarify who provided the advice. I do not believe it.

Mr Taylor: I told you yesterday.

Mr COURT: The Minister has not been properly briefed on this question.

Mr Taylor: Do you think you know more than Parliamentary Counsel?

Mr COURT: The Minister has not been properly briefed because he does not seem to understand the message we have been trying to present.

Mr Taylor: You don't understand.

Mr COURT: The Minister does not seem to understand that under the Acts Amendment (Accountability) Act the Minister is given specific powers to direct that a company be liquidated, subject to the FAAA. The Minister should have listened to my comments yesterday when I spelt out the different forms of liquidation which occur under the

Companies Code. Under a voluntary liquidation, certain procedures are adopted when a business is believed to be solvent and the directors are prepared to sign a declaration that the company is solvent. If there is some doubt as to whether the company can pay its bills, it goes through a different form of liquidation. I want the Minister to understand the point I made yesterday. He has the power to direct a liquidation as he wants.

Mr Taylor: May I comment?

Mr COURT: Let me finish. Under the Acts Amendment legislation we are saying that time honoured procedures set out the most accountable form of liquidation which can take place. We are not saying that the Minister should do this as a voluntary liquidation. We have the problem here of this Government's lack of accountability. If the Government wants to draft a separate piece of legislation, as it has done, the least it could do would be to make sure that that legislation complied with the way a liquidation would be carried out under the Companies Code. I am not referring just to a voluntary liquidation; I do not know whether the Western Australian Development Corporation is solvent or not.

Mr Taylor: I have already told you it is.

Mr COURT: I can only go on the Government's legislation, which says that it wants any shortfalls to be met by Consolidated Revenue. If there were no shortfalls, the Government would not require that provision. I shall return to that provision later, but let us get the facts straight.

The Minister has set out how he believes the company should be liquidated, and we have identified a number of cases where the Government's Bill does not comply with those time honoured procedures. The Minister has said that he would be prepared to provide a six monthly report from the liquidator. That is a big step forward, because it is one of the points we raised yesterday which was not provided for in the procedure outlined by the Minister for handling this liquidation. The Minister is defending this Bill, and he keeps saying he wants to be accountable. We pointed out yesterday that the Government is not being fully accountable in the way it is proposing to carry out this liquidation. The Government is liquidating WADC; that will go; it will finish. However, the Government is not complying with the rules. If the person handling the liquidation found any irregularities, I would have thought the Minister would want them investigated.

The report in the newspaper this morning misreported me in a sense. I am not alleging there are irregularities in WADC. What I am saying is, if a liquidator handling this liquidation finds any irregularities, it should be his or her responsibility and duty to report those offences. Those are the sorts of things which are not acceptable to us. We cannot understand why the Minister is going down this road when we have already given him the power to do the job properly. The Government promised us in March or April last year that this organisation would be well and truly on the way to being wound up by September last year, but that was never the case.

Mr TRENORDEN: Is the Minister saying that it is not appropriate to use the Companies Code, or is it impossible to use it? He has spoken about accountability and bringing forth the argument for all to see. What is the problem with using the Companies Code?

Mr Taylor: You were not here when I mentioned the responsibility, which we accept under the recommendations of the Burt Commission on Accountability, to make sure that these things are done through the Parliament and are subject to parliamentary scrutiny rather than using the provisions of the Companies Code.

Mr TRENORDEN: We understand that.

Mr Taylor: That is the point.

Mr Court: You are not understanding the point we are making.

Mr Taylor: You are not understanding the point I am making. The Bill makes it quite clear that Parliament knows what is going on and how it is being done.

Mr TRENORDEN: If it is constructive in the way the Companies Code applies to it, the Financial Administration and Audit Act will apply to it as well. Where is the problem?

Mr TAYLOR: This is what I would have predicted would happen. If I had said publicly that I as the Minister now responsible for WADC would wind up that corporation under the

provisions of clause 13A(1) and (2), as set out in the Acts Amendment (Accountability) Act, this is what would have happened. Section 13A (1) of the Act says -

Notwithstanding anything in this Act or any other written law, it is a function of the Corporation to liquidate the affairs of the Corporation if, and to the extent that, the Minister directs it to do so.

I as the Minister would have said to the current board of WADC, "Liquidate yourself", or words to that effect. The member for Nedlands would have said, as some members opposite have had the hide to say during the course of the debate, "What an extraordinary situation to have WADC liquidating itself; it should be done in such a way as to make it quite clear to the Parliament what is going on and how it is being done." Because the Opposition is so twisted in its view of WADC, it is now saying the liquidation should have been done in the other way.

I decided to do the liquidation in this way because, in my view, and it is a very strong view, it is the most clear and publicly accountable way to do it under the Westminster system.

Mr Court: You must be joking!

Mr TAYLOR: It is in accordance with the recommendations set down by the Burt Commission on Accountability. We will never know for sure what would have happened, because the liquidation will not be done in that way. I wonder what would have happened if the responsible Minister had said to WADC, "Go out under section 13A and liquidate yourself." The Opposition would have said, "What an extraordinary situation! Here the Minister is asking WADC to liquidate itself. It should have been brought before the Parliament."

What has been done now is that the liquidation is before the Parliament, and it is up to the Opposition parties to make up their minds whether to agree to this form of liquidation. If they reject it in the upper House, let the Opposition wear the responsibility for things being done in that way and not in the way we said the liquidation would be done when we said we would liquidate WADC. The Opposition has been suggesting for a long time that this should be done.

The DEPUTY CHAIRMAN (Mr Ripper): I am becoming concerned about the wide ranging debate on clause 1. Strictly speaking we should be talking about whether "liquidation" is proper in the title. I have been prepared to allow debate to continue in the way that it has because I hoped it would obviate debate on some of the later clauses. I ask members to bear those considerations in mind.

Mr COURT: I was going to make that point. A lot of what we are saying about this clause will mean that we will not have a lot of debate further on. I would like to bring my comments on this clause to an end. The Minister said that if he said to the directors, "I want to liquidate it myself", or some such words, that would not be acceptable.

Mr Taylor: That is the point I am making.

Mr COURT: When this legislation went through last year it put the Government in a very good position to handle a quick liquidation; that is why we supported that provision last year. If the Minister had put forward a proposition for the liquidation that was totally unacceptable to us - that is, if he did not have a certain set of rules, or whatever - we would have been very critical. However, we are saying to the Minister now that if he were to say, "We want this liquidation to occur following these time proven procedures set out in the Companies Code", he would have our total support, and were an independent liquidator appointed we would have complete trust and faith in that person's professional integrity and ability to handle the liquidation. That is our preferred route.

When the Premier first became Premier, she said - and I agree - that she did not want to introduce unnecessary legislation into this Parliament. She said that Parliament became clogged up with unnecessary legislation. We adopted the liquidation Bill last year and gave the Government powers to organise a proper liquidation of WADC, yet it never used them. Why did the Government bother going through that process if it was not prepared to use those powers?

Mr Taylor: I could have used them, and then you would not have agreed to the rules, or the way we did it, and so on.

Mr COURT: I do not think the Minister knew those powers existed.

Mr Taylor: It is right before you now.

Mr COURT: That is what concerns us: What the Minister has brought before us now is not satisfactory in many key areas.

Mr Taylor: That is your judgment, not mine. That is why we are here debating this legislation - it is exactly where it should be.

Mr COURT: The Premier has said she does not want to bring in unnecessary legislation, yet we passed legislation last year giving the Government very broad powers to handle the liquidation. The Minister is quite right - if the Government had used those powers and we had not accepted the way it was handling the liquidation we would have been critical. That is our responsibility as an Opposition. We believe the Government has gone about this in the wrong way. We wanted WADC liquidated a long time ago. We agreed to the Parliament's giving the Government those powers last year but it has not used them, for one reason or another. I still have not received an explanation as to why the liquidation was not proceeded with last year. Between April and September we were told it would happen, yet it did not. That has made us even more suspicious. I believe the reason it did not happen is that the Government had some problems it hoped it could resolve before the company was wound up or put into liquidation.

Mr TRENORDEN: I refer to the comments you made a little earlier, Mr Deputy Chairman (Mr Ripper). The reason I will seek to speak in a moment is to establish whether the Bill should have the word "liquidation" in its title. I have some difficulty in deciding whether it is a Bill that will actually liquidate WADC. I think it is a Bill that will wind it up but not liquidate it. I hope you, Mr Deputy Chairman, will give me a little leeway because I am a little concerned that there might be some doublespeak here and I want to ascertain whether that is the case. However, I will be happy to accept whatever your ruling is.

Mr Shave: Would you prefer a repeal Act or a transfer Act?

Mr TRENORDEN: A repeal Act would satisfy me.

The Minister for Finance and Economic Development pointed out that he would take this course of action because he had decided he wanted to bring a Bill to the House. However, it is not clear to me why he cannot include in this legislation a provision that the liquidation comply with the Companies Code. The Minister said two courses were available to him: Either WADC could go through a normal liquidation as a private entity, or the Minister could come to this place with legislation. He chose the latter course. Why cannot the provisions of the Companies Code be put in the Bill?

Mr Taylor: I have already answered that. This is a much stronger and more public way of doing it. For example, under the Companies Code the liquidator would not have any responsibility under the FAA Act.

Mr TRENORDEN: The Minister and I have had this argument before. I remember him sitting where he is sitting now and commenting on the State Government Insurance Commission, saying that the Auditor General had the SGIC totally under control and that I was irresponsible to raise the issue, and was the vanguard of the enemy. What the Minister has said today seems to be the same argument revisited. I was proved right in the case of the SGIC and I am concerned that the Opposition may be proved right again in the future.

Clause put and passed.

Clause 2: Commencement -

Mr MENSAROS: I want to point to a consideration which could be taken as a very general consideration pertaining to almost every piece of legislation which comes to this House, but it pertains particularly to this legislation, which emphasises accountability. I think it is wrong generally that a piece of legislation which is passed by both Houses of Parliament and assented to by His Excellency the Governor should come into operation whenever the administrative or executive arm of Government says it should happen. In most cases that means, practically, that the bureaucracy decides whether or not an Act of Parliament should be operative, because it is now the custom almost without exception that clause 2 of every Bill says that the Act shall come into operation on such day as is fixed by proclamation.

I do not want to attempt to amend the Bill, and this is entirely up to the Government, but I draw to the attention of the Minister that, as he has emphasised accountability so much, perhaps he should consider changing that clause, either here or in another place, to say that the Act will come into operation on the day on which it receives the Governor's Assent, rather than leave that purely in the hands of the administrative arm of the Government. That would prove that the Government is definitely, genuinely trying to be accountable in proceeding with this legislation, irrespective of whether this Bill is considered by one side of the House a proper vehicle to wind up WADC or not.

I know that this provision was not intentional; I know that probably not a single thought has been given as to whether it would happen this way. Crown Counsel puts it in, as he does in every other piece of legislation. However, to emphasise accountability, particularly with this Bill, the provision that it comes into operation on by proclamation should be changed and should not be left in the hands of the Administration only. I leave it for the consideration of the Minister.

Mr COURT: I never used to pay much attention to this clause of Bills until the Acts Amendment (Accountability) Bill passed through the Parliament last year. It is interesting that when that legislation was proclaimed in July the sections relating to WADC were not proclaimed, so there was a selective proclamation of the sections of the Act. I became aware of that because I wanted to know why the Government had not proceeded with the liquidation of WADC at the time. Later in the year those sections were proclaimed. It seems very strange to me that last year, when the Government was talking about accountability and so on, it had certain reasons for not wanting to bring the liquidation under the Financial Administration and Audit Act when the rest of the legislation was proclaimed. Therefore I support the comments of the member for Floreat.

Mr TAYLOR: I mentioned in my second reading speech that it is my intention, under the new legislation, to appoint a new board to WADC at 1 July, which will take over the responsibility of running WADC. The board will be made up of public servants and when the legislation is enacted a new board will be appointed as soon as possible. That is an indication that I want to get on with the job of liquidating WADC.

Mr Mensaros: I have no doubt about the intentions of the Government; I simply stated the principle.

Mr TAYLOR: I understand the principle raised by Mr Mensaros and it is one which is worthy of further consideration, when Bills come before the Chamber, on how best to deal with the issues of Royal Assent and proclamation.

Clause put and passed.

Clause 3 put and passed.

Clause 4: Repeal of *Western Australian Development Corporation Act 1983* and transitional provisions -

Mr COURT: As stated by the Minister for Finance and Economic Development, the Government sees this as its best course of action in dealing with the repeal of the Western Australian Development Corporation legislation. The Opposition sees it as a cumbersome and unnecessary way of liquidating WADC. It is no secret that the Opposition wants to see WADC out of business, but we want it liquidated in an orderly manner so that returns to the State can be maximised and losses minimised. This clause ensures that the assets and liabilities of WADC as outlined in schedule 1 are transferred across to a new corporation. I put on record that, in light of the fact that legislation was passed last year enabling the orderly liquidation of WADC, the route that the Government has chosen is not the right way. The Opposition does not believe that this legislation meets the many procedures that should be followed in an orderly and proper liquidation.

Clause put and passed.

Clause 5: Establishment of WADC Liquidator -

Mr COWAN: It might be that I am overly suspicious, but I am concerned that the Minister for Finance and Economic Development states that the establishment of a WADC liquidator is the most public way of winding up WADC, when legislation already exists which could accomplish that task. That statement is made with the knowledge that the Western

Australian Development Corporation Act is subject to the Financial Administration and Audit Act and that accountability is being brought into this legislation because -

Mr Taylor: Under the Companies Code a liquidator would not be subject to the Financial Administration and Audit Act.

Mr COWAN: A liquidator would be subject to the Companies Code.

Mr Taylor: The Burt Commission on Accountability makes it clear that the Act is stronger than the Companies Code.

Mr COWAN: The argument I put forward is that the Companies Code would be a more public way of disclosing WADC dealings.

Mr Taylor: No, it is not; and that is where we will agree to disagree.

Mr COWAN: The Minister for Finance and Economic Development stated in his second reading speech that the liquidator will comprise two Treasury officers appointed by him. How many Treasury officers are familiar with and capable of liquidating or winding up the affairs of a company? Is that the task of a Treasury official?

Mr Taylor: Yes it is. Treasury officials deal with a range of legislation in this State and the Treasury Department has some competent officers who are more than capable of doing this work.

Mr COWAN: I am not disputing their competence.

Mr Taylor: If I did not think they could do the job I would not have asked them.

Mr COWAN: How many Treasury officials have experience in this matter?

Mr Taylor: The two who will be appointed will be experienced; they will have the ability and experience to bring this to an end.

Mr Shave: Have they liquidated companies?

Mr Taylor: They will operate under the provisions of this legislation and they do not need liquidation experience.

Mr Court: Special skills are required.

Mr Taylor: These officers will ensure that the three issues mentioned in this Bill - the Perth Underwater World joint venture, the Underwater World Sentosa Pty Ltd and the Port Kennedy Development - are brought to an end. Those officers have already been to Singapore on matters associated with the Sentosa development and they have done very well.

Mr COWAN: This legislation is not so much about accountability but the Government's ability to appoint a liquidator who will wind up WADC in a fashion which satisfies the Government.

Mr Taylor: No, it will satisfy the recommendations of the Burt commission, which was accepted by the Opposition, in terms of the Westminster system of accountability to the Parliament.

Mr COWAN: With due respect to the Minister, the Western Australian Development Corporation Act has a provision relating to accountability - the Government put it there.

Mr Taylor: I pointed out to the member for Nedlands that had I acted upon section 13A of the Act and directed the existing corporation to liquidate itself, it would have gone bonkers.

Mr COWAN: The instruction to wind up or liquidate its own affairs would not necessarily mean that officers of the corporation would do it.

Mr Taylor: Section 13A provides that it is a function of the corporation to liquidate the affairs of the corporation to the extent the Minister directs it to do so.

Mr COWAN: I am pleased that the Minister has read that out. The Minister does have the power to give such a direction.

Mr Taylor: Those officers would have gone bonkers had I directed them to do that.

Mr COWAN: Given this new-found principle of accountability which the Government is applying to all its dealings, can the Minister seriously tell this Chamber that in directing the corporation to wind up its affairs he would insist that they go about the process of doing it

themselves? Of course the Minister would not! On the basis of accountability the Minister would remind WADC that it would formally have to appoint an official liquidator.

Mr Taylor: No I would not.

Mr COWAN: The Minister can direct his officers to do that.

Mr Taylor: I am doing it in this public and open way.

Mr COWAN: The Minister is appointing two Treasury officials.

Mr Taylor: That is the proper way.

Mr COWAN: That is not the proper way; that is keeping things in-house.

Mr Taylor: It is not; they are reporting to Parliament.

Mr COWAN: With due respect, that is not the way it will be done.

Mr Taylor: Read the Bill.

Mr COWAN: The Minister should count the members in the other place.

Mr Taylor: The Leader of the National Party can ask questions on any aspect. Those officers will report to Parliament, and are under the scrutiny of the Auditor General.

Mr COWAN: I disagree.

Mr Taylor: You did not disagree with the findings of the Burt Commission on Accountability.

Mr COWAN: I know. But I disagree strongly with the Minister's assertion that the Financial Administration and Audit Act is a suitable vehicle to use, in terms of accountability, for the winding up of the affairs of the Western Australian Development Corporation. I disagree with the appointment of two Treasury officials; that is not the way to go. Clause 5 provides for the appointment of two Treasury officials as a body corporate. The Opposition will not tolerate that because that represents an in-house body.

Mr Taylor: It is not an in-house body. The Leader of the National Party knows that is not so.

Mr COWAN: With due respect, I do not know that is not so.

Mr Taylor: Read the Bill.

Mr COWAN: I have read the Bill. The Western Australian Companies Code is by far the best model to use. It is the correct code to use in the winding up of the affairs of WADC. Provisions are available under the previous legislation. I do not understand why this action is proposed.

The Minister can say time and time again that this is a new found system of accountability, that it gives the greatest degree of accountability, and that this complies with the recommendations of the Burt Commission on Accountability but the fact of the matter is that all other companies are required to be wound up under the Companies Code. In this instance, the Government is introducing special legislation to wind up WADC. It is appointing two Treasury officials who will be required to comply with this new Act. The Government says that the new Act will bring about a greater degree of accountability. The Minister states that the real degree of accountability will come from the application of the Financial Administration and Audit Act.

Mr Taylor: And the Parliament!

Mr COWAN: Yes, but that Act relates specifically to the reporting procedures of Government departments -

Mr Taylor: That is accountability!

Mr COWAN: The departments report on the year's activities. They have 12 months in which to report, which means that we are likely to receive a report in two years. That is possible.

Mr Taylor: It is not possible. The Auditor General can report at any time.

Mr COWAN: It is possible for a report covering the previous 12 months to land on the

Minister's desk 12 months later. On that basis, what happens to accountability? If we receive a report two years after the winding up of WADC is that accountability? The provisions contained in the Bill for the establishment of the WADC Liquidator, are no stronger than the provisions in existing legislation. Why are we legislating? Is it because the Government prefers to appoint liquidators through the Treasury? Those questions are of great concern. The legislation is completely unnecessary.

Mr TRENORDEN: The Minister should indicate how much money is involved in the liquidation of the Western Australian Development Corporation. I presume we are not talking about a few thousand dollars; we are not talking about petty cash. At least tens of millions of dollars must be involved.

The Minister was not precise in answering questions by the Leader of the National Party regarding the experience of the two Treasury appointees. Am I correct to presume that those two individuals have the ability to liquidate large amounts of money? Capable as those officers are, they may have had no experience in the liquidation of companies. On the appointment of the two officials, will the Minister outline any previous experience the officers may have in the liquidation of companies? That is a minimum requirement. Parliament should know that the two officers who will wind down a substantial amount of public moneys in a professional manner are competent in that arena.

Mr Taylor: That is an insult to the Treasury officers.

Mr TRENORDEN: No doubt Treasury officers are competent. The question is how many liquidations have they undertaken and what type of liquidations were they? We are not discussing the liquidation of a piggy bank; it is the liquidation of a substantial entity.

Mr Shave: Public money is involved.

Mr TRENORDEN: Yes, that is right. We have been told that action will be taken in this way so that these matters will be brought into the public arena. That should be done. How experienced will the appointees be? What are their names? Have they had any experience in the liquidation of substantial companies?

Mr COURT: I will comment on the appointment of the liquidators during debate on the following clause. Clause 5(2) states that the liquidator is a body corporate with perpetual succession and a common seal and is capable of suing and being sued. My question has nothing to do with legal actions I have had with WADC; those matters have been resolved and I will not comment on them. Are any legal actions currently under way to do with the commercial transactions of WADC?

Mr Taylor: Not that I am aware of.

Mr COURT: Does the Minister anticipate any problems, for example, with Sentosa Underwater World?

Mr Taylor: There are some problems; that is why a Treasury official went up there a week or so ago.

Mr COURT: Does the Minister expect any legal action to take place as WADC is wound up?

Progress

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr Taylor (Minister for Finance and Economic Development).

[Continued on p 2521.]

[Questions without notice taken.]

MATTER OF PUBLIC IMPORTANCE - HOMESWEST HOUSING DEVELOPMENT

Rocky Bay, North Fremantle

THE SPEAKER (Mr Barnett): Earlier today, within the allotted time frame, I received a letter from the member for Applecross seeking to debate as a matter of public importance the decision of the Minister for Housing to support Homeswest's development of a block of housing units in North Fremantle.

If sufficient members agree to this motion, I will allow it.

[Five members rose in their places.]

The SPEAKER: In accordance with the Sessional Order, 30 minutes will be allocated to each side of the House for the purpose of this debate.

MR LEWIS (Applecross) [2.33 pm]: I move -

That this House urge the Minister for Housing to review her decision in support of Homeswest proceeding to develop a block of housing units on premium land valued in excess of \$2 million at Rocky Bay, North Fremantle, on the basis that it is not putting to the best use the limited funds available to house the needy in Western Australia -

and, furthermore

This House expresses its concern with the current extensive waiting lists for public housing and the failure of the Government in its housing construction program and its misdirected policies as to housing standards and mix.

I have moved this motion to afford the Minister for Housing an opportunity to clearly enunciate again that the Government's housing policy is to place a few very needy people into as small a number of ultra expensive public homes as is possible. It is a debate as to how best the very limited Homeswest resources are to be spent. Are they to be used as I believe public housing funds should be used - to provide the maximum amount of suitable standard accommodation to those persons in need - or are they to be used for a reduced number of selected tenants to be placed in expensive homes on very expensive and premium real estate?

Fundamentally, public housing funds should be used to house the needy; I do not believe anyone in this Parliament would contradict that statement. Homeswest's waiting list as at 31 May stood at 14 897 - almost 15 000 people. It is very interesting to compare that figure to the waiting list as at 30 June 1985, when only 8 543 applicants were on Homeswest's books. In five years Homeswest's waiting list has exploded by 75 per cent or nearly 6 500 applicants. Quite frankly, I do not think it is fair or reasonable that people who are needy and who are currently living in tin sheds or doubling up on accommodation because they cannot get public housing must wait three, four or five years for a Government home when this Government is prepared to spend upwards of \$200 000 on homes in North Fremantle for a very select few tenants. The Government's performance in its management of public housing is dismal. If one looks at the figures one cannot but see that the Government's construction program has gone backwards over the past three years, according to the figures I have researched. Homeswest must try to drive its very limited dollar further; there is no other way it can go. It does not and should not have a brief to endeavour to house those 15 000 needy people in housing that is far above the norm expected in Western Australian society. It is just not on.

Mrs Beggs: Why is it above the norm? What are you talking about?

Mr LEWIS: I ask the Minister for Transport: Is \$170 000 for every unit of housing not above the norm? A moment ago the Minister for Housing said the average price of housing in Western Australia was \$110 000, but she should know that she should refer to the median price of Western Australian housing, which is in fact \$96 000. The Minister is caught out telling fibs again. The Minister always tries to tell fibs to get out of the spot she is in. The Government should reappraise its housing policy and try to get a better spread of more affordable housing in order to reduce those horrific waiting list figures. It should not try to house people in \$200 000 homes with river and ocean views.

I have limited time in which to speak, and I turn now to the performance of Homeswest in recent years. I have here the various Budget speeches of the previous three Treasurers given in 1987-88, 1988-89 and 1989-90. In 1987-88 the then Premier and Treasurer, Mr Burke, said Homeswest would construct 860 dwellings in that year. In 1988-89 the now departed Mr Dowding said Homeswest would construct 1 450 dwellings in that year. Even more deception by the Government! Last year the then Deputy Premier and Treasurer, David Parker - who is well known for his deception in this Parliament - said that the Government housing construction program would build 2 000 homes that year. Therefore, in those three

years it is interesting to evaluate the promises and deceptions that the Government has perpetuated on the people of Western Australia. The Government stated that Homeswest would build a certain number of homes, but it never intended to. Let us look at the performance over the three years in which 4 310 homes were promised. During that period 901 homes have been built.

Mrs Henderson: That is not true.

Mr LEWIS: I will correct that statement: Homeswest has increased its housing stock by 901 homes.

Mrs Henderson: That is not true at all.

Mr LEWIS: If it is not true, can the Minister explain to me why in answer to one of my questions on notice she said that in 1987 the inventory of Homeswest housing stock was 32 335 homes? The projected figure for 30 June this year is 33 236, and that is an increase of only 901 homes.

Mrs Beggs: You have fallen into the trap; you do not know how to read figures.

Mr LEWIS: I know that Minister Beggs is jumping up and down with glee believing that I have not done my sums correctly, but I know that this year 550 homes have been demolished, sold off or whatever. Also, I know that this year 975 homes - out of a promised 2 000 - have been built.

What did Treasurer Parker say in his Budget speech last year? He promised 2 000 homes, yet the Government has built only 957 units. The net gain this year after sell offs or demolitions is 47 units! To emphasise that point, the Capital Works Budget papers suggested - and I say suggested because it never delivered - that \$108.88 million would be spent on new homes. In the answer to a question on notice it was indicated that \$57.6 million was spent, which is \$51.27 million less than the projected expenditure; Homeswest actually spent only 47 per cent of the projected expenditure. Unfortunately, that has been the case for year after year, and that is why the Homeswest waiting list has grown out of all proportion to 15 000 people. The Government has promised to build homes, yet it deliberately has not done so. To emphasise the deception, it is interesting to examine the actual Budget papers from last year. The figures to 30 June indicated a surplus in the Homeswest bank account of \$114 million; however, to make the figure look a little worse this tricky Government shifted \$30 million sideways for two months which was to be repaid by July or August. So, \$30 million went into Keystart so that the real excess funds would not be obvious, but the \$144 million could have been used to build the 2 000 homes promised!

Mrs Henderson: Are you saying that Keystart is not building homes?

Mr LEWIS: What more do I have to say? The Government has come into this Chamber time after time haranguing the Parliament and the Press about what a great performer the Government is regarding public housing, when in fact its performance has been dismal! The Government has provided 901 homes during the last three years out of a projected construction program of 4 310. The Government has performed in this manner because it has an ideological hang-up about providing luxury homes. I sincerely suggest that the Government reappraise its performance in the provision of public housing in Western Australia. The Government must provide an honest and realistic Capital Works Budget. It cannot keep coming into the Parliament and telling untruths year after year about its intentions and never delivering on its promises; the Government must monitor the performance of Homeswest - it is no good the Government's writing down the figures in the Budget papers and merely hoping that Homeswest will perform. As I said the other night, I have been disappointed with Homeswest in recent years as it has lost sight of its charter, and the sooner some work is done and some policy direction is established the sooner this Government will be able to do its job to the advantage of public housing in Western Australia.

MR WIESE (Wagin) [2.48 pm]: I have pleasure in seconding the motion and commenting on the situation regarding Homeswest's activity in country areas, and the need to address some of the housing requirements in those areas. The motion refers to the proposed development at Rocky Bay and directly suggests to the Minister that it is possible, by redirecting priorities, to provide more housing in other areas. No doubt the Minister has a great many letters on her desk from shires around the State which identify a great need for housing. This directly relates to the motion we are discussing in that there is a shortage of

funds available for housing in country areas. If the Government changed its preferences in housing style, and directed money from the Rocky Bay development - perhaps it could capitalise on the assets in Rocky Bay - that would go some of the way to meeting the housing needs in some country areas.

The role of Homeswest in country areas is perhaps a little different from its role in the city. In the city, Homeswest provides the sort of housing to which the previous speaker, the member for Applecross, referred. Homeswest in the country goes a long way beyond providing housing only for the needy. It becomes a major provider of housing for a wide range of people who are unable to provide their own homes.

In country areas, it is Homeswest's role to provide homes for people who move through country towns as part of their employment and who stay in those country towns for three or four years and then move on. They very rarely stay in a town long enough to make an investment in their own homes because the chances are they will have great difficulty in capitalising on that investment when they move to another town. Housing in country areas is not easy to sell in the short term. All of these employees become very reliant on Homeswest to provide housing. If it were not for Homeswest, we would have great difficulty in attracting people to country towns because there is no other provider of housing for these people. Homeswest is really far more important in country towns than it is in the city.

Homeswest has a major role to play also in providing housing for Government employees. It is a major provider of housing for police, Westrail and Main Roads Department employees and for teachers. Therefore, Homeswest in country towns is not only concerned about providing houses for non-Government workers but also looks after Government employees.

One of the biggest problems we have in country towns is trying to persuade Homeswest to build and expand on its current housing stock. The shire councils of Katanning, Kojonup, Newdegate and Dumbleyung have been crying out for Homeswest to provide more houses in their towns because there is a need. Homeswest in turn is saying to those councils that they will have to put people on lists. It then takes two years to prove there is a long term requirement by employees for housing in those towns. That is useless in country towns because, if housing is not provided, employees move on. The end result is that these people do not stay in country towns. In many cases, because they cannot get housing in country towns and take advantage of the employment opportunities, they finish up back in the city on Homeswest waiting lists, and in many cases without employment. Homeswest has to address that problem.

The need is urgent. It is important that Homeswest looks at country housing in a different light than it is looking at it now and responds to the urgent cries that are coming from shire councils all over the State.

MRS HENDERSON (Thornlie - Minister for Housing) [2.55 pm]: I am extremely disappointed that the Opposition spokesman on housing appears to have latched on to a notion about the cost of land in various parts of Perth and out of that has tried to indicate that Homeswest is not doing its job in providing housing for low income earners in this State. Nothing could be further from the truth. The housing situation that caused the Opposition spokesman to leap to his feet was that existing in North Fremantle where a group of elderly pensioners have lived in a block of flats for the last 30 or 40 years.

Mr Lewis: Do you people want to shift them?

Mrs HENDERSON: I listened to the member in silence and it is time he heard the answer. Those people have lived there since the 1950s and Homeswest owns a fairly large piece of land nearby. Homeswest, as part of its program of redevelopment, engaged three consultants to advise it on the best use for the land. Each consultant advised that it would be a useful program for Homeswest to sell off some of the land and use the money to purchase public housing. Homeswest has proposed to do this and thus to provide those people who have lived in North Fremantle for 30 years with quality housing that is more appropriate to their age. The housing in which they live is several storeys high. Most of them are in their 50s and 60s. Homeswest would provide them with housing that would not involve their climbing several flights of stairs.

The Opposition spokesman on housing matters has made great play about the cost of that housing. He describes it as luxury housing on the river. The estimated cost of each of those units is approximately \$54 000, hardly what anyone would call luxurious or extravagant

housing for pensioners. I would like to hear the Opposition spokesman tell me that he does not believe that Homeswest tenants are entitled to those units.

Mr Lewis: I did not say that.

Mrs HENDERSON: That is exactly what the member said. He said it was disgraceful and that, as land increased in value over the years, it becomes too good for public tenants and that it should be sold and the money used to buy cheaper land to house a greater number of people elsewhere. I reject that assertion. I have no doubt that, as Perth grows in size, land around Belmont, Bentley, Redcliffe and Rivervale which was developed in the 1950s will also become more expensive.

I utterly reject the suggestion that those people should be kicked out of those suburbs.

Mr Lewis: You are kicking them out.

Mrs HENDERSON: We are not; we are building units to keep them in the neighbourhoods where they have lived for years.

The Opposition spokesman suggested that, under the Labor Government, the construction program of housing by Homeswest had not been what it should have been. I will give the House some figures for the completion of housing during the Liberal Government's term of office and compare those figures with completions during our term of office. Between 1979 and 1982, 3 102 units of housing were completed by the Liberal Government.

Mr Omodei: What was the population then?

Mrs HENDERSON: I am happy for the member to make a speech when I finish.

Between 1987 and 1990, this Government completed 4 801 units of housing. There is no doubt that people are being housed at a far greater rate during this Government's term of office than they were during the Liberal Government's term of office.

Mr Fred Tubby: Statistics are meaningless.

Mrs HENDERSON: The member's colleague used statistics.

Mr Fred Tubby: They were up to date, they were not 10 years old.

Mrs HENDERSON: I would like to use some of the statistics which the member for Applecross used. How can it be said that statistics for 1981 to 1985 are 10 years old? The member talked about a waiting list of 14 411. What he did not say, and did not want to say, was that the waiting list is a dual list, and of those 14 000 people, 6 673 are listed to rent or purchase Homeswest property.

Mr Lewis: What about the other 12 000?

Mrs HENDERSON: If the member will listen, he will know what the situation is. Of those 12 000 people on the home purchase waiting list, about 6 000 are also on the rental waiting list. If the member had taken the trouble to do his homework, he would have learned that the reason for the change in the number of people on the waiting list between 1985 and 1987 is that the lists were amalgamated at that stage, and people who wanted to purchase or rent were included on the same list. A significant number of people, probably in the vicinity of 6 000, appear on both lists.

Mr Lewis: That is not true.

Mrs HENDERSON: The member did not take the trouble to seek out that information. He is quite happy to shoot his mouth off in this place and to say when I quote figures that they mean nothing.

Several members interjected.

The ACTING SPEAKER (Mr Ripper): Order!

Mrs HENDERSON: I will give some statistics about the current program of Homeswest construction, because that point was also raised by the Opposition spokesman on housing. During the current financial year Homeswest will construct 115 units of housing in the Maylands area, including the suburbs of Maylands, Bassendean, Embleton and others. That will include 63 units of pensioner accommodation, 44 units of family accommodation and eight units of single accommodation. I can supply similar figures for Victoria Park - 135 units of housing; the Belmont area, in which I am sure you, Mr Acting Speaker, will be

interested, 87 units of housing; Mandurah, 95 units of housing; Geraldton, 27 units of housing; Kimberley, 98 units of housing; Cottesloe, 111 units of housing; Fremantle district, 48 units of housing; Rockingham, 94 units of housing; the Peel district, including Casuarina, Leda, Medina, Orelia, Parmelia and others, 169 units of housing; and Perth, 113 units of housing.

If the member for Applecross experiences any difficulty with statistics he intends to use in these matters, he should ask for help and advice. For example, he quoted a certain figure as the number of houses completed in a certain period, and he was way off target.

Mr Lewis: They were figures supplied by you.

Mrs HENDERSON: If he listens he will find out why he was so far off the beam. Those figures were supplied by me, but they were not the figures he wanted because he did not know what question to ask. That is his problem. He asked for the number of units of housing commenced and completed in a certain period. He does not understand that units commenced in the previous financial year were completed in the year to which he referred. In the same way units of housing commenced in that financial year were completed in the following year. The member alleged that Homeswest underspent its budget by some massive amount. I will provide figures to illustrate that by 30 June of this year Homeswest will have spent \$71.89 million. That is very different from the figure quoted by the member for Applecross.

Mr Lewis: What was the budgeted figure?

Mrs HENDERSON: The budget was \$85.7 million, which is different from the \$50 million-odd figure the member for Applecross used.

Mr Lewis: The budgeted figure was \$108 million.

Mrs HENDERSON: I am taking each of the figures referred to by the member for Applecross, and he referred to the home purchase scheme. At 30 June of this year Homeswest will have spent \$71.89 million on that scheme.

Mr Lewis: It was \$65 million last week.

Mrs HENDERSON: Reference was also made to housing construction, and it was alleged that Homeswest was not constructing the number of units that it should. In fact, Homeswest is on target to achieve its budgeted expenditure of \$108.8 million worth of construction. That is the largest building construction program undertaken by Homeswest in the last decade. It is way above the amount spent under the Liberal Government.

Mr Fred Tubby: Are you saying that you tell lies when you answer questions?

Mrs HENDERSON: I am saying that the members opposite do not know how to ask questions.

Mr Fred Tubby: You are too smart for your own good. If you know what the question should be, why not provide the answer? This kind of thing did not happen in previous Governments.

Mrs HENDERSON: Because we knew what questions to ask. I accurately answer the questions I am asked. If the member's colleague does not know how to ask questions, that is his problem.

Mr Fred Tubby: You tell untruths all the time.

The ACTING SPEAKER: Order! Let us hear the Minister's remarks. If she is taking interjections, that is all very well but the volume of interjections is far too high.

Mrs HENDERSON: I offer my help to the Opposition spokesman on housing in the drafting of questions if he wants to know about housing matters in this State, to make sure that he gets the information he seeks.

Homeswest has embarked on the largest construction program undertaken in the last 10 years. It is providing good quality housing throughout the whole of this State for the lower income people who need that housing. It is providing a range of housing options way beyond anything the Liberal Government ever provided. It is providing opportunities for people to purchase their homes, far in excess of the opportunities provided when the Opposition was in Government.

Mr Fred Tubby: How long are people waiting for that housing?

Mrs HENDERSON: If the member wants to ask a question about how long a person waits for a two bedroom, three bedroom or four bedroom unit, and how that waiting period varies from area to area, I will provide the answer.

Mr Fred Tubby: Now?

Mrs HENDERSON: That will give the member an opportunity to -

Mr Fred Tubby: She does not know.

Mrs HENDERSON: I do know. If the member wants that information, he should ask for it in the normal way. An allegation was made by the member for Applecross and I have no doubt that he has asked the member for Roleystone to ask different questions from those included in the motion because it has been clearly demonstrated that the motion is a shallow one. Over the past three years everyone throughout the State has recognised the quality of housing provided by Homeswest. I do not doubt that that irks the Opposition spokesman on housing, and that he finds it extremely difficult to cope with the fact that local government authorities, community and church groups, and others are lining up to engage in joint venture developments with Homeswest to build units for the aged from one part of the State to another. That is one of the many housing projects in which Homeswest is engaged. I have no doubt that it irks the Opposition spokesman that this Government undertook to provide, and is providing, \$715 million worth of finance raised in the private market to assist people to purchase their first homes. I have no doubt that it irks the Opposition spokesman that the Government has undertaken to provide 20 000 blocks of land in the coming four years and is well on target to providing the land. I have no doubt that it irks the Opposition that the Government has undertaken to provide 1 000 new homes for seniors, and it is well on target. I have no doubt that the Opposition spokesman has difficulty coping with the fact that the Government undertook to build 6 000 Homeswest rental homes over a four year period, and it is well on target, and that it agreed to provide 8 000 Homeswest home loans for people wanting to purchase their homes, and it is well on target. In addition, the Government has agreed to provide 24 000 people in the private sector with assistance to rent their homes in the private sector and with bond money. I have no doubt that that list of achievements by the Government is particularly difficult for the Opposition to cope with.

Mr Fred Tubby interjected.

Mrs HENDERSON: I am aware that the member for Roleystone has not been a member in this place for very long.

Mr Fred Tubby: I have been here long enough to know how long people have to be on a waiting list to get Homeswest accommodation.

Mrs HENDERSON: What the member does not know -

Mr Fred Tubby: I have to reply to those people and tell them -

Mrs HENDERSON: I am sure the member does. What he does not know is how long those people had to wait when members opposite were in Government. It is time the member found that out. The level of construction and the number of people housed during the term of this Government is something that I would be very happy to demonstrate. I have no doubt that it is particularly difficult for the Opposition spokesman on housing to cope with the accolades that are received from the community generally about the standard and amount of housing provided by Homeswest. No matter how unpalatable it may be for the Opposition spokesman to be faced with a Government that is doing a job 10 times better than the Liberal Party was able to do when it was in office, that does not excuse him from suggesting that those people who live on land which has increased in value are to be unceremoniously tossed out of their suburbs.

Mr Lewis: You are tossing them out, and you know it. Your face is going red.

Mrs HENDERSON: My face is not going red.

The ACTING SPEAKER (Mr Ripper): Order! It is an accepted tradition in the House for interjections to occur at appropriate gaps in the speech of the member on his or her feet, but on this occasion the level of interjections is far too high. I recognise that the Minister is not pausing for breath very frequently, but I ask Opposition members to moderate their interjections.

Mrs HENDERSON: Despite the fact that I know that these figures about the success of Homeswest are unpalatable to the Opposition, and while I recognise it does not want to join with the rest of the community in congratulating Homeswest on its performance, that does not excuse the Opposition from suggesting and from taking up the cry that those people who live on land that is more valuable ought to be deprived of the opportunity of living in those suburbs, or are to be herded into some kind of less expensive area, or are to live in close proximity to one another - to repeat the mistakes of the Liberal Governments of the 1950s and 1960s, which created those social problems which we are now seeking to resolve. I can understand why the Opposition spokesman finds it difficult to say something constructive; the performance of Homeswest is so far in advance of what was achieved under the former Liberal Government that it must be very difficult for him to find a topic to speak on other than that of the fate of some pensioners who have lived in North Fremantle for 30 or 40 years. The member stands condemned by his motion.

MR KOBELKE (Nollamara) [3.13 pm]: I rise to speak in opposition to the motion, and in so doing I wish to commend the Minister, her two predecessors, and Homeswest, for the excellent job they have done since 1983 in the provision of public housing. My area of Nollamara has a large number of Homeswest houses, so I have face to face experience of the very real need of the people in our community for public housing. I recognise the tremendous turnaround that we have seen in Homeswest in respect of both the amount and quality of public housing. I will have more to say about those matters later.

I am sure that the figures which I have are approximately correct, and to quote them to the nearest one hundred - the last three years of Liberal Government saw the provision of approximately 1500 units of public housing in Western Australia by the former State Housing Commission. The first three years of the Burke Labor Government saw that increase to almost 5 000 units for a comparable period. That represents an incredible increase. The Government, not being content with 5 000 units, provided nearly 6 000 additional units of accommodation in the three year period from 1986 to 1989. Given the rising costs and the improved quality of this housing, that entailed a major financial commitment by this Government to public housing.

The key issue which was not raised by the Opposition, while members opposite were skirting around matters, raising spurious figures, and misreading figures, was that this Government has a major commitment to public housing. We do not hear from members opposite a clear commitment to the provision of public housing and to the allocation of the funds required to put in place an adequate public housing policy. I draw to the attention of members opposite that the Federal Liberal Party spokesman on housing said in late 1988 or early 1989 that too much money was being spent in Australia on public housing. I did not hear one member of the State Liberal Opposition at that time publicly contradict that policy of withdrawing funds from public housing, and of not trying to increase the availability of the housing which Homeswest currently provides.

Mr Shave: There is nothing wrong with encouraging home ownership.

Mr KOBELKE: The member for Melville should not point his finger at me. The policies of this Government to encourage home ownership have been creative and innovative, and have provided many people with homes which they otherwise would not have had. The Keystart program demonstrates that the Government has sought to increase the ability of people to build and own their own home in a way which members opposite had not even thought of. The member may wish to debate that issue with me at another time; we have limited time now. The Government's record in this area is excellent. The Government has made a major financial commitment - at some cost in terms of other programs that could have been run in other areas - because it believes strongly in the need to provide housing for the families of ordinary Western Australians.

The Opposition spokesman's reference to figures to try to make a point about the cost of providing public housing was certainly a very shonky exhibition of the use of figures. One might say he was using statistics in the same way as a drunken man uses a lamppost; that is, to lean on for support, not to seek illumination. The member opposite, in using figures to try to get to his end result, was a bit like a drunken man who, more often than once, misses the lamppost and ends up falling on his head. The figures provided by the Government give an average of what the Government would have to spend were it to provide housing across a range of suburbs. So it is absolutely ludicrous to say that in every instance Homeswest

accommodation would be provided at the bottom end of the market. That would not be possible were we to provide a spread of homes across the various suburbs of the metropolitan area, and that would be even more so were we to provide housing in the country. The cost of providing public housing in country areas will be higher than the cost of providing the same standard of housing in the metropolitan area. The same principle would apply were we to provide housing in the various suburbs of the metropolitan area. We do not believe that we should put people into ghettos, where all the people who are at a certain income level will be forced to live in the same suburb.

The Government's aim is to provide high quality housing. I commend the Minister and Homeswest for the high standard of pensioner housing which has been provided in my electorate. During the last two years, within one kilometre of my home, in the suburb of Dianella, four blocks of home units have been constructed to provide housing for pensioners. The quality of that housing is particularly good. I know that similar projects are continuing, and I urge the Minister to give her continued support to them.

We have a very great need for housing for pensioners and it is only right and proper that people who have spent their working lives building up this great State of ours should be able to enjoy not only the comfort of their home but also a home of some quality. This Government recognises housing is not just a physical structure into which we place people but an integral part of our standard of living and lifestyle. We do not believe people who are eligible for Homeswest housing should be treated as second rate citizens as the Opposition would suggest. They are citizens of this State and it is this Government's policy that we should provide housing for them. The Government will pursue that policy so that those people can be full members of our society.

I would have liked to say more, but I will conclude my remarks so that another member has a chance to speak. The motion put forward by the member for Applecross expressing, "the failure of the Government in its housing construction program and its misdirected policies as to housing standards and mix" is an absolute joke. Because the Opposition does not have a commitment to public housing, members opposite think they can attack the Government with a flimsy motion such as this one, which does not bear any relation to that which this Government has been able to provide in the way of public housing.

MR SHAVE (Melville) [3.21 pm]: I do not support under any circumstances the proposal to shift anyone who currently resides in a Homeswest unit in North Fremantle from that unit. I believe anyone who has occupied a Government house for 20 or 30 years has the right to expect tenancy of that house until they are ready to go.

Mrs Henderson: That puts you at odds with your colleagues.

Mr SHAVE: No it does not. The problem we have is that, because of this Government's negligence over the last six years, thousands of homeless Western Australians have to wait five years to get public housing. The member for Nollamara talked about members on this side of the House not supporting public housing. Quite frankly, members on this side support the concept of home ownership. We believe that people in Homeswest units should have the right to buy their houses if they wish. In fact, I can give this House instances of people who have a Homeswest house going to this Government with \$60 000 or \$70 000 and being refused the right to purchase that house. That will never happen under a Liberal Government because that is economic mismanagement at its peak.

The Minister for Housing talked last night on "The 7.30 Report" about economic apartheid, as she referred to it. What a wonderful term! If there is a \$2 million or \$3 million unoccupied block of land in North Fremantle - and I refer to my previous comments - the majority of Western Australians would like to see that vacant land sold and utilised in a manner appropriate to the economic conditions and financial constraints this Government is facing as a result of its mismanagement. Everyone, including me, would like every resident in the suburb of Willagee to be given the opportunity to have an ocean front home in City Beach, Scarborough or Cottesloe. In fact, if we had enough money and Homeswest could afford it, I would like to see Homeswest buy land in Jutland Parade, Dalkeith and offer people the opportunity to have the best view in Western Australia. The reality is that we cannot do that. The Minister talks about economic apartheid, but what we are talking about, as a result of her proposal not to fully utilise in a proper manner the limited resources available to the Government, is the Government's display of economic mismanagement. Members on this side of the House are not saying that people who occupy public housing

should not have decent housing; what we are saying is that the Government should utilise the money that is available in a proper manner. I am told by Mr Gates, who was also on the program last night and who rang me today because he was so concerned, that one-fifth of an acre in North Fremantle which was sold recently fetched \$500 000. He told me of the proposal to build 19 units, and calculating that on the value of the vacant land available, he tells me the Government could build 80 to 100 units in other areas.

The Minister very deceitfully has tried to say to this House that the Opposition wants to herd everyone into one suburb. That is very hypocritical, because over the last six months I have been debating with the Minister about what should happen in Willagee and about an excessive number of State houses being located in one area.

Mrs Henderson: You don't want them to have better housing, do you?

Mr SHAVE: The Minister should look back over her notes because what she is saying now is double-dutch. She should understand that we support the concept of spreading housing throughout the metropolitan area. We have no objection to that, but if the Minister says to me that she has \$200 000 to spend and that that money should be spent in Dalkeith on a block of land and three units rather than in a more appropriate suburb where 10 or 15 units could be built for the same amount, she will not get agreement from this side of the House because that would be stupidity.

Mrs Henderson: Homeswest is not buying the land at North Fremantle.

Mr SHAVE: The Minister should not start tying it down to people not caring and to everyone having rights. I would like to live in Lang Hancock's house, but the economic facts are that I cannot afford it. The Minister is trying to twist the argument because she has been caught out. The member for Applecross has caught her out because her officers are not properly utilising the funds of this State to provide appropriate housing for the people of Western Australia.

MR FRED TUBBY (Roleystone) [3.27 pm]: In the couple of minutes left to me, I want to say that any criticism in this area is directed towards the Minister and not towards any of the staff at Homeswest. I have always found them very obliging as they endeavour to do their best in the circumstances that have been created by this and previous Ministers for Housing.

The statistics the Minister for Housing mentioned this afternoon were utterly meaningless. Those statistics will not put a roof over somebody's head; people must still wait for five years for public housing. People come to me trying to get accommodation and I have to tell them that they cannot have any for five years and that they must put their names on the waiting list.

Mrs Watkins: Nonsense!

Mr FRED TUBBY: It is not nonsense; and if they happen to shift from one house to another and for some reason forget to tell Homeswest that they have moved, they are taken off the list and have to start again. They come in four years later and ask when they are due to be allocated a house, and they find they have been taken off the list. The member for Wanneroo might be looked after in her neck of the woods, but people in my neck of the woods are not looked after, and my neck of the woods happens to be the southern corridor. When this Minister purchases \$250 000 hobby farms in Westfield, Serpentine-Jarrahdale and Martin for tenants, I must ask how many houses could have been built in my area with all the money put into those hobby farms over the last few years? It is a disgrace.

Mrs Henderson: We have not purchased hobby farms.

The SPEAKER: Order! The member for Roleystone should not yell at the people opposite him, he should talk to me.

Mr FRED TUBBY: I would not like to put that on your shoulders, Mr Speaker, when the Minister is responsible.

The SPEAKER: Quite so, but talk to me anyway.

Mr FRED TUBBY: Very expensive purchases have been made which do not provide more houses to get people off the waiting list. I do not care whether the waiting lists have been amalgamated because I know people have to wait for up to five years before acquiring a roof over their heads. People are living in caravans, tin sheds, and garages while waiting for the

Government to provide accommodation. The Government is wasting enormous sums of money in other areas when it could provide more low cost accommodation.

MR DONOVAN (Morley) [3.31 pm]: Nothing draws the gulf wider between conventional, conservative thinking and progressive Labor thinking than does the area of housing. Nothing will draw the barks louder from the Opposition than a successful housing program installed over time by a Labor Government. Housing is about shelter and the provision of it. One of the matters that consistently gets under the skin of the Opposition is the Labor Government's ability to meet that housing challenge in the area of the provision of public housing for rental as well as the provision of housing for purchase.

Nothing gets under the Opposition's skin more than the qualitative and just approach the Government has taken to housing as compared to the thinking prior to 1983; that is, if people are to be housed on welfare, a minimum number of dollars should be used to buy the maximum number of rabbit warrens as far out of sight of the polite people at Dalkeith as one could get them; hence the Brownleigh Towers and the inheritance of the Lockridge flats and a number of other similar establishments that the Government is committed to improving. Nothing draws that gulf wider. It is noticed in the electorates. In my electorate, for instance, in Lockridge 75 per cent of people returned their votes to a member on this side because of the Government's commitment to housing as compared to the previous Government's neglect. Nothing persuades the electors more than a simple arithmetic approach to, for instance, the development of a suburb like Beechboro. My electorate has grown from 18 000 to 23 000 since the boundary redistribution; 90 per cent of that growth is accounted for by the expansion of Beechboro; 90 per cent of the expansion of Beechboro is directly due to the provision of housing, housing land, and purchase schemes by this Government's housing program. That situation is repeated throughout the State.

Housing is about health, justice, and putting roofs over heads. The Government has a qualitative approach based on those issues. The Government believes in meeting people's needs for housing in a proper and responsible way, not in the residual unholy ghetto thinking way that members opposite believe is the best approach. As the member for Nollamara pointed out, the motion is a joke, but it is more than a joke; it is a tragedy. This type of thing will prevent the Opposition from governing for a long time to come.

Question put and a division taken with the following result -

Ayes (17)			
Mr Bradshaw	Mr House	Mr Omodei	Dr Turnbull
Mr Clarko	Mr Lewis	Mr Shave	Mr Blaikie (<i>Teller</i>)
Mr Court	Mr McNee	Mr Strickland	
Mrs Edwardes	Mr Mensaros	Mr Trenorden	
Mr Grayden	Mr Nicholls	Mr Fred Tubby	
Noes (26)			
Dr Alexander	Dr Edwards	Mr McGinty	Mr Thomas
Mrs Beggs	Mr Grill	Mr Pearce	Mr Troy
Mr Bridge	Mrs Henderson	Mr Read	Dr Watson
Mrs Buchanan	Mr Gordon Hill	Mr Ripper	Mr Wilson
Mr Catania	Mr Kobelke	Mr D.L. Smith	Mrs Watkins (<i>Teller</i>)
Mr Cunningham	Dr Lawrence	Mr P.J. Smith	
Mr Donovan	Mr Marlborough	Mr Taylor	
Pairs			
Mr Watt		Mr Carr	
Mr MacKinnon		Mr Graham	
Mr Kierath		Dr Gallop	
Mr Hassell		Mr Leaby	

Question thus negatived.

JUSTICES AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr D.L. Smith (Minister for Justice), read a first time.

Second Reading

Leave granted to proceed forthwith to the second reading.

MR D.L. SMITH (Mitchell - Minister for Justice) [3.40 pm]: I move -

That the Bill be now read a second time.

[Leave granted for the following text to be incorporated.]

Members will be aware that the fine default conversion program based on the Community Corrections Centres Act and the Acts Amendment (Community Corrections Centres) Act commenced on 1 March 1989. When that legislation was introduced it was indicated that the scheme would operate in the metropolitan area in the first year and expand thereafter to the rest of the State. I have been advised that development of the program has exceeded all expectations and that, within 10 months of its introduction, 99 per cent of the Courts of Petty Sessions in Western Australia have been gazetted to come under the scheme. This means that any fines imposed by those courts are eligible for conversion to work and development orders.

As the scheme expanded throughout the State it became apparent that a minor amendment was required to the legislation to facilitate the release of offenders without undue delay. This amendment is to section 171AB(2)(b) of the Justices Act 1902 and replaces the word "prison" where appearing in that section with the word "custody". Although the amendment is minor, its effect in facilitating the release of offenders is considerable. This results from the fact that in remote areas of the State an offender may be arrested by the police and held in custody in a lockup. There may be a period of up to a week before the offender can be picked up by prison transport and conveyed to a prison. The current legislation enables the Chief Executive Officer of the Department of Corrective Services to release an offender who is eligible for a fine default program from prison, but not from custody; that is, he is unable to authorise an offender's release unless the offender is actually contained within a prison. The Bill proposes another minor amendment to make clear that the chief executive officer referred to in part VIAA of the Justices Act means the Chief Executive Officer of the Department of Corrective Services.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Court.

WADC LIQUIDATION BILL

Committee

Resumed from an earlier stage of the sitting. The Chairman of Committees (Dr Alexander) in the Chair; Mr Taylor (Minister for Finance and Economic Development) in charge of the Bill.

Clause 5: Establishment of WADC Liquidator -

Progress was reported after the clause had been partly considered.

MR TAYLOR: Questions were raised about the qualifications of the officers to be appointed as liquidators. So that we are all clear about their qualifications, the first officer is an Associate of the Australian Society of Accountants, a certified practising accountant, the Assistant Under Treasurer in charge of finance, has had experience as an accountant in the private sector, has had experience as an accountant in the public sector in the area of Government financial assistance to industry, and has been a senior officer of the Treasury Department for more than 10 years.

The second person has a bachelor of commerce with honours from the University of Western Australia, is a Fellow of the Australian Society of Accountants, a certified practising accountant, an Associate Fellow of the Australian Institute of Management, the State

President of the Australian Society of Accountants and a divisional councillor since 1983. He is Assistant Under Treasurer in charge of financial management development, and was a senior lecturer in accounting and finance from the early to mid 1970s firstly at WAIT, which is now the Curtin University of Technology, and secondly at the Churchlands College, which is now the Western Australian College of Advanced Education. He rejoined Treasury in May 1977 with responsibilities for the Government accounting system, the Treasury inspectorate and the review of the Audit Act which resulted in the Financial Administration and Audit Act being put to this House in 1985. He was Deputy Auditor General from 1983 to 1988 and acted as Auditor General for about eight months in 1977. He began work again in Treasury in 1988. The liquidation of WADC does not involve insolvency or associated problems that might go with insolvency.

These officers are more than adequately qualified to handle the situation and I am confident they will wind up a solvent WADC which I am told has an excess of assets over liabilities of \$20 million.

Clause put and passed.

Clause 6: Membership -

Mr COURT: It is all very well for the Minister to read out the qualifications of the officers who he intends will do the job of liquidating WADC. The Opposition does not want to criticise officers of the Treasury Department. However, liquidations are a specialist area in the accounting profession. It takes many years of experience before one is appointed an official receiver. There are very few in this State and we believe that WADC, which has been under the umbrella of WA Inc, is a classic example for having a completely independent liquidator appointed to the job.

I am sure the Minister is aware that liquidations of companies have always been handled by the accounting profession. However, the Minister has said that he wants the Government to be completely accountable in this exercise. The best way for the Government to be accountable in the winding up of WADC is to appoint an independent liquidator and not people from within Government circles.

The Leader of the National Party said that the Government wants to wind up WADC in a way satisfactory to it. That is obvious from the legislation it has introduced into the Parliament. The Leader of the National Party was wrong when he said that perhaps we are being overly suspicious. I think we have every right to be overly suspicious when we consider what happened with other legislation introduced in the last eight years. When the Northern Mining Corporation (Acquisition) Bill was introduced, I took the then Premier's word that the legislation was introduced to buy an interest in a diamond mine. Who would have thought that that legislation would be used to buy an interest in a petrochemical plant and become involved in a wide range of activities through the Exim Corporation. We were not aware of the devious ways this Government could find to use that legislation. Therefore, I am sorry that we no longer trust the Government.

We have to look at this legislation in a pragmatic way and be sure that certain things will be done. The Minister will have the power to appoint the liquidators and to direct them. If the Government were serious about liquidating WADC, it would have used the Acts Amendment (Accountability) Act to make sure that a genuinely independent liquidator was appointed and, because that person's professional integrity is at stake, allowed him to maximise the gains to the State and minimise the losses.

It is important to recognise that liquidation of companies is a professional area. One has only to consider the process of liquidation of Spedley Securities Ltd and Rothwells Ltd to understand why it is such a professional area. A liquidator's skills can be built up over years. He can apply those skills obtained from years of experience to know the best way to solve problems. The problem with in-house people, as it were, doing the job is that they tend to reinforce the problems that arise and not find ways of solving them.

I know that some pretty sensitive political areas are at stake, but the Government has to cop it. It set up Western Australian Development Corporation in the first place because it thought it would be clever to be away from the scrutiny of Parliament for some years. I make it clear to the Government that the Opposition has always wanted WADC wound up and after the legislation was passed through this Parliament last year we wanted the

liquidation effected. The Minister for Finance and Economic Development cannot twist things around and say the Opposition has been calling for the activities of WADC to be accountable to the Parliament. It is accountable to the Parliament because of the amendments to the parent Act passed last year. The winding up of the corporation is different from its being a going concern. The Opposition acknowledges that WADC is totally accountable to this Parliament, but that does not prevent an independent liquidator from carrying out the liquidation under the time proven procedures of the Companies (Western Australia) Code. To the contrary we have a situation where the powers and the functions of the liquidator favoured by the Government, which will be debated shortly, are under consideration and in many cases they are inadequate when compared with the procedures set down in company law. The Opposition is firmly of the opinion that the liquidator should be an independent person. It should not be an in-house liquidation and I hope that at the conclusion of this debate the Minister will accept our argument and will examine our criticism. We are trying to offer constructive criticism; the Opposition wants WADC wound up super quickly and in a way that is to the best advantage of the State. I would like to think the Minister will accept the Opposition's opinion and agree to the proposals it is putting forward. I hope the Opposition and the Government want to achieve the same result at the end of the day.

The Opposition is very sensitive about the whole question of WADC because the taxpayers of Western Australia have been caught out by the business activities of this Government. Many of the activities in which WADC has been involved are politically sensitive and in many areas the Opposition really does not know what occurred.

The CHAIRMAN: Order! I draw the member for Nedlands' attention to the fact that clause 6 is very specific. I appreciate he is talking about membership and disagreement, but a lot of this ground has been traversed in general debate. I ask the member to confine his remarks to clause 6.

Mr COURT: With due respect, Mr Chairman, I will make a specific comment in relation to membership. The point is that WADC has been a very political organisation and has been involved in a number of activities about which, at this very moment, we do not know the full story. It is proper for an independent person who is not in any way tied to the Government to investigate what has taken place inside WADC. It is the only way the Opposition can guarantee obtaining the true story about what has taken place.

Someone mentioned earlier that it would be very difficult for a Government officer to handle a liquidation of a politically sensitive organisation. He would be placed in an awkward position and if an independent liquidator were appointed that would not be a problem. An independent liquidator would be fearless because he would not have to worry about his job. Responsible professional liquidators with the necessary skills are available and they will make sure the liquidation is carried out in the proper manner. The Opposition would not have any concerns about there being political interference in the process of the liquidation.

Mr TAYLOR: I do not want to keep going over the same ground covered during the second reading debate and covered on each clause to date. In relation to this process we are dealing with Western Australian Development Corporation which has an excess of assets over liabilities of some \$20 million. It is not a bankrupt corporation or company and it would not be subject to liquidation in the sense to which the member for Nedlands referred in relation to Spedley Securities Ltd and others. I repeat that WADC is an organisation which as is called for under the Burt Commission on Accountability, should be brought within the ambit of the Government and ministerial control.

Mr Cowan: You did that last year.

Mr TAYLOR: That is the reason we are doing it now: To make certain it is done properly. There may be not a lot of trust on either side in relation to this issue but I have no doubt that if I had chosen the path of liquidation suggested by the Opposition earlier in relation to section 13(a) of the Act there would have been a great deal of criticism of me because the matter would not have been brought before the Parliament and the Opposition would not have had the opportunity to debate the issue.

Mr COURT: Am I correct in saying that the Minister for Finance and Economic Development said he would have been criticised if he had used the powers available to appoint an independent liquidator?

Mr Taylor: That is right.

Mr COURT: I would have thought that in any liquidation of WADC, considering the involvement the Opposition has had in the exercise, the Government would inform the Opposition of how it wanted to wind it up. If the Opposition agreed with the proposal it would have said so.

Mr Taylor: As you said, there does not seem to be a lot of trust around this place.

Mr COURT: What I am saying is that the Government has the power and the Opposition trusted the Government by giving it that power last year. I do hope we are trying to achieve the same result.

Mr Taylor: We will achieve the same result and with this legislation.

Mr COURT: What the Government has done with this legislation is quite different.

Mr Taylor: It is part of the Westminster system.

Mr COURT: The Government introduced legislation last year and it has ignored it.

Mr Taylor: I have ignored it because I am taking a proper and responsible approach to this and you have deliberately taken the opposite point of view.

Mr COURT: I am sorry, but the Opposition has not deliberately taken the opposite point of view. It has examined the legislation in detail and the legislation, as it now stands, is no different from the other WA Inc legislation which the Government introduced and which gave it wide powers to spend money.

Mr Taylor: Show me the wide powers.

Mr COURT: A blank cheque is written into this legislation which provides that any shortfall will be picked up by the Government.

Mr Taylor: That is right. How else will it be picked up? There will not be a shortfall because there is an excess of assets over liabilities.

The CHAIRMAN: Order!

Mr COURT: I am referring to moneys coming from the Consolidated Revenue Fund and I will raise the matter under the appropriate clause because it is one of the most important parts of this legislation. A blank cheque has been given.

This clause deals with the liquidator of WADC. At the end of the day if there is a shortfall this legislation states that the taxpayers will pick up the tab. The Opposition is saying that the best people to make sure that the tab is minimised are the people who have the professional skills to do that work. The Minister has read out the qualifications of Government officers who would be in the position to carry out this work. He knows only too well it is a specialised field. I repeat that to make sure the tab is minimised for the taxpayers of this State the liquidators should be professionals whose responsibility it is to carry out that sort of work.

Clause put and passed.

Clause 7: Proceedings -

Mr COWAN: I have been looking at the Bill for quite some time and I stand by my earlier comment; that is, the winding up of WADC should be done in a way that complies with the Companies (Western Australia) Code. Subclause (5) states that subject to this Act, the liquidator shall determine its own procedures. Is it possible for the Minister to include a provision in this legislation that the liquidator shall proceed in a way that complies with the Companies (Western Australia) Code?

Mr Taylor: The method proposed in this Bill is a much more public and open process than that which would apply under the Companies Code. If the case involved Spedleys or Rothwells where the company was bankrupt and finished, it would be necessary for the Supreme Court to appoint a liquidator and that would be a public process. However, WADC has assets over liabilities, this is a voluntary liquidation, and it is different from a liquidation dealt with through the Supreme Court and the Companies Code. I could have taken the other option but I took the advice of people who said the best way of doing this, in keeping with the requirements of the Burt Commission on Accountability, is to bring it before the

Parliament. That is why it is here. If we had proposed to do it the other way, the Opposition would have screamed just as loudly and so would you.

Mr COWAN: The Minister has not convinced me that the winding up of WADC through this mechanism will be as public as we would like it to be. The National Party's preference is for the corporation to be wound up in accordance with the rules laid down by the Companies (Western Australia) Code. For that reason this legislation is unnecessary. I ask the Minister whether he is prepared to examine a way in which the liquidator could proceed with a stipulation that he must comply with the Companies (Western Australia) Code?

Mr Taylor: No.

Mr COWAN: On that basis we have no alternative but to oppose the Bill.

Clause put and passed.

Clause 8: Staff etc. -

Mr COURT: I am told that some of the liquidations taking place around town at present - and unfortunately there are too many - require a large staff to carry out the duties involved. Will the Deputy Premier indicate the expense and additional staff needed to carry out the liquidation of WADC?

Mr TAYLOR: I anticipate that the officers of Treasury involved are certainly capable of carrying out the processes necessary to bring WADC to an end. They will need assistance from the officers who have been involved for some time and who understand many of the issues. Of course, these officers are employed by the Government which is already paying their salaries. If we approached this liquidation through the provisions of the Companies (Western Australia) Code, as suggested by the Opposition, it would be a much more expensive exercise than using the provisions of this legislation.

Clause put and passed.

Clause 9: Functions -

Mr COURT: This part of the Bill dealing with functions and powers is very important. The clause states that one of the functions of the liquidator is to dispose of the property vested in it by schedule 1, with the approval of the Minister and on such terms and conditions as the Minister may require. When debating legislation of this type it would be helpful if a set of accounts, say to the end of April 1990, were available to help us understand the assets and liabilities referred to. The Parliament is very much in the dark on these matters and knows very little of the involvements in LandCorp and Underwater World. It is an appropriate time for the Government to provide a current balance sheet - by that I do not mean to 30 June 1989 - so that we know which properties must be disposed of and what are the current liabilities of the corporation.

Mr Taylor: In the second reading speech I indicated that the three principal properties were Underwater World projects and Port Kennedy.

Mr COURT: I am aware of that, but it should be possible to provide a balance sheet as at the end of April. I understand that the operations of WADC have been winding down for some time, and all too often in this Parliament when debating financial Bills of this type we do not know what we are debating.

The Minister is fortunate that the member for Cottesloe is not in the Chamber because, if he were, he would certainly take the opportunity to debate one of the property deals in which he has taken an interest. Judging from the number of questions he has asked, he is having his final fling before resigning and hopes to get all the answers he wants in relation to that project. I am glad he is pursuing that case because taxpayers should know what the Government is up to with its property deals.

The Minister is aware of my concern about the property investment in the Underwater World project in Singapore. I presume that the Government will eventually find someone to purchase the Hillarys project and, if a loss is incurred, taxpayers must accept that as part of the WA Inc exercise. I anticipate that it will be reasonably easy to sell that property although the market price may be below its cost. However, I am sure the Government will be able to dispose of the property and cut its losses. I am concerned about the development on Sentosa. Whenever I raise this matter I am given a clear message from the Government not to talk

about it too much because such talk could adversely affect the sale of the project. This Government has never told Parliament how the deal was put together in the first place. I am the only person who has provided any details. I have come into the Parliament and I have told members about the processes which the Government has gone through to enable that deal to be put together. I can only assume I was right because the Government has not come back to tell me I was wrong. It has only been from information I have obtained from different parties that we have been able to piece together the overall story.

Mr Taylor: You asked me some questions about that and I pointed out where you were wrong in a number of areas in terms of your assumptions about people's involvement, ownership, buying things for \$1, and all that sort of stuff.

Mr COURT: The Minister did not clarify anything in relation to the ownership. I was the person who spelt out quite clearly how the ownership worked. That is the concerning part because the majority ownership is in the hands of another party, not the Government. However, the Government has been paying out all the money, and when the project is completed the Government will be able to buy the remaining 51 per cent of the project for \$1.

The reason that the Government does not own the project entirely, even though it is paying for it all, is that the party which originally entered into the contract with the Singapore Government had to guarantee, as a condition of that contract, that the project would be completed before it was on-sold. So this other party has the Government in a pretty weak position because I am led to believe this party is trying to tough it out with the Government to be paid more money so that the final completion can go through. That concerns me greatly.

What also concerns me greatly is that Underwater World at Hillarys is using sea water which is pretty clean water and is well suited to its operations. However, I am led to believe that the sea water that will be used for the Sentosa project will require a pretty expensive cleaning process before it will be suitable for use. I have been told that has not been taken fully into account; in other words, the Government could spend a lot of money to complete the project, only to then be faced with further expense to ensure that the project will be able to operate in a fashion that will attract the large number of tourists required so that it can be sold at a good profit.

The Minister said that Treasury officials have gone to Singapore to try to iron out some of the problems. I would appreciate it if the Minister could, in a frank way, explain to the public what is the current situation in respect of that project, when it will be completed, what will be the cost overruns, and what interest is being expressed by parties who may wish to purchase that tourist attraction. That is the very least we can ask. We are not trying to stir the pot. It is just that when millions of dollars of taxpayers' money is being spent to develop a tourist project in another country, the taxpayers of this State have every right to know what is the current state of the deal. It is typical of the WA Inc deals that the Government has never come clean about the project. We had to expose the Government's involvement in it. This is one of the reasons that the Government has delayed the liquidation of Western Australian Development Corporation. The Government was hoping that this project would be completed and sold, and that it would have been able to get rid of one of the major headaches of the remnants of WADC. Now is the time for the Government to give us an update about what is happening with this investment in Singapore.

Mr TAYLOR: I have already answered questions in this place about that investment, but I will bring the member up to date. A Treasury officer visited Singapore - I think it was a week or so ago - to look at the project and to make sure that things are being done as properly as they can be from this distance.

We are aware of the need for proper filtration systems to be put in place to ensure the cleanliness of the water. We expect the project to be completed later this year, hopefully in time for the Singapore tourist season. The view that I have, and the approval that I have given, is that we will take the project through to completion before it is on-sold, unless we receive a particularly good offer prior to completion. We believe the project will attract better offers when it is completed and when people are crowding through the doors than when it is barely or newly completed. However, we will consider any good offers. One major group has expressed an interest in purchasing the project, and we will continue to pursue negotiations with that group to see whether that is a worthwhile offer.

I do not believe that the delays in relation to the winding up of WADC can be associated with this project. I have made it quite clear since I have been the Minister responsible for this area that the date is to be 30 June this year, and that is what it will be, depending on the progress of this legislation through the Legislative Assembly and the Legislative Council.

The member is correct when he says that the Singapore project is more difficult to manage from a distance but, given the vast number of tourists who visit Sentosa, I imagine it will be a reasonably successful project, and one for which we could ask and achieve a reasonable sale price. Underwater World at Hillarys is a very good project, and it provides an excellent opportunity for tourists and Perth people to see what is happening. I have been there with my family on a number of occasions and have enjoyed the experience. My children have certainly enjoyed it. I believe people will have the same reaction to the project at Sentosa.

Mr Court: Do you have any buyers who are interested in the Hillarys project?

Mr TAYLOR: At least one buyer is interested in Hillarys, although at this stage not for the price at which we want to sell it. One of the reasons that this Bill says this may take a couple of years to finalise is that it is important we do not have fire sales. As I said, at the moment there is an excess of assets over liabilities of some \$20 million, and we must make certain that the taxpayers are, and will continue to be, better off rather than worse off as a result of these sales. The same applies to the Port Kennedy project.

Mr Court: Is Hillarys currently running at a profit or a loss?

Mr TAYLOR: I am not sure. In the early days the visitor numbers were very high, but they have levelled out considerably. The cost of running a place like Hillarys is, of course, fairly high. Were the member to put a question on notice, I could find out what the situation is, but I am wary of giving away any competitive advantage in terms of what we know about Hillarys. We would have to be quite frank about the situation in respect of profit and loss.

Clause put and passed.

Progress

Progress reported and leave given to sit again, on motion by Mr Taylor (Minister for Finance and Economic Development).

COAL MINES REGULATION AMENDMENT BILL

Report

Report of Committee adopted.

Third Reading

MR PEARCE (Armadale - Leader of the House) [4.22 pm]: I move -

That the Bill be now read a third time.

DR TURNBULL (Collie) [4.23 pm]: I support the third reading of this Bill. The amendments contained in the Bill remove the present restriction on miners in the coal industry to remain underground for only seven hours a day, and also provide that inspectors in open-cut mines do not have to have underground experience. On both these items there is complete agreement between all parties on the coalfields. The companies and the unions involved, including the Collie Coal Miners Union, agree that these two changes to the Coal Mines Regulation Act are essential to improve productivity on the coalfields.

I will limit my remarks because I want to ensure that this Bill passes through this House with a minimum number of problems and proceeds to the other place. However, I reiterate that all of the people in Collie are making a united effort towards improving productivity on the coalfields. The companies have been working for about five years to improve the use of their capital investments and introduce new capital investments. Changes have been made to the roster system to ensure that the capital equipment is not lying idle but is being used for the maximum time possible. In return, the unions have been discussing and negotiating variations in the award which will improve productivity - changes such as the hot seat changeovers in the open-cut and deep mines and the three shifts a day program in the open cuts. The changes in the Bill, which remove the seven-hour day restriction, will enable greater productivity in the deep mines as well.

The changes which are to be introduced in the future include long haul mining, which will be an exciting innovation because it will actually reduce the cost of underground coal to that of open-cut coal. Everybody is involved in ensuring that productivity in the Collie coalfields is kept at a maximum level and that the new changes are introduced as smoothly and with as little disruption to the work force as possible.

I endorse this Bill, which will make an enormous difference to productivity and will contribute towards the economy of Western Australia.

Question put and passed.

Bill read a third time and transmitted to the Council.

STANDING ORDERS SUSPENSION

Joint Select Committee on Parole - Membership

On motion by Mr Pearce (Leader of the House), resolved with an absolute majority:

That so much of the Standing Orders be suspended as is necessary to enable consideration forthwith of a motion relating to the membership of the Joint Select Committee on Parole.

JOINT SELECT COMMITTEE ON PAROLE

Hassell, Mr, Discharge - Edwardes, Mrs, Appointment

On motion by Mr Pearce (Leader of the House), resolved:

That Mr Hassell be discharged from the Joint Select Committee on Parole and that Mrs Edwardes be appointed in his place, and that the Legislative Council be acquainted accordingly.

ADJOURNMENT OF THE HOUSE - ORDINARY

MR PEARCE (Armadale - Leader of the House) [4.28 pm]: I move -

That the House do now adjourn.

I remind members of a comment I made during question time about members' timetables for the next two weeks. Members should be prepared to sit on Wednesday evening next week, and on Wednesday and Thursday evening in the following week.

Mr Blaikie: For the benefit of the Opposition Whip, would you please repeat that twice, and louder!

Mr PEARCE: If the member for Vasse gives me a list of names I will glare at them while I repeat that information. The Deputy Leader of the Opposition has not distinguished himself by his presence during divisions today. I will look at him in particular on behalf of his Whip when I say that members should be prepared to sit next Wednesday evening, and on Wednesday and Thursday evening in the following week.

Question put and passed.

House adjourned at 4.30 pm

QUESTIONS ON NOTICE

ROADS - CLAREMONT RAILWAY LINE
Planning Arrangements

246. Mr HASSELL to the Minister representing the Minister for Planning:

- (1) What are the current approved and gazetted planning arrangements in relation to roads running in an east-west direction past the Claremont shopping centre on the north and south sides of the railway line?
- (2) Are any changes under consideration?
- (3) If so, what is the progress of consideration of those changes, and when will the progress be completed?

Mrs BEGGS replied:

- (1) Under the metropolitan region scheme an important regional road reservation exists for a future east-west road route on the north side of the Perth-Fremantle railway line.
- (2) The need to retain this reservation is currently being examined under the Asset Management Taskforce's study of the Claremont railway reserve, as well as the Town of Claremont's traffic study.
- (3) The outcomes of these two studies are expected to be known towards the end of this year.

STATE PLANNING COMMISSION ACT - AMENDMENTS

485. Mr MacKINNON to the Minister representing the Minister for Planning:

- (1) Is the Government planning to present to the Parliament an amended State Planning Commission Act in the near future?
- (2) If so, when will the amendments be presented?
- (3) What will the general thrust of those amendments be?

Mrs BEGGS replied:

- (1)-(2) The State Planning Commission (Amendment and Validation) Bill 1990 was introduced into the Legislative Council on 16 May 1990.
- (3) To validate the delegation arrangements between the State Planning Commission and the Metropolitan Planning Council with respect to the power to initiate amendments to the metropolitan region scheme and to validate all actions taken pursuant to that delegation so as to provide legal certainty to all scheme amendments carried out under delegation since the commencement of the Act in 1985.

MINING - STATE FORESTS

674. Mr HOUSE to the Minister for South West:

- (1) Further to question 397 of 1990, can the Minister list the State Forests which are -
 - (a) being currently mined;
 - (b) in which mining is proposed?
- (2) What are the criteria upon which each application for mining in each State Forest is judged?
- (3) Are there areas within State Forests that are currently being mined which are environmentally sensitive or have important other value?

Mr D.L. SMITH replied:

The delay in answering the question is regretted; however, the information sought is quite detailed and has taken longer to compile than expected. An answer will be provided to the House as soon as possible.

ABEL DRAPER & ASSOCIATES - LANDCORP*Heathridge and Beldon Estates Sale*

724. Mr LEWIS to the Minister representing the Minister for Planning:

- (1) Does the real estate firm of Able Draper act exclusively for LandCorp in the sale of its Heathridge and Beldon estates in the northwest corridor?
- (2) Does or has Able Draper, acting for LandCorp pre-sell various allotments in LandCorp's estates prior to the date such estates are released for sale to the general public?
- (3) Is the spouse of one of the principals in the real estate firm Able Draper currently employed with LandCorp, or has she been employed by that agency within the last two years?
- (4) If yes to (3), what employment position or title did or does such an employee hold?

Mrs BEGGS replied:

I assume the member is referring to Abel Draper & Associates.

- (1) LandCorp's final release at Beldon was in June 1989 and Abel Draper & Associates were sole agents.
- (2) Yes, to building companies for display homes.
- (3) No.
- (4) Not applicable.

TAFE - PRE-APPRENTICESHIP COURSES*Cutback*

753. Mr BRADSHAW to the Minister assisting the Minister for Education with TAFE:

- (1) Have or are pre-apprenticeship courses to be cut in any way at technical and further education colleges?
- (2) If so, are there any threats of cutback to these courses?
- (3) If yes to (1) to what degree?

Mr TROY replied:

I refer the member to my response to parliamentary question 1 084 of 1989.

TAFE - TRUST ACCOUNT*Balance of Funds*

762. Mrs EDWARDES to the Minister assisting the Minister for Education with TAFE:

As at 31 March 1990, what was the balance of funds held in the Technical and Further Education self supporting trust account?

Mr TROY replied:

\$2 917 090.02

STAMP DUTY - FIRST HOME BUYERS' REBATE

795. Mr KIERATH to the Minister for Finance and Economic Development:

- (1) Is the Minister aware of a pledge by the former Premier, Mr Dowding, to allow a \$500 stamp duty rebate for first home buyers, and exemption from stamp duty on buyers of first home-buyer land?
- (2) Has the Government kept its promise and allowed this rebate and exemption?
- (3) If not, why not?
- (4) If yes, how many families have been granted the rebate and/or exemption?

Mr TAYLOR replied:

- (1) Yes, except the pledge on vacant land related to a rebate, not an exemption.

- (2) Yes, the Stamp Act was amended in 1989 to give first home buyers a \$500 rebate on houses costing up to \$120 000 in the north west and \$80 000 elsewhere. These limits have since been raised to \$127 500 and \$85 000 respectively.

A \$500 rebate has been given to land buyers who intend to construct their first home on the land within four years. The ceiling land price for this rebate is \$33 000. The Government has also raised the general stamp duty concession for all home buyers from \$50 000 to \$85 000.

- (3) Not applicable.
- (4) I am advised that the State Taxation Department which administers the rebate scheme has not kept statistics in respect of rebate applications and that it would be extremely time consuming to extract the information.

EMPLOYMENT - "OUT OF SIGHT OUT OF MIND" REPORT

832. Mr McNEE to the Minister for Productivity and Labour Relations:

With respect to the report *Out of Sight Out of Mind*, a report into South Australia's outworkers, people who work from home for an employer, released 4 May 1990 -

- (a) is the Minister aware of the report and its contents;
- (b) can the Minister provide a guarantee that the gross exploitation outlined in the report, for example, 6 500 women employed in clerical work for 33 cents an hour, is not also occurring in Western Australia;
- (c) will the Minister institute a similar investigation into Western Australia's work force?

Mr TROY replied:

- (1) Yes.
- (2) No.
- (3) Preliminary discussions have been held between relevant Government agencies to discuss resourcing needs and objectives of a research project into the extent of outwork in Western Australia.

In addition to this, a tripartite working party has been established to coordinate the implementation of new outworker provisions in the Federal clothing trades award and similar provisions proposed for the State clothing trades award. The working party includes representatives from the Trades and Labor Council, the Confederation of Western Australian Industry, the Clothing and Allied Trades Union and the State and Federal Governments.

CENTRAL PARK DEVELOPMENT - COST

835. Mr HASSELL to the Minister for Finance and Economic Development:

- (1) In relation to the Central Park development, what is the estimated total cost of the completed project?
- (2) What was the cost of -
- (a) the acquisition of the site;
- (b) the total construction;
- (c) the fees;
- (d) the interest;
- (e) any other costs?
- (3) What is the total expenditure of the project to date?
- (4) What is the Government Employees Superannuation Board's total equity in the project?
- (5) What is the total borrowing in the project?

- (6) How much has been borrowed -
 - (a) to date;
 - (b) on completion?
- (7) What is the cost of borrowings at the present interest rates -
 - (a) to date;
 - (b) on completion;
 - (c) after completion on a per annum basis or estimated borrowings at completion?
- (8) What is the anticipated net rental dollar return and percentage return of the completed project in -
 - (a) today's current market rates;
 - (b) escalated market rates?
- (9) What are today's estimated rental figures on a dollar per square metre basis at the lower, middle and upper levels of the development?
- (10) What is the estimated occupancy rate?
- (11) What is the estimated take up rate beyond completion?
- (12) What are the estimated owners outgoings on unleased space at completion -
 - (a) in total/annum in the first year;
 - (b) on a dollar per square metre basis?
- (13) What is the value of assets sold to provide equity for the central park project?
- (14) What was the overall percentage rate of return on the sale price of these assets?

Mr TAYLOR replied:

- (1) \$368.3 million.
- (2)
 - (a) \$81.9 million
 - (b) \$226.9 million
 - (c) \$10.0 million
 - (d) Nil
 - (e) \$49.5 million
- (3) \$160.5 million to 31 May 1990.
- (4) 100 per cent.
- (5)-(7) No borrowings have been made for the project.
- (8)-(12) The information requested is commercially sensitive and must remain confidential, as disclosure would advantage competitors.
- (13)-(14) No assets have been sold specifically to provide equity for the project.

**CONSTRUCTION INDUSTRY LONG SERVICE LEAVE PAYMENTS BOARD -
INSPECTORS**

Business Client Files Perusal

864. Mr KIERATH to the Minister for Productivity and Labour Relations:

- (1) What authority does an inspector from the Construction Industry Long Service Leave Payments Board have to enter business premises, bringing with him a portable photocopier, and peruse the files of clients who deal with that business?
- (2) Is the Minister aware that inspectors from that board are taking this action?

- (3) Is the Minister aware that an employer is required to contribute to the board for employees' long service leave, for which the employees are eligible after 15 years and pro rata after 10, but that if the employee leaves the employer before 10 years, then the employer does not receive back from the board the contributions made for the employee, and that the contributions remain within the fund?

Mr TROY replied:

(1)-(2)

Section 46 of the Construction Industry Portable Paid Long Service Leave Act provides the authority for inspectors of the board to enter premises and access any papers for the purposes of the Act and to take copies of any such papers.

- (3) The scheme is portable and operated on a fund basis. When employees move from one employer to another in the industry, they retain their long service leave credits with the board. Any funds held by the board for employees who have left the industry are passed back to employers in the industry by way of a lower contribution levy.

SHARK BAY - WORLD HERITAGE LISTING

867. Mr HASSELL to the Minister for the Environment:

- (1) Is the Minister prepared to report to the House on the Minister's talks with the Federal Environmental Minister in relation to his proposed State-Federal agreement on the nomination of Shark Bay for World Heritage listing?
- (2) If not, why not?
- (3) Can the Minister give an undertaking that the Minister will table for the scrutiny of the House the full text of any proposed agreement between the State and Federal Governments before seeking State Government approval so as to allow the Parliament to properly determine whether the proposed agreement is in the public interest?
- (4) If not, why not?
- (5) When does the Minister intend to fulfil the Minister's undertaking to the various industry and community groups of Shark Bay to obtain their consent to proceed beyond initial discussions with the Federal Minister?
- (6) Does the Minister concede that any State/Federal Agreement to set boundaries for the nomination of Shark Bay for World Heritage listing can be overruled if any individual or group succeeds in persuading the Federal Government to invoke the World Heritage Properties Conservation Act?
- (7) If so, does the Minister also concede that Greenpeace, the Australian Conservation Foundation, The Wilderness Society or any other environmental lobby group, organisation or individual has the power, through the Federal Government, to negate the Minister's proposed bilateral agreement with the Federal Government?

Mr PEARCE replied:

- (1) On Friday, 18 June 1990, I had discussions in Canberra with the Federal Minister for The Arts, Sport, the Environment, Tourism and Territories. We discussed the process whereby a nomination of Shark Bay for inscription on the World Heritage list might be developed. I indicated to Ms Kelly that this Government would be seeking a formal agreement with the Commonwealth that would deal with, among other things, the use of the powers under the World Heritage Properties Conservation Act.
- (2) Not applicable.
- (3) It is proposed that the agreement should take the form of complementary legislation that is promulgated in both the Commonwealth and the State Parliaments. Under this arrangement the agreement will receive an appropriate level of public scrutiny.

- (4) Not applicable.
- (5) I have the support of the local community to continue my negotiations with the Federal Minister. I will continue to liaise with the local community to maintain that support as the process of developing a nomination proceeds.
- (6) The proposed complementary legislation will establish a mechanism whereby any differences of opinion between the Commonwealth and the State will be resolved.
- (7) Not applicable.

RESERVES - M53 SYSTEM 6 RESERVE, FORRESTFIELD
Industrial Development Approval

880. Mr KIERATH to the Minister for the Environment:

- (1) Is the Minister aware that parts of the System 6 reserve M53 at Forrestfield have recently been cleared for industrial development?
- (2) Who were the developers responsible for this action?
- (3) (a) Was this action approved by the Environmental Protection Authority;
 (b) if not, why not?
- (4) What action is the Minister planning to take to prevent the recurrence of such incidents?
- (5) Will the conservation estate be compensated for the loss of this reserve?
- (6) Why has the Government failed to implement System 6 recommendations M53.1 and M53.2?
- (7) Is the Minister aware of any other proposals planned for this reserve?

Mr PEARCE replied:

- (1) Yes.
- (2) The land in question is privately owned and the various landowners have been developing their land in accord with planning approvals issued by the local authority and the Department of Planning and Urban Development.
- (3) (a)-(b)
 No. The Shire of Kalamunda and Department of Planning and Urban Development approved subdivisions and developments within the System 6 area without referral to the Environmental Protection Authority for environmental impact assessment.
- (4) I will be looking to closer consultation between the Environmental Protection Authority and the Department of Planning and Urban Development to ensure a coordinated approach in dealing with development proposals with System 6 implications. These discussions should stress the need for the Environmental Protection Authority to be advised as soon as possible of proposals affecting System 6 areas.
- (5) While the environmental losses associated with the developments are regrettable and cannot be compensated for, the Environmental Protection Authority is focusing upon the remainder of the M53 area which is still naturally vegetated with a view to ensuring that any development which does occur is in accord with the M53 recommendation for maximising retention of native vegetation. The Environmental Protection Authority believes that a structure plan for the area is essential.
- (6) The implementation of System 6 recommendations is an ongoing process. Additionally, there has been liaison between the Environmental Protection Authority and Government agencies holding land in the M53 area, with a view to ensuring that agency developments meet the intent of the System 6 recommendation for the area.
- (7) Yes. There are several development and rezoning proposals for both the

Government and privately owned land within the M53 area. The Environmental Protection Authority has decided not to assess these proposals until such time as a structure plan has been prepared for the area by relevant agencies.

LAND - BRIXTON STREET SWAMP, GOSNELLS
Flora Reserve Conservation Value - Homeswest Land Swap

881. Mr KIERATH to the Minister for the Environment:

- (1) Is the Minister aware that the Brixton Street swamp in Gosnells is of considerable conservation value as a flora reserve?
- (2) Has the Department of Conservation and Land Management offered Homeswest a land swap in order to conserve this area?
- (3) (a) Has this land swap been accepted by Homeswest;
 (b) if not, why not?
- (4) Is the Minister planning to take any further action to protect this important conservation area?

Mr PEARCE replied:

- (1)-(2) Yes.
- (3) (a) No.
 (b) The future use of the area is still under consideration.
- (4) Yes. I will be involved in any final decisions as to the appropriate future use of the area.

RESERVES - BANKSIA WOODLAND RESERVE M98, CASUARINA
Loss Compensation

883. Mr KIERATH to the Minister for the Environment:

- (1) What compensation has been paid to the Department of Conservation and Land Management for the loss of the valuable banksia woodland reserve M98 in Casuarina?
- (2) (a) Were these funds used to purchase additional areas of banksia woodland for conservation purposes;
 (b) if not, why not?
- (3) Is the Minister aware that the southern banksia woodland is almost entirely cleared and that very little is in the conservation estate?
- (4) Has the Minister recently granted approval to the State Electricity Commission of Western Australia to construct a 200 metre wide easement through banksia woodland in the Metaleuca Park nature reserve (System 6 area M9)?
- (5) What is the Minister proposing to do to protect representative examples of the remnant banksia woodland?
- (6) Has the Minister taken any action to implement recommendation M105 of the System 6 report?

Mr PEARCE replied:

- (1) An amount of \$100 000 was added to CALM's 1987-88 conservation lands acquisition budget.
- (2) The total funds available were used to acquire conservation lands of the highest priority, on a Statewide basis.
- (3) I am aware that there is a limited area of this type in conservation reserves; however, I do not agree that this type of area has been "almost entirely cleared".

- (4) After receiving advice from the Environmental Protection Authority I have approved a transmission line corridor through the area. The corridor will not be 200 metres in width.
- (5) See answer to section (8) of question 879.
- (6) There have been some discussions, but as yet there has not been substantial progress made with this matter.

STATE TAXATION - COMMONWEALTH AUTHORITIES

Telecom, Australia Post

885. Mr MacKINNON to the Minister for Finance and Economic Development:

Referring to the arrangement with the Commonwealth whereby Commonwealth authorities such as Telecom and Australia Post are being made subject to State taxes -

- (a) how much extra revenue is anticipated to be collected, in each area of State taxation; that is stamp duty, land tax, payroll tax, Financial Institutions Duty etc.), as a result of the above arrangement in a full year;
- (b) what proportion of each of these will be offset by a reduction in Commonwealth payments to the State as part of those arrangements?

Mr TAYLOR replied:

	Estimate \$m
(a) Land Tax	\$1.05
Stamp Duty	.65
Payroll Tax	19.60

The effect on FID revenue cannot readily be ascertained.

- (b) General revenue grants to the States from the Commonwealth will be reduced by an amount equal to 90 per cent of the taxation revenue collected from Commonwealth public statutory authorities.

STAMP DUTY - REVIEW

886. Mr MacKINNON to the Minister for Finance and Economic Development:

- (1) Has the State Taxation Department and Treasury Department completed the stamp duty review concerning the issue of mortgage duty on partly documented financing transactions?
- (2) If so, when was the review completed?
- (3) What decisions have been made as a consequence of the review?

Mr TAYLOR replied:

No; however, I am advised that the review is almost completed and a report will be submitted to me in the near future.

UNEMPLOYMENT - PERCENTAGE RATES

894. Mr MENSAROS to the Minister for Productivity and Labour Relations:

What was the Western Australian unemployment expressed in percentage rate as at -

- (a) 31 December 1980;
- (b) 31 December 1983;
- (c) 31 December 1986;
- (d) 31 December 1989?

Mr TROY replied:

- (a) 6.1 per cent

- (b) 10.1 per cent
- (c) 8.0 per cent
- (d) 6.5 per cent

Note: Data is seasonally adjusted.

QUESTIONS WITHOUT NOTICE

SITTING TIMES - REVIEW

166. Mr CLARKO to the Leader of the House:

- (1) Has the Government reviewed the sitting times as the House was advised it would when the current arrangements were introduced at the beginning of the session?
- (2) What will be the sitting arrangements for the balance of this session?

Mr PEARCE replied:

- (1) The member will recall at the time the new sitting times were originally agreed to by interested parties that discussions would take place at the end of the current session. After the end of the current session in two weeks it is my intention to circularise not only all members of Parliament but also other parliamentary bodies which have an interest in this matter including Hansard, the catering section and the Clerks to see what their reaction has been to the changes. After that, I will convene a joint meeting of the parties to discuss the future new hours or any alternative which they may want to consider.
- (2) There are only two weeks left of this sitting and, so far, almost nothing in a large legislative program has been passed. That will require greater attention to the program by all members than has been shown previously.

Mr Cowan: Or a longer session.

Mr PEARCE: Yes, or a longer session although some members have indicated -

Mr Blaikie: Or a change in attitude in your ministerial colleagues.

Mr PEARCE: Or a change in attitudes of the shadow Ministers.

Members should be prepared to sit at least on the Wednesday evening of next week and the following week and the Thursday evening of the last week.

PETROLEUM EXPLORATION - WESTERN AUSTRALIA

167. Mr RIPPER to the Minister for Economic Development:

Will the Minister give details of the continuing search for petroleum in Western Australia?

Mr TAYLOR replied:

I was hoping I would be asked this question yesterday when it had more relevance.

I am pleased to be able to say that there have been two significant steps forward in the State Government's ongoing bid to encourage exploration for petroleum, particularly in the Perth Basin. Firstly, I announced today, in conjunction with the Federal Minister for Resources, Mr Griffiths, offers of award for two offshore petroleum exploration permits in the Perth Basin. The successful applicants plan to spend about \$36 million during the next six years on their exploration programs. The first area, covering about 5 700 square kilometres, has been offered to Norcen International Limited which plans a program of four exploration wells and 2 900 kilometres of seismic surveying.

The second area of about 5 800 square kilometres has been jointly offered to Petrofina Exploration Australia SA and the Shell Company of Australia. The consortium plans a program of three exploration wells and 3 000 kilometres of seismic surveying.

Both permit areas are directly off the metropolitan coastline. In another announcement yesterday, three petroleum exploration areas are being released. Two are in the onshore Bonaparte Basin and one is a premium permit area in the onshore Carnarvon Basin. This is the first premium permit area to have been released in the State for many years and should generate considerable bids from the petroleum industry. These releases are part of the Government's ongoing, and also successful, program of encouraging exploration onshore by releasing areas at frequent intervals.

ROAD SAFETY PROGRAM - FEDERAL 10 POINT PACKAGE

State Acceptance

168. Mr COWAN to the Premier:

- (1) On her recent visit to Canberra to meet Federal officers and members of the Commonwealth Government did the Premier advise any of those people that the Government had accepted the Federal Government's black-spot road safety package in return for \$12 million?
- (2) On what authority did she assume that such legislation would be passed?

Dr LAWRENCE replied:

(1)-(2)

I can assure the Leader of the National Party that I did no such thing because, in the first instance, we have not accepted all the elements of the package. It is a decision for Cabinet and there are several elements of the package that it is not happy with and, in addition, Cabinet understands it requires legislation. I would not have given an assurance of that kind.

"FOUR CORNERS" PROGRAM - SCIENTIST RELATIONS

Conservation and Land Management Department, CSIRO

169. Dr EDWARDS to the Minister for the Environment:

Has the Minister been able to obtain information on allegations made in Monday's "Four Corners" program about relations between scientists at the Department of Conservation and Land Management and the CSIRO?

Mr PEARCE replied:

I thank the member for the question. I have been assembling information from a range of bodies who had representatives quoted in that "Four Corners" program and as part of that approach I asked the Executive Director of the Department of Conservation and Land Management to approach the CSIRO to get its clear statement of opinion with regard to the quotes made by two of their scientists in the program. Dr Shea received a response from John W. Stocker, the Chief Executive of the CSIRO, and I will read the relevant paragraphs to the House. Mr Stocker said -

I should like to point out that the CSIRO scientists said only that there had been a difference of opinion between them and CALM scientists about the categorisation of some one thousand plant species on the rare and threatened list as being "poorly known".

The CSIRO scientists did not claim that CALM had not provided them with the information necessary for their review . . . A statement that obstruction by CALM had been a problem was made by the reporter in introducing a segment featuring Dr Leigh of CSIRO, but at no time did either he or Mr Briggs say anything to this effect.

Further on he said -

A careful reading of the transcript will show that while the Four Corners reporter may have claimed that obstruction from CALM has been a problem, no such intention could be ascribed the CSIRO scientists concerned. In some instances comments by CSIRO scientists were taken out of context.

I regret the distress which the program has caused to you and CALM scientists and assure you that I and the CSIRO scientists concerned in the program value CALM's cooperation highly.

The credibility of that program, if it had not been torn to shreds by now, must surely be in tatters.

TIMBER INDUSTRY - INQUIRY

170. Mr OMODEI to the Premier:

- (1) Will the Premier initiate a full inquiry into Western Australia's timber industry and a reorganisation of the Department of Conservation and Land Management as requested by the Western Australian Conservation Council?
- (2) Is Western Australia's forest estate being mismanaged and destroyed as claimed by the Western Australian Conservation Council?
- (3) What action has been taken in regard to misinformation on this issue shown on the recent "Four Corners" program which dealt with this matter?

The SPEAKER: Order! To whom is the question addressed?

Mr OMODEI: It is addressed to the Premier.

The SPEAKER: Is there some reason that it is not being addressed to the Minister responsible?

Mr OMODEI: From the point of view of an inquiry.

The SPEAKER: It is for members to decide to whom they will address their questions, but if they want more complete answers I suggest they direct them to the Ministers responsible for that portfolio. However, who am I to argue this point if the member wants an answer from the Premier?

Dr LAWRENCE replied:

(1)-(3)

I am happy to support the comments that I know have been made by the Minister for the Environment; that is, there is no reason to initiate the sort of inquiry called for in that program. The reorganisation of CALM is not part of the Government's policy or program at this time, and nor should it be. The Government has no reason to believe there has been mismanagement. Obviously, the Government is always seeking to improve the performance of all its departments, but it certainly would not single out CALM for particular attention. The misinformation in that program has been well corrected by the responsible Minister and the departmental officers. I wonder what is the view of the member, given the importance of that industry to his electorate.

BUILDING MANAGEMENT AUTHORITY - ACCOUNT PAYMENTS DELAY

Member for Applecross

171. Dr WATSON to the Minister for Works:

- (1) Is the Minister aware of the claim made yesterday by the member for Applecross that the Building Management Authority is not paying its accounts on time?
- (2) Is this true?

Mrs BUCHANAN replied:

(1)-(2)

I thank the member for Kenwick for the opportunity to advise the House that this claim is not true. In fact, the member for Applecross gave some misleading information to the House yesterday. I would, therefore, like to put the record straight by advising members that the Building Management Authority is currently paying 95 per cent of all its accounts within 30 days. While its goal is to pay all accounts within 30 days, that is understandably difficult to achieve, especially in cases where accounts need to be queried.

The accounts payable team processes some 12 000 invoices a month. They use a total quality management approach, and keep statistical records which enable them to readily identify problem areas and to take the necessary action to avoid delays. In line with the Government's productivity improvement strategy, the team has undertaken many activities on its own initiative which have lifted its performance. I place on the record my congratulations to everyone in the BMA accounts payable section for their dedicated efforts. They do not deserve the sort of abuse hurled at them yesterday by the member for Applecross. He should be more mindful of the fact that criticism of the Government on such issues reflects on the public servants who carry out these tasks on behalf of the Government. Constructive criticism is acceptable; abuse on the basis of some strangely acquired and unverified document is not. Further, I point out to the member for Applecross that under Liberal Governments no such encouragement to improve productivity was given, and many more accounts were not paid on time. Therefore, he is in no position to attack the Government or its workers on this issue.

BIOTECH PARK - SOUTH WEST

172. Mr BRADSHAW to the Deputy Premier:

In view of the Government's commitment to decentralisation, and the fact that most of the raw materials are from the south west, will the Government site the biotech park proposed for the Fremantle area in the south west?

Mr TAYLOR replied:

I wonder what would be the attitude of the people who live around Capel to the establishment of a biotech park. If the Minister for South-West, for whom I have a great deal of admiration and respect with regard to his knowledge of the views of people in the south west, were to suggest that there is a need for that sort of development in the south west, I would be more than happy to look at the matter. If that is a possibility for the south west I will also do what I can to encourage it.

ROADS - MINNINUP ROAD-HUDSON ROAD, BUNBURY

Closure Proposals

173. Mr P.J. SMITH to the Minister for Local Government:

Following the Minister's discussions with concerned local citizens in Bunbury last week, will he advise the House of the latest position with respect to the Bunbury City Council's proposals to close Minninup Road at Hudson Road?

Mr GORDON HILL replied:

The provisions of the Local Government Act currently require the Minister for Police and the Minister for Local Government to approve road closures of this nature. At the request of the member for Bunbury last week I attended a public meeting in that city called by him to give the people an opportunity to discuss their views on this issue. As a result of that meeting, I have asked the Minister for Police to expedite his decision and he is currently seeking further advice from the Police Department on the matter. It is appropriate for the normal procedures to be followed and for the police to express their views on such issues. I am pleased to tell the member for Bunbury that I appreciate the opportunity he provided for not only me but also the people of Bunbury, who will possibly be affected by any decision to close the road, to gain a better understanding of the issue. It has been a major issue in the city for some time. I am pleased the member provided the opportunity for the public to express their views.

On closer examination of the issue, the City of Bunbury ought to give further consideration to the proposal; not necessarily in relation to the closure of Minninup Road, but to closure of the area it requires. It may be more appropriate to close off a point on the western side of Hudson Road at some time in the future. The shopping centre tenants and other residents in

Bunbury are concerned that the shopping centre car park may be used as a thoroughfare to gain access to Mininup Road. I will take that matter into account when making a final decision as to whether I approve the closure, requested by the City of Bunbury, at another point.

The City of Bunbury may appropriately consider the advice expressed by the shopping centre tenants and other residents in the area. It may also wish to undertake further traffic studies and to give consideration to the impact of roundabouts which are being constructed in Mininup Road. Those issues must be further canvassed and I will discuss the matter with the member for Bunbury and the member for Mitchell before making a decision.

MARKETING OF POTATOES AMENDMENT BILL - SECOND READING

174. Mr HOUSE to the Minister for Agriculture:

Will the Minister inform the House when we will be debating the second reading of the Marketing of Potatoes Amendment Bill, given that the original reason for introducing it was to make an adjustment at the end of the authority's financial year?

Mr BRIDGE replied:

The member's asking me that question does not make sense to me.

Several members interjected.

The SPEAKER: Order!

Mr BRIDGE: The member's question was not clear-cut, but the answer will be precise. The Leader of the House is able to juggle the Notice Paper in such a way that a Bill listed at, say 36, where this Bill is, can be brought forward to be numbered as three or four. Because of the importance of this Bill, I intend to discuss whether the Leader of the House can do that. In this answer, I would like to announce that to the Leader of the House.

Mr Pearce: This has been done by arrangement, has it not? This is a different type of dorothea dixer.

Mr BRIDGE: Once I receive a response from the Leader of the House I will be in a position to advise the Deputy Leader of the National Party.

PEEL INLET HARVEY ESTUARY - CATCHMENT MANAGEMENT STRATEGY

175. Mr READ to the Minister for Agriculture:

(1) Can the Minister outline to the House the progress of the catchment management strategy for the Peel Inlet and Harvey Estuary?

(2) What part are farmers playing in the development and implementation of this strategy?

Mr BRIDGE replied:

(1)-(2)

I am happy to say that farmers in the Pinjarra area now play a major part in the development and implementation of the catchment management strategy. The Government has had this strategy in place for some time and the departments responsible for it have been participating. The farmers had problems earlier this year having their point of view taken on board in some of the delicate areas related to the impact of the strategy on their operations.

The member for Murray will recall that I convened a meeting at one of the farms where a three dimensional concept was offered to them. They accepted that concept and a small core of farmers from the area formed a reference or working committee which is involved in implementing this strategy along with Government organisations and other groups such as the local shire. It is working well. I am happy to tell members that the farmers now have a genuine and proper role to play in the implementation of this catchment strategy.

Mr Omodei: Which group was that?

Mr BRIDGE: The farmers at Pinjarra. The important thing is to indicate to the House the genuine and central role those farmers are now playing in the development of that strategy. It was important that happened and through the three dimensional evaluation of agriculture it is now happening.

It had been my intention to tell a joke today in the course of one of my answers, but unfortunately the Leader of the Opposition is not here, so I will not do so until he is in the Chamber.

McCUSKER INQUIRY - PUBLIC SERVANTS EVIDENCE *Government Prevention*

176. Mr COURT to the Premier:

- (1) Has the Government stopped any public servant from giving evidence to the McCusker inquiry?
- (2) If yes, which people were stopped and why were they not allowed to provide that evidence?

Dr LAWRENCE replied:

(1)-(2)

I am aware of no approach by any member of the Government along those lines. We certainly would not prevent public servants giving evidence to Mr McCusker or anybody else, if they were requested to. If the member for Nedlands has evidence of that happening, he should say so. I do not know what he means by "Government" as I am not aware of any attempt by anyone to influence, stop or dissuade any member of the Public Service from giving evidence. Indeed, I encourage the people requested to do so, whether public servants or people from the private sector, to give evidence before Mr McCusker.

PINK LADY - DEPUTY PREMIER'S COMMENTS

177. Mrs WATKINS to the Minister for Trade:

Can the Minister make any comments about his launch today of a pink lady?

Mr TAYLOR replied:

I thank the member for her question, as it is the policy of this Government to fully account for these sorts of matters. As Deputy Premier and Minister for Trade, I am bound to indulge in a range of experiences in the interests of the State. When the member mentions a pink lady there were, in fact, dozens to choose from, and all were of the highest quality, and exceptionally well bred and well grown, as one might expect of Western Australia and what it is able to produce in the area of pink ladies. I am confident that our pink ladies will soon be exciting the taste buds of Europe. The pink ladies were bred by Mr John Cripps, an extraordinary scientist from the Western Australian Department of Agriculture, and thousands of these large, thin skinned, smooth textured pink ladies, with a unique flavour and exceptional keeping quality, will soon be winging their way to Europe, courtesy of Qantas. It is also important to note that the pink lady is well adapted to warm climates, resists sunburn, and does not require cold winters to produce fruit.

I know it is not the accepted practice to invite into the Chamber ladies who are not members of the Assembly, but in order to properly explain these actions to members and the House, I would like to introduce members to Western Australia's newest export, the pink lady apple, which is a beautiful apple. I take this opportunity of presenting one to the Premier, and in so doing I say also that with this apple does not go the usual saying about giving people apples and asking them to eat them. The member for Nedlands is looking a bit sour and sad today, so I shall also pass one over to him. The

Leader of the National Party was looking a bit rough a while ago, so here is one for the Leader of the National Party. Mr Speaker, I certainly could not leave out one for you.

[Applause.]

Mr Court: Mine is bruised!

Mr TAYLOR: There might be a message there!

ROCK LOBSTERS - PROCESSING PLANTS POLICY

178. Mr McNEE to the Minister for Fisheries:

- (1) What is the Government's policy on rock lobster processing plants in this State?
- (2) Has the department given consideration to imposing quotas on rock lobster processing plants and, if so, what has been the industry's response?

Mr GORDON HILL replied:

- (1) We are in favour of rock lobster processing plants.
- (2) We have not at this stage given any consideration to imposing quotas.

HOUSING - NEW KEYSTART HOME LOAN SCHEME

179. Mr LEWIS to the Minister for Housing:

- (1) Is it a fact that the new Keystart home loan scheme bears little resemblance to the original Keystart scheme, which has now been discontinued and which endeavoured to cater for the housing needs of low income families?
- (2) Is it also a fact that 80 per cent of the new Keystart scheme's funds is required to be directed to homes built exclusively on Homeswest land?
- (3) Is the new scheme, therefore, nothing but a marketing tool to sell Homeswest land at the expense of the private sector?

Mrs HENDERSON replied:

(1)-(3)

This question really reveals the dilemma the Opposition is facing in this matter. The first question asks me whether the new guidelines for Keystart home loans represent a moving away from the original intention of the scheme, which was to assist low income families. The second question asks whether I am aware that 80 per cent of the land to be used under this scheme is to be Homeswest land. Therein lies the inconsistency because Homeswest land is the cheapest land and is the land that is intended to be the most readily available to first home buyers. It is the land that they are most likely to seek in purchasing their homes.

The new Keystart scheme has been overwhelmingly successful. The only change we have made from the previous scheme is that the income limit has been broadened. The lower level remains at \$300 a week for a family, and the upper level has been raised in line with the increase in the price of housing. The average price of houses in Perth is \$110 000, and it has been worked out that an average family seeking to purchase their first home would have to borrow 90 per cent of the cost of the home because it is their first home, and therefore would need to be able to service a loan which requires an income of at least \$800 a week. In order to ensure that we did not have a gap in the market between those people who are currently eligible for Homeswest assistance through the Homeswest purchase scheme and those people who can fund a normal credit foncier loan from a credit institution, the eligibility limits have been raised. They now range from \$300 a week for a family - whether a single or double income family - to a maximum of \$800 a week. I would like to say that once the upper levels of income eligibility are reached the

attractiveness of Keystart diminishes because those people are able to go out into the marketplace and borrow money from banks and building societies at interest rates competitive with Keystart, and in fact that is what they do. The innovation of setting a benchmark of 80 per cent of Homeswest land as being available for those people using Keystart to construct as opposed to purchasing an existing home will ensure that these bona fide low income first home buyers are the largest single group to be assisted by Keystart.

Government members: Hear, hear!
