

# Legislative Assembly

Wednesday, 27 March 1991

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

## PETITION - DUCK SHOOTING

### *Prohibition Legislation Support*

**MRS WATKINS** (Wanneroo) [10.07 am]: I have a petition couched in the following terms -

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

We, the undersigned petitioners of Western Australia and residents, urge you not to declare Duck Shooting Seasons and to legislate for the prohibition of any future Duck Shooting in this State because of the cruelty inflicted on our wildlife, the loss of significant waterbird breeding habitat; the pollution of the wetlands from lead pellets, cartridges and other rubbish, and community disapproval of recreational shooting of wildlife.

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 7 167 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly. I advise members that more than 20 000 people have now signed petitions on this matter.

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

[See petition No 18.]

## PETITION - ABORTION

### *Decriminalisation Opposition*

**MR MacKINNON** (Jandakot - Leader of the Opposition) [10.08 am]: I have a petition addressed as follows -

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

We, the undersigned, are strongly opposed to:

- (a) the decriminalisation of abortion;
- (b) the removal of abortion from the Criminal Code, and its inclusion in the Health Act;
- (c) the funding of an abortion facility by the West Australian Government.

We, the undersigned, believe that it is the duty of government to protect human life. We believe that any government which aids in the destruction of unborn human life, has lost sight of one of the fundamental reasons why governments exist.

We, the undersigned, urge the government to enforce the Criminal Code for the protection of unborn children, as was its original intention.

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 208 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 19.]

**PETITION - HEATHCOTE HOSPITAL SITE***Preservation for Public Use*

**MR LEWIS** (Applecross) [10.09 am]: I present a petition from various citizens of Western Australia couched in the following terms -

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

We, the undersigned bring to your attention;

that after the closure of Heathcote Hospital, the property (being land and buildings formerly occupied by Heathcote Hospital) be preserved in perpetuity for public use.

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 725 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 20.]

**STANDING ORDERS SUSPENSION - NOTICE OF MOTION NO 11***Discharged*

On motion by Mr House (Stirling), resolved -

That Notice of Motion No 11 be discharged from the Notice Paper.

**PUBLIC ACCOUNTS AND EXPENDITURE REVIEW COMMITTEE***State Superannuation Liability Funding Report*

**MR CATANIA** (Balcatta) [10.11 am]: I present the 18th Report of the Public Accounts and Expenditure Review Committee on funding of the State's superannuation liability along with transcripts of evidence taken by the committee during the inquiry. I move -

That the report do lie upon the Table and be printed.

Investigations by the Public Accounts and Expenditure Review Committee commenced in July 1989 with the following term of reference -

To inquire into and report on the funding and reporting of the State's future superannuation liability.

Those terms of reference were adopted under the chairmanship of the member for Victoria Park, now Minister for Fuel and Energy. They were continued by the member for Belmont, now Minister for Community Services. I acknowledge their contributions along with those of the former deputy chairman, the member for Scarborough; the present deputy chairman, the member for Wellington; the member for Morley; the member for Avon; and the member for Maylands, a recent addition to the committee who will no doubt make a worthy contribution in future. I pay particular thanks to Mrs Carol Davis, former research officer, and the staff of the committee, witnesses who attended to give evidence and the public and private sector organisations that prepared submissions.

Investigations and the compilation of the report were conducted in a genuine nonpartisan manner by committee members thereby generating a good committee spirit. The investigation and report were undertaken as a result of comments made by the Auditor General in various reports to the Parliament between 1987 and 1990. Parts of those reports indicate that the investigation and report were necessary. The Attorney General said that, firstly, full reports of the State's total superannuation liability were not being maintained and, secondly, that inconsistent approaches were taken to reporting disclosure of liability. He recommended that a whole of Government policy be determined regarding calculation, recognition and funding of superannuation liability and that every accountable body holding direct liability for superannuation recognise these liabilities in their annual statement.

I will refer to two sections: The first relates to funding and the second to liability. The

history of superannuation liability is that the Government Employees' Superannuation Scheme was funded from 1938 to 1987 on a benefits emergence basis; that is, benefits and liabilities were identified when payments were made after retirement.

The SPEAKER: Order! I ask that the conversations taking place on both sides of me at a totally unacceptable volume cease or be held elsewhere.

Mr CATANIA: That approach ignored growing superannuation costs which were accumulating and for which future generations would be liable. No proper reporting or accounting procedures were in place. That could have resulted in a blossoming of the superannuation liability. In 1987 the State Government moved to a lump sum scheme; that is, a lump sum paid on retirement. The second factor of the 1987 move was that the State's contribution was reduced from 25 per cent to 12 per cent of an employee's salary. The effects of that were resounding. In 1986 the State's future superannuation liability stood at \$4.9 billion. That liability had accumulated over the preceding 50 years. The effect of the 1987 decision was to reduce liability in 1988 to \$3.7 billion instead of the projected \$7 billion and \$3.9 billion in 1990 instead of the projected \$8.5 billion. That is significant as the State has achieved a saving of \$4.6 billion for its taxpayers.

Another important aspect is projections of future cash requirements between 1991 and 2003. Treasury department officials when giving evidence highlighted the fact that the 1987 decision will result in the pension scheme cash flow falling by 21.4 per cent in real terms over the next 12 years and the aggregate payment - that is, payment to people of a lump sum on retirement - growing in real terms by only 5.4 per cent between 1991 and 2003. The committee found that commitments under the old scheme will decline over that period and although increasing benefits will be paid to retirees under the lump sum scheme the State's annual contribution will be stable by the year 2003 and will start declining. Therefore, the effect of that 1987 decision will be monumental when one looks at the benefits to taxpayers of this State coming from that decision. We must also look at responsibility for past service liability; that is, who is responsible for the commitments given by the State for past services? We must assess and address that matter. The committee recommended that the Treasurer determine Government policy on the responsibility for past superannuation liability, and issue an instruction on the appropriate accounting treatment for superannuation in the State public sector.

I turn now to the reporting and disclosure of liabilities. The Auditor General stated that one of the deficiencies of the superannuation scheme was that there was no reporting of liabilities, and no consistency in the approaches adopted by various Government departments in reporting their superannuation liabilities. There was no disclosure by individual Government departments of their superannuation payouts through the Consolidated Revenue Fund or of their future liability. This matter should be addressed immediately. The absence of an Australian accounting standard has led to statutory bodies or authorities adopting a variety of different accounting procedures and standards for recording their superannuation liabilities; it is, therefore, impossible to make a comparison between them. The committee recommended that Treasury issue an interim statement on the reporting by statutory authorities of future superannuation liabilities. This should be issued as a formal directive once the Australian accounting standards on superannuation are formally adopted.

The SPEAKER: Order! I ask the member to resume his seat for a moment. Members who have been in this House for any length of time at all would know that one thing to which I take very strong exception is a member of this House walking between me and the person on his feet. In my view, that is grossly improper and is the height of bad manners. I will not tolerate that from any member of this House. The Minister for Housing just took that action, and when I sit down I expect him to stand and apologise for it.

Mr McGinty: I apologise, Mr Speaker.

Mr CATANIA: The committee recommended that the State's future liability be actuarially assessed every three years and reported annually in the Treasurer's annual statements and in the annual report of the Government Employees Superannuation Board as requirements under the Financial Administration and Audit Act. These two recommendations are extremely important. The committee adopted, and will be adopting even further and in a more refined and sophisticated manner, program budgeting. The committee recommended that at least a note of the annual accruing superannuation liability be included as a liability in

the budgets for each program. An inconsistent approach is being applied to the portability of future superannuation liability. This should be standardised. The committee recommended that when an employee transfers from one statutory authority to another, the first employer bear the pro rata cost of accrued employee entitlements at the time the transfer is effected. This is very important because often employees who have the ability to transfer to another department, and perhaps to a more responsible position, will not transfer because the lack of portability of accrued superannuation does not make that move in their best interests.

The second part of the committee's terms of reference was funding options, which the committee discussed at length. Before I refer to those options I will quote from an important statement made by the Auditor General, which is central to the financial management of both Government and private enterprise. The Auditor General said in volume one of his 1990 report that -

Prudent financial management and proper reporting of performance requires that funding be provided for such future payments during the period in which the benefit of the resources (human resources) has been obtained and the entitlement accrued. It should not be a charge against some future period or flow of funds. Such a strategy leaves a legacy of debt for future generations.

The first funding option discussed by the committee was a phased approach, where the future superannuation liability is assessed, perhaps over a period of 10 years, and a fixed amount is put aside each year to fund that liability. For example, if the liability is \$80 million, a sum of \$8 million will be put aside for each of 10 years. That phased approach has been adopted by the Fremantle Port Authority. Another option is the fully funded from a specified date approach, where a specific date or cut off point is agreed to and the commitment commences from that date. This option would mean that the current generation would not meet past and present services. The committee then considered and discussed at length the fully funded systems which are available, and had a look at what had been adopted by various other States. While the committee recognised the benefits of the State's having to pay from today's resources to provide for future superannuation commitments associated with today's decisions, a recommendation that today's generation should in effect pay double to extinguish a legacy accrued over 50 years should not be made without looking at other alternatives. This is an important aspect when we consider present and future funding. It was recommended by the Conference of Government Superannuation Administrators that there was really no need for a fully funded scheme because -

...there is no reason to believe that Governments will be less able to meet expenditure on superannuation than on other obligations. What is important, however, is that projects of future costs are made so that the impact on future budgets is known in the long term and the effect of the scheme benefits evaluated accordingly.

It is important that whatever funding type is adopted, future generations are not left with a legacy of debt and do not have to pay double for past accruals of superannuation liability.

Mr Strickland: How will you get around that?

Mr CATANIA: The committee concluded that it preferred the maintenance of the current superannuation arrangements. The Government does not need to go into a fully funded scheme because it will always be able to meet its expenditure requirements. The committee recommended that public sector trading entities make full provision for their superannuation liabilities and fully fund their employer contributions for the current service of their employees; and that the superannuation commitments of Government departments and Consolidated Revenue Fund dependent statutory authorities be funded from CRF on a benefits emergence basis. The superannuation arrangements do not have to be fully funded up front because the State will always be able to meet its commitments.

Mr Strickland: As I understand what you have said, from 1987 onwards the superannuation liability will be apportioned to the departments and to the people who are accruing that liability. The past problem, which goes back 20 or 30 years, will continue to be paid out of CRF across the board, and that will gradually drop off over the next 12 years.

Mr CATANIA: Yes, as a result of the Government's contribution. I have only a little time left. The committee made a number of recommendations which are very important. I have

summarised them, and it is important for members to take note of them. The first is that the Parliament be advised annually of the State's future superannuation liability with actual reviews at least triannually. Secondly, the principle of the CRF meeting superannuation payments should be monitored annually to ensure the burden on taxpayers remains relatively constant. That is what the member for Scarborough was alluding to. Thirdly, the consequences of implementing changes to superannuation schemes should be fully assessed to gauge the effect on the State's future payment and its impact on future Budgets.

It was stressed that the committee was concerned that when changes to superannuation schemes are adopted they should be fully investigated because of the impact they will have on present and future Budgets. Finally, the committee recommends that the amount expended annually by the State on superannuation payments be publicly disclosed and presented as a percentage of total expenditure from CRF with comparisons from preceding years. The final recommendation is for annual reporting as a percentage of CRF so that we will be able to compare the liabilities of the superannuation scheme with past years. I commend the report to the House.

**MR BRADSHAW** (Wellington) [10.32 am]: I support the motion for the report to be printed. I was appointed to the committee late last year so unfortunately I did not have full time input into the superannuation liability and funding side of things. However, I support the report and recommendations, as do both the Liberal and National Parties. The report explains the State Government's liabilities for superannuation costs and exposure, both at present and in the future. As the result of the changes which took place in 1987, the superannuation scheme seems to be working in the right direction. We have a fully funded scheme rather than a range of schemes which we had in the past where no-one really knew what the costs to the taxpayers of Western Australia were, or what the fund's future liabilities would be. The committee has outlined the costs for which the Government will be responsible and what its liabilities will be. As the result of changes to the Government Employees Superannuation Act 1987 the fund will now be fully funded and the percentage of the Consolidated Revenue Fund going towards the superannuation fund in the future will begin to stabilise just after the year 2000. That is good for the taxpayers of Western Australia because the costs in this area are being reduced.

Mr Strickland: Capped.

**Mr BRADSHAW**: They are to be reduced until then, and then the fund will be capped up to a certain percentage of the CRF. Other recommendations include portability of superannuation between certain Government agencies. This should be allowed so that people can move with freedom between Government agencies.

The situation in the past was not really satisfactory. From now on there will be an actuarial assessment of the liabilities of the Government every three years, and an annual reporting of the liabilities, including what percentage that liability is of the CRF. Those are important factors which should be taken up by the Government and reported on. The idea of bringing the scheme up to date with the amount owing is not the way to go as far as I am concerned, because it will be an imposition to bring the scheme up to a fully funded state straight away. It will be a great impost on the taxpayers of Western Australia. The scheme should be funded over many years; it should continue as it has been doing for whatever number of years superannuation schemes have been in place.

**MR RIPPER** (Belmont - Minister for Community Services) [10.36 am]: I refer members to page 2 of the report, where the figures on the unfunded superannuation liability of the State Government are revealed. At 30 June last year the State's unfunded superannuation liability was \$3.9 billion. That liability is not a liability of the superannuation board; it is a liability of the State as an employer, and it must be discharged as people retire over the forthcoming years. It is a liability we do not have to pay tomorrow; it is a liability which will have to be accommodated over the next 20 or 30 years.

The report shows some very significant changes in that liability. It was reported to this Parliament in 1986 that the liability was then \$4.9 billion. What is the reason for the change in the liability? It is the introduction of the new lump sum Public Service superannuation scheme in 1987. That has seen a reduction in the State's unfunded superannuation liability from \$4.9 billion in 1986 to \$3.9 billion now. However, an even more significant comparison is that between the situation now, with the introduction of the new scheme, and

the situation which would have existed had a change not been made. I was on the Public Accounts and Expenditure Review Committee when evidence was taken on this matter. The evidence was that without the change introduced by the Burke Government in 1987, our unfunded superannuation liability now would be more than \$8.5 billion. In other words that single change has saved the taxpayers of this State \$4.6 billion.

It is important to examine the history of this matter. The problem had grown unattended over many years. This Parliament made decisions about superannuation benefits and privileges without a proper examination or assessment of the potential effects on the liability; without even the information being sought. The problem had been well known in Treasury for a number of years, but it was considered by successive Governments to be too difficult to deal with.

One of the important features of this report presented by the Public Accounts and Expenditure Review Committee is its assertion that never again should we make decisions on major staffing matters in ignorance of the implications for potential unfunded superannuation liability. We should continue the very responsible position taken by the Burke Labor Government in 1987 when it made the decision which saved this State's taxpayers \$4.6 billion.

It might be asked, how was this saving achieved? In short, it was achieved by reducing the superannuation cost per employee from 25 per cent of salary to 12 per cent of salary. How was it achieved, considering the position taken by employees and by the trade union movement and given that sharp reduction in the costs to the State Government as a proportion of salary? Why was it accepted by the trade union movement; why was it accepted overwhelmingly on the ground by the workers involved? It is because the old scheme was unfair and inflexible. It gave most benefits to people on the old style traditional Public Service career path who stayed with the Public Service from the moment they entered its employment and proceeded through the various phases until hopefully they retired from very senior positions. It favoured those people with long term Public Service careers and those who retired on high incomes. It was very unfair to part time workers who had no access to the scheme; it was very unfair to those people who wanted to broaden their experience and perhaps move to the private sector, because if they resigned from the Public Service before they had reached the earliest retirement age, they received nothing except their own contributions at a miserable rate of interest. These people would see nothing of the employer's share. They would only receive the employer's share if they completed their entire career with the Public Service. The old scheme was harsh on those people who wanted to shift from employer to employer, and because of that feature it was very harsh on women who broke their careers traditionally to raise children - so effectively they were frozen out of the old scheme. It was very harsh on low income earners because they made significant contributions to get back only an amount equal to the pension but which prevented their claiming the pension. So it was unfair to blue collar workers, women, and to those people who wished to change from employer to employer. It was a barrier to labour mobility, and a barrier to public sector reform.

The new scheme is much more flexible and fair. It accommodates the changing career patterns of employees in the public sector. It is a scheme which provides for career patterns traditionally experienced by women, and provides for part time workers. It is a scheme which employees in general find attractive. It is not only the union leaders who find it attractive; the workers find it attractive because they are not compelled to shift from the old to the new scheme. They were made a transfer offer. Seventy six per cent of the members of the old scheme accepted the transfer offer and, in accepting it, contributed to the reduction in the unfunded liability which the State would otherwise have to meet.

Usually, Governments take credit or discredit for policy decisions and their outcomes. That is our system, but in this case two public servants were key players in the change. They were key participants in the task force which was established to review the necessity for superannuation changes and to conduct negotiations with the trade union movement. Two public servants were members of that task force which produced the transfer arrangement which saw 76 per cent of the members of the old superannuation scheme voluntarily transfer to the new scheme. Two public servants were the key players in an initiative which has been fairer to employees, and has saved taxpayers \$4.6 billion.

Mr Catania: To date!

Mr RIPPER: Yes. That is an important point. An amount of \$4.6 billion has been saved to date. If we were to go on year after year with the old attitude, "It is all too hard; we cannot do it; we cannot face the problems confronting the State", the liability would have grown until it became an insupportable problem.

Mr Catania: By the year 2003, the liability will have been \$20 billion.

Mr RIPPER: That is a significant comment by the Chairman of the Public Accounts and Expenditure Review Committee regarding what would have happened had the change not occurred. The names of the two public servants who played that key role are Kevin Edwards, the then Chief Executive of the Ministry of the Premier and Cabinet, and Tony Lloyd, the then Assistant Under Treasurer. The role played by these two public servants, Kevin Edwards and Tony Lloyd, in saving the State \$4.6 billion was very significant indeed.

Mr Lewis: What about the hundreds of millions of dollars they lost?

Several members interjected.

The SPEAKER: Order! I have been listening carefully to this debate and it seems to me that it is a very significant one, for a number of reasons. Therefore, it is appropriate that whoever stands to contribute to it should be able to be heard without being shouted down. I did not hear any of the last sentence by the Minister because of the volume of interjections from both sides of the House. The Minister should be able to be heard at all times.

Mr RIPPER: Mr Speaker, I am very happy to repeat the last sentence because it is a significant one. Every taxpayer in this State has benefited from the role played by the two public servants, Tony Lloyd and Kevin Edwards, in the matter of the superannuation change. Low income earners, part time workers, and women in the Public Service have benefited from the change. The cause of public sector reform has benefited from the change, as has the cause of efficiency in the public sector, because people are no longer locked in by the necessity to remain in jobs they are tired of until they reach retirement age in order to receive a fair share of the employer's contribution to superannuation.

Mr Lewis: Will you disparage the Royal Commission as well?

Mr RIPPER: In this matter, as in others, those two public servants have confronted a real problem facing the State. They have loyally served the Government in the true traditions of the Westminster system. They have acted with energy and with vision, and they have acted from a commitment to the interests of the State and the people in it. In the current atmosphere of inquisition which has engulfed the community, their contributions should not be forgotten. Kevin Edwards and Tony Lloyd have saved the people of this State \$4.6 billion - not millions, but billions of dollars.

Government members: Hear, hear!

MR DONOVAN (Morley) [10.47 am]: Mr Speaker, you were correct to observe the significance of this debate. As one who members know has been critical of a number of matters lately involving the Government and my party - none of which I withdraw from at all - I think the Minister for Community Services has hit the nail on the head when he said we must give credit where credit is due. This is a case where the Government has not claimed particular credit, at least on the presentation and moving to print of this report. Perhaps it should; perhaps it should not, but it is clear that, as the Minister pointed out, credit can well and truly be placed at the feet of those two former public servants who this week were sentenced in another matter.

I have been associated with and involved in this inquiry since its inception. I reassert happily that one of the more, if not the most, important contributions of the Public Accounts and Expenditure Review Committee has been this report, for precisely the reasons that the Minister has outlined. I emphasise that the major reason is the \$4.6 billion saved in 1990 terms from the introduction of the new superannuation scheme which was overseen and developed largely by Messrs Edwards and Lloyd. The Chairman of the Public Accounts and Expenditure Review Committee was trying to point out, by way of interjection, that the \$20 billion saving will be achieved by the year 2003 and not 2023. Therefore, members can get an idea of the absolute importance of the work of these two men.

As this report is very much about these two people, it is appropriate to make some comment as to what has happened to them lately. It is a matter of significant injustice that two people acting, as the Minister pointed out, throughout their careers either directly or indirectly in the service of this Government now find themselves in the situation of one being in gaol and one at the end of a fine. The lives of these people are not destroyed, but they are significantly sabotaged. Were these things done for their gain? No, it was for the gain of others. Perhaps it can be said that it was for the gain of the Government or for individuals within it, but it was certainly not for Messrs Lloyd and Edwards. They did what they did as servants of this State and that has been clearly indicated in this report through the massive savings to the State. This will provide benefit and security to thousands of Government employees both today and in future years. This is evidence of the service and dedication of these two people.

Several members interjected.

Mr DONOVAN: It is most unjust to find these two men in their current situations when they have not gained one penny themselves. I am not a lawyer but I am told that a technical breach of the law occurred regarding the transactions which were the subject of the particular court case.

Mr Clarko: What do you mean a "technical" breach?

Mr DONOVAN: A couple of technical breaches of the law occurred recently which members on both sides of the House supported.

Several members interjected.

Mr DONOVAN: Mr Speaker, I do not often seek the protection of the Chair, but I happen to believe that this matter, as you said, is worthy of some important consideration by this House. The debate should not be reduced to the level of cross Chamber, gutter-type interjections.

Mr Clarko: Was Lloyd not on a salary of \$200 000 a year?

The SPEAKER: Order! The member has clearly indicated that he will not accept or field interjections and deserves some level of protection from the Chair.

Mr DONOVAN: I draw the attention of members to the fact that recently a couple of breaches of the law occurred whereby police officers were required to reveal the names of youthful offenders who would otherwise be protected by the provisions of the Child Welfare Act; the officers concerned believed that this was required in the pursuit of what they saw as their important duty. This occurred in relation to escapees from Longmore Prison. The law was clearly broken but is anybody saying that it should not have been done? Indeed, people are saying, "Let us change the law quickly so that the situation can be accommodated."

Mr Clarko: Hon Graham Edwards should have acted when the previous incident occurred; it was due to his dereliction of duty that the problem arose a second time.

Mr DONOVAN: Mr Speaker, if you are prepared to stop the clock while the member for Marmion is speaking, I will be prepared to wait for him to finish.

The SPEAKER: Order! If the member continues to ignore the interjections and makes his speech, I will call the interjectors to order if they prevent him from being heard.

#### *Point of Order*

Mr STRICKLAND: What does this matter have to do with the motion before the House which is regarding the tabling of a report? We have wandered off and are talking about a criminal conviction and other matters, many of which may be supposition.

Mr DONOVAN: I am simply drawing an analogy to the situation in which Messrs Edwards and Lloyd found themselves regarding their prosecution, conviction and sentencing. That seems to be directly relevant to this report because of the contribution made by the two gentlemen for which they will not be remembered unless it is said in this place.

The SPEAKER: Order! It is very clear, and the point has been made by various members, that as a consequence of the tabling of this report there is evidence to indicate that the State was saved \$4.6 billion last year. Unquestionably, that is a significant amount and it is entirely appropriate to debate how that saving came about; in other words, we may debate who was responsible for it. However, that is where I draw the line. Other things the people concerned might have done should be discussed only in a peripheral manner.



*Debate Resumed*

Mr DONOVAN: I have no intention of pursuing that analogy any further. I refer to the point at issue here; that is, the significant report which outlines the new superannuation scheme. The point was made by my colleague, the Minister for Community Services, and I hope by me also, that the people largely responsible for the savings for this and future generations are the two gentlemen who have been prosecuted, tried and sentenced in the hothouse Royal Commission atmosphere. Clearly, the case involved a matter of some technical breach - I will not enter that debate - but it is clear that the two gentlemen should be recognised for the massive contribution they made to the wellbeing of this State. This contribution will benefit Government employees and their families. It will be a tragedy for any fair minded Western Australian following the events of last week, when Mr Lloyd was sent to gaol and Mr Edwards was sent to find income elsewhere, to simply say, "We did a jolly fine job, didn't we; we cleaned up the State." In fact, we delivered a couple of scapegoats to those who needed them.

Several members interjected.

Mr DONOVAN: If that is the way the two gentlemen will be remembered, instead of for the massive contribution made by them to this State as revealed in the context of this report, that will be a tragedy of which this House should be thoroughly ashamed.

MR STRICKLAND (Scarborough) [11.00 am]: I have not had the opportunity to read the completed report because it was tabled only this morning. However, I was a member of the Public Accounts and Expenditure Review Committee when the report was initiated, but with the change in membership I have not been privy to its details. I agree with the comments of the chairman of the committee relating to the significance of this report. We have heard the figures and the projected savings that have accrued since 1987 with the introduction of a fully funded superannuation scheme as opposed to a scheme where each year the Government puts its hands on the till, takes the money out, then pays the people who are entitled to a benefit. I take pride in the fact that I was able to participate in this committee process, because it has parallels with the debt management program of the City of Stirling with which I was involved. I am proud that I participated in a committee which fronted that problem and came forward with recommendations. From what I have heard the recommendations of the committee appear to be reasonable, although I have not had a chance to study them in detail because the report has only just been printed. I must put into perspective the point made to the House about significant savings of liability - that relates to the total savings. When someone retires his superannuation payout is spread over a 20 or 30 year period and the total liability of the scheme over that period might be \$4.5 billion, let us say; that is, the savings to the State accrue at \$150 million a year which adds up to \$4.5 billion.

Mrs Beggs: You have it wrong.

Mr Catania: That is not quite correct.

Mr STRICKLAND: Government members have stated that there is a saving to the total liability, and that is true, but the saving comes across a total time frame of 20 to 30 years.

Mr Catania: The liability in 1986 was \$4.9 billion; in 1990 it would have been \$8.5 billion; and if we had to pay it out in 2003 it would have been \$20 billion.

Mr STRICKLAND: My point is that under the old scheme so much a year was paid out of the Consolidated Revenue Fund - or the public till - and with an expanding Public Service with contribution rates increasing to 25 per cent the problem would escalate. The recommendations of the report were very responsible. It is all very well for members to talk about massive savings, and I will not argue with those figures because they are true, but they are spread over a time frame.

Mr Pearce: That is true too, but the point the member for Balcatta is making is that it is not spread over a time frame at a fixed amount, the unfunded liability is increasing year by year. So it is not a question of \$4.6 billion which is spread over 20 years, if it is left another five years the unfunded liability is spread over an increasing period, and it is increasing at the rate of 20 per cent per annum.

Mr Blaikie: The perception being conveyed is that \$4 billion will be saved tomorrow; that is not correct.

Mr STRICKLAND: The point has been made that a valuable contribution was made by two public servants. An examination of what has happened will show that previously a certain liability was accruing but now the liability is less. The reason for that lesser liability is that people who were going to pick up the superannuation benefit will now get less. And I am one of those people, because when the scheme was mooted -

Mr Pearce: You had better declare an interest right now.

Mr STRICKLAND: If there is an interest it is an interest in common, and that does not stop me from making some sort of contribution to the debate. Superannuation beneficiaries previously received fortnightly or monthly payments over the period of their lifetime.

Mr Ripper: My understanding is that the member for Scarborough would be a beneficiary of the changes because he changed employment. Had the member changed employment as a member of the old scheme he would have received his own contribution plus interest of four per cent. Presumably the member transferred to the new lump sum scheme and would have benefited substantially.

Mr Pearce: The member for Scarborough should make a contribution to the Edwards-Lloyd legal defence fund if he is a beneficiary in this way.

The SPEAKER: Order!

Mr STRICKLAND: We are not talking about parliamentary superannuation although everyone in this House is in a unique position

Mr MacKinnon: I would not be contributing to the legal defence fund of someone who received over \$250 000 a year.

Mr STRICKLAND: My comments relate to the total superannuation scheme for the State. The reason this money has been saved is that based on the normal life expectancy of contributors, the monthly or fortnightly payout was the total liability. What has happened is that members of the superannuation scheme were offered a total payout in lieu of those payments. It so happens that many people were dazzled by the thought of receiving a lump sum of \$100 000 or \$200 000. That offer was very attractive; that is a lot of money and it is a guaranteed sum. People do not know how long they will live after the retirement age and it appears that three quarters of the people have opted for the sure thing, the big dollars. The truth is that the two public servants and the governor of the superannuation scheme have sold a scheme to contributors and three quarters of them accepted it, and that has benefited the State. The Government cannot say that the State has received a massive benefit and that all the workers have benefited; the truth is that many of the workers are prepared to take a lesser lump sum payout and to assume responsibility for investment themselves.

Mr Pearce: It is a more effective scheme.

Mr STRICKLAND: I have indicated my support for the motion and pay tribute to the Public Accounts and Expenditure Review Committee because the report seems to be in line with discussions it had when I was involved with it. The decision is good for the State even though the payout is less and I am one who will get -

Several Government members: More!

Mr Pearce: He admits it.

Mr STRICKLAND: People in the teaching game, like I was, will receive a reduced pay out. Those who grabbed the lump sum may receive a reduced payout depending on how long they live. Those matters will only become known when the person has died and the amount he received can be compared with what he may have received had he remained in the other scheme. It is a fair thing because perhaps superannuation payouts were somewhat over the top. A fair and reasonable action has been taken, but the Government cannot eat its cake and have it by claiming only credit and accepting no blame. The Government should look at both sides of the coin and allow people to see them as well.

The Public Accounts and Expenditure Review Committee, in the main, operates in a bipartisan manner. However, I am disappointed that some members have taken the opportunity of debating something important and productive and tried to give much credit -

Mr Thomas: Where it is due.

Mr STRICKLAND: The credit is due to people who have worked on that basis; I do not deny that. However, it is not appropriate for any member of Parliament to say in this House that we will excuse some wrongdoings by a person because on another occasion he did some good things. The record will show that a contribution was made. The public servants involved were paid for their work which, in this instance, was valuable to the State and I have no difficulty acknowledging that. One could ask why was it not done years earlier.

Mr Pearce: Because Charles Court was the Premier then.

Mr STRICKLAND: That is not necessarily so.

Mr Pearce: It was so; I can assure you, I saw it happen.

Mr STRICKLAND: It may be that decisions on superannuation with which the Leader of the House's side of politics has been involved have highlighted the problem resulting in a need to address it. I do not support the comments in this place that we should excuse someone who has been involved in an illegal activity because he did something else well in the past.

MR KOBELKE (Nollamara) [11.13 am]: I, like the member for Scarborough, have not had an opportunity to look at the report in total. However, I refer to the reduction in unfunded liability of about \$4 600 million - a major accomplishment. The saving of \$4.6 billion referred to by the member for Scarborough was made from 1984 to 1990; that is, the 1986 figures used were those then available which were for the year 1984, as I understand it. The figure of \$8.5 billion - the liability had the old scheme continued - was for 1990. That shows a saving of \$4 600 million over the six years from 1984 to 1990.

The member for Scarborough also said that both sides of the coin had to be looked at. With a saving of \$4 600 million the other side of the coin will show that not much change is left. That amount is a mammoth saving to this State and one in which the Government takes great pride. During the early 1980s, the Burke Government faced a very difficult situation and dealt with the matter effectively, as people have mentioned, with the help of two public servants and with the Government's willingness to make the hard decisions. I suspect it was not made earlier because the members now sitting on the other side - the then Government - could not bite the bullet. They could not confront the difficulties involved and find a workable solution to the problem.

Mr Clarko: It is only a paper figure.

Mr KOBELKE: As a teacher in the 1970s and early 1980s I was a member of the State Government Employees Superannuation Board, which then came under the Superannuation and Family Benefits Act.

Mr Strickland: Your situation is almost identical to mine.

Mr KOBELKE: Quite likely it is very similar, but that is peripheral to the matters I would like to address. The problem has not suddenly arisen. Throughout the 1970s moves were made, nationally, to take a new look at superannuation. The Whitlam Government tried to bring in a national superannuation scheme; many unions moved to become involved with superannuation. It was an issue very much in the public eye and I imagine that during the 1970s any superannuation fund, including the State Government superannuation fund, would have been very careful when assessing its liabilities and policies relating to the ongoing nature of its fund. As a member of a Government superannuation fund I tried to keep in touch with the performance of the fund and with changes that may have been contemplated.

In 1976 amendments were made to the Superannuation and Family Benefits Act. At that stage a review was undertaken by the Government and changes were made which improved some of the benefits. However, no public statement was made, of which I am aware, as to the extent of the unfunded liabilities or how they might be dealt with. However, I am aware that in 1978 the then contributors' representative on the Superannuation Board, a Mr R.R. Ellis, in a letter published in the August edition of *The Western Teacher*, indicated that the accrued liabilities amounted to at least \$650 million. That is over half the 1977 Budget of \$1 300 million.

Mr Strickland: Is that real dollars?

Mr KOBELKE: Yes, I am talking about the 1977 Budget.

Mr Strickland: Actual, or real dollars?

Mr KOBELKE: I am talking about the 1977 Budget.

Mr Strickland: Corrected with inflation.

Mr KOBELKE: If the member for Scarborough would listen, he may understand the point I am making. In 1977 the Consolidated Revenue Fund was \$1 300 million. The figures provided in Mr Ellis' letter in 1978 may be based on figures two or three years earlier because at that time I understand reviews were undertaken every five years and from about 1976 they occurred every three years. However, according to this letter, the liabilities at that time were at least \$650 million. During 1977-78, therefore, the unfunded liability was clearly in excess of 50 per cent of the State's Budget. I mention those figures because in researching newspaper articles and other sources I found no other statement on the public record indicating what was that liability. I can only assume that the Liberal Government until 1982 was either not willing to confront the issue and, therefore, pushed the matter under the carpet, or its incompetence extended to the point where it did not want to know what was the unfunded liability. A time bomb was ready to go off at some time in the future and the matter was not being addressed. In March 1981 a review was instituted by the then Government and I am only aware of that because the details of that appeared in the *The Western Teacher*. The various unions, through the joint superannuation committee, were asked to discuss what possible changes might occur. An article which appeared in *The Western Teacher* on 13 March 1981 stated -

The Joint Superannuation Committee has considered various proposals for the restructuring of the State Superannuation Scheme or alternatively the introduction of an entirely new scheme.

The proposal was being mooted but there had been no up-front approach which recognised the problem and proposed ways of addressing it. The review established in 1981 was continued and when the Burke Government came to office in 1983 it moved to address the problem. As members would be aware, that scheme was abolished in 1986 and legislation was introduced in 1987 which resulted in the new scheme we have now. The new scheme has resulted in this huge saving to the taxpayers of Western Australia.

Mr Clarko: Who lost? Did the contributors lose?

Mr KOBELKE: I will come to that. It was not taken up earlier because it was a complicated matter, and not only on the actuarial side. The major difficulty was convincing contributors that the new scheme was a good one. One matter raised by the member for Scarborough was that some contributors to the old scheme may have considered moving to the new scheme to be a bad thing. What overrode any problems which may have existed, such as a reduction in the payments that a particular contributor would receive on retirement, was that there was a growing understanding among contributors, and in the community, that a superannuation scheme, such as the one that existed, was of no benefit if it collapsed. People had to become more aware that a ballooning unfunded liability could result in the scheme falling over.

Mr Strickland: You said you thought the Government would fall over financially.

Mr KOBELKE: After the previous Government had done nothing the superannuation scheme could have fallen over. When it was considered that the liability could be more than \$20 billion early in the next century it was realised that the State would not be able to fund that. An element of doubt was entering the minds of contributors as to whether the superannuation fund would stand up.

Mr Clarko: That is rubbish! I belonged to the scheme just as you did.

Mr KOBELKE: The member for Marmion may laugh but he should look at the figures in order to comprehend what was involved. In order to secure the long term sound economic management of this State, the Burke Government moved to address this problem. It did that effectively. That is shown in the report being tabled today and is seen in the saving of \$4 600 million.

While it is a complicated matter and one which has many elements to it, a problem with the scheme which was not alluded to by the member for Scarborough - and I see the Press Gallery has been vacated - is one that the Press will have to deal with it. Given over the past couple of years that newspapers have run numerous headlines detailing the losses caused by Government activities, they will have difficulty achieving a just balance if they do not carry

newspaper headlines for the new month to indicate that the Government has made a saving of \$4 600 million.

**DR TURNBULL (Collie)** [11.25 am]: Today's debate is an example of why politicians' standing in the community is so low. The member for Nollamara explained that part of what Kevin Edwards and Tony Lloyd did in proposing this superannuation scheme was to go out and sell the program. Of course, they had to sell the program; everyone involved had to sell the program.

**Mr Catania:** The member for Nollamara did not state that. The member for Scarborough did.

**Mr Pearce:** This is why members of Parliament are considered to be as thick as two bricks.

**The SPEAKER:** Order! The member for Collie is trying to be heard.

**Dr TURNBULL:** In selling the program the ordinary person was not told where the \$4.6 billion saving was to come from. We know it is tied up in the technicalities of investments and returns on investment. However, if money is saved it means that somebody is not receiving money. This is the point the ordinary worker did not realise.

**Mr Pearce:** She is going to advocate going back to the old scheme.

**The SPEAKER:** Order! The member for Collie should continue and I will continue to give the member protection. If she keeps pausing and letting members do that her job will be difficult.

**Dr TURNBULL:** That remark emphasises how smart the Leader of the House thinks he is and how he feels that his training and long experience in debating has enabled him to know what I am about to say. It is only now beginning to dawn on people that they will have to invest their own money once they receive those lump sums. In an economy where the returns on money and investments are dropping this money may not last for long. One aspect of the previous scheme is that while a person lived he received the benefits but when he died they stopped. The future of those people who live a long time will be difficult if they run out of money after receiving those lump sum payments. What will happen in Australia then? I find it interesting that this superannuation scheme was introduced by the Labor Party, the party which is supposed to support the ordinary man. This loss will be transferred from the State to the ordinary worker and members will probably say that is a good thing. Saving the State \$4.6 billion is a good thing but we have to remember who is losing in this situation. Australia will have to examine the plight of those who have retired, received their lump sum payments and then lost that money. Do they then apply for the aged pension? What will happen to them?

**Mr Strickland:** Can I pose a scenario for you? When someone retires, their investment will disintegrate through inflation unless they protect it. If one looks at the history of inflation, it has averaged about eight per cent for about 40 years. It is going to vary a bit from year to year, but I do not anticipate it will suddenly stop. Every seven or eight years, because of inflation, one's capital is halved. Therefore, if one retired at 55 and by the age of 70, his capital has been reduced to a quarter, the return on that quarter can be way below the poverty line. What the member for Collie is saying is that it does not matter whether people lose their money, if it has accounted for inflation -

**The SPEAKER:** Order! Will the member make his point fairly quickly.

**Mr Strickland:** I am, Mr Speaker. I thank the member for Collie for allowing me to make the point because -

**The SPEAKER:** Order! I suggest that the member thank me as well because if the member does not, he will be stopped.

**Dr TURNBULL:** The point is that many people in Australia will retire and receive their superannuation benefits but will run out of money to provide for the rest of their lives.

**Mr Pearce:** Do you propose going back to the old scheme?

**Dr TURNBULL:** I am suggesting that if money is saved in one area it will be lost in another. It is wonderful if \$4.6 billion is saved for the State; however, we should remember the people who will lose.

Despite the arguments of the people who were selling this proposal, a number of employees chose to remain with the old scheme. Those people are continuing to pay the required amounts to stay in the old scheme. The decision relating to the three per cent productivity determined that an increase was provided only to those people in the new scheme. The people in the old scheme did not receive that three per cent productivity increase. I thought that was rather discriminating because they go to work and work as hard as anybody else. However, instead of awarding a rise in their salaries, the arbitration court and others involved in that decision decided that they would award a three per cent productivity rise through the superannuation schemes. As a result, the people in the old scheme do not receive it. I decided to ask questions about these people. I was told that those workers would not get the three per cent productivity increase because they are in the old scheme and the old scheme is much more beneficial to workers than the new scheme. That explanation equates with what I have been saying today. Workers can choose the new scheme if they want and save the State \$4.6 billion. However, they should understand that if they save the State that money, they may be missing out later on. Those remaining in the old scheme feel aggrieved that they have missed out on the three per cent productivity increase. Why should they not receive some sort of wage increase and some recognition for the work they do? Are they three per cent less valuable than the people who are in the new scheme?

Question put and passed.

### **BILLS (3) - INTRODUCTION AND FIRST READING**

1.     **Iron Ore (Marillana Creek) Agreement Bill**  
        Bill introduced, on motion by Mr Pearce (Leader of the House), and read a first time.
2.     **Essential Services Bill**  
        Bill introduced, on motion by Mr Blaikie, and read a first time.
3.     **Vegetable Processing Industry Guarantee Bill**  
        Bill introduced, on motion by Mr House, and read a first time.

### **MOTION - SELECT COMMITTEE ON YOUTH AFFAIRS**

#### *Appointment*

**MRS WATKINS** (Wanneroo) [11.37 am]: I move -

That a Select Committee be appointed to inquire into the needs and problems facing children and young people and in particular -

- (1)    To identify the factors which cause children and young people to be at risk and to determine the definition and/or criteria by which they can be identified as being at risk;
- (2)    To identify and examine the adequacy of programs funded by both the Government and non-Government sectors directed at assisting at risk youth with particular reference to the value of these programs in assisting young people to complete a relevant secondary education and to gain appropriate life and work skills;
- (3)    To determine the extent of coordination between programs and the agencies providing them and the means by which coordination might be improved;
- (4)    To identify gaps in current Government and non-Government programs for at risk youth with particular focus on identifying new programs/approaches which might better assist young people;
- (5)    To assess the recommendations of the Burdekin Report, their appropriateness in Western Australia and the extent to which they have been adopted;
- (6)    To determine the extent to which Aboriginal and other ethnic children and youth are at risk and to consider whether they have any special needs which should be addressed; and

- (7) To make other recommendations, including future directions for Government support, as the committee may consider necessary to enhance the successful transition of young people to adulthood.

Members will probably recall that on 31 October last year a similar motion, moved by the member for Scarborough, was amended by the then Minister for Community Services. The terms of reference of that Select Committee comprised 11 points. The committee met on a number of occasions and during the prorogation of Parliament careful consideration was given to the adequacy of the terms of reference for that Select Committee. Prompting this reconsideration was evidence produced at the initial briefing session of the Select Committee in December last year which strongly suggested that the existing terms of reference were unwieldy and unnecessarily restrictive. Opinion was expressed that the terms of reference could be consolidated for the sake of simplicity and that reference to specific programs should be deleted. It was considered these changes would encourage the widest possible response from the community and avoid the possibility of people feeling excluded, either because mention was not made of particular programs or projects or because of the necessity to address lengthy terms of reference. With these views in mind seven broad and general terms of reference have been devised to replace the existing 11. At the same time all care has been taken to embody the issues and concerns expressed when the initial terms of reference were devised.

One focus of the proposed Select Committee should be the reason that students are at risk of leaving school earlier than they should. The common thread which ran through the comments of people who gave evidence to the Select Committee in December last year was the difficulty that schools experience in adequately catering for disadvantaged young people and those students who cannot adapt themselves to formal education. Those specific indicators gave the committee reason to believe that the terms of reference should be consolidated.

I take this opportunity to thank the Opposition members who were appointed to the Select Committee for their cooperation. I do not want to take up any more time of the House because there are more pressing matters which need consideration. I thank the House for its indulgence and I hope it will agree to the reconstitution of the committee which will have slightly different terms of reference. I commend the motion to the House.

**MR STRICKLAND** (Scarborough) [11.42 am]: I formally second the motion which will effectively reconstitute the Select Committee into Youth Affairs which was established last year on my initiative. Members may recall that the motion to appoint the Select Committee had a speedy passage through this Parliament. It took three days only from when the concept developed to form the committee. I had the opportunity to take that motion through my party room and to present it to the Parliament.

I held a fairly intense discussion with the chairman of the committee and it was agreed that there was a need to simplify the terms of reference while at the same time maintaining their intent and integrity. I believe that in the proposed terms of reference integrity has been preserved.

I take this opportunity to bring to the attention of the House a newsletter I received from the youth insearch program. The newsletter is titled "Intouch" and I will quote from an article in the February-March 1991 edition as follows -

As a result of two politicians (George Strickland Opp and Ted Cunningham) attending a Youth Insearch Camp in W.A., the W.A. Parliament debated the issue of youth and in particular, Youth Insearch. Consequently, a Parliamentary Select Committee has been established on Youth Affairs in Western Australia.

The magazine originated in New South Wales and it referred to positive aspects of youth affairs in this State. The reason the Select Committee was appointed quickly was that it had bipartisan support. All members in this House readily accepted that there is a problem with youth affairs which needs to be addressed. We need to have all the people involved in youth affairs thinking positively about the subject and the re-establishment of this Select Committee will allow that process to take place.

I took the trouble to review the committee's operation to date. The previous Select Committee, at its first meeting, took steps to appoint a research officer. That meeting was

held in November 1990 and three other meetings were held during that month. At those meetings the committee discussed the implementation strategy for the inquiry and considered background evidence which had been provided by the Department for Community Services to try to bring members up to date with events in this area. The committee's last meeting, which was held on 12 December, was extensive and the committee received background evidence from various Government departments.

I was disappointed when the Premier prorogued Parliament because the committee could no longer function. When consideration is given to the date on which this committee is to report I sincerely hope that an extension of time will be granted to cover the time which has been lost. I look forward to continuing to serve on this committee and I hope it will identify the problems with youth affairs. I am sure the committee, at the end of its deliberations, will be in a position to put forward to the Parliament positive initiatives to overcome the existing problems.

**DR TURNBULL** (Collie) [11.48 am]: I commend the Select Committee into Youth Affairs for its reappraisal of its terms of reference. At the time the Select Committee was first appointed the National Party felt that the terms of reference were restrictive and that was the main reason it chose not to appoint a representative to serve on it. I am pleased that the proposed new terms of reference are not as restrictive. In that respect the National Party is pleased to support the re-establishment of the committee and I will make sure that submissions are presented to it.

I refer members to terms of reference 3 and 4 in which I am interested. As a general practitioner from the country and a person who has been involved in youth activities, particularly youth at risk, I totally support these two terms of reference. I know there are enormous gaps in the programs which the Government funds and supports. I also note the problems which arise in the targeting of these programs. They are very restricted, and only those children who are proved to be at risk - whatever that means - can take part in programs funded by the Government.

If a young person living in a country town gets into trouble and needs assistance from a Government program run in Perth, problems arise because of the lack of suitable accommodation for them in the city. Places such as Palmerston House are helpful, but they cannot provide the necessary accommodation for young people who need to take part in programs run in Perth, such as the drug and alcohol abuse program. Young people in the country who need assistance which cannot be provided in their own communities are very much at risk and they have nowhere to go for that assistance. This problem applies also to young people who have become involved in gangs in their own suburbs. How can they adopt a different lifestyle and separate themselves from undesirable associates if they cannot move away from those people?

I shall be very interested in the activities of this committee and I will make sure that the National Party contributes to the Select Committee on Youth Affairs. I commend the chairperson of the committee for expanding the terms of reference so that they no longer focus quite as closely on certain types of programs.

**MR READ** (Murray) [11.52 am]: As the newest member of this committee, I indicate that I am pleased to be given the opportunity to serve on it. I remind members that I am the chairperson of the ministerial advisory committee on youth affairs, and advise the House that the committee certainly gives full approval to the steps taken by the Parliament in setting up this Select Committee. Initially some concern was expressed about the terms of reference and, although I have not presented the new terms of reference to the ministerial committee, I am sure it will be pleased with them. Last year I made a speech in this place about the apparent failure of this House to address youth affairs, and I now congratulate the member for Scarborough for his initiative in this matter. It is gratifying to see youth affairs beginning to gain prominence in this place and I am sure the members of the committee will achieve positive outcomes.

**Mr Blaikie**: And on a fairly bipartisan basis.

**Mr READ**: I am sure it will operate on that basis. Not enough emphasis has been placed on this issue in the past because young people are not wealth earners, as are farmers and business people, and neither are they an organised lobby group. As a result we have perhaps



overlooked some of the problems they face and the inefficiencies in the way services are delivered to them. The committee must keep those points in mind and ensure that all levels of Government - I am pleased to note that the committee will be empowered to look at all levels of Government - improve the delivery of services to young people. Certainly shortcomings are apparent in the way services have been delivered in the past due to a combination of factors: Firstly, we in the Parliament and other decision makers are not as aware of youth issues as we might be and, secondly, young people are not members of an organised group and are not as able as perhaps seniors to succinctly convey their feelings to the appropriate people. The result is that we do not know what young people need or want.

I am looking forward to working with the committee and I am sure that, after extensive deliberation and investigation, we shall produce some positive outcomes for both this Parliament and the young people of this State.

Question put and passed.

### SELECT COMMITTEE ON YOUTH AFFAIRS - APPOINTMENT

On motion by Mrs Watkins, resolved -

- (1) That Mr Cunningham, Mrs Edwardes, Mr Read, Mr Strickland and Mrs Watkins be appointed members of the committee.
- (2) That the committee have the power to call for persons and papers, to sit on days over which the House stands adjourned, to move from place to place and to report to the House by 24 October 1991.
- (3) That all evidence and documents presented to the Select Committee into Youth Affairs appointed in the second session of the thirty-third Parliament stand referred to the committee.

### LAPSED BILLS

#### *Restoration to Notice Paper - Council's Message*

Message from the Council received and read agreeing to the resumption of consideration of the following Bills -

1. Retail Trading Hours Amendment Bill
2. Agricultural Products Amendment Bill
3. Education Service Providers (Full Fee Overseas Students) Registration Bill

### GRIEVANCE - GERALDTON BY-ELECTION

**MR MacKINNON** (Jandakot - Leader of the Opposition) [11.57 am]: My grievance today relates to the by-election to be held in Geraldton and specifically to the Premier of Western Australia. As you, Mr Acting Speaker (Mr Marlborough), will know better than most, the by-election was brought about by a Premier who made some very foolish decisions in relation to membership of the Cabinet and who deviously stabbed in the back a loyal and longstanding member of her party. My real concern is that, although the issues are crystal clear, the Government's response to those issues is particularly unclear. The issues are unemployment and law and order and, of course, these two problems are related. It is interesting to note that the Labor candidate for the seat of Geraldton, Dianne Spowart, has said that unemployment is the major issue. That is an indication of the failure of Federal and State Labor Government policies. If she believes that is the main issue, she has already written off the seat before the election starts. Unemployment and law and order are inextricably linked because the large body of unemployed youth in Geraldton is leading to the law and order problem. The third issue in this by-election is the Geraldton Regional Hospital and this Government's sad lack of commitment to the necessary improvements to a major regional hospital. The final issue is education and access to tertiary studies for the people of Geraldton and surrounding regions. Four years ago this Government released a report indicating that Geraldton and the mid west had the lowest level of involvement in tertiary studies of young people between the ages of 18 and 24 in Western Australia. When

the Liberal Party made suggestions aimed at overcoming that problem and approaching the issue sensibly, it received nothing but criticism from its opponents on the Government benches. The Government's response to date has been very little, if any.

In this grievance debate today I seek some commitment from the Premier to the people of Geraldton. Given that the by-election will be held on 13 April, I thought the Premier would be more than happy to make a commitment today, which would certainly gain her some support for the Labor Party from the people of Geraldton. The first commitment we ask from the Government is one that we have already given; that is, to fast track capital works in Geraldton by bringing them forward from next year's Budget to this year's Budget and ensuring they are commenced now. I believe \$14 million has been earmarked for those works, which could be commenced almost immediately to address the unemployment problem in Geraldton. It is not as though that cannot be done. The Premier showed last night with her support for wheat farmers of this State that the Government will be borrowing money to implement that support, so these things can be done. Will the Premier give a commitment to the people of Geraldton that those works will be fast-tracked to address unemployment-youth law and order issues? If not, why not? What are the Premier's answers to the problems of Geraldton?

It is widely acknowledged in this State and in this nation that unemployment could be solved tomorrow if the problems of small business were addressed. If every small business in Australia - including every small business in Geraldton - employed one more person in the next couple of months unemployment would disappear. We are seeing under the present Government and this Premier an attack on small business. I refer to the State Energy Commission's deposit scheme which requires small businesses to find deposits for their electricity supply and which has resulted in an increase in one case from \$600 to \$7 100 and in another from \$200 to \$2 100. I do not know whether the Premier has ever been in a small business but I can tell her as a former small business person, and as an accountant who did the accounts of hundreds of small businesses, that money does not grow on trees, particularly in the current climate.

The second commitment I seek from the Premier is that she tell the public the number of small businesses in Geraldton that have been required to pay deposit increases and how much those increases are? The Premier should disclose those figures. More importantly, the Premier should indicate to small businesses across the State, and particularly those in Geraldton, that that program will not proceed and that the Government will stop those increases because they are horrendous in the extreme. She should say they will be put to one side and the small businesses in Geraldton will not be subjected to this pernicious tax, which is what I believe it is.

The third commitment I seek from the Premier is bipartisan support for what we believe are sensible policies that any political party would want to support. I refer particularly to four issues. I mentioned earlier the matter of tertiary studies in Geraldton. Three or four years ago the Government made a recommendation through the Geraldton Mid-West Development Authority about tertiary study in Geraldton. However, nothing has happened. We gave a commitment a couple of weeks ago that in Government we will establish a separate Geraldton college and ensure it is independent and provided with an ability to deliver tertiary studies in line with the Government's report of a few years ago. We are seeking a commitment from the Premier to support that plan. Two years after we take Government at the next election, in conjunction with the National Party we will implement that plan.

We want the whole plan brought forward. The Premier should give a commitment to the people in that area because she had to go through the same process of leaving that region to continue her tertiary studies. I would have thought the Premier could give that commitment to an area of the State with one of the lowest involvements in tertiary studies. That could have been done along the lines of the support given by the Minister for Health for our plan for the Geraldton Hospital. He said, "The Liberals are right and probably did not go far enough". That was sensible. He understood that we were on the right track. I hope the Premier agrees that we are also on the right track in relation to tertiary studies.

We understand a real problem exists in the town in relation to its youth. The best way to handle the youth law and order problem is to find these people a job. They will not all get jobs, so there needs to be provision of youth services in that town. Those services should

also be better coordinated. We would also like to see the work of the Alcohol and Drug Authority supported by the establishment with Government encouragement of a Holyoake, the Western Australian Institute On Alcohol and Addictions affiliate, a private agency - as in Kalgoorlie - in Geraldton, which has a problem with alcohol and drug abuse. We want the Government to give a commitment - and not necessarily financial assistance - to get behind Holyoake's efforts to become established in that town and not stand in its way. Without any shadow of doubt the biggest deficiency of this Government in relation to the people of Geraldton is its lack of commitment to law and order. I have been campaigning in Geraldton for several years - in 1986 with Marg Tubby, in 1989 with Vic McCabe and now with Bob Bloffwitch. Law and order is still the number one issue in that town. It has not been addressed and has not gone away.

Mr Graham: The only time I hear you mob raise law and order -

Several members interjected.

The ACTING SPEAKER (Mr Marlborough): Order!

Mr Graham: The only time you people -

The ACTING SPEAKER: Order!

Mr MacKINNON: It is time the Government gave a real commitment to get on top of this problem.

Several members interjected.

The ACTING SPEAKER: Order! I remind the member for Pilbara that I have called for order three times. The Leader of the Opposition has a minute to finish his speech during which time I would like to hear him in silence.

Mr MacKINNON: It is time the Government gave a real commitment to supporting the police officers who are doing their best in that town to get on top of a serious problem.

Mr Graham interjected.

Mr MacKINNON: The member for Pilbara knows that as a result of budget cuts police officers in his town have been to him complaining that they have been told they cannot drive more than 30 kilometres on any day - that is the instruction given because of budget cut backs! The member for Pilbara sits and defends that restriction. I want this Government to give a better commitment to supporting law and order issues in Geraldton by supporting the police officers whose job it is to enforce the law.

DR LAWRENCE (Glendalough - Premier) [12.07 pm]: Apart from the excitement of the last interchange, which was well justified and which came from one of my esteemed colleagues, the Leader of the Opposition clearly took this opportunity to give an election speech rather than address seriously the issue before the House.

Mr Clarko: Would you address it seriously?

Dr LAWRENCE: This is supposed to be a grievance debate; the Leader of the Opposition was not on the hustings. He is seeking commitments from the Government to undertake programs the Opposition has cobbled together for the Geraldton by-election, in some cases in such a way that they are clearly designed to seriously mislead the electors of Geraldton. I do not think this Parliament, or I as Premier, should be asked for, nor will I give, commitments to the sorts of projects the Leader of the Opposition has put to me. The issues he has mentioned are important to the Government as well. Our actions to date, and in future, will show that the Government clearly understands how important those issues are.

Anyone in this country, whether in election mode or not, is obviously convinced that unemployment is a serious problem. It is a particular problem in Western Australia where the rate of unemployment has increased dramatically. Equally, the size of our work force has increased dramatically and we have high participation rates. We do not step back from the fact that in some parts of the country unemployment is growing faster than elsewhere. That is one of the reasons that I announced our support yesterday for the guaranteed minimum price for wheat proposal, because it will have a flow on effect through the entire community. Areas such as Geraldton and the wheatbelt generally will benefit from that announcement in a direct way. Max Johnson said on radio today that he went out and ordered fuel that he

would not have ordered previously. Therefore, the contractors and the oil companies providing fuel to him and other members of the farming community will see a direct benefit from that announcement. That is the sort of thing we do from day to day to support those businesses and industries, not overlooking the fact that problems are facing the community at the moment.

Members opposite want to have it both ways. On the one hand they want to keep taxes and charges down to the absolute minimum - I agree with and endorse that totally, and ours is the first Budget in a long time to seriously address that question - and do away with payroll tax, but on the other hand they want us to accelerate capital works and, therefore, increase the State's indebtedness or increase the demand on public servants. Members opposite do not seem to hear the message - which I will repeat for as long as is necessary - that they cannot have it both ways. We need to balance and manage those commitments, and we do. For instance, we announced recently, recognising that the building industry is a powerful force in improving employment, not just the 1 000 new homes package that will apply to the metropolitan area but also that 500 homes will be built in country areas, including Geraldton, Bunbury and Albany.

Mr MacKinnon: Yesterday the member for Cottesloe pointed out the fallacy of that.

Dr LAWRENCE: We have found a means, without raising taxes and charges, of getting the industry to cooperate - it has done so with enthusiasm, so the industry obviously does not share the views of the member for Cottesloe - with the building and finance companies, together with Homeswest, to provide directly for the building of 500 homes in country areas in such a way that low and middle income earners can afford them. Interest rates are going down at the moment, and an interest free period will be provided, and also insurance to prevent people having to default in the event of unemployment or sickness. That is a major and important announcement which will have an effect throughout the community. We will provide 1 500 homes in total, together with the Keystart program, which is the only thing holding the building industry together at the moment and is - despite trenchant and continued criticism from members opposite - a substantial program which deserves everybody's support. Additional loans will be made available to provide low income earners with the necessary support to enable them to buy the houses which will be built.

It may be convenient for members opposite to overlook the fact that there is already considerable capital works expenditure in the Geraldton region. I note with some interest that at least some of the candidates are uncertain about whether they want that money to be spent - on the marina, in particular. I do not know what are the views of members opposite and their candidate.

Mr MacKinnon: A 15 per cent reduction in capital works expenditure.

Dr LAWRENCE: We cannot talk about capital works increasing or decreasing in percentage terms. That is absolute nonsense if we look at regions. It does not make financial sense. I shudder to think what would happen were members opposite ever to occupy the Treasury benches if they think that capital works proceeds in that fashion. Whether we are talking regionally or generally, there will be times when the State's Capital Works Budget will be large because huge projects are being undertaken. I hope that very soon the people of Collie will give the State the opportunity of engaging in a substantial capital works project, again without direct cost to the taxpayer and with considerable improvements in the efficiency of the State Energy Commission and associated industries, while reducing the cost of electricity to consumers. It is very important for employment that we look at those taxes and charges and continue to ensure that they are kept to a minimum. I believe that by this time next year this State, unlike the rhetoric which we hear in New South Wales, will have the lowest level of taxes and charges across the board to small business. That is a goal which we should all want to endorse.

I have been in this House since 1986, and the member for Pilbara was right when he said that every time members opposite want to create a bit of fear and alarm in the community, they thump the law and order drum. That is particularly true in Geraldton. We know it worked before and that members opposite nearly got a candidate up in that election campaign.

Mr MacKinnon: I spoke to a chap there who had 17 stitches in his leg. He thinks there is a law and order problem. Do you think he is wrong?

Dr LAWRENCE: We know there have been problems in Geraldton, and they have been addressed in a systematic and careful way. I do not deny that the community deserve protection and a systematic response to the problem, but that is what they have had. I was interested to note that people in the Geraldton community have been slaving their guts out to get on top of this issue. It is not something about which Government members can come in and snap their fingers. Everyone must cooperate - the local youth, Aboriginal communities, the police, senior political leaders, and people like the Mayor, Faye Simpson - and we need solid contributions from everybody, not some opportunistic politician coming in and trying to ramp it up as a problem which has gotten out of hand. The community has done a great deal, in cooperation with the Government, to reduce the crime rate by almost 24 per cent. We would rather it were zero, but I urge the Police Force, those Aboriginal people who have been working very hard, and the employment and training people who have had a direct program of putting some of those young offenders into employment, to continue their good work, and they will continue to get our support. We will continue at a State level to ensure that resources are made available right through the system. That does not mean just providing more police or more laws to control people. Law and order is a much more complex problem than that, as members opposite know in their heart of hearts but which they are never prepared to acknowledge. I pay tribute to the people of Geraldton, who have had some tough times in relation to outbreaks of violence, for the tremendous work they have done. I hope members opposite will endorse that and seek to support them in further efforts of that kind. We will continue to ensure that the community is the base for law and order and proper protection, and that the community have the resources that they deserve.

I turn now to tertiary education. The Leader of the Opposition has made the most extraordinary promises to the people of Geraldton, promises which he cannot deliver, nor could he were we as a State ever to have the misfortune to have members opposite in Government, because they do not make sense. What should be provided for the people of Geraldton and the Geraldton region is access to tertiary studies, which they have already in considerable measure and which will be developed as demand occurs. If the Leader of the Opposition is suggesting that we provide facilities and programs ahead of demand, I would be appalled to think that is the way he might manage tertiary education or any other area of Government service in the future. The people of Geraldton certainly deserve those facilities and courses. The Leader of the Opposition may not understand that that needs to be done in cooperation with the higher education institutions and that for some courses which he has named it does not make financial sense to conduct them at every centre throughout the country, and centralisation is required.

## GRIEVANCE - LEGISLATION

### *Incomprehensible*

MR READ (Murray) [12.17 pm]: I address a grievance to the Leader of the House which relates to a concern I have that much of our legislation is basically incomprehensible.

Mr COURT: Have you read the legislation about paying interest on overdue State Energy Commission accounts?

Mr READ: No. There is a lot of legislation which I have attempted to read but which I have a great deal of difficulty in understanding. That is not because I think that I or anyone else in this place lacks intelligence or knowledge but rather because it is difficult to work one's way through the legislation. That creates quite a few problems, particularly for members of Parliament, because we have to vote on that legislation and it is important that we understand it, and also for the people to whom the legislation is directed. The people who must administer that legislation must also understand it. In Victoria a report has been compiled on ways of making legislation easier to understand. Within that report was an intelligibility testing program, which scored a passage of legislation on the basis of the number of years of formal education which would be required to enable a person to understand it. In other words the norm, or upper range, is about 16 years; 12 years of primary and secondary school and four years of tertiary training. Various pieces of legislation were tested, and they scored between 22 and 26 years, which means that they were at such a complicated level that 10 to 14 years of university education would be required to understand them. That is obviously unacceptable. It falls well outside the range of the average man and woman in the street.

We hear reasons advanced for legislation not being plainer. Legal practitioners say that if it were not framed in this legalistic form it would reduce the precision of the legislation. That has been proved to be wrong. How many times has legislation come back to this place to be amended as a result of unforeseen circumstances, or because of different interpretations of the legislation? How many times have we seen court cases brought as a result of people not being able to understand the legislation and misinterpreting it? The argument that legislation needs to be in this legalistic jargon is totally incorrect.

It is worth examining the cost of having legislation in this current form. Firstly there is the social cost. People who do not understand the legislation and do not understand the laws being enacted often commit offences unknowingly. They often appear before courts, and there is a social cost in that. The economic cost relates to court cases which result from misunderstanding legislation, and also from paying lawyers to interpret and even to frame legislation. We all know the cost of legal advice these days.

What are the causes of legislation being complex? Perhaps they can be broken down into four areas. Firstly, legislation is long winded. There is a tendency to incorporate several clauses in a sentence rather than break it up into several sentences. As a result of research I have discovered that it is not unusual for pieces of legislation to include sentences of up to 100 or even 200 words. If we try to work through a sentence of that length, especially if the subject matter is complicated, we will have great difficulty in understanding it. Rather than using these sorts of sentences, perhaps we could look at breaking sections down into shorter sentences. Legislation is often very complex in the way it is drafted. Very often two or three conditions or areas are tied into one sentence. As a result the reader must read through the sentence several times in order to extract one principle which is often buried in another, and often within a third or even a fourth or fifth. The reader must read a sentence several times in order to extract what is meant by a section. The person drafting the legislation will often use what have been described as artificial concepts, or concepts the draftsman has created himself. Instead of addressing the issue at hand, the draftsman will substitute words, or what has been described as hybrid language. For instance the words "relevant procedure" or "prohibited procedure" might be used. The section might say, "Anyone using a prohibited procedure will be subject to a fine of \$2 000." Somewhere buried in the legislation is a definition which describes prohibited procedure. It would be simpler if, rather than using that jargon, the prohibited procedure were defined within the section so that the reader would know exactly what is being said. Another tendency is for the draftsman to state the condition for the rule before stating the rule. Instead of saying X must do this if the conditions are so on and so forth, the legislation tends to be drafted in such a way as to say, "If A, B and C, then X must do Y." That is not how the English language is read; it is more appropriate to a foreign language such as Turkish.

Many other improvements could be made in the organisation of legislation. The numbering system is confusing. We have sections, subsections, paragraphs and subparagraphs. We interchange numbers and letters to highlight those areas. An improvement could be made by using a decimal numbering system such as 1.1, 1.2, 1.3 and so on rather than 1(2)(a). Legislation often has definitions at the front before the person has even read the legislation. It would be more appropriate if the definitions were included at the back of the legislation. They could be easily highlighted so that when a person reading through the legislation comes across a word and he is not sure of the definition he can refer to the back of the legislation. Legislation would be more coherent if, at the start of the legislation, the aims and objectives were stated. Secondly, there could be an explanation indicating to what persons, events or things the Act applies for the benefit of people who are not clear in their minds. The general body of the Bill could then follow with the definitions at the end rather than at the start. There could also be an index which we already include.

South Australia and Victoria use a simpler method of drafting legislation. I have copies of legislation from those States, and it is basically a lot easier to read. The index is set out much more clearly, and the wording is in plain language. If a clause is complex there is a definition underneath it, or an explanatory note. All those things help the average man and woman to understand the legislation. I realise a variety of complex issues are involved here, but I ask the Minister to consider investigating and adopting the research which has already been done by the Law Reform Commission in Victoria into trying to make our legislation more easily understood by us as legislators, by the people who have to implement it, and

more importantly by the men and women in the street who are affected by that legislation. They can often suffer the consequences of not understanding it.

**MR PEARCE** (Armadale - Leader of the House) [12.27 pm]: The member has raised a very interesting question, and I have been watching with some interest the progress of the Victorian Law Reform Commission and its various sets of recommendations for model legislation. It is very apposite that the member has raised this issue now. In general terms I support what he said today in support of the proposition that this proposal deserves consideration in Western Australia, because if any member has tried to cope in the Parliament with an amending Bill and match it up with the Act and with other amendments which have been passed to try to work out what the truth is he will understand the position. I am sure you, Mr Speaker, can recall over the years, as I can, arguments predicated with a different understanding on one side of the House from the other about what the Act says and what it means and what the amendment purports to do. On occasions the Parliament has been adjourned while members try to find out precisely what the situation is. Even when we have an Act sitting under our eyes it is very difficult to work out what is meant.

I have never forgotten one debate concerning what constituted an authorised person. We spent a whole morning discussing what an authorised person was. The member concerned has now left the House, but he demanded to know who the authorised person was. If someone had been able to say that the authorised person was Mr Smith he would have been satisfied, but of course the Act was looking at something much more complex than that. However, I warn against the proposition that clearer legislation could lead people to be their own lawyers, because legislation does not stand alone. It might be possible to read and understand it on its own, but it has to be read and understood in association with other legislation, and in association with rulings made in the courts and in other places. Was the member for Cottesloe about to say something or was he only yawning?

**Mr C.J. Barnett**: The level of debate has reduced me to this.

**Mr PEARCE**: That often happens. If that is the case, I am prepared to raise the level to accommodate the member. I am sorry that I awoke the member at all.

**Mr C.J. Barnett**: The Minister is surprised that I was actually listening.

**Mr PEARCE**: The member has a particularly wise way of yawning. I noticed the look of wisdom that came over his face before he yawned, and I paused. I thought he was about to offer a pearl of wisdom but I was incorrect. I was right about the member for Collie this morning and wrong about the member for Cottesloe.

I am happy for the Government to investigate the proposal which the member for Murray has put forward. It is a very sensible one. The first step would be perhaps to make contact with the Victorian Parliament and Government to see the extent to which that experiment has been successful. I have not seen any final result of that from anyone's point of view. That would be an important move. The fundamental proposition is a good one. The law should be intelligible; people should be able to read an Act of Parliament and understand what it says. People should not need to have a bachelor's or higher degree to work their way through an Act of Parliament. That is most strongly the case for members because I believe that when laws are passed in this place most members do not know what they are voting on. They rely on one or two Ministers or shadow Ministers on either side fundamentally to make an analysis of legislation and report to them on it.

**Mr Thompson**: That is why Independents should be paid more.

**Mr PEARCE**: Why should we pay Independents more when they are worse off? They do not have somebody analyse legislation. The member for Darling Range votes out of pure ignorance on almost everything, yet he asks for a raise on that basis. That seems a little rough. Were the member for Murray able to put into effect his proposal the Independents would understand what they are voting on and that would be of advantage to everybody. We would get a wiser vote.

**Mr Thompson**: Just because I am sitting in this seat, the Minister does not need to take to me.

**Mr PEARCE**: I have noticed that the Independent member for Darling Range shows a level of schizophrenia about these matters because he wants to sit up the back and be an

Independent but he frequently comes down to sit in either the Leader of the Opposition's chair or the Premier's chair.

Mr Thompson: They are equal positions.

Mr PEARCE: I would say that although the member is an independent soul, there still burns in his breast a party political candle, and if it could lob him into either of the seats he would like to occupy so much he would not mind taking up that chance.

Mr Thompson: The Minister is wrong.

Mr PEARCE: The member would have made a good Premier had the opportunity been given to him - a reasonable one, anyway.

Mr Minson: An Independent party will be formed shortly, so watch out.

Mr PEARCE: My understanding of the situation is that we now have three Independent members, and that the member for Darling Range thinks that he is the leader by dint of seniority. However, I have also seen the other two Independent members having surreptitious meetings in the corridors. So I consider that the position of the Independent member for Darling Range is no more secure as leader of his party than is the position of the person whose chair he currently occupies.

I am prepared to have the suggestion, put most eloquently by the member for Murray, investigated by the Government and discussed with the Opposition and Independent members, to see whether we can move to something like the Victoria Law Commission's suggestion for model legislation.

## GRIEVANCE - ABATTOIRS

### *Meat Inspection Policy*

**MR MINSON** (Greenough - Deputy Leader of the Opposition) [12.34 pm]: My grievance, directed to the Minister for Health and to the Government in general, involves meat inspection and abattoirs policy. I grieve on two grounds: First, that the new strategy on policy regarding the standard of operations and inspections at abattoirs is completely and utterly unrelated to health. The second ground for my grievance is that apparently the State has given in to the demands of the Eastern States, particularly the Federal Government, without paying attention to what should be the basis upon which we license abattoirs. That will cost this State very dearly.

I first became aware of the problem, and the change in the abattoir meat inspection policy, in 1989 - not long after I entered Parliament. I was approached by a deputation from local abattoirs in the Geraldton-Greenough region. I wrote to the Minister who suggested that I should contact Neil Bolton who was then the manager of meat hygiene. I made a submission to Neil Bolton regarding what I thought were the deficiencies in the proposed policy. I discussed the matter with the Minister who assured me that he would take on board my comments. He also assured me that the local abattoirs would not be adversely affected. Around 12 months later, at the end of 1990, I discovered that all country shires had received correspondence regarding the abattoirs meat inspection policy and the implementation of it. I discovered also that very little of what I and the small abattoirs had put forward had been taken into account when the policy was finally drawn up. My main concern is that we have lost sight completely of what should be the basis of the regulations.

Three areas should be considered, although they are not of equal importance. The first consideration is health; that is, what is healthy or what is unhealthy for people to eat. The second consideration is our export market, although I acknowledge that is a Federal matter. Third, we should aim for uniformity throughout Australia. The latter consideration rates a very poor third on the list. In July this year, we will commence the nonsense of what is safe to eat in one town will presumably make people ill in another town. I do not understand why we are about to proceed down this track. To review the current situation, full meat inspections occur at a given level for export abattoirs. I acknowledge this is a Federal matter, but in this State we have category A which has the full meat inspections and must meet a certain standard of abattoirs facilities. Such facilities are entitled to trade interstate. Category B has full or partial inspection and meets a different standard for abattoirs facilities. They are entitled to trade intrastate. The next category trades intrashire, without the requirement for meat inspections.



The proposed change will adversely affect a number of abattoirs at Geraldton, as well as around the State. Stage 1 will come into effect in July 1991, and intrastate trade will require full meat inspections. This change will result in increased costs, a decrease in employment, and an increase in centralisation. The large abattoirs around the metropolitan area will survive. Unfortunately, no regard has been taken of what I consider to be the most important baseline consideration; that is, health. I suggest that a number of abattoirs' operations will be killed off. In 1991 we will have to shift our position. The policy document states -

Full meat inspection to become a requirement for intrastate trade, i.e. meat inspectors must be on the premises during slaughter and inspection must include the carcass and offal of every animal. Abattoirs not provided with full meat inspection will be restricted to a service kill for farmers only.

I regard that as a nonsense. It proceeds on the premise that farmers can eat something that is substandard but it will make everybody else sick; a standard of meat inspection which is acceptable to people in Greenough, Geraldton, Moora or any other such town is not satisfactory when the meat is trucked to Perth or elsewhere. That is utter nonsense and must be addressed.

I am aware that the possibility exists of a meat trading agreement being drawn up between shires to allow boundaries to be crossed. However, it is possible that this will be prevented due to some legal problems. I would appreciate an indication from the Minister in his reply whether he will stand in the way of those proposed agreements. The outlook is even worse with stage two of the policy. At that stage all facilities will have to proceed with full meat inspection when the current random inspections and part time inspections are all that is necessary. I hope the Minister will see fit to review these requirements.

Before concluding I will address the export market situation applying in Australia and the fact that we as a State have not resisted a headlong rush into a standard of abattoirs operation and meat inspection which is totally unreasonable. We have fallen into the trap of trying to cater for the elite markets. The Japanese and American markets have set standards with which they do not want to comply themselves. They have done this purely and simply to keep us out of their markets. However, we have fallen into the trap in that all our abattoirs must meet these very high standards. We must approach the situation in a completely different manner and licence our abattoirs in accordance with the market for which they cater. In other words, if Romania wants to buy so many thousand carcasses, it should arrange for a representative of that country to come here and tell us the standard it wants for the slaughtering of animals and we could license the abattoirs which would export to that country in accordance with that standard.

I am aware of the reasons for the changes; it was a result of the horse meat substitute racket which occurred in the early 1980s. However, we have gone overboard and adopted a bureaucratic approach to the solution - commonsense has gone out the window. I ask the Minister to address the situation, otherwise abattoirs in Greenough and Chapman Valley will have to close. This is a big problem which applies to many country areas and we could well see a loss of jobs and more people moving from the country areas to the city and outer city areas.

**MR WILSON** (Dianella - Minister for Health) [12.43 pm]: I followed the Deputy Leader of the Opposition's comments very carefully and I was very pleased to see that he was at pains to emphasise that the primary reason for licensing abattoirs was to preserve public health. However, when he proceeded further into his argument, it was not clear whether his argument was logically related to that concern. I can accept other arguments supporting the position he put, but they do not apply if, as he said, the primary concern is the preservation of public health.

**Mr Minson:** Health is the underlying factor. When was the last time anybody in this State became sick from eating meat, either from an inspected abattoir or otherwise?

**Mr WILSON:** I can understand people arguing that way, but any public health authority officer, any health Minister or any public health administrator in the 1990s who argues that way is really digging a grave for himself. It is never good enough under modern requirements, with the expectations the public has about quality control for food and guaranteeing public health, to say that just because no reported incidents of ill-effects have

occurred under current standards we should continue with those standards. That will not guarantee that there will be no such incident. That is just not acceptable in the 1990s.

Mr Minson: The random system worked well for years. There is absolutely no risk to public health under the current system.

Mr WILSON: Anyone who adopts that attitude does not have sufficient concern for preserving public health. The history of the administration of public health contains many examples which indicate that when a problem occurs the community immediately takes the view that the public health authorities should have foreseen the problem and put in place adequate preventive measures. In that circumstance it is difficult to say that just because something has not happened we should not be taking proper precautions to ensure that it cannot happen with every guarantee.

Mr Minson interjected.

Mr WILSON: I listened to the member without interruption.

Mr Minson: I do not get another opportunity to speak.

Mr WILSON: The member wanted only one answer and he is not prepared to debate the matter or think it through.

Mr Minson: I have thought it through.

Mr WILSON: To the member's satisfaction. He has thought it through defectively; he should expand his thinking in all sorts of ways, but especially regarding this matter.

The policy review is intended to ensure that all animals slaughtered for sale for human consumption are subject to the full requirements of the Australian Code of Practice for anti-mortem and post mortem inspections of animals by July 1991. All abattoirs which are trading on the unrestricted intrastate market will comply with the Australian Standard for construction equipment for abattoirs by 1 July 1993. Under that policy which will be implemented in stages we will end up with a public health meat inspection service which is uniform throughout Australia. That is what one would want to see.

Mr Minson: Only if there is some commonsense attached to it; there appears to be no commonsense applied to its implementation.

Mr WILSON: How can one have a health standard which guarantees the maximum degree possible -

Mr Minson: The maximum degree is not necessary.

Mr WILSON: I am happy to have the member on the record saying that the maximum degree of control of public health is not necessary. I would hate to be on the record saying that, and no Minister for Health anywhere in the world would be prepared to be on the record saying that.

Mr Minson: I am prepared to say that the standard you are requiring for killing animals in this country is unrealistic; it is a nonsense.

Mr WILSON: The outcome of that argument is that the member is prepared to say that for some people the standard should vary. I am not prepared to say that. In any case there is good support for -

Mr Minson: There is no support for it except within the Health Department and those abattoirs which already have a licence.

Mr WILSON: The Deputy Leader of the Opposition does not know. The Department of Agriculture, the meat industry authority, and the public health authorities in New South Wales, Victoria and the Northern Territory support it.

Mr Minson: They have something in common, they are either bureaucrats or they represent industries that have already got a licence.

Mr WILSON: They are also people who are concerned about preserving standards. I am surprised that the member for Greenough has so little concern about the real dangers of any perceived lowering of standards, or lack of willingness to adopt the highest standards, for the export industries of Australia. The member can downplay for all he is worth the fact that the Japanese and Americans are requiring too-high standards because of their hidden agenda to

keep our products out of their markets. But irrespective of that argument surely the true position is that if we have any chink in our armour at all it will be used by them to pillory us further. We cannot afford to have standards which allow chinks in the armour which will be exploited by the protectionists in Japan and the United States to undermine our export potential. That is a very sensitive area.

Mr Minson: Give them what they want.

Mr WILSON: I am surprised that anyone who represents the interests of his electorate - as the member does very well - and of primary producers would not be sensitive to the dangers to the Australian export market if we are perceived as having standards which are not as perfect as they can possibly be.

Mr Minson: I have said that we should give Japan and America what they want, and the other countries what they want.

Mr WILSON: I do not see the consistency of that argument. I am prepared to have maximum consultation. We promulgated the draft policy last year and we asked for comment from shires, abattoirs and others. We received comments and we made some alterations as a result of those comments, but the general view and line of advice that I have is very much opposed to compromising on the uniform policy across the State for maximum protection of the public health in the operation of inspection services in abattoirs. That is not a principle we can go back on. The member for Greenough is suggesting ways and means of trying to move around that principle, which he says allows for commonsense in particular situations.

Mr Minson: I am saying that the current situation is good and that it does not need alteration.

Mr MINSON: The member cannot quote any instance, and nor can I, of the system failing in recent times, but he cannot build an argument on that point alone.

The SPEAKER: Grievances noted.

*Sitting suspended from 12.55 to 2.00 pm*

## WHEAT MARKETING AMENDMENT BILL

### *Second Reading*

MR HOUSE (Stirling) [2.05 pm]: I move -

That the Bill be now read a second time.

Although the proposal in this Bill is both important and urgent, events elsewhere, particularly those which occurred yesterday, may make it unnecessary for this Bill to proceed beyond the formal second reading stage. As all members will know by now, the Premier has responded positively to the National Party's move for a guaranteed minimum price for wheat. As the Premier told the House during question time yesterday, the detail of the State Government's response has yet to be decided. If it were to adopt the measures contained in the Bill, or at least something very similar, it would be somewhat pointless for me to proceed with the Bill. However, I advise members that if the Premier's proposal falls short of the provisions in this Bill to any significant extent, I will ask the House to deal with the Bill through all stages at the first opportunity after the Easter break. I am quietly confident that the Premier will see the sense of supporting the National Party's proposal in its entirety. In anticipation of this I thank the Premier for being prepared to put party politics to one side and for recognising that a sound idea can come from either side of the House. I also acknowledge the support of the Leader of the Opposition and his colleagues. Not so long ago, many people from the conservative parties were clamouring for deregulation of the wheat industry and consequently taking us down the same disastrous path created by the Federal Labor Government for the wheat industry.

The Western Australian Farmers Federation was faced with the difficulty of choosing between supporting its parent body, the National Farmers Federation, and the wheat industry. That it eventually supported the wheat industry is to be applauded. I also note that the Pastoralists and Graziers Association and many individual farmers and farmer groups have supported the National Party's proposal. If the cross-party support for the National Party's proposal translates into a State guaranteed minimum price, which now seems likely, I

wonder whether that means we will all have become agrarian socialists, which is the term of abuse that some ideologues apply to anybody who can tell the difference between a free market in an economic text book and a rigged market which exists in the real world of wheat trading.

The purpose of this Bill is to provide for a guaranteed minimum price for wheat in Western Australia. It is widely known that the wheat industry is in crisis and that the crisis is not of the industry's making. What is not so widely known is the extent of that crisis and the scale of the social problems in its wake. A few weeks ago, my National Party colleague in another place, Hon Eric Charlton, organised an all-party tour of the wheatbelt. The purpose of the tour was twofold: Firstly, it was to expose some city-based members of Parliament to what is happening in the wheatbelt and to give them a direct understanding of the problem; secondly, it was to prepare the ground for the necessary support in Parliament for the very measure that is contained in the Bill.

Hon Eric Charlton's wheatbelt tour included parliamentary colleagues and rivals from the Liberal and Labor parties. By the end of the tour, every one of them understood the importance and urgency of establishing a guaranteed minimum price for wheat. Indeed, as an all-party delegation, they have met the Minister for Agriculture and put their views to him. In that sense, there is all-party support for this Bill.

I remind members of the motion I moved in this place on 13 April 1989. In essence, that motion was about Western Australian wheat growers retaining control over their industry. That motion also received all-party support in the Parliament. All three parties in this place have been let down very badly in relation to the wheat industry by their Federal counterparts. I trust no member of either House of this Parliament is under the illusion that Canberra will recognise its mistakes in time for the coming wheat planting season. What concerns me more than anything else now is that the decision-makers in Canberra - and I include politicians, bureaucrats and some industry organisations such as the National Farmers Federation - have forgotten in their preoccupation with ideologies that hundreds of thousands of families are trying desperately to make a living in the wheatbelt and in associated industries.

I despair at the practice followed by so many Governments of trying to make people fit into the latest economic theory. Deregulation is fast becoming a secular religion in Canberra with the three parties seemingly intent on outdoing each other in the frenzy to prove their ideological purity. Obviously, the Australian economy was over-regulated and we needed a sensible deregulatory approach in Government. However, commonsense and a rational approach to the appropriate levels of regulation in our economy have been tossed out the window and the fanatics seem to have taken over.

The recent decisions affecting the wheat industry are not driven by commonsense or an understanding of the international wheat market; they are driven by an ivory tower ideology. The people behind decision making clearly have no idea of how those decisions will affect and impact on people. Their version of economics is flawed because it fails to understand that the economy is not a series of formulas and economic laws of behaviour - an economy is made up of people and its performance is determined by the efforts of those people. The wheat industry is not composed only of wheat growers: It is the families on the farms, in the wheatbelt towns and in the cities who work in the various service industries. Many people in Western Australian and Canberra have - with the notable exception of a handful of Federal National Party members of Parliament - made Western Australians hostages to their latest economic dogma.

Everybody outside Canberra understands that the international wheat market bears no resemblance whatsoever to a textbook free market. A free market is supposed to reward efficient producers and punish the inefficient. The international wheat market today is one in which the least efficient producers are undercutting the most efficient. The Australian wheat industry is the world's most efficient, yet it is punished mercilessly in the international wheat market by subsidisation by other countries. Even before the export subsidy war between the United States and the European Economic Community began, the international wheat market was regulated to a substantial degree by the transnational trading cartels. The majority of customers were and are still Governments rather than the consumers themselves. With the recent export subsidy war it is fair to describe the international wheat market today as even

more distorted than it was before. It is in this climate that the Australian Government wants to lead the way to free trade by example. Canberra's strategy is based on the forlorn hope that the United States and Europe will stop subsidising their export wheat. That may happen some time in the future, but by then the local wheat industry and all the families in it will all but be destroyed. Let none of us ever forget that on the world stage of wheat trading, we are but one of the small part actors.

Many things must be done to give the local wheat industry a fair chance at surviving the current crisis. The National Party has put forward a comprehensive program of measures that must be adopted. However, no action will have as significant or immediate an effect as the guaranteeing of a minimum price for wheat at \$150 per tonne for the season ahead. I ask members to reflect for a moment on what is likely to happen if this Bill is not passed immediately. Wheat growers are still struggling with their budgets for the coming year. With wheat at its current projected price the budget sums do not add up. The projected price of wheat is well under the cost of production. This means that wheat growers, for the first time in living memory, are confronted by the decision whether to put a crop in at all. Those families whose income depends either directly or indirectly on the wheat harvest cannot seriously expect growers to plant a crop that will lose money. That is like expecting a wage earner to work for a year and not only remain unpaid at the end of it, but also to have to write out a cheque for his labours. The current projected price of wheat will inevitably cause a substantial reduction in this year's wheat planting. The State's economy was already in trouble with the wheat industry producing a crop in 1989-90 worth \$950 million. The price has fallen dramatically since then. That means that an already troubled economy is in deeper trouble. If, on top of the fall in wheat prices, wheat growing is slashed its effect on the State's economy will be devastating and its effect on the rural economy in Western Australia will be to kill off large sections of the economy, particularly in rural industry.

The amendment to the Address-in-Reply debate which was moved last week by the Leader of the National Party may have been defeated on party lines but during the debate it became clear that all parties recognised that the Leader of the National Party was right in claiming that failure to make the right policy decisions now will result in the most disastrous social collapse that the State has ever experienced. I am sure every member of this Parliament is sufficiently well aware what is at stake. I am confident that no member will tolerate any party-political gamesmanship over this legislation. This Parliament can demonstrate its collective commitment to Western Australia by putting politics to one side and supporting this Bill.

I turn now to the detail of the Bill. The Bill establishes a guaranteed minimum price for wheat of \$150 per tonne for the 1991-92 season, and for that guaranteed minimum price to be indexed to the consumer price index for future years. The amount of the guaranteed minimum price is to be set about two and a half months before the seeding season normally starts, as this is necessary to enable growers to budget for the coming season. In practice, of course, growers will be able to work out the guaranteed minimum price well before then, and do so with sufficient accuracy for budgeting purposes.

The Bill applies only to wheat grown in Western Australia and sold to the Australian Wheat Board. The Bill provides that the Minister shall publish in the *Government Gazette* just before harvest each year the Wheat Board's projected net price for that year's wheat. If this price is less than the guaranteed minimum price, the Minister shall direct the board to pay the difference to growers at the same time as the first payment made under the contract of sale with the board, and the Treasurer shall guarantee the funds necessary to do that. The Commonwealth Act spells out the formula to be used for determining the actual net return from a wheat pool. Members should be aware that the actual net return may differ from the board's estimate made just before the harvest. Therefore, some or all of the amount that may be paid under the State guarantee may be reimbursed through a higher actual net return than the pre-harvest estimate.

Finally, the Bill provides that if an amount is paid under the State guarantee to growers at the same time as the first payment, and if that amount is not reimbursed through subsequent payments, taking the actual net return over and above the guaranteed minimum price, the shortfall, plus interest, shall come out of the Consolidated Revenue Fund. Given the social collapse that will inevitably occur if a significant reduction in this year's wheat planting occurs, this is the most important Bill to be introduced into this House for as long as I can

remember and, I suggest, for as long as the member for South Perth - who was first elected to this place in 1947 - can also remember.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Bridge (Minister for Agriculture).

*As to Message - Appropriations*

Mr PEARCE: I ask the Speaker to provide the House with some information. This Bill does not have a message but it does involve expenditure. How does the Speaker intend to proceed with the Bill?

The SPEAKER: I have indicated to the House on previous occasions that when a Bill requires a message and does not have one, and there is no indication that one may be forthcoming, that Bill should lie on the bottom of the Notice Paper. However, I admit that I have reflected on that previous ruling, and I find some difficulty in continuing to apply it because Government Bills appear in this place without a message. While one could assume that they will receive a message, one should not assume such a thing. It is my view that this Bill does require a message, but it should take its place on the Notice Paper until such time as it comes forward again for debate. If it then has not received a message it will go to the bottom of the Notice Paper.

**MOTION - RURAL CRISIS**

*Farmers and Pastoralists - Assistance Eligibility Criteria*

MR OMODEI (Warren) [2.20 pm]: I move -

That in recognition of the fact that the current rural crisis is mainly due to the downturn in agriculture and agriculture related business, this House calls on the State Government to -

- (1) return the Rural Adjustment and Finance Corporation to the control of the Minister for Agriculture;
- (2) expand the Rural Adjustment Scheme (RAS) eligibility criteria to allow pastoral properties and leased farms to be eligible for assistance; and
- (3) expand the RAS eligibility criteria to enable rural related small businesses to be eligible for assistance.

The motion relates to lenders of last resort to farmers and pastoralists. Members know that farmers have access to loan repayment deferral or interest only loans through their trading banks, and then through the Commonwealth Development Bank or the Primary Industry Bank of Australia Ltd. Of course, they also can make application to the Rural Adjustment and Finance Corporation when those avenues have been exhausted. Members on this side of the House and a number of people in rural areas are concerned that it does not take very much to render a pastoralists or farmer ineligible for assistance under the RAFCOR scheme. Another investment or a student attending a private college mitigates against farmers gaining approval for RAFCOR assistance. It is on that basis that I bring this matter before the House. It is of grave concern to many rural based people. The deputy leader of the National Party raised this issue in his second reading speech on the Wheat Marketing Amendment Bill which he introduced into this place. I commend him for doing that. That Bill highlights the fact that a number of people in Western Australia are in dire circumstances both financially and otherwise. It is incumbent on us to ensure that other sections of the rural industry are eligible for some kind of assistance; by that, I am referring to those people involved in the pastoral area. The Minister for Agriculture was made aware of that when he attended a meeting in Parliament House last week. That meeting was called to deal with the problems associated with the pastoral industry. At this time the pastoral houses have withdrawn finance from pastoralists on the understanding that they would be eligible for assistance from RAFCOR. We have now found that pastoralists are ineligible for debt reconstruction for stock under the RAFCOR criteria. The only assistance to which they will be entitled under those criteria is household assistance or a grant for leaving their properties.

Mr Leahy: They are eligible for hard core debt reconstruction under part A.

Mr OMODEI: I understand - the Minister will correct me if I am wrong - that they are not

eligible. In response to a question last night the Minister stated quite clearly that eligibility criteria would be changed within three days to cater for those people who are in strife. The main reason that farmers are finding themselves in difficulties is not only that countries such as the United States and the European Economic Community are subsidising wheat exports, but also that over the last 10 years, mainly during the term of this Government, the level of farm inputs has increased dramatically. As a farmer, I am aware that those inputs have been climbing at a steady rate over the last eight to 10 years to such an extent that when the Federal Government's high interest rates policy is added, farmers are slowly being strangled to death by financial constraints. It is not only subsidies being paid to overseas producers that are causing the problem. Certainly, it is incumbent on this Government to put in place a long term strategy to assist farmers whose farm inputs have escalated.

My motion, in the main, refers to the Rural Adjustment and Finance Corporation's being returned to the control of the Minister for Agriculture. The reason I have introduced this motion is that there is a feeling in country areas that RAFCOR is more related to agricultural matters than financial matters and that the Treasury Department is unable to respond quickly to problems that are being conveyed not only to the Department of Agriculture, but also to the Minister for Agriculture. I am sure the Minister agrees with me. A number of meetings conducted by his office have been concerned about people seeking assistance either from the Minister or from his departmental staff. On that basis alone, there is a strong case for RAFCOR to come under the control of the Department of Agriculture. A number of recommendations in the report of the Special Rural Task Force relate directly to RAFCOR and the expansion of part B of the RAFCOR assistance package to ensure that farmers are assisted in the best way possible. At the moment part B covers only assistance to those farmers whose properties have been affected by chemical residues as a result of recommendations by the Department of Agriculture. We have made it very plain in this place - there is a feeling of sympathy in the community - that farmers have been seriously affected by the rural decline and the State Government has not done enough. Through this motion I have given notice that the Premier, the Leader of the Opposition and the Leader of the National Party should form a delegation to the Federal Government to sort out the future of the rural industries, not only of Western Australia but also of Australia. RAFCOR is one area that needs to be covered in those talks.

The Premier has moved in the last week to bolster the Rural Adjustment and Finance Corporation by announcing that a further \$500 000 will be made available for extra staff for RAFCOR. That was not before time. Last year, RAFCOR handled only 160 to 200 applications for assistance with the same number being dealt with by consultants from outside RAFCOR. Those numbers have climbed to 1 300 or 1 400 assessments this year and the organisation is short of staff to deal with those assessments. Finance for RAFCOR is not a problem. It has adequate finance to subsidise debts totalling \$100 million. I cannot see the point of having all those resources when it does not have the staff to handle the assessments. That is a matter of some concern. The Premier has put in place the finance with which to employ additional staff. This House and the people of Western Australia need an assurance from the Government that it will move very quickly to employ those people. It is not possible to pluck off the streets at the wink of an eye professional people with the capacity to assess rural finances and hardship. It will be a time consuming operation and it needs to be commenced with some haste. I impress upon the Minister for Agriculture the importance of tackling these issues.

I refer now to the pastoral industry, the members of which are the forgotten people in Western Australia. Most of them rely on wool for their income. As shadow Minister for Agriculture I have received reports that a number of pastoral properties have been affected by drought and burnout by bushfires - for reasons not yet established. There is a case for investigating how these fires started because these people have been left with no pasture, no resources and only meagre tenure of land. Since this Labor Government was elected in 1983 five Ministers have been responsible for the Lands portfolio and to date the pastoralists still do not have security of land tenure. That is a major bone of contention among them. How can they go to a financier or pastoral house and expect financial backing when they have only lease tenure of their land? Many of the farmers who purchased leases in recent years when the rural industry was more buoyant are now finding the repayments a burden, and they should be entitled to some assistance from the Rural Adjustment and Finance Corporation.

The other day I heard of a person from Coorow who last year was offered a property, which adjoined his land and was ideally situated, for \$100 an acre, or \$75 a hectare. Fortunately he decided against buying his neighbour's property, because this year that property is selling for \$25 an acre. Those are the sorts of problems facing farmers: Equity in their properties has been dramatically reduced and access to finance has been limited. However, this Government has done nothing for the people who need assistance in the rural areas of Western Australia.

**MR HOUSE** (Stirling) [2.34 pm]: I am pleased to second the motion. The Rural Adjustment and Finance Corporation was first established in a slightly different form in 1971, and since then it has carved out quite a niche for itself in Western Australian agriculture. In the past five or six years I have had some involvement with RAFCOR and its officers because many of the people in my electorate have needed to apply to it for finance. Unfortunately, on many occasions when I have been involved with RAFCOR it has not been able to help the people desperately in need. The purpose of this motion is to try to demonstrate to the Government that changes are needed to RAFCOR to enable it to do its job better, to deliver a better service to the people in rural areas, and to enable many more people to stay on their farms. If the responsibilities of the corporation were expanded, rural businesses could apply for and be granted assistance.

To put RAFCOR into context it is important that members of this Parliament are aware of the large commitment it has to agriculture in this State. On 31 March 1990 - the date of the most recent figures available to the public - \$66 million was on loan from the corporation to farmers in this State. It is interesting to note that 21 per cent of the people who owed money to the corporation at that time were unable to meet their interest or repayment commitments. That was in a period during which agriculture had enjoyed two years of good, high prices end on end. One can only speculate on the pain being suffered at the moment if, at the end of a good two year period, 21 per cent of RAFCOR clients were unable to meet their commitments. It is important to recognise that \$66 million invested in the agricultural industry is a great deal of money, and it reflects the level of responsibility the corporation carries. It is also interesting to note that that amount of money is spread among 1 500 clients. The corporation plays an important part in the industry. Most of those who deal with it say it could have an even bigger role, and that the guidelines under which it operates should be changed to allow it to carve out a bigger place. Its guidelines should be amended to enable it to provide assistance to farmers before they reach the stage at which they cannot meet their commitments.

I asked some questions in the Parliament last week on this subject because I wanted to ascertain what was happening in this area and to understand the pressure John Groves, who administers the corporation as chairman, and his staff were operating under. I wanted to know whether they were coping with that pressure. I understand it is now taking something like 40 working days to process an application. I am sure everybody who deals with RAFCOR will agree that that is an unacceptable delay. Decisions must be made and farmers responded to very quickly so that they can make ongoing decisions about their purchasing requirements for the coming season. I know the Minister has made adjustments to the number of staff employed in the past few days and he has announced that more staff will be employed. However, we are reaching the business end of the season and those decisions should have been made earlier. I was interested to see how quickly the organisation had grown during the 20 year period from its inception in 1971 to 1991. I note that it now has three executive officers, being the chairman, the chief executive officer and a personal secretary. In its rural services section it employs five people; a manager, three regional rural officers, and a publicity officer. Under the industry and business analysis section it employs seven people; two in business analysis, two in industry analysis, an application coordinator, a security officer and a word processor operator. In the finance branch it employs 11 people; a manager, three loan account officers, four review officers, two security officers and a word processor operator. In the corporate services section it employs 11 people; a manager, an administrative assistant, three records officers, a telephonist, three outplacement officers and two finance officers. In the information systems section it employs another two people. This Government department has grown like Topsy.

**Mr Taylor:** You are talking about since 1971. How many people does it employ now?

**Mr HOUSE:** About 45.



Mr Taylor: If we look at the growth rate as such I suppose it would almost be infinite, but when we think that this department probably started off with 10 or 15 people it is hardly an extraordinary growth rate given the circumstances of agriculture in Western Australia. In fact, the growth has been very restrained.

Mr HOUSE: I am pleased the Minister made that interjection because I know he was here a minute ago when I referred to the amount of money loaned by the Rural Adjustment and Finance Corporation and to the number of clients which it services. In a moment I will compare RAFCOR of Western Australia with the same organisation in Victoria, and I hope the Minister will take notice of the numbers employed and the figures because it is an interesting parallel.

Mr Taylor: What about the geographical areas involved?

Mr HOUSE: I add now, and I will repeat it in a moment, that while it is apparently impossible for us to provide a rural based service for RAFCOR, Victoria can do it.

Mr Taylor: Victoria is a tiny State compared with Western Australia.

Mr HOUSE: All the more reason that we should have people in rural areas to service those clients.

Mr Taylor: You want one in Merredin and another one in Gnowangerup. The service would be spread extremely thinly. You can best service those people from Perth.

Mr HOUSE: We are listening to the philosophy of a city based party which wants to keep everybody in the city. I want to get them out in the country where the real work is done and where the productive people are. I suggest that we shift this Parliament to Gnowangerup. That would be a step in the right direction. At least we would get an international airport.

It is interesting to note that 70 of the applications which were processed by RAFCOR this year were assessed by the 41 staff in the internal offices of the department, and 89 applications were assessed externally by qualified farm consultants employed under contract to RAFCOR. The staffing level does not stop at the 41 people inside the department's doors because it uses farm consultants, and those farm consultants processed 20 per cent more applications than did the staff of the corporation.

Mr Taylor: You would approve of that, would you not?

Mr HOUSE: I have no objection to some assessments being made by agricultural consultants on a second look basis, and that probably keeps the corporation on track. However, the point is that 70 applications were assessed by 41 people and 89 applications were assessed by rural consultants, and those figures need to be looked at in relative terms. What was the corporation doing?

Mr Taylor: It depends on what sort of assessment they were doing, the depth of the assessment, and a range of factors. You cannot just say an assessment because they are all different.

Mr HOUSE: Sure. I presume the Minister is answering on behalf of the Premier?

Mr Taylor: Myself and the Minister for Agriculture.

Mr HOUSE: I hope the Minister will answer that question because at one stage he administered the RAFCOR scheme and I am sure he will be able to tell us exactly what those people do and why we need them. The other point is that it takes 40 working days to turn around an application. That is an enormous amount of time. I cannot understand why those applications cannot be processed more quickly. Forty working days transposes into about 55 days in total - nearly two months' downtime - which in my view is too long.

There is no question that RAFCOR has been under enormous pressure in the past three or four months, and while I believe that the staff have been doing the best job they can to make assessments correctly, the criteria according to which they have to work are not broad enough. I would like to see approved many more applications for assistance. The only way to do that is to allow assistance to be made available to people who are now not receiving that assistance because they do not fit into the criteria. I can give a number of examples. The first is that they do not qualify because they are judged to be in too good a financial position. In many of those cases they are borderline and running very close to the mark, but

were they to receive assistance at an early stage that would stop them getting into a more desperate position at a later stage, perhaps a year or two down the track. The second example is where an assessment is made and people are refused assistance and receive a letter from the corporation saying that they will not be funded or will no longer be funded, or cases where the corporation holds a crop or a wool lien, and does not refund the proceeds of the sale of that produce. That creates enormous hardship for the farmer. I have seen a number of letters the corporation has written to people telling them they must sell their farm. Right now it is almost impossible to sell farms in some areas, although I acknowledge that in some areas people can still sell farms at a price. It is essential that the Minister give an interim instruction to the corporation in order to keep those people on their farms for another 12 months. It is not good enough to write to farmers at this time of the year and tell them they must sell their farm; first, because no-one wants to buy their farm; and, second, because it is downright inhuman to say to a person who has been on the land for 30 years that he has to sell his farm within the next six months. We must find a way to assist those people to stay on their farms rather than assist them to get off their farms. That could be done by the corporation's extending its criteria to get people over the hump of the price problems with which we will be faced in the next year or two. The marvellous decision by this Government to underwrite the wheat crop in this State will give many of those people a second chance to stay on their farms. RAFCOR must reconsider the applications which were made and rejected during the past few weeks and do another assessment, based on a guaranteed minimum price of \$150 a tonne. I commend the Government for making that decision because it was a difficult one.

It is important that two other things be done to expand RAFCOR's guidelines. First, the corporation currently has a criterion whereby it will assist people to get off their farm if they give a commitment to sell that land. That assistance is available to the principal of the company or the family partnership which is operating that farm. It is not available to the sons or daughters of that family partnership. It is important that where sons or daughters want to leave the farm because they can see that there is no future for two families on that farm, that they have access to the same sorts of things that would be available were the father to leave the farm. They need assistance to enable them to be retrained, to undertake tertiary education, or to get apprenticeships. In some cases the family cannot support them during that period. Something should be done quickly to provide immediate assistance to a number of families to enable those sons and daughters to be retrained and to find an occupation outside farming, and to allow the farm to continue as a viable entity for the one family which is left. I know the Deputy Premier raised that question with Hon John Kerin when he met him in Sydney in December. To the best of my knowledge, no positive response has been made. I acknowledge that the State Government has tried hard to address the problem. I hope that it will continue to apply pressure because at the start of a new education year we can place people into apprenticeships or tertiary education courses, which will be important to their future and to the future of the family farming unit.

I turn now to the Rural Adjustment and Finance Corporation because it sits at the coal face of the problem in agricultural areas. Many farmers have borrowed against their equity for the coming year. They have also stopped buying the things that they do not desperately need. Therefore, some businesses are faced with a very severe cash flow crisis. The employees of those businesses will be put off, such as welders, carpenters, and mechanics. Many young people have bought homes in country areas and now find themselves out of a job because the employer no longer can afford to employ them. It is essential that the Government find a way to assess rural businesses in order to keep them viable so that when the turnaround occurs - as it surely will - those businesses will continue to provide a service. I hope that the Minister will comment on the likelihood of RAFCOR assistance being extended to these people. I have had a number of discussions over the last few years with the administrator of RAFCOR and his staff, in an attempt to find answers to the problems I have outlined today. I am often told that it is not possible, or that the legislation does not allow it, or that it cannot be done. Any one of those excuses has been offered in the past. I have taken the trouble to find out what has happened in other States. I have discovered that the State of Victoria runs a rural adjustment and finance scheme based on legislation very similar to our legislation but expanded in such a way that it enables the Victorian Government to do all the things I have outlined to the House - and which could and should be accepted by the Government. It may be that the Government will recognise and acknowledge that these things can be done

because they have been done in another State. Indeed, these actions were taken by a Labor Government in the State of Victoria, so it is not impossible.

The annual report of the Rural Adjustment and Finance Corporation of Victoria, in the Statement of Accounts 1989-90, reads -

The Corporation's objectives are:

- (a) to promote the establishment, growth and stability of, and increased opportunities in, rural industries in Victoria;
- (b) to promote economic growth in regional Victoria; and
- (c) to provide financial and other services for rural industries in accordance with the Act in a profitable, efficient and competitive manner and, if appropriate, in co-operation with other financial institutions.

And further on -

The Corporation's functions are:

- (a) to provide financial and other services to rural industries;
- (b) on the direction of the Treasurer, to administer State and Commonwealth schemes of assistance or other schemes;

The brochure outlines how the corporation in Victoria has gone about its job. That corporation has a total staff of only 30, despite all its other functions. Apart from the small number of centrally located staff, the corporation has three regional offices which administer the scheme in the regions. RAFCOR officers visit every farm on which they make an assessment and a judgment, often based on what they see on the farms. I know that the Western Australian corporation has been trying to visit every farm to which it lends finance, although its level of service has not yet reached that point. However, it strengthens my argument that these officers should move into country areas because this is where the action is for such an organisation. At the peak time of rural assessment - that is, in the early part of the year - the turnaround time for applications in Victoria is approximately three weeks. During the off peak time, the turnaround runs to 10 days compared with the Western Australian turnaround time of 40.5 working days. That performance is not good enough when judged against the performance of the Victorian corporation. I find it interesting also that currently the Victorian corporation has some 500 applications in the pipeline, so we cannot say that its workload is any less than that in this State. My understanding is that we have about 380 cases in the pipeline in Western Australia. The Rural Adjustment and Finance Corporation can take positive action to improve its services to rural Western Australia. This could be done very quickly by the Government if it chose to act now to put RAFCOR on a better footing, to allow it to deliver a better service, to allow the people it services to stay on farms or in rural businesses, and to allow employees to remain in employment this financial year. That may be difficult, but it is not impossible. Action should be taken quickly. We cannot go on any longer saying that it cannot be done. I have demonstrated that it can be done, and I urge the Minister to take the necessary action quickly so that we can deliver better services through the corporation. I support the Rural Adjustment and Finance Corporation. I support the efforts it makes in rural Western Australia. The corporation does not satisfy everybody, and it never will. Many times I have been critical of its performance and the assessments it makes; however, the corporation is an important part of the agricultural system in this State, and will continue to play a major role over the next few years. I am certain that the corporation's role will be expanded, but constructive criticism will not do any harm. I hope that both the executive officer and the Minister take note of my comments and attempt to put in place some changes which are desperately needed to bring the corporation up to running speed.

**MR BRIDGE** (Kimberley - Minister for Agriculture) [2.58 pm]: The motion before the House will not be supported by the Government, not because within it are not a number of very important considerations, but because most of the points advanced are matters which are currently being assessed, or have been assessed, and will continue to be assessed as a normal function of Government.

**Mr Lewis:** So the Government should support it!

Mr BRIDGE: There is no need to support it.

Mr House: How long have those assessments being going on?

Mr BRIDGE: I do not take exception to the deputy leader of the National Party or the member for Warren on most matters they canvassed other than to say that those matters have been attended to. Therefore, there is no requirement for the House to proceed with this course of action.

Mr Omodei: This is another speech where the Minister will agree with everything we have said, and then the Government will vote against the motion.

Mr BRIDGE: And that is precisely because we have these sorts of measures well and truly in hand. As far back as the beginning of this year the Special Rural Task Force -

Mr House: The Minister should shift back here so I can tell him what to say before he stands up. He needs a bit of advice.

Mr BRIDGE: I thought the member for Stirling would be interested in hearing what I had to say. At the beginning of this year the deputy leader of the National Party - I do not know about the member for Warren - was very much aware that these points were contained in a Government report. Further, the deputy leader of the National Party is privy to knowledge that a number of arrangements have already been set in place to address these points. Let us not forget that. It is not true, as the member for Warren has said, that the pastoral sector is being forgotten in the way of support measures from the Government. He is aware that the Kimberley pastoral sector sought from this Government a drought declaration because of the circumstances that prevailed in the Kimberley. They obtained that declaration and received assistance.

Mr Omodei: Why did they then come to me as shadow Minister for Agriculture if they are satisfied?

Mr BRIDGE: They felt sorry for the member and they wanted to educate him. That is sheer pity and that is what one does for people who do not always know what they are doing. In other words, if someone does not have his feet on the ground, he has to be helped along by others. The member for Warren could go to the pastoralists and say that this Parliament does not care about them, and that members in this place did not refute that so it must be right; but that is not the case. The Government has also declared the Gascoyne-Murchison area to be drought affected and, as I advised the member for Warren in a reply to a question yesterday afternoon, the pastoralists in that area were concerned about the requirements of RAFCOR and an adjustment had to be made quickly. A position was reached at that meeting which would achieve a satisfactory result for all parties.

Mr Omodei: Does this mean you will vote for the motion?

Mr BRIDGE: One does not vote for something that has already been implemented, only for things that have not been done. All of these things are in place and going along nicely. I agree with the first part of this motion where it calls for RAFCOR to be brought back under the umbrella of the Minister for Agriculture. The only addition that I would suggest is that perhaps if the Premier might consider this as a way to go she might also consider handing over her Treasury responsibilities as well! We could then get a bit of money and we might make the farmers happy.

Mr Minson: What about the third point in the motion?

Mr BRIDGE: That has already been canvassed with the previous Premier and the current Premier, and is an ongoing matter of debate between industry and the Government. There is a large measure of support in the rural sector for RAFCOR to be placed under the jurisdiction of the Minister for Agriculture. If that were the decision of Government I would have no difficulty accepting it.

Mr Wiese: If the Government introduced a proposal to put Treasury into your hands, I reckon we might support that.

Mr BRIDGE: The member would like that. In a general way there have been some complications with applications for RAFCOR assistance, but often the delay in processing arises because information which is sought by RAFCOR to facilitate that application has not been forthcoming. Yesterday I met a delegation from the rural sector who put that very same

request to me. They were seeking support for quick Government action in respect of outstanding applications. When we discussed the matter we identified where the problem was, and it was not with RAFCOR but with the applicants who had failed to provide details which are absolutely essential to RAFCOR. This was despite a number of requests and endeavours to get that information. When that sort of thing happens it cannot be said that there is a deficiency within the system. It is a two way street and a set of rules must be accommodated. In the course of reaching that agreed position; that is, of providing the information which is sought by RAFCOR, we must find it within ourselves to assist those organisations. There is no point coming to Parliament and stating that RAFCOR is inflexible and is doing nothing.

Mr Omodei: We did not say that at all. We said the criteria should be expanded.

Mr BRIDGE: The thrust of the motion is the inflexibility of RAFCOR to assist, and because of that inflexibility we must do something. We acknowledge many of the points raised in the motion, but they have been addressed over the past 12 months by the Government. Nonetheless there comes a time, despite our best endeavours, when some procedures and measures of accountability simply cannot be avoided. They are the areas which cause delay in these applications from the rural sector. I do not know how to get around that. The high percentage of debts that are owing to RAFCOR typifies this. I will not describe them as bad or doubtful debts, but RAFCOR is concerned about a high percentage of them. Members could ask how that was allowed to occur. We have to be a little bit reasonable in making judgments as to the degree of flexibility and at the same time accommodate the very urgent needs of our rural sector. Most of the points that have been put forward here today are measures that have been brought to the attention of the Government either by representations through the political system, from industry representations or through the Government's own observations of the need for changes. That will continue to be the basis of our approach. We have had continuing discussions with the Commonwealth Government addressing its part of the scheme. While the Commonwealth has talked about certain decisions being made in the past 24 hours it will not in any way deter our commitment to press for a rural adjustment scheme which is capable of giving greater assistance to the rural sector, and speeding up the process is central to that. Those matters are part of a continuous review by the Government into the requirements and the assistance needed by the rural sector. Pastoralists on properties with pastoral leases are already eligible and RAFCOR has 43 applications on its books for financial assistance.

Mr Omodei: What about subleases? They are the ones I specifically referred to, they are not covered.

Mr BRIDGE: The Opposition has put forward a motion that highlights, in its view, the inadequacies of funding to the rural sector.

Mr Omodei: And that you agree with totally.

Mr BRIDGE: We have made that judgment previously, we are correcting the situation and will continue to do so. It is not appropriate to take up the time of the House debating this motion. It would be preferable for the member for Warren to highlight to me, as the Minister for Agriculture, the problems that he can identify and outline the way in which these measures can be tailor-made to suit a set of arrangements. Last Friday was a perfect example of that. A group of people complained to me directly that the Rural Adjustment and Finance Corporation was inappropriate and that assistance from RAFCOR was not forthcoming. They mentioned what features of its operations were causing problems. We were able to work through those complaints and make adjustments here and there to overcome some of the anomalies which existed. From that point we are now better able to do something about the problems facing RAFCOR. That is the approach we should be taking now because the Government has a broad ranging commitment to assist the rural sector. I am not disputing that we are all committed to that goal. From time to time businesses vindicate and justify that general approach. Nonetheless, that does not mean opportunities do not exist for bringing to the attention of the Government changes which are appropriate based on evidence and examples which can be applied in order to change the functions of the scheme.

I am sure the Deputy Premier will directly address the administrative functions of RAFCOR. Most of the problems canvassed today have been raised thousands of times before. A strategy is in place in Western Australia to give considerable and appropriate support to the

rural sector. It is part of an ongoing set of arrangements which have been operating since October last year. The Government has taken a course of action which will address most of the problems. We will continue to do that. Yesterday's decision does not mark the end of the line for challenging the problems which have been raised with the Government, but it is a significant part of the list of requests which have been placed before the Government. Demands have been made previously and they will continue to be made. Resources should be combined to identify areas in which proper changes can be made and it follows that I, as Minister for Agriculture, will be only too pleased to coordinate with members of the Opposition to ensure the implementation of those measures. That will not be done by a motion like this. I do not support the motion.

**MR MINSON** (Greenough - Deputy Leader of the Opposition) [3.13 pm]: I wish to comment briefly on part 2 of the motion. However, before I do that I welcome the recent increases in funds made available through RAFCOR. They reflect something I have mentioned a number of times in this House; that is, that the rate of inflation, interest rates, and taxation rates in Australia tend to work against the Australian farmer because he operates his business and sells most of his commodities on the world market. This works against him because the world situation tends to be characterised by the opposite to what is being experienced in Australia. While that situation is changing it is true that in the past decade Britain, the United States and many other countries in the developed world have had lower inflation rates, interest rates and taxation rates than Australia. As a result Australia has been out on a limb in those areas. The Australian farmer has had to buy and sell his product on that market - markets which are well and truly bastardised by subsidies. The farmer has a very difficult job in selling his products. I have often said that the farming industry in this country should be taxed at a more appropriate rate and should be charged interest at rates which are appropriate to the world market in which farmers operate. One way of recognising that is to channel aid in some form via an institution such as the Rural Adjustment and Finance Corporation to provide lower interest loans and taxation exemptions on certain items. There has been a movement in that direction of late and an increase in the funding to RAFCOR. Therefore, to that extent, I am pleased to see that the points I have raised have been in some way addressed even though I know - or suspect - that those who address them do not do so for the reasons that I have outlined. Nevertheless, we have arrived at the same result.

Leasing farms is a useful option for a farmer, particularly if he finds that his own farm is not viable because of its size or because his family has grown and they need to find employment. Instead of having to outlay the money it costs to buy a farm and to pay the interest on that loan, a farmer will simply lease property and hope that over a period he will make enough money from that to take out the option of purchasing that property. That is one way of adding to his own farm's viability and increasing the size of his farm, therefore making it more viable for employment for his family and employees.

The farming section of this debate has been mentioned by previous speakers. I now want to talk about small businesses in farming areas which are the forgotten casualties of the current rural downturn. Of course, along with those businesses goes their employees. They rely on agricultural dollars for their viability. While there is no fat in the farming industry it follows that those industries which are rural related will also find themselves in trouble. I suggest that this House cannot ignore those people who rely on agriculture to generate business. If we ignore them now they will no longer be in business by the time the crisis is over. It is unfortunate that when those people leave country areas they never return. Low interest loans guard against that. Taxation relief will also allow those people to remain resident in a country town to service those towns when prosperity returns. At the risk of repeating myself, a decrease in population in country towns always leads to compounding problems. One finds decreasing numbers of children go to local schools leading to a decreasing number of teachers. A decreasing number of teachers - according to some people - means decreasing education opportunities in those towns. Subsequent to that, people actually make a conscious decision to leave a small rural town and to move to the metropolitan area or to a larger country centre where they can obtain a level of education for their children which they believe is more appropriate. In a situation where a teacher has four or five grades in the one classroom it is difficult for him to provide to the students the level of education he would like. This is not an indictment of teachers; it is a statement of fact.

Anything the Government can do to keep people off the dole queue will have a positive effect when the rural crisis is over. I congratulate the Premier for her announcement that the State Government will assist Western Australian wheat growers this year by guaranteeing them a minimum price of \$150 per tonne of wheat. I would rather the taxation dollar be spent on supporting those people who, with a little help, will remain on their farms or keep their businesses operating so that when the economic climate improves they will be in a position to return to a state of viability. The prospect of farmers and country businessmen joining the social services queues would be a short-sighted alternative. Nothing will affect the downturn in a rural town more than its losing its town residents. It is one thing for a farmer to buy out another farmer, but it is a different matter to drive through a country town and see empty shops; that has an escalating effect. The residents of a town, as opposed to the farmers who live on their properties, tend to contribute a great deal to the viability of local business. Many farmers buy their fuel in bulk and do not support the local service station. However, the people who live in the town support those types of businesses. Farmers who cart their wheat to large centres take advantage of the shopping facilities that town has to offer and it is often only the people who live in a small town who support the local shops. Encouraging people to stay in the smaller towns will have a beneficial effect on society generally.

I will illustrate to the House what has happened in one of the towns in my electorate because it is pertinent to this motion. During a period of drought one of the larger businesses which employed 15 people closed and it resulted in 50 people leaving the town of Mullewa. In the last 12 months that town has witnessed the closing of a panel beater's business, a concrete tank construction business, an electrician's business and a garden centre. The local Shell depot which is currently operating with a skeleton staff may close and Telecom has been downgraded. As a result, at least six families - that is, between 20 and 30 people - will leave Mullewa and that will have a dramatic effect on the town.

This House should seriously consider extending the terms of reference under which the Rural Adjustment and Finance Corporation operates to allow it to offer assistance to country businesses which are rural based and which have an important input into the services available in country towns. RAFCOR has become a very useful vehicle through which to channel funds to help resolve many of the problems in rural areas. I understand that there has been a broadening of RAFCOR's terms of reference, but they should be extended further. I will cite an example to this House to illustrate how the guidelines of RAFCOR could be extended. Recently a farmer visited my office and told me that his water supply had packed up and it would cost about \$25 000 to put down another bore. He said he did not have the money to do that and that the bank would charge 23 per cent interest if it loaned him the money. He went to RAFCOR seeking assistance but because of its terms of reference it could not assist him. If it had been a new property assistance would have been forthcoming. However, as he wanted to put down another bore to provide his farm with water and to replace his water supply which was no longer functioning, he was not eligible for assistance. That is silly and I urge the Minister to take my comment on board and address the matter. I reiterate that there is a real need to extend the terms of reference under which RAFCOR operates to allow it to assist those businesses in, and associated with, rural towns.

**MR McNEE (Moore) [3.26 pm]:** I support the motion which is very important in this time of a rural crisis. While one can be critical of the Rural Adjustment and Finance Corporation most people would agree that it is doing a good job under difficult circumstances. Obviously any organisation must work within its guidelines and that is what we need to consider. We must be careful that the Government does not become a bandaid Government. I remind the House of some words of the Prime Minister because they are relevant to the current economic situation. I refer to an article which was published in *The Countryman* and which states -

Mr Hawke also warned that any premature relaxation of monetary policy would devastate the farming community.

No-one would argue that he was dead right about that. To continue -

He claimed an easing of such policy would cause the dollar to plummet at the expense of skyrocketing inflation, high interest rates, and a collapse of the economy.

We have had a collapse of the economy, but it has occurred in a slightly different way from

that predicted by the Prime Minister. However, if that was Mr Hawke's objective, we have reached that situation. The article continues -

"When we are convinced that demand is moderating we will allow interest rates to fall, but not before," the Prime Minister said.

Further on the article states -

He said when it comes to interest rates "I am not a personal sadist or masochist and interest rates will not stay high a day longer than they have to."

He reminded farmers the Government had adopted the tightest fiscal policy since records had been kept.

He concluded by saying that only by rejecting short-term superficial solutions could we guarantee a long-term sustainable future.

No-one would disagree with that last statement, but the interesting thing about it is that when the Prime Minister spoke those words of wisdom he was addressing the National Farmers Federation in November 1989. The messiah kept his foot on the pedal for so long that he has destroyed this country. He said he was not a masochist. That is precisely what has happened. The Federal Government has destroyed the very industry it could look to to put something back into the economy. We now face the real danger of doing nothing better. For years members on this side of the House have consistently pointed out to the Government what should have been done to correct the situation, but no corrections were made at either Federal or State level. We now find ourselves in this horrific mess with people having accrued debts over a period of seven or eight years. This problem has been growing by the day but has been ignored. I congratulate the State Government on guaranteeing a price of \$150 a tonne for wheat, which is great. However, it is a bandaid to cover a blow-out.

Mr Taylor: Here we go!

Mr McNEE: "Here we go," says the Deputy Premier, and well he might say that because as a result of the actions of the incompetent Government of which he is a member it is now trying to handle a blow-out, do not make any mistake about that. If the Deputy Premier does not believe that he should come with me and I will show him what I am talking about.

Mr Taylor: I have been with the member for Moore before and enjoyed myself. We had a good time.

Mr McNEE: The Deputy Premier did not spend enough time with me. We are facing the ridiculous situation involving a problem largely brought upon us by an incorrect Federal monetary policy and ready acceptance of that policy by this State Government, which now finds itself in a jam. Many people are absolutely desperate and need help. One of the things that has pushed farmers into a corner is ridiculous interests rates as high as 28 per cent, I am told. I can certainly attest to rates of 22 per cent or 23 per cent without any trouble. Farmers are still paying interest rates well above those paid by their competitors. That is the reason for our arriving at this ridiculous situation which requires Government attention.

I understood that Mr Kerin would make a statement relating to the Rural Adjustment and Finance Corporation in April covering increased assistance. If he is to make such a statement he should be encouraged to do so tomorrow but certainly at the most opportune time. However, it will be April in a few days. We need Mr Kerin to give us that lead. People leasing properties have difficulties finding collateral to offer for loans. However, leasing a property is still one way for a person to start a farm. Such people are often farmers' sons, young people who have chosen to go into a farming enterprise. It could be argued that in the last few years, through no fault of their own, they have fallen on hard times and need help. Guidelines need to be arranged in a way that will enable them to get that help. I am not sure whether they can get assistance by way of an interest subsidy. That idea should be examined thoroughly and if they are unable to get such assistance they should be able to because an interest subsidy is tantamount to a grant. Surely there is no problem about security in that case.

I have spoken to a number of small business people. One man told me he had \$500 000 on his books, \$160 000 for more than 90 days. That is a real problem for him because if he cuts people off because they have not paid they may go to the opposition which may accept them. However, he must buy his fuel from a distributor and has 25 days to pay for it. Having



financed that fuel and sent it to his customers, if they do not pay promptly he is in a bind. I am not surprised at that figure. I would not be surprised if in some broad acre areas the figure is considerably larger than that during some months of the year. This involves people who require much assistance. I believe RAFCOR's guidelines could be widened to enable small business people to receive assistance as they have problems that are peculiar to them and are faced with a situation of being told to reduce their borrowings. To do this they must pull money out of a community which is not in a position to pay. That is the position in farming areas, particularly in tight times; that there are months of the year when people have little funds to pay accounts. All these problems relate back to local business people and become sizeable problems for them.

People in the wool industry should be treated sympathetically because they too are in a difficult situation. Many are specialist wool growers who are not into any other enterprise that might help them on their grazing properties. They are under a great deal of pressure, particularly those people who have a large debt strapped up against them, a debt they never asked to be strapped against them.

[Interruption in the Chamber]

The SPEAKER: Order! This is the Legislative Assembly Chamber and the person inside the Chamber door has no right whatever to be in the Chamber and will remove himself immediately!

Mr McNEE: Woolgrowers need assistance and that assistance should be provided with much sympathy. They are faced with a situation where wool is at least clearing, but the price is not looking good and after tax is deducted from that price to support the industry they will have a serious cash flow problem. I am sure that in the whole of Australia's history this wool crisis will be a blip. However, it will be a difficult time for those involved in the industry to get through. It seems like an insurmountable problem to them. When we look back it may appear to be something that lasted for a short time. However, unless we are careful this crisis will take a great number of victims with it and we should try to avoid that happening. I make a plea for the woolgrowers to be treated sympathetically by RAFCOR. I am sure the guidelines will need to be examined and widened to allow those things to happen. I give this motion my support, and I sincerely hope that the Government will pay attention to it. I congratulate the Government on its offer of \$150 a tonne, but nonetheless, having made that offer, it must be followed through to a logical conclusion.

MR TAYLOR (Kalgoorlie - Deputy Premier) [3.41 pm]: I had the responsibility of dealing with a number of issues relating to the Rural Adjustment and Finance Corporation, including attending a meeting in Sydney with Ministers from throughout Australia who had responsibility for similar organisations and with the Federal Minister for Primary Industries and Energy. At that time a number of the issues raised in this motion were discussed. I am pleased to say that as a result of that meeting I put it to the Federal Government that it needed to double the amount of rural adjustment scheme funding coming into this State for the 1991-92 year. We were looking at funding of about \$7.5 million, and requested an increase to \$14.7 million. My understanding is that, if the Federal Government had not already agreed, we expected the Commonwealth to agree to that virtual doubling of funding to RAFCOR.

I also raised at that meeting the issue of rural small business, which was mentioned a little while ago by the member for Moore. The Minister for Primary Industries and Energy, Mr Kerin, agreed that the internal review currently being undertaken of RAFCOR's operations would be extended to include a re-examination of whether rural small businesses could be taken under the umbrella of RAFCOR. As I have said in this House before, and I think the Minister for Agriculture has said, I doubt very much that that sort of change will take place. I also referred at the meeting - and I have asked for a similar review to look at the issue raised by the deputy leader of the National Party - to the problems facing farmers who no longer have the capacity to support a number of families on a farm and whether assistance can be made available to the families which rely on that farm for their income to enable them to move off the farm. The Commonwealth has agreed to include that proposal in its review of the rural assistance scheme. Those are positive responses from the Commonwealth, and as the Minister for Agriculture has indicated, the Government has been quite active in addressing these issues.

I take this opportunity to address the nature of the rural adjustment scheme, because there is a propensity on the part of some members of the Opposition to see it as a scheme to bring about all sorts of wishes of the rural community when they should know that many of those things are not possible under the existing scheme. The new arrangements in relation to rural adjustment date from 1 July 1989. Members would know that it is a federally funded agreement between the Commonwealth and the States. It has been subject to a number of reviews right back to when this rural reconstruction scheme started in 1971. The purpose of the new scheme which was started a couple of years ago is to assist in maintaining and improving the efficiency of Australian rural industry and so better place the industry to meet international competition and contribute to the national economy. In this context the new scheme which started on 1 January 1989 is to contribute to the process of promoting an efficient and competitive rural sector by providing assistance and services to help farmers adjust to changing technical, economic and institutional circumstances. That is to be done firstly by promoting, facilitating and encouraging better financial and technical performance and structure of rural industry to meet emerging needs; secondly, by assisting those farmers whose farm enterprises have the capacity to become profitable in the long term but who are experiencing financial problems arising from circumstances beyond their control; and thirdly, by assisting farmers without prospects in the rural industry to leave it. We should always remember, when discussing these sorts of issues, that those three points surround the nature of this scheme. To ask for more than that is to ask for something which is beyond reality in regard to the nature of the scheme which the Commonwealth and the State run here.

It is also important to look at what was said by the Minister for Primary Industries and Energy when he introduced this scheme, because it relates in part to the issue of where the scheme is going and what is happening to it. Mr Kerin, when reviewing the scheme and discussing its future, said on 8 November 1990 that the scheme really needed to deal with those farmers who could use it to survive. He went on to say -

... the purpose of this Scheme is to allow effective structural adjustment to take place in farm business enterprises. It is not aimed at keeping farmers on the land. Using the Scheme to prop up farm businesses that are not viable in the long term is not on. The Scheme is aimed at making farm businesses independent of assistance as soon as possible or, if this cannot occur, helping farmers to leave the sector with dignity. The retention of farming as a desirable lifestyle will be the result of effective management of farm businesses and effective adjustment, not an objective of it.

That is a very hard view of the nature of the rural adjustment scheme, but it is fair to say that what the Commonwealth and States are seeking to do is put together a scheme which, in these difficult economic times for farmers, will allow to survive those who have the capacity to survive in the long term. Those who do not have that capacity will hopefully be able to leave their farms or properties with some dignity. That must be the last resort, and it must be done in a right and proper way.

In my view, the people who run RAFCOR in Western Australia, those who are out there on the land dealing with these sorts of issues, are in a position to be able to ensure that this scheme is properly used. Time and again, as the member for Moore would be well aware, when we had these sorts of problems in 1984 and 1985, RAFCOR, along with the financial institutions, became a target. It is a fairly easy target in these sorts of circumstances because it is dealing with people in real need. If those people in real need want someone to turn to, someone to blame, they have a fairly easy target in RAFCOR. In my view, having dealt with the people involved in that organisation, they have a true commitment to meet the sorts of difficulties which farmers face. I do not see them as the sort of people who would leave farmers out on a limb. RAFCOR cannot be regarded by farmers as the bank of last resort. It is not a bank of last resort; as I have just pointed out, it is an organisation which provides perhaps the final opportunity for farmers to resolve the sorts of difficulties they may face.

Mr Omodei: Isn't that the last resort?

Mr TAYLOR: I want to emphasise the word "bank". It is not the bank of last resort. Some people think that because all else has failed they can turn to RAFCOR and it will provide the funds to see them through another season. That is not necessarily how it will always work. That is the point I am trying to make. I understand RAFCOR has given regular briefings to

the National Party. I do not know about the Liberal Party, but RAFCOR is always available for briefings.

Mr Omodei: I had a briefing yesterday.

Mr TAYLOR: I know that the National Party had briefings from RAFCOR last year because, as the Minister responsible, I helped to organise them. That is the best way to address some of these issues. While it may be an easy thing to address them in a parliamentary sense in a democratic way, that does not resolve the sorts of concerns members on the Opposition benches and their constituents may have about the operations of RAFCOR.

Turning to the review as it relates to small business, the Rural Adjustment and Finance Corporation will play a role. We should not forget the difficulties faced by small business, whether at Morawa or in the northern suburbs of Perth. The problems are similar. If we find a way to assist rural small business, we also have the responsibility to take that further -

Mr MacKinnon: Are not farmers also rural small business people?

Mr TAYLOR: They are not small; in most cases, they are large businesses and they are treated separately from the small businesses of farm machinery distribution or fuel distribution. That is the nature of the RAFCOR legislation. The internal review would include the examination of that issue, although I do not hold great hopes for the outcome. When considering rural small businesses we should ensure that small towns will survive, but we need to address the issue of small business in Western Australia as a whole.

I do not support the motion, for the same reasons outlined by the Minister for Agriculture. The many issues raised by the motion have been addressed by the Government and by the people involved with RAFCOR. Those people are doing a fine job in difficult circumstances. I was pleased to note the other day the Government's announcement that additional resources would be made available to tackle the job in these difficult times. The decisions by Government over the past few weeks about rural industry in Western Australia show a clear understanding of the importance of the industry to the State. Those decisions indicate also our belief that these difficult circumstances will be seen through and that Western Australian farmers as a result will continue to be the most efficient in Australia, if not the world, and will continue to be so for a long time after I have left this place.

MR OMODEI (Warren) [3.52 pm]: I have enjoyed this debate. I deliberately framed the motion to test the Government's sincerity regarding the recommendations of the Special Rural Task Force. I understand that the report of the task force was considered at length. I acknowledge that members of the task force are credible people. I also acknowledge that the people on the staff of the Rural Adjustment and Finance Corporation work very hard to achieve the aims of Government policies. I have no doubt about the professionalism of the people who work for RAFCOR. The Opposition has taken the opportunity to be briefed by them - both as individuals and as a group - to be kept informed on current aims and aspirations.

Once again the Government will fail the test provided by this motion. The motion states that the operations of RAFCOR should be returned to the control of the Department of Agriculture. The Minister has acknowledged the desirability of this proposal. He would support it because dozens of farmers in this State would like to see RAFCOR returned to the control of the Department of Agriculture. The operations of RAFCOR relate to agriculture and the financing of it.

Recommendation 10 of the task force states -

A Rural Finance Committee should be formed by the Minister for Agriculture to monitor developments in rural credit.

I agree with that recommendation because the majority of farmers who ask for assistance go to the Minister for Agriculture. It is commonsense that RAFCOR should fall within the responsibility of the Agriculture portfolio. To go one step further, the Deputy Premier - when he was Treasurer - once had control of RAFCOR, and he also agrees with part (3) of the motion which indicates that the criteria should be changed to enable rural related small businesses to be eligible for assistance. So the Minister for Agriculture and the Deputy Premier both agree with the sentiments contained in the motion. Part (2) of the motion

relates to the eligibility criteria to allow pastoral properties and leased farms to be eligible for assistance.

The report of the Special Rural Task Force has been adopted by the Government; however, the indications are that the Government will vote against the motion. I find it incredible that the Government proposes to take such an action. Recommendation 11 states -

In consultation with farmer organisations and financial institutions, the State Government, as a matter of priority, should commence negotiations with the Commonwealth Government to invoke part B of the Rural Adjustment Scheme to ensure the Rural Adjustment and Finance Corporation (RAFCOR) has the full complement of RAS measures available to it to assist Western Australian farm businesses.

Recommendation 12 reads -

There should be an assessment of the economic merits of broadening the Rural Adjustment Scheme to embrace farm leases as a means of facilitating the rural adjustment process.

I stress that these recommendations have been adopted by Cabinet and considered at length by a broadly based rural task force committee which includes people from local government and farming organisations across the State. Recommendation 13 reads -

Where a farm business is no longer viable and a farm family wish to leave agriculture but cannot sell their farm, RAFCOR (under the land trading provisions of the RAS) should act as trustee for the mortgagees and manage the farm as it sees fit (e.g. lease to a neighbouring farmer).

Recommendation 14 reads -

Adequate resources should be made available to RAFCOR to ensure it is able to cope with the demands under the Rural Adjustment Scheme.

To the Government's credit, that assistance is given to cater for the assessments beyond what is expected for the year. The Deputy Premier has already outlined that adequate finance is available for the interim to cover those expectations where farm loans need to be subsidised. I understand from officers of RAFCOR that about \$11 million is available within the organisation for distribution which could subsidise up to \$100 million of farm debt. The recommendations contained in the report of the task force - the items which should have been accepted by the Cabinet - have today been agreed to by the Minister for Agriculture and the Deputy Premier. So for the Government to vote against the motion would be absolute folly; it would represent hypocrisy in the extreme.

We have no problem with the people who work for RAFCOR. The problem for those people is that they do not formulate the policies; that is the province of the Government of this State. Most of the criteria applicable to RAFCOR should be amended so that more farmers and rural businesses become eligible for assistance. On that basis, the Government should support the motion. I commend the motion to the House.

Question put and negatived.

Motion defeated.

## MOTION - RECESSION

### *Family Breakdown*

MR NICHOLLS (Mandurah) [4.00 pm]: I move -

That this House notes with concern the increasing rate of family breakdown in Western Australia resulting from the current economic recession which is a major cause of trauma, highlighted through many of the social problems affecting our society today, and that this House calls on the Government to -

- (1) recognise that a strong family structure is the fundamental foundation of a responsible State and nation;
- (2) recognise the magnitude of the social trauma caused by the recession and requests the Government to focus on the prevention of family breakdown as a matter of priority;

- (3) review all current departmental policies with specific intent to identify any policies which have the potential to undermine families in our State;
- (4) ensure that any future policies are directed towards sustaining and improving the role of the family; and
- (5) limit any increases in Government taxes and charges that will result in an unreasonable financial impact on families.

It is not my intent in moving this motion either to draw some negative impact on the Government or to utilise this opportunity for a purely political slinging match so that worthless rhetoric can be recorded. In our State with the unemployment rate at 9.8 per cent and in some areas as high as 16 per cent, this recession is impacting on families. This recession is not the sole fault of the State Government; many factors contributed to our economic demise, and the Federal Government in particular needs to accept a large part of the blame. Employment is a significant and fundamental factor in a stable family and community. We have seen farmers demonstrating at the front of Parliament House, and small businessmen marching on Parliament House. I see unemployed people regularly in my office - no doubt other members do as well - who are going through trauma because they are unable to find employment, and in the case of business people are unable to see some light at the end of the tunnel or find any motivation to continue. Employment provides self esteem to family members, who are the majority of our community, and self determination for families in providing their own income. Employment ensures that they are not locked into a social welfare system where everything they do is recorded on a computer and reported to the bureaucrats. That is the situation facing many unemployed people at the moment. The most dramatic repercussion of unemployment, particularly in a State as large as Western Australia, is where members of families must move away from their current location in search of employment. No doubt rural members could enlighten us with many examples of towns in our country areas which have virtually turned into ghost towns because people have had to leave due to the lack of employment prospects. Instead of young families being able to grow with the support of not only their parents but also their relatives they have to leave the family infrastructure, and when the strain becomes unbearable in bad times they have nobody to turn to. Over the past decade we have seen how the lack of employment opportunity has caused people to move away from the country believing that what they were doing was the right thing for their future prospects, only to find that in times of stress there was nobody to turn to for support. That is one of the fundamental causes of trauma in our society today.

Social indicators identify the severity of the recession and I have some statistics for the period between July and December 1990. They suggest that the number of homeless youth increased by 30 per cent; the divorce rate by 10 per cent; child support payments by 30 per cent - and this is interesting - car thefts increased by 53 per cent, burglary by 64 per cent, insurance fraud by 50 per cent and the demand on voluntary agencies has increased by more than 100 per cent. These may not be precise figures, but they are indicators of what is happening in the real world. Families are no longer able to plan for their future, for their children's education, for employment or household security. It is estimated that marriage breakdown cost the Australian community \$2 million last year. That figure represents only the costs of the Family Law Court, Legal Aid and the sole parent pensions. It does not indicate or take into account the cost of human tragedy, the associated costs that flow on, or the long term repercussions that impact on many people who have to endure or go through that trauma of family breakdown.

The statistics I have, which the House would do well to reflect on, indicate that in June 1989 five out of every six formally married persons receiving a supporting parent's pension were separated and only one in six was divorced. I highlight that statistic because we cannot look at the divorce rate and say that that indicates all the people who are separated. If we look at the number of people who are divorced and multiply it by six or 10, being the number of people who are separated but not divorced, the figures are horrific. Only 11 per cent of people receiving supporting parent pensions were divorced. It is interesting that the estimated average cost of every marriage breakdown is approximately \$12 000. I will dwell on the divorce figures to give members an idea of what has been happening in our community since 1966, which are the first figures I have. In 1966 there were 96 046 marriages in Australia and 9 921 divorces; in 1971 marriages had increased to 117 637 and

divorces had increased to 13 002. It is interesting to note that at the time of the changes in the Family Law Court and the introduction of no fault divorce, in 1975 there were 103 973 marriages and 24 307 divorces, and the following year there were 109 973 marriages and 63 267 divorces. Out of those 63 000 divorces 73 654 children were affected. The reason for such a large increase was that the community was aware that the change in the Family Law Court was being introduced and as a result people postponed divorces to avoid having to go through long and arduous court cases during separation.

Dr Watson: Don't you remember what it was like?

Mr NICHOLLS: I do remember, but I am reflecting on the statistics and I will tell the Minister why I am doing that soon. Ten years on from the change, 115 493 marriages occurred, divorces numbered 39 417, and 45 200 children were affected. In 1988 there were 116 816 marriages and 41 007 divorces affecting 44 400 children. I am not quoting those figures to bamboozle members, but to highlight that the number of divorces peaked in 1976. I accept the Minister's comment about the difficulty of getting a divorce prior to 1976, but in the five year period 1983-88, according to the statistics, the number of children affected by divorce was 283 162.

Dr Alexander: I would be interested to know the problems stemming from those statistics.

Mr NICHOLLS: If the member can stay in the Chamber and listen, I will cover them. He may be able to contribute to the debate and I hope he will give it his support as I hope will all members. I am providing the statistics because the number of marriage breakdowns reaches six times - some people suggest up to 10 times - the number of divorces and the ratio of children, I believe, would be proportional. We therefore need to understand that a maximum figure of 10 times is easy to equate, but instead of 283 000 children being affected we are talking about 2.8 million. The trauma of marriage breakdown, or family failure, is not something wished upon anybody and I do not suggest any parent starts out -

Dr Alexander: In some situations a marriage breakdown may be preferable to keeping kids in an unhappy home.

Mr NICHOLLS: I am trying to point out not so much the reasons, but the magnitude of the number of children being affected by family breakdown so that we realise this is not a small problem; it is not something we can sweep under the carpet and from which we should shy away. As the member quite correctly said in his interjection, some cases of separation would lead to a better life for the children or the family members. However, we should be aiming not at the symptoms, or trying to pick the good parts from the bad, but at the reasons such family failures occur in Australia.

While I am talking about statistics, marriages are not the only form of family and I have seen indications that in 1986 there were nearly 205 000 de facto relationships. Many of those involved children and I have no reason to believe that they do not face the same breakdowns as occur in marriages. I am therefore reinforcing the view that a number of children will potentially experience trauma because of family failure. I received advice today about a report which I have not read, but which I believe was prepared by the University of New South Wales and was mentioned on the news today. It suggested that 75 per cent of single mothers are poor or living in poverty.

Dr Watson: That is because the husbands don't pay maintenance for their own children.

Mr NICHOLLS: I suggest that is a cop out all round because, in fact, many situations exist where people are separated and the husband cannot afford to pay the necessary maintenance.

Dr Watson: They deny any responsibility for their children.

Mr NICHOLLS: I do not therefore agree that is the sole problem because the current child support agency is pursuing with some zest husbands who do not pay maintenance. It is interesting that out of that report Dr Russell Ross and Dr Peter Saunders found that single parenthood and lack of employment were contributors to poverty. I do not know whether the Minister has seen a copy of the report, but I am intrigued that it suggests the poverty levels among single parents appear to be almost four times greater than the national average. We are talking not only about unmarried or single people, but also about sole parents. Many of those people have gone through marriage or relationships and for one reason or another are trying to raise their children alone. I am assuming that any report from the University of

New South Wales is well substantiated with data and well researched. Its conclusions appear to be that removing barriers to the paid work force and allowing sole parents to access the work force will go a long way toward addressing the problem. I believe the report does not suggest we should increase welfare payments or chase husbands who are not paying maintenance. The situation continues in a vicious circle because with an unemployment rate of 9.8 per cent as a result of "the recession we had to have" the repercussions will be devastating for far more people than the unemployed.

I refer to housing and a document called "Families in Focus in Western Australia" prepared by the Western Australian Government. It is an excellent document which I hope will be updated and released every year. On page 53 it states that families with children were most likely to own a house outright if no disruptions occurred to the marriage. This pattern is consistent regardless of the age of the family; that is, it occurred among those with dependant children and those with adult children. It is a relevant point because when we look at the basis of our society, home ownership provides most people with a feeling of security. Presumably the data researched by the Government qualifies that by suggesting that close families who do not have disruption or breakdowns are not only far better off but also more secure in our community.

I will relate to the House the sequence of events told to me by a person whose marriage broke down because of financial stress. The male was a professional worker employed on a contract basis in the public sector. His wife worked as a manager in a retail store in a country town. Because they were both earning salaries, they bought land in the hills and built a home. From what I can gather, everything seemed secure and bright. However, at the end of the year, the husband's contract was not renewed and the family moved to Perth. The husband sought employment so that he could sustain the family and keep it secure. After three months he was still unemployed, but his wife had obtained work on a lesser salary. They were paying rent for accommodation. Their loan repayments were causing severe hardship because of the husband's unemployment and they had exhausted all of their credit opportunities. They reached the stage that the financial stress on the family became almost unbearable. The husband could not obtain unemployment benefits because his wife was working. They put their house and land on the market but, as is the case in these times, it did not sell. In fact, the price of the house went through the floor. The husband decided that he would begin part time study to upgrade his qualifications. He then got part time work as a driving instructor. Due to the financial position of the family, he finished up by committing over 100 hours a week to working as a driving instructor and his part time studies. Basically, that resulted in the stress within the marriage becoming extremely intense and unacceptable. They sold the land and the house at a loss incurring more debt. That was the straw that broke the camel's back. The family broke up as a result of the financial stress caused by the unemployment of the husband. I am not sure whether it is fair to generalise and say that that is a typical scenario, but it is an example of how unemployment plays a major part in placing immense financial stress on families that, before unemployment, had been strong and secure.

It is probably unnecessary to state in this House that "a strong family structure is the fundamental foundation of a responsible State and nation" as is contained in paragraph (1) of my motion. I am sure that everybody agrees that we should all strive for a strong family network in our community. That would assist in overcoming many of the traumas being experienced by individuals and communities in this State. The member for Perth asked why families were breaking down. I suggest that not just one but many issues are involved. If it were easy to identify the one factor responsible for the breakdown of families, any Government would have solved the problem years ago. However, unemployment is one of the major factors that places immense stress on families and contributes to problems which did not exist prior to the breadwinner being unemployed. Many external factors, one of which is youth unemployment, also play a part. People seem to have different opinions about why youth homelessness exists and what we should be doing about it. We can provide billions of dollars to provide amenities, social workers, and the infrastructure to feed and clothe them. However, the problem really begins in the homes with the breakdown of the family. Often families come into conflict and reach the stage where they no longer work as a unit and support each other. The Federal Government is also playing a part in recognising the problems associated with homeless youth. In fact, it bothers me that the Federal Government pays more in social security to a young person who does not live at home than

to one who does. In October last year I informed the House of many of the inconsistencies in the system which are hampering what we are trying to achieve by getting teenagers to stay at home and remain part of the family. Teenagers between the ages of 16 and 18 who live at home receive \$115.20 a fortnight on which to live. That may have been increased, but that is the figure of which I have knowledge. When they leave home and cut all ties with their families they receive \$190.20 a fortnight, \$75 more just because they left home. We must get our priorities right. I cannot understand why a young person should not receive the same social security when he or she lives at home. We should not create incentives for them to leave home. Young people between the ages of 18 and 20 living at home receive \$138.40 and those who have left home receive \$210.30.

In my view families are not encouraged to stay together when young people are given an incentive to leave home by the attraction of additional income from the Department of Social Security. Members opposite may argue that a person who has left home needs more money from DSS to support himself because his needs are greater and, therefore, that justifies the increase. However, a young person intending to leave home should be made to consider all the repercussions and should have an incentive to stay at home wherever possible.

The State Government has announced its intention to introduce initiatives to remove supposed discrimination in employment and to direct employers on whom they may employ. I believe that is going down the wrong track. I do not suggest that people should be discriminated against in employment opportunities but we must think carefully before passing legislation which would dictate to employers what they must or must not do with regard to the people they employ. I support the proposition that people should not be discriminated against, but employers must be able to employ persons who will work harmoniously in their workplace. Employers must also be free to employ persons from whose efforts they will gain not only a benefit but also a profit during the term of employment.

I refer now to the Department for Community Services and I am glad to note that the responsible Minister is in the Chamber.

Mr Ripper: I am often in the Chamber.

Mr NICHOLLS: I did not imply that the Minister was not often in the Chamber but I am glad that he will be here while I make my comments. The department has a very unenviable job. I am aware from personal contact with many officers that they have their hearts in the right place and they endeavour to do what is right for the community within the guidelines set down for them. However, on many occasions I - and I assume other members of the House - receive reports involving young children and the Department for Community Services which are rather disturbing. Although I will not use the names, I will refer to an example which illustrates some of the reasons that some families are feeling frustrated. The example involves a family who were having trouble with their 13 year old daughter who would not comply with a request to be home by 10.30 pm. She supposedly went to the Department for Community Services which told her she should not be required to adhere to that time and, through consultation, the time was extended to midnight. Unfortunately, even the midnight curfew was not complied with and the grandmother caught the girl trying to hitchhike a ride with a truck driver. She was brought home and then, supposedly, ran away and was caught by her father in "a compromising position" with a boyfriend in a holiday cottage. Apparently the Department for Community Services told the family that they could not make the girl return home. The situation was resolved with the girl living in a flat with her boyfriend when she was aged 14 years.

Mrs Beggs: Was her home situation supposedly perfect?

Mr NICHOLLS: I do not suggest that her home situation was perfect, but I want to highlight in that example the perception in the community that the Department for Community Services is unwilling to try to persuade children to stay at home with their parents. It is perceived in the community as the avenue whereby children may be allowed to disregard their parents' wishes and set out on a path of self-determination without guidance from their parents. I do not suggest that the department is always wrong or that it always causes family breakdowns in our community; but an evaluation should be made of the role Government departments play in our community. As set out in the motion, the Government should undertake a review of "all departmental policies with specific intent to identify any policies



which have the potential to undermine families in our State". That is not an easy task and it cannot be done overnight, but it should be done so that we can ascertain whether current policies not only undermine families in Western Australia, but also have long term repercussions for the community in general.

Other issues should be addressed by the State Government; for example, the education system. I have previously raised in the House the values clarification system which exists supposedly to allow young primary school students to use self-determination. In fact, it has the effect of breaking down the strong moral codes which are the fabric of our society and are handed down from generation to generation. I realise there is no quick fix, and I certainly believe that teachers in our schools approach their jobs with the intention of doing what is best for the child. The teachers do not need examination; the system needs examination because in our community parents are accepting less and less responsibility for the upbringing and education of their children. They are passing that responsibility to schools and other institutions.

Dr Watson: You led the charge against the United Nations Convention on the Rights of the Child.

Mr NICHOLLS: Yes, because this country does not need it. The comments I make are not against that.

Dr Watson: There is a paradox in what you are saying.

Mr NICHOLLS: I do not accept that.

Dr Watson: You are saying that parents are not accepting responsibility but in your calls against the convention on the rights of the child you said the parents' will should not be undermined by the State.

Mr NICHOLLS: That is right. One bad parent does not mean all parents should be controlled. Parents should have responsibility for raising their children.

Dr Watson: I think they do.

Mr NICHOLLS: Most parents approach child rearing with positive intentions but in many cases parents no longer know what is going on within the education system. Parents really have no control over what is happening in our education system. The technique of values clarification or values modification - or whatever word we may want to use - which is used to break down supposedly restrictive thinking or to test people's attitudes to specific issues in the community, such as homosexuality, undermines the moral values which are handed down from father to son and from mother to daughter.

Dr Watson: Do you think your education was infinitely better than the education which children get now? I know mine was not.

Mr NICHOLLS: I am suggesting that the education system is playing a role in undermining families within our society. I am not suggesting that the people involved in the system are doing that, but the education system as an institution is regarded within our community as the be all and end all. We need to review the policies within the education structure to ensure that they do not undermine parents within our community.

Mr P.J. Smith: Are you saying that is because schools are now expected to take on the role of everybody?

Mr NICHOLLS: I am not suggesting that the Government has gone out and done it, but schools are now regarded as quasi parents, and in many cases people drop off their children, leave, and come back at the end of the day and pick them up. They do not have any need to know what is going on, nor any incentive to find out what is going on, and in some cases, unfortunately, do not really care about what is going on.

Mr Read: That is the parents' fault because there are avenues like school-based decision making groups which give parents the opportunity to make decisions about their children's education.

Mr NICHOLLS: That is right. I am not trying to drag down the Government, but as I said in my opening statement, I am trying to highlight some of the problems in our community. I am not suggesting that the education system is all bad, but there needs to be a review of the

policies of all Government departments to ensure that they do not undermine the family. Families have responsibilities, and I argued in this Parliament against the United Nations' Convention on the Rights of the Child because I believe that families should not only be responsible but should also be in a situation where they have that self-determination

Dr Watson: It encourages parents to be responsible and to be supportive in the care of their children.

Mr NICHOLLS: I do not want to use up my time by regurgitating that debate because I know there were different opinions in the House, but I believe that convention was all about allowing Governments to interfere with and intervene in normal family processes at the whim of a bureaucrat. Therefore, I do not support it. If I am wrong -

Dr Watson: You are.

Mr NICHOLLS: If I am proved wrong and that never happens, I would be surprised, but the issue I am raising is one with which I hope we will both agree; that is, parents need to be responsible for their children, but at the same time the State needs to ensure that it does not undermine the role of parents and does not create an environment where parents will not have a fair go.

Mr Strickland: Surely there could be no argument against that!

Mr NICHOLLS: I hope not, but maybe one will be mounted.

Mrs Beggs: Do you think the State is doing that?

Mr NICHOLLS: I have stated that I believe that is happening in our society now, and if the Minister were listening -

Mrs Beggs: I am sorry; I am half listening.

Mr NICHOLLS: If the Minister were listening fully she would know that I am asking the Government to review its policies to ensure that they do not undermine the family. That applies also to the Minister's area of responsibility - transport. I am not suggesting that families are being undermined by some sort of policy, but we need to ensure that through the bureaucratic process of putting in place different regulations and changing the rules we do not inadvertently create problems which undermine the role of parents in our State.

Mr Read interjected.

Mr NICHOLLS: We could debate that because I know some of the kids want to get on those buses, but we cannot always cater for all the needs of the community. There must be a definite focus on the situation where children in country areas who are waiting to catch public transport cannot get on the bus and have to hitch hike to school. We are trying to drum into our young people that they should not hitch hike.

Mr Read: If you want Government departments to review their policies to ensure that they are not undermining - in your words - the family, surely an argument could be mounted by a mother in Mandurah that her child can easily get on a bus and travel to Perth, and that is undermining her role as a parent? That is how dangerous your argument is.

Mrs Beggs: I have received letters from people - not in your neck of the woods but in another - that they want the withdrawal of services on a Saturday night because it encourages their children to go into the big bad city. You could take your argument to a really illogical conclusion.

Mr NICHOLLS: It is unfortunate that it appears the Minister is not accepting the spirit of what I am saying.

Mrs Beggs: I am.

Mr Shave: Very slowly.

Mrs Beggs: I do not disagree, but sometimes this sort of rhetoric cannot be put into practice as easily as you may think it can. Children today are different from what they were five, 10 or 20 years ago.

Mr Clarko: In what way?

Mrs Beggs: They are much better educated than we were.

Mr Clarko: Not necessarily.

Mr Shave: In my electorate they are knocking off houses.

Mrs Beggs: When I was a kid, eight year old kids were knocking off houses too.

The DEPUTY SPEAKER: Order! I suggest we return to the topic in hand. The member for Melville and the Minister can continue their conversation elsewhere.

Mr NICHOLLS: It is interesting to listen to the interjections because I hope that what the Minister calls rhetoric is seen not just as rhetoric but as a real endeavour to try to focus on one of the problems in our community. We may have conflicting thoughts from different parents, and I suppose one of the joys of being a member of Parliament is that we have to walk that fine line between two different views, but for the Minister's department to review its policies to ensure that they do not undermine the family is not rhetoric and is not a retrograde step. Even if nothing were found it would not be a waste of time because at least the Minister would be comforted with the thought that her department had not added to the stresses which are causing family breakdowns in our community today.

A topic which has been pretty current in the media over the past few days is the worth of the primary caregiver or the mother who stays at home.

Mrs Beggs: What about the father?

Mr NICHOLLS: I said the primary caregiver, and that may be male or female.

Dr Watson: The debate is about housework.

Mr NICHOLLS: The debate at the moment may be about housework but my view is that housework is only part of the workload which the caregiver carries out. We need to focus on not only the effort which is put into housework, but also that put into child rearing. One of the great legacies of the 1980s to which we will look back is the push for child care centres or external methods of looking after children, and the necessity for both parents to work to try to make ends meet. It is a vicious circle which turns on the economy and our responsibilities. A committee of the Federal Parliament has been attempting to put a dollar value on domestic work. The intent of that committee is proper; I would definitely support recognition in the community for the work done by the primary caregivers to children; indeed to the whole family. One concern of the inquiry was to consider another social solution; that is, to pay such a person a predetermined wage. During debate on the Address-in-Reply yesterday, the issue of income splitting was raised by the member for Bunbury. He suggested that income splitting is not fair or equitable, and is not the way to go. If we ever reach a situation in this country where a primary caregiver - whether male or female - takes on the role of looking after the family and home and is recognised as a contributor of 50 per cent of the income to the household, we will have gone a long way towards establishing credibility and creating a far more equitable system.

Mr P.J. Smith: I put a slightly different aspect. With income splitting, if the income is large we would be saying that a woman at home has an income more valuable than someone whose partner is on a low income. That is, if the spouse earns \$20 000, the person at home is worth \$10 000; and if the income is \$40 000, that person is worth \$20 000. That is not equitable.

Mr NICHOLLS: It is a philosophical argument. If someone is earning \$20 000 - and that is a relatively low income today - and the spouse is not working, we move to a situation where the income is split. That is, they are seen to earn \$10 000 each, and both receive a \$5 000 tax-free threshold. They each pay tax on only \$5 000. According to my figures, the difference is not great between that situation and one where someone earns \$40 000. While it is not exactly an equitable system, in my view it comes out more evenly than moving to the ludicrous situation where a person who stays at home and does the housework is valued at X-dollars but will not be paid - the amount will be added to the gross domestic product. We should be able to see something tangible. Incentives should be offered to ensure that primary caregivers are responsible for raising their children. In that way we will eliminate a number of latchkey children and remove the necessity for both parents to work - unless they want to - and we will reach the situation where both parents choose to work and another person is employed to be the primary caregiver. They will receive a reduction so that the price of employing a primary caregiver to fulfil a certain role is seen as a tax deduction and as a real incentive to employ another person.

Mr P.J. Smith: I agree with the general thrust of the argument. The point is that the quid pro quo will be increased taxes for everybody.

Mr NICHOLLS: We have some problems with our Federal colleagues and their different policies. However, I urge all members of this House to give serious consideration to the idea of equitable taxation sharing. I would suggest that if most members on this side had the opportunity they would use that idea to address this major issue of inequity within our taxation system.

I emphasise again that it is not my intent to cast a slur on the Government. I hope to gain the support of the Government and, in doing so, ensure that the community and this Parliament not only recognise the valuable work of families and the necessity for families in our society but also work to prevent the destruction of the family structure within the community.

MRS EDWARDES (Kingsley) [4.55 pm]: I formally second the motion. I am pleased to take this opportunity while addressing the motion to add to the value of debate by outlining some of my experiences as a solicitor when dealing with family law. When talking about the breakdown of families within the community, we are usually talking about two people whose lives are about to change, whether they have children or not. Divorce is a very emotional matter which changes the lives of people dramatically. The effects of divorce are felt not only by the two persons involved, because the lives of the children, the neighbours, other family, and friends, are also changed. Often friends no longer know how to relate to the couple, or to either individual. In most instances it is a cause for friends to desert them, and that causes trauma and stress for these people.

Some people separate and remain friends, and that is particularly so if they were friends during marriage; others separate and remain distant from each other. Some couples exhibit antagonistic conduct before and after they separate, and that can go on for many years. Some people are downright vindictive to each other. Each member in this House would know at least one person, if not several, who has been divorced or is in the process of separating. Whether among friends, family or neighbours, we know at least one person who has been separated and divorced, or is about to be. It is a distressing time for these people because a lot of spite is involved. Some people may not like the husband's new girlfriend, and in other cases the husband may not like the wife's new boyfriend. But very often it is the children who are affected by the spitefulness and antagonistic conduct. Some decisions leave children out in the cold. They often suffer and they are the ones who end up either confused or no longer having the same or proper amount of care and attention. It depends how old the children are, and fear can be the greatest of all emotions, especially depending on whether they are male or female and who has custody of them.

Dislocation from homes and schools, disruption to the family, and pressure and stress are caused by family breakdown. The incidents of child abuse, incest, the number of street kids - I am sure all members would be aware that the majority of street kids come from separated families or one parent families - and the increased abuse of alcohol and drugs are due to family breakdown. One of the young lads I brought to Parliament House comes from a sole parent family. His mother is an alcoholic, his father does not want to know him, and his brother is in Longmore - he is 11 years of age. All I wanted to do with that child was to give him a hug and a cuddle because that is all he really wants. He is on his own because he has no extended family to turn to; all he has are the people in the community. One of the lads who was referred to in an article in the *Sunday Times* is a very sad case and I will raise his situation on another occasion. However, his case is relevant to the motion because he comes from a separated family where vindictiveness, hate, trauma and stress are evident. He was only eight when the family broke down. It was that situation that led him to the life he is leading at the moment. The reason I am going through these cases is to identify the social trauma that family breakdown generates, not only for the immediate family but also for those surrounding it and the community at large.

The causes of divorce over the years have been various, but most cases relate to the lack of communication and violence. As a result of the economic recession many people from the mortgage belt and low income areas are seeking counselling. The tight job market and the economic climate are putting families under unbearable strain. Once they separate the barriers come up. Once the words are said the family cannot be put back together. It does not matter how many years a couple have been married or how old the children are. I had a

couple come to me for family law advice who had been married for 45 years. One would have thought that, having reached that stage, their aim would be companionship, but they broke up because of a lack of communication. The people in my electorate who are coming through my office are those on whom this job market has placed incredible stresses which are forcing them in some instances into domestic violence. These are not people who are normally prone to hitting each other. And it is not just the man hitting the woman; in some instances the woman is hitting back and that is not necessarily a physical assault but can often be a verbal assault. The stress and pressure from economic problems will affect the children for some time to come. If there is no recognition and support for these people, to treat them as a group in a community which is suffering stress, we will pay for it in the long term. Their children will be paying for it; they will not be using their full potential in the education system.

The children who are really suffering are those who are going through the juvenile court system; six out of every 10 suffer a specific learning disability. That disability can be caused by various factors but it can be aggravated by the stress of family life. If we do not recognise the increased pressure being placed on these families we will have a generation of children going through the education system not reaching their full potential, and this obviously will have a consequential effect on their working lives. They usually need that extra support at a very young age. Often when children go through the juvenile court system it is recognised that there is some dysfunction at home. That is where we need to offer support, not just to the individual but also to the family at large, because if we do not those children in the education system will not be achieving their full potential. We do not need that increased cost.

Mr Ripper: This is the logic behind the community based program and I am glad that the member for Kingsley supports it.

Mrs EDWARDES: I would support anything that would cut down the number of children going through the courts. Most of those children never offend again. Often they offend because of some dysfunction at home and they are just calling out for help. The minority of child offenders are classed as hard core and they do re-offend; the community has pushed them aside. We have not done the right thing by those children; our system must realise they are human beings and we need to look at them at an early age and to support them.

Now that the Minister has got me on to the subject, I will talk about the youth who was featured in the *Sunday Times* article. The Department for Community Services has not helped his family, and it is not because the officers have not done absolutely everything within their power to help. When I started helping that youth he was 14 years old - he is now 16 - and was he crying out for help, but all that the department could say to the mother was, "If he doesn't want to come back home, we can't do anything about it. Forget him, don't worry about his sniffing glue and butane gas or that he might not be with us in three or four years' time because of it." He is like an alcoholic. People are saying to the mother that unless he wants to give it up he cannot do so until he makes that decision himself. A 14 year old child cannot possibly make that kind of decision. If that child was under the age of 12 something could be done for him. If he was over the age of 18 more could be done for him. The community and the Government must do something about this matter. A future Liberal Government will make sure that children between the ages of 13 and 17 are catered for.

Mr Kobelke: That might be old age by the time you come to Government.

Mrs EDWARDES: I hope not because children are being ignored. This family is being destroyed because no help is available. This child calls his mother every night and his two sisters pick him up for lunch once a week. He has a loving mother and grandmother who will do absolutely anything to help him. His mother has attended all the programs which are available to help her come to grips with the fact that her son is a street kid, an alcoholic, and a solvent sniffer, and he will probably end his life within the next few years. She cannot let go and she will never let go because she is a mother. Something must be done to help these children. The police are so concerned about this child that they keep an eye on him on the streets to make sure that he comes to no harm.

Mrs Beggs: What is the answer to that problem? Regardless of all his family support, what can be done?

Mrs EDWARDES: He needs medical treatment. One night the police picked him up because he was in danger of hurting himself. They took him to Sir Charles Gairdner Hospital and called his mother to the hospital. He was in a particularly bad state.

Mr Shave: Did he find that the wards were closed?

Mrs EDWARDES: No, but he was referred to the psychologist at the hospital. After interviewing the child - remember the child at this stage was 15 years of age and obviously under the influence of a drug - the psychologist told the mother that the child could not remain at the hospital. The mother told the psychologist that she wanted her child to stay at the hospital to receive medical treatment; however, that could not be done. As the legal guardian of the child, she could not help him. The child himself wanted help but he did not know how to help himself. He had been put into various programs and because he was in such a bad state he was able to jump the queue, but he never attended.

Mrs Beggs: Why not? Regardless of what programs, facilities or medical treatments are available, what do you do? Do you lock him up in order to treat him?

Mrs EDWARDES: I do not have the answers, but services must be made available for those children in the 13 to 18 year old age group. We need to provide a place to help those people who are in danger of hurting themselves. Perhaps they do need to be locked up. Perhaps guardians should be given the right to allow their 14 or 15 year olds to be locked up. It all depends on the age of the child. A child of 16 is probably aware of his own state and what he can do to change it, but a 14 or 15 year old may not have that capacity. The child I have referred to is now 16 years of age and he is past understanding what is happening to him. He wants help because he is so addicted and he has a habit which he cannot break. It is no good for the Department of Community Services to tell the mother to let go, because until that child wants to break himself of the habit and take that first step people can do nothing. Somewhere along the line the community has to support those children.

Mrs Beggs: I understand exactly what you are saying, but how do you force him to want to be helped? You are saying that he wants to be helped.

Mrs EDWARDES: But he cannot help himself. Perhaps we do need to lock up such children. There is a need for an institution in which those children can be repaired, looked after and medically treated.

Mrs Beggs: I suppose we have to re-examine why they will not go to the programs when they are available.

Mrs EDWARDES: It is because they are caught in the system. The Select Committee on Youth Affairs intends to look at the programs available to youth in the various Government departments. It will come up with some recommendations about where that help can be provided.

Mr Ripper: After your speech I hope you will give me the full details of this case so that I can discuss it with the departmental people involved.

Mrs EDWARDES: I would love to do that. I have no qualms and I am sure the mother has no qualms in saying that the DCS officers have done absolutely everything they can for both the child and his mother. They have always done what is within their power. In fact, they have gone overboard. They are holding mum's hand but at the same time all they can say to her is to let him go. She cannot do that. I look forward to discussing the matter with the Minister because something must be done to help these children.

The problems confronting this child are a result of an acrimonious family breakdown where much spitefulness and vindictiveness existed. At the age of eight that child felt rejected by his father and he was confused. His problem has caused the community hours of community service. Volunteer workers, police and the hospital system have attempted to help this child who is suffering anxiety from a family breakdown. At the moment the number of children suffering this anxiety has increased. Many people who are suffering from the effects of breakdowns are approaching me. They have had long, stable family relationships which have broken down as a result of the trouble in the economy. Businesses are collapsing and families are feeling the pressure. By the time businesses sell out, little money is left for people and their families. In some instances families will not have anything left and this is causing trauma. If the Government does not do something now about that trauma the cost to the community in the future will be even greater.

**MR RIPPER** (Belmont - Minister for Community Services) [5.20 pm]: I listened with interest to the comments of the members for Kingsley and Mandurah. I reaffirm that this Government has a very strong commitment to the family which is demonstrated by a significant range of programs and financial support it offers to families in the community via a variety of agencies, some Government and some non-Government agencies supported by Government subsidy assistance. The Government does not have a nostalgic image of a rosy situation which existed some time in the past. It does not look back to an alleged golden age of the family where everything was as it should be and all individuals were able to grow to their full potential in happy family situations; that is, sometime in the 1950s when people lived in houses which were behind white paling fences. The Government does not hark back to that unrealistic and rosy glow -

**Mr Shave**: Don't you think that some of the values were very good in those times?

**Mr RIPPER**: I will refer to the member's comment later. The Government does not hark back to an image of the family which is not relevant to the current situation. We must recognise, as the member for Kingsley recognised in her remarks, that the institution of the family, which is in need of strong support from the Government and the community, is not an institution without its problems; it is an institution with which we have to deal in order to improve the quality of life for individuals within families and for families in general.

One of the things which has occurred to me since taking up the portfolio of Community Services is that I am required as Minister to decide whether wardships should be extended. I have sought to educate myself by reading thoroughly the files which have been sent to me and in which social workers are recommending the extension of wardships. The files are revealing, and they deal with the circumstances to which the member for Kingsley referred. They reveal the terrible dislocation, rejection and hardship which children in some families in Western Australia have experienced and the incidence of child abuse - physical, sexual and by way of simple neglect. Also, they reveal the incidence of domestic violence and the equal power relationship between members of families and they certainly reveal the unequal workloads and effects of alcoholism.

**Mr Nicholls**: Are you saying that all these children are being abused by their families?

**Mr RIPPER**: The family is a very important institution which needs support. However, the Government, the Opposition and the community need to recognise that the family is not an institution which entirely, in its practical modern aspect, reflects what the member for Mandurah put forward in his remarks and what I view as a somewhat nostalgic image. Problems do exist and they need to be tackled to improve the quality of family life in this community and the circumstances of individuals in those families. This Government has a very strong desire to support the family and it wants to improve the quality of life for families and individuals. The Government bases its support for families on the variety and diversity of family life as it exists in the community today and not as it might exist in our imagination.

**Mr Court**: You must agree that the Government has put a lot of families in the community into a situation of extreme hardship.

**Mr RIPPER**: I will deal with the economic circumstances later.

The focus of family policy should be on the practical situation and it should be on the diversity of family structures which we have in our community. It should not be based on some sort of imagery that we have about a situation which probably never existed in reality, but to which some elements in the community hark back.

**Mr Court**: Tell us what you are talking about; jobs?

**Mr RIPPER**: We need to think about practical help for families in the current situation. One of the actions this Government has taken was to establish the Office of the Family. I was interested to read parts (3) and (4) of the motion moved by the member for Mandurah. He wants a review of all current departmental policies with specific intent to identify any policies which have the potential to undermine families in our State. He also wants to ensure that any future policies are directed towards sustaining and improving the role of the family. The role of the Office of the Family is to examine Government policies and to determine their impact on the family. Its role is also to develop policies which can be applied across Government which enhance and support the quality of life.

Mr Nicholls: Are you telling me that the office has carried out a study of all policies?

Mr RIPPER: That is its role. It has to look at Government policies, examine the initiatives and determine how they impact on the family. Its role is to suggest recommendations for new policies which will support and enhance the quality of life. This Government is the only Government in Australia to establish a Ministry of the Family and evidence of the Government's priority for this policy area is that the portfolio is held by the Premier. The Office of the Family is an important agency; it is an initiative of this Government; it has support at the highest political level; and its task is to do some of those things which the member outlined in his motion.

Mr Nicholls: Is the Minister telling me that this is what the office is doing?

Mr RIPPER: Its ongoing role is to review Government policies to determine how they impact on the family, to coordinate policies to ensure they enhance the quality of family life, and to suggest new initiatives.

The question of family breakdown is one which has been dealt with by both Opposition speakers. It is important that we acknowledge that the causes of family breakdown in our society are subtle and complex. Economic pressure no doubt places a strain on a marriage, nevertheless it is interesting to look at the situation which occurred during the last recession in this country in 1982-83. My advice is that that recession, in hindsight, did not have a significant influence on the divorce statistics. Nevertheless, the Government is concerned about pressures on the family which may in the end lead to family breakdown.

Although marriage guidance is a Commonwealth responsibility this Government allocated \$200 000 in its 1989-90 Budget for marriage education, and the allocation was repeated in 1990-91. It is a new initiative of this Government in an area which is traditionally the responsibility of the Federal Government. That assistance has enabled a number of non-Government agencies to run media campaigns to promote marriage education and the desirability of couples taking advantage of that facility.

If members want to deal with the question of financial pressure it is worth noting that this Government is very generous in providing emergency financial relief to families facing financial crisis. In recent years it has allocated \$5 million per annum for emergency financial relief to families experiencing a crisis. In recognition of the increase in the number of people applying for unemployment benefits and becoming pensioners the Government has allocated an additional \$1 million this year to that program.

[Leave granted for speech to be continued.]

Debate thus adjourned.

[Questions without notice taken.]

*House adjourned at 6.04 pm*

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## QUESTIONS ON NOTICE

### POLICE OFFICERS - STATISTICS

5. Mr KIERATH to the Minister representing the Minister for Police:

- (1) What was the total number of police officers for the years 1986; 1987; 1988; 1989 and 1990?
- (2) In 1988 and 1990, how many of these officers were employed in -
  - (a) traffic enforcement;
  - (b) crime;
  - (c) community policing;
  - (d) other duties?

Mr GORDON HILL replied:

- (1)
 

1986	3 168
1987	3 287
1988	3 243
1989	3 564
1990	3 751

- (2) Police officers enforce all laws regardless of their area of specialty. They are also subject to current policies of the Commissioner of Police and therefore are expected to promote and support community policing. Police officers allocated to the following areas of specialty are -

	1988	1990
(a) Traffic enforcement	594	626
(b) Crime portfolio	790	956
(c) Community policing	64	72
(d) Other duties	1 795	2 097

### POLICE DEPARTMENT - EFFICIENCY AND PRODUCTIVITY

6. Mr KIERATH to the Minister representing the Minister for Police:

- (1) Has there been any increase in the efficiency and productivity of the Police Force over the past five years and, if so, how is this measured, and what has been the nature of the increase?
- (2) Are there any plans to review, or measure, the efficiency and productivity of the Police Force on an ongoing basis?

Mr GORDON HILL replied:

- (1) The Western Australia Police Department is a service organisation and therefore cannot be purely measured on productivity. It has a role in applying the sanctioned use of discretionary authority to satisfy the policing requirements of the community in maintaining a peaceful environment and protecting life and property. The efficiency of the department is comprehensively reported in annual reports.
- (2) Yes. The new police plan with redefined objectives and improved performance indicators and measurement systems consistent with Government policy on program management has been developed and is currently being finalised.

### POLICE - TRAFFIC POLICE *South West Survey*

13. Mr BRADSHAW to the Minister representing the Minister for Police:

- (1) Was a survey of traffic police undertaken in the south west last year?
- (2) If so, did the report indicate that Harvey, Donnybrook, Waroona, Boyup Brook, Bridgetown, Augusta and Margaret River, or any one of these towns, could lose their traffic operations?

- (3) If so, are there plans to close any of these traffic operations and transfer them to regional centres?
- (4) If so, which towns will be affected?
- (5) Did the report recommend that a number of police be transferred from the south west?
- (6) If so, will this take place?

Mr GORDON HILL replied:

- (1) Yes. A survey was commenced in 1990.
- (2)-(4) The report outlined advantages in terms of police efficiency and effectiveness in moving towards more centralised traffic patrol operations within the region.
- (5) No; in fact, to the contrary. If the recommendations are adopted there would be a significant increase in police strength in the country.
- (6) A decision has not yet been made.

**GREENBURG, MS ROBYN - WOMEN'S INFORMATION AND REFERRAL EXCHANGE**

*Financial Counselling Service*

55. Dr TURNBULL to the Minister for The Women's Interests:

- (1) Did Ms Robyn Greenburg or any company associated with her provide a financial counselling service for women through the Women's Information and Referral Exchange?
- (2) If yes, on what basis and after what investigations was Ms Greenburg or a company associated with her selected to provide that service through the Women's Information and Referral Exchange?
- (3) (a) Was any other person providing financial counselling through the Women's Information and Referral Exchange?  
(b) If yes, who?
- (4) Did the Women's Information and Referral Exchange recommend to women, either through Ms Greenburg or any other financial counsellor, to invest in or through any of the companies associated with Ms Greenburg?
- (5) Whose decision was it to engage Ms Greenburg or her representative as a financial counsellor at the Women's Information and Referral Exchange?
- (6) Did Ms Greenburg or her representative receive any salary or retainer from the Women's Information and Referral Exchange?
- (7) (a) Were guidelines ever given to Ms Greenburg or her representative that, in effect, would prevent her, while counselling women at the Women's Information and Referral Exchange, from recommending investment through her own companies?  
(b) If not, why not?
- (8) Are any Government funds at risk through any of Ms Greenburg's companies?

Dr LAWRENCE replied:

I am advised as follows -

- (1) Western Women Management Pty provided a financial advisory service on request to women at the Women's Information and Referral Exchange - WIRE.
- (2) The service was approved on the basis of the company's stated philosophy of providing information that would empower women to make informed choices about their financial arrangements.

- (3) (a) Yes.
- (b) WIRE refers women to a range of community and Government financial counselling; for example, the Department of Social Security, Wesley Central Mission, Financial Advice and Welfare Service, the Department for Community Services, financial assistance branch.
- (4) No.
- (5) The decision to engage Ms Greenburg's company's service was made by WIRE's coordinator and staff in response to client identified demand for money management advice.
- (6) No.
- (7) Independent agencies offer only advisory services at WIRE. Should further assistance be desired, it is a requirement that at least three options be given so that women choose which company to engage.
- (8) It is my understanding that no Government funds are at risk.

## RAILWAYS - AUSTRALIND TRAIN SERVICE

69. Mr BRADSHAW to the Minister for Transport:

- (1) In regard to the *Australind* train service -
  - (a) what is the average fare per passenger paid;
  - (b) what is the cost per passenger to run the train;
  - (c) what is the average number of passengers on the morning Bunbury to Perth trip;
  - (d) what is the average number of passengers on the morning Perth to Bunbury trip;
  - (e) what is the average number of passengers on the afternoon Bunbury to Perth trip;
  - (f) what is the average number of passengers on the evening Perth to Bunbury trip;
  - (g) what is the total number of passengers the train can carry;
  - (h) what has been the loss each year since the train commenced service in 1987?
- (2) Does the Minister intend to work on reducing the cost to run the *Australind*?
- (3) Does the Minister support the loss the *Australind* is currently incurring?
- (4) Will the Minister allow the *Australind* to stop on all occasions when required at Brunswick, Yarloop and Waroona stations?
- (5) If not, why not?

Mrs BEGGS replied:

- (1) (a) \$10.44.
- (b) \$27.77 - operating cost basis.  
\$50.03 - total cost basis.
- (c) 79.
- (d) 140.
- (e) 141.
- (f) 91.
- (g) 240 - five cars. However, the average train allowing for maintenance and passenger demand consists of three or four cars with seating ranging from 140 to 200.

- (h) 1987-88 \$4.44 million - 1990 dollars  
 1988-89 \$4.87 million - 1990 dollars  
 1989-90 \$4.90 million - 1990 dollars.

(2) Yes.

(3) I am concerned over the current operating costs of the *Australind* and have asked Westrail to review its current operating arrangements. However, the Government remains committed to this vital service to the people of Bunbury.

(4)-(5)

The concept of a fast trip time was a key factor in planning for the new train and a limited stop service was developed to achieve this objective and to satisfy majority user demand for a rapid journey between the two cities. To cater for intermediate passengers in addition to the through travellers a mix of limited stop and all stops trains was introduced. In view of concerns expressed regarding the quality of the service available to intermediate users the timetable for the *Australind* will be reviewed once a final suburban electric timetable is developed to see if any adjustments to the present service are warranted.

**SMITH, MR ROBERT - SURVEILLANCE PAYMENTS**

*Minister for Productivity and Labour Relations' Departments etc*

82. Mr MacKINNON to the Minister for Productivity and Labour Relations; Consumer Affairs:

Has any Government department, agency or statutory authority under the control of the Minister either directly or indirectly since February 1983, made payments for services rendered by Mr Robert Smith or any firm with which he is associated, in relation to surveillance, in the broadest sense, of any member of Parliament, former member of Parliament, public servant or other employee of any Government department, agency or statutory authority?

Mrs HENDERSON replied:

See the Premier's reply to question 78.

**SMITH, MR ROBERT - SURVEILLANCE PAYMENTS**

*Minister for Aboriginal Affairs' Departments etc*

90. Mr MacKINNON to the Minister for Aboriginal Affairs; Multicultural and Ethnic Affairs; Seniors:

Has any Government department, agency or statutory authority under the control of the Minister either directly or indirectly since February 1983, made payments for services rendered by Mr Robert Smith or any firm with which he is associated, in relation to surveillance, in the broadest sense, of any member of Parliament, former member of Parliament, public servant or other employee of any Government department, agency or statutory authority?

Dr WATSON replied:

See the Premier's reply to question 78.

**SMITH, MR ROBERT - SURVEILLANCE PAYMENTS**

*Minister for Police's Departments etc*

92. Mr MacKINNON to the Minister representing the Minister for Police; Emergency Services; Sport and Recreation:

Has any Government department, agency or statutory authority under the control of the Minister either directly or indirectly since February 1983, made payments for services rendered by Mr Robert Smith or any firm with which he is associated, in relation to surveillance, in the broadest sense, of any member of Parliament, former member of Parliament, public servant or other employee of any Government department, agency or statutory authority?

Mr GORDON HILL replied:

See the Premier's reply to question 78.

**PUBLIC SERVICE - EMPLOYMENT STATISTICS**

105. Mr COURT to the Premier:

How many people were employed in the Public Service as at -

- (a) 31 December, 1989;
- (b) 30 September, 1990;
- (c) 31 December, 1990?

Dr LAWRENCE replied:

The Government personnel information management system indicates that the following numbers of people were employed in the Public Service at the relevant dates -

- (a) 19 242
- (b) 19 719
- (c) 19 544.

**BUSES - BUS JUNCTION, MOUNTS BAY ROAD**

*Budget Overrun*

112. Mr COURT to the Minister for Construction:

- (1) What will be the budget overrun on the new bus junction in Mounts Bay Road?
- (2) When will this bus junction now be completed and in operation?

Mr McGINTY replied:

- (1) The total budget is not expected to be exceeded.
- (2) The contractor has advised the Building Management Authority that completion of the main contract is expected mid-May 1991. Three months are required after that date for completion of associated works and commissioning of Transperth systems.

**UNDERWATER WORLD SENTOSA, SINGAPORE - CONSTRUCTION  
EXPENDITURE**

113. Mr COURT to the Minister assisting the Treasurer:

- (1) What is the total expenditure to date on the construction of the Sentosa Underwater World project in Singapore?
- (2) When will this project be completed?
- (3) Who will be responsible for running the development when it is open?

Dr GALLOP replied:

- (1) S\$24.7 million.
- (2) The project is anticipated to be completed by the first week in April.
- (3) Underwater World Singapore Pty Ltd.

**WESTERN AUSTRALIAN EXIM CORPORATION - MARINE INDUSTRIES  
LTD**

*Joint Venture Interest Sale*

114. Mr COURT to the Minister assisting the Treasurer:

- (1) When did the Government through Exim sell its interest in the Marine Industries joint venture?
- (2) How much did the Government receive for the sale of its interest?

Dr GALLOP replied:

- (1) The Western Australian Exim Corporation sold its interest in the joint venture with Marine Industries Limited on 28 February 1990.
- (2) The sale consideration was \$948 772.

#### CHINA - GOVERNMENT TRADE

117. Mr COURT to the Minister for State Development:

- (1) Has the Government modified its trade dealings with China since the Tiananmen Square massacres?
- (2) What is the current state of political relations between the State Government and China?
- (3) Will any State Government Ministers be visiting China including our sister province Zhejiang this year?

The answer was tabled.

[See paper No 206.]

#### STATE DEVELOPMENT AUTHORITY - BUNBURY EMPLOYMENT STATISTICS

121. Mr COURT to the Minister for State Development:

- (1) How many people does the State Development Authority employ in Bunbury?
- (2) What are the responsibilities of these people?

Mr TAYLOR replied:

(1)-(2)

There is no State development authority in Bunbury.

#### SOUTH AFRICA - TRADE AND SPORTING SANCTIONS REMOVAL *Government Support*

124. Mr COURT to the Premier:

- (1) Will the State Government support the lifting of trade and sporting sanctions against South Africa?
- (2) If so, will the Government be taking any action to promote trade between the two countries?

Dr LAWRENCE replied:

- (1) This matter is properly the concern of the Commonwealth Government.
- (2) The State Government actively promotes trade with all countries with whom Australia has economic relations.

#### CROCODILES - SALT WATER CROCODILE FARM, WYNDHAM *Government Losses*

128. Mr COURT to the Premier:

- (1) What losses has the Government incurred in relation to the salt water crocodile farm supported in Wyndham?
- (2) Have the financial matters related to the Government's involvement in this project been finalised?
- (3) If not, when is it expected that they will be completed?

Dr LAWRENCE replied:

- (1) Nil. On 7 November 1990 the R & I Bank Ltd appointed an agent as mortgagee in possession who is pursuing a sale of the asset. Negotiations are continuing.

(2)-(3)

A Government guarantee amounting to \$1.1 million was approved by Cabinet on 14 August 1989. As at 28 February 1991 the Government has authorised the drawdown of \$593 088.

**DIEBACK - CONSERVATION AND LAND MANAGEMENT DEPARTMENT  
POLICY**

137. Mr HOUSE to the Minister for the Environment:

- (1) What is the Department of Conservation and Land Management's policy towards the control of dieback in Western Australia?
- (2) In terms of hectares how much of the following categories of land are affected by dieback in Western Australia -
  - (a) Crown;
  - (b) private; including
    - (i) land used for primary production;
    - (ii) land used for purposes other than primary production?
- (3) What controls are placed on the above categories of land when they are recognised as being affected by dieback?
- (4) What assistance does the department offer private individuals who are not primary producers to control dieback on their properties?

Mr PEARCE replied:

- (1) I refer the member to the Department of Conservation and Land Management's policy statement No 3. A copy will be forwarded to the member.
- (2) Not known. It would extremely difficult and expensive to ascertain this information.
- (3)-(4) See (1) above.

**STATE BANK OF SOUTH AUSTRALIA - BORROWINGS OR ASSETS SALE**  
*Minister for Productivity and Labour Relations etc Departments  
or Agencies*

145. Mr MENSAROS to the Minister for Productivity and Labour Relations; Consumer Affairs:

- (1) Have any of the Government departments or instrumentalities (agencies) under the Minister's responsibility -
  - (a) borrowed money from, or
  - (b) sold any assets
 to the State Bank of South Australia or any of its subsidiaries during the last three years?
- (2) If so, will the Minister detail such transactions?

Mrs HENDERSON replied:

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

**STATE BANK OF SOUTH AUSTRALIA - BORROWINGS OR ASSETS SALE**  
*Minister for Community Services Departments or Agencies*

150. Mr MENSAROS to the Minister for Community Services:

- (1) Have any of the Government departments or instrumentalities (agencies) under the Minister's responsibility -
  - (a) borrowed money from, or
  - (b) sold any assets
 to the State Bank of South Australia or any of its subsidiaries during the last three years?

- (2) If so, will the Minister detail such transactions?

Mr RIPPER replied:

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

**DUGONGS - POPULATION ESTIMATES**  
*Exmouth Gulf, Broome Area*

157. Mr GRAYDEN to the Minister for the Environment:

What is the estimated Dugong (Dugong Dugon) population of

- (a) Exmouth Gulf;  
(b) the Broome area (Roebuck Bay)?

Mr PEARCE replied:

- (a) The combined dugong population for Exmouth Gulf and the northern parts of the Ningaloo marine park was estimated from a detailed aerial survey in July 1989 to be 1 964 plus or minus 363, divided equally between the marine park and the confines of the gulf.  
(b) Dugongs are reasonably abundant in the Roebuck Bay area where extensive seagrass beds on which dugongs feed are found. Work during 1984 to 1986 suggests that 500 to 1 000 dugongs could be present in the Roebuck Bay area, but more intensive surveys are required to provide an accurate figure.

**FOXES - CONTROL**  
*Conservation and Land Management Department - Biological and Ecological Research*

158. Mr GRAYDEN to the Minister for the Environment:

- (1) Is satisfactory progress being made with the basic biological and ecological research which the Department of Conservation and Land Management is currently carrying out as a corollary to research by the Commonwealth Scientific & Industrial Research Organisation on methods of controlling fox numbers by biological means?  
(2) When is it anticipated the research is likely to be completed?

Mr PEARCE replied:

- (1) Yes.  
(2) Five to 10 years.

**DELOITTE ROSS TOHMATSU - CONSULTANTS EMPLOYMENT**  
*Minister for Transport Departments*

165. Mrs EDWARDES to the Minister for Transport; Racing and Gaming; Tourism:

Has the firm Deloitte Ross Tohmatsu been used as consultants for the departments within your control during the periods -

- (a) 1983 to 1986;  
(b) 1986 to 1989;  
(c) 1989 to 1991?

Mrs BEGGS replied:

- (a) No.  
(b) Yes. The Fremantle Port Authority.  
(c) Yes. The Western Australian Tourism Commission, the Rottnest Island Authority, the Fremantle Port Authority, Totalisator Agency Board, Port Hedland Port Authority, Department of Marine and Harbours, Main Roads Department, EventsCorp.



**DELOITTE ROSS TOHMATSU - CONSULTANTS' EMPLOYMENT**  
*Minister for Community Services Departments*

169. Mrs EDWARDES to the Minister for Community Services:

Has the firm Deloitte Ross Tohmatsu been used as consultants for the departments within your control during the periods -

- (a) 1983 to 1986;
- (b) 1986 to 1989;
- (c) 1989 to 1991?

Mr RIPPER replied:

(1)-(3)

No.

**SCHOOLS - WELFARE OFFICERS**  
*Statistics*

179. Mrs EDWARDES to the Minister representing the Minister for Education:

- (1) How many school welfare officers are there?
- (2) In which education districts are they located?
- (3) Are they full-time or not?

Dr GALLOP replied:

- (1) There are 16 school welfare officers.
- (2) The school welfare officers provide a service throughout the State and are located in the following district offices -

Cockburn  
 Bunbury South  
 Melville  
 Balga  
 Armadale  
 Peel  
 Geraldton North  
 Thornlie  
 Darling Range  
 Bayswater  
 Dianella  
 Albany  
 Kalgoorlie  
 Perth South  
 Hedland  
 Joondalup

- (3) Fourteen officers are full time; two officers are part time.

**ELECTRICITY - CHARGES REVIEW**  
*Dearer Rural Charges - Federal Minister's Proposal*

182. Mrs BUCHANAN to the Minister for Fuel and Energy:

- (1) Is the Minister aware of the Federal Resource Minister's proposal for reform of electricity charges which would lead to rural consumers paying more for their electricity than city dwellers?
- (2) Does the Minister support his Federal colleague's proposal?
- (3) If not, will he advise the Federal Minister of his opposition?

Dr GALLOP replied:

- (1) Other than what has been reported in the media, I am unaware of the Commonwealth Resource Minister's specific proposal.

(2)-(3)

Not applicable.

**STATE DEVELOPMENT DEPARTMENT - NORTH WEST WOMENS'  
ASSOCIATION**

*Executive Officer Request*

183. Mrs BUCHANAN to the Minister for State Development:

- (1) Has the Minister considered a request for the Department of State Development to provide an executive officer for the North West Womens' Association?
- (2) Will he give approval to this request?
- (3) If so, when will the necessary FTE be made available?

Mr TAYLOR replied:

- (1) Yes.
- (2) I am still considering the request.
- (3) Not applicable.

**SCHOOLS - AIRCONDITIONING**

*Demountable Classrooms*

212. Mr KIERATH to the Minister representing the Minister for Education:

- (1) With respect to airconditioning in demountable classrooms, can the Minister advise whether the Government intends to aircondition all demountable classrooms and if so, over what period of time?
- (2) Does a priority waiting list exist and if so, on what basis are classrooms considered to have priority?

Dr GALLOP replied:

- (1) It is proposed to provide air cooling in most temporary classrooms in the State by 1996.
- (2) The major factor in determining priority is the climatic conditions of the locality.

**WATER RESOURCES - PIPELINE, KUNUNURRA-SOUTH WEST**

*Installation Cost*

220. Mr BRADSHAW to the Minister for Water Resources:

- (1) What is the estimated cost of installing a pipeline to bring water from Kununurra to the south west?
- (2) What is the estimated cost to run the proposed pipeline per year?
- (3) What is the average cost per person to the people of Western Australia if the pipeline was installed at the estimated cost?
- (4) What is the estimated cost per kilolitre to bring the water south?
- (5) What is the average cost per kilolitre of water available to the metropolitan area currently?

Mr BRIDGE replied:

- (1) Infrastructure Development Corporation reported to the Water Authority in May 1990 that a pipeline from the Kimberley to Perth, with the capacity to supply all of the extra water needed for Perth and the entire goldfields and agricultural water supply system at the year 2050, could be constructed for \$8.448 billion - May 1990.

(2)-(4)

The real cost of operating a Kimberley to Perth pipeline is dependent upon many factors including a precise route, the means of funding the project and the costs of alternative water sources. The Water Authority has not yet

completed an analysis of funding options for a Kimberley to Perth pipeline, nor has a route been decided. Two major alternatives to a Kimberley pipeline for supplying Perth and the GAWS systems' water deficit of 300 million cubic metres at the year 2050 have been identified. They are desalination of the Indian Ocean and taking mostly surface water from the south west of the State. Water Resources Council estimated costs of desalination and water from the south west, sufficient for meeting Perth's expected water deficit at year 2050, are \$2.6 billion - June 1990 - and \$1.57 billion - June 1990 - respectively.

- (5) The average cost per kilolitre of water available to the metropolitan area at June 1990 was \$0.64 per kilolitre - \$0.25 cost at source, plus \$0.39 for distribution.

#### HARRISON, MR ROSS - EMPLOYMENT POSITION

222. Mrs EDWARDES to the Premier:

- (1) Can the Premier advise in respect of Mr Ross Harrison, an officer of the Department of Premier and Cabinet -
- (a) his classification level, title and position;
  - (b) when he was appointed to the position;
  - (c) how many applicants were there for the position;
  - (d) who were the members of the interviewing panel?
- (2) Can the Premier provide a copy of Mr Harrison's position data form for his current position?

Dr LAWRENCE replied:

- (1) Mr Harrison was transferred, pursuant to section 42G of the Public Service Act at level 9 within the senior executive service from the position of Director, Ministry of Consumer Affairs to the performance of functions in the Department of the Cabinet with effect from 26 March 1990. Mr Harrison was assigned to functions generally from 26 March 1990 and has acted as Director, Cabinet and Parliamentary Services, Department of the Cabinet since it was created on 19 September 1990. That position was advertised in the national newspapers on 8 December 1990 and in the Public Service notices on 12 December 1990. The position is not yet filled.
- (2) A job description form for the position of Director, Cabinet and Parliamentary Services is tabled.

#### BUSES - SCHOOL BUSES *Rural Student Entitlement*

225. Mr HOUSE to the Minister representing the Minister for Education:

- (1) Is the provision of school bus services an entitlement for rural students?
- (2) When will the review of the school bus service in the Albany region be completed?
- (3) Will the contents of the review be made public?
- (4) Will the Minister agree to consult with parents before making any changes to the school bus service in the Albany region?

Dr GALLOP replied:

- (1) Full time students in preprimary, primary and secondary who live further than 4.5 kilometres from their nearest appropriate school are entitled to subsidised travel.
- (2) It is hoped that the review of the school bus service in the Albany region will be completed by the commencement of term two.

(3) Yes.

(4) Yes - parents will be consulted as part of the overall review process.

#### AGRICULTURE DEPARTMENT - KUWAIT RESTORATION INVOLVEMENT

268. Mr MacKINNON to the Minister for Agriculture:

(1) Is the Department of Agriculture seeking to become involved either directly or on behalf of Western Australian companies in the restoration of Kuwait?

(2) If so, what are the details of that involvement?

Mr BRIDGE replied:

(1) Yes.

(2) The Department of Agriculture has provided information to the export hay and straw industry on the possibility of using straw to mop up oil spills. The Department of Agriculture is available to provide specific advice on reconstruction of sheep handling facilities, poultry complexes, glasshouse complexes and similar installations. This capability has been made known to Austrade. The Department of Agriculture is able to provide specialist expertise to local companies wishing to bid for reconstruction of these facilities.

#### ABORIGINAL AFFAIRS PLANNING AUTHORITY ACT - AMENDMENTS

272. Mr MacKINNON to the Minister for Aboriginal Affairs:

(1) Is it intended to introduce legislation this session which will amend the Aboriginal Affairs Planning Authority Act?

(2) If so, what is the broad outline of the changes proposed in that legislation?

Dr WATSON replied:

(1) It is not intended to introduce legislation this session to amend the Aboriginal Affairs Planning Authority Act 1972. Amendments have been deferred pending further consultation with Aboriginal communities and organisations.

(2) Not applicable.

#### QUESTIONS WITHOUT NOTICE

##### ROYAL COMMISSION - GRILL, MR JULIAN *Hearsay Evidence Attack*

46. Mr MacKINNON to the Premier:

(1) Is the Premier aware that on the Channel 2 news last evening the member for Eyre and former Minister, Julian Grill, said of the Royal Commission -

I believe that the Royal Commission ran off the rails in the last two weeks and it's up to the Commissioners to bring it back onto the rail as quickly as they possibly can.

Then, later -

If it's simply rumour and innuendo and sleaze it shouldn't be given the treatment it's being given now and there's a responsibility by those Commissioners to ensure that this evidence is being treated in the proper way. To date it has not been treated in the proper way?

(2) Does she agree this is an ill-conceived attack on three Royal Commissioners whom she appointed, and totally inappropriate, given that she described the three Commissioners on their appointment in this way -

All three are pre-eminent people who are held in the highest regard in legal circles. It is difficult to imagine a more appropriate group of Commissioners to handle this responsibility.

I am certain their reputations will bring a quality to the Royal Commission that will restore public confidence in Western Australia's political process?

- (3) If she does not agree with the member's comments, will she, as his leader, order him to apologise publicly to the Royal Commissioners for his totally inappropriate comments?
- (4) If she will not take such action, why not?

The SPEAKER: Before I call on the Premier to answer that question, I point out that it is rather improperly put and should not contain some of the words it contains. I will not rule it out of order, but I want members to please be very careful about the way in which they frame their questions as in future I may well consider them to be out of order.

Dr LAWRENCE replied:

- (1)-(4) It is important that all of us at this stage wait, and that includes members of the Opposition. We should wait to see how the commission operates and what it concludes.

Mr MacKinnon: Do you support his attack on the commission?

Dr LAWRENCE: The Leader of the Opposition asked his question and I will answer it in my own way. It is important that we all wait and not rush to judgment. There will be occasions - and I think the member for Eyre has drawn attention to them - when what occurs in the commission is not something that we would necessarily expect.

Mr MacKinnon: Did he not rush to judgment?

Dr LAWRENCE: I said "all" and I include the member for Eyre, members opposite and the media. We all need to be extremely careful and to wait. We need to ensure that the commission has full cooperation of this Parliament which belatedly members of the Opposition agreed to yesterday. It needs the full cooperation of the media in that they are fair and impartial in their reporting and not seize what may be seen as the juicy bits while leaving out cross-questioning of witnesses that establishes that something is not as simple as it seems to be.

We must be very careful. We have established a commission with the most wide ranging powers yet seen in this country. We have a Bill before the House that gives the commissioners even greater powers. As a community we must wait and see. I do not think that any of us has any doubt about the integrity of the commissioners, but it is a complex organisation and the commissioners will not have control over every witness who appears before the commission or over what those witnesses may say. I have said previously, and I repeat, that all of us including the member for Eyre should wait to rush to judgment.

I have heard comments from members on the other side of the House, the legal fraternity and the media which seek to interpret either the findings of the commission or its process. It is incumbent on all of us to be extremely discreet in the way in which we deal with the commission. It is incumbent on all of us to ensure that the rights of citizens are protected on the other hand. That responsibility particularly falls on the media and also, I believe, on members of this Parliament - all of us without exception, including the Leader of the Opposition.

#### KINGS PARK RESTAURANT - REDEVELOPMENT

47. Mr CUNNINGHAM to the Minister for the Environment:

What stage have negotiations reached for the redevelopment of the Kings Park restaurant?

Mr PEARCE replied:

I thank the member for some notice of his question. The Kings Park Board asked for expressions of interest for a design for the Kings Park restaurant which was approved some time ago following the agreement of this Parliament to allow an extension of the lease period for the area from 21 years to 21 years with an option of a further 21 year extension. It took a while to get that legislation through the Parliament, 18 months as I recall, as the private enterprise people on the other side of the House slugged out the extent to which they actually supported private enterprise.

The Kings Park Board sought expressions of interest on the building of the proposal. The board's approach was to get a design that met its needs before seeking an outside person to build it. Despite the changes made to legislation the board has still not been successful in its endeavours to get any of the companies which submitted expressions of interest to agree to build the restaurant as designed by the architect for the simple reason that the estimated cost is about \$4.6 million and none of those expressing interest believe they can get a sufficient return from the proposal. Each of them has asked for some changes to the proposed design either by the addition of a second floor to the existing design or a replacement design involving either the first or second floor which would increase the capacity of the restaurant. The board is not anxious to do that and is discussing the matter with each of the groups that has expressed interest in an attempt to find out what the outcome may be in order to reach the best result. I have asked the board to adhere as closely as it can to the chosen design which I think is a good one for the people of Perth and Western Australia and to not go for a huge development that might be more than Kings Park and the people are prepared to bear in order to get a return which justifies the high capital cost. When the board reaches a decision I will be happy to report it to the member and the Parliament.

#### WHEAT - GUARANTEED MINIMUM PRICE

##### *Federal Guarantee - State Agricultural Ministers' Discussions*

48. Mr COWAN to the Minister for Agriculture:

Has the Minister held discussions with other State agriculture Ministers to ensure a coordinated approach is made to the Federal Government to reopen the case for a Federal guaranteed minimum delivery price for wheat and, if so, what response has he received from those Ministers?

Mr BRIDGE replied:

I had a brief conversation with the New South Wales Minister for Agriculture this morning regarding a combined approach by State Ministers of Agriculture as a matter of urgency to the Federal Government to further emphasise the importance that the States place on the Commonwealth Government's underwriting the wheat price. That conversation followed the official announcement from the Federal Government yesterday that it would decline to take that approach. He sought my response, having regard to the fact that only the night before a statement was made that we would implement this plan in Western Australia. He wanted to know my reaction to his plan. I reinforced what I said previously to other State Ministers; namely, that I thought that was the way to go, and if we could do anything to assist that project we would do it. I am not sure where that has gone since this morning other than that a Press release will be issued indicating that is the course of action being considered by each of the State Ministers for Agriculture and to some extent it has been supported by some of the Premiers of other States.

About four weeks ago, at the agricultural conference in New Zealand and on behalf of the industry in Western Australia, I put that proposition to each of the Ministers. I suggested that that approach should be adopted, but unfortunately it was not responded to. Only today I have been informed by a State Minister of his preparedness to approach the Commonwealth in this

way. I think that is the way to go, and we will offer whatever support we can to ensure that the plan is put in place. That will in no way deter us from our commitment which has already been outlined by the Premier. We will encourage other States to adopt a common approach to the Commonwealth. It is still the responsibility of the Commonwealth to pick up this issue and commit itself to this course of action. We must continue to remind the Federal Government of this. The approach being worked out in the Eastern States was probably activated by our decision here. It is a good one, and we will support it as much as we are able to.

**REMAND CENTRES - NEW JUVENILE REMAND CENTRE**  
*Forrestfield Site Consideration - Member for Jandakot Statement*

49. Mr KOBELKE to the Minister for Planning:

When the Forrestfield site for a juvenile remand centre was under consideration, did the member for Jandakot say that he would be pleased to see the remand centre in his electorate?

Mr D.L. SMITH replied:

I thank the member for some notice of the question. When statements were made over the weekend about where the new remand centre would be located I must confess to being a little surprised that some Liberal members expressed surprise about the location because it has been known for some time that when the original question of a new remand centre was being considered, three locations were looked at. One was at Canning Vale, one at Forrestfield and one at Murdoch. When I was refreshing my memory about the Forrestfield incident I was reminded of an article which appeared in a local paper. The heading was, "A remand centre for Murdoch or South Lake could be on the cards." The article states, "There is vacant institutional zoned land in Murdoch on the site set aside for a future regional hospital." Further on it states, "Jandakot MLA Barry MacKinnon, who discussed the issue last Friday with Kalamunda Shire Council, said that he had only just learned that the department was examining sites in or near his electorate." Later he was reported as saying, "However I fully and totally support such a centre in Canning Vale as I know a remand centre has been needed for some time." We have not gone for Canning Vale, we have gone for Murdoch.

Mr MacKinnon: Canning Vale is in my electorate and where you are going is not.

Several members interjected.

Mr D.L. SMITH: Telling point or not -

Several members interjected.

Mr D.L. SMITH: The fact of the matter is that the Leader of the Opposition knew that both Murdoch and Canning Vale sites were under consideration and he forgot to tell some of his members.

**LLOYD, MR TONY - EDWARDS, MR KEVIN**  
*Legal Costs - Labor Party Funding - Question Out of Order*

50. Mr COURT to the Premier:

(1) With Mr Lloyd and Mr Edwards giving evidence to the Royal Commission on matters relating to present and past members of the Government, and the fact that they may be vital witnesses in court proceedings relating to some or all of those present and past members of this Government, is it not totally unacceptable for the same members of the Government to pay money to Mr Lloyd and Mr Edwards in the circumstances reported in this morning's *The West Australian*?

Several members interjected.

Mr COURT: To continue -

(2) Are such payments, including funding from the Premier of \$2 000, of the same character as a bribe?

Several members interjected.

The SPEAKER: Order! There is not much point in the member going further because the whole of the question so far is out of order.

**GROUND WATER - LOW LEVELS CONCERN**  
*Water Supply Risk*

51. Dr ALEXANDER to the Minister for Water Resources:

- (1) Will the Minister confirm that Perth's ground water resources are at dangerously low levels, putting coastal lakes, vegetation and water supply at risk?

Mr MacKinnon interjected.

Dr ALEXANDER: To continue -

- (2) Is there any truth in reports that some of Perth's water supply -

Mr MacKinnon interjected.

The SPEAKER: Order!

Dr ALEXANDER: To continue -

- (2) Is there any truth in reports that some of Perth's water supply, including that in suburbs -

Mr MacKinnon interjected.

The SPEAKER: Order! If the Leader of the Opposition cannot maintain order when I seek it, I can give him a personal commitment that at the conclusion to the answer to this question we will all go home early.

Dr ALEXANDER: This question may not be as controversial as the last one but I think it touches on some important matters. I continue my question -

- (2) Is there any truth in reports that some of Perth's water supply, including that in suburbs such as North Perth, is polluted as result of drawing on polluted ground water?
- (3) Is the Government confident that the Water Authority's "Clean Water" advertisements are totally accurate?
- (4) What does the Minister propose to do to overcome Perth's water supply problems?

Mr BRIDGE replied:

(1)-(4)

In very simple terms the answer to Western Australia's future water needs is simply called "The Great Australian Dream".

Several members interjected.

Mr BRIDGE: The member likes it; it goes well in the south west.

Mr Cowan: The Leader of the House can accompany you on the guitar.

Mr BRIDGE: The leader of the National Party's brother liked it at Mt Walker.

Mr Cowan: All three of them did.

Several members interjected.

Mr BRIDGE: It was a great compliment. We might talk now about some of the other things apart from that magnificent concept. There is no doubt at this stage that there is concern with the state of our underground resources. We are concerned because little or no rainfall has occurred this year or in recent times. The position needs to be continually monitored by the Water Authority, as it will be, particularly in relation to the wetlands, where recharging is done using underground resources to top up those lakes and keep them at an acceptable environmental balance. That highlights how careful we must be in managing our underground resources upon which we



are currently drawing for the needs of Perth and the metropolitan area. That is one of our concerns, but I do not think the point has been reached where we should be overly alarmed. We need to monitor the situation. That above all other things is important.

I am not aware of the pollution of the water, and I would have to obtain that information for the member for Perth. Articles some weeks ago made some reference to that issue, but the member may recall that since then the Health Department and the Water Authority officers have said that the articles were not quite true. The officers had questioned the advice and the collection of that information. I would rather inform the member formally about that matter than simply say yes or no tonight. We must be careful about the question of underwater sources being polluted, because, undoubtedly, cases of such water pollution exist.

What was the final point? Oh yes, the north west pipeline! At long last we have a very responsible approach in this State to this project, because it is one we must approach in the manner in which it is viewed by the Western Australian Government. If we are able to realistically satisfy ourselves as a community that it is feasible to bring the pipeline on stream, we should commit ourselves to it. In that case we will have an unlimited source of water for the Perth area, the south west and the inland parts of Western Australia. Such a source is not available anywhere else in this State except perhaps the south west.

This raises a fundamental, although easy to answer, question regarding the planning of this nation: Are we serious as a nation about developing inland Australia? Of course, a large part of Western Australia comprises inland Australia, and if the answer to that question is yes we must commit ourselves to the development of those areas. The only way to do that is to provide a water supply of the kind available in the pipeline development. If we are interested in opening up inland Australia, let us say so now. If we are not interested, we should continue to centralise the growth of Australia on the coastal areas. If that is the case, we should talk about desalination and the continuation of the underground water supplies and sources in the south west of the State. Short of that, we must sensibly look to the Kimberley and other areas for the supply. That is what we are doing.

The Australian dream is potentially the most exciting project this country has seen since the Snowy River scheme and the C.Y. O'Connor project, which was developed at the turn of the century. The goldfields pipeline project resulted because the community was prepared to commit itself to the goldfields. Look at the goldfields today; its importance and significance is obvious. Let us all commit ourselves to the great Australian dream because there lies the future of Perth's, and this State's, water supply.

#### **TREVOR, MR DOUG - POLICE SEARCH WARRANT**

##### *Minister for the Environment's Complaint*

52. Mr LEWIS to the Minister for the Environment:

- (1) Did the Minister file a complaint or have anything to do with the issue and execution of a warrant for police to search the private papers of Mr Doug Trevor of Armadale held at the Commonwealth Bank, Armadale?
- (2) If so -
  - (a) What were the reasons for the Minister to file, or have filed, a complaint that would cause a search and seize warrant to be issued against a private citizen;
  - (b) what evidence did the Minister have to take such action;
  - (c) has the Minister previously stated before a gathering of persons that Mr Trevor was a thief; and
  - (d) will the Minister confirm that his action against Mr Trevor, who has

been called as a witness for the Crown in the prosecution of two of the Minister's personal staff for the alleged misuse of postal franking machines, is a gross intimidation of a witness?

Mr PEARCE replied:

(1)-(2)

I find that question rather offensive in many ways. I make a point which I have made to the House many times before: Members may recall last year in the course of a discussion about my time as the Minister for Planning and the proposition I put that I had never been offered a bribe, let alone anything else, the member for Applecross called across the Chamber, "What about your Eastern States bank account?"

Several members interjected.

Mr PEARCE: Do members recall that incident?

Several members interjected.

Mr PEARCE: I did not hear the comment at the time, but I subsequently saw it in *Hansard*.

#### *Withdrawal of Remark*

The SPEAKER: Order! It is my view that the comment by the member for Applecross is unparliamentary. At a later stage the member may want to introduce that subject into the Parliament, but the only way that can be done is by way of substantive motion. I will not accept a situation in which people throw that sort of challenge across the Chamber. I ask him to withdraw.

Mr LEWIS: I withdraw.

#### *Questions without Notice Resumed*

Mr PEARCE: In the exchange to which I referred, I read in *Hansard* that the member for Applecross said that he could give me the number of that account if I wished. I made the point then of explaining the circumstance and clearly identifying the strange letter which came to my office concerning my American Express "Gold card". That card, of course, originates out of the "Gold card" centre in Sydney. That information had been taken from my electorate office. Everyone is aware, as I have raised this in the House before, that a person, Mr Trevor, worked as a volunteer in my electorate office for quite a time. I have no doubt that he has taken things from my electorate office and passed some of them to the member for Applecross as the member for Applecross has raised those matters in this House.

#### *Point of Order*

Mr LEWIS: Mr Speaker, the Minister is accusing me of receiving stolen goods, and I request that you ask him to withdraw.

Mr Pearce: Will you explain to the House how you were able to offer the House the number of one of my bank accounts?

The SPEAKER: Order! I am trying to recall the Minister's words and whether they either state or imply what the member suggests. Could someone help me with that?

Mr MacKINNON: The Minister said that Mr Trevor took things from the Minister's office and passed them to the member for Applecross. Hence the simple inference that the member for Applecross was receiving stolen goods.

Mr Pearce: No, taking is not stealing; I understand that things can be copied. If the member tells me how he could tell the House that he could provide the number of one of my bank accounts, I will withdraw.

The SPEAKER: Order! Endeavouring to be as evenhanded as possible on this issue, the Minister's comments are very borderline and are about to enter into an area which would cause me to have to ask him to withdraw. I cannot see from

the words which have been indicated to me that he has actually made that accusation. However, he should be very careful about what he says.

*Questions without Notice Resumed*

Mr PEARCE: I accept your guidance, Mr Speaker. I have no doubt that there is a connection between Mr Trevor and the member for Applecross. Why else would he be asking this question? Where else would the member have gained that sort of information?

Mr Lewis: That fellow has been intimidated.

Mr PEARCE: Did he ring the member to provide information on which he has based this question?

Mr MacKinnon: Just answer the question.

Mr PEARCE: I will answer the question - I need no help from the member. I am making the point of the connection between this person and the member for Applecross.

About two weeks ago information was brought to me that Mr Trevor had told some people in the Armadale area that he had photocopied a large amount of information from my electoral office, about which he made certain claims. He told these people that he was holding them in a vault in the Commonwealth Bank at Armadale.

Mr MacKinnon: Who told you this?

Mr PEARCE: I know the names of the people who told me that. Given the fact that these claims were made, and given that my understanding of the situation was that that constitutes a serious crime, I passed the information to the police, as one would do. My understanding is that the police then investigated the matter. Further, I understand that no warrant was issued -

Mr Lewis: A warrant was issued!

Mr PEARCE: Well, that was not my understanding of the situation.

Mr Lewis: You should get your facts right!

Mr PEARCE: I ask members to think a little about what the member for Applecross is asking us to take on trust. He is saying that if a complaint were made to a member that somebody had illegally entered a member's office and photocopied material and is making claims about that material, the member is supposed to do nothing about it. I did what I often urge Opposition members to do when such claims are made. I did not pop up in the Parliament and call for an inquiry or a Royal Commission. I reported it to the authorities, which is precisely what one should do in those circumstances. I left the matter to be investigated by those authorities. I did not seek to guide the authorities in the investigation. However, my understanding is that no warrant was issued. If the member has any further information on the matter, I would be happy if that information was brought before the Parliament

Mr Lewis: Did you call him a thief?

Mr PEARCE: I am not putting up with this sort of cross examination from the little fellow opposite.

Mr Lewis: You did. It is written all over your face.

Mr PEARCE: I do not believe the motives of the member for Applecross in this matter except to draw the very obvious conclusion which I guess many members of the House have come to: It is very strange that the member for Applecross should feel that there is something wrong with a person not referring an allegation of this kind to the proper authorities. What is wrong with that?

Mr Lewis: What evidence did you have?

Mr PEARCE: Obviously, I had enough for the police to investigate the matter. I

gave the information I had to the police. I am not the sort of person who rolls out rumours in this place as does the member for Applecross. I referred it to the authorities and I left it to them to do something about. My understanding is that they thought enough of the information provided to undertake an investigation. I have not received a formal report from them about the matter; no doubt one will be received in due course. I acted in a way that I urge all members of the House to act under those circumstances, both responsibly and properly.

Mr Lewis: Searching private citizens' bank accounts; goodness gracious!

Dr Lawrence: He is suggesting that the police are at your beck and call.

Mr PEARCE: I played no part in the police investigation. I referred the matter to the police and they investigated it. I guess they will be in a position to report on the outcome of their investigation. The member opposite has referred to my investigating people's bank accounts when he was prepared to come into this House and accuse me of having a bank account in the Eastern States and then offered to provide the House with the number of that account. He is a hypocrite of the first order. I can see the member's concern about this matter because there is no doubt that what I said earlier is right. The wild and inaccurate charges that the member has made in this place about some of these issues indicate that he is out to protect his source and that is quite disgraceful.

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