

Legislative Council

Wednesday, 23 July 1986

THE PRESIDENT (Hon. Clive Griffiths) took the Chair at 2.30 p.m., and read prayers.

CONSTITUTION AMENDMENT BILL

Assent

Message from the Governor received and read notifying assent to the Bill.

WATER POLICE: RELOCATION

Opposition: Petition

The following petition bearing the signatures of 183 persons was presented by Hon. Max Evans—

TO:

The Honourable the President and members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

WE, the undersigned citizens of Western Australia request that the Legislative Council give due consideration to:

—the unanimous opposition of the Fremantle City Council to this road closure

—the concerted opposition of the North Fremantle residents to the siting of the Water Police facility

—the flouting of the normal planning process that has taken place

—the ignoring of the long term implications for foreshore development as outlined by the State Planning Commission

and in consequence delete Clause 30 (Closure of Portion of Harvest Road, North Fremantle) from the Reserve and Land Revestments Act 1986.

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

(See paper No. 274.)

STOCK: MIDLAND SALEYARDS

Select Committee: Extension of Time

On motion without notice by Hon. Neil Oliver, resolved—

That the date for the presentation of the Committee's report be extended from 24 July 1986 to 30 October.

TRANSPORT CO-ORDINATION AMENDMENT BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon. D. K. Dans (Leader of the House), read a first time.

Second Reading

HON. D. K. DANS (South Metropolitan—Leader of the House) [2.36 p.m.]: I move—

That the Bill be now read a second time.

As honourable members would know, this Government and previous Governments have placed great reliance on the provision and maintenance of an effective and high-class road system within Western Australia. Members would also appreciate the extremely high expenditure required in achieving this goal, and that both the Federal and State Governments contribute towards meeting the goal of an effective and efficient road network—a cost which I might add continues to escalate quite dramatically. For the State's part, its major road maintenance revenue comes from two main sources—vehicle licence fees and the Business Franchise (Petroleum Products) Licensing provisions of the Transport Co-ordination Act, or fuel franchise levy as it is more commonly known.

This levy was introduced by the previous Government in 1979 as part of a package to replace the previous road maintenance charges which, up to that time, had been imposed on heavy road freight vehicles. These charges had been extremely unpopular in the private transport sector and difficult to enforce. The replacement Business Franchise (Petroleum Products) Acts provided for a licensing system under which oil companies, which wholesaled motor spirit and diesel fuel used on roads, were required to pay licence fees to the State based on the number of litres sold. When first introduced, the rates were 0.9c per litre for motor spirit and 3c per litre for diesel fuel. In recognising that cars and small trucks, which do little or no damage to the roads, would now be paying the levy, the Government of the day

reduced the vehicle licence fees paid by such vehicles by 20 per cent.

Since 1979, the levy has been increased from time to time, and has been 2.17c per litre on motor spirit and 3.95c per litre on diesel fuel used on road for the last two financial years.

As honourable members would be aware, on 24 June the Premier announced an increase to the fuel levy by 2c per litre on both motor spirit and diesel fuel as from 1 July 1986; and that such funds would be used for both roads and other transport uses. This increase has been forced upon the Government due to the extremely difficult budgetary situation which is confronting the State in this coming financial year. The levy will be used for continuing the road maintenance programme, as well as providing funds to offset the impact of the operating losses of Government transport agencies.

I should point out that over the past five years, the Main Roads Department has expended some \$1 180 million on the construction and maintenance of the Western Australia road system. Of this, \$643 million has come from Federal funds with the balance of \$537 million from State coffers—notably from fuel levy funds and vehicle licence fees.

At the present time, 2 500 kilometres of the older sealed highways and main roads will require reconstruction over the next 10 years, which equates to an average of 250 kilometres of reconstruction each year. Presently, the reconstruction rate is only 80 kilometres per year, and this is a situation that must be drastically improved if the State's road system is not to deteriorate.

The Government recognises the urgent need to provide adequate funds for the construction and maintenance of the State's road system, and this expenditure will be the first call on revenue from the increased fuel levy legislation. In addition the Government has other transport objectives which are in drastic need of additional funding, and the operating deficits of Westrail and the MTT spring immediately to mind. Funding from the fuel levy will also be used to reduce these deficits, but as I stressed in my earlier comments, roads will have the first call on such revenue.

The Government has a responsibility and obligation to ensure that revenue collected is expended in the areas of most need. The current legislation provides that all fuel franchise levy revenue collected be paid into the main roads trust fund, and be used for road-related

purposes. This is too constrictive and allows no flexibility to expend the funds on other transport-related issues, and the main thrust of the Bill is to remove those constraints.

The Bill, therefore, proposes to amend the Transport Co-ordination Act, to establish a transport trust fund and rules governing its operation, and also to direct payment of the fuel franchise levy to that fund instead of the main roads trust fund. The rules governing the new fund's operations are that the moneys will be applied to road and other transport-related purposes, with disbursements from the fund being subject to the approval of the Treasurer, on the recommendation of the Minister for Transport. The Bill is to apply retrospectively as from 1 July 1986.

As I have stressed before, it is intended that the major portion of revenue collected will continue to be expended on roads. However, the new fund will also be used for other transport-related purposes including capital expenditures and operating deficits of public transport agencies, including Westrail and the MTT, and the payment of subsidies and grants by the Department of Transport and the like.

I commend the Bill to the House.

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

PAY-ROLL TAX ASSESSMENT AMENDMENT BILL

PAY-ROLL TAX AMENDMENT BILL

PAY-ROLL TAX ASSESSMENT AMENDMENT BILL (No. 2)

Cognate Debate

HON. D. K. DANS (South Metropolitan—Leader of the House) [2.44 p.m.]: I seek leave of the House for the Pay-roll Tax Assessment Amendment Bill to be debated concurrently with the Pay-roll Tax Amendment Bill and the Pay-roll Tax Assessment Amendment Bill (No. 2).

THE PRESIDENT: As a matter of explanation for the benefit of members who have not participated in a cognate debate previously, the procedure is that, when you make your second reading speeches, you should cover the contents of the three Bills. At the conclusion of the second reading debate, a separate question will be put that each of the Bills be read a second time. We will then go into Committee and the Chairman of Committees will deal with the Committee stages of each of the three Bills. When the Bills are reported, each of the Bills will be reported separately.

Leave granted.

Second Readings

Debate resumed from 16 July.

HON. NEIL OLIVER (West) [2.46 p.m.]: The three Bills with which we are dealing are interrelated and, according to Standing Order No. 256, they may be considered concurrently, so I shall speak briefly to each of them.

Basically these Bills are all-encompassing payroll tax measures which were announced by the Treasurer on 24 June. They seek to increase the basic payroll tax exemption thresholds at which the tax commences and is phased out. It is proposed that the exemption level be increased from \$220 000 to \$250 000. That will free from payroll tax the businesses which employ between 10 to 12 employees on the average wage.

The Pay-roll Tax Assessment Amendment Bill (No. 2) refers to the manner in which the basic exemption is phased out.

Hon. D. K. Dans: Do you support or oppose these measures?

Hon. NEIL OLIVER: Of course I shall be supporting them, but with some reservations about the way in which they have been introduced. I shall make comments about them, because I do not believe they are equitable, particularly in the light of the current economic climate.

The maximum point at which the basic exemption tapers to zero is \$880 000.

Another feature of the legislation is that businesses with annual payrolls of less than \$1 million—that represents 47 employees on the average wage—will enjoy a reduction in their tax rates from 4 per cent to 3.75 per cent. Businesses with annual payrolls greater than \$1 million, but less than \$1.8 million, will be affected by a change in the tax rate in accordance with the sliding scale I have mentioned; that is, from 3.75 per cent up to 4.75 per cent.

I am disappointed that this legislation is introduced into the Parliament each year as a hardy annual, which is the term members use to describe it. I would like the Government to consider in some way linking the threshold in payroll tax to the CPI and introducing legislation to that effect. Payroll tax is a disincentive to employers to engage employees and to expand their businesses if they are likely to pass over the threshold. It is also a disadvantage to employees in full-time employment, because the moment their bulk wages move over the threshold someone has to go.

Hon. D. K. Dans: What you are saying is that you have a blanket opposition to any payroll tax.

Hon. NEIL OLIVER: I am proposing that, instead of introducing legislation of this nature on an annual basis, the changes in payroll tax be linked to increases in the CPI. In that way the position of employers would be stabilised, because at the moment, if they are likely to pass over the threshold as a result of expanding their businesses, employers are not prepared to do so.

Hon. D. K. Dans: I know what you are saying, but I shall have to think about it.

Hon. NEIL OLIVER: My suggestion has some merit and I hope the Government takes on board the comments I am making and considers them. If the Government sees some merit in my proposal, it may seek to change the way in which this legislation is brought forward each year.

The legislation also contains a provision to change the rate of tax applicable to company payrolls greater than \$1.8 million, which relates to more than 85 employees. The rate of tax will increase from 4.75 per cent to 5.75 per cent. I am disappointed about this, because the Government has always said that increases in charges will be kept in line with the rate of inflation. However, in this case we are seeking a 21 per cent increase in tax on the category of employer who has a payroll greater than \$1.8 million or, based on the weekly wage, employs in excess of 85 people. Obviously those employers will have to foot the bill in this case.

In the Western Australian scene obviously these employers are basically involved in the areas of mining and agricultural industries, the most crucial industries supporting Australia, which have their backs to the wall at the moment. These industries are engaged in exports, so the impact of these Bills will be felt by our agricultural industries, and the brokers and the selling agents who service those industries. Incidentally, my comments apply equally to public services and instrumentalities; Westrail, for example, will be affected by this legislation. Once again, it will become an increased off-farm cost to the rural community. I am surprised that the Government at this time of rural crises chose to take that course of action. I refer not only to the farming community but to the people who are dependent in country towns—those who, to use an expression, ride on the sheep's back. I do not know what Mr

Gayfer would say in regard to the wheat growing industry as a corollary to that.

The payroll tax increase will be \$34 million. I realise a growth factor is involved because of the national wage case. However, statistics show that wages are increasing irrespective of the national wage case. Obviously an increase in revenue will occur due to the expansion of the wage base, but it concerns me that an extra \$34 million will be raised from payroll tax. As part of its major election platform the Government made a major commitment to reduce the level of unemployment in Western Australia. I ask any member to challenge me that payroll tax is not a disincentive to persons seeking employment or endeavouring to maintain permanent employment.

It is interesting that the first two measures I outlined in regard to the reduction in payroll tax are in the form that was requested in the Confederation of Western Australian Industry (Inc) pre-Budget submissions to the Government. The measure can be expected to relieve the payroll tax burden on a number of small and medium-sized businesses employing between 10 and 85 employees. Notwithstanding the remainder of the Bill, these measures deserve the Opposition's strongest support, because they are incentives to stimulate employment although they do not go all the way.

Hon. D. K. Dans: I am writing down your comments in red ink.

Hon. NEIL OLIVER: I did not think the Leader of the House had anything to respond to.

I emphasise the effects this increase in payroll tax will have on primary industries and the mining industry. I do not know whether the Government took this into account, but the Prime Minister is calling for greater exports in order to balance out our incredible trade deficit. Payroll tax is somewhat inequitable because it is levied on businesses irrespective of the size of the business concerned or its profitability and capacity to pay increased tax rates. There is no direct link between turnover and profit.

This matter has a history, of course. Payroll tax was a Commonwealth Government initiative. It is unique that I should actually be talking about the state of our export industries because the Federal Government in the late 1950s introduced a programme called "Export Action". It decided upon a base year for the level of exports for each industry or company in Australia, and if a particular company was

able to improve its export performance in successive years from the base year it was able to either claim a deduction in payroll tax or, in instances where the exports achieved high targets, it was actually exempt from payroll tax. This legislation is an attack on export industries. The Government is using payroll tax to gain additional revenue when some 30 years ago at a Federal level the tax was used to promote exports.

The Pay-roll Tax Amendment Bill provides for a change in the criteria for the discretionary powers vested in the Commissioner of Taxation to exclude a group or business only in cases where less than 50 per cent control over that business exists and where substantial independence can be demonstrated. The latter qualification appears to provide the flexibility necessary under such a provision. The Bill's grouping provisions provide that a beneficiary of a discretionary trust shall be considered to have an interest in excess of 50 per cent and as such will not be excluded from others in each such group in which the taxation liability is determined.

The Pay-roll Tax Assessment Amendment Bill (No. 2) relates to cases where an objection is lodged to the assessment. It is reasonably fair in that if an objection is overruled the taxpayer can then appeal to a court, which I believe is a good move. Normally one is restricted to approaching the appeals board and cannot proceed to a judicial hearing. This provision enabling the matter to be taken further is important.

When one objects to a tax I understand that one has to pay the tax and then lodge the objection. Perhaps Hon. Max Evans, who is to follow me in this debate will disagree with me on that point. During the consideration of the objection, Consolidated Revenue has the benefit of earning interest on that tax. If the objection is dismissed, the tax has already been paid. The alternative is that—this is what the Pay-roll Tax Assessment Amendment Bill (No. 2) seeks to do—where the objection is upheld either before an appeal board or before a court, the Government, in its generosity, has suggested that interest be paid on the money and the tax be refunded. What it does not say is what the interest rate will be; it will be prescribed at a later date.

Hon. D. K. Dans: I will tell you how generous we are.

Hon. NEIL OLIVER: It is a move in the right direction.

Hon. D. K. Dans: Do you agree with our generosity?

Hon. NEIL OLIVER: It is a good move, and I certainly support it. However, I would support the Government more if it went further next year and repealed payroll tax altogether.

Hon. D. K. Dans: There is only one good tax, and that is the tax that the other guy pays.

Hon. NEIL OLIVER: The point is that the interest is not prescribed and I believe consideration should be given to inserting "at the commercial rate". That would give the Government the ability to vary it one way or another without putting it in a regulation which would come before this House. I believe that the Government should prescribe in the Bill an interest rate at least at a commercial rate, because otherwise it could get right out of hand as it did in the provisions in the Stamp Act. Until amendments were introduced last year, that Act contained very severe penalties for late stampings. When the Stamp Act was amended in 1979, that was a complete review of the Act; it had not been touched, I think since 1898.

This Government made an electoral promise that it would keep its taxes and charges at or below the inflation rate. In this instance we are looking at a one per cent increase as a percentage of gross wages in a tax since 1984—an actual increase, in real terms, of 21 per cent. The overall payroll tax to be gathered this year, after discounting the inflation rate, will be 4.8 per cent in real terms. The Government has consistently told the media—it did so only last weekend in Kununurra—that it is holding taxes and charges at a level equal to or below the inflation rate. However, this tax involves an increase in real terms of 4.8 per cent.

With those reservations, I support the Bill. However, I would like to hear the comments of the Leader of the House in respect of the use of the CPI and its effect on our export industries.

HON. MAX EVANS (Metropolitan) [3.06 p.m.]: I support this payroll tax legislation. However, I have certain reservations about how it will be received by the public. Already, small and medium-sized firms have received benefits from the Government. The Government was given bouquets for dropping the rate of payroll tax from five per cent to 4.75 per cent as it did last year. The Treasurer made the comment then that he would work towards doing away with payroll tax completely. However, that was said in an election year. He gave an indication that, after he brought down the rate of payroll tax, he would continue to bring

it down. We now see this massive increase in the tax.

The second reading speech mentions the fact that the Confederation of Western Australian Industry had recommended a tapering condition in respect of exemptions. Even though the Government gave a little bit more than the confederation asked for, it did not say what rate of payroll tax the confederation recommended. As I understand it, last year the confederation took the credit for the fact that it recommended a reduction in payroll tax, and that recommendation was acted upon, hence the new rate of 4.75 per cent. The Government has not said how, in following the recommendations of the confederation in one sense, it went so far off target in relation to the reduction of the rates.

I would prefer that the Leader of the House recorded the questions in red ink and not in black ink. I always think that is a liability or a negative idea. I would rather see the figures recorded in a positive manner with black ink, and red ink used only in a negative manner.

Hon. D. K. Dans: I was not talking in accountant's terms; I was talking in political terms.

Hon. MAX EVANS: An amount of \$34 million will be raised from large employers by way of this tax. That must have an impact on the work force and on the ability of companies to employ people. Public authorities like the State Energy Commission, the Water Authority, and Westrail, which supply services to the public, will have to increase their charges to cope with this tax. When charges are raised by businesses, they increase them by more than they have to recover. When they find they will have to increase their charges to cover this increase in payroll tax, they will put their charges up just a little more than the amount required. Hospitals are in the business of collecting medical benefits, hospital benefits, and other benefits, and will be required to increase their charges to cover this tax. There will be a massive snowballing effect from this increase.

The Minister said that the increase totals only 11.3 per cent. That is a fallacy. So many businesses are paying no payroll tax that the impact on businesses involved in paying the increase will be a lot greater than 11.3 per cent. I suggest, off the top of my head, that it will be closer to a 15 or 16 per cent increase.

The increase from 4.75 per cent to 5.75 per cent is similar to the increase imposed on the liquor industry recently. The increase totals 21

per cent or, as Hon. Mick Gayfer said, 21.05 per cent. That is a huge increase for a Government that prides itself on keeping down charges. It impacts on the large employers—employers who, if they increase their work force by 10 per cent, will have an increase in staff numbers of 50 to 100 people. This tax will make it harder for that to happen.

I ask the Minister whether it is possible to keep the amounts of payroll tax received from the private and public sectors separate. I think the difference is fairly significant; I was told about 12 months ago that it was in the order of 30 per cent. Thirty per cent of \$34 million is about \$10 million, which means that \$24 million is paid by the private sector and \$10 million is paid by the public sector.

Why the panic to increase charges? Towards the end of the financial year we were told that things would be tough and that the Government would only just balance its books.

This week the Minister made a statement in the Press when he was at Kununurra. I am sure he made the statement in Kununurra so that he could not be queried about it and by the time he returned to the metropolitan area it would be old hat.

Hon. D. K. Dans: That is why I went up there.

Hon. MAX EVANS: Yes, I know, and it was a good idea. The best thing to do is to make an announcement on a Sunday to obtain maximum exposure and the next best thing is to make a statement in Kununurra where the Minister cannot be found and asked questions. It was stated that there was a surplus of \$36 000 and credit was given to the Western Australian Development Corporation and to the sale of the Perth Technical College site and other bodies, which contributed \$17.1 million. I know the WADC made a dividend of \$10 million; I was advised about that in answer to a question I asked in this House recently. I am not sure where the remaining \$7.1 million comes from, but we do know that the Perth Technical College site was sold by the Government for \$20 million.

The Minister did not refer to that amount to achieve the surplus of \$36 000.

Hon. Neil Oliver: You can buy it but it is a high price on the market.

Hon. MAX EVANS: Who would make the profit in that case?

What is the true financial position of this State? Last year we had a \$800 000 surplus and this year we will have a \$36 000 surplus. Last year the Government did not include \$22 million received from the Argyle diamond venture because it was left in the State development fund. I ask if that figure has been included this year or carried forward to next year. Last year the Government did not include \$23.5 million it received in interest on the short-term investment market.

In an article written by the Premier when in Kununurra, it was stated that an amount of \$52 million was earned in interest on the short-term money market and that that amount would be carried forward next year. The Government has actually carried forward \$23.5 million from last financial year and \$28.5 million in this financial year and it will have a surplus of \$52 million. I ask what is happening? We would like to know the facts in order that we can judge the reason for these proposed increased charges. We can only consider it if we are given the facts about the Government's finances.

Hon. D. K. Dans: That is a matter for debate when the Budget is presented to Parliament.

Hon. MAX EVANS: The Treasurer makes the decisions before the end of June; he decides whether he will transfer funds from the left-hand pocket to the right-hand pocket. He may decide he has enough funds in one pocket and makes a decision not to transfer the funds until 1 July.

In his statement to the Press this week the Premier said that \$52 million, being interest on the short-term money market, will be available in next year's Budget and that that amount has been stored up over the last two years.

Hon. Mark Nevill: What has this to do with payroll tax?

Hon. MAX EVANS: It comes back to the need to raise charges to in turn raise the income. The Government repeatedly says that it is in a tough situation and needs more money. I am not certain how tough the position is.

Hon. D. K. Dans: It is pretty tough.

Hon. MAX EVANS: With those few comments, I support the Bill.

HON. H. W. GAYFER (Central) [3.12 p.m.]: I cannot let this Bill go through without voicing my alarm at the cost which will be incurred in the country areas.

While one cannot disallow a Bill of this nature, in spite of all the propriety for which this House stands, one is very tempted to move for the disallowance of it.

Frankly, the cost involved to the agricultural industry will be very alarming. Some of those costs will not be gauged directly. I understand that it will cost the Education Department \$28 million in payroll tax this year and that figure will be offset by all taxpayers and will certainly include the farming community which I represent.

The State Energy Commission, Water Authority, local government authorities, hospitals, and a dozen instrumentalities one can think of which are totally reliant on the agricultural areas will be subject to payroll tax and this will result in a load on the agricultural community.

I can speak with knowledge of only one specific company which handles all the grain in Western Australia and members would be interested to hear what the total effect of this Bill will be on that company. The imposition and collection of payroll tax was taken over by the States from the Commonwealth in 1971. The Commonwealth continued to levy payroll tax in the Australian Capital Territory and the Northern Territory only. The initial rate of payroll tax at 1 September 1971 was 2.5 per cent.

Hon. P. G. Pendal: Bill McMahon never stopped laughing from the minute he gave it to us.

Hon. H. W. GAYFER: That is right.

No major changes have occurred as to payments which are exempt from payroll tax such as workers' compensation payments. People generally do not realise that workers' compensation payments are subject to payroll tax as, indeed, are termination of employment payments.

Since 1 January 1984 the Western Australian Government has added first year apprentices to the list of exempt payrolls. As payroll tax is set as a fixed percentage of gross wages paid, the amount automatically increases as wages increase. Gross wages include such items as all salaries and wages, meals, director's fees, mileage payments—members may name other such items which are covered by payroll tax.

When one looks at a company such as Co-operative Bulk Handling Ltd one must realise the impact on that huge organisation is very considerable and the costs must be passed back to the shareholders who are the users of the

company; namely, the farmers who are the grain growers of Western Australia.

The proposed amendments to payroll tax are as follows: As at 1 January 1986 payrolls not greater than \$880 000 attract a four per cent tax; payrolls greater than \$880 000, but less than \$1.48 million, are based on a sliding scale between four per cent and 4.75 per cent; payrolls greater than \$1.48 million have tax set at 4.75 per cent, and the tax free threshold is for payrolls up to \$220 000.

Let us look at what is proposed as from 1 August 1986. Payrolls not greater than \$1 million will attract a tax of 3.75 per cent and payrolls greater than \$1 million, but less than \$1.8 million will attract a tax based on a sliding scale between 3.75 per cent and 5.75 per cent. On payrolls greater than \$1.8 million the tax will be set at 5.75 per cent—an increase of one per cent in this category—and the tax-free threshold will be for payrolls up to \$250 000.

The effect of that on a large company such as Co-operative Bulk Handling Ltd will result in an increase in its payroll tax contribution of 21.05 per cent, and this figure has been quoted by the previous two speakers as the general figure for large companies.

It is interesting to note the increase in payroll tax over the years since 1971. In 1971, CBH paid payroll tax at a rate of 2.5 per cent and the total amount paid in that year was \$162 375. To 1985 there was a very steady increase and the rate increased from 2.5 per cent to 3.5 per cent to 4.5 per cent and to five per cent over a period of eight years. In an election year it was reduced to 4.5 per cent, but the payroll tax paid by that company has increased from \$162 375 in 1971, to \$1 630 943 in 1985.

The proposed increase is expected to cost that company \$338 000, bringing its payroll tax figure in this year to almost \$2 million. That is a horrific figure. Mr Wordsworth may be interested to know that since 1971 the grain growers have paid to the Governments of the day in payroll tax alone an amount in excess of \$13 million. The increase of \$338 000 this year, on its own, will add 8c a tonne to the grain to be delivered to CBH. The company has no alternative but to levy the farmers an additional 8c a tonne for all grain delivered to cover this increase. On top of that, electricity charges will increase by 12 per cent, adding a further \$360 870. The increase just to cover those two components amounts to 16.7c a tonne.

The other day CBH took the trouble to place an advertisement in the newspaper, a copy of which I have in my hand, indicating what those increases in Government charges mean to the grain industry. As a result of that advertisement, CBH received a telephone call asking what right it had to take that action. I add that the call did not come from the Government, and Mr Dans is completely exonerated.

Hon. D. K. Dans: I thought you may have said that you did not bring it to Parliament to have it vetted.

Hon. H. W. GAYFER: No, I did not. It is a funny thing, but last night I described the Leader of the House as eloquent, and I have now exonerated him. He will be flying soon; there is no doubt about it.

Let me tell the House that this cannot go on. The Government will most likely support a Royal Commission into CBH's charges, and yet the terms of reference for that commission do not allow in any way for Government charges to be attacked. Increases in Government charges must be absorbed by CBH. The terms of reference are such that they let everybody off the hook very nicely by attacking the most successful company in the whole of Australia; it is certainly the biggest wholly Western Australian-owned company in this State. The Government is putting up a charade and saying it will support the Royal Commission when, in fact, the two charges I have mentioned will increase the costs for every grain grower this coming year by 16.7c a tonne—8c for the matter under discussion and the balance for electricity charges. That is not the end of the matter.

I have every right as a grain grower and as a member representing the grain industries of Western Australia to stand in this place and buck like hell. Frankly, it is not good enough for the tax to be increased by one per cent when, in fact, the Government made a pre-election promise that it would work towards the abolition of payroll tax.

Hon. D. K. Dans: We have not gone away from that.

Hon. H. W. GAYFER: In fact, the Government started on that path by reducing the tax from five per cent to 4.75 per cent last year. However, the moment it was in office again it increased the tax to 5.75 per cent. That not only picked up the leeway of 0.25 per cent that the Government gave away last year, but also it represented a further 0.75 per cent increase. I

am sure the members opposite know exactly what I mean.

Members in this House are manacled as far as protesting about money Bills is concerned. Of course we can talk about them and we can scream, but really and truly propriety does not allow us to do much more than complain. This increased tax, on top of all the other increased taxes which we have heard about by word of mouth and which are contained in legislation currently in the Parliament, has been presented before the Budget and it will cripple the people whom I represent.

I will be speaking in similar terms every time an increase by way of a money Bill comes into this House this year. We cannot go on with this facade of saying that we recognise there is a problem in the community, and saying that we will advance \$30 million for rural finance and \$40 million for interest payment subsidies—which cannot be touched anyway—and at the same time increase the taxation penalties on the farmers struggling to survive to such an extent that we shall also reduce them to the ranks of those faring very badly with the present financial position.

I protest most vehemently about this Bill. I cannot do anything about it, but I protest that the imposition will be made.

HON. D. K. DANS (South Metropolitan—Leader of the House) [3.28 p.m.]: I thank the members who have supported this Bill and I have noted the comments made. As far as the Government is concerned it is accepted that there is no real logic to payroll tax; it said so before the election and it adheres to that proposition. It is an undesirable tax; it is a disincentive to employment; but the fact of the matter is that there is no alternative to this source of revenue.

Members are all aware that this tax was levied by the Commonwealth Government and was returned to the States by subsequent Governments. A whole fistful of money was grabbed by the Commonwealth, which put the States under a great deal of pressure to raise the revenue to provide the services which the public now demand.

Everyone in this Chamber would be aware that in the last three Budgets the Government has introduced concessions to payroll tax, and, in fact, over the past three years of the present Government—that is, to the 1985-86 Budget—real payroll tax collections per employed person fell by an average of 3.8 per cent per

annum. It is unfortunate that we have to change our stance a little now.

If members wish to compare that with preceding years, they will find the figures somewhat different. During the period of the Court and O'Connor Liberal Governments, real payroll tax collections per employed person grew at an average annual rate of 3.7 per cent; so in reality we are not doing all that badly. I have already stated that there is no logic to payroll tax. We believe that, but there is no alternative source of revenue for the Government.

Hon. H. W. Gayfer: It stifles incentive.

Hon. D. K. DANS: I have already said that, and I am open to suggestions. If someone in the Chamber can think of some other method of raising this revenue, I am prepared to take it to the Premier for further consideration.

Even after the implementation of the changes proposed in these three Bills, our minimum payroll tax rate will still be 1.25 per cent below that of other States. Moreover, the maximum tax payable by large businesses in this State will be less than in New South Wales, Victoria, Tasmania, and the Northern Territory. I do not know what they are in Queensland, but I would presume that they may be lower because Queensland is a State notorious for not providing public facilities to the extent that others do.

Hon. P. G. PENTAL: They have had free hospitals for years.

Hon. D. K. DANS: Brought in by a Labor Government.

Hon. P. G. PENTAL: And maintained by a National Party Government.

Hon. D. K. DANS: Not by a Liberal Government or a Labor Government.

Hon. P. G. PENTAL: For 21 years!

Hon. D. K. DANS: I know it very well, and I know the standard of service in those hospitals.

Mr Oliver raised a question with respect to commercial interest rates. With this Bill we are trying to stay in line with trends in commercial interest rates, and that is what the Bill provides for. It is intended that there will be symmetry between the rate of interest payable when amounts are refunded to taxpayers, and interest rates payable on outstanding amounts when taxpayers owe money to the Crown. In other words, we will be able to adjust it up and down. If anyone here says he knows what the interest rates will be next month, I would be very surprised if he were accurate. This pro-

vision must be included to allow for a little flexibility.

All in all, the Government has kept its increases down to a bare minimum. I have stated to the House that we have not backed away from our stated policy. We think payroll tax is a disincentive to employing people, but we have no alternative than to go about this increase in this manner. After all, it will still keep us at least 1.25 per cent below the rates paid in other States; and as I have already pointed out, over the last three years we have reduced the amount considerably.

Questions put and passed.

Bills read a second time.

In Committee, etc.

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

Third Readings

Bills read a third time, on motions by Hon. D. K. Dans (Leader of the House), and passed.

LIQUOR AMENDMENT BILL

Second Reading

Debate resumed from 16 July.

HON. P. H. LOCKYER (Lower North) [3.40 p.m.]: Most members have heard me speak in this Chamber about the liquor industry on a number of occasions.

Hon. D. K. Dans: I cannot imagine why.

Hon. P. H. LOCKYER: I can tell the Leader of the House why: I have a great concern for the liquor industry, because it is a tremendous employer of people.

Recently the Premier saw fit to deal the liquor industry one of the most telling financial blows it has suffered in its history in this State. The result of his action is the Bill before us today. Basically, the Bill increases the liquor tax although it does a number of other things as well, some of which we welcome but some of which we find quite abhorrent.

The Labor Party prides itself on being a supporter of the worker, but bringing a Bill to the Parliament like this which contains such savage fee increases with absolutely no consultation with the liquor industry makes one wonder whether the Government has completely forsaken the people it purports to support. Over the last few years with a socialist Federal Government and socialist Governments in some of the States, we have seen the working

class hit by increased taxes and charges. No Government is more representative of this than the Labor Government in WA.

I will quote a portion of the annual report of the WA Hotels Association, specifically that part dealing with licensing fees—

The Association is aware of a recent Inter-Departmental Enquiry into the revenue raising responsibilities of the Licensing Court.

The last thing that this industry needs is an increase in licence fees in Western Australia and if a recommendation to this effect is made by the Inter-Departmental Committee it has been asked that it be firmly turned aside.

The Federal Government's policy on the indexation of excise of beer has proven to be alarmingly costly both in a direct sense and by way of its extended effect on State Liquor Licence Fees. State Government revenues automatically increase as a result of the existing indexation on a Federal level.

I regret to inform members that the association's plea fell on entirely deaf ears.

The recent introduction of the Federal Government's fringe benefits tax and the savage increases in the State's water and electricity charges will hit the hospitality industry very hard, because the industry is a big user of electricity and water. Members will be aware that the recent 12 per cent increases will hit the industry where it hurts.

The State Government has told the hospitality industry that it really must get out and support the tourism industry, particularly with the America's Cup challenge soon to commence. Members can surely excuse the industry for being a little sceptical about the Government's request, because it has suddenly been hit with these increased charges for power and water and now it is expected to foot the bill for these increased fees to the tune of some \$10 million for the remainder of this financial year, and some \$13 million in a full financial year. If the Government is really enthusiastic about supporting the tourism industry, I would be surprised.

Hon. A. A. Lewis: Do you think the Government is trying to get the hotel industry to pay for the America's Cup challenge over four years?

Hon. P. H. LOCKYER: One could be excused for thinking that.

Hon. D. K. Dans: It is not the case.

Hon. P. H. LOCKYER: Presently taverns pay seven per cent under the licence fee and hotels pay eight per cent. This Bill will increase the fee to a flat rate of 11 per cent.

Sitting suspended from 3.45 to 4.00 p.m.

Hon. P. H. LOCKYER: That is at least a 40 per cent increase. Every percentage point increase in the licensing fee adds a further \$4 million to the State Government's coffers, and that is on top of the savage imposts which have been placed on the industry this year.

Hon. D. K. Dans: One per cent equals \$4 million?

Hon. P. H. LOCKYER: Yes. Electricity charges have increased by 12 per cent, FBT and water rates have increased, and the taxation deduction for entertainment expenses has been removed. That affects the hospitality industry, which supports and employs a huge number of people. Payroll tax automatically places an impost on the hospitality industry because it employs large numbers of people.

Many members in this House represent country electorates, and I am looking forward to their contributions this afternoon—particularly by those on the other side of the Chamber—because I will circulate copies of this debate to all hotels in the State, and I am sure that the hotels with country members representing them will be keen to know what their member has to say.

Hon. J. M. Brown: You are not threatening us, are you?

Hon. P. H. LOCKYER: No, not at all.

Hon. J. M. Brown: I hope not; it sounded like a threat to me.

Hon. P. H. LOCKYER: I will repeat it for the benefit of Hon. Jim Brown who knows I would never threaten him: I will send a copy of the debate to all country hotels and let them be the judge.

In my view, the country hotels and clubs will be the most severely hit by this Bill. Members who have lived in the country, and many members here have done so, know that the local hotels and clubs play a very important social role in the towns. It is mostly at the hotels that meetings are held, and they are the social centres when people want to go out. In small towns they are often the only places to go. It is my view, and that of many members on this side of the House, that this Bill will send many of the hotels to the wall.

To judge the sort of concern that might exist, my friend and colleague, Hon. Sandy Lewis organised, along with the liquor industry, a petition to test how many people were interested in this matter and what effect it would have on the industry. Due to a technicality I was unable to present the petition to the House today, but I will do so tomorrow. However, in a very short space of time—less than a week—more than 17 000 signatures were collected from people opposing the increase in the licensing fee. In anyone's view that is a considerable number of signatures in such a short time.

Hon. D. K. Dans: How long did you say?

Hon. P. H. LOCKYER: In one week, 17 270 signatures were collected.

Hon. D. K. Dans: That would be the clientele of the Sail & Anchor at Fremantle in a week.

Hon. P. H. LOCKYER: I wonder if the clientele will be able to go there if it survives this impost.

Hon. D. K. Dans: They are not worried about it.

Hon. P. H. LOCKYER: I take Hon. Des Dans' word for it. I suggest there would not be one hotel or liquor outlet in this State which is not worried about this increase.

Hon. Fred McKenzie: Everyone worries about taxes.

Hon. P. H. LOCKYER: This is a savage tax—an increase of 40 per cent. Hon. Fred McKenzie is a very fair man; he would not agree with a 40 per cent increase in tax in one fell swoop. It must be borne in mind that it was brought in without consultation with the industry, and it was like a bolt of lightning. This industry has framed its budget for the year. I give the example of the Cottesloe Hotel which is owned and operated by Peter Eakins, who was a famous footballer in his day. He informs me the increase in his bill alone is \$28 000 per annum. He has to find in excess of \$500 a week; where does he get it?

This industry is already reeling from massive increases in power, water, and FBT charges, and from the disallowance of claims for entertainment expenses. All this is targeted at one industry, and it is hurting that industry. If members do not believe me I point out that 17 200 people signed a petition in less than a week to say that it is hurting.

In my view the Government was terribly insensitive. The hospitality industry is one which is open to some change, but as I told the House earlier, there was no consultation whatever on

this increase. The industry is as cranky as a bull because nobody came and told it; and suddenly the licensing fee has gone from seven per cent or eight per cent to 11 per cent.

I will give some idea of the increases that have occurred in this industry since 1983. This is how the Government has attacked the industry's pockets. In 1983, the people who drink a middy of beer—and that was probably the last time anyone could afford one—paid 83c. Prior to the present increase the cost of a middy was \$1.27. That is a 46 per cent increase since 1983.

Hon. A. A. Lewis: Since this Government came to power.

Hon. P. H. LOCKYER: That is right. It is a fact of life that people who drink in hotels are mostly on fixed incomes—working class people whom members opposite purport to support. Yet without any hesitation the Government has hit the industry with a 40 per cent increase. Only one thing can happen; the industry must pass it on. It cannot absorb the increase; it is like the over-the-hill exhibitionist—there is nothing more to take out. The industry has no further ability to earn it in order to be able to pay it.

The increase between 1983 and 1986 was 46 per cent. Goodness knows what the industry has to pass on now.

Hon. Fred McKenzie: Taxes haven't increased by that much.

Hon. P. H. LOCKYER: I would remind Hon. Fred McKenzie about inflation. Inflation since 1983 has increased to 21 per cent, yet this Government has seen fit to increase the tax on the industry by more than twice the inflation rate. If Hon. Fred McKenzie thinks that is fair, I am very surprised. It is unfair; it is directing an impost which is totally unfair upon an industry. It is not spread widely enough. If the Government cannot handle its own financial organisations, it should not expect one industry to pay the lot.

The Government cannot blame the hospitality industry for being inefficient in this particular case, as it did when Agnew closed its mine and the township of Leinster. People in this industry are well aware that they have to tighten their belts, but what happens when one runs out of notches?

Hon. D. K. Dans: And there are no more belts?

Hon. P. H. LOCKYER: In this particular case the hospitality industry has no more belt to tighten. It had no more belt before this but the Government has not seen fit to talk to the industry and say, "Look, we are going to have an increase in the licensing fees. Let's sit down around the table and talk about it." The hospitality industry is not against accepting some increases—for example, from eight to nine per cent for hotels and taverns—but to increase it by a massive four per cent in one fell swoop reeks of absolute hypocrisy and contempt for the working class people, for they are the ones who will suffer in the end.

Hon. Fred McKenzie: Can you tell me when Governments have ever done that?

Hon. P. H. LOCKYER: That is no excuse for looking to the past because, as I have told the House before, the industry simply cannot take any more. One would have to be blind not to see that the industry is suffering. There would not be one member in this place who has not received some representation from a person in the hospitality industry in respect of what is going on and how badly the industry is feeling these new imposts.

Gone are the times when a publican could employ a big staff, and take the afternoon off. These days he must work most of the day while his wife works at night. It is a family affair and it is getting worse, especially, I fear, in the country. In Carnarvon, in my electorate, the local club is looking to its future and I know many of my National Party colleagues could tell the House more about the plight of country clubs.

Hon. Mark Nevill: How many premises are there in Carnarvon—10?

Hon. P. H. LOCKYER: No, there are not that many, probably only five. However, even in towns in which there is only one pub, the situation is desperate. I received a letter from the people who own the Kookynie hotel. For them this further impost is the straw which broke the camel's back; it is too much for them to cope with.

Hon. J. M. Brown: Do you believe that there should be a difference between hotels and taverns in respect of taxing?

Hon. A. A. Lewis: That is evading the issue.

Hon. P. H. LOCKYER: The Government obviously thinks there is no difference because it made a flat impost of 11 per cent right across the board. There is good argument in that taverns do not have accommodation and so the taxes should not have been increased.

However, I would now refer to the size of the industry because I do not believe the Government has any idea how many people it has offended in the industry. If the Government does not think it has offended the industry, I can assure it that the industry is really hopping mad about this matter.

Hon. Mark Nevill: They were not offended by the moratorium.

Hon. P. H. LOCKYER: Government members cannot walk in here and say that, because they have done one thing right, they can make a massive blunder. I agreed with the moratorium, which I thought was a good thing. But it is one thing to introduce a beneficial moratorium, and it is another to do the absolute reverse and negate any of the good that might have been done previously.

In this State there are 420 hotels, taverns, limited hotels and historic inns; there are 40 canteens; 13 wine houses; 38 cabarets; 258 licensed restaurants; 335 stores, and 37 wholesalers. This makes a total of 1 141 licensed premises in Western Australia which are expected to shoulder a \$10 million burden this year and a \$13 million impost next year.

I will tell members how much money has been raised through licensing fees from the end of June 1980. At the end of June 1980 some \$15.8 million was raised; in 1981, \$17.1 million was raised; in 1982, \$18.5 million was raised; in 1983, \$20.1 million was raised; in 1984, \$22.7 million was raised; in 1985, \$23.2 million was raised and I understand that this year the figure will be close to \$24 million. All of a sudden this figure will be raised by \$10 million this year and another \$13 million next year. The industry is feeling the pinch and it believes it is carrying far too much of the burden. In this financial year the industry faces an increase in the inflation rate as well as increased costs of wages and payroll tax, which occur automatically, and on top of that it must face an increase in licensing fees of \$10 million.

The Bill also contains substantial increases in penalties for various offences and so on. One must bear in mind that these penalties and these requirements by the Licensing Court and by the Government have caused every hotel and tavern owner to employ a full-time bookkeeper because the bookkeeping is horrific. Instead of serving his customers, a publican must make sure that he has someone counting every bottle, and when it comes to breakages, the publican must almost carton up the broken

pieces to prove that he is not robbing the taxpayers.

Hon. D. K. Dans: I was the Minister for this portfolio and I would stay away from that sort of statement if I were you.

Hon. P. H. LOCKYER: Hon. D. K. Dans will have his opportunity to discuss this Bill later.

Nowadays a publican, instead of serving his customers, must have a full-time, university-decorated accountant to handle his bookkeeping. At the present moment the failure to pay an annual licensing fee instalment on time is a penalty of 10 per cent flat. The penalty proposed in this Bill is two per cent of the amount of the instalment per week to the maximum of 10 per cent. A licence is voided if the licensing penalty is not paid within a month. That is one good reason why a publican must have a university student working for him. The penalty for failure to furnish a return on liquor purchase annually is currently \$100; the proposed penalty is two per cent of the annual licence fee, which is a maximum of 10 per cent plus \$2 000 and suspension of the licence until the return is furnished. That is another good reason to make the university student work for his money. The clause of the Bill which relates to the furnishing of false or misleading information relates to the publican who used to do his bookkeeping at 11.00 p.m. after he had entertained his local football club which had won a grand final. He can look forward to a \$2 000 fine, plus an equivalent of treble the amount of the licence fee avoided or attempted to be avoided.

I suppose these penalties must be imposed, but I would need to be further convinced that it is necessary to raise them by so much. An increase from \$200 to \$2 000 seems to be considerable.

Hon. D. K. Dans: But one only gets hit with that if one has committed the offence.

Hon. P. H. LOCKYER: It is still in the legislation and one never knows in respect of these matters.

Hon. A. A. Lewis: Get Mr Dans to explain this in the Committee stage.

Hon. P. H. LOCKYER: I am very concerned for publicans who are already battling. Many publicans are now concerned about whether they will be able to pay the brewery for the grog they hope to sell next week. I am particularly concerned about publicans in the country who are feeling the pinch the most. They are horrified by this legislation because they can see that

it will send them broke. Perhaps a place like the Sail & Anchor will be able to get by, because such places sell a massive amount of grog. The Casino will be able to get by because it has snaffled up most of the beer sales around Perth. However, the little bloke up in Kookynie who sells a barrel a week will not get by; he will go broke. The little blokes at Payne's Find and a few of these smaller places will go broke.

Hon. A. A. Lewis: Mumballup.

Hon. P. H. LOCKYER: The only time the publican at Mumballup gets an increase in consumption is when the local member visits.

Hon. Mark Nevill: That's very rarely.

Hon. P. H. LOCKYER: That is not right, because if anyone serves his electorate well it is Hon. Sandy Lewis.

Country publicans operate on a fairly fine margin. Under this legislation, they will have to find 40 per cent more for licensing fees alone.

Another matter of concern is the provision relating to the retention of records and the reassessment powers of the principal receiver of revenue. The proposed requirement is for the records of liquor purchases and sales to be retained for six years. If ever we have seen bureaucratic thinking, this is an example. Imagine having to keep files for six years! Publicans will need immediately to buy half a dozen four-drawer filing cabinets ready for the avalanche. Previously, the records had to be kept for two years. The Minister will have to give me a very good reason for extending the two-year period to six years.

In his second reading speech, the Minister said this amending legislation was needed because of the amount of undeclared moneys. Apparently, during 1984-85 some \$3.5 million in liquor turnover was not accounted for. If publicans were taxed at the licence fee rate of eight per cent, that undeclared money would have generated some \$280 000 for Her Majesty's State coffers. In my view it is hardly reason enough to increase liquor fees by 40 per cent to offset that amount.

In addition, the penalties have been made so draconian that very few publicans or owners of licensed premises or liquor shops would take the chance of not declaring correct liquor turnover figures. The basic argument put by the Minister can be seen through as clearly as looking through a pane of glass. His argument leaks like a sieve; it simply does not hold water.

During the second reading speech it was also pointed out that by comparison with licence fees in New South Wales, South Australia and Victoria, licence fees in Western Australia were low. That is no argument. The fact that the other States happen to charge more because of their inefficient bookkeeping and inefficient ways of attracting funds to their State coffers does not mean that we have to keep up with them. That is like keeping up with one's neighbours and putting in a swimming pool if the neighbours do, even if one cannot swim.

Hon. Mark Nevill: Would you use that same argument with respect to salary determinations?

Hon. P. H. LOCKYER: We are not talking about salary determinations. We are talking about an attack on an industry that is already on its knees. The Government is now trying to cut it off at the knees. We are talking about an industry that is in a considerable amount of trouble. This industry is an employer of people. We have all read in newspapers and heard spoken of in the Parliament that a bloke in Boulder is employing a naked barmaid. Many hotels employ topless barmaids. The bloke at the Broken Hill Hotel claps his hand each time he gets a bit more publicity. There is only one reason that publicans employ naked or topless barmaids, and that is in an attempt to offset the huge increases in State Government imposts.

Hon. D. K. Dans: Somehow I do not see any connection between drinking grog and a naked barmaid.

Hon. P. H. LOCKYER: That is the Government's view. That is what the Government says.

Hon. D. K. Dans: I speak from personal experience, Mr Lockyer. You were in the pub at Mt Magnet with me when they had topless barmaids.

Hon. P. H. LOCKYER: I had to restrain the Minister, remember?

The PRESIDENT: Order!

Hon. D. K. Dans: If you recall, my wife was with me, standing on both my feet.

The PRESIDENT: Order!

Hon. D. K. Dans: I was never more horrified in my life than when I walked into that hotel and saw that disgusting display.

The PRESIDENT: Order!

Hon. P. H. LOCKYER: To get back to the subject, what Mr Dans says is quite wrong. Mr Dans probably does not know the finer points, but in case he does not I will explain them.

Hon. D. K. Dans: Explain them to me, Mr Lockyer.

Hon. P. H. LOCKYER: I will explain matters to Mr Dans, but I want him to listen very carefully.

Hon. T. G. Butler: Get it off your chest.

Hon. P. H. LOCKYER: I will get it off my chest. For the information of members I point out that topless barmaids and see-through barmaids are not employed at the same rates as the ordinary barman or barmaid. The cost to the publican is fairly hefty. For instance, the publican who employs them in Carnarvon, at a place I rarely visit, has told me that it costs him \$1 000 extra a week. He is prepared to outlay that amount to attract customers.

Hon. D. K. Dans: And he is going broke?

Hon. P. H. LOCKYER: He must spend that amount to attract customers because the Government keeps whacking charges on the hospitality and liquor industry to such an extent that the price of beer and grog generally is so high that few people can afford it. The only way the publican can attract customers and entice them to put liquor down their throats is to get something that will attract them.

Hon. E. J. Charlton: To take their minds off the cost.

Hon. P. H. LOCKYER: Yes, that is right. I am sorry that Government members see fit to laugh about this. It might be amusing, but it is fact. In all seriousness, it is very important that members realise that this is the sort of thing that publicans must do to get people into hotels.

Hon. B. L. Jones: Rubbish!

Hon. E. J. Charlton: It is irresponsible to say that that is rubbish.

Hon. P. H. LOCKYER: The honourable member is new in this House so I will let her off the hook. I do not know whether she goes to hotels.

Hon. B. L. Jones: Not to those, I don't.

Hon. P. H. LOCKYER: I would not expect the member to do so, but I ask how long it is since she talked to a publican in her electorate and found out how massive his costs are. Just today I spoke to a publican from her electorate, from Mandurah. He told me that he was looking very carefully at the future of his hotel. There was no question but that he would have to put off three or four employees. In addition, he did not think that he could stay afloat. I put it to the member that many hotels and liquor outlets are experiencing these difficulties.

Much of my speech has dealt with hotels, but not only hotels are affected. Licensed clubs, wholesalers and retailers of packaged beer are all affected.

Hon. H. W. Gayfer: Bowling clubs have to pass it on.

Hon. P. H. LOCKYER: Everybody has to pass it on. Clubs are more heavily hit than most, because they already have to abide by many rules. Only last year or the year before a tax was placed on beer tickets for licensed clubs to bring them into line with hotels. That impost affected the clubs.

Hon. Tom Helm: Why do we get so many applications for licences and extra premises?

Hon. P. H. LOCKYER: I think that is now a thing of the past. I think there are plenty of licences around now. There is a moratorium on licences at the moment.

Hon. D. K. Dans: Try and buy a licence.

Hon. P. H. LOCKYER: I do not know too many people at present who are raring to get into the liquor industry. Many people want to get out of it. Many in the industry have debts they will find difficult to pay. Legislation such as this does not help.

Hon. Fred McKenzie: Why are licences so dear to purchase?

Hon. P. H. LOCKYER: I do not know that they are so very dear at this moment.

We cannot knock out this Bill. It is a money Bill and we cannot defeat a money Bill. However, Mr Dans can push the Treasurer and say that he believes he should withdraw the Bill to reconsider it. The Government did not consult with the industry. The industry in one week has produced 17 000 signatures on a petition. What would happen in a month? I put it to you, Mr President, that a massive number of signatures would bring the picture home to people who disregard this industry. I do not know of any industry whose voice is just one in the wilderness.

The Government is not listening. These people are so cranky I do not know what they will do next. They will not go to the hotels and encourage support for this Government. They might have done that in the past, but I can assure members they will not do it now.

If the industry survives, it will be as a result of a massive shaving down and squeezing back on all things. There will be fewer barmaids, fewer barmen, fewer people to sweep up the rubbish, fewer cooks and waitresses. These are people who are difficult to employ elsewhere.

This industry employs people who are difficult to place anywhere else.

In summary, let us reiterate what this Bill does. It increases the liquor tax in this State from seven or eight per cent to 11 per cent. It greatly increases the possibility of people doing something wrong. It places in great jeopardy many of the country hotels and clubs. It has placed in jeopardy some of the smaller hotels in Perth, and it will cause extreme difficulty for the industry in general.

I urge the Leader of the House to tell his Premier to have another look at this Bill. He should consult with the industry and listen to its members—something which simply has not been done in the past. I refer particularly to these increases. I look forward to seeking some answers clause by clause during the Committee stage as to the reasons for the inclusion of various clauses of the Bill.

HON. E. J. CHARLTON (Central) [4.32 p.m.]: I want to comment on the response from the Government side of the House regarding the remarks of the previous speaker. I am surprised to see the look on the faces of members opposite and their response to those comments.

When we talk about the massive size of the increases, I can understand members opposite trying to justify them, but I cannot understand the comment that it was a fair and realistic proposition. That is not on.

Political supporters of the Government have obviously been in touch with members opposite. They are totally opposed to the increase, because they were not consulted, as Hon. Phil Lockyer pointed out. To sit back and justify this tax by saying it is fair is something we cannot accept. I am surprised some members are taking this attitude to the Bill.

Hon. Fred McKenzie: When have they ever been consulted?

Hon. E. J. CHARLTON: I do not know because I have not been involved in changes to the liquor industry. I am pleased to say that I was involved in organising a consultation with Hon. Des Dans regarding changes to the Liquor Act some 12 months ago when he went to the bush. This was appreciated. I hope those changes will be forthcoming at the next session of Parliament. I hope such things as the hours of trading, the operations taking place in clubs and hotels, and the package type of operation, will be changed. Massive changes are required, and for that reason I have been interested.

I was appreciative of the Minister going into the bush to see representatives within a 200-mile radius. Those people were pleased to have the opportunity to speak to the Minister.

Hon. Fred McKenzie: My question related to the licensing fees.

Hon. E. J. CHARLTON: To get back to this one, I have been to see the Minister, Mrs Pam Beggs, and I have discussed some of these changes. I was not aware there would be changes of this type in the licence fee. I was talking about the overall situation. Obviously the Government wants the revenue. I have taken more than an average interest in it because of the effect it has on country people.

I think Hon. Phil Lockyer was spot on. I would like to add that every piece of legislation which comes into this Parliament is tailor-made for the metropolitan area. It is looked at from the point of view of the big operators, and how they will be affected.

Perhaps the big operators will be able to handle it to a large extent. They can pass the tax on and live with it. The people in the smaller operations cannot do so. Most places in the country areas have small operators. They are becoming smaller by the day. The liquor sales are going down all the time. With an impost such as that proposed in this Bill they will not be in a position to pass it on, except at the cost—not in monetary terms—of less patronage.

These hotels will have to become involved in other activities. I shall not go into that because I commented on that aspect, as did previous speakers, during the Address-in-Reply debate. It is absolutely astounding that the Government can on the one hand justify a massive increase in the licensing fee for liquor outlets, and at the same time turn around and put police outside the hotels because of the problem from the road safety point of view. The Government regards this liquor operation as the greatest thing since sliced bread for getting money in.

I have been given to understand that the Federal Government obtains about \$3 million a day out of excise from liquor. What about the moratorium? It would have been an absolute shambles without it. The reason people are prepared to buy licences in country areas is their popularity. Populations are not stable and static. When there is an increase in the population, bearing in mind the moratorium, people want to grab a licence and open up. This does not occur across the board, though, by any stretch of the imagination.

Only 20 per cent of sales of liquor are bar sales. The other 80 per cent involve packaged beer. It is the people in the bar trade who are copping it. I do not think that package people are suffering to the same extent because they do not have to have the backup in labour and facilities.

I will give an example of one country operator who is selling about seven kegs a week. The increase in tax from seven per cent to 11 per cent means that his licence fee will increase from \$35 a week to \$48 a week. He will have to find another \$1 000 a year for electricity increases. His shire rates will also increase. He will have fringe benefits tax to pay because his family lives in the hotel with him. Entertainment tax has been mentioned previously.

We have not heard much about the fuel levy. That levy will mean less patronage because people will be less inclined to travel to the local hotel. Some people travel 50 miles to get there. People involved in these hotel operations are trying to go into something other than the sale of beer or whatever to keep their businesses running.

Operators of hotels and clubs are offering meals and the like in an endeavour to encourage people to come to their premises. If one has not taken an interest in this matter and been involved in discussions with these people, one would not understand what is required to operate these establishments. They have set times at which they must open and close; they have set costs which they must meet; and people visit their premises and tell them what they must do in order to comply with various standards. If they do not abide by those standards, they are liable to have their licences revoked.

One may ask why these people continue in that line of business. In reply, one may ask why people do anything at all. Those involved in this industry are professionals. Some of them begin their careers in small hotels and gradually work their way up.

Suddenly the Government has decided to increase costs in this and other areas and these people find they have moved from a profit to a deficit position. They are then asked why they do not get out, because there is a great demand for these licences. One may well ask the same question of the 10 per cent or 20 per cent of farmers who have been told by the Rural Adjustment and Finance Corporation or the Government that they must go. It is not their fault that they are not viable; rather it relates to

supply and demand. It is not the publican's fault that he is not viable. Viability relates to Government charges.

While none of us likes it, it is a fact that over a number of years inflation averages 10 per cent, or whatever the figure may be. However, when fees are increased by 40 per cent in one fell swoop no-one can be expected to accept that without putting up some sort of a fight.

I refer now to a couple of other aspects contained in the Bill. It was mentioned in the other House that \$3 million or \$4 million—I am not aware of the exact figures—was not recouped by the Government and in fact it missed out on that revenue. If my information is correct—I do not see why it should not be, because I have spoken to the people who know the position—the Government did not miss out at all. It had the opportunity to follow up the matter and obtain all the revenue. The Government is playing God when it seeks to increase penalties and charges in this manner.

The Government should not proceed with the across-the-board increase of three per cent or four per cent that is envisaged. Everyone is very pleased that the Government has seen fit to amend the Act in order that these matters may be dealt with now by regulation. Indeed, the Leader of the National Party (Mr Hendy Cowan) asked that that should occur, and the Minister has responded. However, when these regulations are made, one would hope that the increases are not of the order of those proposed in this Bill. Such increases are not fair and we cannot expect an industry to cope with them bearing in mind that they have been imposed suddenly and to some extent are retrospective.

I ask the Government to take two steps: Firstly, to reduce the level of the increases and, secondly, not to make them retrospective inasmuch as it is proposed that they should apply from July this year.

It would be only fair and just were the increases to apply from July 1987. As Hon. Philip Lockyer said, changes are being made in the industry which relate to that increase and, as a result, one figure will apply prior to July 1986 and another after.

Currently the industry operates under an Act which is a shambles. It should be redrafted and a few plain regulations promulgated in order that everyone in the industry understands the position. At the moment those involved certainly do not understand the situation and they are very unhappy about it.

Regardless of the industries in which they are involved, I support all who are feeling the pinch at the moment as a result of the increased charges which are being inflicted upon them. However, my sympathy lies most heavily with those involved in the liquor industry in the bush, because it is the hub of the community. When one lives in the metropolitan area a number of social activities are available. The liquor outlet—the club, hotel, tavern, or restaurant—does not assume the same importance as it does in the bush. In the metropolitan area, people can socialise at a number of venues. However, apart from the odd large town in the country, the liquor outlet is the centre of social activity. That is why, when Mr Dans was the Minister responsible for this matter, I asked him to come to the bush to talk to these people. They were not arguing or complaining about the cost of licence fees or the level of the excise on beer; rather they were unhappy about the way in which the Liquor Act operated.

Those who operate hotels in the country are expected to contribute and be the centre of everything. Political parties, football clubs, CWAs, and the like do not have a choice of venues at which to meet, because the only venue is the hotel. The Government should not harass those who operate hotels as it proposes to do in this Bill by imposing such large increases in charges, along with increased water and power costs.

The cost of power in hotels in country areas is phenomenal, because for 90 per cent of the time nobody is in these places. However, everything must be kept running and operational. People attend these places only on Friday nights, Saturdays, or at other times when functions are held. However, hotel operators must have staff who are capable of working in a business of this nature.

We in the National Party oppose these increases, as do others on this side of the House. We are opposed to the size of the increases and the manner in which they are being forced upon this industry. It is not right that, on top of the other things that have happened, this Government should seek to penalise these people. If we break down the standard of operation of country hotels, we shall see the further demise of country communities.

Other members might think I am harping on this point, but obviously they do not understand the position. As a result of the economic climate, over the last two or three years the population in country districts has fallen. As an

example, in less than three years, 20 children have left the school at Koorda which has a roll of 100; so there has been a 20 per cent decrease in enrolments. Clearly the parents of the children—the workers—have left the area.

The Government is centralising the operations of the SEC and the Water Authority. It will do so in Kalgoorlie, Bunbury, or wherever. The result will be we will be left with people running an operation such as the community centre under those circumstances. How will they live? They will have to reduce their overheads and cut their services. They will remain at home and obtain a few bottles of beer if they want a drink, bearing in mind that is not the prime reason they go to hotels. They go to hotels because they are the centres of their community.

I call on the Government to realise what it is doing in regard to the size of this increase and ask it not to judge the general situation on what is happening at the casino or another big development. This is the sort of thing the previous speaker mentioned in regard to maintaining throughput of liquor sales and so forth, because the Government cannot get more than 100 per cent out of a community that is already being deprived. If the Government does this sort of thing it will make the situation of these people much less viable to the point where they cannot carry on. That is why the licences are being sold in country areas. I know of four or five hotels now where licences have been sold. The Government has not been able to push them in somewhere else at this time because of the opposition in that regard from both ends. These hotels have not closed down yet. I am obviously getting onto another area inasmuch as the Government must understand these things when it makes changes.

I hope before the Government becomes involved in changes to the Act that it will consider the points I am making and that it takes into account the country operations and their city counterparts. If they do not do this it will do as much damage to the Budget as it has caused by some other decisions and circumstances which have been forced on country people and the business sectors of those communities.

I hope that in Committee the Leader of the House takes on board my points, firstly, about the rate of increase and, secondly, the timing in regard to when the industry will be called upon to make the sacrifice.

HON. B. L. JONES (Lower West) [4.53 p.m.]: I cannot let the remarks made by the previous speaker pass without some comment. I must say I am more than a little disappointed at the mirth that the topless and naked barmaids have generated in this House because, quite frankly, I do not think it is a subject of humour; it is pathetic to exploit young—they are usually—women.

Hon. P. H. Lockyer: We agree with you.

Hon. B. L. JONES: There was a great deal of mirth and humour in this House when that subject was being discussed.

Hon. G. E. Masters: He wasn't getting to the point!

Hon. B. L. JONES: I do not believe that example was a good one because what the honourable gentleman did, in fact, was not to demonstrate that liquor could not be sold and that people were not able to afford it; he demonstrated that if a product is marketed correctly people will buy it.

Hon. P. H. Lockyer: So you think it is a good idea?

Hon. B. L. JONES: As we have read in the newspapers recently, establishments where such exploitation occurs are filled to capacity.

Hon. P. H. Lockyer: That is the point we are making. How do you think liquor sales should be handled?

Hon. B. L. JONES: The member has demonstrated that if a product is properly marketed and is attractive enough, it will sell.

Hon. P. H. Lockyer: We are talking about the sale of liquor, not ladies.

Hon. B. L. JONES: The Government is attracting people to a hotel or a bar for the wrong purposes—not that people are drinking less, but they are choosing where they will go. We are talking about the sale of liquor, and if hotels or taverns market their products attractively they will keep up with the times like any other business. Any product has to be marketed and be attractive, but the exploitation of young women—

Hon. P. H. Lockyer: Tell us what we should do?

Hon. B. L. JONES: —in the business of promoting liquor is untenable. I simply make the point that the exploitation of these women was a very poor example.

Hon. E. J. Charlton: You cannot deny the fact that it does happen.

Hon. B. L. JONES: Yes, it does, and it is regrettable. We should be more inclined towards showing our disapproval than supporting it. This Labor Government, being a caring Government—

Hon. P. H. Lockyer: Four per cent, caring?

Hon. B. L. JONES: —is the last sort of Government which would want to impose burdens on the people, and, as the honourable gentleman opposite so rightly said, many of the working-class people who enjoy a beer or a drink and cigarettes are usually the ones who are hit the hardest.

Hon. N. F. Moore: You should not have mentioned cigarettes because ours are the most expensive in Australia under your Government.

Hon. B. L. JONES: I agree. The Government would not have introduced the tax if it had an alternative choice. I used that example only to illustrate the point. We know taxes must be raised and, if they must be raised, surely it is better to do so in areas where a person has a choice. That is really what it comes down to, regardless of the business. The people will be hit with taxes and they have to come from somewhere. If we tax something that people have a choice about buying, so much the better. It is regrettable that people have to pay more for petrol, beer, or anything else.

Hon. N. F. Moore: You don't have any choice about petrol.

Hon. B. L. JONES: We have to raise revenue because of the sorts of programmes we want to implement. This increase affects the liquor industry. That is the whole reason for raising the revenue and that is why the Government has selected areas where people have a choice. In relation to electricity, water, housing, rent, food, one does not have a choice.

Hon. P. G. Pandal: Petrol.

Hon. N. F. Moore: Have you received your water bill?

Hon. P. G. Pandal: You have doubled the fuel levy.

Hon. B. L. JONES: The fact is the Government is raising revenue in areas where people have a choice as to whether or not they purchase the product concerned. That is the whole point of it.

Those are the main points I wish to make.

HON. A. A. LEWIS (Lower Central) [4.58 p.m.]: This matter has been covered, or uncovered as the case may be, by Hon. Philip Lockyer and Hon. Beryl Jones, but the last

speaker said taxes must be raised. How about cutting some expenses?

Hon. G. E. Masters: That is right.

Hon. A. A. LEWIS: How about having fewer Ministers and Ministers' advisers? I could give Mr Halden chapter and verse if he wants to sit here long enough. We could cut expenses by reduced Government services.

Hon. P. G. Pandal: Hear, hear!

Hon. A. A. LEWIS: Day by day we could cut them. These wasteful Federal and State Governments—the lot of them are wasters—keep saying “Put it up” and they never do so with a sense of responsibility or with the thought that the taxpayers will be paying. The trouble with the ALP is that it thinks it can squeeze this lemon dry. The Government wants to squeeze the working man dry and when it has done so he will not even be able to have a drink because of increased liquor taxes.

Hon. H. W. Gayfer: Don't be so melodramatic.

Hon. A. A. LEWIS: Why would I want to be melodramatic? A lemon has been squeezed dry by this mob.

Government members talk about things being tax free. Obviously they have not seen their water rates for the year. I have just seen mine complete with all the gobbledygook from the Water Authority, which all boils down to an increase of 25 per cent.

Hon. Mark Nevill: You have just been having a few more washes.

Hon. A. A. LEWIS: If I came from the area the member represents I would probably need them.

The DEPUTY PRESIDENT (Hon. D. J. Wordsworth): Order! The honourable member has spoken very little about the Bill.

Hon. A. A. LEWIS: I am talking about water.

Hon. D. K. Dans: You have never drank any in your life.

Hon. A. A. LEWIS: It is very nice and purified, and I wish this Government got purified and started to look at ways to stop raising taxes.

On figures I have been given recently it would appear to me that if the tax were to be imposed on the wholesalers and not the retailers, the tax could be lowered from 11 per cent to nine per cent while giving the Government the same return.

Hon. Mark Nevill: Wouldn't they buy it from the Eastern States?

Hon. A. A. LEWIS: The retailer who bought it from the Eastern States could put in a separate return. The average retailer would not buy from the Eastern States. Under this arrangement the Government would have fewer people being taxed and therefore it would have an easier taxing system which would cost the consumer less, and surely that is what we are all trying to achieve.

Can the Minister say why we could not put a tax on the wholesaler? Mr Lockyer mentioned that there were 67 wholesalers in the State, so it would be much easier to have them pay the tax. The amendment could still start on 1 July and then a month after on 30 September the wholesaler could pay his liquor tax on the previous three months by the end of October. The Government would have the same start and payment dates. It would be easier for the Government to deal with 67 wholesalers than the multitude of pubs, clubs and taverns.

The Minister asked Hon. Mick Gayfer for some constructive suggestions, and here is one I have presented to him. I am sure the Minister agrees with me, but he would have to see his friends down at the other end to have it approved. I am sure the Minister can see the logic in my argument. He is a very sane fellow at times, although he does get upset by some members on occasion.

Once again we have a second reading speech full of gobbledegook. It talks about the bureaucrats' inability to complete accurate information on all relevant liquor transactions. At present the publicans can work out their tax and run their businesses, but here we have an added piece of bureaucracy just to allow a central taxing authority to work out its liquor tax returns.

I do not believe private enterprise should be mucked about by bureaucrats in order to make the bureaucrats happier. This is similar to the change which affected all local government amendment schemes to make it easier for the Australian Bureau of Statistics and the Grants Commission to obtain the figures they like.

I thought we were meant to be promoting the tourism industry through people like publicans. History shows that 20 years ago, if a young man wanted to run a country hotel he needed a 20 per cent deposit and could pay off the licence on that hotel in five years—with a lot of hard work by him and his family. Today, with the successive imposts put on the hotel industry, that deposit has now risen to 75 per cent if he hopes to pay off the hotel licence in five

years. Any consultants in the business would just say to such a young man, "Forget it." How are places like Kakerin, Dumbleyung, Woodanilling and Darkan going to continue to have hotels, normally the centre of their communities? The Lake Grace Shire tried to get a hotel in the Lake King area and it had to pay a huge premium.

Hon. H. W. Gayfer: Right through the nose.

Hon. D. K. Dans: That is one occasion when I helped someone and I am sorry I did.

Hon. H. W. Gayfer: Your action was most commendable, but the price they had to pay was tremendous.

Hon. D. K. Dans: That was the court, and there is a court of record.

Hon. A. A. LEWIS: What the blazes was the court set up for? I believe originally it was set up to review the pubs around the goldfields. However, it has built itself into a monstrosity and has taken over the job of local government health inspectors and local shires. Really it has become a figure of fun. I do not think we need a Licensing Court.

Hon. D. K. Dans: You would get the answers from the Tasmanian Royal Commission report some years ago and from the report of the Victorian inquiry.

Hon. A. A. LEWIS: The Licensing Court is a great whipping boy for the Minister, because he can say, "That was a Licensing Court decision."

Hon. S. M. Piantadosi interjected.

Hon. A. A. LEWIS: This Government is probably trying to wipe out drinking altogether. It has had a good crack at stopping people from smoking. It increased the tax on cigarettes and said that some of it would go into an education campaign. I think about one-tenth of it finally went into the campaign.

The second reading speech talks about messy papers and the unacceptable way publicans conduct their business. One wonders whether some Government departments might not be similarly chided for some of their mistakes and lack of communication.

Members know that that probably happens occasionally in this place. Hon. Phil Lockyer dealt with the matter of fees, late payment and penalties. Again, would it not be better to have those applied to the wholesaler in order that the wholesaler collected the tax?

The Attorney General in his second reading speech went on to talk about how low tax is in Western Australia compared with the rest of Australia. He said—

Liquor licence fees in Western Australia are among the lowest in the country compared with South Australia, New South Wales, and Victoria where the fees are 11 per cent, 10 per cent and nine per cent respectively.

The Government did not take any half measure. In respect of something as important as the America's Cup we had a special Bill dealing with it last night—we seem to deal with it day after day and we read about it day after day—yet this State has reached the level of the top taxing State in Australia. The Government is turning everyone away from Western Australia and people will not come and visit this State to enjoy the America's Cup. Why could not the Government go to the middle level? No, it has to go to the top so that it can squander the money it takes from the liquor industry.

I will use Hon. Phil Lockyer's example of publicans in the country who may be forced out of business because of the taxes and charges imposed by this State Government and I ask the Leader of the House what sort of compensation will be given to those publicans by the Licensing Court? Will they be compensated because they are forced out of their business? Surely that is one of the reasons the Licensing Court was set up and licensing fees were charged. This can be ascertained if one were to go back to the origins of the Licensing Court.

What compensation will be given to those publicans who three or four months ago bought a hotel without the knowledge that there would be a 40 per cent increase in liquor licensing fees? They would have paid the goodwill which was applicable on the hotel.

The Bill contains a heap of machinery to fleece the publican, and to keep his book work in order he will have to seek the services of a chartered accountant. What about the publican who will be sent broke? Will any compensation be paid to him? I cannot see any provision contained in the Bill to provide for this and I hope the Leader of the House will advise whether provision is contained in the Bill for compensation. I hope he will also advise the amount of money that will be set aside as a compensation fund.

Hon. D. K. Dans: There will not be a compensation fund.

Hon. A. A. LEWIS: That is right; the Government just keeps on taking.

Hon. D. K. Dans: It is a ridiculous question and you know it.

Hon. A. A. LEWIS: The Leader of the House is prepared to blame the Licensing Court for imposing a premium on a tavern licence.

Hon. D. K. Dans: I thought the people from Lake King were reprehensible.

Hon. A. A. LEWIS: I beg your pardon?

Hon. D. K. Dans: I will answer your question when I reply.

Hon. A. A. LEWIS: The Leader of the House can answer my question when he replies.

If the publicans go broke now because of the proposed increases surely the Government would realise—

Hon. D. K. Dans: What you are saying is that we should move to deregulate the industry.

Hon. A. A. LEWIS: The Leader of the House and I have had many conversations about that and he knows that I would move to deregulate the industry. However, it would have to be a sensible move and the Licensing Court would have to be phased out over a period of time. Perhaps if the licensing fees were decreased over a period of between seven and nine years at the end of that time anyone would be in a position to sell liquor. We would forget about the court and perhaps the local authorities could police liquor sales.

Hon. D. K. Dans: If you deregulate it you would not need a court.

Hon. A. A. LEWIS: The court orders on bedrooms, lavatories, tiles and all the things about which the Leader of the House and I know will disappear.

Hon. D. K. Dans: Do not keep including me.

Hon. A. A. LEWIS: I know that the Leader of the House is as bright as I am because of his interjections.

I was extremely interested to hear the Leader of the House say that there is no provision contained in the Bill for compensation.

Hon. D. K. Dans: You read the Bill.

Hon. A. A. LEWIS: Some of the \$14 million could be set aside as a compensation fund.

I do not know if the Leader of the House will be able to provide me with the information tonight, but I would like his opinion about whether the alternative I suggested about taxing the wholesaler instead of the retailer would be feasible. It seems to me that if this were

feasible less book work would be required and not as many returns would need to be submitted. The Licensing Court would be dealing with fewer people and the Leader of the House would be aware that the fewer the people with whom the Government deals with regard to a tax, the better. In the oil industry and many other industries the wholesaler pays the tax. I am suggesting this to the Government because maybe—I say “maybe” because the odium the Government is receiving as a result of this legislation can be sensed from Bunbury to Perth—it has made a crucial political mistake in proposing this tax because a lot of people still like a drink.

Hon. D. K. Dans: So do a lot of members here.

Hon. A. A. LEWIS: I happen to occasionally enjoy a drink myself. If I were a member of the Australian Hotels Association I would make sure that banners were erected in every bar saying that X amount of cents from the cost of a middy is as a result of the Burke Labor Government impost.

Hon. D. K. Dans: They had that in Queensland for years.

Hon. A. A. LEWIS: Yes, and there have been some around here also.

I understand that there is a tavern called The Last Drop and that the Leader of the Opposition knows all about it. However, the cost of the last drop of a middy goes to the State Government. I do not know how long the average working fellow can allow these taxes to increase.

Today the Government introduced another Bill which will impose a savage charge on the taxpayers and the Government will really have to look at cutting its coat according to its cloth. It is all right blaming the Federal Government; that is very easy. The Federal Government is a marvellous whipping horse for this Government when it is talking about money.

With any luck Mr Keating will show some responsibility and will decrease the Federal Government's expenditure; and this Government will cut its expenditure and the money which is spent on those things Hon. Beryl Jones mentioned will be cut back while the producers in this State are given a go.

The workers have well and truly been forgotten by this Labor Government, but they will reap their reward in the end when they shove the Labor Government out the door in 1989. There is nothing more certain than the fact that this Government is going down the gurgler be-

cause of the way it is taking money out of the pockets of the average person. To hear members of the Labor Party talk one would think that the money in the pockets of people belongs to that party. It does not and the Government will learn about that very soon.

HON. TOM McNEIL (Upper West) [5.20 p.m.]: I briefly confirm the views of the National Party on this legislation. If it is not already clear to the Government I indicate that we totally oppose the proposed increase.

I have one comment to add to the debate which I have not heard mentioned by other members. I refer to the way the Government this year has attacked the liquor industry in a discriminatory fashion by way of police patrols near liquor outlets. The hospitality industry is now being asked to accept a 40 per cent impost and, of course, we on this side of the House all know what effect that will have on country areas.

Earlier in this session I heard Hon. Eric Charlton make a very valid point; he said that police patrols at liquor outlets were not achieving their objective. A member on the Government side suggested that that was not correct and asked whether Mr Charlton was advocating that these patrols be removed. Mr Charlton replied that he did not think they should be removed if they provided the answer to the problem. However, the road toll for this year compared with that for last year shows an increase of 24 deaths. This year the Government has made its greatest attempt to curtail the consumption of liquor by way of liquor outlets and it has made it very hard for publicans to carry on a legitimate trade. The Government has reaped the benefits from the industry and it has now decided across the board to increase licence fees.

I do not know what the Government intends to do about the increased death toll on the roads. Hon. Eric Charlton suggested that the police patrols were not working. While the police are guarding the hotels additional liquor is being sold and consumed elsewhere, to the extent that the road toll is still increasing to this day. With the consent of the Minister for Police and Emergency Services, the Government took the position that it would try to curtail this toll, but its plan has not worked.

I do not want to detain the House by reiterating the remarks made by other members, but I indicate that the impost is not acceptable to the National Party. It is stated in the legislation that vigneron licence fees will be

increased from \$20 to \$100. Not so long ago we argued very strongly in this House against the Government's proposal to increase the tax on wine by 10 per cent. Those members with electorates taking in the wine industry were concerned about the effect that increase would have on the industry. The Government has now decided to jump up licence fees by 400 per cent. In the opinion of members on this side this increase cannot be justified and I suggest that it is one of the most unacceptable forms of taxation that the Government has imposed.

Earlier tonight we debated payroll tax and there is also legislation in the Parliament to increase the fuel levy by 92 per cent. I do not know where we are going. Members will face a very angry public who will bear the brunt of the increases. The Government has to do a great deal of justifying with regard to these measures. I oppose the increase.

HON. H. W. GAYFER (Central) [5.24 p.m.]: I will start where Hon. Tom McNeil left off. His comments were quite right when we note that payroll tax for large businesses is increasing by 21.05 per cent, the fuel tax will be increased by 92 per cent in the legislation which has just been introduced, and we now have a liquor tax proposal in front of us to increase fees by 40 per cent. I do not know where it will stop.

We certainly are opposed to this increase in liquor licence fees. It is not only a big slug, it is an enormous slug, especially when one considers that when this tax was first introduced in 1911 it was imposed at the rate of five per cent. It remained at that figure for almost 75 years. In fact, it stood in July 1986 at eight per cent and it is now proposed to increase it once more to 11 per cent. That enormous slug is almost incomprehensible bearing in mind the other fees which have increased, to which I have referred. Considering that the cost of living has increased by five or six per cent, why are these increases of 40 per cent, 92 per cent, and 21 per cent imposed against sections of the community that cannot afford them?

Hon. G. E. Masters: It is a tax on the working man.

Hon. H. W. GAYFER: That is the most astonishing part of it. There is a little pub near my home called the Ardath pub. Hon. James McMillan Brown knows it well. It is the only establishment there, it is run by two people and I know that they are just about making a living. How will they now pay this enormous increase in tax? In addition, they have to find the

money in October of this year and they simply do not have it.

What about country clubs and other such places? We already have a population drift from the country to the city; however, we still want some amenities in the country. Instead of allowing country people to enjoy those amenities the Government will price them out of the business. It is hitting right at the heart of a very sensitive part of the population. With respect to costs, a barmaid's wages are \$274 for a 38-hour week.

Hon. D. K. Dans: That is if she is dressed.

Hon. H. W. GAYFER: We went into that argument a while ago. If she is not dressed she receives \$60 an hour. Presumably if she works on Sunday she is paid double time.

I know that in the northern part of the State, about which I know something, the busiest time is on Sundays immediately after Mass; that is well known in Mt Magnet and in other places. Casual staff working on Saturday at a pub or club are paid \$9.20 an hour and the rate on Sunday is \$12 an hour. These people are employed in places in the country in which at any one time one can find only two or three people standing at the bar. Heavens above, they are frightened to do more than have a couple of drinks and then move on. It is not hard for the police to patrol every road leading out of town, as the Deputy President (Hon. D. J. Wordsworth) would know. People are very conscious of that fact. In the meantime the poor old publican's trade has gone to blazes, and this enormous slug will be passed on to the clubs—district, bowling, golf, etc.—which buy liquor from the nearest hotel, pursuant to the Act, and try to make a little profit from the sale of that liquor. They are not supposed to do so but they try to raise money to improve the social amenities of their clubs. These people will be hit by the increase.

It is an iniquitous tax when things are bad. The Leader of the House will say these taxes are always bad, but for nearly 76 years the tax remained at five per cent. Do not forget that income went up because inflation went up. I do not, for the life of me, understand why the tax has gone up to 40 per cent. Hon. A. A. Lewis and Hon. P. H. Lockyer both made significant points. Hon. P. H. Lockyer said that if the tax had been levied on a wholesale outlet, that outlet would only represent 67 places to put on a tax. Instead of 11 per cent it would be nine per cent. That nine per cent would match up with other States.

A review committee was set up to report jointly to the Minister for Racing and Gaming and the Minister for Budget Management to examine the licence fee assessment procedures and, if considered necessary, to recommend changes to those procedures. The terms of reference of the committee were—

- (i) to review current procedures and practices for the assessment and payment of licence fees payable under the Liquor Act 1970; and
- (ii) if necessary, recommend changes to the procedures, practices and associated legislation outlining the expected cost benefit of any recommendation.

The committee noted several points according to the second reading speech. The major problems were identified as follows—

- (1) inability to obtain complete and accurate information on all relevant liquor transactions;
- (2) difficulty in conducting investigations;
- (3) inability to evaluate information supplied in returns;
- (4) inability to collect evaded fees arising from a lack of power in the Liquor Act to reassess licence fees;
- (5) complexity and information requirements of liquor return forms;
- (6) difficulties in meeting assessment deadlines.

All this could have been overcome quite simply by putting a lower tax on the wholesale outlet.

Hon. G. E. Masters: You missed the comment about the expected cost benefit of the recommendation.

Hon. H. W. GAYFER: I thank the Leader of the Opposition for drawing it to my attention. I did not want to refer to all the detail in it but I am most amused to find that the findings of the review committee came down on those six points by saying how difficult it was to pursue the collection of this tax through the retail liquor outlets. Yet, it is so simple that even a blind man could see it. Only 67 places need to be taxed in order to collect the same amount of tax at nine per cent. I think that is the nub of the problem.

This tax will hurt many people who are part of our community and who with their donations are the real force behind supporting clubs. They perform an important duty. They do not only sell liquor. There is no rhyme or

reason why these people should be taxed out of existence. I agree with Hon. Tom McNeil who stated there was no justification whatsoever to compare this situation with the situation in the Eastern States. Good Lord, the argument we put forward is the paucity of the population and we are one-third of the Commonwealth in area. That in itself should be the reason for not taxing liquor outlets out of existence; but that is exactly what is happening.

I join with my colleagues in saying that the National Party is most disappointed in this Bill. It is a Bill which we can discuss in this place but if we chuck it out we are said to be chucking out a taxing measure. We will watch the progress of the legislation.

HON. G. E. MASTERS (West—Leader of the Opposition) [5.35 p.m.]: I was not going to make any comments on this Bill because I think most of what should be said has been said. The Bill before the House is nothing more or less than a tax on the working man. I suggest to the Government very seriously that it consider withdrawing this Bill now. The working man is under great pressure. It is unfortunate in these tough times when people are unemployed or short of money that they gravitate to the hotels and spend more than they should. This Bill comes from a party which claims it is a party for the rights of the working man.

Hon. D. K. Dans interjected.

Hon. G. E. MASTERS: I think more wages can be paid and should be paid. I can understand the Government being upset at imposing a tax on the working man. Of course it will shout.

The PRESIDENT: Order! Interjections are out of order.

Hon. G. E. MASTERS: This Bill is a tax on the working man and was introduced by a party that pretends to be caring for the working people. It is a strange piece of legislation. I suggest the Government think very seriously of withdrawing the Bill and looking at it with a view to having the 11 per cent tax reduced. Liquor costs are passed on almost immediately. They have to be. As soon as there is an increase in Government taxes there is an increase in the price of liquor. Who pays for it? The man at the counter who is very often the working man.

Hon. Tom Helm: Who makes the money?

Hon. G. E. MASTERS: I have just said that as soon as the charge or tax is applied, the people who will pay the tax are advised and they have to start raising the money. Many speakers have said the people managing and

running the liquor outlets are hardly able to survive. It has been said time and time again they cannot be expected to take on that extra charge. They pass it on and the price of liquor goes up immediately.

We have heard one speaker already say that the Government, even though it is worried about increasing taxes, must do so to keep its welfare programmes operating. There must be a limit as to how far this can go. We have seen over recent weeks State charges, Government charges and taxes going up and up. I refer to other taxes such as the fringe benefits tax which has not yet hit home but will certainly do so in the next few months. The Government has increased the tobacco tax again, taking millions of dollars from the working man's pocket. The Leader of the House would certainly know there was a Royal Commission into the liquor industry.

As I see it, the Government has done nothing to take on some of those recommendations and seems almost to have thrown them in the bin. Nevertheless, members will recall that last year, when the present Leader of the House was in charge of the liquor portfolio—if that is the right way to describe it—and there were one or two Liquor Amendment Bills before the House, we were hopeful. The Leader of the House said then that the Government intended to bring forward major changes dealing with the Liquor Act by July or August this year, and even suggested a rewrite of the Act.

That has not happened and I suggest it is still a long way away. If anything can be more worrying, it is the fact that the review committee which recommended these changes and increases did so without consultation with the industry. It did not talk to the industry at all but just went about the business of restructuring the licence fees, assessing procedures, increasing penalties, and burdening the public without one single word to the industry. The industry could have told them what would happen.

Hon. Tom Helm: Why consult when they already know?

Hon. G. E. MASTERS: I suppose that sort of statement must be taken for what it is. The honourable member is a new member and does not realise what he is saying. He is saying that if the committee consulted with the liquor industry, the industry would say it could not afford the increases. The Government must have thought, "Why consult the industry at all? We do not want to get the wrong message." So it

went ahead without consultation and said, "The fees go up by four to five per cent, and you pay for it. Why consult? We might be told the truth."

Most comments have already been made dealing with the matters contained in the Bill. It does worry me that there has been a dramatic increase to 11 per cent in the licensing fees. It may not be higher than one or two other States in Australia, but it is unnecessary and many members have said it simply cannot be afforded.

There have also been significant increases to penalties. Rightly or wrongly there has been an increase in penalties for failing to lodge a return; this is a double banger. For the failure to lodge a return there is a penalty of two per cent of the total amount weekly, up to a maximum 10 per cent; and if a person does not submit a report within one month of the appointed time, his licence is suspended.

It gets worse, because there can be a significant penalty in the courts as well as the penalty I have just mentioned. In addition, for a false declaration there is an administrative discretion for a fine of up to 100 per cent on top of the amount understated, but this can be remedied if there is some justification that it is a genuine mistake. A person may also be required to front up to the court and if he does not there can be a fine of \$2 000 plus three times the fee evaded.

An area that concerns me and has not been mentioned during the debate is the requirement by regulation that documents and records be kept, not for two years as is the case now, but for six years, with a penalty of \$2 000 for failure to do so. Members may recall that last year the Government talked about requiring certain forms to be completed, which would take the retailers and some of the outlets literally hours per week to fill in. The Government says it has backed away from that requirement, and most members in the House would remember that people rang up and said that if those details were required, they did not know how they would operate because it would take hours each week and cost hundreds of dollars each month. However, under this legislation detailed records are required to be kept for six years.

Hon. H. W. Gayfer: The fringe benefits details need only be kept for three years.

Hon. G. E. MASTERS: Members should not forget that the bureaucrats setting out the types of records that must be kept will make it very

hard going. It will take people in the industry hours per week to keep the proper records as set down under the regulations. It is therefore a backdoor way of getting around the problem, and the people involved will be absolutely horrified when they see the lengthy returns and records they will be required to keep for six years, just in case someone comes to check on them.

Hon. H. W. Gayfer: Everybody is getting sick of filling in forms.

Hon. G. E. MASTERS: That is dead right. It is bureaucracy at its worst. The bureaucrats will get around the problem by doing it by regulation. Before we know it, these people will have forms and packets and books arriving in the post asking them to keep a record and saying if they do not there will be a \$2 000 fine.

That is the impost, and I ask the Minister to look seriously at the question. If he cannot answer it today, I ask him to come back with a response that will assure the industry as well as the Parliament that these greatly detailed records will not make it almost impossible for people in the industry to operate.

Again I ask members opposite, knowing their embarrassment with this Bill and knowing as I do—and they know very well—that it imposes a tax on the working man, to withdraw the Bill and consider ways of reducing the licensing fee to a level of no more than nine per cent in the first year. Let us get on with some cutting of Government expenditure rather than more expenditure, more and bigger Government, more regulation, more bureaucrats, more advisers, and more Ministers.

HON. D. K. DANS (South Metropolitan—Leader of the House) [5.46 p.m.]: Let me answer the last question posed by the Leader of the Opposition first, which was whether the Government would withdraw the Bill. I have no intention of suggesting to the House that the Bill be withdrawn. I have heard many debates in this Chamber, but the debate on this Liquor Amendment Bill is about the worst I have ever had to listen to.

Hon. G. E. Masters: The most embarrassing, I think you mean.

Hon. D. K. DANS: It has rambled from one end of the spectrum to the other, but when I read the greens tomorrow—

Hon. G. E. Masters: You never read them.

Hon. D. K. DANS: I read them all the time. I have them put together every day. When I read them—and maybe I have never read them be-

fore but I will do so tomorrow; that will make the Leader of the Opposition happy—I will be able to demonstrate conclusively how members have tied themselves up in knots. No-one has mentioned in this debate that this is a taxing measure; it is a Treasury Bill, if one wants to put it that way. Mrs Beggs has met with the industry. The liquor tax has not been increased since 1975, which was about 12 years ago.

Hon. G. E. Masters: Is that good reason to do it to this extent now?

Hon. D. K. DANS: It is almost impossible to put a tax on the wholesalers, but by the same token it is a point worth looking at. One of the reasons it is well-nigh impossible is that some retailers import wines and spirits from interstate and overseas. That is the first point.

We saw tonight the culmination of a whole host of measures dealing with this industry, probably dating back to 1920. I am astounded when I hear the proponents of private enterprise on the other side of the House suggesting more measures for propping up certain sections of the community. This Bill is not about deregulation.

If anyone wants to see the liquor industry running effectively, he should go to the Australian Capital Territory or the Northern Territory. No-one here, least of all me, would suggest that we could suddenly pull the rug from under an industry such as this, which has a terrific amount of capital invested in it.

Hon. G. E. Masters: You cannot do it.

Hon. D. K. DANS: We cannot do it, but it needs to be done over a period of time. It is strange that tonight, to the best of my knowledge, Mr Masters was the only metropolitan member to speak on the Bill. I represent a fairly large area which stretches from Singleton Beach and includes the electorates of Rockingham, Cockburn, Melville, and Fremantle.

That area has a lot of hotels, clubs, and other liquor outlets. I belong to a few and have been known to have a drink in them on a hot day. But I have not had one approach from any publican or any club, licensed or unlicensed, ethnic or non-ethnic—

Hon. H. W. Gayfer: You are in a well-to-do area.

Hon. D. K. DANS: What, with an unemployment rate running at around 16.5 per cent down in Kwinana!

Several members interjected.

The PRESIDENT: Order! Order! When I call for order I cannot understand how members of Parliament cannot comprehend a very simple message which is that everyone should come to order. I do not think that is terribly complicated; it took me only a few weeks to work it out. When I call for order I remind members that I am acting in accordance with the rules of the Chamber in which you members are representatives. If you do not like the rules you have no right to disregard them, but you do have a right to endeavour to change them. However, until that time my task is to see that you comply with them. The Minister is endeavouring to answer a second reading debate and it is quite rude for members to have the Leader of the House trying to compete with four or five other people.

Hon. D. K. DANS: Thank you, Mr President. As I say, I have not received one approach. A very close cousin of mine who runs three of the biggest bottle shops in WA was at my place the other day and never mentioned the matter. I am not saying that people in the country and in the city are not worried about this measure. But let us be honest: This is a taxing measure and the increase will not be passed on to the publicans. The publicans' margin will remain the same; the increased cost will be passed on to the guy who buys a glass of beer. I can recall that just after the war the price of a middy rose from six pence to seven pence—and I was never going to drink again! Down the years we have had various increases in liquor charges. Like Hon. A. A. Lewis, I still have an occasional drink. Let us face it, all over the world liquor is very dear although I believe our liquor is still the cheapest.

In the final analysis alcohol is a luxury. No-one is going to die if he does not drink alcohol. In fact, the statistics show us that alcohol is the real killer drug; it is the one drug that does more damage than all the pot and heroin put together. We will not fold up if no alcohol is consumed. In New South Wales, hotels and clubs have existed side by side for years.

Hon. H. W. Gayfer: With the help of poker machines.

Hon. D. K. DANS: Yes, in the clubs. The cry of the hotels was that they could not exist with taverns operating, but the same number of hotels are operating now as in 1946. We hear that bottle shops should not operate on a Sunday because they hurt the hotels' trade, but they have been operating on Sundays in New South Wales for a long time.

Let us deal with the country now. When I was the Minister for Racing and Gaming and in charge of the liquor industry I received constant complaints about how hard it was for hotels in the country to stay in business. When I was in Mr Gayfer's area with him on one occasion I was told that things were tough for the publicans. I agree. What happens is that a person gets into his car, drives off to Geraldton to the licensed outlet at Coles, loads up his car with the cheap product, and takes it home to drink. That happens in the city and in the country. The reason for this has nothing to do with the tax on liquor or the road patrols; it has to do with the cost of the product. Whether members like it or not, the product sold at, for instance, the East Fremantle Yacht Club or the Leopold Hotel is extremely expensive, so people will buy packaged liquor.

If members think that the liquor industry is going down the gurgler, they should have a look at the massive advertising campaigns being conducted by the major brewers of Australia, where millions of dollars are being put into advertising not only in the Press but also on TV and radio. They have their popular jingles, T-shirts, and so on.

Hon. H. W. Gayfer: The America's Cup.

Hon. D. K. DANS: That is part of it. It is a corporate event.

Hon. E. J. Charlton: We were talking about those retail outlets, not about the amount of liquor—

Hon. D. K. DANS: Considering these large advertising campaigns, I do not think one retail outlet will go out of business. I happen to know how much a licence is worth under the moratorium—and remember that this Government brought in the moratorium. How does this sit with the champions of private enterprise? We are dealing with a restricted industry, the most restricted anywhere in this State—one that has been regulated and mollycoddled for years. People take out loans and cut one another's throats to get into it. I know how much licences have changed hands for and how much they would change hands for tomorrow if this legislation became law tonight. If anyone wants to challenge me on that I will bring in documentary proof to show how much these licences trade for.

Hon. H. W. Gayfer: It is making licences available for sale in the country.

Hon. D. K. DANS: True, but it is also making millions of dollars for people who put very little effort into staying in business.

Hon. P. H. Lockyer: I think you are wrong.

Hon. D. K. DANS: I have this information from people in the industry, and when I was the responsible Minister I was in a position to observe what was happening. No, I do not think the liquor industry will go down the gurgler; it will stay with us.

This is a taxing measure and it does provide for a hefty hike; I am the first to admit that. This is necessary in today's society, bearing in mind that there has been no increase in the liquor tax for almost 12 years. That is not a bad effort.

We were a little frivolous at one stage, talking about naked barmaids and so on. The fact is that if a hotel or any other liquor outlet is in such dire straits, how does it find the wherewithal to pay the high hourly rate and the transport of the people to Mt Magnet to sell grog. Let us consider Mt Magnet, a nice enough town which runs some fine race meetings. The fact is there are simply too many hotels in Mt Magnet. It has three hotels trying to squeeze a living from a small area.

Members opposite have said tonight that the retail outlets will carry the increase in the tax themselves. I have never known the retail outlets in the liquor industry in this State, or in any other State, to carry any increase by way of taxation or other charges. The increases are passed on to the consumers.

Hon. G. E. Masters: To the working man.

Hon. D. K. DANS: To the working man, the wealthy man, the retired man—they all drink. Mr Masters should not become a bleeding heart for the working man! He is the man who wanted to put children back into the mines. Suddenly he wants us to believe he has a great big warm spot for the working man. Bunko! Mr Masters should consider travelling the length and breadth of this land in a lorry with a sign painted on the side saying, "The medicine man from the south". I cannot take as fair dinkum what Mr Masters says.

No-one likes increases in taxes. The only good tax is a tax that someone else pays.

I know why the country members have been speaking. We are all politicians. Hon. Mick Gayfer wanted to get his remarks into the "Corrigin Courier" and someone else wanted to get them into the "Mukinbudin Monitor".

Hon. P. H. Lockyer: That is not right.

Hon. D. K. DANS: Of course it is true.

Sitting suspended from 6.00 to 7.15 p.m.

Hon. D. K. DANS: I was telling the House, before the suspension, that I had not been approached by any licensed retailer in my electorate. Perhaps I would have been better informed if someone had seen fit to talk to one of his members. I think it is strange because Fremantle is overloaded with hotels and it was probably that city that first called for a moratorium.

During the debate a question was raised about the role of the Licensing Court. It is a court of record and operates completely outside the control of the Minister. I was a little disappointed when people from Lake King approached me, when I was first appointed Minister, and told me the circumstances under which they had been refused a licence by the court. I asked my department to look into the matter and a mechanism was found whereby those people could reapply to the court for a licence. That was probably a good lesson for me.

After they received the licence, I was assailed by letters and articles in the Press which did not paint me in a very good light simply because the court had imposed a \$20 000 licence fee on the tavern at Lake King. I still do not understand, because it has never been explained to me how the court arrives at fees. I have considered many examples of the same thing, but that is for another time. It is certainly not the time now to look at what the court does in respect of this legislation. Perhaps when legislation is introduced to make fundamental changes to the Liquor Act and to the court we will consider those matters.

I am mindful of the problems being experienced by some licensed retailers. I do not think their salvation would be in reducing this tax to nine per cent, eight per cent, or even to seven per cent. I think the salvation of a number of people in the liquor industry will be achieved at some future date by adopting new rules and a new system for licensing liquor outlets and also a new requirement in respect of inspections. There are a whole number of issues to be considered to make it easier for the industry.

I was careful at the beginning of the debate to point out that this is a Treasury Bill. The Bill is designed to raise more revenue through taxes that have not been increased for 11 to 12 years. That is an extremely long time considering the inflationary spiral that has occurred in those years.

There will be ample time during the Committee stage for members to consider every part of the Bill. However, the fact remains that this is a taxing Bill that increases a licence fee across the board. No Government in its right mind would increase a tax, whether it be a tax on the liquor industry or any other tax, unless it considers that increase absolutely essential. The fact that this Bill is before the Parliament is no accident. It is certainly not a frivolous matter. Sure, we have laughed a bit and have had a little bit of jovial repartee. However, it is serious. I know that nobody likes paying taxes and, certainly, nobody likes it when taxes are increased.

This Bill is essential, and I commend it to the House.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Hon. Robert Hetherington) in the Chair; Hon. D. K. Dans (Leader of the House) in charge of the Bill.

Clause 1: Short title—

Hon. P. H. LOCKYER: Hon. B. L. Jones commented in her speech in the second reading debate about publicans using topless barmaids to attract people to their hotels. I make it quite clear that I do not approve of that. If the member thought that I agreed with it she was quite wrong.

My next point is that there is no question of any of those women being exploited. They are jumping over one another to get those jobs.

Hon. B. L. Jones: Only because of the money.

Hon. P. H. LOCKYER: The member would probably say the same thing about the fellows at Boulder. They are not being exploited and it is naive of the member to think they are.

Hon. B. L. Jones: Not when big money is involved. It is usually the only thing they have.

Hon. P. H. LOCKYER: These girls go there for one thing only and if they earn good money, so what?

It is nonsense to call it exploitation. The member will get herself into very deep water if she goes into that area. I implore the member to make herself known to the Western Australian Hotels Association. I am sure it will be most helpful to her. I say this in all sincerity. I would even accompany the member. The precise reason the publicans are employing these

people should be explained to the member. The reason is that they have run out of ideas.

Hon. B. L. Jones: Exactly! They are plumbing the depths.

Hon. P. H. LOCKYER: The member said tonight that the publicans should come up with some marketing ideas. I am sure that if the honourable member has some other marketing ideas that she thinks the liquor industry should know about, the liquor industry would be only too happy to take up those ideas. I am sure that the publicans would take up any good idea that could replace the topless barmaids at the cost of \$60 an hour. The honourable lady should make herself known to the industry, because it would be very happy to meet her and hear her comments.

Clause put and passed.

Clauses 2 and 3 put and passed.

Clause 4: Section 6 amended—

Hon. P. H. LOCKYER: I would like the Leader of the House to explain to me why the word "Court" is to be deleted and replaced by the words "Principal Receiver of Revenue".

Hon. D. K. DANS: The word "Court" was put in the legislation accidentally and thus created an anomaly. My official advice is that the change has been made to correct this anomaly. The principal receiver of revenue requests the return and it should be forwarded to that person and not to the court. The return has, in fact, always been sent to the principal receiver of revenue and not to the court.

Clause put and passed.

Clause 5: Section 7 amended—

Hon. P. H. LOCKYER: I refer the Minister to the wording of clause 5 and I ask him to explain the necessity for the change.

Hon. D. K. DANS: The definition has been changed to make it consistent with the fees applicable to the various categories of liquor. Two per cent of proof spirit is the same as 1.15 per cent by volume. With respect to clause 5(b) the specified fee will now be prescribed in the Act rather than in the fourth schedule.

Clause put and passed.

Clause 6: Section 159 amended—

Hon. D. K. DANS: I move an amendment—

To delete the clause and substitute the following clause—

Section 159 amended

(6) Section 159 of the principal Act is amended—

(a) by repealing subsection (1) and substituting the following subsection—

(1) The annual fee payable in respect of a licence for any year—

(a) shall, except as provided in subsection (4), in the case of a licence other than a wholesale licence, a brewer's licence or a vigneron's licence be the sum of—

(i) the amount equal to 11% of the gross amount paid or payable by the licensee in respect of all liquor, other than prescribed liquor, purchased for the premises to which the licence relates during the period of 12 months immediately preceding the commencement of that year; and

(ii) the amount equal to 7% of the gross amount paid or payable by the licensee in respect of all prescribed liquor purchased for the premises to which the licence relates during the period of 12 months immediately preceding the commencement of that year;

(b) shall, in the case of a wholesale licence and a brewer's licence, be the sum of—

(i) the amount equal to 11% of the gross amount paid or payable in each case by persons who are not holders of a licence, for liquor, other than prescribed liquor, sold to them by the holder of a wholesale licence or a brewer's licence, during the period of 12 months immediately preceding the commencement of that year;

(ii) the amount equal to 7% of the gross amount paid or payable in each case by persons who are not holders of a licence, for prescribed liquor sold to them by the holder of a wholesale licence or a brewer's licence, during the period of 12 months immediately preceding the commencement of that year; and

(iii) a fee of \$250;

(c) shall, in the case of a vigneron's licence, be a fee of \$100.;

(b) by repealing subsection (2) and substituting the following subsection—

(2) In subsection (1) "prescribed liquor" means—

(a) any undiluted and unadulterated liquor with an alcoholic content of not more than 3.8% by volume at a temperature of 20 degrees celsius;

(b) any undiluted and unadulterated wine with an alcoholic content of not more than 6.1% by volume at a temperature of 20 degrees celsius. ; and

(c) in subsection (4)—

(i) by deleting " , pursuant to paragraph (a) of subsection (1) of this section, at a percentage of the gross amount paid or payable in respect of all liquor purchased for the premises to which a licence relates" and substituting the following—

under subsection (1)(a)

(ii) in paragraph (a) by deleting "so purchased" and substituting the following—
purchased for the premises to which a licence relates.

The reason for the deletion of the clause and substitution of the amendment is that the Minister for Racing and Gaming in another place agreed to a suggestion by the Leader of the National Party that the question of whether liquor licence fees should be prescribed by

regulation should be reviewed. Members will note that clause 6 of the Bill has been amended to prescribe in the Act the licence fees rather than having a regulatory provision. That has been done in order to honour the undertaking given to the Leader of the National Party in the other place.

Hon. P. H. LOCKYER: The Opposition welcomes this amendment. I point out that many other speakers beside the Leader of the National Party in the other place called for this change. People in the industry were also worried that the fees were not to be prescribed by Parliament but by regulation. I am sure that the Government also could see that regulations are much more easily disallowed than money Bills. A bit of good sense was shown by both sides and we are happy to support the amendment.

Hon. H. W. GAYFER: I ask the Minister to convey to the Minister for Racing and Gaming the National Party's sincere thanks for acceding to the requests made to her and altering this subsection in accordance with our wishes.

Hon. E. J. CHARLTON: Does the Minister see any change in the timetable and when will this change be introduced?

Hon. D. K. DANS: No, not at this stage. To give an honest answer, I can only refer to the notes presented to me. In my talks with the Minister the possibility of changes to the timetable was never raised. I understand the change will come into operation on 1 October.

Hon. D. J. WORDSWORTH: I think the Leader of the House has said, some five times, that the tax has not gone up in certain areas. He is referring only to very minor things like the wholesale brewer's licence. The majority of income is gained from the hotel, tavern and store licence and other licences on a percentage basis. They have gone up because of income and inflation. The Leader of the House is wrong when he says the tax has not been put up. But, licence fees are based on a percentage of turnover.

Hon. D. K. DANS: For the information of Hon. D. J. Wordsworth I refer to the licence fees. The licence fees have not been increased for nearly 12 years. This Bill deals with liquor licence fees. The statement I made was absolutely correct.

Hon. E. J. CHARLTON: I was led to believe that this Bill would be brought back into the Parliament in the next session. I intended to amend it. I believe it could be done.

Hon. D. K. DANS: The only indication I had of any changes to the Bill was from the amendment circulated. Had the honourable member had any other ideas, he should have come to me. I believe the Minister for Racing and Gaming is an honest and forthright person. She gave the undertaking to include this amendment. That is what has been done. I do not know of any other assurances. I asked Mr Bell and he knows of none. To keep the record straight, I will certainly convey the member's views to the Minister for Racing and Gaming, but I am sure that was the only assurance given.

Hon. E. J. CHARLTON: I was not implying that the Minister was going to make amendments other than this one. Obviously, I was incorrect in my assessment of what would happen. I thought the Bill would have come back in October in the next sitting of Parliament. The increase to 11 per cent across the board is obviously an argument that has been canvassed during the second reading. While the Minister has given his answers, I think the industry would have accepted—particularly with more exchange of views—an increase of two per cent on the present rates. That is what I had in mind if the matter was to be raised at a later stage.

Hon. D. K. DANS: I think the honourable member may be confused with the inter-governmental committee. I know the inter-governmental committee did not consider licensing fees at all. It considered all the other aspects. I was very careful to say that it is a Treasury Bill. It had nothing to do with the inter-governmental committee. It would have been quite wrong to suggest an increase in licensing fees.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 7: Section 159A inserted—

Hon. P. H. LOCKYER: This clause proposes to increase the percentage from seven to eight per cent for taverns, and for hotels to a flat rate of 11 per cent.

Would the Minister explain why it was so necessary to take such a large percentage considering that \$24 million is, at the moment, being raised by licensing fees? In the nine months of this financial year, after 30 September when this tax commences, another \$10 million will be raised on top of that. Why was such a massive increase decided in the form of licence fees? Why was it not more moderate, around nine per cent?

Hon. D. K. DANS: The answer I give may sound corny. It is a Treasury matter. After careful consideration of the licence fee, 11 per cent was decided on by Treasury and formally adopted. It is not normal for the Treasury to say how it arrived at such a figure.

Hon. P. H. LOCKYER: Why was there no consultation with the industry—the licensed clubs, the people who sell packaged liquor and the hotels? Surely, as a mark of courtesy, some discussion should have taken place with this industry. This is where the complaint is. They believe there was no consultation whatsoever. I know the Leader of the House said no-one in his electorate saw him. There is a good reason for that because this is an abrupt and quick Bill. It was thrust upon us. There must be some explanation as to why the industry was not consulted.

Hon. D. K. DANS: I have to give the honourable member the same answer. The Minister for Racing and Gaming had plenty of consultation with the industry on a whole range of matters. I do not think there is anyone in this Chamber or the other place who would say the liquor industry had never been consulted by the present or previous Minister for Racing and Gaming. As a matter of fact, they almost wore out my doormat.

This is a Treasury Bill. The Treasury decided that the licence fee should be increased to 11 per cent.

Hon. D. J. Wordsworth: But the Cabinet authorised it?

Hon. D. K. DANS: Of course the Cabinet authorised it. Sometimes Mr Wordsworth asks the most stupid questions. He knows that seldom does the Cabinet dispute a Treasury recommendation—the Premier is the Treasurer. I know how frequently members opposite used to chuck out the window the ideas of Sir Charles Court.

The matter came down from Treasury as one of urgency and it was adopted by the Cabinet as part of the total Budget strategy.

Hon. G. E. MASTERS: This clause is difficult for me to understand. I realise there will be an increase to 11 per cent, but the clause refers to other percentages. It refers to 1.75 per cent, 8.25 per cent, 5.25 per cent, and so on. It gives different percentages for vignerons' licences, brewers' licences, wholesale licences, and the like. We see a number of equations in the clause which do not add up to 11 per cent. There must be a reason for that. Perhaps the reason is that the provision will take effect

from 1 October rather than 1 July. Therefore, the computation may relate to this year, and next year the figure of 11 per cent will take effect.

On two or three occasions during this debate the Leader of the House has said that this legislation is a taxing measure and, therefore, cannot be amended or defeated by the Legislative Council. We do not intend to amend or defeat the Bill, but, strictly speaking, it is not a taxing Bill or a Bill which cannot be amended or defeated by the Legislative Council. If the Leader of the House looks at section 46 of the Constitution Act he will find that what he has been saying is not the case, and I want to go on the record to that effect.

Hon. D. K. Dans: You go on the record to that effect, if you like. I get a bit tired of your *de facto*, immoral majority here.

Hon. G. E. MASTERS: I have said as clearly as I can, to get it through the thick head of the Leader of the House, that we do not intend to defeat or amend the Bill. However, the Leader of the House made an incorrect statement which went on the record. I am saying that his statement was incorrect and I draw his attention to section 46 of the Constitution Act. I have a legitimate right to do that. In fact it is my responsibility to do so.

Hon. D. K. Dans: I am telling you not to make veiled threats.

Hon. G. E. MASTERS: For the record I shall repeat once more what I have said. It was not a veiled threat. Neither I nor my party intends to amend or defeat the Bill. However, the Leader of the House made an incorrect statement in this place. He told a member on this side of the Chamber who suggested he might like to discuss an amendment—he did not say he intended to move it—that he could not move it. I am saying that member has a legitimate right to move that amendment if he wishes to do so. There is no reason for the Leader of the House to shout about this being an undemocratic Chamber.

Hon. D. K. Dans: I am not shouting. I have not raised my voice.

Hon. G. E. MASTERS: I hope that is on the record and eventually the Leader of the House will take home his copy of the Constitution Act and read it for once in his life, because that will stop him making a fool of himself.

Hon. D. K. DANS: I had the matter pointed out to me. The Clerk reminded Mr Masters of that during the evening.

Hon. G. E. Masters: He did not.

Hon. D. K. DANS: All right then, he did not. I just made a statement; I thought he did. Mr Masters said that he could not understand the Bill.

Hon. G. E. Masters: I said I could not understand the computations in this clause.

Hon. D. K. DANS: It is a complicated Bill.

Hon. G. E. Masters: I am sure that you have studied it enough to give me the answers.

Hon. D. K. DANS: I shall start from the beginning. A transitional clause is included to cater for (a) the commencement of the new fees, and (b) the 6.5 per cent discount granted for the purchase or sale of low alcohol liquor in 1985-86. In effect, this means that the old fees will apply for the first three months—that is, from 1 July 1986 to 30 September 1986—and the new fees for the remaining nine months.

In the case of a licence other than a tavern, store, vigneron's, wholesale, or brewer's licence, the fee shall be, firstly, 1.75 per cent, which is a quarter of the present rate of seven per cent, on total purchases during the year commencing 1 July 1985; secondly, 8.25 per cent which is three-quarters of the new rate of 11 per cent, on total purchases, excluding low alcohol liquor during the year commencing 1 July 1985; thirdly, 5.25 per cent, which is three-quarters of the new rate of seven per cent, on total purchases of low alcohol liquor during the year commencing 1 July 1985.

Hon. G. E. Masters: So it only applies to this year?

Hon. D. K. DANS: That is correct. Does the member want me to continue?

Hon. G. E. Masters: No, I understand the position.

Hon. V. J. FERRY: I cannot let pass a remark made by the Leader of the House not many minutes ago when he reflected upon the integrity of the Clerk of the Chamber.

Point of Order

Hon. D. K. DANS: I did not reflect upon the integrity of the Clerk. I made a comment. The Clerk tells me things all the time. I made a statement and I did not reflect on the Clerk's integrity. That is his job. What a lot of nonsense!

Hon. V. J. FERRY: I insist that there was a slur cast on the integrity of the Clerk of the Chamber.

The DEPUTY CHAIRMAN (Hon. Robert Hetherington): Order! I heard what the honourable gentleman said. He did not cast a slur on the Clerk of the Chamber and I do not accept that he did. The Clerk gives people advice all the time.

Hon. D. J. Wordsworth: You should draw it to the attention of members that they should not raise that subject.

The DEPUTY CHAIRMAN: Let me make it quite clear to the Leader of the House: The Clerk's name should not be mentioned in the debate. He is a servant of the Chamber and, therefore, it was improper for the Leader of the House to mention him. However, his statement certainly did not cast a slur on the Clerk of the Chamber. I listened very carefully and there was no slur cast.

Committee Resumed

Hon. V. J. FERRY: I thank you for your comments, Sir, in that regard because they were timely. I do not believe that the Clerk of the Chamber should be subject to such comments.

Hon. E. J. CHARLTON: Earlier I referred to percentages. It should be understood that the sections of the industry which have discussed this matter with me were fully aware that it was time for an increase and they accepted that. The only aspect they disputed was the size of the increase. I would like the Leader of the House to relay that point to the Minister for Racing and Gaming. The point is that increase is a burden on the whole industry, particularly the section which does not have a sufficient profit margin to enable it to pass it on.

I am well aware of the comments that have been made about the role of this Chamber and other matters, but I make the point that last year I moved an amendment of a similar nature which involved the liquor industry because I felt that industry seemed to be being penalised compared with other industries in regard to the size of the increases and the impost that had been placed upon it.

Clause put and passed.

Clause 8: Section 161 amended—

Hon. P. H. LOCKYER: New subsection (4) says, "The Principal Receiver of Revenue may, in writing, allow an extension of the time within which the amount of an annual licence fee or part of an annual licence fee shall be paid." I understand at the moment for this to happen one must apply to the Licensing Court. Even though the principal receiver may allow

that in writing, must it still go to the Licensing Court?

Hon. D. K. DANS: This measure has been introduced to provide the principal receiver of revenue with flexibility where he is satisfied there is a genuine case for the extension; in other words, he does not have to send it to the Licensing Court.

Hon. P. H. LOCKYER: During my research I checked on what was said in another place. I know I am not allowed to quote that debate here; however, I understood it still had to go back to the Licensing Court. As it is printed here, the principal receiver of revenue may grant it in writing.

Hon. D. K. DANS: Yes, up until the time the money is paid. Prior to that time one applies for an extension and the principal receiver grants it. If one exceeds that time the matter goes to the court. That is the way it goes.

Clause put and passed.

Clauses 9 to 11 put and passed.

Clause 12: Section 163B inserted—

Hon. P. H. LOCKYER: This clause requires the licensee to keep massive records. Would the Minister explain the current situation? Why is it so necessary to require these people to virtually employ a person to do nothing else but keep records up to date? This matter is worrying the industry and individuals who see the keeping of these records as an extra impost on them. It reaches a stage where one must make \$258 000; it seems to be something of a Jack Spratt situation.

Hon. D. K. DANS: I have some personal knowledge of this matter. A new section was introduced with regard to keeping the records as recommended by the interdepartmental committee, and I said earlier that the committee had nothing to do with the setting of the licensing fee. The licensee must keep records of purchases and/or sales of liquor and the records must be kept in a prescribed form or format approved by the principal receiver of revenue. The form will be prescribed by regulation, but where records are kept, for example, on computer and the form of the print-out does not exactly match the prescribed form the principal receiver may approve another form as acceptable. It is clearly flexible. The records must be maintained in a proper manner as approved by the principal receiver of revenue and they must contain information prescribed by regulation. They may do so as soon as possible after the transaction is completed.

This measure was introduced to encourage licensees to maintain up-to-date records. The records and working papers are to be kept on the licensed premises for a period of six years. This measure was introduced to assist with the redistribution provisions of the Bill and to stop licensees who have sold businesses from taking all the records with them. The person who wishes to hold a licence shall pass on records and papers to the new licensee. This measure was introduced to ensure that all records are retained on the premises. The penalty for failure to comply is a maximum fine of \$2 000. If members use their imagination, I have given a pretty good run-down of the reason for that measure.

Hon. P. H. Lockyer: Why \$2 000?

Hon. D. K. DANS: It is a maximum of \$2 000.

Hon. A. A. LEWIS: The Minister seems to skim over the fact that it has been suggested that the wholesaler could keep these records. From the way the Minister read that section and his explanation it would seem that all publicans are criminals and that they need to be watched for the six years in regard to the passing on of records and that sort of thing. Most of them are not.

Hon. Mark Nevill: There is no suggestion of that.

Hon. A. A. LEWIS: Wait a minute. Hon. Mark Nevill has not entered the debate on his own account and I do not think he should interject. If he wants to make a concrete suggestion I would be pleased to hear it and to talk to his publicans in Esperance and tell them about it.

The DEPUTY CHAIRMAN (Hon. Robert Hetherington): Order! I would like to hear the member on his feet.

Hon. A. A. LEWIS: It seems we are pushing one section of the retail trade into a corner into which no other set of retailers is expected to go. Under this Government should we expect to see other retail outlets in different areas affected? The fringe benefits tax is bad enough, but a heap of paper warfare going on throughout the country is worse. I know the Minister understands and he is sympathetic, but can he see some way that these people can get out of this? We could save a lot of this impost on the publican, which in turn is pushed even further onto the consumer. It seems we are not really taking a logical look at it.

Hon. D. K. DANS: New section 163B is intended for a variety of reasons, one being the case where a licensed premises changes hands or is about to do so and the vendor wants to inform the purchaser of his business activities or show him the records.

Hon. A. A. LEWIS: That may not be so because sometimes records are taken by the person renting the premises. Also they may be taken for taxation and Government requirement purposes.

Hon. E. J. CHARLTON: Most of the points have been answered by the Minister, but the industry cannot understand why this extra period of time should be inserted in the Bill. The Minister referred to people leaving the industry and so on, but very little benefit will accrue from this clause to safeguard the Government or the incoming individual to a hotel. Surely the benefit is outweighed by the problems created by the increase from two years to six years. The only way to get rid of this provision is to take it out of the Bill, but obviously the Government is reluctant to do that. Everyone in the industry views this clause as an absolute burden on the businesses.

I cannot see what will be the benefit of extending the term from two years to six years. I was in a publican's office last Friday, so I know the amount of paper work which publicans have to perform. I ask members to bear in mind that the Government is not prepared to make changes to simplify the whole operation and leave it to the wholesaler. That would give us a real measure of saving in both time and record keeping. To add four years to the time that records must be kept is rubbing salt into the wound.

Hon. D. K. DANS: When I read this Bill I thought that six years was a long period, and I probably still do. However, the recommendation came from the interdepartmental committee, which had a good look at the industry including people in the industry itself. It also looked at other States. The Government has adopted its recommendation. Members opposite know that if they were in government they would probably not adopt all of the recommendations of such a committee, but this was one we did adopt.

I will raise with the Minister for Racing and Gaming the fact that the Committee seems to think it is an inordinate amount of time, and I will add my views as well. I cannot go beyond that.

Hon. P. H. LOCKYER: I am very interested in the interdepartmental committee. Perhaps the Minister could indicate to the Chamber whether we are able to look at the interdepartmental committee's report. I would be interested to know who was the industry representative on the committee.

Hon. D. K. DANS: There was no-one from the industry; it was an interdepartmental report, not an industry report, but it examined the whole industry. Another feature has been pointed out to me. This proposal gives the Office of Racing and Gaming, which is a new department, the opportunity in the fullness of time to supply the industry with all the data it has never had. It also gives us a chance to reassess what has happened before making decisions. I was responsible for setting up this department, and I think if members look at how everything operated before they will see it was done very much on an ad hoc basis.

Another point is that other States got into this situation years ago. They have had a comprehensive amount of material available to them about licensed retail outlets. I recommend that members read the report from Victoria; it is very interesting.

Hon. D. J. WORDSWORTH: Why cannot the records be taken from the premises? It seems very unreasonable that the records have to remain there for six years. It is quite usual for firms to use accountants away from the premises. What is one to do if one operates a club at Lake King? This clause would seem to indicate that the accountant has to go to Lake King and do all the paperwork there. It certainly does not apply to other industries.

Hon. D. K. DANS: The liquor industry is different, and that is why I said in the second reading debate that perhaps after a number of years we may regulate the industry. The records have to be kept on the premises for inspection purposes. If an inspector arrives and asks to see the records, I do not think it is appropriate to say that they are being kept in Perth and not at Lake King.

Hon. MAX EVANS: The modern trend these days is to store records off the premises. We have a small warehouse, and when the tax department inspector comes along he works there.

Hon. D. K. Dans: I am not talking about the tax department.

Hon. MAX EVANS: I am saying the tax department is very fussy. If one considers the costs involved in running a hotel, one realises

that a lot of money is paid per square foot of room. It does not take long to fill a 10 by 10 room with boxes of records. One cannot stack boxes of files very high because of their sheer weight. I have lived with a storage problem for 20 years, and now I have a small warehouse.

Let us look at the alternative and think of something modern and different. It is now generally accepted business practice to store records off the premises. It would be easier to look at them off the premises than on the premises. The best place on the premises to store the records—and to get rid of them—is in the cellar which will be flooded, or the white ants will eat them.

The Minister also referred to the situation as being the same as in other States. I wish we could get away from comparing ourselves with the worst in Australia. Let us be a pacesetter and not always refer to what other people do. Let us make the time for keeping records three years and not six years.

Hon. D. K. DANS: In most cases we are pacesetters. When we have the same population base as New South Wales and Victoria we will be miles ahead. We do not have the same consumer market, as I am sure Hon. Max Evans knows.

I agree that documents should be stored off the premises, but we are dealing with a different industry here. If inspectors go to the premises they want to check the documents against the liquor that has been sold and a whole range of things. That was the department's recommendation. There is no problem about storing documents in a warehouse off-site for taxation purposes, but the recommendation was that the documents should be kept on the premises because of the complications of the present inspection system, which I believe will change next year.

Hon. E. J. CHARLTON: The industry will appreciate the comment made by Hon. Des Dans about his taking the Committee's views back and also making his thoughts known and the fact that he will raise the practicality of the six year time period. The industry would appreciate a move away from six years back to two years. That would be well received because not only does that situation apply in other industries, but it will relieve the industry of three times as much paperwork. I hope the Minister is successful, and I will let the people know that he has made that statement.

Hon. D. K. DANS: I give an undertaking that I will do it.

Hon. MAX EVANS: I refer again to the Minister's comments. I am sure his adviser has undertaken these sorts of inspections. I completed a number of liquor returns for various companies some years ago. It is not possible to check the returns with the bottles because they have probably been recycled four or five times.

Hon. D. K. DANS: There are two questions: One is the document being kept on the premises and the other is the length of time the documents must be kept. I will speak to the Minister for Racing and Gaming and advise her that this Committee considers that a period of six years to retain the documents is too long. I will speak to her also about the requirement to keep the documents on the premises for one year.

Hon. MAX EVANS: I understand that the Leader of the House is looking into that matter.

Hon. D. K. DANS: Yes.

Clause put and passed.

Clauses 13 to 15 put and passed.

Title put and passed.

As to Report

Hon. D. K. DANS: Mr Chairman before you leave the Chair I believe I owe the Leader of the Opposition an apology. I apologise for being a little sharp tonight and I hope that the Leader of the Opposition will accept my apology. I do not give him any excuses for my behaviour, but he is aware that I had a tough time yesterday and that I have had a tough time today.

Hon. G. E. MASTERS: I accept the apology made by the Leader of the House. I did not remind the Leader of the House at the time that he amended the Bill in this place. In any event, it does get tough in this Chamber and tempers do tend to become frayed.

Bill reported, with an amendment.

FUTURES INDUSTRY (APPLICATION OF LAWS) BILL

Returned

Bill returned from the Assembly with amendments.

RESERVES AND LAND REVESTMENT BILL

Second Reading

Debate resumed from 16 July.

HON. D. J. WORDSWORTH (South) [8.37 p.m.]: This Bill brings to this House matters relating to the Reserves and Land Revestment Act which require the concurrence of Parliament. Such matters relate to "A"-class reserves and reverting land in the Crown. It is normal for these matters to come before the House in order that members have the opportunity to air their views about them and, if need be, reject them.

As a previous Minister for Lands I have great respect for the staff of the Lands and Surveys Department and the way in which they keep the records and check on the many pieces of land which are owned by the Crown. The department is an extensive piece of machinery which protects the national estate. Any large landowner must keep his records up to date and maintain good housekeeping and the same applies to the Crown in respect of the land it owns.

It is important that Bills of this kind come before the Parliament once or twice a year not only for the benefit of the Crown, but also for the benefit of the public. A certain amount of give and take applies in regard to this type of legislation.

I have had the opportunity to study the various matters raised in this Bill and generally speaking I do not see any problems with it.

When I was Minister for Lands I was placed in an embarrassing situation when I had to bring before the House a Bill to excise from a piece of land its "A"-class reservation which was situated under a main highway and had been for many years. It was probable that a Western Australian citizen had given that piece of land to the Crown as a flower garden and it had become part of that highway.

Up to a few years ago the Minister for Lands was able to accept gifts from the public and the Minister had the authority to declare such land as "A"-class reserves.

When I was Minister for Lands and when Hon. Gordon Masters was Minister for Conservation and the Environment we made history by declaring a national park without bringing the matter to this House and at the time Hon. A. A. Lewis took exception to our actions. If I remember correctly it did not even go to Cabinet.

During my time as Minister we had various systems reports to handle the recommendations of the Conservation Through Reserves Committee. Members will recall that the systems were numbered from one to 10 and they were automatically handled by the department and the Minister and it was not a requirement to bring them to the Parliament. However, the time has come when matters concerning "A"-class reserves are brought to this House for whatever reason.

During my time as Minister for Lands I was perhaps responsible for getting a greater percentage of our State into "A"-class reserves than any other State on the mainland.

In spite of that I still had a reputation in the eyes of conservationists the Minister who allowed the reopening of new land development under conditional purchase arrangements. That was only for selected areas and it proved to be very necessary and, indeed, very successful.

I support the Bill. It relates to some five or six areas in my electorate and while some people will disagree with a proportion of them, I believe that as a whole they have the concurrence of the general public.

HON. V. J. FERRY (South-West) [8.41 p.m.]: I will not oppose the Bill but I raise the question of the Government's not liaising with local authorities as it purports or is expected to do. It is not the first time that I have had occasion, when dealing with a Bill of this nature, to remark on the lack of liaison between the Government and local authorities. I refer to two local authorities in this connection, the Augusta-Margaret River Shire Council and the Busselton Shire Council.

I have been in touch with both shires and they assure me that the decisions in the Bill are quite in order as far as they are concerned, but it is interesting to note that they were not aware that the two parcels of land would come before Parliament at this time. They had quite a surprise.

One reserve in the Margaret River area is not simply a small parcel of land; it is an area of 1 816.0091 hectares, a big parcel of land. It seems peculiar to me that the local authority had not received proper recent advice regarding this land. When the shire checked on the land, it offered no objection to the proposal; but there is another interesting aspect inasmuch as at present there is a move to create a new airstrip at Margaret River and a feasibility study is underway. It is not beyond the bounds of possibility that an area of 1 800 hectares

might be considered for the construction of an airstrip, although I do not know what the situation is. However, as the total area within a 15-kilometre radius of Margaret River is under consideration in this airport study, I am sure this land would have been included.

The history of the land is worth noting. For the last 45 years the area has been regarded as a State forest and treated accordingly. Technically it has always been an "A"-class reserve, yet the Forests Department and everyone else had apparently accepted that it was not part of the State forest. However, as an "A"-class reserve coming before this Parliament, it is appropriate that it should be looked at. As I said earlier, when I raised this matter with the shire it said that in effect the area has been used for forestry purposes for so long that it has no real objection to the proposal. However, the thought did arise that the land could have been considered for some other purpose and, as an "A"-class reserve, it deserved some scrutiny.

Two parcels of land in the Busselton Shire are dealt with in this Bill, and in this case also the shire agrees with what is happening. In fact, it welcomes the reclassification of the reserves. A third parcel is referred to, but it is only a minor tidying-up operation for related purposes. Once again, this shire was a little surprised that these matters were now before the Parliament and that it had not recently received advice from the department.

The Government should take more care in dealing with these matters, particularly with local authorities which, as the name suggests, deal with local matters for local people. Land is a very important issue in these areas.

Referring again to Margaret River, that land designated an "A"-class reserve is suddenly to be tidied up to correct what is believed to be an anomaly. Perhaps it is, but such reserves have a special reservation and this Parliament has the right to query these matters in any shape or form. I do not oppose the Bill because it is necessary, but the principle concerns me a great deal.

HON. E. J. CHARLTON (Central) [8.46 p.m.]: One area in relation to this Bill has been brought to my attention by the Northam Town Council. I refer to Reserve No. 8313 and the proposal to change the purpose of this reserve to "use and benefit of Aboriginal inhabitants" to facilitate its vesting in the Aboriginal Lands Trust. The reserve has been the subject of considerable communication between various de-

partments and the town council since 1982. A decision was made to revest the reserve in both the council and the Lands Department, and at a later stage the Main Roads Department because it was believed that the reserve would become part of the Northam bypass. I refer to the correspondence which began on 29 March 1982. The Department for Community Welfare wrote to the Town Clerk of Northam stating the following—

Please be advised officially that the above reserve is now closed for the purposes of aboriginal housing. . . .

If you still wish to use this land, I suggest you write direct to the Minister for Community Welfare.

The health committee of the Northam Town Council discussed that letter at its meeting on 6 April 1982 and made the following recommendations—

D.1.2. Resolved that the Main Roads Department be advised of the closure of the Housing Reserve with a suggestion that it procure the necessary portion of the Reserve required for By-pass road purposes.

D.1.3. Recommend that the Minister be requested to vest the balance of the land not required by the Main Roads Department in Council as an "A" Class Reserve.

Following that meeting, the Town Clerk wrote to the Minister for Community Welfare on 4 May 1982 advising that the council was aware that a proportion of the reserve would be required by the Main Roads Department for the Northam bypass and that it considered that the balance of the land should be redesignated as an "A"-class reserve vested in the council.

That letter was acknowledged on 11 May 1982. On 20 July 1982 the Town Clerk received a letter from the Minister for Community Welfare which stated the following—

As you are aware Northam Reserve has recently been closed, however, the land is still vested in myself for community welfare purposes, and as such, is subject to the review I mentioned above.

At this stage no decision has been made. . . .

On 25 August 1982, the Town Clerk replied stating that the council viewed with trepidation any further delay regarding the redesignation of the reserve as an "A"-class reserve vested in the council, and it asked that action be taken.

The letter reads—

In reply to your letter dated 25th August, 1982 concerning the future of the Northam Aboriginal Housing Reserve, I advise as follows:

The Department for Community Welfare has no further use for the reserve and in view of the requirements of the Main Roads Department, has relinquished control of the land.

The Council's interest in any surplus area as an "A" Class Reserve has been brought to the notice of the Hon. Minister for Lands for his Department's consideration, and I suggest that you correspond further with the Minister or the Department for Lands and Surveys, direct.

The council wrote to the Minister for Lands on 29 November 1982 about the council's intention. It asked the Minister to vest that section of the "A"-class reserve in the council. In December 1982 a letter from the Department of Lands and Surveys contained the following—

I refer to your letter... wherein you requested that the portion of the above reserve not required by the Main Roads Department be classified "A" and vested in the Council.

It went on to say what that area was intended for.

Then on 27 January 1983 the Northam Town Council wrote to the Under Secretary for Lands and again referred to the previous correspondence. The letter read in part—

Council requires the land to be reserved as an "A" class reserve because the area is significant with the history of the settlement of Northam and it is intended by Council to create parklands of indigenous flora which will beautify that portion of the by-pass road.

With reference to your query dated 16th August, 1982, I must apologise for the delay in answering your letter...

The fact of the matter is that this reserve No. 8313 in the Northam Town Council area in just on the other side of the Avon River. It is part of the continuing battle between the Main Roads Department, the council, and all the other people involved with the possibility of a bypass road in Northam.

I have just quoted those letters. Obviously a decision was made a few years ago by the Department for Community Services, which was

previously in control of this reserve, to transfer part of it to the Main Roads Department and to the Department of Lands and Surveys, and have the rest vested in the council. Under this Bill, the area now being vested in the Department for Community Services is probably not right, unless we want to change the course of history and start the whole procedure again.

I have here a letter of 7 April 1983. The council was still negotiating with the Main Roads Department; there had been no further developments. Obviously the whole business needs to be reassessed by the Government before it is included in this proposal. The Northam Town Council is in a quandary about what will happen.

As a result of this being brought to the notice of the member for Avon (Mr Max Trenorden), he took the matter up with the council on 30 June 1986 and showed it a photocopy of the proposed changes to the reserve, and made some comments on it.

I bring those points before the House so that the Government can consider this matter of Reserve No. 8313 as an "A"-class reserve. The bypass road makes it an unusual case, and we should look into what will happen.

HON. MAX EVANS (Metropolitan) [8.55 p.m.]: I would like to speak regarding closing Harvest Road in North Fremantle for the water police facility. A petition from my electorate was lodged in the House today.

The police want a new headquarters between the two Fremantle road bridges, on land designated for further development. There has been a rush in recent months to find an alternative place because the police want the centre set up in time for the America's Cup defence.

The place chosen is at the end of Harvest Road and the block next door. It would close off the street, leaving a driveway down the side of the building to the beach.

My electors are concerned about the old swimming hole where children can swim. There was an old springboard there, but it has now gone. My electors are perturbed about the development of the water police centre and making a proper path to the waterfront, which will make the area more attractive. Lights will be installed, and there will be white sand with water and a small jetty, with the water police next door.

This is not an area for a midnight dip; it is fairly dark. If it is better lit it will become a safer place.

This problem was first mentioned only a few weeks ago. It must be a record for this matter to come up to this House today. Only about 100 feet of road will be closed off.

Hon. D. K. Dans: I will table the drawing.

HON. A. A. LEWIS (Lower Central) [8.57 p.m.]: I shall not hold the House up for a great deal of time.

Hon. D. K. Dans: You always say that.

Hon. A. A. LEWIS: If the Minister does not interject my speech will be even shorter. I could speak for hours on the subject of land management if Standing Orders allowed me. I have received courtesy from the Minister for Lands and the Minister for Conservation and Land Management. I have not seen the Minister, but I have talked to Dr Shea. He has been fantastic, as has the Leader of the House.

I have severe problems with one clause of this Bill. I do not know whether the Government will have the time to do it, but my suggestion is that in the last eight or 10 months many senior personnel from forestry or CALM have left. It may be a good idea for those people to look at the boundaries of forest blocks in the south-west. These people can report back to the department in their own time. It will not be a full-time job, but they can perform a service which CALM personnel do not have time to do because amalgamation and their normal duties take up all their time.

If this were done, two or three blocks a year could be dealt with so that the Parliament, the department, and everybody else could look at a total land management package in forest blocks. Discussions could then be held on a bipartisan basis. Hon. David Wordsworth and Hon. Gordon Masters could not then declare them illegal. Crown Law could back my statement that only the Conservation and Land Management Bill managed to get them off the hook.

If this could be done in a bipartisan way with the shadow Minister, the Minister, and two or three departmental officers, much of the wrangling could be stopped.

When CALM was set up one of its objectives was public participation. Yet when this Bill came in, as the Minister knows, both he and I got different answers as to whether the shires had been properly informed and whether they had been brought up to date. If we had a method of working ahead, such as I have suggested, we could save the Minister, the State, and certainly this House much time when dealing with land and reserves matters of

this nature, although there will always be the closures of rights of way and so on that we will need to follow up.

I say here and now that I will oppose clause 14 because that is the clause which affects Reserve No. 36996, near Northcliffe, and I am hoping the House will support me because I believe those two blocks of vacant Crown land ought to be looked at in another way, and that the House should consider the total land management situation rather than an ad hoc one.

I know we have the Harvest Road matter coming up, but the matter of which I speak concerns a major area; we are talking about the land to be added to Reserve No. 36996, and the areas involved are 3 556.445 hectares and 2 129.028 hectares, which are large areas of land to be thrown in.

If there is any doubt—and I must say again that the courtesy of the department and the Minister in this matter has been supreme—we ought to leave them. If it is not a matter like Harvest Road where we need a decision right on the spot, we could look at them and consider the future of those pieces of land.

I support the Bill, with the exception of clause 14.

HON. J. N. CALDWELL (South) [9.02 p.m.]: I support Hon. Max Evans' comments about the Harvest Road closure. The National Party has had many concerned citizens approaching it to help them try to resolve this problem. It appears that the America's Cup has taken precedence over many of the areas around Fremantle, and this is probably one. I am sure that the Government will look into it and assure the residents of Harvest Road that it will look after them in every way possible.

I am sure that if I had the water police looking after the area in which I resided I would feel a little more comfortable, and perhaps the Government could put this approach to the residents. The residents have a great deal of concern for the Harvest Road area and, as Hon. Max Evans has pointed out, the Government could light the area with adequate lighting and put an adequate amount of sand on the swimming areas to make it safe for swimming. I am sure the residents would appreciate that.

HON. NEIL OLIVER (West) [9.04 p.m.]: I wish to add a few remarks to those of Hon. John Caldwell. Since coming to this Parliament, whenever a town planning Bill has been brought before the House, I do not believe there is an occasion on which I have not spoken

to it, excluding the legislation before the Parliament this week. In fact, I spoke on town planning matters in my maiden speech in this House some years ago.

In the matter of the Harvest Road closure I understand the Fremantle City Council is not particularly in favour of the project going ahead at this time; that is, it has not had the opportunity to examine the full development plan. I am surprised that this reserve, and the whole project, should go ahead so quickly without an opportunity being given for public comment. This afternoon Hon. Max Evans presented a petition containing some 183 signatures on this matter, and he has also just spoken in the debate.

If we are to have what is called open government and the requirements for environmental studies and so on—on which this Government always insisted and, in fact, demanded when in Opposition, even to the extent of moving urgency motions in the House—I am surprised that this provision should be included in the Bill at this time. It surprises me because when matters of this nature came before this House when we were in Government, they would involve almost packed galleries in the House, with the charge being led by Mr Bartholomaeus. It has now become a source of embarrassment to him that what I once called in this House “rent-a-crowd” no longer appears in the galleries of this Parliament.

Hon. D. K. Dans: What has that to do with the Reserves and Land Revestment Bill?

Hon. NEIL OLIVER: I do not know whether that means they are no longer interested in environmental matters, because from what I understand—and the Minister may care to correct me—no environmental impact study has been made into this project, which is a major marina-hotel complex.

Hon. D. K. Dans: A what?

Hon. NEIL OLIVER: A marina-hotel complex.

Hon. D. K. Dans: There is no hotel there, and no marina.

Hon. NEIL OLIVER: I understand that is the intention.

Hon. D. K. Dans: No, it is not.

Hon. NEIL OLIVER: Then I would appreciate the Minister explaining that point later. However, the point I wish to make is that I understand that the beach, or whatever is there, may well not be available when the project goes ahead, and the reserve will not be open to the

public. I do not know whether that is correct or incorrect. Possibly the Minister will explain it to me, because it is obviously very close to his electorate and he has a rapport with the Fremantle City Council, and is probably in a better position than anybody to elaborate on and explain it, not only in his capacity as a Minister but also as the Legislative Councillor for the province.

When one goes about these projects which require development orders, they need to be thought through. The reason I am speaking—and I do not want to digress—is to give examples of what is happening in my area. Mr President, may I acquaint the House with an alternative example; and that is that 4½ years ago the town of Gidgegannup required a football ground. The local football club cannot play in Gidgegannup because there are no ovals there, so it shares ovals at Wundowie, Wooroloo, and Chidlow.

In the townsite of Gidgegannup is an area of 100 acres of land vested in the Shire of Swan for the purposes of recreation. It was decided to go ahead and clear the land with the help of the community; the local people used their farming equipment and labour to install a football oval. They were assisted with some financial grants but they also raised funds through their recreation club.

Prior to any planning I approached the Chairman of the Environmental Protection Authority, who at the time was Mr Colin Porter, and I also examined the System 6 publication. I then arranged for a Mines Department inspection after Mr Porter gave his approval, the department had sent up a leading environmentalist. I then arranged for a hydrologist to come from the Mines Department and report on three localities where water might likely be found, because once we are over the Darling Range it is difficult to find water.

There was a change in the vesting order made by the Shire of Swan in leasing a portion of that ground to the Gidgegannup recreation club which required the approval of the Minister for Lands. He then had to ask for the approval of the Minister for Conservation and the Environment, who then requested a 20-year environmental impact study for the Gidgegannup football club. This all happened 4½ years ago, and nothing has happened except that the ground has been cleared. There is a building ready to be utilised, but nothing else.

I felt it necessary to draw this local issue to the attention of the House. Why is it that the small people in WA, the people whom we are

supposed to represent, find themselves bound by the intricacies of the bureaucracy when another person can walk in, snap his fingers, and have everything done for him?

I am not against the closure of Harvest Road because I have already spoken in this place before about the bureaucracy we have in the town planning field. I spoke about this matter as far back as my maiden speech. I believe the Harvest Road closure should be deleted from the Bill and open government should prevail. The people should be given the opportunity to examine the matter and make contributions, to object if necessary. That is what I understood this Bill to be all about. The Government calls itself an open Government. It should communicate with the people and with associations involved. I understand it is the North Fremantle Progress Association which is associated with this reserve and which has expressed its concern.

HON. GARRY KELLY (South Metropolitan) [9.14 p.m.]: I support the Bill. I wish to make a few comments about the closure of a pedestrian access way, and I refer members to item 12 in the table in clause 29. The access way between Romeo Road and Friar John Way in Coolbellup has driven mad the people in the four houses on either side of it for some five or six years now.

Apparently years ago these access ways could be closed under a section of the Local Government Act, but then a Crown Law opinion said that in future they had to be closed by a Bill submitted to the Parliament. The closure of these access ways has been part of the Reserves and Land Revestment Bill ever since.

Despite the fact that 11 other access ways are also being closed, in theory access ways are a great innovation because they allow people in an area to move from one road to another without actually having to walk around the block. Of course it is great for people whose properties are not contiguous with the access ways.

The access way in Coolbellup to which I refer has been used by people to dump their rubbish and throw assorted missiles over the fences of the adjoining houses. Sheets of asbestos have been broken and houses have been broken into. It seems that it has also been used as public urinals on occasions, which is a very unsatisfactory situation.

Mr Oliver commented on the planning bureaucracy. I believe it is still alive and well. Councils must request closure and then ensure that the closures are advertised for a couple of

months; they must then go to the Minister for Local Government; he has to send the documentation across to the Office of Titles which has then to send the appropriate documentation to Parliamentary Counsel for the appropriate legislation to be drafted.

I made this access way in the City of Cockburn a special project, yet it missed the boat even then despite numerous reminders. I approached the Minister for Lands to move an amendment in the other place and asked him whether an amendment could be made there to enable this access way to be closed in order to relieve the suffering and misery of the people who live adjacent to it. He readily agreed to my request, for which I record my thanks. In future town planning schemes the Planning Commission must look very carefully at whether these access ways should be provided. Judging by this Bill it seems their closure is becoming a growth industry because no-one wanting a quiet life wants to live next to the damned things.

The land that comprises access ways is effectively added to the titles of the four adjacent properties. In this case, three of the properties are owned by Homeswest.

The cost of adjusting the title is something like \$100 per property, but a couple of years ago some erroneous information was given to the people involved indicating that it would cost each landowner and Homeswest \$3 000 each for the access way to be closed. That made the people think twice, and it was not until I found that it was only a nominal fee of around \$100 that the people were happy to support the closure. Homeswest Fremantle is particularly pleased because it is having a lot of trouble in maintaining its houses, which are affected by the goings on in the access way.

I thank the Minister in the other place for moving an amendment allowing for the closure of this Coolbellup access way.

HON. P. G. PENDAL (South Central Metropolitan) [9.19 p.m.]: I will make brief comments about two matters covered by the Bill. One matter concerns a reserve in South Perth. I have spoken with the South Perth City Council and found that it supports the excision contained in clause 16. In fact this clause impinges on a local road, Richardson Park, and the Royal Perth Golf Course. Because the local authority has raised no objection, I raise none either.

The second matter I raise is in relation to clause 30, which deals with the closure of Harvest Road in North Fremantle. This clause has prompted comments from a number of people in this place, and a lot of comment outside the Parliament. I have been asked, as undoubtedly other members have been asked, to vote against this reserves Bill on the basis of clause 30. I happen to think that in some instances what has happened with clause 30 is quite reprehensible, but my position is clear. I do not intend to vote against that clause for a number of reasons.

One of the reasons for this is I have taken the attitude in the past that the Government is entitled to go to hell in its own way. The Government has made this decision and it must live with any adverse reaction to it. If there is any credit to be gained, the Government will be able to take that credit, as it is entitled to do. However, I wish to associate myself in particular with the comments of Hon. Neil Oliver in this regard. When he was speaking, I noticed a number of Government members shaking their heads as though to indicate that the comments Hon. Neil Oliver was making were irrelevant to the Bill. Had they been listening, they would have realised that his comments were in fact very relevant to the Bill and to clause 30. Hon. Neil Oliver gave the House some insight into his electorate; he mentioned a township called Gidgegannup and his comments were illustrative of what is happening there under the present Government in respect of approvals.

In particular we saw this in specific detail several years ago in respect of the land on Burswood Island. The whole of that project was fast-tracked and a great number of corners were cut. We saw a composite Bill coming into the Parliament which permitted many environmental and planning matters to be either short-circuited or ignored in their entirety. We saw an occasion on which the Perth City Council did not agree with the way the development occurred, as indeed the Fremantle City Council is not agreeing with the way this particular matter is being handled, although by the second time round the Fremantle City Council reversed a decision which it had made previously.

Hon. Neil Oliver's comments in this respect were valid: If one is going to fast-track one thing, and certainly I am in favour of that, one must then fast-track things for everyone in the community. Hon. Neil Oliver made the point that there are some little people at

Gidgegannup who have been battling bureaucracy for four or five years to no avail. I could mention people in my own electorate who have been doing the same thing, as could the other member of that province. There have been occasions, and there are currently cases on the books, where the planning authorities have demanded that all of the provisions of the Statutes ought to be met. There is nothing wrong with that because the Statutes are made in this Parliament; but the other point Hon. Neil Oliver made is that if one is fast-tracking a project such as the casino project and the North Fremantle development, well and good if that saves people money, but one must make sure that one fast-tracks developments for other people as well.

Maybe the time has come when we need to formally fast-track by institutionalising that process. We could have a process whereby a one-stop approvals office within the Government, which has been talked about before and was certainly part of the Opposition's policies prior to the last State election, could be brought into existence. It could deal with planning approvals and other types of approvals within the Government service. This is what has been sticking in people's gullets. I have been asked by certain people, mainly residents of my electorate, to do my best to see that this Bill is defeated. I have said, "No. For one thing it is in the electorate of someone else and those people have to make that judgment." I am prepared to take advice and to be shown a lead by people; I think that remains a valid point.

However, it is not good enough to leave those people with the belief, regardless of whether or not it is correct, that because one knows someone or because one has a connection in some unorthodox way, one can get an approval quicker than someone else. There is an old saying that justice must not only be done but be seen to be done. Indeed propriety must not only be apparent but be seen to be apparent, especially in the case of planning approvals because that usually involves a lot of money. It must be seen to be done in a proper way. That is what is distressing people who are involved in these situations day in and day out. It is something that we have seen under the present Government. I suggest to the Government that unless it comes to grips with this problem, it will proceed down a road where if it fast-tracks for someone for some reason, and does not explain its actions and does not fast-track developments for other people, it will invariably raise the suspicions of people. That

is something that will catch up with the Government in the end.

I reluctantly support the Bill but I suggest that the Government has to find a better way to bring about not just a fast-tracking of this project, and the casino project, but of all the other projects which are still clogging up the pipeline of the planning authorities and the other authorities of this State.

HON. D. K. DANS (South Metropolitan—Leader of the House) [9.25 p.m.]: I thank members for their support of this Bill.

There was a time when one could bring on revocation Bills and land Bills, as Hon. D. J. Wordsworth would know as a former Minister for Lands, and they would go instantly on the Table, and that would be that. I will deal with the matter which seems to be exercising most people's minds at the moment—the question of the closure of Harvest Road.

I know the area extremely well. I used to swim at the beach there. It is a small beach and in my opinion it is a little tragic that this must be fast-tracked. However, without wearying the House, the original intention was to put the water police facility at Doepel Street. That is now marked down for major development. The Government examined other sites outside the harbour, but it is not appropriate to have facilities outside the harbour for very obvious reasons. I have a sketch prepared by my department which I will table in a moment. It really does not do anything at all for the area in dispute. It takes a part of Harvest Road; it leaves access to the beach and makes the area look better. I am not so stupid as to believe that the area will ultimately look as good as this sketch; that does not happen, but the area will look pretty good.

There will also be an access, for which provision is made, but I do not know where that is going to go as yet. At present it is to go on a site previously occupied by Prestige Marine. I do not know what kind of beach is down there because to my knowledge one drops straight into the briny there. To put Hon. Neil Oliver's mind at rest, it will not be a motel-cum-marina; it will be a water police facility. The Government has even gone to the extent of not putting a ramp into the water, which I thought was the better proposition, but in order to make it look better a crane will be used to lift boats out of the water. This came up a little bit cheaper than the ramp, but at least it will make it look good.

The Government has gone to great lengths to fit in with the wishes of everyone and that includes the Police Department. There needs to be a facility for the water police. In fact, I believe there needs to be a bigger presence of police on the water. From my own observations and experience as a member of a yacht club for some years, if one wanted to be a successful thief, one would only need to buy a small motorboat, paint one's face black and run up and down the river and steal from boats. It would be lucrative as there is a fairly large boating population now. In my opinion there needs to be facilities at least at both ends of the river.

The America's Cup has been mentioned. The Government will be using that facility to assist with the America's Cup period. More importantly, the facility is there as a permanent fixture, and there needs to be, in the not-too-distant future, more areas where the water police can be based. Without wanting to get into other areas, the best people to keep order anywhere are the police. This was proven to me during my investigations for the America's Cup, both at the regatta at Cowes and in America, where the Coast Guard has much wider powers than the Army or the Navy.

They tried many ways to maintain order in Cowes and the only way they succeeded was to have clearly marked police boats patrolling the area.

This is a difficult Bill and I commend it to the House. I seek leave to table a document.

Leave granted.

(See paper No. 275.)

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Hon. Mark Nevill) in the Chair; Hon. D. K. Dans (Leader of the House) in charge of the Bill.

Clause 1: Short title—

Hon. P. G. PENDAL: I commend the Government for the helpful plan it attached to the America's Cup legislation which was debated at 11.45 last night. The Government incorporated in that Bill a map of the control area. It saved members having to scrape around at that time of night to try to gain some idea of the area to which the Bill referred.

I have had occasion to telephone the chief executive officers of local authorities and speak to them about reserves contained in Bills being

considered by this Chamber. On one occasion I was asked by the officer what area the Bill refers to and I was told by the officer that that was the reason I had rung him.

I suggest therefore that reserves Bills should be presented to us in a form that makes a reserve immediately recognisable to members of Parliament.

Hon. D. K. DANS: That is a good idea. It is hard for us to understand a reserves Bill, and it is even harder for me to interpret it when it is not my Bill. A picture is worth a thousand words. I will do my best to see that the request is acceded to.

Clause put and passed.

Clauses 2 to 13 put and passed.

Clause 14: Reserve No. 36996 near Northcliffe—

Hon. A. A. LEWIS: I want the Committee to vote against this clause. The leader knows of my problems. There were two clauses to start with, and I urge the Committee in the name of good land management to reject this one. The Manjimup Shire Council has asked me to have this matter deferred.

Hon. D. K. DANS: I understand the problem encountered by Hon. A. A. Lewis. However, I have been informed that this matter has been under discussion for about 10 years.

Hon. A. A. Lewis: That is not so.

Hon. D. K. DANS: That is the information that I have. The two areas referred to in the clause are vacant Crown land which will be included in a national park. All reserves included in tables 2 and 3, including the Walpole and Nornalup National Park Class "A" Reserve No. 31362 are vacant Crown land within the boundaries of the proposed national park and should be included in the national park. That decision was taken in the Environmental Protection Authority's red book approved by Cabinet in 1976.

Hon. A. A. Lewis: The red book is a guide. This is where you and previous Ministers have made ghastly mistakes, and so has the department in bringing this matter before the Committee.

Hon. D. K. DANS: I cannot see anything wrong with including these areas in the national park. In fact, it is a good idea. I ask the Committee to pass the clause.

Hon. A. A. LEWIS: I have been mucked around all day. I tried to come to a reasonable compromise with the Government. I guess I have had as much to do with land management

and land management Bills in this place as any and a damn sight more than most officers of the department. Two shire councils have told me that they have not been approached. The Minister got up and said that because the land in question was in the EPA red book in 1976 its inclusion was substantially agreed to by the Court Government and that that was the reason for its inclusion in this legislation. That is not good enough. The EPA red book has been proved wrong. If the Government wants to go along this line, let us consider the Shannon River area. The EPA red book said that that area was not to become a national park. This Government can either be fair dinkum and really look at land management or continue to go along in this ad hoc way.

I have put a lot of time into the Conservation and Land Management Department and previously into the National Parks Authority and Forests Department. I will not delay the Chamber on this matter because I believe the Government makes its own mistakes, but there is absolutely no way that I will continue to sweat my guts out in an effort to help that department. For years with the department and its predecessors I have worked my heart out for decent land management in this State. Mr McKenzie knows how seldom it is that I get annoyed; on this occasion I am furious. I reckon that I have been conned by the Minister and the department. The department can wear it around its ears if this clause is pushed through. These areas of land could be used to square off the national park and make it a decent national park. That would be decent management. If the department continues to over-ride shires, Lord help us! The president of the shire is a member of the National Parks and Nature Conservation Advisory Committee and he did not know about it. He has been shire president for two or three years. The department said it would consult interested parties. Mr McKenzie would have heard the phrase "public participation" time and time again. What public participation has there been with the Manjimup and Nannup Shires? They have been presented with a statement that the EPA red book said the disputed land would be included 10 years ago.

Mr McKenzie, the Minister and his adviser know that many times the EPA red book was found to be wrong and its findings were pushed aside. It is about time this Government and the Department pulled up their socks. If this clause is not withdrawn, I will leave this place and phone the executive director of the Conser-

vation and Land Management Department and call off all bets. Let this Government wear what it ought to wear! It is disgraceful that this sort of thing should go on in the name of the State. Today I spent hours going to and fro, seeing Ministers, trying to do the right thing. The Minister then came in here and without any further discussion turned me down. Be it on the Minister's head! Be it on the department's head! They can wear it.

Hon. D. K. DANS: I do not know which Minister the member is pouring it on. I will not go to the wall on the matter. Any decision that is made on this is made by the Committee. I just want to point out to the Committee that the decision on this was made before the Department of Conservation and Land Management came into being and that the two areas we are talking about are well within the boundaries of the national park. I will say no more than that; I will not get on my feet again. If the Committee does not want to accept that, it will vote against clause 14. If it wants to accept what has been put forward by the Government and to take the advice of the department it will vote for the clause.

Hon. V. J. FERRY: I am disturbed that Hon. A. A. Lewis had to speak as he did tonight, because it is well known that he is well-versed in land management, national parks and reserve matters. I suggest that he is probably the most knowledgeable member of the State Parliament on these subjects. Some of us have had a great deal to do with land management over the years. I do not wish to set myself up as an expert, but I do have a fair amount of knowledge because that has been the nature of my work. I was privileged to be a member of a Royal Commission looking at conservation and land management and the workings of the department on behalf of the Government, in company with Hon. A. A. Lewis and Hon. Fred McKenzie.

For the Minister to say that this decision was made long before the Department of Conservation and Land Management came into being does not make it right. This Government set up the Department of Conservation and Land Management to make it more efficient and so that it could employ better land management practices. That was the thrust of it.

Hon. D. K. DANS: I am just looking at the map. I understand that Mr Lewis does not object to the area which was purchased. Could you tell the Committee what you would do if those two areas of vacant Crown land were left out of the national park?

Hon. V. J. FERRY: I have not looked at that land.

Hon. D. K. DANS: I am only trying to be of assistance.

Hon. V. J. FERRY: I am also trying to be helpful. If the Minister would allow me to continue with my contribution, it might be of advantage to the Committee.

I am not familiar with this land in every detail, but I do know something about it because I used to represent that area before Hon. A. A. Lewis began to represent it with the change in electoral boundaries. The area is composed of two very large parcels of land. As has been explained, at the moment it is vacant Crown land. If it becomes a national park, it will come under another category. There may be a better way of using this land. I propose to the Minister that he consider reporting progress on this clause so that some of us can make some further inquiry about it to see whether we can deal with it, perhaps tomorrow. I would not like to see this particular clause defeated without further examination. It could be deferred by way of defeating it, but I do not think this Committee would be justified in doing that at the moment, because I do not believe we have sufficient information. I know that Hon. A. A. Lewis has a lot of information about it, but this Committee has not been blessed with sufficient detail.

I earnestly suggest to the Government that it consider reporting progress on this clause or postponing it, even until tomorrow, so that further examination can be made. It is too big an issue to be passed over with just a few words. It is a very vital matter. That is why Bills such as the Reserves and Land Revestment Bill come before Parliament. This is Parliament at its best—deciding what is best—particularly with land, because land is Western Australia. These things are terribly important. Earlier the Minister made the observation that there was a time when these reserves Bills came into the House and were passed with very little comment. That may have been the case in some instances, but since I have been a member a number of such Bills have been commented on each year. Some have been commented on more than others because of the nature of their content.

This Bill considers certain parcels of land. I urge the Government to consider reporting progress or postponing consideration of this clause until perhaps the next sitting.

Hon. D. J. WORDSWORTH: I referred to the land in my own electorate when speaking on this Bill. This is very much a Bill in which members study their own areas. I admit I had not looked at this one before, but I was interested to hear what Mr Lewis had to say about it.

The explanations on this Bill give very little information. The only recommendation is the reference to the red book. If I recall correctly, as Minister for Lands at the time, I refused to allow this area to be included in a national park. Unfortunately I do not have my papers with me. This map does not even show where Manjimup is; it shows only the immediate surroundings.

I believe there is a good reason to have more information on this clause before proceeding with it. I would like to do more research. There was land in that vicinity which I refused to have included at an earlier time, because it was some of the small amount of land still available for farming or exchange purposes. Exchanges for State forests, for example, are taking place.

Hon. D. K. DANS: I am in no position to agree to a deferral. I have discussed the matter with the two Ministers concerned, and I have told them I will leave it to the Committee.

These two areas of Crown land are now inside the national park. I could not accept the proposition of Mr Wordsworth—and I am sure the department would not—not to include these areas in the national park but to use them for farming purposes. I do not think that is the intention of national parks.

Hon. D. J. Wordsworth: Or exchange.

Hon. D. K. DANS: I cannot see the reason for not wanting this provision in. If I was given some valid reason, perhaps I could consider it, but I am sorry I cannot accede to that request. This is not my own Bill, although it might be deemed to be. Like Hon. A. A. Lewis, I have discussed it with the Ministers and with the department and tried to find a compromise.

Hon. V. J. FERRY: I am very disappointed with the Minister's decision. I accept that he has had discussions with other Ministers, but that does not help the workings of this Committee which has not had sufficient information; and the Minister is placing a very unfair onus on the members of this Committee to make a decision without proper information. It ill behoves the Government to do that. There is time for this Bill to be proceeded with, with the exception of clause 14, which could be postponed to the next day of sitting.

Hon. D. K. Dans: If you tell me why you want to postpone it, fine. You just say you want information. I proceeded with this Bill on the advice of the Leader of the Opposition that it was ready to be debated. If you can give me something to hang my hat on, I may be able to help you.

Several members interjected:

Hon. V. J. FERRY: I am trying to be helpful to the Minister and to the Government, but the Minister does not seem to wish to be helped. There is no need for this to be proceeded with for more than 24 hours. It will not make a scrap of difference if it is. It is too big an issue to be passed over by saying there has been some discussion between the Chambers. This Bill deserves an examination by every member of this Chamber; in fact by every member of the Parliament, irrespective of what some leaders may say to one another. It is the right of members to examine this legislation. If we do not, we will not be doing our job.

There was a time when I represented this territory. I want to look at maps and satisfy myself by making further inquiries that what is proposed here is the right thing to do. I do not want to be put in the position—and I do not accept other members should be put in that position—of having to prejudice what might be the right decision and pass this Bill with that clause in it. It might be the correct thing, but I am not at the moment satisfied that it is. I am asking for further time to satisfy myself that this is the right thing to do. If that is not a reasonable request I am amazed.

At the beginning of my second reading speech I said I would not oppose the Bill, and I mentioned other reserves. I was concerned that local authorities had not had recent communication. It seems to me that this lack of communication is pervading many other parcels of land. It is the duty of every member of this Chamber to pass judgment as he sees it. I am not saying it is right or wrong, but I want 24 hours for a further examination of it.

Hon. D. K. DANS: If anyone opposed to clause 14 were to say, "This is what I want to have ascertained," the Government can then assist by obtaining that information. The member can find it out for himself. At the moment I just have a request to postpone clause 14.

I do not want to involve the Leader of the Opposition, but we have an arrangement that we do not bring things on until people are ready to debate them. I would have preferred it if someone had come along and said, "I want

this debated on another day." That could have been done tomorrow, on Friday, or next week. If a member involved in another Bill is not here tonight we will postpone that debate. But just to say that the member wants another 24 hours to do something is a little too much.

Hon. V. J. Ferry: We want more time to prepare.

Hon. D. K. DAns: Mr Lewis had enough time. Other members had enough time.

Hon. A. A. Lewis: I had nothing from the Government.

Hon. D. K. DAns: Mr Lewis has not told me. He may have told the Minister responsible what his real objections are.

Hon. A. A. Lewis: I told the officers I was asked to see.

Hon. D. K. DAns: No-one has told me. If the member had told me what he wanted to find out, I could have found something out. But I cannot postpone the clause on the basis that something may or may not happen. If the member can give me something specific I will be prepared to go along with a postponement till tomorrow afternoon. That is fairly reasonable. But I must have something concrete.

Hon. D. J. WORDSWORTH: It seems strange to me that this part of the country is surrounded by national park, yet it was not put in a national park at the time. If it is so obviously part of a national park, why was it not included before? There must be some reason. That alone is a good enough reason to ask the Minister to find a reply.

Hon. G. E. MASTERS: I have just entered the debate. I listened with interest to Hon. Des Dans when he said an arrangement had been made. I am always prepared to indicate that a Bill is ready to be handled, but that does not mean that at any stage a member will not raise a question.

Hon. D. K. DAns: I did not say that.

Hon. G. E. MASTERS: It seemed that the Leader of the House suggested that a Bill of that type would go straight through.

Hon. D. K. DAns: No; I was answering Mr Ferry.

Hon. G. E. MASTERS: We are ready to debate most of the Bills on the Notice Paper, but if at any stage members find they are not obtaining the answers they require and the Minister feels it would be better to report progress, that is the Minister's decision. Surely members have every right to raise questions.

Hon. D. K. DAns: If someone would give me some questions, I would be quite happy to answer them. Normally we determine the order in which Bills will be debated. I told Mr Ferry that, had I known people wanted more time to deal with this Bill, it could have been delayed.

I have been talking to the Clerk. He has given me a proposition which I am prepared to accept. However, I would still like, either formally or informally, to know what members want me to look for. It is suggested that, instead of reporting progress, we complete the Committee stage of the Bill and then make the report on the Committee an Order of the Day for the next sitting of the House. That could be dealt with some time tomorrow afternoon and at that stage clause 14 could be recommitted.

However, I ask members to tell me what they are looking for so that I can answer their questions.

Hon. A. A. LEWIS: I did not intend to speak again, but if the Leader of the House is trying to be conciliatory I shall try to help him. Today I spent two hours talking to the people to whom I was referred. The Leader of the House probably thought I was a member of his staff, I was in his office so frequently.

Hon. D. K. DAns: I gave you all the assistance I could.

Hon. A. A. LEWIS: I am not denying that.

Hon. D. K. DAns: I still don't know what you want.

Hon. A. A. LEWIS: I refer to two areas of vacant Crown land. One is known as Ward's block on the side of the Donnelly River and it has been leased by Mr Dixon up until probably 31 January. Without taking en bloc the red book report, previous Ministers have tried to keep some areas of vacant Crown land for the purpose of swapping land and squaring off areas of the park. In no park in this State are the boundaries as irregular as they are in D'Entrecasteaux. With a little bit of dealing, these areas can be sold to someone who has land which may or may not be more valuable and which one wishes to include in the park in order to square it off. We must keep a land bank in order that we may deal in this manner.

It does not matter two hoots where these areas of vacant Crown land are located. They have national park all around them. In the overall context of squaring off the boundaries, we need to keep as much vacant Crown land as we can in order that we have room to manoeuvre and room in which to deal so that the

future of the park is sound. Does the Leader of the House understand that?

Hon. D. K. DAns: Yes, I understand that.

Hon. A. A. LEWIS: If we are looking at land management rather than land grabbing, that is what we ought to be doing. It is easy to grab this land. The Leader of the House will recall what happened in respect of the tammar block in 1897.

Hon. D. K. DAns: I was not around then.

Hon. A. A. LEWIS: A senior officer and I went to look at that piece of land the other day. The tammar block is in the red book and it is surrounded by cleared country. This gentleman wanted to sort out two other blocks and, with the help of that senior officer, a practical land manager, we can do that. One of these blocks could be used in this assessment, because it is vacant Crown land that can be sold to a person who can then swap it for the block which is sitting in the middle of cleared land that will never see tammar again.

That is what we want to keep the land for and that is why we are making a mistake. I do not mind if the Bill is delayed. However, I am horrified that, having spent a great deal of time today on this matter, and being of the opinion that I had got through to the department a sane approach to land management as opposed to administrative convenience, this is the way the department intends to act. If this is the way the department intends to act in respect of all pieces of vacant Crown land in and adjoining national parks, because the red book has said so, we will have massive confrontation. The meeting of 1 400 people at Manjimup was nothing compared to what we will have in the future. All those involved in the pastoral and farming community and most of those in the forest and timber communities will be out against the department very quickly, because it is not considering land management, but rather is acting in accordance with administrative convenience.

I have finished negotiating. I spent two hours negotiating today. I have done the right thing and I have tried to be helpful. However, the Leader of the House comes in here and says, "No, we are not going to go along with that." It is a waste of my time trying to do the right thing for the State and the Government by communicating with the people to whom I was referred.

Hon. D. K. DAns: I have been examining the map. Both areas I am now indicating fall inside the boundaries of the national park. The

department has just spent some \$82 000 to buy land across the road. The intention of the National Parks and Nature Conservation Authority was not to have any agricultural pursuits inside the park. I agree with Mr Lewis' suggestion that if an area such as the one I am now indicating was involved, or if it was desired to shave off this area up here, it would not be so bad.

If we go through the Committee stage and come back tomorrow, I will have time to speak to the Manjimup Shire Council and the department will have had time to speak with Mr Ferry and anyone else who wants the time to examine the matter further, and tomorrow we can sew up the Bill. That is a fair assessment and I hope the Committee agrees with that suggestion.

Hon. D. J. WORDSWORTH: Is there a chance of members of the Opposition being able to look at the Lands Department file for those two blocks of land?

Hon. D. K. DAns: I am in no position, as the member well knows, to agree to that. The file is not in my possession. I can certainly ask the Minister for Lands. I do not know if it is normal practice or if the department would be receptive to giving out the information contained in files given to Ministers handling legislation. I cannot honestly answer the question. The member, having been a Minister, would have a better idea of the situation.

Clause put and passed.

Clauses 15 to 20 put and passed.

Clause 21: Reserve No. 8313 at Northam—

Hon. H. W. GAYFER: My colleague Hon. Eric Charlton spoke on the second reading of the Bill and pointed out the problems that surround this reserve. This matter is the subject of much correspondence between the town council and, in the first instance, the Department for Community Welfare, and latterly the Department of Lands, and the whole matter remains in abeyance. Letters concerning this block of land are still waiting to be answered.

This land is the subject of the proposed new bypass road at Northam which is a matter involving the Main Roads Department and the Northam Town Council. When the Aboriginal housing was removed, the land was signed over to the Lands Department, and that department has been negotiating with the shire council as to what portion needs to be excised to accommodate the requirements of Munster Road. Correspondence has been flowing since 29 November 1982, and we have copies of all cor-

responsibility. The matter has mainly been held up because the Main Roads Department has not stated the exact position or how much of this road will be required. When that position is indicated, it is further proposed that the balance of the land be held over for vesting in the shire as an "A"-class reserve for the purposes of beautification of the main road rather than being transferred for the purpose of the use and benefit of Aboriginal inhabitants in the Northam townsite.

The reserve will abut a road and portion of it will be needed by that road, as the correspondence indicates. The balance of land should be further looked at for the purpose of beautification as the Northam Town Council and the Main Roads Department so desire. It will enhance the proposed truncation bypass. We ask the Minister to withdraw this clause. We will vote against the clause because we do not believe that a matter which is still up in the air, as it were, involving four years of unanswered correspondence, should suddenly be walloped by a reserves Bill with the sanction of the Chamber coming down like a big hammer saying, "Right, that is the way to fix it. We will put it to the Legislative Council or through the whole Parliament and they will agree to it and the land will then be transferred for the use or benefit of Aboriginal inhabitants."

I repeat that the portion of the land is required for the new Munster Road truncation bypass road at Northam and the balance is required or desired to become an "A"-class reserve vested in the Northam Town Council for the purposes of beautification within the town of Northam and adjacent to Munster Road. We ask the Minister to withdraw this clause. If he does not do so we will vote against it.

Hon. D. K. DANS: I am not in a position to withdraw this clause. One of the amazing facets of the Parliament which always enthralls me is that this Bill went through the other place, in which the two Ministers responsible are situated, without a squeak. It would have been good party politics for the National Party to have used its position in the other place to obtain an assurance from the Minister. However, I will have to let this clause go to the vote. I simply do not know what will happen if it is voted against. I do not think anything will happen to it, but I want the member to consider that situation. I can do no more than urge the Committee to vote for this clause.

Hon. E. J. CHARLTON: As a point of clarification for the assistance of the Minister, the matter was brought up in the other place and

questions were asked by the member for Avon regarding the situation of this land as far as the Main Roads Department is concerned. Within the last fortnight the member for Avon led a deputation to the Minister for Transport to discuss the overall position of the bypass road, and so forth.

Due to the present road system a fatal accident occurred. It is an ongoing need. There was a letter over this matter in the correspondence I referred to from the member for Avon to the town council. As Hon. H. W. Gayfer said, it is correspondence that has been passing to and fro for four years. It is still the subject of a decision. The other point that is very important about the decision made on this reserve—not that I am saying that it will be the end of the matter if the Bill is passed and the reserve becomes part of the Department for Community Services—is the fact that the previous Department of Community Welfare agreed that it did not want to have part of it any more. We do not want to be creating problems and holding up the show here. It might be holding the Government up if we hold the matter over rather than include it in this Bill. The previous department made the decision that it did not want the land.

Hon. D. K. DANS: If I start holding matters over we will become very mixed up. I urge members to vote for the clause. If members vote against it we will end up arguing about it for another four years.

Hon. D. J. WORDSWORTH: If we pass this legislation is there any indication of what this land will be used for in the future? There is an application from the shire which wishes to use it for a particular purpose.

Hon. H. W. Gayfer: For the use and benefit of Aboriginal inhabitants. That is why it sounds so bad. It is not an argument.

Hon. D. J. WORDSWORTH: The modern idea is that their housing should be integrated with others. The reserves were not going to be used for housing.

Hon. D. K. DANS: I do not think there is any point in going backwards and forwards. The Bill has been before the Parliament for some time. Many of these matters could have been determined by consultation with the department. I have accommodated Mr Lewis on this matter. I will put the clause before the Committee and hopefully it will be passed.

Clause put and passed.

Clauses 22 to 30 put and passed.

Title—

Hon. NEIL OLIVER: I wish to clarify a point, during the second reading debate when I referred to the closure of Harvest Road. I meant to refer to Swan Street, the transfer of the water police transport to the Hampton Road site, and, the development that encompasses the Swan woolsheds, and the steam laundry which is the development plan I referred to.

Hon. D. K. DANS: I understand what Mr Oliver is getting at. There was one answer I did not give him before. I refer to a document from the EPA, drawing A1, Job No. 30942 of May 1986 which advises that the authority saw no major or unmanageable environmental impact to the Swan River. It is signed by the Chairman of the EPA.

Title put and passed.

Bill reported, without amendment.

SITTING OF THE HOUSE*Extension*

On motion by Hon. D. K. Dans (Leader of the House), resolved—

That the House continue with the despatch of business beyond 11.00 p.m.

**EXPLOSIVES AND DANGEROUS GOODS
AMENDMENT BILL***Second Reading*

Debate resumed from 17 July.

HON. V. J. FERRY (South-West) [10.28 p.m.]: The Opposition has examined the contents of the Bill. It is reasonable and we support it.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Hon. D. K. Dans (Leader of the House), and passed.

**WESTERN AUSTRALIAN ARTS COUNCIL
REPEAL BILL***Second Reading*

Debate resumed from 17 July.

HON. P. G. PENDAL (South Central Metropolitan) [10.30 p.m.]: The Bill before the House is the result of a decision by the Government to seek an end to the Western Australian Arts Council, which has been in existence for about 13 years, and to replace it by creating a new Department for The Arts. The Opposition supports the Bill, but in doing so I want to make one or two comments in the general area of arts administration which a Bill of this kind affords us.

It is probably true to say that whatever method of administration one chooses, whether a department, authority or commission, it does not matter in the final analysis. In the relatively short time I have been in this House I have been surprised at the frequency with which we find a commission being replaced by a corporation or an office becoming a department. I have seen particular departmental structure fall out of vogue and some other magical form of public administration taking over and undertaking all those sorts of things which were not possible under the previous structure.

Hon. H. W. Gayfer: It ends up with more ministerial control.

Hon. P. G. PENDAL: The comment made by Hon. Mick Gayfer is valid, although I am not sure whether it is a bad thing. If nothing else, the Minister is responsible to the Parliament and this provides members of Parliament with the opportunity to put a Minister through the hoops. I know the point raised by Hon. Mick Gayfer goes to the heart of some of the documents that sit on the shelves of the Parliamentary Library. Some of those documents state that a Minister should have a greater level of power and in my view if he is given that power it gives a greater capacity for him to be accountable to the Parliament. It has its good points and it has its bad points.

Hon. H. W. Gayfer: You answered it like a Minister.

Hon. P. G. PENDAL: To that extent the Opposition will not lose any sleep over the decision by the Government to repeal the Western Australian Arts Council Act and to replace the council with a department.

I know Hon. Mick Gayfer and other members share my concern that we might find that the new structure will end up costing more money than the old structure.

Hon. H. W. Gayfer: That is right.

Hon. P. G. PENDAL: In fact, evidence is already available which shows that that will be the case, despite the protestations of the Minister for The Arts.

Some six weeks ago the Government placed advertisements throughout Australia calling for applications for the new position of director of the department. At the same time, it called for two deputy directors, each of whom will be in charge of particular sections of the department.

It concerns me that immediately we have an extra salary component of about \$170 000. If one takes into account the other costs, such as payroll tax and holiday leave loading, I suggest that we are looking at an extra \$250 000 per annum to run the arts department with the same or similar number of staff who have been in charge of the Arts Council for the last 13 years. I have made this statement publicly and it has not been refuted.

We have reached a time in our political history where the Government has been persuaded to produce a white paper in Parliament about the management of the public sector. The Premier has made some considerable play about the way in which he has created a leaner and more efficient public sector. However, in the same breath the Premier and the Government are taking action to create a new department, and in this instance it will mean an extra cost of something in the order of \$250 000 per annum.

One of the things I do not want to do is to pick on a council which is responsible for a minute section of the overall State Budget. I often think that members pick on the smaller Government instrumentalities, and members and I are guilty of flicking through the Estimates of Revenue and Expenditure and looking at instrumentalities such as the Aboriginal Cultural Committee, the Rural Housing Authority or some of the smaller organisations and pointing out that the Government should be saving costs in these areas. We choose certain figures and suggest ways in which the Government can reduce the figure. Those instrumentalities invariably control perhaps between one and three per cent of the State Budget. It amazes me that we do not start at the other end of the spectrum and look at the Health Department or the Education Depart-

ment where it must be the case statistically that the Government can save a greater amount if it wanted to reduce the expenditure of those departments by one per cent. It stands to reason that one per cent of a \$600 million Budget will produce more benefit to the taxpayer than would one per cent of the budget of an organisation like the WA Arts Council.

It is important that the point be made that the moment members begin to consider areas in which expenditure can be cut they choose the small instrumentalities which have less room in which to manoeuvre. In most cases those organisations are more cost efficient than the larger organisations which become over-bureaucratised.

In supporting the Minister's move to establish a new Department for The Arts the Opposition would like to alert the Minister to the fact that it will cost the taxpayer more money. This Bill disturbs me for a number of reasons. Obviously if \$250 000 is available in the State Treasury—it must be available because the appointments are now being made—that money should have been made available to the grassroots arts and community organisations which the WA Arts Council has been trying to service during the last 13 years. All of a sudden \$250 000 has materialised from nowhere to pay for the new appointments. It may well result in excellent appointees, but nonetheless the money would have been better spent in the community by groups which so far have failed to qualify for benefits from the Government.

Hon. B. L. Jones: That would not have had lasting benefits but the new structure will provide lasting benefits.

Hon. P. G. PENDAL: I admire the optimism of the honourable member. If that turns out to be the case I will be delighted, but it leads me to the second point.

I have made public the Opposition's avowed intention that if \$250 000 is used to make political appointments those appointees will be the first people to move out when there is a change in Government. If those people are chosen because of their competence—

Hon. B. L. Jones: Which they will be.

Hon. P. G. PENDAL: I am again bolstered by that assurance but there can be no reassurance from past appointments.

Hon. P. H. Lockyer: History is not on their side.

Hon. P. G. PENDAL: Hon. Phil Lockyer found the right words—history is not on the Government's side in this case; but if it turns over a new leaf and makes those appointments based on the competence and qualifications of the people concerned I will repeat what I have said outside this House: Whenever the Liberal Government takes over it will have no quarrel with those appointments.

I want to ensure that the department, as it will now be does not grow like Topsy. For example, one criticism has been made to me: I was told that the Arts Council employs its own public relations officer. I am not sure that that information is accurate. When I turned up this document—the Estimates of Revenue and Expenditure—a day or two ago I could find no public relations officer listed, although that position might come under some other title. The point was made, why does the Arts Council, whose specific job it is to merely distribute funds among the community, need a public relations officer? Indeed, the distribution of funds was its principal function under the Act which we are now in the process of repealing. I am not in a position to know whether a public relations officer is needed by the council or the new department. The argument was put to me that an organisation whose charter is spelt out in the existing Act simply has no need for this public relations or media profile because the organisation was not set up for that purpose.

I ask for some assurance from the Minister in relation to the powers or influence that the new department will have over statutory bodies such as the Art Gallery, the State Library network, and the Western Australian Museum. I know that the Museum is established under its own Statute, but I am not sure of the other two organisations. I raise this issue because there is some concern, notwithstanding the statutory basis of these organisations, by some people in the community that the new Department for The Arts may find itself interposed between the Minister and, say, the Western Australian Museum. This may be an unfounded fear, and I would certainly like some reassurance from the Minister that it is.

Many people, whether or not public servants, would take the view that people involved in a library service, an art gallery service or a museum, must always retain a direct relationship with the Minister. That comes back to a point raised by Mr Gayfer by way of interjection. Those people fear that the link will be broken between the Minister and the Museum, the Minister and the Art Gallery, and the Minister

and the State Library once the new Department for The Arts is created. I see no reason why that should happen because we are not setting the department up under a Statute; it has simply been created by administrative action. I think that point needs some clarification before we proceed much further.

I also want to touch on the question of funding, in a different sense from that I referred to earlier. Members will be aware that a large benefactor to the arts and sport in the last four years has been the Instant Lottery, which was introduced by the previous Liberal Government under Hon. Ray O'Connor. That Instant Lottery was introduced specifically to give cultural and sporting groups access to funds on a guaranteed basis for the first time. Indeed, the previous Government did not have the pleasure of seeing that implemented because the Government changed and the rewards were reaped by the present Government. Many millions of dollars of revenue are received as a result of the Instant Lottery. Under the O'Connor Government scheme it was intended that a certain amount would go to the arts and a certain amount to sport. Upon the assumption to office of the present Government, that formula was changed. The present Government placed a limit of \$3 million on the amount to go to the arts and \$3 million on the amount to go to sporting organisations.

I have completed an analysis of this subject to ascertain the effect of that ceiling on sporting and art groups; it has been quite devastating. Notwithstanding the verbal gymnastics of a number of Ministers, including the Minister for Sport and Recreation (Mr Wilson) who flatly denies any disturbance of this situation, the analysis shows and the facts reveal—one has to refer to the Auditor General to see my point—that the amount of money distributed to charities, culture, and sport has actually fallen from 25 per cent to 15 per cent of takings since the present Government came to office. Of course, that begs the question: Where is the rest of the money? It has been siphoned off to the hospital fund. That is a legitimate decision for the Government to have made, to pay for hospitals and to bolster funds in that area, but it is not done without cost. The groups in the sporting and cultural clubs which have had a guaranteed form of income for four years now find that there is less certainty about the guarantee and they find themselves in a backward position.

Hon. David Parker has indicated through the media that he is looking at the funding question and whether or not funding for the arts

should come from Consolidated Revenue. I have warned that I think it is a mistake because at least in the form of the Instant Lottery the amounts given to sports and the arts are guaranteed. Of course, the question arises that once the Instant Lottery started to reduce its take because of the casino—it was acknowledged that that was happening because of the change in gambling habits from Instant Lottery to Burswood Island—that in itself would disturb the guarantee that art and sport had in the past. I have suggested that the Government should redirect some of the casino taxation to top up what is being lost because of the change in gambling habits. After all, the Government is not losing money; it not only picks up on the roundabouts, but also on the swings. It is earning money from the Instant Lottery, and although that is decreasing slightly the Government is picking up handsomely from casino taxation.

Hon. D. K. Dans: It is a strange thing but the income from Instant Lottery is recovering.

Hon. P. G. PENDAL: I am delighted to hear that, and it supports my argument that the Government is getting money from both sources.

I question whether it is a good thing to turn back the clock and look at the question of funding for the arts from Consolidated Revenue. I think the arts groups will rue the day that it occurs. A better course would have been to follow the path I suggested and top up the funds with some of the casino funds coming in rather generously at the moment.

They are our concerns. The Opposition remains committed to all branches of the arts, and that is one of the reasons we are prepared to support the Bill—we do not want to see any branch of the arts disadvantaged.

In fact, both the Court and the O'Connor Governments had very proud track records in that field. Members should consider what the Court Government did with His Majesty's Theatre. It retained and restored the only genuine Edwardian theatre left in Australia today. The Court Government also established the regional cultural facilities, which originally got off the ground in Geraldton with the Queen's Park Theatre. A sum of money has been allocated most recently as far afield as Karratha, for example, where for a small town like that a remarkably advanced facility has been produced by way of the new theatre which has been contributed to by the Government, I

think by the shire, and by Woodside Petroleum as a good neighbour gesture.

They are some of the things that the previous Governments did, which show that they took a long and detailed interest in what happened in the arts. As well, there is the Art Gallery of Western Australia, which came from the Court Government itself, the Alexander Library, which commenced under the Court Government, and many other projects. We are therefore interested to see that that area of human activity—the arts—which is very often underestimated by most people in the community, I suspect, is protected and given all the encouragement that it can be given.

To the extent that a department is going to make any difference, we support that. As the Opposition spokesman in that area, I for one wish the new department well, but I emphasise we will be watching very closely to see whether Hon. Beryl Jones is right and whether there will be lasting benefits from the appointment of those new and high-powered people. If there are, I will be the first to acknowledge and congratulate them as the best way to spend the taxpayers' dollar.

The Opposition supports the Bill.

HON. A. A. LEWIS (Lower Central) [10.52 p.m.]: I guess I can claim to have followed the Arts Council through its whole life, as I spoke in another place on the introduction of the Arts Council Bill. I will not speak at such great length as I did then; I will quote the *Hansard* pages and interested members can go and read the brilliant speech I made in 1973.

It is fascinating that the things I pointed out then have all happened. They happened in the Australia Council, and in the Western Australian Arts Council. We have a top-heavy bureaucracy in the Western Australian Arts Council, and I think we will have the same thing in the Department for The Arts.

Let me raise a few simple points. Why does the Western Australian Arts Council have to go into touring? Its record on touring in country areas is not so great. In the past, before the Western Australian Arts Council came in, there was a system of encouraging local authorities to sponsor such tours and to stir up local interest when a touring event was planned. That worked reasonably well.

Hon. J. M. Brown: You made a good speech in 1973.

Hon. A. A. LEWIS: I will read part of it to Hon. Jim Brown.

Hon. J. M. Brown: You do not have to.

Hon. A. A. LEWIS: Hon. Jim Brown can quote from it when he talks.

We now have a touring section of the Arts Council. Will we have a touring section of the Department for The Arts? I have seen an occasion on which an Arts Council tour competed with an entrepreneur in the south-west, on the same night in the same town, and the price of the Arts Council tickets—originally \$5—was cut to 50c, and both performances were ruined. Why not let the professionals—Mr Thornton and people like him—conduct tours and have people subsidise him to take the risk? He has the expertise to do it. We do not have to have a touring section within the Arts Council. With the help of local government, or alternatively with the help of the entrepreneurs who are already here, that touring can be done.

Hon. Tom Helm: What about the north of the State?

Hon. A. A. LEWIS: The north is exactly the same. All one has to say to an entrepreneur is, "We will back you. We want you to put on *Jesus Christ Superstar*. You might take three or four actors and use the chorus up there. If we did it ourselves it would cost \$10 000, and we will back you to the tune of \$10 000." Let them do it—the entrepreneurs who are going up north anyway.

Hon. Tom Helm: They do not go up north.

Hon. A. A. LEWIS: Mr Thornton turns up in Derby, though not very often. He is facing competition from the Arts Council. But they are the experts and should do it themselves. I am not knocking the Western Australian Arts Council; I believe that artists-in-residence are wonderful. It was interesting to hear Mr Pandal talk about the cultural facilities fund. Hon. Philip Lockyer, Hon. Ron Leeson, and I looked at cultural facilities all around Australia and submitted a very good report, which nobody seems to have done much with. Hon. Phillip Pandal talked about the theatre in Geraldton, and we saw theatres very similar to that all around Australia. My big worry is the cost of upkeep of those theatres. The initial cost is only a drop in the bucket, but the upkeep of them and keeping them modern is something that would probably run to about 10 per cent of the capital cost, in general terms, over a 20-year period.

I believe we must start looking at innovations such as bubble theatres—theatres that puff up and provide stages and the whole works on a couple of semitrailers. A touring party

could go to any town in the north taking an orchestra, a ballet, or a theatre, and all it would need is a concrete slab. Everything else would be on the backs of the trailers.

We should do that instead of putting a great deal of money into bricks and mortar. I was glad Hon. Phillip Pandal mentioned the Maj, because I was the force behind having it purchased initially and then refurbished. That is also in the speech I made in 1973.

Hon. P. G. Pandal: It is a great memorial.

Hon. A. A. LEWIS: I look upon it as being a triumph. Many people helped, and Hon. Graham MacKinnon was the Minister who put that into being. He was the one who bit the bullet, as he did on other occasions, and we have much for which to thank him in the arts world.

I have mentioned before the need for the arts world to stop all its paperwork. It worries me that a grant of \$150 produces a ream of paper that goes from me to you, Sir. The Select Committee in which I was involved produced the recommendation that recreation and arts officers should be able to approve grants up to a certain figure. For some unknown reason those involved in the arts world think that such officers are familiar only with sport and have no appreciation of the arts. That is a lot of bunkum. In the main, when we met recreational officers we found them to be just as interested in the arts as they were in sports and recreation.

No-one has been able to tell me why some of these officers cannot make grants, and I think we recommended a figure of \$500. All they would have to do would be to report to the WA Arts Council as to their recommendations and, instead of the Arts Council meeting and considering large dossiers, it could make the grant and those involved could get on with their work. That would be applicable in the country, and I believe it could happen in the city also.

Quite legitimately Hon. Phillip Pandal touched on another matter. He talked about children and the activities of the Education Department and Health Department. The Education Department is extremely selfish in its budget allocation to arts, especially to State companies. It would be of great assistance if the Education Department contributed to tours by the ballet and opera companies, especially to Hon. Tom Helm's area. However, it is fairly miserly in its contributions from its fund which will be controlled by the WA Arts Council that is to become the Department for The Arts.

I guess it is something that will occur in time. It is like sharing the facilities of the Education Department. You, Mr Deputy President (Hon. Garry Kelly), are an ex-chalkie and you would know as well as I do that not enough is done in the way of sharing the facilities of the Education Department. I think there are a couple of examples of shared facilities in your electorate. Not enough is done in this respect in the design of gymnasiums and halls in high schools, in particular, but generally in all schools.

From our experience travelling around the world, it seemed to Mr Lockyer and I that the most important aspect of facilities to be used for sport or culture was the floor. If a well-sprung floor is provided it can be used for basketball, badminton, ballet, or whatever one likes. In Ararat the arts facility was constructed in such a way that the floor could be wheeled out and the seats folded up. It was possible to have theatre in the round and a gallery in the old town hall with the seats banked up. However, we are failing to look at the initiatives and ideas which are available.

When I spoke on 13 September 1973, I drew attention to the relationship between the Australian Council of Arts and the WA Arts Council. It is important that we look at that relationship. We should also look at the relationship between the WA Ballet Company and the Australian Ballet Company. The Select Committee with which I was involved produced a formula for the allocation of funds for opera. Bearing in mind Western Australia's isolation, we felt it should receive a proportion of the money allocated to the opera federally. That allocation should be made on a population basis. Unlike those in South Australia, Victoria, Queensland, and New South Wales we in this State cannot attend the Opera House in Sydney. People in the States I have mentioned can do so by means of an overnight trip, but it is a very expensive business for Western Australians. There are all sorts of alternatives. We can give away the opera company in Western Australia and fly everybody to the Opera House in Sydney, but our parochialism probably would not allow that. However, opera companies are very expensive to run. It appears that the future of the Australian Opera Company is in doubt, although I would be surprised if it ever left the Opera House in Sydney. I think opera will be held in Sydney because it is too expensive to move from State to State. Complaints are made in this State and that is why the Select Com-

mittee suggested that Western Australia be allocated money on a population basis to run its own opera company.

In respect of drama, literature, and everything else the proposed Department for The Arts here could act as the agent for the Australian council. The people here could make the decisions instead of flying a lot of people over from Sydney to make subjective judgments on the quality of our artists. It seems that the arts world has a hierarchy greater than it needs.

Some of us remember the late Tom Hartrey. In a speech about filing clerks and others he had a few comments to make. A couple of days prior to that speech pages of advertisements for filing clerks, assistant filing clerks, and the like to work within this organisation had appeared in *The Australian*. During the debate, Mr Hartrey interjected and said, "What about an incinerating officer?" We all felt that was not a bad idea.

I have mentioned that I put forward the suggestion to purchase and refurbish the Maj. I also put forward another suggestion which was never taken up. That was that a seminar of fine arts students from WAIT be held at the Boyup Brook flax mill. It is an ideal situation in which to conduct seminars on a regular basis. Fine arts students could go into the bush and stay in the accommodation—it is a bit cold at this time of year—and facilities are available for stages to be set up, potters to work, and for other activities. The local community could contribute to those seminars and much benefit would be derived from the exchange of ideas.

I should really give credit to Mr Gayfer. When I was talking about His Majesty's, Mr Gayfer said the wheatgrowers of the State owned His Majesty's Theatre and that was one reason it was not demolished, so I give him the credit 12 years later.

I am frightened of only one thing—that the Department for The Arts will get top heavy as the Arts Council has done. I really do not believe when one sees the amount of money that is allocated, that we need as many people in the department. Those of us who remember it starting will recall John Harper-Nelson did all the work with two girls. In real terms not much more money is being handed out now, and yet the staff and administrative costs have soared. I guess I am being critical of successive Governments which have let it get away from them. That is all right so long as the new department does not follow the same trend.

Two matters must be addressed in this State with regard to the arts; one is proper funding for ballet, theatre, and opera over three-year periods. I do not think those areas of the arts can be expected to go from year to year on their funding. The other aspect is the publishing of books which should not be given to only one publisher. Both the Leader of the House and the Minister for The Arts have an interest in this aspect, but I do not believe that publishing should go solely to the Fremantle Arts Press. There has been a tendency for this to happen over the years and to build up that body at the expense of others. I will not go into the history of it because it would only bore the House.

I wish the new department well, but I hope a few of these matters are addressed and that some of the comments made by Hon. Phillip Pandal about the Instant Lotteries are taken note of. Funds from the instant lottery were meant to be additional to the money which

came out of Consolidated Revenue for the arts and sport. I think we have probably forgotten that since Mr Pike introduced the Instant Lottery legislation in this House. Members will recall the kerfuffle at the time.

It will be a lean time for all things in the next year or so unless we tax people out of their brains, so the arts will probably suffer cuts in line with education, health, and everything else. I know your interest in the arts, Mr President, and your dedication to seeing that money is given to the arts. I am aware of your real feeling that the public of Western Australia, especially of Perth, should be given a fair go in relation to the arts. I know you will be pleased that all members of this House are supporting this Bill and the new department.

Debate adjourned, on motion by Hon. Fred McKenzie.

House adjourned at 11.15 p.m.

QUESTIONS ON NOTICE

TRANSPORT

Ferries: Marine Rescue Plan

305. Hon. P. G. PENDAL, to the Minister with special responsibility for the America's Cup:

- (1) Does there exist a Perth metropolitan ferries marine rescue plan?
- (2) What is the purpose of such a plan?

Hon. D. K. DANS replied:

- (1) Yes.
- (2) Coordination of information and effort to facilitate dealing with a ferry emergency.

GOVERNMENT BUILDINGS

Old Government Printing Office: Use

310. Hon. P. G. PENDAL, to the Minister for Works and Services:

- (1) Does the State still own the old Government Printing Office building in Murray Street?
- (2) If so, for what purpose is it currently used?
- (3) Have any long-term plans for it been determined?

Hon. D. K. DANS replied:

- (1) The property is owned by the Commonwealth Government.
- (2) and (3) Answered by (1).

EDUCATION

Peace Tree

317. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

I refer the Minister to the concept of the Peace Tree, referred to in page 8 of *The Western Teacher* of 4 July and ask whether this concept is taught in any Western Australian schools?

Hon. KAY HALLAHAN replied:

There is no discrete peace education course taught in Western Australian schools. It is possible that some students will be exposed to peace-related issues within particular social studies units. All teachers have been directed to present a balanced view on

this and all other potentially controversial issues in accordance with the Director General's policy statement No. 22 of March 1980—Treatment of Controversial Issues in Schools. In view of this, if teachers were to use the concept of the Peace Tree they must present it as one of several points of view, and treat it in a balanced and objective manner.

EDUCATION: TEACHERS

Transfers: Union Call

318. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

- (1) Is the Minister aware of the call by the President of the State School Teachers Union WA, contained in the 4 July issue of *The Western Teacher*, for teachers to reconsider transferring from the city to the country in 1987?
- (2) Has the Minister responded to this call, and if so, what was his response?
- (3) If not, why not?
- (4) Is the Minister aware that the president's call is in response to the proposed increases in GEHA rents?
- (5) What are the proposed increases in GEHA rents for teachers?
- (6) Will the Minister urge the Government not to proceed with the rent increases?
- (7) If not, why not?

Hon. KAY HALLAHAN replied:

- (1) Yes.
- (2) No.
- (3) Such action is unnecessary.
- (4) Yes.
- (5) to (7) The proposed rent increases are being discussed with the union, some of whose members would be affected.

EDUCATION

Tertiary: Green Paper

319. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

- (1) Has the Government commissioned a green paper on the future of tertiary education in Western Australia?

- (2) If so, who was commissioned to do the work?
- (3) Is this green paper now available for public perusal?
- (4) If not, why not?

Hon. KAY HALLAHAN replied:

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

GOVERNMENT EMPLOYEES

Credit Cards

320. Hon. G. E. MASTERS, to the Minister for Works and Services:

With reference to question 184 of 8 July 1986—

- (1) How much has been charged by the four officers issued with American Express and Visa cards for the year ended 30 June 1986?
- (2) What verification is required by the Minister supporting expenditure of the amounts charged to the Government by the card holders?
- (3) Does the Minister approve each docket prior to the account being passed to Treasury for payment?

Hon. D. K. DANS replied:

- (1) to (3) If the member has any specific concerns or any evidence of improper use of credit cards, I would be pleased to receive it, and then will consider making further inquiries.

GOVERNMENT EMPLOYEES

Credit Cards

321. Hon. G. E. MASTERS, to the Minister for Works and Services:

With reference to question 184 of 8 July 1986 who are the four officers issued with American Express and/or Visa cards?

Hon. D. K. DANS replied:

See reply to parliamentary question 320.

HOUSING: ONE-BEDROOM UNITS

Willetton: Tender

324. Hon. G. E. MASTERS, to the Minister for Community Services representing the Minister for Housing:

With reference to question 248 of 2 July 1986—

- (1) Who submitted the successful tender for the construction of 11 one-bedroom units at Willetton?
- (2) What was the tender price?

Hon. KAY HALLAHAN replied:

- (1) Jaxon Construction Pty Ltd.
- (2) \$329 649.

HOUSING APPLICANTS

Waiting Lists

326. Hon. G. E. MASTERS, to the Minister for Community Services representing the Minister for Housing:

What is the current waiting period for applicants for housing in each of the various classifications of accommodation let by the Government?

Hon. KAY HALLAHAN replied:

The waiting period for housing varies greatly between and within regions of the State and by dwelling type. It is therefore not possible to provide a meaningful answer. If the member has any specific areas in which he requires advice, I would be pleased to respond.

LAND ACQUISITION

Lot 1, Kew Street, Kewdale

328. Hon. FRED McKENZIE, to the Leader of the House representing the Minister for Transport:

- (1) Is it likely that the house situated on lot 1, Kew Street, Kewdale—corner Kew Street and Abernethy Road—will be required in the future?
- (2) Will it be required for road widening purposes?
- (3) If it requires the demolition of the house, could he provide me with an approximate date?

Hon. D. K. DANS replied:

- (1) to (3) This question is wrongly addressed to the Leader of the House representing the Minister for Transport. It has been referred to the

Minister for Planning and he will answer the question in writing.

ROADS

Eastern Corridor: "D" Option

329. Hon. NEIL OLIVER, to the Leader of the House representing the Minister for Transport:

With reference to the Travers Morgan Pty Ltd eastern corridor major road study, which is currently being exhibited for public opinion, why was the option D route gazetted before this study was undertaken?

Hon. D. K. DANS replied:

This question is wrongly addressed to the Leader of the House representing the Minister for Transport. It has been referred to the Minister for Planning and he will answer the question in writing.

ROADS

Great Eastern Highway: Greenmount Hill

330. Hon. NEIL OLIVER, to the Minister for Community Services representing the Minister for Planning:

With reference to the Travers Morgan eastern corridor major road study and questionnaire—

- (1) Why do neither the pamphlets nor the exhibitions explain the problem of the six per cent gradient on Greenmount Hill?
- (2) Why do the pamphlets not outline the effects of gradients on Greenmount Hill upon traffic noise levels?

(3) Will the study include traffic origin and destination surveys?

(4) Will the study include hourly traffic counts?

(5) Is the blue route located to serve proposed rural land subdivisions?

(6) What further studies will be undertaken for by-pass options of York Road traffic?

Hon. KAY HALLAHAN replied:

- (1) All routes under consideration must cross the scarp, and this gives rise to gradients of the order of five to six per cent. Such gradients are not considered excessive in highway engineering terms.
- (2) Traffic noise is a highly complex matter. It will be dealt with in the next phase of the study which will include a detailed investigation of selected route options.
- (3) No.
- (4) Average weekday traffic volumes are used in the traffic forecasting process. Information on existing hourly traffic counts is available for major traffic routes and will be referred to as necessary.
- (5) The blue route approximately follows the northern edge of special rural zones included in the preferred land use strategy for the eastern corridor.
- (6) Further studies of a link to the Great Southern Highway—York Road—are dependent upon which routes are selected for investigation in detail.