

# Legislative Assembly

Wednesday, 6 November 1985

**THE SPEAKER** (Mr Harman) took the Chair at 2.15 p.m., and read prayers.

## COMMUNITY SERVICES: SPELD (WA)

*Funding: Urgency Motion*

**THE SPEAKER:** I have received the following letter—

Dear Mr Speaker

In accordance with Standing Orders 47 and 48 of the Legislative Assembly, I give notice that at the commencement of the sitting of the House today, 6 November, 1985 I wish to move "that the House do now adjourn for the purpose of debating a matter of urgency, namely—

"THAT this House condemns the Government for the insensitive and offhand way in which it has dealt with the needs of the Specific Learning Difficulties Association of Western Australia and urges that it:

- (1) Provide immediate financial support to the Association to ensure its continued and effective functioning;
- (2) Assist the Association to relocate to alternative and appropriate accommodation.

Mr Speaker this is a matter of public importance and immediate urgency, and in my view is properly brought forward within the Standing Orders.

Yours sincerely

**BARRY J. MacKINNON, M.L.A.,**

Deputy Leader of the Opposition  
and Shadow Minister for Education.

I have given thought to this matter and, as I understand there is an element of urgency about it, even though it is a matter listed for possible debate in the Committee stage of the Estimates, I have agreed to allow debate on the motion to adjourn the House. The arrangements will be that 30 minutes will be allocated to speakers on my left, and up to 30 minutes allocated to speakers on my right.

Seven members having risen in their places,

**MR MacKINNON** (Murdoch—Deputy Leader of the Opposition) [2.20 p.m.]: I move—

That the House do now adjourn.

The Specific Learning Difficulties Association of Western Australia has been providing services to the people of WA since 1969. It has, as its objective, the identification of specific learning difficulties. For the benefit of members, for the record, and so that we can understand exactly what we are talking about, I wish to read out part of a brief statement from the association in which it answered the question as to what is a specific learning difficulty. I quote—

What is a Specific Learning Difficulty?

That is the million dollar question. It appears in a hundred different forms and degrees of seriousness, and one problem seldom appears alone. Each child must be carefully checked to find what basic psychological or motor process is involved which may be manifesting in disorders of listening, thinking, talking, reading, writing, spelling or arithmetic. Assessment is no easy matter and may entail the skills of more than one specialist to identify the problem area. Then a programme geared to specific needs must be provided. This will use a variety of approaches including motor training and a gentle approach in the weak areas. The aim is build up of self-esteem, then educate through strengths and remediate in the weak areas. Self-esteem is priority number one.

The association does provide services for both children and adults. In this motion and this debate we are addressing, firstly, the funding provided by the Government for the children's services provided by the association; and secondly, and rather urgently, the housing of that association—in other words, the premises in which it is currently located.

To assist in understanding the children who are affected by such a problem and the numbers involved, at a Press conference earlier this week the association provided statistics to indicate that from January to September this year, 288 children had been referred or had applied to SPELD for support. Of those 288, the association provided a breakdown of the types of schools that the children had previously attended, and the break-up was as follows—

State schools—178  
Private schools—88  
Special schools—2  
Overseas schools—3  
Not sure—17

Members can see that, of the almost 300 children referred to the centre this year, two-thirds of them were referred from State schools—in other words, the Government school sector of this State. The other one-third came from either private schools, special schools, or from overseas.

I attended the annual general meeting of this association earlier this year and I can assure members that the meeting was well attended by many people in the community—obviously volunteers and parents involved and interested in the activities of the association and expressing their support for those activities.

However, the position now faced by SPELD is one of crisis. I will explain to the House exactly what that position is and how the general public have been informed about it.

The first public utterance of this difficulty I have found in searching through the library files was on Sunday, 27 October, in the *Sunday Times* under the heading "Child-help body may be axed." That article spelt out the fact that the consultant working for SPELD, Jenny Vincent, had resigned because she could no longer cope with the workload and the lack of resources at the centre. In the article Dr Warren Loudon, the Deputy Director General of Education, had some comments to make.

Subsequently, in yesterday's *The West Australian*, we learnt that the association not only faced these financial difficulties for its day-to-day activities but it had also been given notice by the WA School for Deaf Children to vacate the premises on 31 December—the premises that it has occupied, as I understand it, since 1977.

So we have an association that has been active since 1969. It has a laudable objective of providing a very worthwhile service to at least 300 children of the State during this year. However, it is now in the position of its future being threatened because of its lack of funding support from the Government and also the imminent withdrawal of the premises by the WA School for Deaf Children.

We must ask why this has come about. Is the comment that we have made, that the Government is insensitive to the approaches of the association, true? I would like to repeat for the sake of the record, to justify that claim, the following statistics and figures.

The Government has supported SPELD for quite some time and figures I have here stretch from 1979-80 to the present day, and will suffice to illustrate what I mean. In each of the

years from 1979-80 to 1984-85 the Western Australian Treasury has provided an amount of \$5 000 to SPELD. That sum has remained constant in dollar terms all through that period. As I understand it from perusing the Budget, it appears that the figure for this year is still \$5 000.

Mr Pearce: The figures are not correct.

Mr MacKINNON: The Minister can explain as he likes. He will have that opportunity in a short time.

Mr Pearce: Where did you get the figures from?

Mr MacKINNON: From the public accounts of SPELD. I have its public audited accounts for the past five years.

Mr Pearce: We gave them \$20 000 effectively last year, \$10 000 from departmental funds and \$10 000 from PEP funds.

Mr MacKINNON: If the Minister was patient he would get the information and comment on the facts. The only comment I have made about funds relates to the Treasury, not the Education Department. In time, the Minister will have the opportunity to rebut those statistics.

A standard grant of \$5 000 from the WA Treasury has been made in the years I mentioned. The WA Education Department—as I was about to say before the Minister interjected—provided support from 1979-80 following approaches from SPELD for its programme. In 1979-80 the assistance provided was \$1 500. In 1980-81 it was \$6 000, and in 1981-82 it was again \$6 000. In 1982-83 the department, following the approach, increased that support to the level of \$6 900 and the director general, in a letter dated October 1982, indicated the following—

... I would, however, be happy to accede to the second part of your request i.e. to increase the contribution to the equivalent of 0.4 of a base grade guidance officer's salary. I have therefore asked the Director of Finance to forward to you a cheque for \$6 900 for the 1982/83 financial year.

Members can see that up until the time we were defeated as the Government in the 1982-83 financial year, the association received a steady increase in support from the department. The amount of support it has received in 1983-84 and 1984-85 in direct funding grants from the department under that same programme has been nil, and nil; and in this year, nil. That is,

in the last three years, from direct WA Education Department State Government funding grants, the amount of money received by the association has been zero.

By way of interjection the Minister said, "Yes, we have given more than that to SPELD; in fact, we have given it significantly more." The association's accounts indicated that it received \$10 000 in the 1985 calendar year from the Federal Government's participation and equity programme. It was not funded by this State Government, but by the Federal Government.

The programme from which the association received its funding is administered federally. The association has been grateful for this funding and has acknowledged that fact.

The Minister claims that the Government provided extra support to the association. I refer to a letter dated 3 May 1984 which probably concerns what the Minister is referring to. I will read this letter to the House because members will be interested to compare it with the October 1982 letter. It reads—

With regard to your request for a grant to subsidize the salary of Dr Joy Jones, a budget proposal has been submitted for a grant of \$5 000 to cover the 1984/5 situation. Consideration was given to increasing the subsidy but as you are well aware we, like all Government Departments, have had to reign in and hold our expenditure. I am sure your organization will understand and appreciate this situation.

The \$5 000 referred to in that letter must have been cut from the Budget subsequently because, as I indicated earlier, that amount was not received by the association in 1985. The letter, under the signature of Dr Vickery, the then Director General of Education, continues—

However, I understand discussions have been proceeding to ensure that the Liaison Officer between your organization and my Department will spend one day a week located at your premises to work with children referred by schools for assessment. I believe this could be a very satisfactory arrangement in that additional assistance will be available to help process the referrals to SPELD, the bulk of which come from State schools, and, more importantly, our schools will have the benefits of a much closer liaison for the children referred.

I advise the Minister that that officer has spent the sum total of half of one day at the office of SPELD. I was advised by the president of the association, that immediately following that, the officer was given the job of working on the Beazley report and has not been sighted by the association since.

The fact is that over the last three years the association has received a cash grant of \$5 000 from this State Government for its children's programme. Members must remember that in 1982-83, when we were in Government, the association received an additional \$6 900.

The association is experiencing difficulty with its operations, and to confirm that fact I refer to the Minister's response in yesterday's *The West Australian* to a question asked by Janet Newman concerning the difficulties SPELD is facing in relation to funding and facilities. The article reads—

The Minister for Education, Mr Pearce, said yesterday that he had not known of SPELD's plight until told by reporters.

"I am amazed that they haven't come and seen me about any of this."

Mr Pearce: I am, too.

Mr MacKINNON: The Minister may well be amused at that. I refer him to a letter which was addressed to him as Minister for Education. For his benefit I will read the paragraph immediately prior to the one I have just quoted. It reads—

"We need \$50 000 to continue the children's programme and \$20 000 for the adult programme," he said.

"I don't think the department realises how active we are. There is a serious need for someone to help these children."

The letter was about the premises and the ongoing work of the association.

Mr Pearce: My comments were about the eviction from its premises.

Mr MacKINNON: The Minister's comments do not have any qualification because the article read, and I will repeat it, as follows—

The Minister for Education, Mr Pearce, said yesterday that he had not known of SPELD's plight until told by reporters.

"I am amazed that they haven't come and seen me about any of this."

The association was advised that it should not approach the Minister late in the year for funding because the Budget had been finalised, and it was advised to approach the Minister

early in 1985. As has been indicated in the letter I have read to the House, the association has requested the support of the department in the 1985-86 Budget. The letter was addressed to the Minister and was dated 24 April 1985. The Minister's private secretary replied to that letter on 2 May 1985.

Mr Pearce: Read the first paragraph of that letter. It said, "The Government appreciates your association's work in its support of children's literacy." It was a thank you letter.

Mr MacKINNON: It was not a thank you letter. The letter referred to a \$10 000 PEP grant and it said that the association would appreciate the continued support of the Government. The Minister has not had the courtesy to provide the association with a response to its approach. All the association has received is a letter acknowledging receipt of its request.

On 27 October a report was released which showed that the association is in extreme difficulties. The Deputy Director General of Education commented on the report but the Minister for Education did not. I acknowledge the fact that the Minister invited the association to send its representatives to speak to him about its premises. I understand those discussions are now taking place and I hope that the Minister will come up with a better solution about its premises than he has about its funding.

Despite the fact that the association approached the Minister in April this year it has not received any response from the Minister. An item is included in the 1985-86 Budget for a grant of \$5 000 to the association, but we have advice that there will be further support from this Government this year. It will receive support from the PEP Federal programme and I remind members that this is not a State-funded programme. Assistance from this programme will not continue beyond this year.

The situation is that the association was established in 1969 and it services a sizeable section of the community which is in need of support. The association is a self-help organisation and it undertakes many fund raising programmes. It also receives donations and it offers an excellent service to the State.

The Opposition has made a commitment to the association that if it were elected to Government it would ensure that it received adequate funding in the same way as it did when it was previously in Government. It has also indicated that it would ensure that the association was properly housed.

Before 1977 SPELD was housed in offices supplied by Mental Health Services. In 1977, Dr Mossenson, the then Director General of Education, indicated the department's support for the association and provided facilities for it in the School for Deaf Children premises.

The Opposition makes a commitment that if it is successful at the next election it will provide appropriate permanent premises to the association and not just classrooms which can be used on Saturday mornings. Permanent premises are required if the association is to continue its fine work for the children of Western Australia who have specific learning difficulties. I urge the Minister to give consideration to the plight in which the association finds itself.

The Government is able to find funds for all sorts of things and it was able to afford to send out letters about land tax which would have cost more than the amount required by SPELD. That exercise was no more than a political stunt.

SPELD is asking for a small drop in a large bucket—a small and important drop that will be directed towards assisting a very important group of children in our community who have learning difficulties. If these difficulties are not dealt with in the early stage of their lives they will be faced with permanent difficulties for the rest of their lives.

I urge the Government to give consideration to this request.

MR PEARCE (Armadale—Minister for Education) [2.40 p.m.]: I appreciate the caveat you, Mr Speaker, made at the beginning of this urgency motion, but the Deputy Leader of the Opposition's speech was of the kind one hears quite frequently during the course of the Committee stage of the Budget. That is to say, various members stand up and give passionate speeches in support of requests and demands by a range of voluntary organisations.

Mr MacKinnon: We haven't started on them yet.

Mr PEARCE: The Deputy Leader of the Opposition sounds as if he has started in trying to press some claim for urgency when he knows perfectly well that the discussion on the Budget will take place later this week or next week. I think he is trespassing on the Speaker's indulgence in this matter.

The facts which the Deputy Leader of the Opposition deduces are basically incorrect. One of the reasons they are incorrect is that he is operating on newspaper reports. That leads me to draw the House's attention to what is the

most deplorable aspect with regard to what has happened with SPELD in recent times. The first I knew of the possibility that that organisation would be asked to leave premises it is occupying rent-free—at the request of the Board of the Deaf School, and not as they claim at the request of the Education Department—was when reporters rang me to ask what I intended to do about SPELD. I had to tell them that I had no knowledge with regard to SPELD's accommodation because that organisation had not approached me.

I have met with representatives of SPELD on a number of occasions. They have come to see me on various matters and I have received deputations about the guidance officer being used by the organisation and its level of funding. The result of those deputations is, in fact, contained in the first paragraph of the letter, which the Deputy Leader of the Opposition did not read to the House. That paragraph stated that SPELD wrote to me and expressed appreciation of my support for the organisation, particularly on questions of children's literacy. There was no doubt but that I had provided SPELD with a good level of support.

Furthermore, I signed a memo on 30 May this year granting SPELD \$10 000 from department funds. They had previously received \$10 000 from PEP funds and I signed a separate memo giving them an additional \$10 000. That was in response to a letter from SPELD which requested a rise in its grant from the \$5 000 it had effectively been from the year before. The Deputy Leader of the Opposition said that we had given them nothing but I signed a memo with regard to the extra allocation.

Mr MacKinnon: They do not have it.

Mr PEARCE: I am not in a position to say whether SPELD has received the money or not.

Mr MacKinnon: I am telling you that they have not.

Mr PEARCE: Instead of the Deputy Leader of the Opposition telling me that, it would be more useful if SPELD told me that that was the circumstance. I find it difficult to believe that an organisation which has come to see me on a regular basis, which has expressed by way of correspondence its appreciation for my support of the organisation and to which I have responded by allocating \$10 000 from departmental funds, would not at least have had the courtesy to come and see me before calling a Press conference to declare that it had no

money and that it had been evicted from its premises by the Education Department. The people involved must have known that the landlord of the premises they occupied was not in any event the Education Department but the Board of the Western Australian Deaf School. It is a very strange way for a voluntary organisation to carry on its business when it seeks to communicate with the Minister about its requests through Channel 7 or Channel 9. My guess is that it is doing what many groups do at this time of year; they use naive and gullible people like the Deputy Leader of the Opposition for their purposes. With an election in the offing they set up a song and dance in the media and then a week later they go to the Minister's office and ask what the Government will give their organisation before the election now that the Government knows what a fuss they can cause. This Government does not react to pressures of that kind and in any event months before I had made a provision of \$10 000 to SPELD.

Mr MacKinnon: Which they have not received.

Mr PEARCE: I have only the Deputy Leader of the Opposition's word for that and his word is not particularly reliable on these matters. How does the Deputy Leader of the Opposition know that SPELD has not received the money?

Mr MacKinnon: I have seen their accounts and I have also spoken to the president who assures me that they have not received the money. Why would he come to see me if he did not have concern about this matter?

Mr PEARCE: That comes to the question I am raising: Why has he come to see the Deputy Leader of the Opposition? Why did he not come to see the Minister? In fact, that is precisely what that organisation has done on every other occasion when a difficulty has arisen. I have had a number of discussions with SPELD.

Mr MacKinnon: We asked him to come and see us so that we could talk about the actual proposal.

Mr PEARCE: The story is starting to change a little now. That was not the impression the Deputy Leader of the Opposition was trying to give a moment or two ago. It was quite a different impression.

The fact is that I continued the grant to SPELD from the Education Department State funds at the highest level it had ever been; in fact, it was almost twice as much as it had been under the Liberal Government. That organisation has received a much higher level

of support from the Labor Government than it ever received from the Liberal Government. Under the Liberal Government it received a maximum of \$6 700 and for most of the time it was receiving \$2 000. Under this Government it has received from various sources \$5 000 for the first year, \$10 000 for the second year and \$10 000 for the third year.

Mr MacKinnon: Where did the \$10 000 in the second year come from?

Mr PEARCE: From PEP funds.

Mr MacKinnon: It is a Federal programme, you goose. It is not from the State.

Mr PEARCE: The allocation is from the State.

I suggest to the Deputy Leader of the Opposition that before he starts carrying on about who makes decisions about where funds come from and for whom, he should talk to the real shadow Minister for Education who might explain to the Deputy Leader of the Opposition the way in which many of these funding allocations are dealt with. The Deputy Leader of the Opposition has pointed out that that allocation was in addition to the funds provided for in Treasury funds.

Mr Hassell: I understand that on 30 May this year you approved not only the \$10 000 from PEP but also \$10 000 from the Education Department?

Mr PEARCE: I said that on 30 May this year, I responded to the letter which the Deputy Leader of the Opposition—and your hopeful successor; at least he is hopeful—produced to the House, in which SPELD asked for an allocation of \$25 000 to fund a consultant. We get many requests from various voluntary organisations in the education area, just as good as SPELD, which ask for funds. In response to the request from SPELD for \$25 000, on 21 April I signed a memo to the Director General of Education agreeing to the allocation of \$10 000 for SPELD.

Mr MacKinnon: In the form of a cash grant?

Mr PEARCE: Yes, in the form of a cash grant. Discussions had been held about the use of guidance officers. When I first met with SPELD, its grant was \$5 000 and it asked for more funds because it was employing a guidance officer on a part-time basis and the \$5 000 was not sufficient. The Deputy Leader of the Opposition does not appear to be remarkably well informed; how he became misinformed is a matter of conjecture—perhaps he was just born that way. When I first discussed with

SPELD increasing the \$5 000 grant because it wanted to employ a guidance officer—and there was no money in the Budget at that stage to allocate to voluntary groups, because I was living with a budget we had inherited—I suggested to SPELD that instead of its taking the \$5 000 we would agree to an allocation of time from our guidance staff, which would effectively give that group what it was asking for.

Mr Hassell: Are you saying that between State and Federal funds you have approved \$20 000 this year?

Mr PEARCE: My understanding is that this year SPELD has received \$10 000 from PEP funds and \$10 000 from State sources.

Mr Hassell: That is different from our understanding.

Mr PEARCE: I am prepared to check on the exact status of its funding in regard to PEP and State funds.

Mr Hassell: It acknowledges the PEP funds.

Mr PEARCE: It may be that the Education Department has not acted on my memo to provide SPELD with the \$10 000 from State funds.

Mr Clarko: Are you changing your story?

Mr PEARCE: Not at all. When I discussed this matter with the Deputy Director General of Education just before I came here, my understanding was that money had been paid to SPELD. If it has not, I am prepared to have it paid out rapidly.

The point I am making about the sincerity of SPELD is that here we have an organisation which has come to see me on a number of occasions. I have provided it with money and guidance officer services, although there turned out to be some grave difficulties in providing the level of services we intended. Nevertheless, we did double its grant, something which never happened under Liberal Governments.

The board of the WA School for Deaf Children sought to resume from SPELD the premises which the board had been letting it on a rent-free basis. We have leased out all of the premises to the WA School for Deaf Children. It is an Education Department building and is leased to the school on a rent-free basis. The school has provided some space in that building to SPELD.

I have not spoken directly with the board of the WA School for Deaf Children, but I understand from officers of my department that the reason the deaf school was wanting its premises

back was that it wished to use the premises for its own purposes, including the space presently used by SPELD. That area is being used by SPELD only on Saturday mornings for its school classes, and an office was being used three days a week by a person who has now resigned. For the rest of the week those facilities are vacant. The deaf school needs to have its own premises for its own purposes and it has asked SPELD to find alternative accommodation.

As soon as I heard about this—and I heard about it from the media, not from SPELD—I made an offer to SPELD that I would provide it with school facilities to use for its school classes on Saturday mornings. We would have no difficulty in providing facilities of a high standard and of the sort SPELD requires.

I am prepared to make a firm approach to the board of the WA School for Deaf Children to let SPELD continue to hold its office.

Mr Blaikie: You are sounding like "Yes, Minister".

Mr PEARCE: I do not know how the member can say that. What I am saying to him is that these are the things which I personally am prepared to do to assist SPELD.

Mr Evans: In addition to the funding he has already given it.

Mr PEARCE: The only claim the Opposition can make for urgency in this matter is that SPELD has been asked to leave its premises in a month and that it needs somewhere else to go. What I have done for SPELD is that because it operates its classes on Saturday mornings, I have offered it special school facilities for it to undertake those classes. Surely that precisely covers the need.

Secondly, I have said that if it wants to maintain its three-day-a-week office, if it can get someone to replace the officer it has lost, I will speak to the board of the WA School for Deaf Children to seek to ensure that SPELD can maintain that office and that the deaf school resumes only those classroom facilities which SPELD currently uses only on Saturday mornings. That completely covers the need of SPELD without getting into the kind of thing the Deputy Leader of the Opposition is talking about, and I come back now to the kind of cynical vote buying exercise in which the Deputy Leader of the Opposition has indulged.

Thirdly, I am sure there has been no cut in funding to SPELD. If SPELD believes it needs an increase in funding from \$25 000 to \$50 000, it has not written to me along those

lines. If it feels there has been a problem in our paying out the money or in its getting accommodation, it has not come to me and said so. I am surprised by its attitude because it is an organisation with which I have had relatively close links, and the member for Kalgoorlie is even a member of it. So it is not lacking avenues to the Minister if it felt that it did not qualify as an organisation able to ring up and ask to speak with me.

I have gained the impression from some of the statements made, particularly by Dr Lee, who has done a fine job in SPELD over the years, that some of the management of SPELD are getting sick and tired of it all and are willing to have the organisation dissolved. That might not be surprising, because the great difference that has occurred since the days of the previous Liberal Government and the current Labor Government is that there has been tremendous Government action in the area of dealing with children with learning difficulties. Last year we established the beginnings of an internationally accepted and an internationally famous approach to the integration of children with special learning handicaps and difficulties into the normal classes through education support units. These support units, which are now appearing in classes all around the State, do not work just for kids who might previously have been described as mentally handicapped children; these support units also provide support for children already in schools who have specific learning difficulties. We are doing what ought to be done and what the previous Liberal Governments never did. We are integrating into schools children who are handicapped and we are providing facilities to help children with learning difficulties.

Instead of leaving the job to voluntary groups—which is the Liberal approach, to provide education for normal children and, when it comes to anyone with a problem, let some voluntary group look after them and give that voluntary group a pittance of funding—we are providing these facilities ourselves. We are tackling the problem in a central way rather than doling out small sums of money to voluntary support groups. That is not to say we do not give assistance to the support groups, and the level of funding we have given to SPELD is indicative of that.

The offer I have made to SPELD still stands. If SPELD has a problem all it has to do is to come and see me. If we really have an interested voluntary group that wants to see these problems resolved and that thinks I am

the person who can resolve them, we would really think that it would come along to see me. Even though I made those offers in the Press in response to the Press statement by SPELD, I have not had an approach from that organisation. I think it saw the Deputy Leader of the Opposition coming and thought to itself, "Let's clear our bets with both sides. We will get this dupe to promise us a new building from Government funds and a massive level of support because he thinks we are the only special voluntary group in the education area." The Deputy Leader of the Opposition probably does think that.

One of the reasons that Governments, both Liberal and Labor, can give only a base level of support to many of these groups is that there are so many of them. Every time we go through the support group section of the Budget we always spend hours on it because hundreds of groups get allocations of a kind, and none of those groups will be promised by us or by the Opposition a building of its own in which to operate its services when that building, in the case of SPELD, will be vacant five days a week and occupied only on Saturday mornings.

The Deputy Leader of the Opposition is prepared to offer that group a building for its Saturday morning classes. That is a massive offer from an Opposition which claims that its major base in the election is to cut back on Government expenditure and to cut back on Government revenue raising through taxes. The Opposition is trying the oldest political trick in the book; it is trying to show a public face of wanting to cut back on taxes and having fewer taxes—it has talked about a cut in taxes of \$60 million or \$70 million—when at the same time it is running around to every group which is asking for money and promising it the earth in the belief that no-one will match the Opposition's belt tightening face with the private promises it is making.

SPELD will not know of the other groups; it will not know that all the promises cannot be delivered. There are maybe 100 or 200 votes to be won. The Government has dealt fairly and sensitively with SPELD, and it has always been given a hearing. It has always been answered in some form or another. I totally reject the claims made by the Deputy Leader of the Opposition that we have done nothing less for SPELD than we should have done. We have done substantially more for SPELD than the previous Liberal Governments ever did. That will continue to be the case while we continue to be the Government.

I will bet we are about to see in the Budget discussion this same kind of special pleading for special groups without any real sincerity from the Opposition.

Mr Clarko: You have changed a bit since you were over here.

Mr PEARCE: I never promised a voluntary organisation a building. The member for Karrinyup would have not done that. He had his weaknesses as shadow spokesman on education, but he would never have promised SPELD a building. SPELD is a worthwhile group which does a good job, and I am not criticising it for that. Of course the member for Karrinyup would not have promised SPELD a building of its own; he is not stupid. He knows perfectly well how many groups there are in education which work with children who have a problem or are handicapped in some way. He knows how many of those groups deal with much larger numbers of children than SPELD. I am not decrying the work SPELD has done. It does an excellent job and it is one that the Governments did not pick up until our Government came along.

SPELD continues to get high levels of support from us—higher than it received previously. It can come to me to have its problems solved. All that SPELD needs to do is to ring up or knock on my door and the matter will be solved. I cannot help but think the opportunism of the Opposition on this occasion will not benefit SPELD in the way it seeks. It has probably raised question marks in many people's minds about the way SPELD has operated on this occasion, if indeed it operated in the way the Deputy Leader of the Opposition has described. If that is the case it is totally different from the way SPELD has related to me and the Government in recent years. The reason may be that an election is coming and at election time people start to pick their bedfellows.

It would be a pity if people started to see SPELD as being politically motivated because any voluntary organisation depends on a public view of its being impartial and bipartisan, and working with whichever party is the Government of the day. I cannot help but feel the Deputy Leader of the Opposition has done more damage than good to SPELD in his efforts in the House today. I say to SPELD, "If you come and see me, all will be forgiven."

MR HASSELL (Cottesloe—Leader of the Opposition) [3.03 p.m.]: The only way any damage can be done to SPELD by this matter



being raised in Parliament is if the Minister vents his spleen on that organisation because it has dared to question the action taken against it. I want to make a genuine request to the Minister not to take it out on SPELD.

Mr Pearce: I have already made the offer.

Mr HASSELL: The Minister can say what he likes about the Opposition; we are used to it, and we are used to brushing it aside and dealing with such criticism. As the Minister acknowledges, SPELD is a good organisation. It does a terribly important job, and it needs the Minister's assistance. I am pleased that out of this debate has come a clear public assurance from the Minister on two critical aspects. Firstly, he will assist SPELD to find accommodation.

Mr Pearce: I said that two days ago, long before it was raised by you.

Mr HASSELL: I understand that; I am not arguing about that point. I want the Minister to stop being aggressive because I do not want him to take it out on SPELD. The Minister has said he will assist that organisation to relocate which, as a matter of record, is the same offer that the Deputy Leader of the Opposition made. There is no question about building a building; that is a misrepresentation, but it is beside the way.

The second point the Minister made was that he has approved a total of \$20 000 for SPELD.

Mr Pearce: I have approved a total of \$10 000 from State funds.

Mr HASSELL: Yes, \$10 000 from the Federal participation and equity programme and \$10 000 from the Education Department. I want to tell the Minister that SPELD does not know about that \$10 000 which he says he approved in May.

Mr Pearce: They only have to come and see me.

Mr HASSELL: That may be, but SPELD would not know the basis on which to go and see the Minister. It wrote the Minister a letter and was awaiting a reply. SPELD did not know anything about this having occurred.

I am concerned that the Minister may be being misled by his own department in this matter because this is not the first time a very long delay has occurred between an approval given for funding and the funds arriving. The Minister said in a letter published in *The West Australian* on 16 January 1984 that he had ap-

proved a Government grant of, I think, \$13 000. Some very considerable time later SPELD had not received that money.

Mr Pearce: That is right, and they rang me up and I had it paid out to them.

Mr HASSELL: SPELD did not just do that. It wrote a letter to a Government member about the matter. That was in August 1984; so from January, when the Minister said in a letter published in the newspaper that \$13 000 had been approved, to August 1984 the money to which the Minister referred as having been approved was not received. That is a pretty important point. Is it any wonder that this kind of situation would arise when SPELD has already had that experience?

Mr Pearce: It proves the reverse of what you are trying to say. If they had the experience before—and I concede they did—why not ring up again?

Mr HASSELL: I am trying to get across to the Minister a serious point. The real issue is that the department seems to play fast and loose with the Minister's directions. The Minister should check this whole matter out on a factual basis. Time will not permit me to go through all the detail, but I assure the Minister we have had documentation from SPELD. The SPELD people told me last year about the \$13 000, and I raised questions about it then to try to assist them. So it is not the first time they have had to come to the Opposition to get the matter sorted out.

A number of things the Minister said during the course of his speech are factually inaccurate. I am sure the Minister did not intend that to be the case. I am not saying he came here to tell lies but a number of the things he said I know to be absolutely wrong. I suggest he forces his department to tell him the truth about what is going on because I think his department is trying to get rid of SPELD and it is deliberately doing some of the things that are causing difficulties. I know a statement was made by Dr Lowden in the *Sunday Times* of 27 October 1985, in which article he was quoted. The newspaper said—

Dr Warren Lowden, deputy director general of education in W.A. said the Department had always been more than happy to be associated with SPELD.

Then there is a direct quote as follows—

"But we're not prepared to teach only the children with no problems and subcontract the ones with learning difficulties out to a private organisation," he said.

The Minister referred to a similar matter in his speech. The fact is the department is resentful of SPELD getting departmental money because the Education Department which has always been one of those departments which is very anxious to control every aspect of the business it is in clearly does not want SPELD to be doing this job, and wants the money to pursue whatever programmes it has in mind.

While the Minister, although sharing to some extent the department's ultimate objective, is nevertheless prepared to give authority for the organisation to be assisted, the department has been undermining his position. It has also been giving him some incorrect information if what he said today results from departmental advice. It is very important to recognise that this organisation, with which I have had an association for a number of years because it is in my electorate and I have been there, is made up of a responsible group of people who have a very important job. It is not trying to embarrass the Government. It has approached the Opposition, not for the first time—

Mr Pearce: Why did it not come to the Government if it was not trying to embarrass it?

Mr HASSELL: For the very simple reason that it had the understanding that it has been rejected.

Mr Pearce: It has not been rejected.

Mr HASSELL: It has not received any response to letters. The information it has received has led it to one crisis after another. Firstly, it has no money and now it has received notice in relation to the premises the organisation uses. I know the premises are sublet from the Education Department to the Deaf School and the Deaf School gave the organisation notice. I know also that is not the Minister's or his department's fault. The fact is that it is being kicked out. That is just another crisis on top of its financial crisis.

This is a matter of genuine urgency because the organisation is on the rocks; its work is about to end and its work is done by volunteers. Dr Michael Lee and the band of volunteers are not there for the money. They are doing critical work in a critical area. The statistics on the people who have contacted the organisation and who are receiving benefits from its advice and its help and education are documented and provable.

The Minister spoke about the premises being used for only half a day. The premises are used for 5½ days a week. The organisation receives

many phone calls. An administrative officer is there for four days a week and assessments are being made and classes are being conducted. It is a big operation running on a shoestring. Of course, when a small organisation like that does not have the resources available to Government and professional organisations, does not receive replies to the letters it has written—I have copies of the letters here—and the Budget is announced and it does not see anything in the Budget allocated to it, it believes its funds have been cut off. If they have not, we have achieved today a clarification of the facts and that is excellent. I am sure that SPELD will be pleased.

I feel a policy issue is involved as well, but how can one talk about a policy in less than a minute.

Mr Pearce: You could talk about your whole education policy in a minute, the way it is.

Mr HASSELL: Do not use my time. The policy is whether the Government is prepared to understand that people other than those in the Education Department have a legitimate education role to play. I have seen the department in operation before when it does not like something going on. It tries to undermine the position of the organisation as it is now trying to undermine the position of SPELD. It wants SPELD out of education because it wants all education matters centralised in the Education Department.

The question is whether the Education Department could handle this matter the best way and whether it is desirable to have an alternative education organisation which is prepared to give people the best help it can, without the Education Department. The Minister should check the facts and check what his department is doing. If I were him I would call people to account for creating this situation. I ask the Minister not to turn SPELD away as it turned Austair away.

Motion, by leave, withdrawn.

## **IRON ORE (CLEVELAND-CLIFFS) AGREEMENT AMENDMENT BILL**

### *Second Reading*

Debate resumed from 29 October.

### *Cognate Debate*

**MR PARKER** (Fremantle—Minister for Minerals and Energy) [3.16 p.m.]: I seek leave to deal with this Bill and the Iron Ore (Dampier Mining Company Limited) Agreement Amendment Bill in a cognate debate.

Leave granted.

*Debate Resumed*

**MR PETER JONES** (Narrogin) [3.17 p.m.]: The two Bills relate to the same matter and it is fitting that they be dealt with together. The Parliament is being asked to ratify an agreement which is relative to only one project, the Robe River project. It is being asked to allow one company which is the subject of the agreement referred to in the Iron Ore (Dampier Mining Company Limited) Agreement Amendment Bill to sell some iron ore to the company referred to in the Iron Ore (Cleveland-Cliffs) Agreement Amendment Bill. In order to complete that manoeuvre the two agreements have to be adjusted.

I know members are well aware of the situation in the Pilbara regarding the Robe River project. It is the least of the three major projects in the area in terms of tonnage and it is also the project which had an unsure future in the sense that the realities of the present economic circumstances have dictated that the deposits which the joint venture owns—they are referred to in the Minister's second reading speech as the West Angelas deposits—have not been developed and exploited as was intended by the company, and by the previous Government, and I have no doubt, by this Government. The present economic circumstances have dictated not only that that has not occurred, but also that it is very much unlikely to occur in the foreseeable future. The company was faced with giving some consideration to the manner in which it secured its future, not only in terms of supplying the contract it had entered into, but also in terms of maintaining its position and the security of its employees' jobs, the maintenance of the harbour which it operates, and the ship-loading facility which is a magnificent facility with the capacity to handle large bulk carriers. The two agreements with which we are dealing provide that situation.

One other factor allowed it to be facilitated: BHP Ltd through its subsidiary, Dampier Mining Company Limited, has an equity in the infrastructure of the Robe River project. It has a 50 per cent equity in the railway and handling facility and that situation allows for a much smoother transition.

It is proposed that two areas designated shall be made available by Dampier Mining to the company and that company will have the right

to take over those deposits which I think, if my memory serves me correctly, are called "J" and "N".

Mr Parker: "J" and "K".

Mr PETER JONES: "N" is the one there now and that has had some 150 million tonnes of ore and, if not exactly depleted, the end is in sight and will be reached early in the 1990s. Consequently, it was necessary to secure that future. As I understand it, the two areas referred to in the agreement have an estimated recovery of some 300 million tonnes of ore, so it does provide sufficient time and product to allow the company and its operations in the Pilbara to go forward with some confidence.

It is fitting, however, that while we are considering this we at least acknowledge the fact that the iron ore industry as such is under very significant pressure. I noted with some interest that last week the Federal Minister for Resources and Energy issued a statement following his visit to the Pilbara which virtually said that the Pilbara companies would have to lift their game in relation to the costs structure under which they operate or they would face increasing competitive pressures. It is also worth remembering that just a few months ago our Minister came back from Brazil and said the same thing, although in different words. In other words, he recognised and publicly indicated that our industry was under threat, in the sense that it was under increasing pressure from competitors who are able to develop high grade ore deposits and interfere with our markets because of several factors.

Firstly, any percentage market share that we might have had by virtue of proximity to, say, Japan, has in fact been very much threatened. The shipping costs margin that we enjoyed has been greatly eaten into and we now face very real competition, on the basis of cost, quality of ore, reliability of supply, and a whole range of factors.

Those comments have been made for some years, and they have been pooh-poohed. They have been condemned, and those who made them have been criticised. Indeed, the Minister himself—and the Premier—a little over a year ago criticised me when I came back from Brazil for saying exactly what the Minister said when he came back from Brazil a year later. I was told I was scaremongering and that there was no basis in fact in my suggestion that there was increasing competition to be faced because of

the opening up of new supplies elsewhere, and that there was now a very real threat to our continuity of supply.

I hasten to add that those who buy our resources are very quick to exploit a situation for their own purposes and to try to frighten us by suggesting they will walk away from us and go somewhere else, and so on. That is the name of the game, and I take that with a grain of salt, just as the present Minister does. Nothing will be taken in any way other than as part of the marketing exercise.

The reality of the position is really what is reflected in the two agreements before the House, and the comments made in the Minister's second reading speeches on the two agreements we are discussing together: The economic realities of the present situation leading to the last part of this decade and the early part of the next is that the hundreds of millions of dollars required to bring a new project into being is just not going to be committed to such a high risk venture at present because of the viability of projects that need that kind of funding, the high cost structure that pertains in the Pilbara and elsewhere in remote localities throughout Australia, and the overall international economic situation.

I hasten to add and make quite clear that we are not talking about any deficiency—and I am well aware the Minister is not—or difficulties about developing new projects simply because of a situation that obtains within this country. However, that is a very serious limiting factor. When our productivity is so much less than other countries in terms of dollars per man per tonne of ore, we can hardly expect companies to be interested in putting up the very high cost and expensive capital for such a project, and the Minister and the Government have now recognised that.

However, this situation also has been brought about by international factors—the downturn in the steel industry. After all, I am sure the Minister is aware of this, if he receives the same commodity index market reports that I receive every month. One that arrived yesterday was just so much more frightening in relation to both nickel and aluminium in the last month that it is no wonder we are facing a very serious situation.

I wish to refer to two other aspects of the iron ore industry. One relates to BHP, which is the parent company of one of the parties to the two agreements now under discussion. BHP has now assumed a very dominant role in the

Australian resource industries that it did not previously have. It is a very significant influence, and has been for a very long time; but in the basic resources—for example, for the steel industry where iron ore, coal, and manganese are involved, and the product is exported—BHP has virtually become the dominant international factor. This applies not only to the Australian scene through the company's involvement in the Australian iron ore, coal, and manganese industries, but also internationally.

In that regard, BHP must consider its responsibility to the nation and, particularly so far as iron ore is concerned, to this State. For example, it has a position in three projects out of the four which operate in the State. Admittedly it is not in the operations associated with the Cliffs Robe River project, but it has a position in the ownership of the infrastructure and, indeed, it has been of assistance in the provision of ore.

BHP is a participant through Utah International in the Goldsworthy project which is dying and has been wound down, and in relation to which the Government has indicated it will not be pushing for an extension of the current contractual arrangement which has already been given. I can understand that, but it is a matter of seeking an acceptable arrangement for the future of that organisation, and BHP has a role there, and a very dominant role.

BHP has also now spent some \$880 million to purchase two of its equity partners in the Mt Newman project. By spending \$880 million and increasing its equity in Mt Newman from 30 per cent and the management of the mining operations to 85 per cent and assuming the marketing and responsibility for the total operations, BHP has made a decision which I do not unreservedly support.

I have indicated to the company that I think its actions in this regard are disappointing, although I can understand its reasons in view of some of the problems besetting the Mt Newman operations. It is rather sad that one company can spend \$880 million in this State without creating a single job. It gives us no new project that might otherwise have been started. Certainly, there is some talk of the Mt Newman operations opening up, for example, a satellite deposit to provide more ore, but that would have been a part of mine management and mine development in any case.

It is somewhat extraordinary and a little sad that an organisation, no matter how big, can commit \$880 million to projects in this State without creating one job and without giving us a project. I am sure that the Minister and the Government—and certainly most people engaged in the Government of this State or interested in this State—would have been able to suggest to BHP ways in which it could have committed an amount of funding to projects in Western Australia. We could have given suggestions as to how the money could have been spent on things that were needed and which perhaps could have been of some assistance in areas in which employment growth and resource projects are involved.

I make it quite clear that I do not make those comments by way of criticism. However, I express publicly the comments which I have made to the company. It is disappointing that in these days of resource investment such a business decision has been made, particularly in view of the limited opportunities which obtain at present. That funding is committed and is now no longer available for use by BHP for other purposes within this State, or even elsewhere in this nation.

I mentioned that BHP now has very great responsibilities with respect to the iron ore industry. It is assuming a leadership role of mammoth proportions. As long as it does not start considering that what is good for BHP is good for Australia, we, as a nation, will undoubtedly benefit from its assumption of that role. Certainly, the matter is of some concern, particularly when we consider the situation at Koolyanobbing and the other investments in which BHP is involved, such as the Kwinana blast furnace. The funding allocated for this particular purpose has not really been of benefit to the State in the short term.

My second point relates to another factor which is limiting investment in major projects. I refer to the Federal Government's tax policy. For a number of years, even before the time of the present Federal Government, there has been an uncertainty regarding policies of the Federal Government. Indeed, the previous Government in this State was very vocal and very public in expressing criticisms of the previous Federal Government for the remarkable frequency with which its investment policies, depreciation policies and foreign investment policies changed. Unfortunately, that situation has continued.

Any company which invests hundreds of millions of dollars, or is considering doing so, and which establishes ground rules for that investment, enters into agreements knowing the taxation arrangements. For example, negotiated agreements with the State Government, whichever Government is in power, have been very attractive because those agreements must come to this Parliament to be ratified, as with those before us now. That is so provided that a company has security.

Such agreements set out very clearly what are the obligations of the company and the State and what will be paid if royalties are involved. Admittedly there are adjustments and amendments from time to time, but they are not done by a Government with a stroke of a pen. They are done by negotiation and, as with the two measures with which we are now dealing, they come to Parliament to be ratified. Thus they are very public documents and are clearly known.

The imponderable aspect is that which is relative to the Federal Government's involvement. The rules with respect to taxation and investment allowances are being continually changed by Federal Governments. It was wrong of the previous Federal Government to keep changing the rules for taxation arrangements. Such changes did nothing to help Western Australia, in particular, or the nation as a whole.

The same situation still applies because what was proposed in the last Federal Budget and in the tax package of 19 September further drives a nail into the coffin of Western Australia's future. Company tax has been increased. There is now a tax on employment allowances. There is no way that that can assist in providing an incentive for anybody to develop jobs. Somewhat late in the day, the Government has realised this and has now hopped on the band wagon. The Premier now says that some perks should be taxed at only 50 per cent, but on 26 June the Premier said—

I have expressed the viewpoint that I would accept a tax on so-called perks.

That statement was published in the Pilbara paper, the *North-west Telegraph*, in its 26 June issue. On 25 September, the Premier still said—

We support the move of the Federal Government.

That was said six days after the tax package was introduced. In this Parliament on 25 September, the Premier said—

It is a package the State Government is prepared to support.

That is the package which is now being attacked and which has been clearly shown to be a tax against a State such as Western Australia. The tax package proposals prevent employment in the Pilbara.

With respect to the tax package, in answer to a question on 19 September, the Minister himself said—

The tax package announced on 19 September will have an overall positive effect on the resource sector.

Mr Parker: That still remains the case overall. It has problems, but overall it will have a positive effect.

Mr PETER JONES: If the Minister wishes to hold that view, that is all right, but I do not accept the tax package even if the Premier does, because it taxes employment. Why should not a company provide subsidised housing, subsidised power and subsidised water for people who work in the Pilbara if the company wants to? The situation now prevails, and it has become an accepted fact in Western Australia, that employment subsidies are paid not only by employers in the iron ore industry which we are discussing today, but also by the Government. Even in the town where I live, school teachers get subsidised housing on which they will now be taxed.

For a long time the Government has accepted the fact that if it wants people to go and live in the remote parts of the State, it has to provide some assistance to induce wives and families to go to such areas. The employees will now be penalised; they are the ones who will end up carrying the costs.

There will be fewer jobs. The figure given for the Pilbara is \$40 million. The iron ore industry makes it clear that the costs for that industry alone are \$25 million.

Mr Parker: It depends what assessment is made.

Mr PETER JONES: The iron ore industry has publicly said that.

Mr Parker: I do not think any reputable body has said the figure for the Pilbara is \$40 million.

Mr PETER JONES: The iron ore industry has said that industry in the Pilbara will be charged, if it applies as at present, \$25 million. The difference between that \$25 million and approximately \$40 million—let us say some \$15 million—is made up of all the other em-

ployers in the Pilbara. They have collectively provided information which comes to a further \$15 million—and that includes the Government.

In other words, the tax when assessed on all the benefits—employment subsidiaries, housing, power, water, free trips, airfares, including stage two of the North-West Shelf project—will come to that. There is also the assistance given by Dampier Salt Ltd and all the companies in the Pilbara. Small business and service companies must also be considered.

As I have said in this House for some months since prior to the tax summit in July when the discussion paper was put out, we were trying to get the State Government to prepare a position to put before Canberra to recognise that what was being proposed was a tax on employment which in effect would guarantee there would never be another major resource project in the Pilbara. There will certainly be no downstream processing; it will be cheaper to bring the stuff south rather than process it up there.

As the Minister is aware—I read it in his speech to the infrastructure conference in Canberra—the difficulty of now establishing remote towns with this price structure merely guarantees that we will end up with workers being flown into such places, as they are to the Argyle diamond project.

We talk about the copper project at Throssell, 200 kilometres south-east of Marble Bar. That will never see a town because no company can afford to build it, provide the subsidised housing necessary, and then pay tax on the benefit.

The situation here is that the Minister in his second reading speech referred to the uneconomic situation and the fact that the new iron ore deposits in places such as West Angelas will not be developed for economic reasons. These involve not only the actual costs involved but also the taxation structure and what is now being instituted as a tax on employment. Anybody who provides assistance for housing, power, water, and transport will end up with jobs lost.

The mining industry has told the Government that if the Federal Government insists on its tax on employment allowances, jobs will go. It is as simple as that. What a ridiculous situation it is to introduce measures which try to force unemployment by taxation. In other words, instead of promoting employment by providing benefits—someone who will go out and employ somebody and receive some assist-

ance for doing so—these people are being penalised. They pay a wage and provide some assistance to help a man and his family obtain a job, but the Government taxes him on the value of the assistance given. The Treasurer says he accepts and supports that arrangement.

To his credit, the Minister has told us now that he has seen the error of his original ways and he is now trying to do something about it. We understand, but that is not the case where the Treasurer is concerned. He is publicly saying he supports the tax package. The member for Pilbara has been put in the invidious position—as she was last August when the Parliament assembled—of having to support the tax on employment allowances.

Coming back to the agreement, we support what has been done. We support what the Minister has said about it because it provides a surety of employment where one iron ore company is concerned. Its available resources of ore have been increased to a point where there is now some certainty of employment and a continuation of that specific project, provided the kind of public vandalism and employment vandalism and the war being waged on employment incentives by the Federal Government are drawn to a halt and some sanity prevails so that projects can continue to develop and investments can continue to flow on a sensible, sure, and realistic basis.

We support the Bill.

**MR PARKER** (Fremantle—Minister for Minerals and Energy) [3.48 p.m.]: I thank the Opposition for its support of the Bill. The member for Narrogin indicated correctly that there had been some lack of certainty regarding the future of the Cliffs group project. Goldsworthy now faces the same situation, with a near-certain shutdown by the end of 1987. This would have been faced in about 1991 in almost identical circumstances by the Cliffs project had it not been for these Bills we are debating today.

In the same way Goldsworthy had hoped by now to develop mining area "C" because of much stronger predictions in years gone by for iron ore for the steel industry, but it has not been able to do it. It is facing closure. Cliffs is in the same position in regard to the West Angelas project which it hoped to develop by 1991. It is now quite clear that these projects will not be able to develop by that time because of the delayed demand for iron ore and steel.

These Bills and the agreement between BHP and the Cliffs partners reflected in them ensures that the Cliffs project can last for another 20 or 30 years on its existing locations using Pannawonica as its base, upgrading the activities taking place and the tonnages being supplied to world markets. Fairly substantial amounts of expenditure, with certainty for both Pannawonica and Wickham, will continue for 20 or 30 years, during which time it is hoped it will be possible for the West Angelas deposit to be developed.

Over virtually the entire time I have been in this portfolio I have been negotiating, for example, with the Roebourne Shire on the issue of the normalisation of the township of Wickham. One of the problems of those negotiations in the past has always been that the Roebourne Shire has said, "What happens after 1991; where do we go then? There is no guarantee that the company will still be there operating after that time." There now is, as a result of these Bills, a guarantee that Cliffs will be operating not just until 1991 but for another 20 or so years after that time with, of course, the flexibility that that gives for developing the West Angelas project. I have no doubt we will see commitments by the Cliffs partners over the next two or three years of some \$300 or \$400 million-worth of reinvestment in their project as a result of this legislation. So, while the Bills are small and I do not make very long comments in the second reading speech, it is important legislation. I believe it will be of great assistance.

I will comment briefly on some of the comments of the member for Narrogin concerning other aspects of the industry, firstly in relation to BHP's position. As the member said, BHP last month spent \$880 million in a single day on acquiring a further 55 per cent of the Mt Newman project and in effect turning that project into a BHP-run project very similar to the way CRA runs the Hamersley project, although in the case of Mt Newman there will remain 15 per cent minority interests; but the management of the project will be turned over even more to BHP.

The member for Narrogin expressed concern that that happened. While one would hope that when people spend in a day \$880 million or any similar money, it would create new jobs—and that does not do that—what it does is to show a very great degree of confidence in the iron ore industry in this State.

As I said at the time in a Press statement, it gives the lie to some of the statements made by the Opposition and others about the effects of the Federal Government's tax package, whatever its faults may be—and as I will acknowledge a little later, it does have its faults. Whatever may have been said about those faults—that in some way the package will deter investments in that industry—here in one single stroke we have seen \$880 million spent on one project. This shows that BHP does not take that view of the tax package.

It is not true, in my view, to say that the investment will not have any impact on job opportunities in the Pilbara. I believe it will have positive impacts on job opportunities in the Pilbara and those impacts will come about because decisions will be able to be made much more quickly within the Mt Newman project on the way forward, and hopefully management style and the organisation of management of the Mt Newman project will change. I understand from BHP that the management will substantially change as a result of this change in ownership. I hope it will result in many benefits, including an improved level of industrial relations and improved decision-making for the project. That ought to mean that within a very short time we will again see quite significant investment decisions being made by Mt Newman in terms of development activities it might undertake, decisions which the member said may have been made anyway but I believe will be made more quickly because there are no longer the conflicting interests that there undoubtedly were with CSR and Amax having different views, but not necessarily wrong views, from those of BHP. Whether BHP makes better or worse decisions, the point is that it will be able more quickly to make decisions to the benefit of the development in the region.

The member for Narrogin also made the point that BHP now has a very strong role certainly in the iron ore industry and also in other industries that supply our major trading partners, such as coal and manganese, not only in Australia but in the United States as well. Putting aside the coal and the manganese, because they do not affect this State directly, certainly so far as the iron ore industry is concerned the member for Narrogin is right when he says BHP has shares in three projects—Mt Newman itself, the Cliffs projects by virtue of its 50 per cent ownership of the Cliffs railroad and port facilities—which, as the member said, is probably the best port in the Pilbara—and the share that it has in Goldsworthy which it

recently increased by virtue of its taking up its pre-emptive right to buy a part of Mt Isa's share when Consolidated Goldfields picked up Mt Isa's share in the Goldsworthy and other similar tenements in the Pilbara. That certainly confers upon BHP a very great responsibility.

I know our trading partners—and they have told me—are looking very closely at the way in which BHP behaves in that regard; but as they have said to me, BHP is a very big company, heavily exposed, and it cannot afford to be other than responsible in the way in which it behaves in all these areas, be it iron ore, coal or manganese. I believe that is the case and certainly I believe it can have a beneficial impact, and I hope it will. We are looking very closely at it. We are talking to the various parties about some of the options that are available to BHP in tenement allocations and rationalisation of some of its facilities given, for example, what is likely to happen with Finucane Island over the next couple of years. There is a whole host of opportunities, especially now that the ownership is much simplified; with Mt Isa completely out of the Pilbara and out of the iron ore industry altogether; with CSR and Amax largely out, CSR still retaining Yandicoogina deposits, but otherwise out; with BHP CRA, Consolidated Goldfields and the Cliffs partners; and in terms of non-operating tenements, with Mr Hancock. We really have a much smaller and tighter group of people with whom it ought to be possible to make some arrangements which could lead to a quicker and more orderly development of the iron ore industry.

The second point the member made concerned competitive pressure, and he referred to Brazil. I do not want to go through that in any detail; I have made my comments very plain on that. The important thing about the mission I led to Brazil is that it was a tripartite commission. It was designed expressly not so that I could come back and say what I thought, or so that company executives could come back and say what they thought or so that the member for Narrogin could come back and say what he thought, but rather that the work force, both management and the unions in the iron ore industry, could see for themselves precisely what faced us as a threat from Brazil. The tremendous success of the mission is that that is exactly what was achieved. We did not need to use any strong-arm tactics or pressure or snow-jobs; everything was simply there and self-evident. Everyone who was on that mission, whether they represented managers, employees or Government, all got a shock to



realise quite how competitive and effective the Brazilian iron ore industry was. That report back has been well received in the Pilbara.

In terms of efficiency, the sorts of things we have encouraged as a Government, such as the port deepening at Cape Lambert, the current port deepening at Port Hedland, and some of the other things we are looking at such as the extension of the power supply to Port Hedland, moving off diesel altogether if we possibly can, hopefully the electrification of the Pilbara railroads, and a whole host of things like that, will help in the greater efficiency of the iron ore industry.

One area where we have been able to be of great assistance has been in the area of industrial relations and the stability of supply. There is no doubt that the change there has been quite dramatic. Earlier this year I issued some statistics which showed the change from 1982 to 1984, for example. In 1982 we saw 120 000 days lost in the iron ore industry. In 1984 that figure had dropped to 40 000, still very high but very much lower than in 1982. The running total shows that last year, to the end of September, out of that total of 40 000, 30 000 days were lost. This year we have seen only 15 000 days lost up to the end of September. We are looking at a situation where the number of days lost in the iron ore industry is one-sixth the number of days lost in 1982, the last full year the member for Narrogin was the Minister in this portfolio. We have devoted an extraordinary amount of time and attention—my own personal attention and involvement—and money to ensuring that this happens; and so have the companies and the unions, especially the union leaders, who have well-and-truly recognised that the bad old days in this regard just had to go.

Our trading partners, every time they see me now, which is fairly frequently, congratulate us on what we have achieved and say that they have much less concern about our stability as a supplier. That is a major achievement in a very short time. There will be no miracles and I am sure there will be times when the Opposition will be able to jump up and point to a strike here or there. No-one is suggesting that strikes will not occur. However, overall there has not been that level of disputation we saw two years ago.

Mr Peter Jones: You have not heard me mention strikes, have you?

Mr PARKER: No, I have not.

Mr Peter Jones: And I have not mentioned them today.

Mr PARKER: It is competitive pressure.

Critically, apart from the one dispute where the management of Cliffs decided to take on a particular group of workers whom they had been tolerating for perhaps a little too long in one particular area—and they had my support in doing that; it involved a couple of ship diversions—there has not been a single ship diversion for over two years. In fact, ships have been diverted from India to the Pilbara because India has not been able to meet its contractual commitments. It is a tremendous advantage that that has taken place.

The final point I want to make is in relation to the Federal Government's taxation policy and its impact on the Pilbara. I endorsed wholeheartedly both the Premier's remarks on this matter and the principles involved in the Federal Government's taxation policies. There is no doubt, as I said in the speech to which the member for Narrogin referred at the national infrastructure forum, that overall it will give Australia one of the least distorted capital markets in the world and it will certainly assist in raising equity capital for good, ongoing, productive enterprises as opposed to speculative property activity and various non-productive enterprises which our taxation system—not because of any particular person's fault—has encouraged over the years.

It will mean readjustments in industry. It will mean problems no doubt to certain sections of the property industry and certain other industries, and that is a good thing, because too much of our nation's wealth has been invested in those non-productive assets. What this tax package in general terms will do will be to redirect that wealth and those savings into more productive activity.

Having said that, there are obviously faults with the tax package and one of the faults has been the failure of the Federal Government to distinguish in its package between the sorts of things that a senior company executive might receive as part of his package to avoid paying tax on it and other legitimate areas. For example, many senior company executives get a number of around-the-world air fares for themselves and their wives as part of their remuneration package, even though they live in Melbourne, Perth, or Sydney. That is just a way of avoiding tax. That area is certainly designed to be struck at, and I think that is right; I do not have any argument with that.

However, the Federal Government has lumped in with that privileged group the legitimate air fares, backwards and forwards to the Pilbara, for workers to and from the place where they were hired. Workers might have been hired in Sydney, Perth, or even New Zealand and are now working in the Pilbara. The failure—or perhaps the administrative inability—to distinguish between those two areas has created the problems of which I have knowledge and on which I have commented consistently.

My position on this matter has not changed. I have consistently pointed to those concerns. Indeed, very soon after the tax package was announced I had an opportunity at the Australian Minerals and Energy Council meeting in Melbourne on 3 October to raise those matters with Senator Evans who, of course, is not the Minister principally responsible for this matter. However, he undertook to raise those concerns with Mr Keating and indeed to seek an opportunity for my officials and officials of the Queensland Government to be involved in the drafting of some of the legislation. So, while we and, I might say, the mining industry, do not believe that we should be fighting for a change in the basic thrust of the package—and I have discussed this matter at length with some of the mining industry people—what we should be trying to do is to ensure the guidelines are written down in such a way as not to impact as adversely as they otherwise might on the industry.

It will make a huge difference, for example, if a realistic view is taken of what is a market rental in the Pilbara as opposed to a very narrow, legalistic view about what a market rental is. For example, I was horrified to be told by an official in the tax office that, in his view, a market rental in a particular town was about \$150 to \$180. If that view prevails, undoubtedly it will have a major adverse effect on the Pilbara. But as I pointed out to him, that market value is probably based on a true private market of about five houses in that town. If the iron ore companies were to release onto the private market all of their housing, certainly there is no doubt that the rentals for iron ore workers would be increased, but of course the general private market rents would be reduced very substantially.

What I am trying to achieve and what the mining industry is trying to achieve is a much more realistic assessment of that matter. Air-

conditioning, for example, is not a luxury in the Pilbara. If someone paid for me to air-condition my Fremantle home, it would be a luxury. If my employer paid for it it would be a way of avoiding my paying income tax. But a shift worker in the Pilbara needs to have air-conditioning; there is no doubt about that. A shift worker cannot sleep during the day without air-conditioning. It needs to be recognised by the Federal Government that that is the case. It has been to that end that I have been directing my efforts and trying to persuade the tax office and the Treasury that when they draft these guidelines and this legislation in relation to these areas they take those sorts of things into account. It has not been done without some hope, and it does appear from some of the conversations I have had, particularly with Senator Evans, that there is some hope of ameliorating the impact in those areas.

Last Friday at the Iron Ore Industry Consultative Council meeting we formed a working party to ensure that the iron ore industry's point of view—not only the management's point of view, but also the united view of everyone in the industry—was put to the Federal Government; and I very much hope it will result in some improvements in the way these matters will be administered.

Mr Peter Jones: Is that for all industries, or is it just using the iron ore industry as a model for other industries?

Mr PARKER: The Iron Ore Industry Consultative Council is concerned about its own industry, but certainly so far as I am concerned as a Minister in the State Government, I will be using that information and the other information as a model for the general concern we have, whether it is in regard to the iron ore industry, the nickel industry, or any other industry.

All of the mining companies to which I have spoken have accepted that we cannot hope to alter the basic thrust of the tax package. In general terms I agree with it anyway. Specific areas and specific issues need to be addressed and examined to see whether some realism away from the ivory towers of the Treasury and tax office bureaucrats in Canberra cannot be injected into it.

One of the problems we have is that the taxation commissioner in the past has had to make some very artificial assessments to avoid industrial disputation. The Blackwater strike in Queensland when John Howard was the Treasurer, for example, is a classic case where

he had to make a totally artificial assessment. Let us now not put the taxation commissioner in that invidious position in the future. Let us rather draft the legislation now in such a way that the commissioner has a clear set of guidelines as to what he should take into account in making his assessments, and hopefully that will have the impact of minimising the effect of the tax.

The \$25 million to which the member for Narrogin referred, and which is a figure that the iron ore industry companies have come up with, includes a number of items which are not specifically related to the Pilbara. It includes, for example, quite a considerable sum of money for the taxation of company or executive cars, which is something that applies throughout industry and which is not isolated specifically to the Pilbara. It includes a few other items of that sort. Whether it is \$25 million or some lesser or indeed greater figure will largely depend on the sorts of market rentals we are able to establish and the way in which this legislation is administered. Certainly I am bending all my efforts to try to ensure that there is no great adverse impact on the industry.

Certainly for some companies, of course, no doubt the tax package will be of massive benefit. BHP, of which the member for Narrogin was somewhat critical earlier, is one example. The tax package almost could have been written exclusively for BHP.

Mr Peter Jones: I was not critical of BHP. I said I was disappointed—in fact I used the word “disappointed”—that that amount of money was going to Western Australia and it was not going—

Mr PARKER: Yes, and I spoke about that earlier when the member for Narrogin was outside.

Mr Peter Jones: I heard you.

Mr PARKER: I acknowledge that. The only point I am making now is that if BHP's tax lawyers had sat down and written the tax package themselves, they could not have done a better job. It is almost designed especially for a company like BHP, and while the subsidiaries of that company will pay additional tax in this area in the Pilbara, certainly overall they will receive very substantial benefits as a company, perhaps not specifically in the iron ore industry but as a whole.

Mr Peter Jones: I hope you are not meaning that what is good for BHP is good for Australia.

Mr PARKER: No, I am not saying that at all. In fact, we have to balance it. We have to balance the benefits and losses in the tax package in that regard.

The most important aspect of this legislation is the certainty it gives to Cliffs to be able to go on for another 20 or 30 years, during which time of course we all hope that the situation in the world steel industry and hopefully our own steel industry will change to the extent that they will be able to develop the West Angelas project. In the meantime, all the workers for Cliffs, whether they be at Pannawonica, Wickham, or the Roebourne Shire, and the other shires and the people involved will know that they have a project which does not have a limited life, but one which will continue for the foreseeable future.

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 Mr Parker (Minister for Minerals and Energy), and transmitted to the Council.

### **IRON ORE (DAMPIER MINING COMPANY LIMITED) AGREEMENT AMENDMENT BILL**

*Second Reading*

Order of the day read for the resumption of the debate from 29 October.

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 Mr Parker (Minister for Minerals and Energy), and transmitted to the Council.

### **ACTS AMENDMENT (EDUCATIONAL INSTITUTIONS SUPERANNUATION) BILL**

*Second Reading*

Debate resumed from 30 October.

**MR MacKINNON** (Murdoch—Deputy Leader of the Opposition) [4.14 p.m.]: The Opposition has pleasure in supporting this legislation, but I would like to make a few comments.

The legislation is designed, as the Minister's second reading speech indicates, to give the Western Australian Institute of Technology and the Western Australian College of Advanced Education powers commensurate with those of universities with respect to superannuation. In other words, both WAIT and WACAE and the staff thereof will be able to join the superannuation scheme which has been formed for universities. Murdoch University and the University of Western Australia are already members of those schemes and as I understand it, it is a good scheme, and this merely allows the staff at each of the other institutions the opportunity to join. We support that concept.

The point about which I express concern is the viewpoint expressed by the Minister in his second reading speech in which he says—

A major advantage for staff is that the superannuation scheme for Australian universities provides portability of superannuation entitlements for staff transferring between member institutions throughout Australia.

From the legislation I would read that as including all staff at tertiary institutions. I think the principle of the portability of long service leave and superannuation should be addressed very carefully by the legislators and tribunals handing down that benefit. The value of the Australian dollar is not declining at a rapid rate because we are doing everything right; it is declining because we are doing many things wrong. One of those in my opinion is that we are asking industry to bear too heavy a load in relation to what is being asked of the work force. The competitiveness of industry over the years has been declining to the extent that we now have a very heavy trade imbalance.

That might seem very far removed from this WAIT and WACAE superannuation Bill. What tends to happen in Australia is that the public sector funds new initiatives which are well-founded—as is this one, as I will explain in a moment—in relation to conditions of employment. However, in due course those conditions of employment are then picked up by the tribunal and passed on to the private sector, which is then asked to carry the can in ways which severely inhibit its competitiveness on

the international scene. For example, the whole question of long service leave is, as I understand it, unique to Australia and none of our major competitors has to face that particular cost burden. I am not saying for a moment that we should get rid of long service leave, but I am saying we should be careful about to whom we authorise the extension of portability.

In this instance in respect of academic staff at tertiary institutions, I think a very good case could be made for portability of long service leave to be granted. Professionals within institutions are required to travel to other institutions to further their professional careers in one way or another. It is clear that it is not fair to expect that their long service leave entitlements be therefore penalised because they are in effect improving their country's knowledge and skills. However, to then extend the argument to the non-academic staff at institutions is, I think, drawing a very long bow. It is saying that long service leave is not, as the term implies, a reward for long service but is merely an adjunct to their salary and employment conditions. I do not believe that that was the original intention of long service leave and I do not think it should be now. I express concern at that part of the legislation which will ensure it will occur.

We do not wish to oppose this legislation because we could then rightfully be accused of throwing the baby out with the bath water. The Opposition, however, is concerned that the principle is being extended to a group of workers who do not, in our view, have a legitimate argument for the portability of long service leave to be granted to them. The Opposition will be very concerned if the benefit which is to be granted to that group of workers flows on to the general community, because we do not believe that the general community and industry in particular have the ability to meet those imposts at this time. In fact what is needed at this time is a recognition that industry in Australia is really under pressure and that some of the cost burdens which it is now being asked to bear must be relieved if we are to have a productive sector of any resilience or vibrancy in the future.

We have consulted both WAIT and WACAE about the legislation. Of course the Government has consulted and worked with those institutions in forming the legislation. I congratulate the Government for that, and, apart from the reservations I have expressed, we on this side have pleasure in supporting the legislation.

**MR PEARCE** (Armada—Minister for Education) [4.20 p.m.]: I am grateful for the Opposition's support of this legislation. I make the point, in case members are mistaken, that the portability referred to in the Bill is the portability of superannuation benefits and not long service leave.

The Bill is a commendable one.

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 Mr Pearce (Minister for Education), and transmitted to the Council.

**CONSTRUCTION INDUSTRY PORTABLE  
PAID LONG SERVICE LEAVE BILL**

*Council's Amendments*

Amendments made by the Council now considered.

*In Committee*

The Deputy Chairman of Committees (Mr Burkett) in the Chair; Mr Parker (Minister for Minerals and Energy) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 15.

Page 13, lines 27-29—To delete the words "such investment or category of investment as the Minister may approve" and substitute the following—

any authorised investment within the meaning of the Trustees Act 1962-1978

No. 2.

Clause 22.

Page 17, line 28—To insert before the word "misconduct" the word "serious".

No. 3.

Clause 23—To delete the clause.

No. 4.

Clause 29.

Page 20, line 22—To delete "\$100" and substitute—

For a first offence \$200, for a second or subsequent offence \$400.

No. 5.

Clause 29.

Page 20, line 27—To delete "\$500" and substitute—

For a first offence \$200, for a second or subsequent offence \$400.

No. 6.

Clause 54—To delete the clause.

No. 7.

Schedule.

Clause 1—To delete the clause and substitute the following—

1. Notwithstanding anything in section 21, a person who is employed as an employee on the appointed day who applies for registration as an employee at any time on or after the appointed day and is registered as an employee is entitled to have the days of continuous service with that employer preceding the date of his application included as days of service.

Mr PARKER: I move—

That amendments Nos. 1 to 7 made by the Council be agreed to.

Mr CASH: The Opposition appreciates the Government's acceptance of the amendments which were moved in another place in respect of this Bill. It shows clearly that the Government listened to the Opposition during debate on the various stages of the legislation.

On reflection, the Government is now prepared to accept the important amendments which, in part, were moved in this place, but were lost. However, the situation was different in another place and the Government has now accepted them.

Question put and passed; the Council's amendments agreed to.

*Report*

Resolution reported, the report adopted, and a message accordingly returned to the Council.

# APPROPRIATION (GENERAL LOAN FUND) BILL

## *Second Reading*

Debate resumed from 31 October.

**MR TRETHOWAN** (East Melville) [4.26 p.m.]: I want to raise the same matter in this debate as I raised last year because the Government has taken no action to correct the situation. I refer to the Applecross Senior High School. Last year in this debate I raised the serious problems confronting students at that school.

The school is over 30 years old and it was designed and built in the 1950s when building materials were not readily available and were not of the same standard as those available these days, and the design criteria for high schools were very different. The school is now considered to be an old school and it lacks many of the facilities that modern high schools automatically have included in them at the design and construction stage.

Recently some money was spent on the maintenance of the school. It corrected the problems such as the asbestos roof and included repainting, renewing carpets and adding additional heating equipment to counteract the coldness of the buildings in winter. However, the money spent on the buildings has been kept to a bare minimum.

The school is one of the best schools in this State and that is shown by the high level of results gained by its students in the TAE examination. The academic standards at the high school are very high and both the staff and students are very proud that they have been able to achieve those standards in spite of the physical problems with which they are faced in the buildings they use.

To illustrate the problem again, the school is an arts specialist school, yet the art classes in this school are held in two old classrooms on the second floor of the building which faces north. The result is that there is reasonable light, although the light is not as good as in a specially-designed art room, and in summer the students and staff have to put up with extremely high temperatures which makes the kind of work they are doing very difficult.

A few years ago a ceramics section was built on to the school and it is of very high quality and meets the needs of the school extremely well. However, for an arts specialist school not to have a specialist art teaching room is little short of ridiculous and it certainly hampers the performance of the students.

That was one of the first requests that was put to the Minister for Education, not only by myself during the debate last year, but also by the P & C association. In fact, the Minister visited the school only a couple of months ago at my request and at the request of the P & C association. He was able to see the problems for himself, but still no action has been taken in regard to these problems.

The library building, although more recent than the rest of the buildings, is now totally inadequate for the needs of the school. Students have to be rostered in order to use that building during school time.

For instance, during one lunch period the students in years 11 and 12 may have the use of the library. The lower three years are precluded from using the library during that lunch period because there is not the room physically available to accommodate those children. Similarly, the year 8 students have a day on which they can use the library. This rostering is to the detriment of the students because they cannot research and work and utilise the library's facilities when they want to. That is inadequate for a major high school. The library should be expanded significantly in terms of the area available to students. It is a very considerable need.

It is not only the art area of the school that is of very high quality; there is also a great interest of both students and staff in music and drama at Applecross. They have a very good band and each year they produce an excellent musical play. The performances are of a high standard, and in fact some of the senior students at Applecross are near-professional performers, having worked in television and in the public area. Yet, there is no suitable music-drama area in the school. In many cases they have to make use of an unsuitable classroom area which, when the musicians are endeavouring to practise, causes interference to other students in the school.

Mr Mensaros interjected.

**Mr TRETHOWAN:** Luckily Applecross does have seats for its hall but that probably took a number of years to achieve.

There are sufficient seats in the hall. It is a good hall of a reasonable size, but it does have a problem with storage. It is used for a multitude of purposes—for example as a gymnasium and school hall, and for performances for theatre and music. At other times it is used for storing sporting equipment that is used during the day for sport. At present, the hall has no

suitable place for storing that equipment. There is a need for an addition to the hall of sufficient size and room to allow the easy moving in and out of the equipment required for the turning of the hall into a gymnasium.

Lastly, there is a major problem with the first aid nursing post at the school. The current first aid post is a makeshift situation. It is formed from a disused lavatory on the second floor of the building. It is extremely small and it is a problem because if both a boy and girl happen to need treatment at one time, the girl can be accommodated in the nursing post but the boy has to remain outside on the verandah. That is an unsatisfactory situation. Also, it is situated on the second floor of the building which has relatively steep stairways, and should any student break a leg or any other significant joint other than an arm, he would have to be physically carried up to the nursing post to receive first aid treatment, then taken down again, presumably to an ambulance to go to hospital. The situation is totally ridiculous. There is an extremely urgent need for a ground-floor nursing post to be established, suitably equipped and designed, in the school grounds.

I mentioned all of these matters in this debate last year. I have had the Minister out to visit the Applecross High School and I thank him for the courtesy of coming out and viewing the situation of the school and meeting with members of the P & C association to discuss the matter. They put to him very clearly the urgency of this situation. However, I see in this particular section of the Budget that there is no allocation to Applecross High School and I understand it is not yet listed for next year's programme. I find that situation totally unsatisfactory and so do the people in my electorate.

The parents of Applecross children have realised for a long time that there are other, newer areas that need new schools because those children in those areas do not have a high school to go to. Consequently they have been prepared to put up the buildings they have, which are substandard nowadays, for a high school. They have been prepared to make an extra effort to ensure that the students do not suffer unduly. The staff, parents, and students have made a tremendous effort to ensure that the standards of the school are maintained.

The school has now a very good computing centre. There is about \$35 000-worth of equipment. The department provided nearly \$3 000 of the finance for that equipment. The rest was raised by the parents and citizens association of that school and by the students. That just

shows the interest that parents in the Applecross area take in their children's education and that is the expectation they have of their school.

That also is borne out by the very high levels of achievement that students going on to years 11 and 12 maintain at Applecross. The school is an art specialist school. It also has a language laboratory and a significant gifted and talented section, yet it has not been given some of the fundamental facilities that any high school would need in order to maintain its standards and provide for its students and staff the kind of environment conducive to optimum performance. I find that unsatisfactory.

When I looked at the General Loan Fund Budget this year, I found much money had been spent on schools. I found it somewhat not unexpected but disappointing that much of the allocation seemed to go to those areas which could be termed as marginal seats. In fact, not only did I notice that, but members of the Government themselves have trumpeted this fact in the local Press in some of those marginal areas. For instance, in the *Wanneroo Times* of last week there was an advertisement which was headed, "We've budgeted to make things better in Joondalup." The Government said it had spent \$8.5 million on education including Ocean Reef High School, the construction of new primary schools at Kingsley, Heathridge, and West Heathridge, and the completion of stages one, two, and three of the Woodvale High School. I do not begrudge people living in the new suburbs adequate facilities, but I do maintain that my job in coming to this place is to represent my electors; and when my electors and their children are being disadvantaged by Government action, it is my job to stand in this place and make it quite plain.

Mr Taylor: Your Government disadvantaged the people of Kalgoorlie for nine years.

Mr TRETHOWAN: Because members of the Government know that East Melville is a safe Liberal seat, they in fact believe it can wait. It is not of any political significance. The Government finds that it can avoid making decisions that would assist the parents and children living in my electorate.

I notice that the John Curtin High School, which is in the electorate of Fremantle, has managed to receive \$100 000. It had to fight pretty hard for that.

I suggest that they had to fight very hard for those funds. Their advantage was that the lower House and upper House members for that electorate are both senior Ministers. They managed to get \$100 000. That is probably not enough for their needs, but it is a start. It would have been a start for Applecross Senior High School if it had received \$100 000. However, it has received nothing and is not yet listed for any of these needs on the coming project list. I find that unsatisfactory.

The Government can find money for areas it believes are important. It has money to bolster its entry into the private sector, but it obviously cannot maintain its own viability and it needs to use taxpayers' money to get into these areas. The money would have been better spent if it had been put through to Applecross Senior High School to provide the facilities required because through schools such as Applecross many students receive the skills training that in the long-term help to generate the wealth of this State. Many people have gone through Applecross Senior High School to tertiary institutions to become leaders in their fields of endeavour. The parents and children in my electorate are grossly disadvantaged because no provision has been made in the current Budget for the works at Applecross Senior High School and it is not on the list at present for these works to take place in a future Budget. I would understand, and I am sure people in my electorate would understand, if the work were staged in terms of meeting the needs of the school. However, no move has been made so far.

Mr Pearce: For a party that keeps telling the Government to cut back on expenditure, you are big on asking the Government to spend more money.

Mr TRETHOWAN: It is a matter of priorities. The Labor Party and the Government have made decisions about where education funds will be spent having a regard to where they will gain the most votes.

I recognise the needs of new developing areas but the needs of my constituents with regard to Applecross Senior High School have been overlooked for too long. The people of Applecross have made representations and have received no advantage.

Mr Taylor: How long have you represented that area?

Mr TRETHOWAN: For 5½ years.

Mr Taylor: What happened in the other three years?

Mr TRETHOWAN: In the first two years we managed to connect the school to deep sewerage, new carpeting was installed and paintwork done, commencement was made for repairs to the roof, and extra heating was installed in the classrooms. The upgrading carried out was to bring it to the basic standard for high schools.

Mr Taylor: What else do you want?

Mr TRETHOWAN: What a new high school would have.

Mr Taylor: You have a Taj Mahal.

Mr TRETHOWAN: I will invite the member for Kalgoorlie to my electorate to explain to the parents and citizens association that their school is a Taj Mahal. The school was built at a time when building materials were scarce in this State and design standards lower than they are now for modern high schools. The school consistently produces excellent students because of the good and hard work of the students and teachers and the interest and hard work of the parents who provide those facilities which are not provided at that school but which are provided in other schools.

Mr Hodge: What about Melville?

Mr TRETHOWAN: It has extremely good buildings, it is extremely well fitted out and I do not think the students attending Melville Senior High School suffer the same disadvantages as a result of the buildings which the students of Applecross suffer. Melville school is about 12 or 15 years newer than Applecross and it was built at a time when design standards were significantly different. It is built of brick and it is well insulated. They do not suffer from the problems suffered at Applecross in terms of heat, exposure and noise. Melville school has a problem in terms of being sited close to Leach Highway but I have not received any complaints about that school. It also has surplus accommodation which allows greater flexibility in its use. That is not true at Applecross because of the level of demand, not only within the area but also from outside the catchment area. Many students attend Applecross because it is a specialist school in a number of areas. It is run at its maximum capacity of 1 200 students and although efforts are made to keep within that figure, it sometimes has slightly more students than that. That is why I am so concerned about the lack of action by the Minister in terms of that school.

Upgrading programmes have recently been completed at Hollywood Senior High School and a programme is under way at present at Perth Modern Senior High School. These



schools are equivalent to Applecross, yet no action has been taken at Applecross and no indication given as to when it will take place. It is most unsatisfactory and I know the people in my electorate are aware of the way in which the current Government is treating the major high school in their electorate and in so doing disadvantaging their children.

I wish to move to another subject which I have covered before in the Budget debates, with a certain sense of "I told you so". I relate this to the current major slip in the Australian dollar and the 3.8 per cent wage increase granted by the Australian Conciliation and Arbitration Commission. I mentioned previously that if no action was taken on the devaluation, and if costs of increased consumer goods brought about by the devaluation of the Australian dollar earlier this year were passed through the wage rises directly, it would have a significant inflationary effect on this country in the next 12 months. I said also that if it happened the competitive international advantage we would have achieved by that devaluation—which in fact was the accurate international valuation of our currency and our economic performance—would be lost. In fact, both have happened. Firstly, by passing that full cost of the devaluation through into the wage rise of 3.8 per cent the arbitration commission has nullified the advantages that would have occurred.

Mr Taylor: It will be discounted next year.

Mr TRETHOWAN: That is quite true but I ask the member for Kalgoorlie: If he were given the option of receiving \$10 000 now and having to repay it next year or having to wait until next year before receiving it, which would he choose and which would make him better off? Obviously, he would be better off if he took the \$10 000 now, invested it and gained interest, even if it must be repaid next year. The reverse is true; if a person has to raise an overdraft of \$10 000 for 12 months before getting income, before paying it back he will have to pay interest on that loan. It will cost him money and that is what the wage rise is now doing.

Mr Taylor: Under the accord, real wages have fallen.

Mr TRETHOWAN: The international community has valued our dollar at its assessment of our competitive price. It may well be that wage levels have fallen in real terms but it is also true that maybe they were far too high in real terms, compared with the productivity and

gross domestic product of this country. If that were not the case, the currency would not have been devalued. By passing on the costs in Consumer Price Index resulting from the devaluation, the advantages the country as a whole may have gained from the devaluation have been severely curtailed.

Even if that devaluation will be phased in next year through some form of discounting the effect of that discounting will be minimised.

Mr Taylor: There are also great advantages in maintaining the prices and incomes accord.

Mr TRETHOWAN: There might be great advantages in some circumstances in maintaining the prices and incomes accord—

Mr Rushton: There are great risks too.

Mr TRETHOWAN: —but there are also great risks.

Mr Taylor: There are great risks, but the advantages far outweigh the risks.

Mr TRETHOWAN: The risks are that the percentage rise will be passed on irrespective of economic and productive performance in this country. The Australian dollar immediately after that wage rise slid down again very significantly.

Mr Taylor: The economic performance of Australia over the last three or four years is far greater than you blokes achieved under your Government.

Mr TRETHOWAN: The performance of the world economy over the two or three years has been greatly increased.

I want to go back to the typical argument the Government put forward. The Treasurer said the tax package is good. Look at the response of the stock market. The stock market is up. I could use the same argument in this case. This falls down to the economic performance of the Hawke Government, and the wage increases and the stock market are hit to billyo.

Mr Taylor: Rubbish.

Mr TRETHOWAN: If that is the judgment of the Government it is being faced with judgment now.

Mr Taylor: The stock market indices are far more encouraging now than they were a few years ago.

Mr TRETHOWAN: The international community measured our performance and put a price on the dollar which is significantly lower than it has been; in other words, they said, "We are going into hard times. Your economic performance is not good. Your inflation rate will

be clearly double that of your trading partners. You are in real trouble. We will cut down all wage increases. This is the reality of your economic position. If you do not do that we will have to devalue the dollar again." That is what we have done because we were faced with that crisis. Not only that, but also investors in such areas have done exactly the same thing in terms of the way they have dealt with that economic performance. The Government cannot have it both ways. It either has to face the criteria it laid down or choose to live in this fairyland world. It seems to choose to live in that fairyland.

As I have said a number of times, the matters contained in the Federal Budget in regard to the tax package have caused long-term concern by a number of people about the performance of the Australian economy. That tax package is hitting the very area which is now in need of stimulus and incentive. It is hitting at the business community as a whole. The tax package gives very little real advantage to the business community. The disadvantages far outweigh the advantages.

As I said previously, the reason the Federal Government did not fight to hold back the cost increases due to devaluation from the wage rise granted by the arbitration commission, is that it could not do so because politically the Government is enslaved to its master, the trade union movement and the trade union movement would not stomach it. The trade union movement would stomach a gesture which really will have very little effect in delaying that discounting until some time next year when the cost of inflation will be such that it will almost nullify that figure anyway.

The situation is extremely serious. If we do not take action to face our realistic position in terms of our trading partners, to face the fact that we are going into escalated inflation, or to face the fact that our economy is entering a downward spiral, we will be in a very serious position in 12 months' time. Today's *Daily News* headlines echo the concern of the Opposition for the individual citizens of this country. Because of our economic performance there is very little likelihood of there being any reduction in interest rates until the middle of next year. Possibly interest rates could go even higher because the Government will be forced into a tight monetary policy to stop the slide of the Australian dollar and that will mean they will be taking more out of the Australian money market than they are at present in order to restrict the supply of funds and to restrict the

borrowing and therefore lending of the private sector. By doing that interest rates will increase and it will particularly affect those people who primarily have to borrow money for homes, those people who make the biggest investment of their lives in regard to borrowing the capital to purchase a home. These are the people who are helping to pay the costs of that interest rate rise. The Government cannot duck away from this situation. It must face up to the economic realities of today.

This is the last general debate in which I will be speaking in this House and consequently I would like to give my thanks to the officers of this House who, from the time I was elected a member until now, have provided me with the greatest cooperation and courtesy. I greatly appreciate the very difficult job officers of the Parliament have. They are faced with very difficult working conditions in many ways and have a very stressful job. I believe these officers have acquitted the job extremely well. My appreciation of those people who keep this place running has been extremely high during the time I have been a member of Parliament. All members owe a great debt to them for the way they carry out their duties.

I greatly appreciate the cooperation and assistance I have received from my colleagues on both sides of the House. I am not cynical about this institution. It is by far the best proven system of democratic Government that we have so far seen. The majority of members come to this place with a relatively selfless undertaking to serve their constituents and to see that the best is done for this State and country. Sometimes when people watch this Parliament in session they do not see the reality that lies behind the doors of the House. They might see members sleeping in their seats. If they did so this afternoon, it surely would not be a sin for a member to be asleep in his seat because he worked until 4.30 this morning. It is an interesting system of life. It is not very easy, unless one has a knowledge of this institution and has seen it in operation for a long time, to understand the necessities of parliamentary life and the demands placed on members of Parliament.

I believe very strongly in this institution and I have a very high regard for the selfless way in which many of the members with whom I have worked have handled their jobs, and it is certainly with that appreciation that I leave as a member of this House.

During my time as a member of Parliament I have received many things; I have done a lot of work, but I have also received opportunities which I do not believe I would otherwise have received. I have managed to travel to places both within this State and throughout Australia when otherwise I might not have had the opportunity to travel to those places; I have had the opportunity of talking with people when otherwise I may not have had that opportunity, and I have had the opportunity to understand a little about the way the needs of Western Australia are being fulfilled, about the processes of Government and the difficulties that any Government faces in meeting the needs of the State, and also in seeing the difficulties that the State faces in maintaining its position in relation to the Commonwealth. I am very grateful for those opportunities and for the understanding they have given me in regard to our political system.

I hope that all those who serve in this Parliament continue in the way that the principles of the House are evolved, and that is: Of service to the State, of freedom, openness and discussion, and being prepared to face inquiry and criticism.

It is only through the preparedness of members, political parties, and Governments to face those sorts of queries and that sort of scrutiny that we can be assured of maintaining the kind of political freedom we have in this State. That freedom is probably among the greatest or equal to the greatest of any country in the world. Through that we can see the kind of future we all want for this State and for our children.

[Applause.]

**MR PETER JONES** (Narrogin) [5.01 p.m.]: I want to take a few moments to comment on the General Loan Fund and also on the Western Australian Development Corporation and the funds that have been provided for that organisation. It is unfortunate that that body so far has not managed to produce a report. A report has been tabled, but none has been made available for the general public as yet, as I understand it. I am told by the clerks that copies have not been provided. The typewritten report that has come forward is very long in terms of what the body and its subsidiaries are seeking to do but very short in terms of what has been accomplished.

It says, for example, that it is promoting economic activity. It says it is totally independent of Government and promoting free

enterprise. The report says WADC has boosted economic activity, but then refrains from telling us how that has been done. It flies certain kites about the things it is considering and those it has already addressed. For example, it identifies the Perth Technical College site as being one where economic activity has been boosted because of WADC's involvement. It refers to the Commonwealth land at Leighton. Through its report this body is implying that without the WADC those particular functions could not have occurred or that economic activity would not have happened. What a load of divine arrogance that is! There is nothing new in what this body has done which could not have been done by somebody else or an existing organisation had it been given the same opportunity.

The report then goes on and touts the WA Diamond Trust as one of its great achievements. Indeed, it talks about its being very innovative. The report fails to say that several million dollars of Western Australian public funds have been lost in the Diamond Trust through the value of the shares sinking to approximately 30 cents below their subscribed par value. The WADC itself holds five million units, so there alone is \$1.5 million which has been lost.

In addition, the Premier has advised in answer to a question that other units are held by the SGIO and so on, so public funds invested in the trust have been lost. There is not one word of mention of loss made of that in the report. Indeed, the report even goes so far as to value units in the trust at \$1 which is the par value, whereas some of the other agencies have put the value of other shares in at market price because they have risen above the purchase price.

**Mr MacKinnon:** A bit misleading?

**MR PETER JONES:** It is deceitful. I am not saying it is illegal, but they might at least be completely truthful in what they say.

We are going to hear quite a bit more about this yet. Everything to do with the Diamond Trust and the Government's involvement in Argyle was a great confidence trick. The Government told this Parliament in 1983 that it was purchasing a five per cent equity which came with the purchase of Northern Mining NL on information which it did not make public, but which was available to some people, and some of the information such as cash flow and projections showed that diamonds would appreciate at a fixed percentage per annum.

Instead of that the price has sunk. There is no word about that in the report. The Government paid a grossly inflated price for an equity interest which was then floated off in a great confidence trick in which a lot of Western Australians lost money. We see no mention of that in the WADC report.

This body and its satellites have gone and found another avenue—the great takeover of the Kimberley pastoral leases. I am sorry the member for Kimberley has left the Chamber because I have seen some correspondence between two of the officers of Exim and WADC, Mr Easton and Mr Gale and the member for Kimberley, regarding what was happening in that area. Mr Gale talked in one letter about what he was doing to fulfil the great dream which the member for Kimberley had about revitalising the pastoral industry. That was in answer to a letter from the member for Kimberley to the Premier in which he expressed concern about what was being done. I have seen a copy of that letter.

Mr MacKinnon: Did he get an answer?

Mr PETER JONES: Not that I have seen. It was answered on the Premier's behalf by one of the people from Exim who outlined what was going to happen. I am one, and I do not know about others, who was very critical of these bodies. Ultimately they must take responsibility for their actions. I think perhaps some members of the board of WADC and Exim might care to have a look at what has been going on because a lot is being done in their name. I would be surprised if they knew anything about it. I wonder if they know about the letters and the actions of Mr Gale and Mr Easton and certain decisions and comments they have made.

For example, I refer to Mr Easton's comment in a letter which will come out in due course in which he says he will not provide information publicly for this Parliament about the activities of Exim. I wonder if the directors of that body know about that. What arrogance on the part of a man who himself has some suspicious circumstances regarding his activities in his previous employment. The Premier said in this House that it was a Government appointment.

Mr Brian Burke: I did not say it was a Government appointment, I said the board of Exim appointed him.

Mr PETER JONES: The Premier said in answer to a specific question that it was a Government position, because I took it up in subsequent questions and raised the point about whether the Cabinet knew.

Mr Brian Burke: Where is the evidence?

Mr PETER JONES: I will be happy to produce the question.

Mr Brian Burke: I said he was appointed by the board.

Mr PETER JONES: I am certain the Premier said that, but he also said it was a Government decision. I continued the questioning because I asked whether Cabinet had made the appointment. I followed up the Premier's definition of it as a Government appointment and he said that Cabinet was aware of the appointment and supported it. In other words, Cabinet knew nothing about it and it did not make the decision. The decision was made by the Chairman of WADC, who then told the Premier who was going to be appointed.

The point I want to make is there is absolutely no excuse or justification for persons associated with these bodies to act independently of their directors. There is certainly no justification for the absolute arrogance that is contained in some comments in the report. There is no justification for the arrogance contained in the actions of some of these people in saying they will not provide any information to the public of this State which is funding them or to Parliament which is now being asked to find more money so that these bodies can do things in secret without any accountability whatsoever.

Indeed, that lack of accountability is the key to two things; firstly, the absolute arrogance with which this Parliament is treated so far as questions relating to the activities of those bodies are concerned; and secondly, in relation to some of the activities of that body that they do not want anyone to know about. I want to mention two or three of those quickly. I emphasise that I am quite sure that those directors—and some of them are my friends—are not aware of what is being done in their names—matters for which they are ultimately responsible.

Some months ago I was approached by an executive of a resource company in this State who was considering a significant expansion of his business, to the tune of \$50 million to \$60 million. He discussed it with his bankers, and surprise, surprise! He was having a little difficulty but some time later he had a phone call

from WADC which said, "We understand you are trying to raise money. We will make it easy for you regarding Government approvals and all those things and help you with the money, but we want a piece of the action." What a help that is! Naturally, the matter came to nothing and the person concerned was so appalled at what had happened that he made it quite clear he would not stand for it.

Mr Brian Burke: Hang on—who are you talking about?

Mr PETER JONES: I am quite happy to tell the Treasurer, but I am just giving an example.

The telex sent by the Chairman of WADC to BP in Melbourne at the time of the Seltrust proposal was an absolutely arrogant communication in which he said, "What I am doing has the full support of the Premier." It was virtually a takeover, with him saying, "I have the support of the Premier. We are appointing Hill Samuel to look at you"—that is, BP and Seltrust—without even asking them in the first instance whether they would like to do it. Naturally, they did not keep it a secret but passed it around. What sort of a bum outfit is it?

The last example I shall give, because I am running out of time, concerns another resource company executive whose company was the subject of a threatened takeover. He went to WADC of his own volition and discussed the matter with the chairman, thinking it was the proper thing to do in the prevailing circumstances. And lo and behold, what happened? A week or two later he discovered that the WADC had gone to the company proposing the takeover, from which he had sought protection, and tried to get a piece of the action there. Whereupon the company executive went to WADC and said, "Who are you working for, yourself or me?"

What is the situation when this Parliament has brought into being a body like that which now says it is independent? That is what the annual report says—that it will remain independent. That means it is unaccountable and it treats this Parliament and the people of this State with such independent arrogance that we are now asked to give it another \$10 million.

There is no way that this Parliament or any member of this Parliament should allow a body to receive funding in the proportion that this Parliament is being asked to shovel out. It is being asked to shovel out money for it with no accountability, with the type of activity that is going on and some of the thugs associated with

it; and what they are doing with their standover tactics should not be tolerated in any way whatsoever. I totally oppose that.

Some of the things WADC is attempting—the initiative which promotes investment and gives help—can certainly be done by somebody else; that body does not have a unique mortgage on it and is not the only body able to do that. I do not say that everything it has looked at is unnecessary and not beneficial but it certainly can be done by other people. When a body says it is not accountable it should not receive the confidence and support of this Parliament.

Debate adjourned, on motion by Mr Mensaros.

### [Questions taken.]

*Sitting suspended from 6.00 to 7.15 p.m.*

### BILLS (6): ASSENT

Message from the Governor received and read notifying assent to the following Bills—

1. Acts Amendment (Hospitals) Bill.
2. Queen Elizabeth II Medical Centre Amendment Bill.
3. Contraceptives Amendment Bill.
4. Electoral Districts Amendment Bill.
5. Gas Standards Amendment Bill.
6. Casino Control Amendment Bill.

### BILLS (2): RETURNED

1. Local Government Amendment Bill (No. 2).

Bill returned from the Council with amendments.

2. Camballin Farms (AIL Holdings Pty. Ltd.) Agreement Bill.

Bill returned from the Council without amendment.

### REGISTRATION OF BIRTHS, DEATHS AND MARRIAGES AMENDMENT BILL

#### *Receipt and First Reading*

Bill received from the Council; and, on motion by Mr Carr (Minister for Police and Emergency Services), read a first time.

#### *Second Reading*

MR CARR (Geraldton—Minister for Police and Emergency Services) [7.19 p.m.]: I move—

That the Bill be now read a second time.

This Bill effects two major changes to the Registration of Births, Deaths, and Marriages Act. The first change is to allow a choice of surname under which a child may be registered in the register of births. The Act now requires that a child take the surname of the father unless the mother does not disclose the father's particulars at birth, in which case the child takes the mother's surname.

It is proposed that in future there should be a choice of using the surname of either parent or a combined form of the surnames of both parents. This choice of surnames will apply where the names of both parents are recorded on the registration of birth and they have different surnames.

Clause 5 provides that where agreement cannot be reached between the mother and the father in respect of the surname or combined form of surname proposed to be registered, registration shall occur in accordance with present procedures.

The second change will allow the entry in the birth register of a surname which is nominated on the basis of a recognised religious or ethnic custom or naming procedure. This choice will be available where either the mother or father or the child subscribes to the religion or is a member of the ethnic group in question.

This change is of particular relevance to members of the Malay Islamic community of the Christmas and Cocos Islands living in Western Australia, who have for some time sought to register births in accordance with their religious and cultural requirements.

There are obvious problems in attempting to accommodate our Act to naming customs which members of the Malay community, for example, have expressed a wish to follow. The idea of persons having given and surnames has been used since the establishment of birth records in Western Australia. The same idea is reflected in the registration systems used in the other Australian States and territories, and is acknowledged in much important legislation in both Commonwealth and State jurisdictions. Clearly, it is far too ingrained to be changed in any fundamental way.

Members of the affected communities have now accepted that they must be prepared to put forward some name for registration as a surname. Implementation on that basis is now provided for in what will be subsections (3), (4), and (5) of the new section 21A, which is set out in clause 4 of the Bill. The proposal is that with children belonging to prescribed ethnic

groups, the registrar will accept for registration as a surname any name nominated by the parents and which, in his opinion, is in accordance with the naming procedure of the particular ethnic group.

Clause 7 provides that the mother and the father of a child whose surname was entered in the register of births prior to this amendment may apply to the Registrar General to amend the register of births to enter as the surname of the child a surname in accordance with a recognised religious custom or naming procedure. It is proposed that this apply for six months from the date on which a relevant religious or ethnic custom is prescribed. Fees will not be charged for effecting such changes.

It is also proposed to amend registration of birth forms to include reference to the mother's occupation. Current forms show only fathers' occupations.

It is also proposed to add reference to a mother's occupation on registration of death forms. These changes will have the effect of treating both sexes in a non-discriminatory way, and is consistent with the Government's general policy in this area. Clause 8 effects this by amending the second schedule to the Act.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Mensaros.

## **FIRE BRIGADES SUPERANNUATION BILL**

### *Second Reading*

Debate resumed from 29 October.

**MR THOMPSON** (Kalamunda) [7.26 p.m.]: The Opposition supports this Bill which essentially does four things: First, it establishes two separate boards which will be responsible for administering the two funds which have been in existence for some time. I refer to the fire brigades superannuation fund and the fire brigades disablement fund. Both these funds were set up under the existing legislation and were specifically designed to benefit the employees of the Western Australian Fire Brigades Board. In my view both funds have been administered in a fair and equitable way. However, there is need to have legislation of the type before the House to allow more flexibility with respect to the administration of those funds.

The Opposition supports the intention that those people who contribute to the fund should have a say in how the funds are invested. One of the thrusts of the Bill is to provide for the contributors to elect persons to serve on the

boards of administration of these two funds. The intention of the Bill is to have an equal number of employee-appointed and employee-elected members on both boards. The Opposition can see nothing wrong with that.

Mr Davies: It is a great initiative.

Mr THOMPSON: Yes, I suppose it is a great initiative.

The Bill will give more flexibility with respect to investments which may be undertaken by the two funds. In a changing money market it is essential that superannuation funds be freed-up to take advantage of the money market. Because of the deregulation which is occurring in the finance industry, the two bodies to which we are referring would be disadvantaged if they did not have the freedom to make investments as the money market is freed-up. The Opposition supports that proposition.

The public purse will be protected as far as public funds are concerned because there will be equal representation from the WA Fire Brigades Board on the boards. One must have regard for the fact that the Fire Brigades Board is made up heavily of representation from the insurance industry. The people from that industry will, I am sure, use their expertise to ensure that the best possible result will come from the investment of the available funds. While some people may baulk at the proposition that contributors to the fund may become a little overzealous in regard to requests for contributions from the employers, the employers will still have a very big say in how much money will be made available to the fund. The Opposition supports this proposition.

This Bill covers employees from the Western Australian Fire Brigades Employees Union, the Western Australian Volunteer Fire Brigades Association, and the Fire Brigade Employees Credit Union Society. All these organisations will provide membership of the superannuation fund for their employees. There is nothing wrong with that.

A very good friend of mine, Tony Harris, is the president of the union. I remember kicking his backside when he was an electrician with the Public Service. I have known him since he was a lad and his character is of the first order. I know that he will welcome this move.

It is only appropriate that the employees should be covered by some sort of superannuation scheme. I cannot think of a better scheme to cover them, bearing in mind

that Tony Harris was a fireman before he became secretary of the union. But it is the people that his union employs who will be covered by this scheme.

The situation with respect to the Western Australian Fire Brigades Association is a little different. Although many volunteer firemen in this State are members of the association, they will not be eligible to be covered by this fund, as it covers only the employees of the association. I take it that mention in the Bill of the employees of the association, refers to those very few people who serve in the office of the association. It does not refer to the thousands of volunteer firemen who are attached to the various volunteer fire brigades throughout the State. The Minister has nodded his acceptance of that proposition. That is well understood, because the volunteers are not employees of the Western Australian Fire Brigades Association. They simply make their time available on a voluntary basis to provide a very worthwhile service to their community by their association with the volunteer brigades.

At this point I pay compliment to the work that is done by the volunteers who are members of the Volunteer Fire Brigades Association. For many years I was a volunteer fireman. In fact, I was an office bearer of the Midland Fire Brigade. It was with some sadness that I saw that particular organisation disbanded when progress dictated that there should be a fully professional service at the Midland station. It was with some gratitude that I learned recently that the Minister had taken some action to stop a similar sort of thing happening with respect to the Guildford and Bassendean fire brigades. They too were heading down the same track that the Midland brigade went.

It is important that volunteer firefighters still be recognised. I suggest to the Minister that there is a place for volunteers to continue in places such as Bassendean and Guildford, even after justification for the establishment of a fully professional service. I recall that at Midland thousands of hours of volunteer time went into that service. Indeed, the meeting hall was built on Western Australian fire brigade land with the toil of volunteers. In that hall were trophies and memorabilia going back many years, to before the turn of the century. To this day I wonder what happened to those trophies and that memorabilia and all the photographs that were in that particular building. However, progress dictated that change should occur and change did occur in that particular situation in

a way that was and is to be regretted. Had I had any opportunity to have an influence at that time, I would have endeavoured to keep alive the volunteer movement.

I applaud the present Minister for the endeavours that he has made to keep alive those two organisations at Guildford and Bassendean or at least to allow them to continue in spite of the fact that there is an increasing trend to a fully professional service.

To return specifically to this legislation, we believe that it is appropriate that the funds be placed under the control of a body or bodies which are made up of employees as well as the employer body; that they have more flexibility with respect to the investments that they may undertake; and that the fund be expanded to include the employees of the Western Australian Fire Brigades Union, the employees of the Western Australian Fire Brigades Association and the employees of the Fire Brigades Credit Union.

We support the Bill.

**MR CARR** (Geraldton—Minister for Police and Emergency Services) [7.35 p.m.]: Briefly, I thank the member for Kalamunda and the Opposition for their support of this proposal. I believe that the member has given a very good outline to the House of the purposes of the Bill and of the arguments that support the Bill's being brought before the House at present.

I respond also to his comments with regard to volunteer firefighters. I agree with him that the volunteer movement has been a particularly important and valuable movement. It is still a very important part of the firefighting services in Western Australia. As has been outlined by the member for Kalamunda, they have a very proud history and still play a particularly important part. In the short time that I have been Minister for Police and Emergency Services, I have been impressed by the extent to which our emergency services' preparedness in general relies on volunteers, not only fire brigade volunteers, but also bushfire volunteers, State Emergency Services volunteers, St John Ambulance Brigade volunteers and volunteers of the Surf Lifesaving Association and the Sea, Search and Rescue Association. The list goes on. Surely if a Government had to pay for that sort of preparedness it would mean an enormous bill for the Government.

I certainly join with the member for Kalamunda in acknowledging the role of those volunteers.

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 Mr Carr (Minister for Police and Emergency Services), and transmitted to the Council.

## BLOOD DONATION (LIMITATION OF LIABILITY) BILL

*Second Reading*

Debate resumed from 29 October.

**MR THOMPSON** (Kalamunda) [7.41 p.m.]: An important part of our process in the passage of legislation results in the community having an opportunity to study the legislation which comes before this House. It does not matter which party is in Government and which is in Opposition, the process is very similar. The Government decides to bring legislation before the House, it does its work on it, and it considers it in its party room or in Caucus.

No-one needs to know much about that legislation except those very close to the Government in the party which forms the Government. The first thing the community knows about the legislation is when the Minister makes his second reading speech and the Bill is circulated in the House. The opportunity for the community to react to that legislation cannot start until that has happened.

The Opposition has a responsibility to examine the legislation and talk to the people in the community upon whom the legislation will have an impact. The person deputed by the Opposition will talk to a committee and then go to his party room to make recommendations to support the legislation, to reject it, or to endeavour to amend it.

We have not had sufficient time for that process to occur. The Bill was introduced in the House on 29 October, which was only last week. Although I have done work on the legislation, I had insufficient time at our party meeting yesterday to make recommendations, so that the address which the House will hear on this occasion will be based not on a deliberate decision of the party about what we should do with the Bill but on a recommendation I would have made to the party.



We simply have not had the time to give proper consideration to this legislation. I believe that this is one case which highlights the unfairness of the way in which this House is being asked to consider legislation.

I do not blame the Minister.

Mr Hodge: It is no different from the way it has been done for years.

Mr THOMPSON: I suggest it is a bit different. One can point to many examples of where legislation has come to this House and been passed in the seven days we are currently being given. Much of this legislation is non-controversial; it does not break new ground, and it is not one of those critical Bills. About 80 per cent of the legislation which comes to this House has the support of both sides. Only 20 per cent is controversial.

Mr Hodge: This is one of those non-controversial Bills, surely.

Mr THOMPSON: It is probably less offensive than some of the others, but still, in my view, the time is inappropriately short for the Opposition to consider this legislation properly.

Having said that, let me say what I would have said to my party room had I had the opportunity to do so. I would have recommended to the party that we support the legislation because it sets out to do something which is absolutely essential if the supply of blood to the Red Cross blood bank is to continue and if the blood bank is to be provided with the necessary insurance cover to prevent action being taken against it in the case of blood contaminated with AIDS antibodies.

It is my view that the Parliament should support this legislation because without legislation such as this the risk is that the supply of blood will dry up. Only yesterday I heard on the radio that at present there is a drastic shortage of blood. The blood bank has appealed to people to come forward to give their blood in order to replenish supplies.

There has been something of an hysterical reaction to the question of AIDS. I hope all that can be done has been done to quieten down this reaction in order that the lifesaving blood which the blood bank needs will be forthcoming from the community.

I had to smile about an interesting aspect of this legislation. Some time ago I introduced a Bill into this House in a serious endeavour to do something about the spread of AIDS. At that time the Minister said publicly he would

not support any legislation which could result in a homosexual going to gaol. This legislation is before the House, and in fact it could have that result.

Mr Hodge: I do not recall ever making that statement in that way.

Mr THOMPSON: It may not have been said in that way, but I interpreted it as meaning that the Minister would not support legislation which had that result. I cannot interpret it in any other way. I thought he did say that, but if he says he did not, I will accept it.

Mr Hodge: I never said it in that way.

Mr THOMPSON: Could the Minister help me and say what he did say?

Mr Hodge: You may be thinking of when I said you should not adopt a punitive approach to a homosexual; you should seek cooperation in counteracting the spread of AIDS. That is probably the statement I made.

Mr THOMPSON: I accept that. The approach the Minister is adopting in respect of this Bill is precisely the same approach I have adopted in the Bill I introduced in respect of the transmission of AIDS. It is the only approach which can be taken.

Some sort of penalty must be applied to people who knowingly transmit AIDS. In the case of this Bill the criterion is knowingly being in a high-risk group and not telling the blood bank one is in a high-risk group. There is no difference in principle between the punitive aspects of the Bill I have brought to the Parliament and those aspects of the Minister's Bill which deal with people who falsely claim they are not from a high-risk group. The principle is identical.

When the Minister and the Government decide to bring on debate on my Bill I shall expect the same enthusiastic support from the Minister for my Bill as I recommend to the Parliament there should be for this Bill. We will see how things scrub up.

Mr Hassell: Is that a deal?

Mr THOMPSON: No, it does not appear to be a deal. But there surely must be a degree of support for my proposition because the principles are identical. There must be some sort of method by which society protects itself from people acting irresponsibly in regard to this very serious question of the spread of AIDS. Without a meaningful penalty in this legislation, someone in a high-risk group could come along, give blood, and then walk away from the situation. Clearly, society cannot ac-

cept that proposition and it is as plain as the nose on one's face that this sort of provision is needed in legislation such as this.

I support the legislation because it is necessary. The blood bank will be able to attract the necessary insurance from whichever company provides its insurance, and there needs to be some sort of limitation of liability, otherwise the insurance companies of the world will not have a bar of our blood bank. I would imagine that legislation similar to this will be passed universally throughout Australia. Indeed, the Minister in his second reading speech indicated that a couple of States have already legislated in this regard and a couple are in the process of doing so.

Mr Clarko: Are you saying that you support the view that if the hospital did whatever it thought was proper and then subsequently someone—an innocent person—got AIDS, the hospital or the parties involved should not in any way be held liable?

Mr THOMPSON: There has to be some sort of limitation of liability, and responsibility has to be brought back to the individual who is responsible for passing on the blood. That is the essence of it.

Mr Clarko: That is what you should do, but it is like what I argued the other day on the local government Bill in relation to a person who was trading in the Mall and a person picked up all his watches and smashed them—the fellow being an innocent trader who was complying with the law. The Minister for Local Government agreed with me in the end that under the Bill introduced by the Government the council was responsible for those negligent actions. The individual should not be responsible. It seems to me this legislation tries to do a whitewash on the hospital, the Red Cross, or whoever is involved.

Mr THOMPSON: No, I think it is intended to limit liability on the part of the Red Cross blood bank. It is done for the very sensible reason that if it were not done no insurance cover would be provided. In fact, the blood bank simply would not be able to afford to pay the premium to get the insurance; but to introduce some form of accountability and some form of responsibility, punitive measures within the legislation can be taken against an individual who knowingly passes the AIDS antibody onto the blood bank. It even applies if a person is in the high risk category and does not declare that fact.

Mr Clarko: Isn't that what your private member's Bill tries to do—to try to put the responsibility where it should properly lie?

Mr THOMPSON: On the individual, precisely.

Mr Clarko: I am trying to say that in a case where the blame cannot be laid properly on anybody, I do not think it is good enough for the Red Cross to wash its hands of the matter and for the poor, innocent victim to cop it sweet.

Mr THOMPSON: Then there is the wider responsibility of the community. I am having more trouble with my own mate here than I am having with Government members.

Mr Clarko: And the community should pay for that.

Mr Carr: It is just as well you didn't take the legislation to your party room!

Mr THOMPSON: This is one of the problems when one does not have sufficient time to take legislation to the party room. My colleague has raised some very interesting points and I hope when I sit down he will hop up and make those points in debate.

Mr Carr: Do you really hope for that?

Mr Clarko: I was interjecting to try to avoid that. That was my alternative.

Mr THOMPSON: On balance, the legislation is necessary because without it there is the risk that there will not be a blood bank.

With those few comments and with the assistance of the member for Karrinyup, I recommend that the Bill be passed.

MR HODGE (Melville—Minister for Health) [7.55 p.m.]: I thank the member for Kalamunda for his support of the Bill. Most of his comments were sensible and are points that the Government is in agreement with.

I do not agree with him when he complains about the lack of time given to consider this Bill. I do not regard it to be a particularly controversial, contentious, or politically-motivated Bill. It was a decision of the Australian Health Ministers' Conference that all State Governments should be requested to pass this sort of legislation to protect the Red Cross blood transfusion services nationally. I understand all State Governments of varying political persuasions will be enacting legislation similar to this.

This legislation is based primarily on an ACT Ordinance, but we have modified it a little in this State to take account of particular

circumstances that occur in WA. If the member for Kalamunda wanted any technical advice on the Bill he could have readily obtained it either by approaching me or the Red Cross blood transfusion service. The Red Cross Society has been closely consulted in the preparation of this legislation and I understand it strongly supports it. I am sure its director, Dr Keller, would have been only too pleased to give any technical advice he could to the member if he had sought it. I certainly would have made it available if he had asked me for it.

The member for Kalamunda also digressed a little onto the private member's Bill which he introduced into the Parliament some time ago. He tried to develop an argument that that Bill was quite similar in principle to this Bill. I do not necessarily agree with that argument but I am not going to have it debated twice, so we will keep that point for another time. There are actually fairly significant differences between what the Government is attempting to do with this legislation and what the member for Kalamunda appears to be attempting to do with his private member's Bill.

The member for Karrinyup made some interjections which I might comment upon. He probably has not read the legislation.

Mr Clarko: I have.

Mr HODGE: It is not an area of the member for Karrinyup's responsibility as shadow Minister, so I thought he probably had not read it. He obviously does not understand it. This legislation does not in fact protect the Red Cross, a hospital, doctor, or anyone if they are negligent.

Mr Clarko: You have missed my entire point. What I am saying is if a person gives contaminated blood and the hospital or society did everything proper in order to try to ensure that the person did not give contaminated blood—if it did everything and was exemplary in what it did—but some innocent person got AIDS, my argument is that the liability should not finally rest on that innocent person.

Mr HODGE: The liability would rest with the person who broke the law and gave the contaminated blood.

Mr Clarko: If he can be isolated, but if blame cannot be laid on that person the agency, the hospital, or blood transfusion service is where the responsibility should preferably lie without the innocent victim copping it.

Mr HODGE: If the courts in their wisdom agreed or felt that the hospital or the blood transfusion service had not been sufficiently diligent in checking that blood—

Mr Clarko: You missed the point.

Mr HODGE: I am sorry. I cannot understand the point the member for Karrinyup is making.

Mr Clarko: I will make the point again. Say the hospital or the Red Cross Society does everything it can possibly do but an innocent victim catches AIDS. In my opinion, if you can't take action against the person who originally gave the contaminated blood, the responsibility should rest with the hospital or the Red Cross blood transfusion service, not the innocent victim.

Mr HODGE: But action can be taken against the person who gave the contaminated blood.

Mr Clarko: If the person is transient or something of that sort the likelihood is he could not be caught.

Mr HODGE: Why should another innocent party, the Red Cross Society or the hospital, then be guilty of doing something they did not do?

Mr Clarko: For the simple reason that they are the ones who gave that blood to the person who became the victim.

Mr HODGE: They gave that blood in good faith when performing a public service. Why should they be sent bankrupt for something in relation to which they were not negligent?

Mr Clarko: Because if I gave you stolen goods the responsibility would lie with me and not with anybody else, wouldn't it?

Mr Bradshaw: Perhaps the parallel is not the same.

Mr HODGE: I do not think the parallel is the same.

This Bill makes adequate provision if negligence is involved; there is no indemnity for anyone. In the unfortunate event of the Red Cross being sued successfully when this legislation is in place there is an understanding that the Commonwealth and State Governments will probably be required to jointly come to the party and subsidise the Red Cross.

Mr Clarko: That is what the legislation should do, and it does not. That is precisely my point. The State as a whole should accept responsibility in that case, not the innocent victim.

Mr HODGE: The practicalities of the matter are that no State or Commonwealth Government could allow the Red Cross to go bankrupt and the blood transfusion service to be destroyed. Obviously if the Red Cross is successfully sued the Commonwealth and State Governments will have to come to the party and pick up the tab. I do not think there is much doubt about that.

Mr Clarko: Then why do we have this legislation?

Mr HODGE: To protect the blood transfusion service and ensure a level of confidence amongst the public so that they know the Government has taken every reasonable precaution to safeguard their health. It is not much consolation to a person who contracts AIDS from a blood transfusion to say they may have recourse to some financial compensation if they live long enough to pursue that successfully. We are trying to ensure that people do not contract AIDS in the first place.

I thank the member for Kalamunda for his general support of the Bill, and I commend it to the House.

Question put and passed.

Bill read a second time.

#### *In Committee*

The Deputy Chairman of Committees (Mr Taylor) in the Chair; Mr Hodge (Minister for Health) in charge of the Bill.

Clauses 1 to 4 put and passed.

**Clause 5: Liability of Australian Red Cross Society and hospitals taking blood—**

Mr CLARKO: This legislation is absolutely ridiculous in the extreme. I invite the Minister to correct me if I am wrong, but clause 5 in effect says that if the hospital or society concerned has done everything one can possibly imagine by way of check and counter check, it cannot be held responsible for the problems and suffering of the person who receives the contaminated blood. This legislation is quite inappropriate. The Government should be bringing in legislation to protect or compensate the society or a hospital. The Red Cross Society should be given a Government indemnity in the event that an innocent person who receives contaminated blood is unable to take legal action against the person who gave the blood. I think there is a high likelihood of that situation arising.

The chances are that a person who goes to a Red Cross blood transfusion centre and misleads the society and gives contaminated blood is probably, as they say in financial circles, a man of straw who cannot be located or if he can be located he has no assets to compensate the suffering experienced by the person who received the blood transfusion. In that case the responsibility should lie with the community as a whole. I do not think it is appropriate for it to lie with the Red Cross. In one sense I would be tempted to say it should lie with the Red Cross, but that society does an exemplary job in Australia.

Unlike the United States where individuals can walk in off the street and sell blood, we have the Red Cross Society in a position similar to that of a Government instrumentality. It plays a critical and vital role in our society, and is the only supplier of blood. I have a great deal of abhorrence for this AIDS epidemic we are experiencing in Australia which people can pass on as a result of giving contaminated blood through the Red Cross service. Those people are not in a position to stand up to the court process so that an innocent person can be properly financially remunerated for the suffering he has endured as a result of receiving the contaminated blood. In those circumstances the State should stand behind the Red Cross.

In effect, I think that is what the Minister believes. In his second reading speech he referred to the fact that we cannot allow the Red Cross to be crushed by the weight of litigation, and the State and Federal Governments would have to stand behind it. That should be the case. He said it, and I am saying it more strongly. It highlights the ridiculousness of this legislation. If necessary we should have legislation so that a person who innocently receives contaminated blood and is unable to be compensated by the person who gave the blood will know that the State is standing behind the Red Cross.

Mr HODGE: The member for Karrinyup must be the only person in Australia who thinks this legislation is ridiculous. It was accepted unanimously by all State and Territory Health Ministers and the Commonwealth at the Australian Health Ministers' conference. As I indicated in my second reading speech, almost all States have taken or are taking action to implement such legislation. I said in my speech that the chances of a person contracting AIDS through a blood transfusion through the Red Cross in Western Australia are almost negligible. That is the best advice I have been able

to receive. So we are not talking about a vast army of people contracting AIDS. In reality we are probably talking about very few people ever running the risk of contracting AIDS.

As well as making it a very serious offence to falsely fill out a declaration this legislation also provides that blood must be adequately tested to ensure it is free of the AIDS virus before it can be administered. If the Red Cross, the doctor, the hospital, or anyone in the chain does not take due diligence to ensure the blood is adequately tested and free from AIDS they lose their indemnity. The person who makes the false statement is liable to imprisonment for three years with hard labour and loses his indemnity.

We are not talking about the opportunity for an epidemic to occur or vast numbers of people to be affected. In reality probably no-one in this State will ever get AIDS from a blood transfusion, particularly once this legislation is in place. The member for Karrinyup is exaggerating the position quite considerably. I can see that theoretically it would be possible for a person to innocently contract AIDS and be left with no-one against whom he could take action. I think that is highly unlikely. We do not have a perfect system with anything. Nothing in this life can be made absolutely certain or watertight. This is probably the most reasonable step that we as a Government can be expected to take.

Certainly Governments all around the world share that view. I do not think we are out of step. I believe that the member for Karrinyup is out of step on this question.

Mr CLARKO: As I understand it, if a person innocently contracts AIDS and the Red Cross or some other appropriate authority has done all it can to prevent him getting AIDS, it is simply bad luck. That is what this legislation is; it is bad luck. If a person receives a blood transfusion contaminated with AIDS, this legislation is designed to prevent the transfusing body from accepting its responsibility. This legislation says, "Bad luck, we are here to protect the Red Cross". I acknowledge the Red Cross is a marvellous organisation. However, I cannot understand why it should be protected.

Why should not an innocent victim have the right to defend himself or to receive compensation? If nobody else around Australia agrees with that, so be it; I do not mind.

The Minister said that very few people would find themselves in the position of contracting AIDS from a blood transfusion. If that is so it is

all the more reason for this legislation being unnecessary. The legislation removes the onus from the Red Cross in the case of its giving contaminated blood to an innocent person. The Government says, "Stiff bickies". We are making sure that a person contaminated with this blood will not be able to take any legal action against the Red Cross which gave them the blood. I believe that is unjust, unfair and improper. Either the Red Cross should stand behind its responsibility or the State should accept the responsibility. The Minister said that there would be very few cases.

Mr Hodge: It would need only one case.

Mr CLARKO: The Red Cross is a very large organisation. The Minister said that he did not expect there would be any cases at all. The Red Cross or the State should accept the responsibility.

Western Australia's legal system is built up around the protection of the people. If a person walked down Hay Street and was hit over the head with an iron bar, that person would receive compensation from the State. We would not say, "Bad luck" to that person who was hit over the head; we would compensate him for being hit over the head. Why then should we have a system in which a person receives contaminated blood and, simply because the Red Cross did everything possible to prevent that, that person is not protected? I am sure that the Red Cross is now taking preventive action to stop that from happening. It has tightened its procedures for the taking of blood. When I gave blood as a teenager and again when I was in my twenties, I am sure the Red Cross used the same instruments. Today that does not happen. I do not think the buck should stop with an innocent person who, instead of being hit with an iron bar, receives contaminated blood. The State should pay compensation to that person.

This attitude is typical of the fight against AIDS by the Labor Party. It has said that, in order to gain the cooperation of the gay society it should approach the matter softly. The Labor Party's strongest political platform is its advocacy for public disclosure of information. However, in its attitude to AIDS, it has taken a contrary view. It has played it softly and put the onus on the wrong person.

Clause put and passed.

Clauses 6 to 14 put and passed.

Title put and passed.

*Report*

Bill reported, without amendment, and the report adopted.

*Third Reading*

Bill read a third time, on motion by Mr Hodge (Minister for Health), and transmitted to the Council.

**ROAD TRAFFIC AMENDMENT BILL**

*Second Reading*

Debate resumed from 30 October.

MR THOMPSON (Kalamunda) [8.21 p.m.]: I support the legislation.

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 Mr Carr (Minister for Police and Emergency Services), and transmitted to the Council.

**CRIMINAL INJURIES COMPENSATION BILL**

*Council's Amendments*

Amendments made by the Council now considered.

*In Committee*

The Deputy Chairman of Committees (Mr Taylor) in the Chair; Mr Parker (Minister for Minerals and Energy) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 11.

Page 9, line 7—To insert after "indictment," the following—

or the person charged has, otherwise, not been brought to trial,

No. 2.

Clause 11.

Page 9, line 22—To insert after "indictment," the following—

or the person charged has, otherwise, not been brought to trial,

No. 3.

Clause 14.

Page 12, lines 19 and 20—To delete "information" in both places where it appears and substitute the following—  
indictment

No. 4.

Clause 17.

Page 14, line 3—To delete "and".

No. 5.

Clause 17.

Page 14, after line 3—To insert the following—

(c) the Under Secretary for Law; and

No. 6.

Clause 19.

Page 15, line 20—To delete "or 14(1)" and substitute the following—  
, 14(1) or 15(1)

No. 7.

Clause 19.

Page 15, line 26—To delete "or 14(2)" and substitute the following—  
, 14(2) or 15(2)

No. 8.

Clause 42.

Page 25, line 27—To insert after "14(3)" the following—  
, 15(3)

No. 9.

New Clause.

Page 12, after line 26—To insert the following clause—

Application on certificate of Attorney General.

15. (1) Where a person has suffered injury or loss in consequence of the commission of an alleged offence and it appears to the Attorney General that a person charged with the commission of the alleged offence has not been convicted of the offence on account of the proceedings being commenced out of time or for other technical reasons not going to the merits of the case, the Attorney General may certify that a claim may be made under this subsection, and if he does so the person who has suffered injury or loss may apply to the Assessor for an award of compensation for that injury or loss.

(2) Where—

- (a) the death of a person has occurred in consequence of the commission of an alleged offence;
- (b) any close relative of the deceased person has suffered any loss thereby; and
- (c) it appears to the Attorney General that a person charged with the commission of the alleged offence has not been convicted on account of the proceedings being commenced out of time or for other technical reasons not going to the merits of the case,

the Attorney General may certify that a claim may be made under this subsection, and if he does so the personal representative of the deceased person may apply to the Assessor for an award of compensation for that loss.

(3) Before he makes an award of compensation pursuant to an application made under this section the Assessor shall sight the certificate given by the Attorney General under subsection (1) or (2) and satisfy himself on the balance of probabilities and shall not make an award unless he is so satisfied—

- (a) that the claimed injury or loss has occurred; and
- (b) where the application is made—
  - (i) under subsection (1), that the claimed loss or injury occurred in consequence of the commission of an alleged offence;
  - (ii) under subsection (2), that the death occurred in consequence of the commission of an alleged offence and the loss is one in respect of which damages could be awarded under the Fatal Accidents Act 1959.

Mr PARKER: I move—

That amendments Nos. 1 to 7 made by the Council be agreed to.

Mr MENSAROS: Amendments Nos. 1 and 2 really only extend a situation which I advocated during the second reading debate and therefore I have no objection to them. It would be interesting, however, to have some examples of what sorts of cases might be involved relating to the additional provision: "or the person charged has, otherwise, not been brought to trial".

The amendments really extend the enumerated cases where a person who suffered injury can apply for compensation in case the indictment—

The DEPUTY CHAIRMAN (Mr Taylor): Order! Order! Would members please cut down the level of noise a bit so that *Hansard* can hear.

Mr MENSAROS: —has been withdrawn or a *nolle prosequi* has been entered by the Attorney General.

Now comes the provision "or the person charged has, otherwise, not been brought to trial". There are two questions arising from this. Does the phrase "not been brought to trial" refer to a temporary or a final situation? One can imagine that the suspect has escaped and for that physical reason there was no opportunity to bring him to trial. In that case, according to the provisions of this amendment, compensation could be ultimately awarded, other things being equal. Of course, if he is finally caught and by some chance is not convicted, a different ball game could arise.

The second question relates to the word "otherwise" because there are some examples which immediately come to mind but they are covered by the Bill itself. We cannot think about the suspect dying because that is separately spelt out in clause 10 (1), so I do not know the pragmatic consideration for inserting this amendment. It is very difficult to find anything in the debate of the Legislative Council because it simply accepted it, at least at the Committee stage. I wonder whether the Minister has been given some briefing to explain it so that we do not simply agree to an amendment but know conscientiously what we are going to agree to.

Since we are taking these amendments en bloc, this is my opportunity to comment on all of them. The third amendment is purely technical. The wrong word has been used, apparently in the typing or printing of the Bill. Amendments Nos. 4 and 5 simply add the Under Secretary for Law which again, is understandable, and amendments Nos. 6 and 7 extend the reference to other parts of the Bill

which comes in logically on account of the previous amendments and renumbering of the clauses.

Therefore, the only question is in connection with amendments Nos. 1 and 2. If the Minister has an explanation, all right; if not, would he please ask the Attorney General to send a written one?

Mr PARKER: I will ask the Attorney General to send something in writing to the member for Floreat. My understanding of this matter from the notes I have is that the whole aim of these sections is to ensure that, by virtue of some unusual circumstances, people are not debarred from being able to obtain access to the procedures that are set in place for the allocation of awards in these matters. What has happened as this Bill has been considered is that people have commented upon it, including Hon. Ian Medcalf in the other place, and have drawn attention to the fact that a number of circumstances might arise in the course of a criminal prosecution or case which perhaps have not been specifically addressed in the previous Bill. For example, there was mention of a *nolle prosequi* being entered, of a prosecution being withdrawn and, as the member for Floreat would be well aware, there are many occasions when there is no doubt that an offence has been committed or someone has been injured but the police or the Crown Law Department might decide that there is no point in proceeding with the prosecution for reasons that the evidence that is before them is not enough to obtain a conviction, and so on. It may be plea bargaining; there may be a whole range of reasons why there has not been a conviction.

As the Bill was considered in its various stages it became clear that it could be conceived that some of those possibilities may not have been dealt with adequately in the Bill and these two clauses were therefore introduced, thus making everyone feel—certainly the Attorney General and Mr Medcalf—that in the wording of these clauses, all possible circumstances of that type have in fact been dealt with.

I concede my inadequacy in properly explaining these things to the Committee and I would be happy to ask the Attorney General to correspond with the member.

**Question put and passed; the Council's amendments agreed to.**

Mr PARKER: I move—

That amendments Nos. 8 and 9 made by the Council be agreed to.

**Question put and passed; the Council's amendments agreed to.**

### *Report*

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

## **COMMERCIAL ARBITRATION BILL**

### *Second Reading*

Order of the day read for the resumption of the debate from 10 October.

Question put and passed.

Bill read a second time.

### *In Committee*

The Deputy Chairman of Committees (Mr Taylor) in the Chair; Mr Parker (Minister for Minerals and Energy) in charge of the Bill.

### **Clause 1: Short title—**

Mr PARKER: The reason I speak on this clause is that the way in which this debate proceeded meant that originally the Minister for Transport undertook in his second reading response to obtain certain information for the member for Floreat because he had some concern that it would not be possible for him to speak in this debate. I would like to fulfil the commitment made by the Minister for Transport to the member for Floreat by making a number of comments.

In the second reading debate, the member for Floreat raised a number of issues. The first concerned State agreements and the impact upon State agreements, especially resources agreements, of the new Statute. The following notes have been supplied by the then acting Crown Solicitor, now Crown Solicitor, Mr Panegyres—

The State agreements will be subject to the new statute by virtue of:

- (a) specifically, Clause 3(4) of the Bill;
- (b) in any case, because it has been the invariable practice to phrase the agreements to cover reference to any statute in substitution for the Arbitration Act 1895. The Interpretation Act is also relevant in this regard.

Secondly, the member for Floreat raised the issue of international disputes, especially those involving United States agreements. The following comments were made in respect of that.



No Western Australian law can directly interfere with the domestic operation of a United States law, and vice versa. Whilst that would not preclude overseas activities by US companies being scrutinized, within the US, by US authorities applying US laws, I nevertheless have difficulty in envisaging potential antitrust problems in relation to commercial arbitrations in Western Australia.

The third point raised by the member for Floreat was in relation to the effect that the Bill may have on arbitration matters in regard to taxation aspects. The following comments have been made by Mr Panegyres—

The bill will apply to all agreements in writing which refer present and future disputes to arbitration—which would include agreements that had significant taxation aspects.

The member for Floreat also made some comments concerning the effect and the implementation of Bills based in other States but which may not have been put into operation. I am advised that in Victoria and New South Wales equivalent legislation—and members would be aware that this is model legislation which has been developed in an exhaustive process since 1974—was proclaimed on 1 May this year. The Northern Territory legislation which has been passed was proclaimed to come into operation on 1 November, and in fact, it is now in operation. I am advised that both South Australia and the Australian Capital Territory have indicated that they will introduce their Bills soon and that Queensland gave effect to the United Nations Convention by a 1973 Statute.

Mr MENSAROS: I appreciate the Minister's having procured these answers which covered some of the points raised by me during the second reading debate. However, the Minister must have missed the main point and that is the reason the Minister for Transport asked to continue his remarks. I drew to his attention that a large number of observations, criticisms and suggestions had been made by The Institute of Arbitrators Australia and they had been sent to the Attorney General after the introduction of the Bill. The Minister in this place had no knowledge of that but he accepted the situation and said that he would make inquiries with the Attorney General as to why these views had been ignored and indeed why the institute had not been consulted. That was the reason that the Bill did not continue in the second reading stage. I find it somewhat strange that it is being taken up at this stage in

the absence of the Minister who gave these undertakings which are not known to the second Minister who now represents the Attorney General in his place.

The situation is that, although I quite appreciate that this is mirror legislation and to some extent connected with the implementation of international agreements, and that it was subjected to the examination of and discussions by the Attorneys General and no doubt their officers, it is still strange that in an important matter such as this, The Institute of Arbitrators Australia was not consulted. I am not the only one expressing that opinion. I have asked a parliamentary question of the Attorney General and, in the manner to which we have become accustomed, he did not give a straight answer but sidetracked the issue. However, the implication of his answer is clearly that the Government has not consulted the institute which received information about the Bill only after it had been introduced. The institute made very deep submissions to the Attorney General and these were compiled by various members of the institute; some academic, some lawyers, some practising professionals such as architects, and all of them in practice participating in arbitration cases. They know well the practical matters pertaining to arbitration much better than the Crown Law officers, who look at the situation as an abstract proposition and have not participated in this area as arbitrators or as counsel. As the Minister well knows, State agreements have an arbitration clause but none has yet come to arbitration. Despite this, the Government has ignored the suggestions of these experienced people, and that is not good enough.

At various stages throughout the Committee debate I will have to rise and do justice to the institute. Apparently it did not receive an acceptable explanation from the Attorney General other than his saying this was mirror legislation and everyone else agreed so we could not change it. That attitude is not good enough. The Government is here to represent the citizens of this State, and every Government before introducing legislation, whether it is joint legislation with other States or not, has a responsibility to consult with the most interested and involved people. Those people know better what is involved and they are the people primarily interested in the legislation; therefore they have a right to be consulted. The Government is here to govern in the interests of the people and not for itself.

I will have to rise on the appropriate clauses to point out the various comments made by the Institute of Arbitrators. I emphasise now that I do not necessarily agree with all of its comments but I believe they should be put on the record. Its submission is based on practical experience but has not been considered by the Government.

**Clause put and passed.**

**Clauses 2 to 19 put and passed.**

**Clause 20: Representation—**

**Mr PARKER: I move an amendment—**

Page 14, lines 9 to 12—To delete subclause (4) and substitute the following—

(4) Notwithstanding subsection (1), a person who is admitted or entitled to practise as a barrister or solicitor in any part of Australia may not—

- (a) appear before the arbitrator or umpire as an officer, employee or agent of a body of persons that is a party to the arbitration agreement; or
- (b) unless the person is in this State a certificated practitioner, as defined in the Legal Practitioners Act 1893, represent a party to the arbitration agreement as a legal practitioner or other representative.

As the member for Floreat indicated, a number of letters concerning this Bill were sent to the Attorney General and he has considered those letters. Some were from lawyers, architects or construction contractors, and one was from the Institute of Arbitrators. Their comments were prepared by their president and a couple of lawyers and so on. The Attorney General has agreed that it ought to be possible to move at this time, given the mirror nature of this legislation, in one area at least, and consequently I have moved this amendment.

The amendment seeks to do two things: In paragraph (a), where a party is a body of persons, it shall not be able to be represented by an officer, employee or agent of a body of persons who is a legal practitioner. I refer now to clause 20(a). This enables such a body, if it desires representation by a legal practitioner, to first obtain the leave of the arbitrator, as any other party not being a body of persons is required to do. Secondly, it is to ensure that only a legally certificated practitioner can appear as a legal

practitioner or other representative. This is to make sure that the legal practitioner representatives are subject to the disciplinary provisions of the State's Legal Practitioners Act.

A subsequent letter came from the Institute of Arbitrators from Mr McCardell, the chairman of the WA chapter, in which he made certain comments about this amendment. He says that it appears to have the effect of preventing a person who is admitted as a barrister, etc. from appearing as an officer, which would have the effect of preventing a barrister or a solicitor who was a bona fide member of a body of persons such as a social club appearing in his capacity as such a member and requiring him to hand over the task to some other person.

The comment made by the Crown Solicitor of that request by Mr McCardell was that it seemed to him that Mr McCardell had misunderstood the nature of the proposed amendment to clause 20. In the example cited, the legal practitioner could seek leave of the arbitrator to represent that society, as long as he had a WA practitioner's certificate. I commend the amendment to the Committee.

**Mr MENSAROS:** I accept the Minister's explanation of the amendment because that was my reading of it as well. However, the clause itself, with or without the amendment, is not relevant because it appears to take away the right of the party to be legally represented. That is the complaint of the Institute of Arbitrators, which I suppose the Minister has before him. To paraphrase what the institute is saying, it is a fairly important human right to be represented by legal counsel at any proceedings, and the provisions of this Bill take away this right.

Personally, if one wishes to arrive at a simple solution with arbitration, and as we have bodies like the Small Claims Tribunal where we want to make these things as least time consuming and as simple as possible, and without using all the legal procedures and rules of evidence, it would be quite in order not to have legal representatives or to exclude them. On the other hand, one would only support that view if, at the same time, the procedures were not final but were subject to appeal. As I read this Bill, there are cases involving a right of appeal, but not in all cases.

The institute's complaint regarding the choice of any party to be represented by legal counsel is justified in a case where there is no appeal and a party cannot be represented at all.

Mr PARKER: My understanding is that certainly there have been people who wanted the right of parties to be represented by legal practitioners to be absolute. I understand it is not true to say that there is a natural right for people to be represented by legal practitioners and that natural justice proclaims just that. I understand that it proclaims exactly the opposite.

The philosophy of the Bill makes it clear that in general terms lawyers are to be excluded unless the arbitrator thinks they will help the proceedings or one of the parties will be disadvantaged. We are talking about arbitration rather than legal proceedings, and people do not necessarily have to go to arbitration under a contract; they can take various types of action. In a legal court they would have legal representation.

The aim of arbitration is to give parties an opportunity of avoiding that procedure and another opportunity within the contract to interpret its terms and the way its conditions shall apply to the various parties. For that reason it is felt *prima facie* that legal practitioners should be excluded unless the arbitrator decides otherwise. There are a whole host of similar bodies throughout the State, not just small claims tribunals but industrial relations commissions and other areas where similar situations prevail. It is seen to be something which is fundamental to the Bill and ought to be supported.

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**Clauses 21 to 25 put and passed.**

**Clause 26: Consolidation of arbitration proceedings—**

Mr MENSAROS: The comment of the institute to the Attorney General on this clause was that it should allow consolidation if any party made an application for consolidation. If all the parties wish to consolidate there should be no need to apply to the court. I cannot see any logical objection to that. It obviously springs from the experience of the arbitrators, but apart from practical experience it appears to be logical that if all the parties concerned wish something to happen they should not have to go to a higher body to ask that it be allowed to happen. It should be able to happen if the arbitrator himself agrees to it.

**Clause put and passed.**

**Clauses 27 and 28 put and passed.**

Mr MENSAROS: The comments on this clause by the institute are that there is no useful purpose to be served in compelling the arbitrator to include in his award a statement of the reasons for making it. The institute goes on to say that it is always more desirable for the reasons to be included in a separate document rather than to form part of the award.

Mr Parker: It is envisaged in clause 29 that he can do it in that way.

Mr MENSAROS: Originally it implied that this was the way it should be done. The institute goes on and explains that it would be better to reverse the situation so that the arbitrator need not give reasons unless the parties otherwise agree in writing. That is the difference between what the Minister says and what the institute is advocating. The institute gives practical reasons, and one is—and I recall having participated in arbitration—that sometimes the parties fail to pay the agreed fees to the arbitrator. Then he holds back the award until the fee arrives, which makes it unnecessary to have another procedure for realising the fee.

Mr PARKER: The main reason one would not want to require an arbitrator to give reasons as well as an award is that normally speaking giving reasons would take a considerably greater deal of time. No doubt an arbitrator would want to be careful about the reasons he put down in a judgment and would want to consider them carefully. There will undoubtedly be occasions on which it will be important for the settlement of a dispute for an arbitrator to give a very quick decision. That is why clause 29 is framed as it is, giving two different areas. One is where the arbitrator can, if you like, in a leisurely fashion, consider all the evidence put before him and make a written award and provide the reasons in writing. Secondly, he does not put it in writing and one would assume he was doing it quickly, probably at the request of the parties or where self-evidently the dispute required it. It may be a simple matter to resolve. Then it is envisaged he can make a decision and if the parties want reasons he can provide them if they ask within seven days.

I must admit I have not been involved in arbitration because, fortunately, none of the resources agreements has ever been to arbitration, although they contain arbitration clauses. Probably the member for Floreat would know better than I, but I would imagine the bulk of arbitrated decisions on contracts

would be in the construction industry and would involve verbal decisions. The onus is therefore on a party to ask for the reasons.

The Attorney General, when he responded to the Institute of Arbitrators, indicated to them it was a policy issue which had been decided by the Standing Committee and was not an issue which he proposed to address in this Bill.

**Clause put and passed.**

**Clauses 30 to 33 put and passed.**

**Clause 34: Costs—**

Mr MENSAROS: This clause provides that if an arbitration agreement contains a term which in effect provides that the parties or none of the parties shall in any event pay their or the other person's costs of the arbitration, such an agreement shall be null and void. The institute considers this quite an unsatisfactory provision, particularly with regard to the position of the party which has relatively modest means. We found in practice—and I refer now to fairly simple construction or engineering cases—it was quite usual to provide that the economically stronger party should bear the cost of arbitration because if a matter came to dispute it wanted it to be arbitrated quickly and therefore it was quite happy to agree that being the bigger organisation it would adhere to the specifications and other conditions of the contract which were the basis of the arbitration.

The institute also points out that there are cases where legal aid is involved. Legal aid relates only to a party's own costs and does not protect that party in any way from the costs of the other party. Such a person is likely to be disadvantaged by this provision which exposes him to a claim for costs if he loses the case. That is always the case; if someone is receiving legal aid because he is eligible, enters into a civil action and loses the case, the costs and anything else are awarded against him, and that person must bear those costs. Whether he has assets is another question. That is the point the institute wanted to bring up.

I will not vote against the clause, but I see the practical reasoning of the institute's argument, and I can only ascribe it to the lack of consultation by the Government. I can see the Government's position, but it comes back to the fact that it has not consulted the most involved people before it entered negotiations and finalised them with the other States.

Mr PARKER: I understand that during the course of the very lengthy preparation of this model legislation, the institute closely consulted Australia-wide on these matters. It

may be that it did not filter down to the local chapters, as they call themselves, but I understand that there was very extensive consultation as the matters progressed.

Some of these issues were ultimately policy issues where the committee made the decision and decided it did not agree with the arbitrator's views. I guess there is not much that can be done about that situation other than to accept that that is the case. It seems to be a sensible way of ensuring that costs are paid. I would have thought it would have been something to be welcomed by arbitrators.

I will draw the clause to the attention of the Attorney General. There is no question that these Acts as they have been introduced around the country will be the subject of review. Inevitably, when one is introducing a major reform such as this it is 10 years in gestation before it is implemented, so no doubt things will be changed as it proceeds, and with greater experience. Professional bodies, in my experience, are loath to accept much change. It will be interesting to see how these matters turn out in practice.

Mr MENSAROS: I take issue with the Minister's statement that he understood that the institute had been consulted during the negotiations which ultimately led to the drafting of this Bill. On 31 October, I asked question 1431 of the Minister in the following terms—

- (1) Have the proposed provisions or the provisional drafts of the Commercial Arbitration Bill 1985 at any time before or during the Attorney General's discussions of the Bill been submitted for comments to the Institute of Arbitrators, Australia?
- (2) If so, were such comments received and were they in acceptance of the proposed provisions?
- (3) If not, why not?

The Attorney's reply was not straightforward. We are used to this because it is a new theory that the Premier espouses, that a Minister may answer a question in any way he wishes. Incidentally, it is fairly difficult to bring those questions in line with the Premier's desire, which he expressed the other day, that he wants to complete his law degree and argue in front of a court, having served as Premier. I can assure him that the brief experience I have had in arguing before a court—a long time ago, and not in this country—would never allow him to sidetrack a question as he does in Parliament.

In a court one has to answer a question which opposite counsel puts to one, and no court of justice would allow this type of sidetracking.

I refer to the Attorney General's reply to my question—

- (1) to (3) The Commercial Arbitration Bill 1985 was introduced into the Legislative Council in February 1985.

I did not ask that question but the Attorney General volunteered that information. It continues—

In August 1985 the Institute of Arbitrators, Australia, submitted comments on particular clauses of the Bill.

These are the comments which I had. To continue—

On 3 October 1985, the Attorney General provided the institute with a detailed reply.

The Attorney General does not say he has not consulted them, but the answer implies that the Bill was introduced in February and the arbitrators submitted the comments in August. Therefore, the arbitrators had a look at the Bill, studied it, and made comments. They were not consulted previously, because had they been consulted, the Attorney General would not have had difficulties in answering my questions. He could say, "Yes, I had been there at such and such a time and that was their submission." I wish to make it clear that this is the reply of the Attorney General. I am quite happy to hand it over to the Minister for his perusal.

Mr Parker: He is talking about the consultation and preparation of a State Bill. I understand what you are saying. The question is somewhat broader than that but the answer the member read refers to the consultation during the preparation of the State Bill. My comments related to the overall preparation of the whole model.

Mr MENSAROS: I am interested in the Minister's interjection.

But if it is a fact, on one hand, that this is mirror legislation which more or less has exactly the same provisions in every State, then there is no difference. It is using semantics to say we are referring to a State Bill or another Bill, because quite obviously, as a member of the State Parliament, I would ask the State Attorney General or his representative in this Chamber to tell me what happened in relation to the State Bill. I take it from all the discussions and answers I have received that the

State Bill is pretty well the same as the other State Bills or the Commonwealth Bill. Therefore, had there been consultation earlier, surely the Attorney General would have referred to this in his answer to my question, particularly when he took poetic, or, may I say it, political licence, by answering questions which more often than not bore little resemblance to the questions I asked. There is no doubt that, in essence, the Attorney's answer will not coincide with the Minister's comments and, therefore, the institute was quite justified in making its comments.

In any event, why should the institute write to me, as the Opposition spokesman, if it had been consulted? Why should it tell me that it had not been consulted. When Mr McCardell, whom I personally know from his time as an architect, spoke to me on the telephone, and I told him that the Bill had already passed through the Legislative Council and was now in the Assembly, he was most surprised. His understanding was that it had only been introduced and laid on the Table subject to further consultations which had not occurred when the Bill was prepared.

#### Clause put and passed.

#### Clause 35: Taxation of arbitrator's or umpire's fees and expenses—

Mr MENSAROS: The institute's view is that clause 35 contradicts the provisions of clause 34 which gives the arbitrator authority to settle his own fees. Mr McCardell goes on to say that the practice of an arbitrator withholding his award pending payment of his costs is quite usual and prevents the need to sue for his fees. If the parties agree that one party should pay the fees, then the situation is quite different. That is my query which I do not think has been detailed in the answer to the institute by the Attorney.

Mr PARKER: The letter from the institute confirms that in certain circumstances an arbitrator will refuse to give a decision until such time as his fee has been paid, which is a rather cheap method of collecting his revenue. It is a bit like the SEC and the Water Authority cutting off one's power or water if one does not pay. It is much easier than taking out a summons in the Local Court. No doubt that is the reason for the practice.

What is proposed here is that an arbitrator might say that his fees are X number of dollars and the parties might say they will not pay because they do not agree with him. All that happens is that those fees are taxed. That is the

effect of clause 35. It may be that some arbitrators do not want to have their fees taxed. It would be an extraordinary position if, on the one hand, an arbitrator was able to withhold his decision until such time as he received his fee, and then to be able to charge whatever he liked for his fee. The party then has to pay an unreasonable fee in order to obtain an award.

All clause 35 does is allow those parties to get the arbitrators' fees taxed. Even then it could be argued that all of the fees should be able to be taxed but taxable in only certain circumstances such as the ones I have enunciated. It does not stop the arbitrator withholding his decision until the fees have been paid or it does not prevent him from suing for his fees. If that is the course of action he proposes and charges a fee, to which one of the parties does not agree, it can be taxed.

**Clause put and passed.**

**Clauses 36 and 37 put and passed.**

**Clause 38: Judicial review of awards—**

Mr MENSAROS: The Minister has confirmed the fact that, had the Government taken the trouble to consult at a State level with the chapter, this debate would be either superfluous or would be reduced to those situations where the Government would not be able to convince the institute that there are some good reasons for the provisions as they are spelt out in the Bill.

By providing an appeal on any question of law, the Bill does away with one of the major advantages of the present system of arbitration; namely, the finality of the award. As the law stands, a successful claimant having an award in his favour can enter and enforce the award as a judgment of the court and the award cannot be challenged, unless there is an error on the face of the award. Under the amendment, in every case the successful claimant will face an application for leave to appeal, which application will take a considerable time to be dealt with by the court. Indeed, refusal in the first instance by the Supreme Court judge to grant leave to appeal could itself be the subject of appeal to the Full Court of the Supreme Court.

This situation is compounded by the presence of section 29(1)(c) in that the arbitrator is required to give reasons for his award in all cases, but will not know whether such reasons are required for the purpose of consideration by way of appeal before the Supreme Court. Under the present system, where a case is stated for the opinion of the Supreme Court, the case stated is settled between the solicitors

for the parties and the arbitrator, and contains full and detailed information so that the court can identify and determine the question of law. Having regard to the possibility of appeal, it would seem desirable, if the Bill comes into force, for arbitrators in all cases to have their reasons settled by counsel.

Appeals under this section will add to the costs and will tend to nullify one of the essential advantages of the arbitration system—that is, finality—as I expressed before.

Mr PARKER: I am not familiar with all of the reasons why it has been decided. It is obvious that a policy has been taken on questions of law. Appeals should definitely lie. That has been the subject of extensive consideration. In the Minister's response to the institute he made that point. I will draw the member's comments to the attention of the Attorney General.

**Clause put and passed.**

**Clause 39 put and passed.**

**Clause 40: Exclusion agreements affecting rights under sections 38 and 39—**

Mr MENSAROS: The institute would be happy with the conditions except, as it says, that it is a great pity that they do not really apply to domestic contracts which are subject to arbitration but apply only to contracts with an international element. I do not know why that is. If it is accepted for international contracts why has it not been provided for domestic contracts?

**Clause put and passed.**

**Clauses 41 to 44 put and passed.**

**Clause 45: Party not prevented from alleging that arbitrator appointed by that party is not impartial, suitable or competent—**

Mr MENSAROS: It seems that clause 45 entitles a party to challenge the impartiality of an arbitrator he has appointed upon grounds which were known to him at the time he appointed the arbitrator. Presumably, it may have been felt that perhaps the original appointment might have been procured by improper pressure. If it is felt necessary to have some provision which entitles a person to have second thoughts about the appointment of an arbitrator in whose impartiality he was previously satisfied, the party seeking to change his mind about the arbitrator ought to be obliged to show that there was no free or informed consent on his part to the appointment or at any rate that there are some circumstances which would justify his change of stance.

Again I can see a great deal of logic in this. I think this again should be the subject of an explanation to satisfy the institute of the reasons for the provision or, alternatively, the provision should be changed in line with its thoughts.

Mr PARKER: I concede the point the member for Floreat and the institute are making. Nothing in my papers indicates why. There is a description of the clause but it does not explain why it has been informed in that way. I will draw both the institute's and Mr James' views to the attention of the Attorney General with the request that he respond specifically to clause 45.

Clause put and passed.

Clauses 46 to 62 put and passed.

Schedules 1 and 2 put and passed.

Title put and passed.

### *Report*

Bill reported, with an amendment, and the report adopted.

### *Third Reading*

Bill read a third time, on motion by Mr Parker (Minister for Minerals and Energy), and returned to the Council with an amendment.

## **ACTS AMENDMENT (SEXUAL ASSAULTS) BILL**

### *Council's Amendments*

Amendments made by the Council now considered.

### *In Committee*

The Deputy Chairman of Committees (Mr Burkett) in the Chair; Mr Parker (Minister for Minerals and Energy) in charge of the Bill.

**The amendments made by the Council were as follows—**

No. 1.

Clause 12.

Page 5, lines 23 to 30—To omit paragraphs (a) and (b) and substitute the following—

(a) by deleting "rape" and substituting the following—

sexual assault or aggravated sexual assault

(b) by deleting "he" in both places where it occurs and substituting in each place the following—

that person

No. 2.

Clause 15.

Page 8, line 29—To insert after "person," the following—

not being part of the *res gestae* of the proceedings,

Mr PARKER: I move—

That amendments Nos. 1 and 2 made by the Council be agreed to.

These amendments were approved by the Legislative Council following the debate on the Bill in that House. I understand that the amendments reflect the concerns expressed by a number of members of the Opposition. The Government proposes to agree to the amendments to concur with the Legislative Council.

Mr MENSAROS: I am delighted to hear the Minister's comments because it proves to me that for once some respectful cognisance has been taken in regard to the Legislative Council which, in other circumstances, has been abused. This time, however, the House of Review has been paid due cognisance and attention.

I accept the first amendment. Without the amendment, under section 37 of the Criminal Code a female offender could not be convicted.

The second amendment tries at least partially to achieve something which I raised during the debate in this Chamber. I criticised the fact that there was lack of sufficient freedom by the accused to use unrestricted evidence. The insertion of certain Latin words to this clause needs a little more explanation. From the debate which took place in the Council I could not find any explanation of the words "*res gestae*". Whichever way we pronounce them the beauty of the Latin language is that there are very few words in it which are capable of translation on their own, but are better translated in the context of the whole sentence. If I were to try to translate those words, I would say that the first word means "thing" and the second word means something rare in a package or surrounding. The English language has a much different biological context when one talks about gestation.

In another place the Attorney General said that the *res gestae* is part of the surrounding circumstances which are central to the issue. I suppose that that was not a bad explanation, although I have referred to two different legal dictionaries and one definition is as follows—

*res gestae*. The things done.

In a civil or criminal trial either party may, as a general rule, adduce evidence of matters, which although not amounting to a fact in issue, are so closely associated as to be treated as forming part of it.

That definition is the closest to what the insertion in this clause is trying to achieve.

Mr Parker: It widens it.

Mr MENSAROS: Yes, it does widen the original restrictions which I criticised during the debate in this Chamber. The other definition is as follows—

*res gestae*. The facts surrounding or accompanying a transaction which is the subject of legal proceedings; or, all facts so connected with a fact in issue as to introduce it, explain its nature, or form in connection with it one continuous transaction. Evidence of words used by a person may be admissible on the ground that they form part of the *res gestae*, which might otherwise be inadmissible as hearsay.

That definition precisely points to the fact that certain evidence is allowed. Members might recall I criticised the provisions of the original Bill which took away most of the natural rights of the defendant to properly defend himself and to refer to whatever evidence he could which was in his favour. To some extent this lessens the restriction and from this point of view the amendment is welcome.

Question put and passed; the Council's amendments agreed to.

### *Report*

Resolution reported, the report adopted, and a message accordingly returned to the Council.

## **ACTS AMENDMENT (MEAT INDUSTRY) BILL**

### *In Committee*

Resumed from 5 November. The Deputy Chairman of Committees (Mr Taylor) in the Chair; Mr Evans (Minister for Agriculture) in charge of the Bill.

#### **Clause 1: Short title—**

Progress was reported after the clause had been partly considered.

Clause put and passed.

Clauses 2 to 6 put and passed.

Clause 7: Section 4 amended—

Mr OLD: Clause 7 amends the definition of "lamb producer". I put it to the Minister this is probably one of the more controversial of the

amendments to the Marketing of Lamb Act inasmuch as a lamb producer means a person engaged in the business of raising and finishing lambs for sale. The definition is far too wide. It may mean that a person who produces or fattens five lambs and markets them is entitled to be defined as a lamb producer. This brings its problems when the industry is faced with a referendum. A decision must be made as to who shall and who shall not be eligible to vote.

I have already had a couple of heated discussions on this point. Normally a person who raises or fattens 100 lambs is eligible to vote in a referendum. This is a minimal amount. In fact a person with a very small block of 25 acres near the metropolitan area—or even in a country area—can purchase 100 lambs, run them for two or three days and resell them, and he is then eligible to vote in a lamb marketing referendum. This is cockeyed and the Minister should consider this problem.

I am sure there will be another referendum before long, because the contents of this Bill will cause a tremendous amount of dissension in the lamb industry. I do not think for one moment that there will be a referendum tomorrow; it will probably be during our period in Government after the next election and we will have the opportunity to look at it. However, it would be fitting if the Minister made some attempt to define a lamb producer in a fair and equitable manner. I do not believe a person must produce or sell 1 000 lambs; that would be inequitable.

At the last referendum, I asked what the qualifications for voting should be. The replies came out over a period of three or four weeks. It was like extracting teeth. For a start the qualification for a producer included someone who raised or finished lambs—someone who sold a minimum of 100 lambs to the WA Lamb Marketing Board. We complained about that because many producers do not market through the WA Lamb Marketing Board, and that is provided for in the Act. It was put in there deliberately while the Act was being debated in this place to enable people to sell at auction, to sell their lambs privately, or to put them through saleyards. The Minister agreed to amend the qualification and said people who sold at auction, through an agent, or to a wholesaler would be given a vote.

We then asked about those who did not sell through an agent. Many people sell direct to the wholesale trade. Eventually the Minister decided to let that through, by which time it was too late, because those people had to apply for



a ballot paper. By the time they had made application and their bona fides had been checked out, not one of those who complained, that I know of, received a ballot paper, so they were disfranchised. It probably would not have made any difference to the result of the referendum, but it spread dissension.

I urge the Minister to look at this matter very closely and discuss it with the producer organisations with a view to coming to an equitable arrangement. The PIA is not necessarily wrapped in this "100 lambs" level. It is time that facet was considered very keenly in an endeavour to bring a little more stability into the industry.

Mr EVANS: I recollect the occasion to which the member for Katanning-Roe refers—not with a great deal of pleasure, but with some apprehension. The problems he mentioned did arise. It is my understanding that the difficulty in this case was the small operators in country areas who become owners of lambs at the time they take delivery of them. There have been problems where the WA Lamb Marketing Board has not been able to keep abreast of the absolute owners. That is the reason why it was included.

Concerning the definition for referendum purposes, I will certainly go back to the producer organisations and discuss it.

Mr BLAICKIE: I support the remarks of the member for Katanning-Roe. There has been a lot of dissension in the past about those people who have not been eligible to vote in Lamb Marketing Board referendums. The member for Katanning-Roe mentioned that a producer could buy 100 lambs and then sell them to become eligible for a vote.

I want to make a special plea on behalf of those producers who have elected to sell their lambs to private operators. As such they did not have an opportunity to vote. This is a very serious area which must be rectified so that those people within the lamb industry have an opportunity of expressing their point of view in a referendum. This legislation extends not only to lamb marketing but to other areas as well. I support the member for Katanning-Roe in extending the definition to those lamb producers who have been denied the opportunity of voting in the past. These provisions discriminate against some producers of lambs.

Clause put and passed.

Clause 8 put and passed.

#### Clause 9: Section 5 amended—

Mr OLD: I move an amendment—

Page 4, lines 6 to 8—To delete paragraph (b) and substitute the following—

(b) by deleting "Lamb Marketing Board, which, subject to the Minister," and substituting the following—

Meat Marketing Corporation which shall be responsible to the Minister and which

I know the Minister for Agriculture has amendments on the Notice Paper and he is keen to see the Act remain "subject to the Minister". I do not have any great problems with that because many Acts are subject to the Minister. The only reason that I had for bringing this amendment forward was that we are now completely changing the structure of the Lamb Marketing Board. The Lamb Marketing Board as established under the original Lamb Marketing Act will no longer exist after this Bill is proclaimed. There seems to be room to take away some of the control.

I did not intend in any way that the Lamb Marketing Board or the Meat Marketing Corporation, as it will be known, should have *carte blanche* to run its affairs without any restraint or constraint from the Minister. In regard to the clause which says "shall be responsible to the Minister", I spoke with the Minister about this matter when he brought over his amendments—I thank him for them—to allow me to peruse them prior to debate. Quite frankly, I cannot see what he is concerned about, but I understand that the Crown Law Department seems to have some problems in having the Act state "responsible to the Minister" rather than "subject to the Minister". I know that many Acts are subject to the Minister and it is accepted that it is a desirable provision. Most marketing Acts are subject to the Minister but, as I said, we are creating a new authority which is really breaking new ground within the rural industry and it is one about which I have some reservations and in fact some fears for the future of the meat industry generally when this bureaucratic monster is actually born and starts to flex its claws because it will be placed in a very privileged position within the meat industry. If the Minister's amendments are passed, the Lamb Marketing Board will provide a majority of meat producers to the corporation. I know the Primary Industry Association argues very strongly for this on the basis that they say lamb marketing is the main part of the Robb Jetty operation. I do not believe that is so. I do

not have any figures from the annual reports of Robb Jetty abattoir, but, if that is the case, Robb Jetty should be closed for six months of the year when in fact it is not. It struggles along.

I think members will find that while the slaughter and the treatment of lamb carcasses is certainly Robb Jetty's major operation during the lamb season, it just fades away when the lamb season is over. I frankly cannot see why the Primary Industry Association is so adamant about it, nor can I see what the association has to fear.

Assuming that my amendment will not be passed—and I must say I have very grave doubts that it will be passed—there will be two lamb producers and one other meat producer on the board. I will debate this matter further when we deal with that amendment. But assuming that this happens, I reiterate that we are giving the Lamb Marketing Board a meatworks which is greatly indebted to this State, a meatworks on which over \$1 million has been spent in the last 12 months, a meatworks which has debt servicing of an astronomical amount, a meatworks which made a net loss last year of \$4.5 million. The prognosis for the future is something we will discuss when we deal with the items in the Consolidated Revenue Fund debate. That loss will be magically reduced in the next few years, and that is only because the Government has decided to pick bits out of it and handle it as a Government rather than as a meat corporation. That does not diminish the liability on the taxpayer. What is happening is that the taxpayer will be called upon to subsidise the operations of the Lamb Marketing Board, and I object strongly to that. Any thinking producer would go along with that, because I do not believe any producer wants the marketing of his product masked to the extent that the taxpayers of Western Australia will be called upon to subsidise it in a fairly hefty manner.

That was the purpose of my amendment, and I commend it to the Chamber.

Mr EVANS: I take note of what the member for Katanning-Roe has said. He has indicated that on the one hand we have the option of allowing unfettered freedom to the new corporation and, on the other hand, we can impose ministerial control. I think the phrase "subject to the Minister" is a fairly important aspect of this measure, for many reasons. The whole thing stems from Government involvement in this segment of the industry. The question that the member for Katanning-Roe has put forward is whether we have a meat marketing cor-

poration which will be "responsible to the Minister" or "shall be subject to the Minister". The Crown Law Department has indicated that the term "subject to the Minister" is much clearer; it is much more definitive in law. There are certain aspects of the wording of "responsible to the Minister" that are occluded, and could create a problem in the future in the delineation of the Minister's responsibilities and for that reason I think the Chamber needs to agree to the wording as indicated by the Crown Law Department.

As far as the structure of the corporation is concerned, in the case of handing over the meatworks to the Lamb Marketing Board, I indicate it is not the intention or the purpose or the manner in which it will come about.

The corporation will operate in its own right and it will be using the services of the Meat Commission's abattoir as it will indeed use other abattoirs in certain instances.

I would suggest that the Chamber reject the amendment moved by the member for Katanning-Roe for the reasons that Crown Law has put forward.

Mr BLAICKIE: It is important to realise that this is the most important clause in the whole Bill because it changes the word "board", and substitutes the word "corporation". Small although that change might be, its consequences are very important. The clause seeks to amend section 5 of the Marketing of Lamb Act, and for the purposes of this debate I would like to read out exactly what this section establishes. It reads as follows—

For the purposes of this Act, there shall be established a Board, to be known as the Western Australian Lamb Marketing Board, which, subject to the Minister, shall have vested in it the administration of this Act.

This section, in fact, established the Western Australian Lamb Marketing Board. It has been proposed to move from that to a corporation, the Meat Marketing Corporation. The member for Katanning-Roe has correctly pointed out that there will be unlimited scope, notwithstanding the comments of the Minister—and I am far from satisfied with his explanation—that that scope is in fact going to be controlled. The new marketing corporation will have unlimited scope in my view and it will break completely new ground in relation to meat marketing. We must bear in mind that we are looking at changing the Lamb Marketing Board's structure to allow the corporation to

have the power which is contained in the amendment; although that is something with which we will be concerned later on.

Where the Lamb Marketing Board could trade only in lamb, this new corporation will be able to trade in meat and meat products, as well as market those products in this State where it sees fit. It will be able to be involved in the total marketing of meat and meat products. I do not support this concept. I believe the concept is wrong and, notwithstanding the support the Minister has indicated he has for the Primary Industry Association, there is a far greater implication that needs to be very carefully understood; that is, that all across the nation farmers are rejecting policies that have been thrust upon them by successive Governments and they are now looking for a new dimension of freedom. Farmers want to change the old agricultural policies to which they have been subjected for the last 30 or 40 years.

Mr Evans: I bet there are not too many of your fellows wanting to get away from dairying.

Mr BLAIKIE: That may be the case. I believe that the direction the Government is following in this respect in time will prove to be incorrect. If I am wrong, I will not be too proud to stand in my place and acknowledge that fact. However, I do not believe I am wrong and I would indicate to the House some very pertinent reasons in support of my contention.

The DEPUTY CHAIRMAN (Mr Taylor): Before the member for Vasse does so, I would indicate to him that we are in fact debating an amendment to clause 9 which is to delete certain parts of paragraph (b). I do not want to be inflexible but I would indicate that I do not want the member's speech to become a second reading debate.

Mr BLAIKIE: Having occupied the position which you now occupy, Mr Deputy Chairman, I have some understanding of the difficulties that Chairmen of Committees have to face. I will not allow my contribution to become a second reading speech but there is a matter to which I would refer with respect to the amendment that has been moved. It relates to the final words that the member for Katanning-Roe seeks to have included as part of his amendment.

This particular clause changes the Lamb Marketing Board to a corporation. It gives this new corporation an ability to trade in all meats and the member for Katanning-Roe is seeking that that corporation shall be responsible to the

Minister. Has the Minister indicated that he has some differences with the member for Katanning-Roe's assessment, which I support?

Farmers across Australia are now rejecting policies under which they have operated for the last 40 years. One can see the new mood that the National Farmers Federation, under the leadership of Ian MacLachlan, is encouraging. Notwithstanding the fact that the Primary Industry Association has given support to the Government for this piece of legislation, I am concerned that insufficient information has been provided to the Parliament.

The Parliament should not have to turn around and approve this next step to establish a corporation which is to have wider powers than the lamb marketing board ever had. Farmers want the freedom and the right of choice and they want the right to have access to markets across Australia. Under this type of legislation they will lose that freedom and they will be subject to more control. They want more market penetration, but this type of legislation will mean that farmers may lose a great deal. What they hope will be a panacea to solve their problems may in fact finish up being a Pandora's box which will create problems for them in due course.

I think the real nub of the situation is that this is a philosophical argument of the Government in which it sees the control of agricultural products as being one of its roles. While the Government has the power and the authority to do that, I believe that there is also a responsibility for the Government to indicate, in very clear terms, what the end benefits will be. As the Minister responsible for the introduction of this legislation to this Parliament, he should indicate what he sees as the benefits the Meat Corporation will give to the producers and the total industry in Western Australia.

It simply is not good enough to refer to page 157, or whatever it might be, of the Treloar report. I would certainly accept the fact that the Minister has been given that assessment, but it is not Treloar who is bringing in this legislation; it is the Government of the day. The Minister thus has an obligation to indicate very clearly and to put on the record for all to see where he believes this new piece of legislation will take the industry and where the industry is heading in the next three, five or 10 years. Having done so, the record will be there for all to see and to determine whether the Minister's assessment was right.

I am claiming that this legislation will not be a panacea. It will certainly cause a degree of concern to the producers. The controls which will be set by the Lamb Marketing Board on its producers will impinge on other meats whether they be beef, pork, or whatever. The producers will lose out, as will the total industry.

The Minister has the responsibility to give a clear indication of his assessment as to the direction the industry is taking. I support the amendment moved by the member for Katanning-Roe which will ensure that in due course there will not be an influence by the Minister.

Mr EVANS: The member for Vasse has overlooked one thing; that is, that the Lamb Marketing Board exists for the acquisition of lamb, and the meat marketing division of the Meat Commission exists with its powers. It is a question of those two organisations being brought together.

Certainly, the Treloar report referred to a single trading organisation. We must have a practical situation. If a marketing organisation markets only one type of product, it is restricted. If it is able to market a whole range of products it will be more effective in dealing with its customers.

Mr Blaikie: That is what you would be told in Russia.

Mr EVANS: I ask the member for Vasse why supermarkets have been so successful.

We must look not only at distribution and premises, but also at the marketing section, including the packaging and presentation of the meat. It is the presentation of the meat which will determine the success of sales. Where there is greater opportunity for marketing there will be less difficulty in transportation.

If one looks at this legislation as a marketing exercise, it is obvious that there will be an improvement to the existing situation.

Mr STEPHENS: The Primary Industry Association strongly supports the general concept of this Bill. At no stage during its discussions with the National Party did it indicate that it was seeking an amendment to the clause before the Chamber.

I think we have to take cognisance of the views of the Primary Industry Association because it represents by far the greatest number of producers. In a representative democracy, that is the way the system works.

I ask the member for Katanning-Roe if he could be more specific in his explanation of the difference between the words, "responsible to the Minister", and "subject to the Minister". It is a play on words.

As I have said, I am open-minded about this matter. Members must bear in mind that in its discussions with me the Primary Industry Association made no request for a change to this clause.

The member for Katanning-Roe was the Minister for Agriculture for some time, and at no stage did he try to amend the Bill to change the wording as he has suggested. If it was such an important point, I am sure he would have taken the opportunity to make the necessary amendments during his term in office.

The member for Vasse referred to the wider powers of the corporation. Let us be realistic about it: this Bill is bringing together two organisations which are currently in existence—the Lamb Marketing Board and the Meat Commission. There are no wider powers in this legislation than those that already exist. I am surprised the member for Vasse is concerned about the Meat Commission because its power was increased as a result of action taken by the Liberal Government. As far as his philosophical argument is concerned, the National Party supports the concept of orderly marketing where the majority of growers have indicated by referendum, that that is what they want.

The idea of bringing the two organisations together is acceptable to me and to the Primary Industry Association because it makes the proposed new body administratively more effective and efficient.

The Lamb Marketing Board's operations are seasonal. If such an organisation is to maintain its staff, it has to pay them adequately and employ them for 12 months even though they would not be fully occupied for that time. Allowing the Lamb Marketing Board to deal with meat generally will result in a better utilisation of its administrative capacity and will reduce the overall costs of its administration.

I will vote for the original clause unless the member for Katanning-Roe can supply some cogent argument about the difference between the words "subject to the Minister" and "responsible to the Minister".

**Amendment put and negatived.**

**Clause put and passed.**

**Clause 10: Section 7 amended—**

The DEPUTY CHAIRMAN (Mr Taylor): Before we continue with clause 10, I indicate to the Chamber that in respect of both clauses 10 and 31 there is a technical difficulty as far as the moving of amendments is concerned.

In some cases the member for Katanning-Roe's amendments on the Notice Paper will cross over the amendments to be put forward by the Minister for Agriculture.

In technical terms, I understand that if the amendments moved by the member for Katanning-Roe are defeated, in some cases it could mean that any further amendments along the same lines and in the same parts moved by the Minister for Agriculture may not be possible because the Chamber would have agreed to the clause as it stood.

It is possible to overcome this problem by recommitting the Bill to this Committee at a later stage in proceedings. However, I indicate that it is my preference, if the Chamber agrees, that if any amendments moved by the member for Katanning-Roe are defeated it will be possible for the Minister for Agriculture to move his amendments.

Mr OLD: I take your point, Mr Deputy Chairman. I certainly would not want to delay the passage of this Bill through this Chamber so that we had another 5 o'clock in the morning sitting. I work on the belief that half a loaf is better than no bread at all. I would be prepared to suggest that the Minister move his amendments and I could make my points by way of debate. If I felt it was necessary to defeat the Minister's amendments, I would endeavour to put another amendment. It would be up to your judgment, Mr Deputy Chairman, what course was then followed. I have no desire to be obstructive about these amendments. I have been through the amendments from the Minister for Agriculture and although they do not go as far as I would like, half a loaf is better than no bread. I am prepared to go along with your suggestion, Sir, and suggest that the Minister move his amendments. I think his amendments are to the same clauses as my amendments, so I do not think there will be any problems.

The DEPUTY CHAIRMAN: As I understand it, the member for Katanning-Roe is prepared to set aside his amendments in relation to clauses 10 and 31 so that we can consider the amendments that have been circulated by the Minister for Agriculture. That is an eminently satisfactory solution.

Mr EVANS: I first record my appreciation to the member for Katanning-Roe for taking that approach. It will certainly be less confusing and difficult.

The original Bill before the House set up the corporation under certain terms. It became the subject of some amendments from the member for Katanning-Roe. I took it back to the Primary Industry Association and other working groups and then to Crown Law. These amendments appear to represent the position of the Primary Industry Association and the Government. Five separate points of the original Bill are to be changed. Four of those have relevance to what the member for Katanning-Roe had intended.

Under the provisions of the Bill the corporation was to be composed of eight members. Two of those members were to be producers of lamb, one was to be a producer of other meats, one person was to have had marketing experience, one was to have had commercial experience and one was to represent consumers. In addition to those six members, a Government representative and the general manager of the corporation were to be *ex officio* members. The chairman was to have been appointed from that group of eight.

In his proposed amendments the member for Katanning-Roe wished to retain the two lamb producers, but made the other producer specifically a beef producer. He wished to retain members having marketing and commercial experience and a consumer representative. However, he wished to delete the Government representative and add another individual with meat marketing experience. In addition, he wanted an independent chairman, making a total membership of eight.

In the amendment circulated to the Chamber, the corporation will now consist of two lamb producers; one producer who is a producer of beef; one person with marketing expertise; one with commercial expertise; one consumer representative; and an independent chairman. The manager and the Government representative are *ex officio* members.

Dealing with the last two positions first, it is essential that the Government representative, who will also be the representative on the commission, be in an advantageous position to ensure that cohesion between the two bodies is maintained. It may be desirable for the commission to indulge in killing, even though it may not be profitable commercially in a marketing sense. It could be profitable as far as

operating the works are concerned. Matters like this need that cohesion to which I refer. For that reason, and bearing in mind the involvement of Government in meatworks, I see that as being viable.

With respect to the general manager, I point out that the Australian Meat and Livestock Corporation, the Wool Corporation and almost every major business corporation in the commercial world have their managing directors on the board. Thus inclusion of the manager is not breaking new ground. In these days of big business his inclusion is vital. These two positions do not carry voting rights. It is a matter of their being available with the expertise they have and the direction they will be able to give to the corporation.

The chairman is to be an independent chairman with a casting vote. That will mean several small amendments to the existing Bill. The original Bill made provision for an expert in economics to represent consumers. I agree that the term "expert in economics" is a frightening term. When it was put to Crown Law, it was put that there should be a consumer representative who had qualifications and expertise in economics. It could well be a lady who has a home economics degree or something of that kind if that were thought desirable. I think the wording "has appropriate economic expertise" more accurately describes such a representative and gets away from the narrowness of the Crown Law phrase which smacked of academia and was somewhat restrictive.

As far as the experts in commerce and marketing are concerned, a restriction was applied in that such persons could not be engaged or financially interested in the meat industry. There are reasons for those provisions, but they are not overriding. I am aware that Mr Howard King of the Lamb Marketing Board is respected by everybody in the trade as a very able man and one with the highest integrity. To debar somebody like that from future participation in the corporation might be disadvantageous.

At the same time, a situation could occur as it did in the past in which the marketing manager of the Meat Commission had to go to a South-east Asian city on a selling tour with a member of the commission who was also a senior member of an opposing meat marketing firm. That situation seems a little incongruous to me. On another occasion, when the commission was about to indulge in slaughter of goats it became known that a firm that had never been involved in that area before suddenly took an interest in that activity with the

same market. That is another difficulty, but on balance, I am prepared to accept the deletion of that qualification on the grounds of the arguments that were put forward by the Opposition when the clause was debated. That is basically the intent of the amendments put forward. They meet with some of the objections of the Opposition. There is also a limitation in acceptance of the producers. We have that constraint to consider as well.

Mr OLD: I have listened with much interest to what the Minister has said and I am grateful to him for taking cognisance of some of the arguments put forward by the Opposition. I believe that the amendments placed on the Notice Paper by the Minister will improve the corporation and will to some degree streamline its operation and at the same time provide people probably more suited to the positions which the Minister will endeavour to fill on this corporation.

I would like it known that the object of the Opposition's amendment, which was to remove the Manager of the Meat Commission and the Government member from the board, had a particular purpose in mind. That purpose in no way reflected on the ability of the manager of the WA Meat Commission. I hold Mr Flack in the highest personal regard and I hold him in very high regard as far as his business ability and knowledge of the meat industry are concerned.

The difference between having the manager of the board as a non-voting member and having him not on the board but as a consultant to the board is really semantic—it is exactly the same thing. Similarly, I do not see why the Government needs a representative *per se* on the board. I believe the Manager of the Meat Commission, who is probably a civil servant, is really a representative of the Government on the board. However, I will not quarrel unduly with that if it is the Government's wish to have a representative directly on the board; but I would be interested to know what are that officer's duties—whether he attends meetings of the corporation and then makes an appointment with the Minister to give him a rundown of what was discussed at the board meeting, or whether he gives the Minister a written report. If he does neither, he is just another member of the board bringing the Government's point of view to the board, and I guess that is what it is all about. It is something we will be watching very closely.

The Minister has said in his amendment that one member shall, on the nomination of the Minister, be appointed by the Governor as chairman. I take it that the reference after line 26 "for the purpose of subsection 1 (a)" relates to that particular member.

As to the words "in which the Minister shall nominate a person who in his opinion has commercial experience", one could say that in no way precludes a member of the meat industry being appointed—when I say a member, I mean one engaged in the meat industry, a producer—because the difference between that and the Opposition's amendment is that instead of saying that the Minister shall nominate as chairman a person who in his opinion has commercial experience, we would have tacked on the end "and who may be a meat producer." However, as there is nothing there to say he may not be a meat producer, I am assuming that if the Minister felt that a meat producer was suitable—and I know there are such people and one of them has been on the Meat Commission, and he has commercial experience—there is no bar to his being appointed to the corporation. Therefore it is really only a matter of semantics, and I have no objection to that.

I also appreciate the fact that the Minister has decided not to debar people who are engaged or financially interested in the meat industry. He gave an example—namely Mr Howard King—and it was a very good example, but there are plenty of others. There are some people who have been engaged in the meat industry but are no longer actively so engaged who still take a very keen interest in the industry and who would be of great assistance to the corporation. I mention the name of Mr Rod Trevaskis, who is very well versed in the meat industry, very experienced, and who applies himself assiduously to any job he undertakes.

As to the consumer representative, I believe it is fair enough that that person has appropriate economic expertise. My colleague, the member for Kalamunda, suggested in a very loud aside that perhaps his daughter could be a suitable applicant for such a job because she has a degree in domestic science. It would be a change for the Minister to give thought to jobs for the girls, and one from the Opposition benches, virtually—not that I can vouch in any way for her politics.

While this provision does not go as far as I would have liked, it does tidy up the constitution of the membership of the board. With those fairly mild reservations, I go along with the Minister's amendments.

Mr STEPHENS: The National Party supports the amendments proposed by the Minister. In our consultations with the Primary Industry Association, the association was quite adamant that subclauses 10 (c) and (d) were unacceptable to it and suggested we try to have the provisions deleted. I am very pleased that the Minister has seen fit to take that line of action.

Additionally, making the corporation consist of nine members does not really alter the voting pattern. Previously there were eight members with the chairman having, in addition to a deliberative vote, a casting vote.

We now see that with the increase of the corporation to nine members, the chairman is to have only a casting vote, so the voting pattern is not to be greatly altered. We are retaining the three producer representatives, two of whom shall be lamb producers. The PIA felt very strongly about this and I agree with its view.

I also agree with its view that the person holding the position of manager should be *ex officio* a member of the board. This is only commonsense. This should be retained and I am happy to see that this will be the case. Even if he was not on the board, I feel that any efficient board of directors—and we are talking about that when we are talking about the directors of the corporation—would want to involve the manager in discussions to hear his view, because he would have a tremendous input.

All in all the amendments proposed by the Minister make those slight variations which improve the Bill, and we support them.

Mr BLAICKIE: The basic proposal of the Minister is to increase the membership of the corporation from eight to nine members. In addition there will be some general tidying up covering the wording of those appointments, and that tidying up has some merit.

We must bear in mind that this nine-member board will be taking over the functions of the Lamb Marketing Board, which consisted of four board members. Its annual report for 1974 indicated that Frank Malone was its chairman and that Des Tighe and John Newman were two producer representatives, and Howard

King—already we have heard him spoken of in glowing terms—was a meat industry representative.

The membership of the Lamb Marketing Board is to be increased from four to eight. Here I sound a note of caution, because while the Minister may have tried to accommodate all parties, he must understand it is difficult to ensure that all the parties work together effectively. The bigger the group we have the bigger the problem of getting them to work together cohesively. The member for Mundaring will assist in my argument here.

It is interesting to look at the Meat Commission and to note that there were previously eight members. Fred Hamilton was its chairman and he represented the interests of meat producers; Max Cameron represented meat producers; John Crisp represented meat producers; John Thompson represented meat producers; A. J. Payne had experience in the meat industry and represented the unions; B. K. Small was experienced in financial management; John Craig represented the Government's interests; and the late Mal Green represented the meat industry.

Part of the reason for this suggested change in the structure of the Meat Commission is its suggested ineffectiveness. In spite of the difficulties the commission faced, I want to pay a special tribute to its members for the job they did in the face of those very difficult circumstances.

Some of the problems they faced were falling margins and falling stock numbers. These problems must be coupled with the fact that the commission had a very heavy debt load to meet in servicing the ongoing commitments of the Midland Junction abattoir and saleyards and the Robb Jetty abattoir. I did not want the debate to go any further without someone paying tribute to the work of these men and for the time they gave. They served the industry to the best of their ability and with its best interests at heart. The fact that they were not successful should not incur any debt against them. They served the State well.

The Minister is proposing to change the words used to describe the person who is to represent the consumers. The wording is being changed from someone who is an expert in economics to someone who has economic expertise. I do not know whether the Minister is looking for a whiz-kid, but if he is the Minister should say so clearly.

The wording describing the person expert in commerce and the person expert in marketing is also to be changed. It was said that the person was not to be engaged or financially interested in the meat industry. The Minister's amendment provides him with an opportunity to appoint a person who may well have an interest in the meat industry but is nonetheless considered the person best suited for the job.

It is a difficult task to create a corporation of this nature and then ensure we have the right people to make an important contribution to the industry. For example, we would not expect the Government to build a dairy farm and then employ a banana grower to milk the cows. The Minister has the opportunity to ensure that that situation does not occur. Nevertheless I do not have any great enthusiasm for believing that the corporation will be a panacea for the ills of the industry.

I can well remember when the Lamb Marketing Board legislation was brought to the House and heralded as the saving of the lamb industry. It may well have made a contribution to the industry, but it has far from saved it.

The Meat Commission again was heralded as being an important move for the industry and one that would give the industry a new direction. Yet we see tonight that in the space of eight or 10 years fairly dramatic changes are to take place because neither the Lamb Marketing Board nor the Meat Commission has done exactly what the producers wanted.

I wanted to acknowledge the work done by commission members and to ensure that they are not used as scapegoats. They should be given the full accord for having worked well in difficult circumstances and to the best of their ability.

With those general comments I am prepared to support the amendments proposed by the Minister for Agriculture.

Mr EVANS: I move the following amendments—

Page 4, line 13—To delete "8" and substitute the following—

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Page 4, after line 13—To insert the following paragraph—

(a) one member shall, on the nomination of the Minister, be appointed by the Governor as chairman;



Page 4, after line 26—To insert the following subsection—

(1a) For the purposes of subsection (1)(a), the Minister shall nominate as chairman a person who, in his opinion, has commercial experience.

Page 5, lines 3 and 4—To delete "is an expert in economics" and substitute the following—

has appropriate economic expertise

Page 5, lines 7 to 9—To delete "but is not engaged or financially interested in the meat industry".

Page 5, lines 12 to 14—To delete "but is not engaged or financially interested in the meat industry".

Page 5, lines 17 to 25—To delete proposed subsection (1b).

Page 6, lines 13 to 19—To delete proposed paragraph (b).

Page 6, line 20—To delete the paragraph designation "(c)" and substitute the following—

(b)

**Amendments put and passed.**

**Clause, as amended, put and passed.**

**Clause 11 put and passed.**

**Clause 12: Section 10 amended—**

Mr EVANS: I move the following amendments—

Page 7, after line 4—To insert the following paragraph—

(b) in subsection (2), by deleting "or his deputy";

Page 7, lines 12 to 16—To delete proposed subsection (4) and substitute the following subsection—

(4) At a meeting of the Corporation, the chairman or other member presiding does not have a deliberative vote but, in the case of an equality of votes, has a casting vote.

In relation to the first amendment, it is not intended that there be deputies for members of the corporation, and the number of meetings during the course of the year has been reduced to 10.

The second amendment indicates that the chairman does not have a deliberative vote but a casting vote. Those are matters, particularly the second amendment, which have been placed in the Bill at the request of the Primary Industry Association. The Association is very strong on those two points, and I have no objection to their being included in the Bill.

Mr OLD: The Opposition has no objection to these amendments which are in line with the previous amendments that were passed. These amendments are necessary, and we are quite happy about the chairman having only a casting vote.

Mr STEPHENS: The National Party supports these amendments. I am perfectly aware that these proposals have been strongly supported by the PIA. They raise the interesting point that if the appointed chairman does not turn up and eight members are present—bearing in mind that whoever is elected from among the eight will lose his deliberative vote—it may be difficult to appoint a temporary chairman. I think we can take that risk. The fact that the acting chairman will not have a deliberative as well as a casting vote is the correct approach and we go along with it notwithstanding that the situation I have referred to could develop.

**Amendments put and passed.**

**Clause, as amended, put and passed.**

**Clauses 13 to 30 put and passed.**

**Clause 31: Section 15 amended—**

Mr EVANS: I move an amendment—

Page 18, lines 25 to 27—To delete "except with, and in accordance with any condition or limitation attached to, an approval in writing of the Minister".

This amendment is to clarify a situation that gave rise to some misunderstanding that was not intended. The clause gives powers to the commission to trade in livestock and meat.

As I indicated, the chairman of the commission made the point that there could be some circumstances in which it was favourable to enter into trading even though it may not be a commercial venture, but it could benefit the operation of the works. He favoured that provision being included in the Bill. However, it gave rise to the concept of socialism running rife and the suggestion that there would be a line of butcher shops right up St Georges Terrace. That was never intended. The provision was included to assist in the operation of the works but to put matters beyond any shadow of doubt this amendment clearly indicates that the commission is not involved in trading.

Mr OLD: I am delighted that the Minister has brought this amendment forward. It was a point of some concern to the Opposition. I acknowledge there may be times or circumstances where there should be some activity by the

commission, but I cannot envisage the circumstances arising and being important enough to incorporate them in the Bill. I assure the Minister that if during the operations of the corporation it is found that its efficiency is being inhibited in any way, shape, or form by this not being allowed to happen, we would be quite happy to discuss the matter with the Minister. I cannot see that situation arising and I believe this amendment will improve the Bill considerably.

**Mr STEPHENS:** The National Party strongly supports this amendment. I wanted to elaborate on this provision during the second reading debate but time beat me. It was entirely unnecessary in the first place, and I am amazed the Minister brought the Bill in containing this clause. Bearing in mind that the corporation will have the power to trade in meat, if it felt there was any need to continue throughput in order to maintain employment the Government should accept that that is a social decision, and the costs should be borne by the taxpayers as a whole. They certainly should not be borne by the corporation. Removal of part of the clause will take away any doubt. The National Party was not prepared to support the clause in its present form, and members of the PIA were strongly opposed to it. We thank the Minister for removing it from the Bill.

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**Clauses 32 to 43 put and passed.**

**Title put and passed.**

### *Report*

Bill reported, with amendments, and the report adopted.

### *Third Reading*

**MR EVANS** (Warren—Minister for Agriculture) [10.49 p.m.]: I move—

That the Bill be now read a third time.

**MR STEPHENS** (Stirling) [10.50 p.m.]: I take this opportunity to correct some very erroneous comments made by the member for Vasse earlier this morning. It is unfortunate that I was not present in the House at that time. Earlier in the day, in consultation with the Leader of the House and the Minister for Agriculture, I was told that the Acts Amendment (Meat Industry) Bill would not be brought on again that day. I was very surprised to discover that that arrangement had not been

adhered to and that, in the early hours of this morning, the Bill had been brought on for debate.

In my speech in the second reading debate I said that the Beef Industry Committee Bill was introduced in 1975 and those amendments tried to put a floor price on the baby beef market. At the time I said the scheme was doomed to failure. That turned out to be so. I said that then and I stand by those comments now.

The member for Vasse, in his speech this morning, made some erroneous comments about the words I used. He even said that the member for Stirling indicated it was the member for Katanning-Roe who was the Minister for Agriculture. I might have said that by implication, but I did not use those words. He said the member for Stirling did not make any comment about the Bill in 1974 yet, in 1985, I had wanted to dissociate myself from the original Bill which was introduced when I was a member of Cabinet. Members should bear in mind that I said I was referring to the amendments in 1975; I was not talking about the original Bill in 1974. I acknowledged it was introduced then.

Later the member for Vasse said that, for me to say that the beef committee Bill which was introduced in 1974, and the amendments to which were introduced in 1975, was doomed to failure is again a "serious omission of the truth". The only omission of the truth are the words of the member for Vasse. He could have researched the legislation further. He would have only spoken about the Bill introduced in 1974 by the then Minister for Agriculture, Mr McPharlin.

**THE SPEAKER:** Order! You must confine your remarks to the third reading to the Bill. You cannot range far and wide.

**Mr STEPHENS:** The remarks were made in the debate on the second reading of this Bill. I am keeping my remarks to corrections of some erroneous statements made during that debate.

**THE SPEAKER:** I was listening and I did not hear anything about 1974.

**Mr STEPHENS:** I am referring to the *Hansard* copy of the member's speech. In my 15 years in this place, members have frequently corrected erroneous statements made in second reading speeches. I have taken the opportunity tonight to correct such statements. I thought I was following a pattern which had been established over the years that I have been here. Mr Speaker, I crave your indulgence because I have nearly finished. I want the record put

straight otherwise people who may read *Hansard* in the future, not seeing the corrections and not being able to go back a few years, may think that what the member for Vasse said is correct. Nothing could be further from the truth.

I got to the point of an "omission of truth". Of course I still stand by what I said. Further on—I will clarify this in a moment by quoting from the *Hansard* debate in 1975—the member accused me of making statements which were fallacious in the extreme. He went on to say that the final amendment was introduced in Parliament on 1 May. He said he thought I had resigned at the end of May 1975. In fact, I resigned on 7 May 1975.

The amendment to which I referred in my speech in the second reading debate was introduced into this House on 11 September 1975 by the then Minister for Agriculture, Mr Old. The Committee stage of that Bill will be found at page 3506 of *Hansard*, Book 4 of 1975. In the Committee stage I moved an amendment and in talking to that amendment I said that it had been said the legislation was largely dependent on goodwill. I said no-one could argue with that because unless goodwill existed the scheme was doomed to failure. That appears on page 3508. I moved another amendment on page 3512. Quite clearly my comments were accurate. I was referring to the amendment on the floor price for baby beef.

Let us analyse what happened. The Beef Industry Committee Bill was introduced in 1974 in an endeavour to put a floor price in the market. The 1975 amendment to which the member for Vasse referred was purely and simply to extend the life of that Bill. Later, in September, a substantial amendment was introduced to make it possible for tail tags to be given to producers because they wanted to limit the amount of beef that would be entering the market for which there would be a guaranteed price. That indicated that the scheme, up to that point, had been unsuccessful. The substantial amendment was introduced by the Minister for Agriculture in September 1975.

The statement I made in the second reading debate on the Acts Amendment (Meat Industry) Bill was correct. I completely and utterly repudiate the remarks made by the member for Vasse reflecting on my integrity and saying that what I said was a "serious omission of the truth".

**MR OLD (Katanning-Roe)** [10.59 p.m.]: Mr Speaker, as you have allowed the member for Stirling to engage in his favourite pastime of trivial pursuit, I want two minutes to put the record straight. The member for Stirling, in his usual kind way by implication, ridiculed an amendment which was introduced to a ridiculous piece of legislation introduced by my predecessor and a colleague of the member for Stirling when he was Minister.

He stood up and criticised a later amendment to that legislation which attempted not only to bring some sanity to the legislation, but also to assist the beef industry. Without going any further, I suggest that the member for Stirling's word is one which must be treated with great reservation at all times.

**MR WATT (Albany)** [11.00 p.m.]: I wish to speak to the third reading of this Bill because I was not in the House when the second reading debate occurred. I hope the Minister will respond to the particular point I raise in his summing up. I am concerned at circumstances surrounding the purchasing of lambs by the Lamb Marketing Board.

The Minister will know that prior to Borthwicks closing its abattoir in Albany—because there had been some sort of dispute between the Borthwick abattoir and the Lamb Board—Borthwicks had either chosen not to or were not permitted to kill for the Lamb Board. I am not sure of the reason. The fact remains, the Borthwick abattoir did not kill.

Mr Stephens: Borthwicks refused to kill on behalf of the Lamb Marketing Board.

Mr WATT: I do not think that was the case. Whatever the reason, the abattoir did not kill. The situation has now changed with Metro Meats, which does kill for the Lamb Board, taking over the abattoir.

There is a concern among some lamb producers who contacted me that when they want to sell to the Lamb Board they would still like their lambs to be processed at the Albany abattoirs for fairly obvious reasons. They have a local loyalty and would like to see their produce being handled in that local abattoir. Obviously we would all want to see that. However, when a producer sells to the Lamb Board he can be asked to hold his stock for up to a fortnight while the Lamb Board programmes its operations. It directs where the producer sends his lambs. From the comments that have come my way, it seems that most of the lambs are being sent to Robb Jetty.

The Treloar report has been referred to fairly frequently in this debate. As I understand it, its principal recommendation was that the Robb Jetty abattoir should be closed. If that was not to happen, it recommended an amalgamation of the Lamb Board and the marketing division of the Meat Commission. That, of course, is what this Bill now does. Clearly, if lambs from areas around Albany, for example, Mt Many Peaks are sent to Albany they have to travel about 40 kilometres. If they are sent to Robb Jetty, which is about 450 kilometres away, there has to be a much greater cost. The farmers are concerned that directly or indirectly that extra cost must be borne by them.

I would like the Minister to see whether it is possible to have some sort of rationalisation of lambs from appropriate parts of the State processed locally. It ought to be possible. No-one can convince me that the cost will not be borne by the farmer for that additional freight if all the lambs are sent to Robb Jetty.

The truth is that the Government made a decision, I think wrongly, to invest over \$1 million in Robb Jetty when an independent report suggested that that abattoir ought to close down. I have a feeling that lambs must now be sent to Robb Jetty from all over the place to make it look good. If that is the case, the Government and the Lamb Board should be condemned. Either way, I would like the Minister to address that particular problem and to see whether he can use his influence within the Lamb Board to see that lambs from the Albany region are processed at the Albany abattoir.

**MR BLAIE** (Vasse) [11.04 p.m.]: I make some final comments on the Meat Corporation Bill.

**Mr Hodge**: Are you going to set the record straight?

**Mr BLAIE**: No, I just want to say that I do not favour the third reading of the Bill because it will not achieve what the Government seeks to achieve.

**Mr Brian Burke**: Why is there such bitterness between you and the member for Stirling?

**Mr BLAIE**: I just think that the member for Stirling has things mixed up.

It is my view that the Government will not achieve what it believes it will achieve by setting up this corporation. As I said in the second reading debate, the Bill is extending the operation of the Lamb Marketing Board so that it can operate in all other classes of meat. The Lamb Marketing Board is far from giving a

satisfactory performance to all people of Western Australia, be they producers or consumers. One has only to consider the fact that 287 000 lambs were imported into Western Australia this year to see that consumption of Western Australian lamb is down by comparison with other States. This is one area in which Western Australians are missing out.

I was a member of an Honorary Royal Commission, as you were, Mr Speaker, that saw this very question raised in 1975. That commission indicated that more needed to be done by the WA Lamb Marketing Board in promoting sales of lamb in Western Australia. I do not intend to canvass that matter any further. I simply say that nine years later the problems are still there and are magnified even further. The board has simply not performed.

The Government is now bringing forward this Bill as a means of helping the Lamb Marketing Board while allowing it to move into other trading operations and other meats.

Finally, I comment on the concern expressed by the member for Stirling about remarks that I made during the debate in the House on the second reading. It was unfortunate that the member for Stirling was not present when the Bill came forward, because I would have been able to correct him then and there. I apologise to the member for Stirling for making no reference to the amendment that was brought into the House on 11 September 1975, but my comments in relation to the member for Stirling and the Beef Industry Committee Bill that was introduced into the House on 26 November 1974 still stand, as do those comments on the further amendments to the same Bill that were introduced on 1 May 1975 when the member for Stirling was a Minister of the Government of the day and either elected not to say anything or elected to agree to the amendments that brought in that Beef Industry Committee Bill, about which he now roundly complains.

I believe the record, in parliamentary terms, has been settled once and for all.

**MR EVANS** (Warren—Minister for Agriculture) [11.09 p.m.]: To the member for Vasse I reply that certainly we import lambs. We did so nine years ago and will still be doing so nine years hence because after a great flush, the spread of the production of lambs in the intervening period has not been sufficient to maintain the State requirement.

In response to the member for Albany, I point out that it was necessary to upgrade the Robb Jetty facilities because without that

European Economic Community certification, the most lucrative market that was available to the Lamb Marketing Board would have been lost. I do not know whether the Albany works can meet the requirements necessary for certification by the Lamb Marketing Board, but I will certainly ensure that the member's comments are put before that board.

Question put and passed.

Bill read a third time and transmitted to the Council.

### APPROPRIATION (GENERAL LOAN FUND) BILL

#### *Second Reading*

Debate resumed from 31 October.

**MR MENSAROS** (Floreat) [11.10 p.m.]: I will use this opportunity to reiterate some of the concerns I have, which I have voiced previously particularly during the last Loan Bill debate, that fewer and fewer Government activities and less and less taxpayers' money, or consumers' money, is subject to parliamentary scrutiny. The reason for this statement is that detailed scrutiny of any activity of the Government or a Government instrumentality is carried out, or the opportunity is given to do so, in the Committee stages of the two main Budget debates—the General Loan Fund and the Consolidated Revenue Fund. During the Committee stages of both Bills one can only discuss matters which have a vote tacked onto them which makes an appropriation by this Parliament for the purpose of moneys to be used.

Of course, if we talk about the Consolidated Revenue Fund, according to our often amended Standing Orders, but as they stand today, members have 30 minutes in which to air their views on each division which might be within some part or portfolio of the Ministers' responsibilities. Members have 15 minutes and then 10 minutes to speak on each item if they are so numbered and have a vote attached to them. The latter one is, of course, when members used to quiz the Ministers during the Committee stage about the purpose of these moneys to be appropriated and when they aired their approval or criticism of what had been done or what they thought should be done.

The Government's activities are increasingly carried out by instrumentalities rather than by Government departments. Whatever we call these instrumentalities, whether it is commissions, semi-governmental authorities or whatever, they are not Government depart-

ments constituted according to the Public Service Act. Hence, no appropriation is made for their activities in the Consolidated Revenue Fund or for their ongoing expenses. Of course, there may be or may not be an allocation for their capital expenditure in the General Loan Fund. This practice is not new, I hasten to say, as I would not like to put myself in a position of being subject to criticism. Utilities such as the State Energy Commission, the water utility, by whatever name it is known, Government railways, and so on, have always been in this category. However, we now notice that more and more activities of the Government which traditionally were conducted by departments, are or will be conducted by one of these semi-governmental authorities. For example, the Tourism Commission was created not long ago. Also, Parliament dealt with a Bill today which recently introduced the new planning commission and will do away with a very important and large department. Of course, one of the most important bodies created in the last year or so is the Western Australian Building Authority.

Let us consider the general capital works programme. I commend the Government on issuing this publication about the General Loan Fund which not only includes the moneys to be appropriated by Parliament, but also the total capital expenditure programme which, of course, in itself is very much larger than the General Loan Fund appropriation.

As a matter of fact from the total \$1 200 million to be used this year for various capital expenses only 13.75 per cent is subject to a vote of Parliament. The remaining 86.25 per cent will not come before Parliament for a vote and is included in the printed booklet for information only. Even that percentage of less than 14 per cent is divided fairly unevenly between Government activities because the Government chooses to use most of it for welfare housing purposes. I shall deal with that in a moment. The money for other activities of the Government as far as capital expenditure is concerned is being borrowed on the free market outside the General Loan Fund.

The **SPEAKER**: Order! It is difficult enough to hear the member for Floreat without the conversations taking place in the Chamber.

**Mr MENSAROS**: I have no criticism about the fact that these moneys are being used mainly for welfare housing because obviously the General Loan Fund allocations have a much lower interest rate. Some do not attract any interest rate at all, it is a straightout Com-

monwealth grant. The Government wanted to use that money for welfare housing and to be able to build more houses or to let existing houses at lower rates.

I digress for a moment to say that if we look at the increasing rate of general interest for money which is available for developers and builders of non-welfare, private rental accommodation, at the introduction of a capital gains tax, and the abolition of the so-called negative gearing, there is no doubt that on the one hand whatever is, used to be, or may be, in the future private rental accommodation will command much higher rents.

The difference between private and Government welfare accommodation will be much larger. We can look ahead to the time when the Government's aim to satisfy the demand for welfare housing will create more difficulties. Private accommodation will become less and less affordable by a large number of people demanding private housing accommodation.

My criticism is a lack of parliamentary scrutiny of a number of activities of the Government. This is increasing. I am talking particularly about public building activities. A year or more ago the Parliament created the Western Australian Building Authority whose function was to borrow money on the open market, I suppose through the Central Borrowing Authority or in any other way, so that these moneys can be used for public buildings. This goes through what used to be the Public Works Department under its new name of the Building Management Authority.

The total amount spent on public buildings is \$254 million or thereabouts. This is not provided by the Parliament but is purely the result of borrowings outside the General Loan Fund. This is a huge amount of money to spend on public buildings such as schools, hospitals, police stations, court buildings, and so on in each member's electorate. It has attracted a tremendous interest in previous years during the long Budget Committee debate. This money will be spent without the Parliament being able to examine it in detail.

Members of the Government team took it in turns. This is legislation by exhaustion, a term created by members of this Government. The Deputy Premier and the Leader of the House were here on some occasions and on others the Treasurer. This made it easier for them to bear the late hours. We have to be here all the time. On one occasion when the Treasurer was not in the House the Leader of the House and the

Deputy Premier were present. The Deputy Premier interjected to say I did not know my Standing Orders, and the Leader of the House, for good measure, added that I should study them. I am happy to study; that is what I have done all my life, with better or worse results. That is for others to say. In these further studies I had very accommodating and useful advice from the Clerk, who said that my contention might not be quite right because there would be a general debate of 30 minutes on the building activities. That appears on pages 10 to 20 of the booklet headed "General Loan Fund Estimates of Expenditure". The heading is, "Public Works—Buildings and Associated Works including Furniture and Equipment". At the end of that discussion there could be a debate bearing on Item No. 6, "Refund Consolidated Revenue Fund on account of Administrative Costs—Public Buildings". That item relates to funding from the General Loan Fund for certain wages and salaries of the department which administers these capital works. That vote is less than \$9 million this year contrasted with \$254 million for works themselves.

It was explained to me that because this item is part of the total heading there will be an opportunity to discuss this with 15 minutes plus 10 minutes in the Committee, which would include all the items featured on these 10 pages, which is virtually the total capital works, albeit in a fairly abbreviated description of the State's general public buildings.

I beg to differ on this advice. When I look at the booklet I realise that although there is one heading, there are several subheadings. The first says, "Public Buildings," and it has a dash under the column "item." Quite clearly that first subheading, public works, which continues for 10 pages with various subheadings, has no vote, which is indicated by the fact that it has no item number. I would be surprised if the advice to the Chairman was correct that when we are going to discuss this any member can stand up, as by virtue of the fact that under the main heading there is an item with an item number and it has a vote. We can go back to the other items and discuss them in detail, albeit only once for 15 plus 10 minutes.

Be that as it may, I feel my interpretation is right, otherwise why would the document be printed with a dash against the item number and nothing under the column "Vote"?

Even if I am wrong, that would be only an additional 15 plus 10 minutes where we would be able to discuss a total of \$254 million. As I

said before, we went into great detail in the past discussing these works. Other than the miscellaneous items, these were the most queried items—one of the main parts of the long Budget in Committee which was discussed by members of Parliament.

I would like to see if the Treasurer intends to reply and how he will interpret this part of the capital expenditure.

I would like to discuss now, from the point of view of the general economy, the recently awarded general wage rise. This will involve employers in additional expenditure, and, particularly in an indirect way, additional taxes paid into the Federal Governments coffers.

It is quite clear that the 3.8 per cent increase—albeit on the surface it was awarded to the employees—will be the subject of roughly 40 to 50 per cent in average income tax which the employees will pay in turn. Therefore, the award is a bonanza for the Federal Government's revenue rather than for the employees themselves. As soon as it was awarded—in the northern hemisphere the days are reversed where we are virtually on the same day, but a few hours later—the value of the Australian dollar sank considerably, and as a consequence the domestic interest rates, which are not subject to announcements, and regulations such as are short-term money market rates took a sharp rise. The latter creates a fairly bleak outlook from the point of view of housing which was hit harder than the public buildings sector.

Housing covers a tremendously large section of the community and the whole economy. The home owners who pay the mortgage rates are involved; private rental accommodation and the tenants themselves who, as a consequence of higher interest rates with which the private owners have to service their debts on properties, will be affected; the building industry, which is a large industry, with the construction, professional and the engineering arms, and the suppliers to the building industry will all be affected because of the rising interest rates and the possible scarcity of money which will follow.

The Government—particularly the State Government—will not be able to help this situation. The stopgap measures which have been taken, such as the subsidy to the building societies—which is only a temporary election measure anyway and affects only a small proportion of the community—will not help this deteriorating situation at all.

The only thing the Government can do is to follow the advice of the Opposition, often by way of criticism in this House, to admonish its Federal colleagues and to embark on an entirely different economic policy which could reverse the situation overnight or at least within a reasonable time.

There are some additional reasons for the expected deterioration of the economy and the high interest rates. The State Government actually likes this so-called tax package. Hence, our constant warning is that Canberra should be prevented from indulging in this activity. I only have to view the results in the restaurant industry in our city and metropolitan area. We see the effects of the so-called perks legislation in the north-west mining area—a very important activity in our State. The perks are quite normal benefits without which the recruiting of employees could not be possible. With today's large unemployment situation, meeting these costs would be difficult without large additional costs of production.

Apart from what this tax package can do to the economy we have many other reasons which are outside the activities or decision-making of Government. Federal or State, which are occurring around the world and to which we should give considerable attention. Unless we anticipate the problems which come up—they reach us without warning—counter measures will be even more difficult.

I refer to the possible collapse of the Organisation of Petroleum Exporting Countries. It is quite ironical and interesting that whereas the gathering strength of OPEC was economically almost a disaster to the western world a decade ago when it was able to lift the cost of petroleum products, if the reverse occurred and OPEC did collapse, the sudden downturn in the price of petroleum products could be equally as damaging to some western countries, including Australia. If the price for petroleum products was much lower it would mean that the enormous revenue which the Federal Government and to a much smaller extent the State Government have received in connection with the high petroleum prices, will be diminished. The exploration for petroleum products will need to inevitably lessen because the lower prices will make it unattractive. The inflow of money will also be very much lessened. The refinery activities could be rationalised. Some of the products—for instance, aeroplane fuel—might experience a scarcity. It is not very difficult to imagine the type of results that could occur if there was a

consequent increase in unemployment and a decrease in the revenue of the Federal Government, which pays for social benefits for the unemployed, because of the drastic rates of petrol taxes.

Similar attention should be given to the very much increased indebtedness of the Commonwealth particularly. But in this connection, I think we ought to pay some attention to the State indebtedness as well.

I would like to draw the members' attention to the fact that the capital expenditure is fairly high within the States but particularly high is the yearly amount with respect to servicing this expenditure. The servicing of the General Loan Fund is spelt out in the revenue Budget. It is spelt out under the special Acts, and we can see here that the servicing of the Australian Loans Act totals \$177 million. Thus we can see that the one-year interest rates paid on the General Loan Fund borrowings so far, are higher than one year's borrowings within the General Loan Fund, which only amount to \$165 million. It is not recorded just how large the aggregate servicing costs from outside the General Loan Fund borrowings are. One can only make an educated guess about this.

I said before that the total capital programme is \$1 200 million for the coming financial year. If a very small part of those General Loan Fund moneys—not necessarily that \$165 million but all past payments from various loan funds—represents \$177 million in interest paid for one year, of course the borrowings from outside the General Loan Fund will have to attract a much higher interest rate paid by semi-governmental utilities and authorities such as the water, power, and transport utilities, and railways because they are borrowing at an infinitely higher interest rate and none of their borrowings can come from Commonwealth grants.

I would just briefly point to the fact that there are many disadvantages in this large indebtedness from the point of view of servicing charges, which have to be carried by the taxpayers or by the consumers of the utilities who have to pay by way of rates and charges.

In connection with the capital programme and borrowings generally, I would like to point, in my humble opinion, to the disadvantages of the central borrowing system and the central investment policy from which, to the best of my knowledge, only the largest utility, the State Energy Commission, is exempt.

This centralised activity is lately being done to a large extent by the Western Australian Development Corporation. Members in this place should consider the risks which this decision involves when dealing with a corporation—albeit one which was established by an Act of Parliament—which has not any watertight guarantees as has a Government department or the Government itself. I wonder, apart from the risks, whether the Government stops to think to consider the disadvantages of this enormous centralisation. I am not talking necessarily about the WADC. In the past I have always pointed out despite decisions made by previous Liberal Governments in respect of central borrowings and investments, the disadvantages of centralisation.

If we look at private business—and the Government is always so proud that it does things in a businesslike manner and that the Treasurer is a good business manager—we will be able to observe that most of the private companies decentralise their activities rather than centralise them. I think it stands to reason, without a great deal of understanding or expertise, that the different instrumentalities of the Government would be able to do their own borrowings and invest their temporary cash surpluses and they would arrive at a much better deal than a central authority could do. The market will judge that the central authority is there and it must make the investments. Although the market will choose from the various offerings, in a centralised system, the Central Borrowing Authority will not conduct its business in as competitive manner as it would were it decentralised. The various utilities could then strike a much better bargain when they are negotiating by placing large programmes of borrowings with the very same financial institutions saying, "If you come up with a very good term which suits us, you might receive the cash investments which we have at various parts of the year."

Another disadvantage of the Central Borrowing Authority is that it must issue loans at certain times and it must judge the market response at that time, which cannot of necessity coincide with the most appropriate time at which the individual utilities might want to borrow. If we look at the water utility, it takes up most of its income at the beginning of the financial year. Although people may pay by instalment, the greatest part of the Water Authority's income comes in July and August, and consequently the authority has a sudden cash surplus. When it has to spend the money, even



on capital works through self-financing, for example, that could happen at different times of the year. So the authority can plan when to go to the market for borrowing, whereas if it was subject to the Central Borrowing Authority, that authority might decide the time of borrowing from a different point of view. If I were wrong—and it is possible that people from the WADC say I am wrong because if they were to admit that I am right that would discount their ambitions—I would like to know why I am wrong. I maintain that decentralisation would have greater benefit, not only from the point of view of better terms which could be achieved through bargaining, but also through the better timing of when the different authorities can borrow.

I will use my remaining time to mention briefly matters pertaining to my electorate. Metropolitan members, if they have contact with their electors at all, have contact mainly through various organisations. As a rule the principal organisations are the educational ones such as schools, because the proportionately small number of people who are community-minded participate in school activities through their children. I would like to mention in connection with schools three matters which I have sought, through various means, to draw to the attention of the Government—unfortunately, apparently at this time not successfully.

The first matter to which I refer is in connection with the Churchlands Senior High School which is, I think, acknowledged as one of the successful high schools with an excellent principal and staff. It is particularly known to the general public because of its musical activities such as its choir and orchestra which went overseas, and the fund raising which was done, generally with Government help but with a lot of private input throughout the State, for this trip.

The Government acceded to a request to provide the funding for a music hall at the school. However, the hall which is under construction will be left without any seating accommodation. When I asked the Minister if the Government would supply seating accommodation, he said, "No, the hall can be used without seating accommodation." It is very difficult for anyone to stand through a concert. The Minister for the Arts might be an expert in this area and I do not think he would enjoy listening to serious music being performed by this winning orchestra by standing for between two and three hours. The Minister for the Arts

is a very diligent attender of concerts at the Concert Hall, as am I, and no-one has suggested that we should stand while listening to these concerts.

The second of the educational institutions to which I will refer is the Floreat Park Primary School. It has been in my electorate ever since the electorate was constituted, and that is more than 18 years ago. It is looked at by everyone as being a school which is attended by children who have conservative parents. The Government may have overlooked the fact, when considering the GLF Estimates, that at present the catchment area for this school is, to a large extent, from the electorate of Subiaco. I have noticed from advertisements that the Government is keen to have a Labor member in the Subiaco electorate.

Mr Brian Burke: Are you talking about Subiaco?

Mr MENSAROS: This Government will do itself a disservice if it does not heed the legitimate requests that it has received from the Floreat Park Primary School. The school has gone through difficult times. At one stage the number of students was very low, but now young couples have settled in the area and a pocket of the traditional Floreat Park is now in the Subiaco electorate.

I wanted to bring this to the attention of the Government and I am very happy that the Treasurer has paid some attention. Perhaps he will do something that is in the interests of the school which I represent, not from a political point of view, but in the same way as I represent every educational institution in my electorate.

The last point I raise is a very simple matter. I asked the Minister for Education a question about it and he acknowledged the problem. The problem has been raised by many P & C associations in my area and it concerns the wearing of safety helmets by schoolchildren who ride bicycles. It is a difficult problem because Governments never rush in to make certain things compulsory.

One solution which I can think of is that those children attending schools and who ride bicycles should be compelled to wear safety helmets. Another solution would be to have an extensive educational programme that would make both children and parents aware of the need to wear safety helmets to avoid serious accidents. This matter does not need a lot of

research and a decision can be made by the Minister. I would hope that he will make a decision in the near future.

**MR MacKINNON** (Murdoch—Deputy Leader of the Opposition) [11.55 p.m.]: I would like to address my remarks to this Bill on the question of law and order and the lack of facilities in rapidly expanding southern suburbs of the city, a large part of which I represent.

Mr Davies: It is not necessarily the best part.

Mr MacKINNON: That is a matter of judgment. I think that my electorate is the best part, otherwise I would not live in it.

Law and order is a serious and growing issue in the southern suburbs. An increasing number of people have made representations to me expressing concern about this matter. In fact, one of my constituents visited me recently and complained that his bike had been stolen that day. He said he had reported it at the police station and was told that his was the twenty-third case of a reported stolen bicycle that week. That is an indication of the amount of petty thieving that is taking place.

The Bill does not address this problem.

Several members interjected.

Mr MacKINNON: The Treasurer may not think about this subject being important in the same way as I do, but if he disagrees with me it will be to his electoral detriment.

The Murdoch electorate is a growing area and at present there are almost 30 000 people on the roll. That number is increasing rapidly. It is one of the few electorates in this State that does not have a police station. However, there is a police station on the boundary of the electorate; that is, the Brentwood Police Station. The last station that was built in the area was built in 1965—20 years ago—at Brentwood. The only other police station which services part of my electorate is the Cannington Police Station and that was built in 1961.

The provision of police stations has certainly not kept pace with the growth of the area. In order to substantiate my claim that there has been an increase in crime I refer members to question 933 which I addressed to the Minister for Police and Emergency Services on 8 October. The answer indicated that from 30 June 1983 to 30 June 1985 the comparative statistics for recorded crime in Brentwood had increased from 2 444 to 2 740 offences—a 12 per cent increase. During the same period the

offences reported to the Cannington Police Station increased from 3 138 to 3 903—a 24 per cent increase.

If one looks at the statistics which show the number of police officers who were stationed at those stations between 30 June 1983 and 30 June 1985 one will see that the same number of officers have been located at those stations during that time. This information is provided in answer to question 932 dated 8 October.

In other words, at both Cannington and Brentwood there has been a significant increase in crime over the last two years. Despite the fact that the Government, to its credit has increased the number of police officers by 300, no attempt has been made to increase the number of officers in the most rapidly expanding areas, in electorate terms, in metropolitan Perth.

From an examination of page 16 of the GLF Estimates of Expenditure it can be seen that the Government's priorities lie elsewhere. I refer members to the list of police stations which have been granted funding from this Budget. Members will see that there is one thing in common to almost every locality.

Expenditure includes Armadale \$600 000; Fremantle—water police \$330 000; Northam—regional police complex \$591 000; alterations and additions to police buildings—Broome \$500 000; and, Maylands—stage 1, library, and arms range—a fairly considerable expenditure which is probably expected. Perth headquarters has an allocation and in "Other Works" allocations are made to Armadale \$125 000, Fremantle \$350 000, Gosnells \$200 000, and Mandurah \$250 000. The only major items of expenditure in that list that are not in a Labor electorate are at Perenjori, which has an allocation of \$238 000, and Wongan Hills, which has an allocation of \$100 000. The member for Mt Marshall should be eternally grateful that an allocation is made to his electorate in the Budget.

The Government seems to have a strange order of priorities in relation to expenditure from its General Loan Fund on police facilities. It indicates that the allocation is heavily weighted in favour of Labor electorates and in particular to places such as Mandurah where it is important for the Government to put on a good show if it is to have any chance of retaining the seat in the light of the poor performance from the present incumbent.

Mr Carr: You left out a few places that are not in Labor electorates such as Boddington, Cranbrook, Denmark, and Mt Magnet.

Mr MacKINNON: If the Minister recalls, I said major expenditure. Boddington has been allocated \$16 000 and Denmark \$30 000. I left out the smaller amounts. I also left out Kalgoorlie at \$10 000, Esperance at \$69 000 and Derby at \$85 000, all of which are in Labor electorates.

Mr Brian Burke: They are only Labor electorates because we won them.

Mr MacKINNON: I do not know what that has to do with the matter.

In the southern suburban area of Murdoch, which I represent, statistics clearly indicate that crime is significantly on the increase. The statistics supplied in reply to questions I have asked in Parliament indicate that no new police station has been built to service the area for at least 20 years. In the last two years during which I have asked those questions there has not been an allocation of even one extra police officer in the area.

Mr Brian Burke: Do you ever stop to think that Murdoch may have many people who are less law-abiding than those in other areas? Why give them facilities such as police stations?

Mr MacKINNON: The electors of Murdoch will not be pleased to hear that the Treasurer thinks they are less law-abiding than people in the rest of the State and I will make sure that they get that message. I call on the Government to give some reasonable priority to the area.

The northern suburbs have the Warwick traffic patrol centre. The Government has said that it will do something for the southern suburbs of a similar nature, but we need more than words, we need action. The people in the electorate are suffering today and they have no visible signs that the Government is giving recognition to their problem other than the Minister mouthing empty platitudes in the Press. We need new facilities and more police officers in the area. We need a traffic patrol centre if a proper service is to be delivered to the people in the southern suburbs and to the electors of Murdoch whom I represent in this House.

MR CASH (Mt Lawley) [12.05 a.m.]: I have a number of matters I wish to raise in this debate. One follows the comments made by the Deputy Leader of the Opposition and relates to the position of the Police Force. I read the latest edition of the *Police News* with interest, in which the secretary's notes made it very clear that the existing lock-up facilities at the

Central Police Station are totally inadequate. I will quote in part from the report of the secretary of the Police Union which will make clear to the House the reason I raise this matter. It stated—

The Perth Lock-up, for example, is completely inadequate to cope with the large number of persons who are processed through this area. Failure to provide proper facilities and equipment promotes inefficiency in the conducting of Police duties. Where it has been said that law enforcement authorities (generally) are only as good as its individual officers, I would say that officers are only as good as the facilities and equipment they have at hand.

I raise this point tonight because it is a matter I raised 12 months ago in this House when I made my maiden speech. I pointed out then that the Perth lock-up has inadequate facilities and that situation remains today. I am aware that in the Budget allocations this year it is recommended that certain allocations be made for the proposed new building at police headquarters. However, the police would like improvements made to the existing facilities and I hope the Minister for Police and Emergency Services will take that into consideration when the Estimates are discussed. Moving further on in the secretary's report, reference is made to the health hazards created by the inadequate facilities at the lock-up—

The second issue concerns Police Officers exposure to health hazards. Members have advised that they are required to handle and process people who are suspect, or in fact have, health and hygiene problems. Hepatitis B and A.I.D.S. danger of contraction makes this an area of poignant concern, particularly as there are no facilities at all for Police Officers to take the necessary precautions.

It goes on to point out the inadequate facilities in that area.

With regard to the police facilities in the electorate of Mt Lawley, four police stations located at Morley, Maylands, Inglewood and North Perth serve the district. Each station is many years old. I invite the Minister to look at the Budget with regard to capital expenditure on the general improvement and maintenance of these stations because I can assure the Minister that they are desperately in need of maintenance. I hope the Minister will see his way clear to reallocating funds to these areas.

With regard to the police station situated in Russell Street, Morley, this is currently used as a general duties office and also for the CIB. It was built some 20 or 25 years ago and, as it is now the supervising station for other stations serving the Mt Lawley electorate, it is totally inadequate in respect of size to cope with the job and responsibility it has.

It might be of interest, certainly to the House, to give some consideration to the relocation of the Morley Police Station in the general vicinity of the existing Morley regional shopping centre. If the police station were relocated it could obviously be better designed than it is at present and it would provide an opportunity to create a traffic office that could serve the suburbs in the general vicinity of the existing station. I understand that a report was prepared some years ago that recommended that a traffic office be located in this area and I invite the Minister to make some inquiries to see whether a traffic office is a possibility for the people in Morley. At the moment the closest traffic office is the Perth office located in Plain Street. Members will understand that there could be some difficulty for people travelling to that office when they want inspections of vehicles carried out or to deal with other matters which concern the traffic station.

Another traffic office is in Midland, and that services the general Midland and foothills area. The other one, to the best of my memory, is the Warwick Station, and that is a fair distance from the Mt Lawley electorate and the Morley area specifically. There is a growing need for a traffic office in that area and I leave it with the Minister to make some inquiries and in due course make comment back to me so that I can refer his comments to the people in my electorate who have on a number of occasions asked that the matter be the subject of investigation and consideration by the Minister's office.

I turn now to comment on the present staffing arrangements within the State's Police Force. I posed question 1069 dated 15 October to the Minister for Police and Emergency Services and asked for the establishment figures for the Police Force as at 30 June for 1982, 1983, 1984 and 1985. The answer indicated that the police establishment at 30 June 1982 was 2 671, which increased by 100 in 1983 to 2 771, which increased a further 100 for 1984 to 2 871, which increased at 30 June 1985 to 2 971. That does not include public service officers who are attached to the Police Department or the category of people known as other

personnel, which I understand are car cleaners and others who assist in the operations of the department.

My point is that whilst there has been a steady increase of 100 officers each year over the past four years, my discussions with a number of serving officers is that this number is inadequate and is in need of desperate review.

Mr Carr: It is a very big improvement on what was happening under your Government.

Mr CASH: I am not trying to be critical. I am trying to make the point that this House has a duty to increase the staff of the Police Force so that the police officers can get on with their job in a proper way. The Deputy Leader of the Opposition has just raised the issue of law and order, and I understood the Treasurer to have supported a strong law enforcement agency. I am suggesting that the current figures, irrespective of the Government in office, are inadequate to cover the State of WA.

I notice the Police Force has had some fairly dramatic increases in retirements over the last 12 months and, regrettably, that has occurred amongst senior officers. Whilst the number of officers obviously will not vary, whether they be people who have served 12 months or 30 years, if they are to retire they appear on the retirement statistics. There is no question that because recent retirements have represented very experienced officers leaving the Police Force, we now find ourselves in a position where the total number of years of experience which can be attributed to those officers is very considerable, and many of the functions of the force are now being performed by officers who in the past would have been required to have a lot more years of service to their name before they were put into particular jobs. It could be argued that that is a good thing because it brings in younger officers and gives them added responsibilities and duties, so making them better police officers in due course. However, in discussions I have had with a number of serving officers it has been pointed out that morale in the Police Force is not high and that much of the reason for this is that they believe they are understaffed.

I am aware that the Government has made changes in the general distribution of its police officers. The Maylands training centre has now almost 100 officers working there, and that is a creditable achievement. But what seems to be happening is that whilst the Government has built up the training department, it has lost officers who normally would be out in the field,

and this is causing additional pressures on the various stations that have to provide field officers to walk the particular police beats. This is imposing additional stress, strain and unnecessary anxiety on members of the Police Force. Whilst I am very happy to see an increase in numbers at the training centre at Maylands, I believe we must compensate for the Government's increase in this area by increasing the number of officers in the force.

Mr Carr: We built up the Maylands centre by transferring the training establishment at the Warwick complex.

Mr CASH: The Minister has centralised the training operations, and I appreciate that. However, it does not take away from the fact that the Minister's serving officers believe that whilst he is building up the training centre, they are losing men off the road, and it is the men on the road at night who are recognised by the public as performing those vital duties we all require the police to do.

I now turn my attention to the America's Cup. In recent months I have sought answers to a number of questions to try to determine where the \$28 million of Commonwealth moneys offered to this State some two years ago has been applied. In mid-October I asked the Minister representing the Minister for Tourism for a breakup of the Federal Government moneys that had been allocated within WA and in particular those moneys allocated to local authorities. I was informed that as at 17 October 1985, of the \$28 million allocated by the Commonwealth, \$25.4 million had been allocated to various Government departments and other institutions and local authorities.

If we consider the break-up of allocations to local authorities we find that the City of Fremantle has received in the order of \$8.3 million and that East Fremantle and Rockingham have enjoyed about \$500 000 between them, and those last two local authorities have used that money to construct boat ramps. Further, some additional funds were provided for the south-west local authorities management group, which received \$50 000 for tourism planning, \$50 000 for a coastal road programme, and \$9 000 for a caravan park strategy.

The reason I raise this matter is that back in January this year the State Government invited local authorities throughout the State to make submissions to the America's Cup office on various projects they believed would be worthy of America's Cup money. The City of Stirling

spent \$20 000 in preparing a submission, which I hold now, and as members can see it is a considerable document. It submitted a programme which showed a total expenditure within the City of Stirling of \$11.4 million, to be represented by a grant of \$8.2 million and by city funds of \$3.2 million.

To date in answer to the questions I have asked I have been informed that the City of Fremantle has been allocated \$8.3 million. Until a few weeks ago, despite the considerable submission by the City of Stirling, we find 12 months after that not one single dollar of America's Cup money has been provided to the City of Stirling.

I believe that that speaks for itself. There is no question that if one looks at the representation of the electorates covering the City of Fremantle, one sees that it is within the State electorate of Fremantle, represented by the current Minister for Minerals and Energy; it is in the area of the Legislative Council province represented by the Minister for Tourism; and it is also in the Federal electorate of the Federal Minister for Finance.

I remind the House that two people who have a great influence on the allocation of America's Cup funding are the Federal Minister for Finance, Mr John Dawkins, and the Minister for Tourism for Western Australia, Hon. Des Dans. They make the decisions as to who gets what in respect to that funding, and one can see that they have made it their duty and responsibility to see that their electorate—their home town—is particularly well provided for.

Regrettably the provision of those funds to the City of Fremantle has been at the expense of other local authorities which want to plan their part in the important America's Cup defence which is due to be sailed off Fremantle in late 1986 and early 1987.

I think members would agree with me that local authorities generally, which want to play their part in working in with the Government in respect of the America's Cup, have been let down badly by the America's Cup Office. I invite the Treasurer to take this matter up with the Minister for Tourism to see whether he can make some changes to the situation before the \$4 million or \$5 million, which is all that represents the balance of those funds, is allocated elsewhere.

I might say that the State Government was not backward in making its claim on the America's Cup fund. The Metropolitan

Transport Trust made a claim on the America's Cup fund and received \$3.4 million to upgrade the bus fleet. Homeswest will receive something like \$2.15 million for various works that it proposed to the America's Cup committee. That is political pork-barrelling of the worst possible kind, and while the City of Stirling is not impressed that it has not received any funding, I can assure members that its neighbouring councils are also very concerned that they have not shared in any of this money.

I have a letter here which was written to the America's Cup Office by one of the private companies that is working in the City of Stirling area—Austmark International. Members will be aware that that company is building Observation City, or the Berringa Beach project on the beach front at Scarborough. In June 1985 Austmark was so concerned at the distribution being made by the America's Cup Office that it wrote to the executive director of the office, Captain Beresford Noble. That letter demonstrates the concern the company showed as to the distribution of the funds, and it began—

We were extremely disturbed to learn that, to date, the City of Stirling had not been granted any funds from the America's Cup Defence—Federal Government Funding to assist them in financing America's Cup related projects which are of community benefit.

Further on, the letter continues—

Our concern is prompted by the fact that we have made a huge financial commitment to construct, in record time, a 350 bed 5 star hotel complex in readiness for the Cup Series, commencing in September 1986, on the Scarborough Beach front.

I do not know what reply was sent to the company but I notice that attached to this letter is a copy of a letter from the office of the Mayor of the City of Stirling. It is addressed to The Honourable B. T. Burke, MLA, Premier of Western Australia. In that letter the Mayor of the City of Stirling, T. J. Tyzack, sets out very clearly that the City of Stirling believes it is being disadvantaged by the fact that no allocations had been made to the city at the time of the writing of that letter.

I know a number of people who have claimed that the City of Stirling has not been seen favourably by the America's Cup Office because of its actions in preventing the Government from establishing a Chinese restaurant for the Australian Labor Party in Wanneroo

Road, Nollamara. Whether that is the truth of the matter I do not know, but I do know that the City of Stirling has been badly done by, and as a member of this House who represents an electorate within that local authority, I believe it is an absolute sham and it is something that the people of the City of Stirling and certainly the constituents of the electorate of Mt Lawley believe the Treasurer should look into and redress as soon as possible.

I will now move on to an area that is causing some concern in my electorate. It is the problem of rentals within the Mt Lawley electorate. In recent times the State Government has supported the Federal Government's tax reforms—or tax grab propositions—announced by the Federal Treasurer some time ago; and the fact that negative gearing has now been introduced has caused upward pressure on the rental market.

I refer to a report in *Canberra Survey*, volume 38, number 15, of 9 August 1985. It relates to the problems that have been caused by the introduction of negative gearing. It is entitled "The Rental Housing Crisis" and is authored by Chris Paris, a research fellow from the urban research unit of the Australian National University. The report begins—

The long standing dream of owning ones own home—which federal government policy, especially interest rates, has been geared towards since the days of Liberal Prime Minister Menzies—has of late been under attack. Recent changes in policy by the Hawke Government mean that, yet again, those who rent, with little chance of being owner-occupiers, will suffer disproportionately.

This article, and a very good article I might say, goes on to talk about the widespread agreement that now exists within the housing industry which clearly shows there is a crisis in the rental market.

If we look at some recent Press reports in that area, we see that on 19 July 1985 in *The West Australian* under a headline bannered "Rent Increase Warning Over Tax Changes", the Real Estate Institute of Australia described the Government's latest tax changes as madness and said they would force up rents and make it harder to find private rental housing.

Some two or three months later the comments made by the Real Estate Institute of Australia have in fact come true. It is interesting to note that some time ago the Minister for Housing in this Parliament, Keith

Wilson, said that he was having discussions with the Federal Government to urge the Federal Government not to enforce its proposal to bring in negative gearing. He obviously has failed because we know that negative gearing is now a fact of life in the housing market, and the effects of the legislative change are now being felt.

I would like to relate to the House some other comments in respect of negative gearing. Two days ago on 4 November in the *Daily News* under the banner headline, "Tax shift forces up rent", the chairman of Roy Weston Real Estate, Mr Derek Park said real estate investors were now looking for higher returns because of the new capital gains tax and the removal of negative gearing. He announced he believed rents would continue to rise unless something was done to change the Federal Government's policy.

Only yesterday in a paper given to the Metropolitan Planning Authority conference that is currently being held in Perth, Stewart Houghton, a senior lecturer in geography at the University of Western Australia said that the level of home ownership, which is high by Western standards, will decline and there is likely to be a 20 per cent increase in rents over the next 12 months in WA. I find that totally unacceptable, and it is something the Opposition will fight hard to reverse.

The question which must be faced by this House is what is the Minister for Housing doing after his earlier announcement that he was negotiating with the Federal Government to try and change that Government's policy in this area?

If we go on and look at the way interest rates have changed in the last month we find that banks are being forced to ration home loans. Because of the pressure of interest rates and the fact that banks are required to have a maximum home loan rate of 13.5 per cent there has been a tremendous drain on those finances. The banks themselves have imposed certain limits on the amounts of money they are prepared to lend to a potential home owner, and because that amount of money often is not sufficient to meet the total required to purchase a home purchasers have been forced into a situation where they have to borrow additional money, sometimes on a second mortgage at considerably higher interest rates.

This arrangement is known in the banking industry as a cocktail and it involves home buyers taking out part of the loan at 13.5 per

cent and a second loan from a much more expensive source—not necessarily a bank, sometimes a finance company and sometimes bridging finance—to top up the money they need to finance their home. There is no question that that is currently causing great concern to people who want to enter the home ownership market.

In recent weeks the Federal Minister for Housing (Mr Stewart West) has claimed on a number of occasions that he believes housing interest rates are about to fall. Every time he makes such a statement a survey or statistics appear the following day which show that he is totally wrong. It appears he has got it back to front and confused interest rates with the Australian dollar. The changes in the Australian dollar in recent days when it has dropped from the equivalent of 70c to the US dollar down to the order of 66c to the US dollar will place additional pressure on interest rates.

The Federal Government will have to make a decision whether to continue to support the dollar, and as a result obviously keep up interest rates, or whether it will let the dollar slide to its real level. Last week that was assumed to be in the order of 60c to the US dollar, but I understand it is now being quoted at 55c to the US dollar.

That is an absolutely tragic situation. I am not blaming the Federal Government for holding up the Australian dollar at this stage; I am blaming it for not allowing the Australian dollar to float to its real level without the problem of inflation overtaking us and the cost push in respect of general costs and especially wages forcing us into an unacceptable situation. It is interesting to note that even Federal Labor Party members cannot work out whether they should be supporting the Australian dollar or letting it fall to its true level.

Many members will recall when the Australian dollar was worth considerably more than the New Zealand dollar. It is interesting to look at today's statistics which show that not to be the case any more. If one looks at the fall in the Australian dollar between 31 December 1984 and 5 November 1985, a period of 11 months, one sees there has been a dramatic change. One has to ask the question why it is happening and what the Federal Government is doing about it.

If we compare the rates for the Australian dollar against the US dollar one sees that on 31 December last year it was 82.78c and now it is down to 66c. It was quoted yesterday at 67.05c

to the US dollar, and that is a change in negative terms of 19 per cent in 11 months. One of the problems we have is that every time we talk about the Australian dollar we usually relate it to the US dollar in terms of international exchange rates, and that is not necessarily a good thing. We find that in relation to the Japanese yen the rate has dropped from 207.4 yen to the Australian dollar on 31 December 1984 to 130.3 yen today, a difference in negative terms of 32.8 per cent. That is a remarkable change in 11 months and certainly it is nothing that this State Government or the Federal Government can be proud of.

I tie the State Government into my comments about this situation because members will recall that only three months ago when tax reform was being discussed in the Federal Parliament and that great talk shop took place in Canberra our Premier went there and represented his Government's view as supporting the majority of the propositions put forward by the Federal Government. I remind the House that part of the reforms or grabs that our State Premier supported at the time was a gold tax. I am waiting for the Premier to come into the House and deny he supported a gold tax when he was in Canberra three months ago.

Mr MacKinnon: He still has not denied it.

Mr CASH: He cannot deny it because it is quoted in *Hansard*, unless he is claiming that *Hansard* has misrepresented what he said.

I will continue to show the dramatic change in the Australian dollar in comparison with other world currencies. The rate in relation to Sterling was 71.3p to the Australian dollar on 31 December 1984; today the rate is a mere 46.6p, a decrease in value in comparative terms of 36.4 per cent.

I could go on but time will not permit me to show the House the dramatic changes that have occurred between the Australian dollar and other international currencies. At the conclusion of my speech I intend to seek the leave of the House to have a table incorporated in *Hansard* so that members can study it at their leisure and see the dramatic and tragic changes that have occurred in the Australian dollar in the last 11 months.

One wonders why the farmers are in so much trouble. I said the other day, when I was delivering my speech in the Budget debate, that the farmer had never had it so bad. At one stage the Minister for Agriculture had the gall to say that the farmers have never had it so good since this Government came to power.

Mr Evans: I did not say that; don't misrepresent me.

Mr CASH: I will ask the Minister for Agriculture what he said so that I can understand his comment.

Mr Evans: You made the remark that I said the farmers had never had it so good. What I said was that no Government had done so much for rural industries in this State than this one.

Mr CASH: On both counts the Minister for Agriculture is wrong. Firstly, it can never be claimed that farmers have never had it so good. Secondly, the Minister for Agriculture has been a complete and utter failure.

Mr Evans: Have a look at the Statute book.

Mr CASH: Do not try to shout me down. The Minister knows that he has been an absolute and abject failure. I have had the opportunity to go to country areas in recent months and I have been told by active and competent farmers every time I move in the country—

Mr Evans: Have a look at the record.

Mr CASH: Madam Acting Speaker (Mrs Henderson), you will notice that as soon as I claim that farmers in Western Australia are worse off under this Government than they have been under other Governments in recent times, members opposite, including the Minister for Agriculture do a good job of shouting me down. They interject to try to drown out the factual comments that I want to make.

Mr Evans: Of course farmers are worse off than they have been for years. Tell us the reason?

Mr CASH: The Minister has just told me that farmers are worse off. What he does not understand is that he and his Government's policies are the reason that farmers are worse off. One has only to go to the country and talk to farmers to see that what I say is true. Members have heard Opposition members who have been farmers for 30 or 40 years and have taken over farms from their fathers or other relatives who farmed for 50 years before then tell this House in recent months that farmers have never had it so bad. Yet, this Minister tries to tell us that he is the greatest thing that has happened to farmers. He has no claim to assisting farmers because the facts do not support those claims.

Mr Evans: Have a look and take the member for Nedlands with you.



Mr CASH: The Minister for Agriculture can carry on as much as he likes but the fact is that he has pushed the rural community in Western Australia into a position that is causing many to have their farms and properties sold from under them. If it had not been for the member for Moore who introduced a Bill on his own volition some four to six weeks ago which sought to prevent farmers from having their land sold from under them, this Minister would have done nothing to try to assist farmers.

As my time draws to a close I raise another matter which I believe is of importance.

Mr Read: Can you read it accurately?

Mr CASH: I want the member to listen accurately so that he does not misrepresent me as he usually does. I asked the Premier recently whether or not his department provided Western Australian flags for presentation to sporting and other organisations within members' electorates. If the answer was "yes", I asked for the procedure to obtain such a flag. The reply was that State flags were available on a loan basis to organisations for special functions. That obviously did not answer the question that I asked. I rang the Department of Premier and Cabinet and was told that if I wanted to present a flag to any of the primary schools in my electorate or any of the sporting organisations who had asked me for a Western Australian flag, it would be necessary for me to buy one privately for about \$42.50. I do not object to spending that sort of money because I believe it is cheap; I can afford it and I will continue to do that. However, I believe it is a matter at which the Government might like to look in its expenditure of over \$3 billion in this Budget. It seems a petty way of doing things to deny the opportunity to members to present schools and organisations within their electorates with flags. It is a clear indication of how this Government feels about our flag.

Mr Brian Burke: The Government does not prevent you doing it.

Mr CASH: Again the Premier has not listened to what I said. I did not say the Premier was preventing me. I suggested that the Premier might like to give consideration to making an allocation of some funds within the Department of Premier and Cabinet's Budget to cover Western Australian flags so that, on request, members can obtain flags from the Premier's department for presentation to organisations within their electorates. I do not think that is too much to ask. I hope the Premier gives the matter some consideration.

There is now also some difficulty in obtaining flags from the Commonwealth Government. Members will remember that, in the past on application to the Department of the Prime Minister, flags were freely available. That is now not the case and that is a most disturbing situation.

In view of the limited time available to me I now seek leave of the House to have incorporated the table about which I spoke earlier.

*By leave of the House the following table was incorporated—*

#### THE FALL OF THE AUSTRALIAN DOLLAR

Currency	Dec 31 1984	Nov 5 1985	Change (%)
US dollar (cents)	82.78	67.05	-19.0
Japanese yen	207.40	139.30	-32.8
Sterling (pence)	71.30	46.60	-34.6
German mark	2.61	1.74	-33.1
French franc	7.98	5.31	-33.4
Swiss franc	2.14	1.43	-33.2
Neth'land guilder	2.94	1.97	-33.1
Italian lira	1605.5	179.0	-26.5
Canadian dollar	1.09	0.92	-16.0
NZ dollar	1.73	1.16	-32.9
Indonesia rupiah	887.0	750.0	-15.4
Malaysian ringgit	2.01	1.64	-18.3
Singapore dollar	1.80	1.42	-21.5
Indian rupee	10.23	7.98	-21.9
Trade weighted index	81.3	60.3	-25.8

MR RUSHTON (Dale) [12.49 a.m.]: I wish to comment on a number of items in the Appropriation (General Loan Fund) Bill. Firstly, I wish to raise the matter of a small company which I believe has been maliciously attacked and for which the Minister should apologise. The small airline company which has been maligned by the Minister for Education deserves an apology. It is easy for him to make statements in this House but difficult for a small company to cover itself in the commercial world.

We cannot even give the Minister credit for his statement that he was at the airport on time. He stood there like a stuffed owl for an hour and a half or so and did not take the remedy which anybody else would take of going and viewing the aircraft he was to be travelling on. He would have us believe that he is telling the truth when he said he went to the airport on time. The company has said that its representative was at the airport until 8 o'clock and the Minister did not turn up. Surely the honest thing for the Minister to do would be, firstly, to make an apology to the company, and secondly, to say that he did not make it on time and that he regrets the discomfort that has been experienced by the company in question.

Mr Clarko: Why don't you ask him if he was at the airport at 7.15 a.m.?

Mr RUSHTON: I know that he was not there; that is the point. He can get away with it in here, but somebody in the commercial world has to suffer. That is what this is all about.

It is not as if that was the only thing the Minister for Planning has done. I refer to the Spindrift development at Scarborough. This morning's *The West Australian* reports that the Minister has called on the chairman of the Metropolitan Region Planning Authority to step in. This is a misuse of power and I have the experience to know what that means. A little while ago this Government set about obtaining the credit for the other project on the Scarborough beachfront, Observation City. It applauded that project. It applauded it as an achievement in that it would provide some opportunities of employment.

Next, the Government uses the powers it has to stop another company from developing a project that had approval for a couple of years. I believe that is a misuse of power. The Minister has called on the Chairman of the MRPA, who has taken the step outlined in *The West Australian* report. A matter of this seriousness should have been dealt with by the whole of the MRPA. I would have expected the result to have been quite different in that case.

Mr Court: Is this going to drag on like the Chinese restaurant deal?

Mr RUSHTON: I just make the point so that members can make the judgment.

When I took over as Minister for Urban Development and Town Planning in the previous Government, the late Herb Graham, my predecessor, had something like 16 or 17 approvals that had not been dealt with in an effective way. The planners would have liked to have repealed the decisions that the late Herb Graham had made against their wishes. He had not applied the necessary conditions. Those approvals had been given by the late Herb Graham and some of them had been approved by the Cabinet of the day. As far as I was concerned, when I took over as Minister, it was the responsible thing to do to see that those decisions were upheld, the reason being that people had bought on the basis of those approvals and much money had been spent. It was the moral and the right thing to do to see that the approvals which a previous Minister had given were carried through to their conclusion. Of course, some of them would have been different from approvals that I would have given, but as far as I was concerned they

had received the approval of the Minister responsible at the time and as such had to be honoured.

That is what has happened with this Spindrift development. Approvals had been given. It was not required that the developer go to the MRPA, but there has now been dirty interference by the Minister for Planning. It is cheap politics and worse.

I now touch on another point that has been raised today. This pious Premier covers his discomfort by making statements in this House about dirty politics. The one who trots out dirty politics the most in this House is the Premier himself. He mouths words about people attacking personalities outside; and they are his words, not the words of our leader or people on this side of the House. He has done it frequently. When he was Leader of the Opposition he had a Perry Mason approach and got the headlines by attacking people day after day. It becomes very nauseating to listen to the pious humbug of the Premier when he spells out these comments day after day. We then see them reported verbatim. He knows the trick of getting those words reported. We do not see him answering questions regarding a member of his staff, whose name I cannot for the moment recall.

Mr Read: Rushton comes in from the cold.

Mr RUSHTON: Listen to the catcalls! That is the standard to which this House has degenerated because of such members who are careless about the ethics, standards, and principles of this House. The sooner they are removed from Government benches the better for the conduct of this House.

The Premier has not yet answered the question about the acquisition of a site for a new prison. There has been an allocation of something like \$700 000 for that item. We would like to know where it is to be established. Is it to be established in the Mundaring electorate, in Mandurah, or elsewhere? Is the site to be announced after the election?

Mr Hassell: It was planned for a new suburban area down near Cockburn, but the health authorities ruled it out. The current plan is to go up to Gngara in the pine plantation or next to it.

Mr RUSHTON: I think it is time that the Premier came clean and told us where it is going.

The other point I wanted to make is in regard to the Urban Lands Council and the present dilemma. The Government does not have the

ability to coordinate the development of land. The Urban Lands Council is part of the Government's dilemma. The Government took away and cancelled a very effective system of coordination, and it appears it will return to the previous system.

I question the amount of money allocated in the Budget this year for the Urban Lands Council. Obviously we will have the opportunity when we come to the particular item to seek an answer with respect to that sum. I asked a question of the Minister for Planning the other day. I was told that I should address my question to the Minister for Housing. My concern is that this Government is moving to destroy the corridor planning concept for the metropolitan area by stealth. It has come to my knowledge that the Government, through the Urban Lands Council and Homeswest, has already bought land in the rural wedges that divide the corridor. This socialist Government has obviously bought that land in preparation for the destruction of the corridor plan so that it will have cheap land ready for developing. I will keep raising that matter because it is a matter of significance and of real concern to those people who have enjoyed a desirable way of life because of the the present planning process.

The next item that I raise is the replacement of the Hospital Laundry and Linen Service. Something of the order of \$3 million plus has been allocated for restructuring this facility.

The Government is well aware that if the Liberal Government is returned whenever the State election is next held there is a real doubt that this service will continue in its present form. It would be the decent thing not to proceed and waste that money, pending the State election.

There is then the provision of \$6 million for the Hillarys boat harbour. It was interesting to see the Treasurer's comments recently saying he had silenced the people who disagreed with the building of the Hillarys boat harbour. It is becoming usual for this Government, when objecting voices are heard, not to do the job properly and have a public response to consider. The Government announced it would be a thousand-boat harbour, without checking regarding the environment or other matters. This statement overrules its own public servants. The public servant is there to see the Government's wishes are carried out. The Government did not refer to competent people who were able to give good advice. It insulted them by

saying they should have made comments to the reviews when they were called for, which is utter nonsense.

Here the Government is silencing the objectors, those who have recognised abilities. They intend to employ them to shut them up.

I want to touch on a couple of things regarding my electorate. We have been waiting for the Government to take a positive step in the purchase of land for the new Oakford Primary School. We have seen misleading nonsense.

Mr Pearce: Money has been allocated.

Mr RUSHTON: The Minister should see what the Press statements or advertisements say. The Treasurer is being misleading and the people acknowledge that. I shall be seeking facts as to the land being finally purchased.

Mr Pearce: I have given instructions for it to be purchased, but it is to be purchased at a reasonable price.

Mr RUSHTON: It should be purchased at the market price.

Mr Pearce: It is to be purchased at a price the Valuer General shall determine.

Mr RUSHTON: The Minister should not require somebody to sacrifice his land.

Mr Pearce: I am not asking him to sacrifice his land. Somebody like that knows you are putting on political pressure so the price is jacked up.

Mr RUSHTON: It is easy for the Minister to attack people. This happens to be a large piece of land. The Minister wants to select 10 acres of this man's best land and give him less than the market value. The school should have built before last winter. As it is turning out now it will be battling to be there for next winter.

The Serpentine School has been omitted from the works programme. This Minister does not think fit to include that school in the Loan Estimates.

The next item concerns a promise the Minister made regarding a district high school or high school in the Byford and Mundijong district. This Minister said there was a choice; we could have a high school in one of those places. The intimation was that this would be done in three years. Nothing has been done. That is the type of promise one can expect from this Government.

I would like to refer to the Treasurer's remarks regarding dirty politics. At this moment an unusually huge sum of money is being spent by the Government and the Labor Party

on this election. There should be an investigation into its source. Once again this pious Government talks about being squeaky clean and then it has trips to Fiji. It has obviously obtained these election funds by blackmail, and it is a large sum of money. The public of this State will understand it. In my electorate they are understanding it already, and they are asking questions.

The Labor Party, through this Government, is spending \$1.5 million in the marginal electorates at the present time. That is an interesting question that should be answered. The worms will come out of the woodwork in due course. The time will come when the people realise what the Government was about. For my part it cannot come quick enough for the Government to be removed.

**MR BRIAN BURKE** (Balga—Treasurer) [1.07 a.m.]: I would like to thank members for their contributions to this debate. I shall not pretend to answer all the points raised.

Dealing with the Serpentine School, about which the member for Dale made absolutely no representation, according to the Minister for Education—

**Mr Rushton**: That is totally false because I have reams of letters.

**Mr BRIAN BURKE**: I said according to the Minister for Education.

**Mr Rushton**: You cannot believe him.

**Mr BRIAN BURKE**: The member has forgotten already. He took chips off my plate this evening and he was very friendly, yet tonight he is being absolutely horrid to everybody.

I have a sensible proposition: We will introduce disclosure legislation requiring all political parties to disclose their sources of election funding, provided the Opposition will give us a commitment to support it.

**Mr Blaikie**: Answer the Loan Fund debate.

**Mr BRIAN BURKE**: That was part of the debate. Did the member not hear his colleague?

**Mr Blaikie**: You demean the office of Treasurer.

**Mr BRIAN BURKE**: That may be the member's view, but the point was raised by the member for Dale towards the end of the debate. I am simply saying I can accommodate the point because it conforms to our policy. In the meantime I will not denigrate members of the Liberal Party Trust. I think Mr Tony Oates, the Chairman of the Liberal Party Trust, is a reputable business person, a director of the Bond Corporation. He obviously pursues his

own political beliefs as he sees fit. It is perfectly open to him to make the decision to chair the Liberal Party Trust without being castigated.

The fundamental choice for the member for Dale and others to make is whether they will support disclosure legislation, and if not why not, if they want to continue with the criticisms they make of the Government from time to time.

I can understand the member for Dale's position at the present time, because he is the subject of a very intensive campaign. No-one likes to be campaigned against.

**Mr Rushton**: That is not worrying me very much.

**Mr BRIAN BURKE**: It may not be worrying the member very much, but it is a fact of political life that campaigns are fought from time to time. We intend to campaign very vigorously. We hope to be able to defeat some marginal seat holders in the Opposition ranks, and I guess the Opposition hopes to beat some of the Government members.

**Mr Pearce**: Do members know why the member for Dale is really worried? It is because he is not door-knocking in my electorate like he did last election when I got 66 per cent of the vote; he is door-knocking in his own electorate and he will get into a lot of trouble.

**Mr BRIAN BURKE**: I do not know whether he is doorknocking or not. I do know that in the next few months tempers will become frayed and the member for Dale and other members will probably resent the fact that people are campaigning in their electorates and attempting to unseat them. That is a fact of political life that everyone has to contend with. I won an election by 30 votes on one occasion.

**Mr Clarko**: It was the bluest Labor seat in the State.

**Mr BRIAN BURKE**: I was very lucky to win on party preferences.

Several members interjected.

**Mr Clarko**: Your predecessor got 70 or 80 per cent of the vote.

**Mr BRIAN BURKE**: In any case, that is the situation. I do want to underline the point; the member for Dale will not even commit himself to vote for disclosure legislation. If one commits oneself to voting for disclosure legislation, all the matters he raises will be in the public domain. The member will not do that. He will not even support the Members of Parliament (Financial Interests) Bill (No. 2) the Govern-

ment proposes, so how can he honestly stand up and say the sorts of things that he says, knowing that he will not agree?

The disclosure of donations to political parties for election campaigning would be made public under disclosure legislation we would introduce.

Mr Rushton: They are not public.

Mr BRIAN BURKE: It is very difficult to attach much credit to the member for Dale when he will not even acknowledge that point.

Anyway, I thank members for their contribution. I intend to refer to each Minister the Divisions that touch upon areas within their responsibilities and to ensure that all the points ranging from accountability raised by the member for Floreat through to the matters raised by the member for Mt Lawley, which were largely Federal Government matters—and I hope he will not expect us to raise them—

Mr Bertram: He can raise it with the Federal member.

Mr BRIAN BURKE: It could be raised with the Federal Labor member. In any case, I would have thought the member for Mt Lawley would not expect me to refer his points to the Federal Government.

Mr Cash: No, but I expect you to represent the State in the way it should be represented and to raise matters with the Hawke Government.

Mr BRIAN BURKE: I will do my best.

Mr Cash: Please do.

Mr BRIAN BURKE: But the member for Mt Lawley cannot expect everyone to have his ability—

Mr Cash: Thank you.

Mr BRIAN BURKE: —thank God! I will refer various points to the Ministers. I thank members of the Opposition and speakers from the Government benches for their general support of the Bill.

Mr Hassell: What about the points that were raised in regard to your responsibility?

Question put and passed.

Bill read a second time.

#### *In Committee*

The Deputy Chairman of Committees (Mr Taylor) in the Chair; Mr Brian Burke (Treasurer) in charge of the Bill.

#### **Division—Miscellaneous Departments, \$30 288 000—**

Mr BLAIE: I want to raise a number of matters under this Division and I also want to speak on the item headed Conservation and Land Management. I reserve the right to return to the heading of Agriculture at a later stage.

The DEPUTY CHAIRMAN: It is general debate in relation to that Division.

Mr BLAIE: Yes. The item Conservation and Land Management indicates that an amount of \$19 million is sought to be borrowed in the 1985-86 works programme. That compares with almost \$15 million which was the actual amount borrowed in the previous year, so there is to be an increase of some \$4.2 million. When one looks at the respective items in order to compare where the actual expenditures were incurred, an increase of \$500 000 is estimated for the establishment of hardwood forests, while an increased amount approaching \$0.9 million is set aside for softwood forests. I am particularly anxious that the Minister responsible explains the detail of this expenditure, and why there has been a relative increase in both items of approximately \$1.4 million, because on the one hand the Government has been quite foolish in reducing the amount of forests available for hardwood log production yet, on the other hand we see that the areas of hardwood log production can be—

Mr Evans: If I could just interrupt, it is in regard to refurbishing existing forests. We cannot just abandon the forests.

Mr BLAIE: I think the Government has actually abandoned the forests. The Government's policy very clearly says that.

The reduction in hardwood logging and log-cutting is a direct result of the Government's planning direction to forest managers to cut out road reserves, stream reserves, leisure reserves, and fire reserves that were previously buffer zones, and the safety areas that were left as a result of previous management programmes. I will not go back over the old arguments which have been advanced in this Chamber since the Government took office; suffice it for me to remind the Chamber that the Government made a commitment to the environmental movement that it would reserve the Shannon River basin and the northern jarrah forest.

Some 100 000 hectares were reserved in the northern jarrah forest area, while in the Shannon River basin there were 50 000 hectares; the collective total of the two areas amounts to in excess of 300 000 acres. That is

no longer available to the timber industry for production. Those areas produce 25 per cent of the State's hardwood log intake. It will not do the Premier any good to carry on in his usual way and say the Government is still following the policies of the previous Liberal Government because he has ensured there has been a very definite policy change and a change of direction in forest management. While those 300 000 acres have been taken away from State forests this Government has ensured that the remaining areas of forest have been cut at a far greater rate.

Mr Evans: They have not. They have been maintained at the permissible intake stated in the working plan.

Mr BLAICKIE: They have been cut at a far greater rate. It is all very well for the member for Warren to bark that the permissible intake rate has not been increased, but that is not the case. The amount of logs has been taken from a reduced area of State forest. That is an undeniable fact.

Mr Evans: In the areas you refer to some of the reserves were double the width required under the environmental impact statement and some of the stream reserves were not required so there was a realignment of the areas.

Mr BLAICKIE: Notwithstanding what the Minister for Agriculture may attempt to say he will not hoodwink the people in his own electorate. He has taken a very perilous stand on this issue, a stand that will certainly ensure he places himself in electoral peril.

The member for Warren knows only too well that the area of State forest that is providing the hardwood log production for the hardwood timber mills in Western Australia has been substantially reduced since the Australian Labor Party came into Government. It has been reduced by in excess of 300 000 acres. It is quite correct to say the amount of log production has not decreased, but it is coming from a dramatically reduced area. As a consequence, great damage is being done to the forest because it is being overcut and the safety areas have been cut by direction of this Government.

Mr Evans: Under the replanning the permissible intake will be maintained and the forest will be maintained.

Mr BLAICKIE: The member can squirm and wriggle as much as he likes. It is a very clear fact that people in the forest industry in his electorate understand very clearly the danger that the Labor Party has inflicted on the State

forest. The Government has ensured that although the log intake has been maintained at the same level it has come from a substantially reduced area.

Mr Evans: They are grateful they will have an industry in 50 years time. You would have seen it grind to a halt.

Mr BLAICKIE: The people in the timber industry are starting to feel the full effects of the Labor Party's management of State forests. The industry in total is very concerned as to what the consequences will be for the milling industry when working plan 88 is announced in the next 18 months. People in the timber industry know only too well there will be dramatically less timber available to the industry and there will be widespread closures and disruption. There will be a very great degree of concern in the industry as a result of this Government's policies and the way it has interfered in a political sense.

I want to make another point that has given me great concern and it is one that also concerns people in the timber industry. I have indicated that an area which provides 25 per cent of the hardwood log production has been taken away from the timber industry. In addition to that the Government has ensured that the Donnybrook sunklands, an area that had degenerated and is being progressively replanted with pines, will make up the deficiency in later years when the amount of logs available for hardwood production is reduced and will be of ongoing benefit. So there was a planning effect. As the hardwood log intake was reduced there would be a benefit from the increased yield from State pine plantings.

The Donnybrook sunklands was a very important area. It is quite interesting to me that the member for Warren is now very silent on this point, but my calculations are that the Donnybrook sunklands area provided an amount between 10 000 and 20 000 cubic metres of timber a year, depending on the level of planting that had been carried out. It was, however, within that range. I have not been able to get that figure assessed finally or absolutely. That amount of timber means that the existence of two small mills, which would probably employ 14 or 15 people, could continue with a log intake of some 20 000 cubic metres a year. It would be established by the salvage of hardwood logs that would come from the Donnybrook sunklands area, which would be cleared totally and the cut's salvage logs would go to one of the mills until finally the area would be cleared out, burnt up, and replanted with softwoods.

This was a very important industry, and it is one of those ongoing, regenerating industries. When the trees were planted, people were employed to do the planting, then to do the thinning operations and the priming operations. With several square hectares each year going under planting, it was a very important factor for the welfare of the Busselton-Nannup-Margaret River region. This Government has ensured that that project has been stopped because the Government and its supporters do not support any native hardwood forest areas being cleared for the planting of exotic species. That is a fine-sounding policy in principle, but in practice it is quite ludicrous and laughable.

I refer again to the Donnybrook sunklands area which is a degraded, degenerated, and virtually dead forest. If the Government does not permit the trees within that area to be harvested and cut, the remaining trees which have some commercial value will simply die and the remaining resources will be lost to the State in total. That is what the effect of this will be and yet this Government has closed this area down, which adds another dimension to the reduction of hardwood logs—an area that might provide more logs to the State milling industry.

Another couple of sawmills in that region are going to close down as a result of the Government's decision in relation to the Donnybrook sunklands area. This Government has now seen fit to change the boundaries of the conservation management priority areas in the State forests. There has always been a buffer zone around conservation management priority areas. The policy that was followed in respect of the conservation areas ensured no cutting would take place in them while in the buffer areas a management technique like cutting would take place. The Department of Conservation and Land Management on a selective marketing basis would allow timber mills into those buffer areas to take out hardwood logs as the department determined in the interest of the forests and of the future of the State. Those buffer areas have now been denied to the timber industry and that also amounts to a substantial reduction in the amount of hardwood production which is available in this State. Those areas have been sealed off.

We have lost 25 per cent of the area that was available since this Government took office by way of the northern jarrah forest and the Shannon River basin, and now the Donnybrook sunklands area is no longer available. This is a salvage hardwood area and the

buffer zones surrounding conservation priority management areas are no longer available either. The scenario that the forestry industry is facing—it knows that when working plan No. 88 is released it will be facing a very bleak future—is that there will be certainly some timber available but it will be a dramatically smaller amount available to the same number of millers. The end result will be that mills will close, jobs will be lost, and the rural towns that depended on the timber industry will certainly suffer the full blow of this Government following a forest management policy dictated by a radical environmental movement. The State will pay the toll for virtually decades to come. I want to make that point quite clear.

I have already indicated that there is a \$1.4 million increase in establishment and tending of hardwood forests. I want the Minister to indicate whether that will be an increase in the amount of forest to be tended or whether that increase will be strictly related to increases in costs, and wages and salaries. In my view there would be a dramatic reduction in the amount of State forest that is available for cutting.

In addition to that, it is fairly significant that there is a land purchase this financial year which will be in the order of \$3.7 million. Last year it was \$1.6 million, so that is an increase in excess of \$2.1 million. All of those factors become quite important and whatever the Government does in relation to the forestry industry, it will either be a benefit or a disadvantage for generations to come. I will be very anxious for the Minister to give a full account of the reasons for that purchase. I am concerned that it may well relate to the purchase of private land to plant pine trees on. If that is the case, it is yet another \$2 million which has virtually gone down the drain because the Government could have used Crown land in the Donnybrook sunklands area to continue its pine-planting programmes. However, I do not know and this is only an assertion I am very concerned may well be correct. I will be very interested to hear the reply of the Minister in this respect.

It was quite interesting to read the report of Bunnings annual general meeting. While the Government seeks the borrowing of some \$19 million, it is quite important to look at the activity of Bunnings, which is the major timber company operating in Western Australia. The Government should pay the greatest heed to that company and its operations. In the forest regions of the south-west, the Bunnings group employs more than 800 people in 11 mills and

a further 180 people in forest production centres where the final milling takes place and the joinery work is done. Thus, within those fields something like 1 000 people are employed within the south-west region.

In addition to that there are other very extensive groups of people involved in planning and design, silviculture, and people involved in forest harvesting, and so another 320 people are accounted for.

The company employs approximately 1 300 people who are resident in the south-west. While I am not an advocate of Bunnings I will indicate that that company regards this Government's policies and its view, as does every other timber mill operator in the south-west, as not a scenario—

Mr Brian Burke: Has Bunnings told you that?

Mr BLAIKIE: I have referred to the report to ascertain the approximate number of people employed by that company. However, what I said was my comment.

Mr Brian Burke: You said that it was Bunnings' opinion.

Mr BLAIKIE: It is my opinion that the company is concerned. Dr Dolph Zink, the Chairman of Directors of Bunnings, made a statement in his report about the environment. He said—

Finally, I'd like to offer a few observations about your Company's attitude towards the environment in which we live.

Because of our size, we sometimes bear the brunt of attacks by those who disagree with Government forest management policy. In fact, Bunnings have long been at the forefront of environmental concern and our timber harvesting methods would rank among the world's best.

Some extremists would seek to totally eliminate the timber industry and never permit another tree to be harvested. The appalling impact upon employment is totally ignored. Seemingly, no recognition is given to the fact that the world requires timber, paper and the dozens of other products that come from our forests.

Those statements are very important, and his general sentiments are those which the Liberal Party, when in Government, shared. It had a positive regard for the people concerned. The product from our forests is of benefit to the future of this State and, more importantly, to

the benefit of the people of this State. We have a resource which is important to the world and many countries seek to buy it. It provides an export earning for the State and it is an important employer of the State. All these factors should be taken into account when policies are framed for the timber industry. Traditionally, it has been an important industry in the south-west and under a Liberal Government it will continue to be an important industry in the future.

Dr Zink was complimentary when he said—

This State's Department of Conservation and Land Management is staffed by highly qualified, dedicated professionals. They give environmental matters top priority in setting and implementing multiple-use forest policy. It is hard to understand why, when about half the mature karri forest (49 per cent) is already removed from timber harvesting, some people are clamouring for even more of this resource to be withdrawn from use.

That is the very point I made in my opening remarks. We have a State forest that, provided it is managed effectively, will be ongoing; and that was included in our policy which we were working towards. Approximately 45 per cent of the total forest has been locked-up and there are some people who will not be happy until the entire forest is locked-up and the milling resource is not available.

Dr Zink went on to say—

Western Australia has one of the best managed hardwood forests in the world and, with Government and industry co-operation, the objectives of all interest groups can be satisfied. Timber is a fully renewable resource and a combination of intelligent cutting rates, improved silviculture, and planned regeneration can result in not only sustainable yields, but growing yields in perpetuity.

I believe that the above quote contains the nub of Dr Zink's comments and they are comments which I want to herald. Members on this side of the Chamber certainly understand and appreciate the meaning of hardwood forests—not only do they have sustainable yields, but they also ensure that those yields grow in perpetuity in order that the entire State benefits.

What we have seen in the 2½ years this Government has been in power has been a decided shift away from proper management directions. There has been a shift in State forests



to meet political dictates and this will result in chaos. The Government must change its attitude.

Although there has been a substantial increase of \$4.2 million this year I will be interested to hear the Minister's reply to the comments I have raised. I ask him to indicate to the Chamber how the increased amount will be used to benefit a very important resource; that is, our State forests.

Mr RUSHTON: I want to refer to the strategy regarding metropolitan transport. Members are aware that this is an extensive item relating to the purchase of buses. This is something about which we are most conscious because we continue to carry a debt load in relation to the MTT.

The DEPUTY CHAIRMAN (Mr Taylor): Before the member continues, I might indicate to him that we are referring to Division 1 which does not include a provision for the purchase of buses for the MTT. This division entails five items and none of those items refers to the purchase of buses.

Mr RUSHTON: I am sorry. I refer to the items under "Miscellaneous Departments" and, in particular, to the Department of Conservation and Land Management. I am interested in this item from a conservation point of view.

I would appreciate the Minister giving me an indication of the variation in the areas to be used by the department and the extra loan funds that will be required. It is a new department and is still feeling its way. The move to establish this department was not acceptable to many people, and I hope that its views in regard to conservation will change in the future. The people involved in the conservation field believe that the department is not operating properly.

I refer to the item "lands and surveys" which relates to land development. In itself it is a large sum and needs explanation. The Government strategy should come out and an explanation should be given relating to that provision.

I refer to the marine and harbours item. Fremantle harbour is one item which will have big expenditure. I would like an explanation as to what is taking place there. There is a big jump in loan funds from roughly \$8.7 million to \$17.7 million. That needs an explanation and I would appreciate that when the Minister in charge replies.

Mr DAVIES: I will not delay the Committee too much more. Could I start with the last point first. The member for Dale said he was not very happy with CALM. He thought we should have a change. If that is his thought good luck to him. A report of a committee led by Hon. Sandy Lewis is to come out shortly. We will see what they have to say. There is also a requirement in the Act for me to look at how the department is going by the end of the year.

The member for Dale is very difficult to hear over here or perhaps I am getting old and deaf, I do not know; I certainly could not pick up anything else except that it was not satisfactory and he would like a change. I cannot promise him a change. I think we should call for a fair go. He cannot just make criticisms and say he does not like something so the Government should change it. If he wishes to be specific on any matter, then the Government is happy to look at it.

Mr Rushton interjected.

Mr DAVIES: Of course people feel that way. People generally are conservative and set in their ways and do not like change. CALM has only been going since 23 March last, and given a fair go, time to settle down, and adequate resources, we will see a far better department. We will see a lot of money saved and better value for the money we spend. If the member for Dale thinks that in seven or eight months the department will come up to everything he expects, then he has another think coming. If he wants to be specific about any item let us have it and I will give him an answer. Let us not just have a waste of time and mumble for mumble's sake.

I now turn to the points made by the member for Vasse. I cannot give him details of all the money but I will pass the information on to him. He is worried about the hardwood forest. Everyone is worried about the hardwood forest. There has been a reduced cutting of hardwood by this and the previous Government to ensure the resource lasts. That is a thing that we are all out to see. It is no good criticising the existing forest management plans because they are all being reviewed. There will be three new plans for the south, the central, and the north. Work has already commenced on those. The member can go along and tell them how to run it. Everything he has told us tonight he can put into the management plans, and I am sure the officers will be pleased to hear from him.

It is no good saying that the small mills are in trouble because of action taken by this Government. Three years ago his Government told the mills that there would not be any more logs for them. That has come to pass. It is a promise the previous Government made and one that it has been able to keep. This Government has been able to help them keep it as well.

There will be a constant argument about planting for softwoods. I am quite certain that the department itself knows what it is doing and has taken on board some of the matters the member has raised in this Chamber tonight. I know he genuinely feels that the right track is not being followed. He is unable to give us any plan that will give us a better or quicker result for adequate employment in the immediate future than what we have at the present time. It is something of a paradox. He tells us that the department is doing all the wrong things and then quotes from the Bunnings report to say that the department is doing all the right things. Dolph Zink, in his annual report, said that the Department of Conservation and Land Management is responsible and capable, and as far as Bunnings is concerned it is very happy with it. Perhaps some of the greenies may not be too happy with it. Thank goodness we have the greenies as a conscience to see we always remember that we need to preserve some of these areas.

If the member for Vasse suggests that we do not need a northern jarrah forest, and the work that has been done with Alcoa in respect of the Lane-Poole reserve and the northern jarrah forest is something that his Government never even attempted to do, and it is something we do not need, then I will certainly make that well known. It is with a great deal of foresight and collaboration from Alcoa and other interested people that we have been able to establish something which, in the course of time, we will come to respect and appreciate. It is something that should have been done years ago but was not done until this Government came into power.

It is a paradox that the member is criticising the department, and Bunnings is praising the department. I am concerned that the handling of timber is falling more and more into the hands of one company, Bunnings. I remind the member that at one time we had the State sawmills which provided good competition, but the Brand Government sold them for something like \$5 million or \$6 million and Hawker-Siddeley was going to come into this State and develop some of the best mills and forests one

has ever seen. Hawker-Siddeley is not in forests now. Millers has gone out of forests. There is one company; Bunnings has control at the present time. I am not denigrating the company in any way but I want to point out that it is the result of something like 20 years of mismanagement by the previous Government that the forests are in the state they are in today. There is only one supplier instead of having a little competition in the industry.

I will find out how each of those sums is to be spent and will be delighted to pass that information on to the member for Vasse.

Mr BLAICKIE: It is certainly not like me to delay the progress of the Committee stage. However, I do want to take exception to the comments made by the Minister. While I made a remark in relation to the amount of expenditure, I was disappointed that the Minister had not given a reply. I want to clear up a couple of misconceptions because the Minister, in his reply, indicated that I had criticised the operations of the Department of Conservation and Land Management in its management of the State forests. If the Minister cares to check *Hansard* he will find I said nothing of the sort, nor did I make any comment.

What I did say was that the State forests were being politically directed and whatever was happening in relation to management was a direct result of direction by the Government. The Government has taken over that responsibility and ensured that the former Forests Department, now the Department of Conservation and Land Management, irrespective of its ethics and management and what it would have preferred to have done, is now following the precise policy of the Government.

A number of small mills are facing closure now because they do not have a guaranteed supply of timber; they have indicated that their supplies will cease. I refer now to Worsley Timber Pty Ltd, the Giovanni Timber Company in Picton, and the South West Sawmill Co Pty Ltd. Those companies were given notice of their future closure as a result of working plan No. 87 which was agreed to and approved by the former Liberal Government. Working plan No. 87 indicated that supplies of timber would not be available to them because of the management policies to be followed under that working plan, which indicated a reduction in the available hardwood log intake when compared with working plan No. 86. I did not say the closure was the fault of the actions of this Labor Government.

I did say that a series of mills would close because of the overcutting currently taking place in the areas this Government has made available to the timber industry. When working plan No. 88 comes out I will be charitable in advising the then former member for Warren, when I see him in Manjimup on the odd occasion, that although he fought hard for his cause the dice were against him. It is unfortunate that his own colleagues would not tell him what was going on. The people in the timber industry understand there will be a very dramatic downturn in the available hardwood log production when working plan No. 88 is produced. These are the indisputable facts.

As I said, I did not criticise the department's management of State forests. At a later time I will certainly make other comments about the department's performance, but those comments do not relate to the works programme.

I was a little concerned about the Minister's comments on Bunning Bros Pty Ltd, because I detected a veiled threat to that company because the Minister seemed to indicate it did not have a lot of competition within the timber industry. As I said earlier, I am not the champion of Bunnings or of any timber company, but I do have a regard for the people who have invested in the timber industry, the people who look to the supportive role of the Government to provide them with resources while they earn dollars for themselves and provide important employment programmes for the various communities in the south-west. Bunnings employs some 1 300 people. Plenty of other companies and small mills operate in the region and each one of them performs an important role. The reduced amount of hardwood logs available to them is increasing the pressure being suffered by the remaining millers.

Finally, I would expect that during debate on the works programme the Ministers in charge of the respective areas would have the works programmes with them to enable them to relate to members the individual items involved and to explain various increases of money being sought. It is not good enough for them not to have this information when we are trying to have an intensive Committee scrutiny of the works programme. It is not good enough if all a Minister can say is that he will check on a matter and have his department ring me tomorrow and provide me with the information.

For example, last year the Government provided about \$1.7 million for land purchases, whereas this year the estimate has

increased by \$2 million to \$3.7 million. If I had been told tonight that the increase was to purchase farmland, perhaps around the Manjimup and Bridgetown areas, I would have undertaken an extensive debate on the merits of the Government's purchase of farmland. But in the absence of any detailed information, such a debate cannot take place.

Mr Jamieson: That has never been the case since you have been here.

Mr BLAIKIE: I have not been in this position before. I am the Opposition member responsible for this area and it is a responsibility I want to follow through.

Mr Jamieson: It has not been done before; you are asking for something entirely new.

Mr BLAIKIE: The fact that it has never been done before is no valid reason to suggest it should not be done in the future. If we are to have a meaningful Committee discussion we should expect the Ministers to be able to rattle off the details, perhaps to indicate that an allocation of \$400 000 was to purchase half-a-dozen roads at the back of Collie and a couple of bridges elsewhere. I might then say I had not even heard of the area involved and thank the Minister for his information. But it would show a degree of responsibility by Ministers if they had the information available, so that they could explain why their departments were seeking certain expenditures. It seems we are really getting to the stage of "Yes, Minister", where the department works out its budget and sends the Minister off with his cut lunch and tells him that, if there are any problems in Parliament, to send the department a note for its officers to provide answers the next day.

If that has been the case in the past, I believe it should have been changed and there is ample opportunity for it to be changed.

I have raised this matter two or three times in a couple of the other Budget debates we have had, and I will not explore it further at this stage. I believe we should have a more subjective system of Committee debates on the general budgetary items—not necessarily with the full Parliament being involved but at least members in key areas so that both the Ministers and the departmental heads can give an explanation of the expenditure and the general revenues. If it has been traditional practice in the past that information is not available to the Minister, or the Minister does not have the information with him, that should change. It is pointless us sitting here debating issues tonight because it becomes a farce. If I was aware that

the Government wanted a couple of million dollars to go round in the dark of night and purchase half a dozen farms from some cockies down at Manjimup, it would have a real fight on its hands. But with the scrutiny we are able to take out here, with the Minister saying, "Don't worry about it, I will send you a note tomorrow", the opportunity for questioning and debating the issue is finished and the Parliament is none the wiser. In these circumstances it becomes a farce.

It may well have been a practice in the past but it is not satisfactory, and I will recommend that when we regain the Treasury benches, if Government members want to take advantage of the kitchen, they must be prepared to stand the heat and do what they want to do anyway. Whether I can convince my colleagues is another matter, but that is my stance. Otherwise we have Government run by the bureaucracy, and a case of "Yes, Minister". The Minister has the Budget papers and the cut lunch, with an instruction to say, "If you have a problem, I will deal with it in the morning."

Mr OLD: My remarks will be fairly brief. I am interested in the research station expenditure within the Department of Agriculture. As the Minister knows, there was a plan in operation to rationalise research stations inasmuch as some were being sold off—some of those which had been going for some time and had successfully undertaken and probably nearly completed what they set out to do—whereas other areas were in need of research stations. An arrangement was made whereby Treasury agreed that some stations could be sold and the money applied to the establishment of new research stations.

I note that Manjimup is getting a new research station and that \$918 000 has been proposed to be set aside. Members will know that I am not a nasty fellow but I do recall that when we decided we would accede to a request from the Rural and Allied Industries Council to establish an animal breeding institute, it was decided that this should be targeted at the sheep industry. A committee was set up to find a suitable location on which that station should be built and it was a happy coincidence that the committee decided that a property five miles from Katanning would be the chosen site.

The present Minister and the current Minister for Works—who is not here—were terribly nasty to me in the House and rather made the point that this was an electoral gimmick to have me re-elected. If such was the case it was mighty successful, but I can assure the Com-

mittee that such was not the case. The committee set up to recommend the location of that research station had certain parameters, which included an area bounded by Narrogin in the north and Tambellup in the south, out to Gnowangerup-Ongerup, and in the general merino great southern stud area.

I am not going to be nasty about the Manjimup Research Station, but I just wonder how much investigation was done into where the best place to locate this horticultural research station would be. I acknowledge that Manjimup is probably the centre with the greatest potential for the horticultural industry. Also, the Kendenup-Mt Barker area and a little north of that is a very important cog in the horticultural industry, and I wonder whether it was ever contemplated that perhaps the research station could be sited somewhere between Manjimup and Kendenup. Those were the silly sorts of things put to me when I was Minister and I am saying them back to the Minister for Agriculture. He will say, "If you want to get top grade research staff you must have a research station which is handy to amenities." That argument was one put up by me and hotly denied by the then Opposition. I would be interested to know what the parameters were for the siting of that station.

I would also be interested to hear the Minister tell us at some time during the debate how the rationalisation programme is going. I was very proud to have been the Minister who got the Vasse research station floated again against great criticism. There was only one sad part about that station, which was that my invitation to the opening went adrift in the mail. Nobody but Australia Post was responsible for that, but I was saddened by it. I only hope that my staff next year remember to invite the present Minister to the opening of the Manjimup research station.

Mr P. J. SMITH: I wish to comment on the \$340 000 budgeted for the Ningaloo Marine Park. I congratulate the Government and the Minister concerned for the money put aside to establish this, which must be a project of Australian status. I have had a long association with the area since 1957 and am very pleased to see this money being set aside for both a land and a marine park. It is important because we need to have more marine parks.

One of the things that does concern me from the report and recommendations by the marine park working group of June 1983 is that there is really nowhere for spearfishermen to operate. There are certainly recreation areas within the

park where hand spears will be allowed but there is nowhere within that park—and it is an area, by the way, with a coastline of some 240 kilometres or about the length of coastline from Fremantle to Cape Leeuwin—where spear-fishermen can operate. There is a very limited killing range for those fishing with hand spears, and when people want to get a feed of fish, they literally have to poke around in the shallows.

It is in the shallows that some of the rarer fish, the breeding fish and many of the smaller fish are found. It is very difficult to get these fish out from under the ledges and people go along and jab under the ledges, destroying more than they actually take.

Mr Clarko: Any jewfish up there?

Mr P. J. SMITH: Jewfish are not found up there, or not that I have ever seen anyway. I would like the Minister to make some sort of consideration, perhaps when the advisory committee comes up, to find out whether there are some areas along that coastline where spearfishermen using normal spear guns could operate.

I notice that there is a large number of local people who I would say largely had experience on land-based operations on the advisory committee. I feel that when the advisory committee comes up for review it should include more sports fishermen and perhaps more locals with tourist industry experience.

**Item: Lands and Surveys—**

Mr RUSHTON: This item looks to be a part of the Government's strategy and I am most interested in the degree of intrusion and the extent of development, not only in this item but also the Homeswest, the Urban Land Council items and so on. I am also interested in what this means in total. Is it related to the private sector? My concern is that if the private sector is swamped by the Government selling off the farm, it would appear to be a lack of consideration of the long-term needs of the suburban programme. Perhaps it is just a one-off or a very big sale of reserve land that has been held by the Lands and Surveys Department, Homeswest, and the Urban Lands Council to effect a big input of State housing. I think this should be well and truly nailed. I regret that we have next to no Ministers present in the Chamber on this occasion, and we cannot get an explanation.

This provides a good contrast between this Government and the previous Liberal Governments because in the past we did have the Ministers here to answer to details in their pro-

grammes. This is a very disappointing facet of this Government's attitude. Even the Treasurer does not sit still for very long; he moves in and out of the Chamber, and he does not even answer the queries that have been raised. This is a very important item relating to lands and surveys, and I would like an explanation as to how it fits into the total Government programme. I would also like to know the location and extent of the land that is involved. Is it one or two big items or is it a spread of land throughout the State? I raise this item because of the impact it could have, and I would be very interested to see which Minister will answer it and provide the Chamber with an explanation. We will be looking for an answer.

**Item: Marine and Harbours—**

Mr CLARKO: Item 4 has an amount for the Hillarys boat harbour.

### *Point of Order*

Mr BLAIKIE: This is the second time I have noticed that the clock apparently is incorrect, because when the member for Dale got up to speak it showed 13 minutes and when the member for Karrinyup got up to speak it showed 12 minutes.

The DEPUTY CHAIRMAN (Mr Taylor): There is no point of order. The clock is working. It is simply that we are a little slow at this time of the morning.

Mr BLAIKIE: I would not like to see any member losing time.

The DEPUTY CHAIRMAN: No members will lose time; in fact, they may actually gain time.

### *Committee Resumed*

Mr CLARKO: What a Nuisance was number 13 in the Melbourne Cup, and he came in. I do not want to waste my first 15 minutes. This is one of the most disgraceful projects ever put together by any Government in the history of any land. The local authority was completely ignored when it was not being bullied and shoved into all sorts of decisions against its wishes. We have spent a year or so with the new City of Wanneroo being put into the most impossible position on this matter. The first the councillors heard of this particular project was a matter of a day or so before they were bludgeoned into attending a meeting at which they were told no decision would be made. Unfortunately some members did not attend the meeting because of this but in the event a final decision was made. From that day on-

wards no respect was shown by this Government for the council of the City of Wanneroo, nor was any respect shown for the citizens of Wanneroo.

This particular site is a most magnificent site which is described in a publication of this Government as being one of two safe beaches in the Perth metropolitan area. This beach has now been taken away and time alone will tell whether a replacement beach of value will reform adjacent to the northern side of this particular boat harbour as has been proposed. Already there are those people who express great concern about the sand movement which has occurred. Fears have been raised that after only a matter of a few weeks, when the project first began, to the present, the Government is funding the transportation of huge quantities of sand into this area to fill the northern side. As yet the southern arm of the major boat harbour is relatively small, but it horrified local people when they realised that the first groyne was not the northern one. When they found out that this would intrude so closely as it has done on the area of the main Sorrento beach, some people to whom I have spoken said that they would never have given support to this particular project had they realised the dimensions of this great monster, as it will become.

I reject entirely the views of certain people, who are often of the engineering profession, who have been trying to defend their profession against the criticisms that have been made recently. One of these people rang me up recently and said, "We are very jealous of our reputation as engineers and we resent people criticising our particular views and our profession on this project". As far as I am concerned, time will tell. Dr Andrew in 1980, on the beach firstly at Sorrento and subsequently at Pinaroo Point, stated in unequivocal terms to Mick Nanovich and myself, and to Mr Hillman, that this area where the Hillarys marina is going is unsuitable. In addition, that marina is overwhelmingly for people who can afford very large and expensive boats. No case has been proven that there is even an immediate or a short-term need for 1 000 boat pens. Nobody seems to be able to provide that information. In addition, Mr Sleight of the boating industry association has said on numerous occasions that his particular association would prefer to see that marina at Ampol Beach, or just immediately on the north side of the north groyne down at Fremantle Harbour. He said that his people would prefer to have boat launching facilities, and he is occasionally

quoted as being for this particular project. He has on many occasions indicated that Hillarys is not a suitable site, but if there is going to be a marina his people will get some use of it, and to that extent he can give it some support.

If there is a real need in that area, it is for boats which are trailered and placed in the sea at small ramps. Mr Sleight said that 92 per cent of boats in the metropolitan area are of that type. The Government in providing the facilities, will not cope with the need. We need a marina in the northern suburbs. We need places where people can launch their boats from their trailers. We do not need a marina for the big boats as is proposed. This Labor Government is building a marina for millionaires.

There are many reasons why the marina should not go ahead. The first reason is that we will lose the beautiful, natural, sandy beach. Another reason is that the marina is in a position which is considered by what I regard as experts as being a very dangerous location. It is near the three-mile and two-mile reefs which are immediately offshore. They will cause a great deal of damage to boats and will be a great threat to human life. The people associated with the rescue group located at Ocean Reef have said that the area is extremely dangerous for a marina.

The Premier chaired a meeting at Padbury which was meant to be chaired by the Minister for Planning. However, he could not find the place and arrived late. His excuse was that he went to the wrong place. The Premier stepped in and very skilfully handled that meeting. At that meeting a member of the rescue group made it clear that his organisation was afraid of the dangers caused by the location of the marina. He explained that people coming back from the sea would need to enter the area by travelling a distance to the south to the position of the *Centaur* wreck and then come inside the chain of reefs to the marina. The weather changes rapidly on the coast and that will add to the threat. I have lived in the area for 27 years and have witnessed the weather change in minutes.

I would not be surprised if many of the big boats are damaged when they are tied in their pens, particularly from July to October. The weather is very changeable in those months.

An amount of \$6.3 million has been allocated to the first stage of the project. The total cost of \$13 million includes an amount of about \$3 million which, it is alleged, will be

repaid by the users of the marina. Time will tell whether that happens and how long it will take for the money to come back. It is a huge sum of money. The Government has decided that teachers in our primary schools cannot have half a day off a week for duties other than teaching. I sympathise with primary school teachers as I think the Government sympathises with them. The Government has said, however, that it cannot make the money available. The Hillarys marina money would pay for two years of DOT time which would be helpful to those teachers and pupils.

In addition, this project is backed up by the sloppiest Government reports that I have ever had the misfortune to read. I have read both the ERMP report and the EPA report. Neither of those reports has indicated that the proposed site is the best site for the marina.

Mr Mensaros: Have you read the Public Works report; it recommended against the site.

Mr CLARKO: The Public Works report is against the site and the member for Floreat should know that other reports are against it as well. I think there are probably a total of three reports against it.

Before the last State election the Premier, in speaking about the area of the nodes, made the comment that the beach should be preserved and that it should not suffer fouling and many of the problems which everybody knows occur with these types of projects.

The report says that much more work should have been carried out. It specifically says that before any work is carried out a management plan should be drawn up. That has not occurred. The report says that steps will be taken to control the silting up of the harbour. I do not think that is very scientific.

It is for all of these reasons that people in the area have persisted in their protests and objections to the building of the marina. It is a mistake. It should not be located in the proposed locality. It should have been located at Ocean Reef or elsewhere. All of the people with whom I have spoken support the Ocean Reef area for the marina. The Wanneroo Shire Council also supports that position. If \$13 million is not enough to build a marina of the same size in the Ocean Reef area, the Government should have built something to the value of \$13 million even though it may not have taken 1 000 boats. What the Government should really do is put in more ramps. I understand that the Hillarys boat harbour will have four ramps rather than two. However, the pro-

posal should have been for trailer ramps. The Government is limiting the number of parking spots available and the high fees are designed to discourage small boat owners. Professional fishermen, some of whom have particularly noisy boats and which we experience in that area from time to time, will also use the harbour.

In addition we now hear of a hovercraft proposal. Some reports in the Press were that the hovercraft station would be adjacent to the marina. I think that the applicants have denied that, so it will be a separate question. But again, people will have reservations about that matter and will want to know whether it has been properly planned. I express once again my opposition to this particular project.

Mr RUSHTON: There is a proposed allocation of \$100 000 for boat launching ramps under the heading of "Recreational Boating Facilities". I would like some information regarding where the ramps are likely to be placed and how many of them will be so placed.

I refer also to the heading, "Improvements to Rivers, Foreshores and Estuaries" and the allocation for land acquisition and channel investigations at Dawseville. I do not know that full regard has been given to the environmental impact of this work. The reference to channel investigations would indicate that not all the work has been done that needs to be done to ensure that the right course is being followed with respect to the Dawesville cut. This allocation would seem to indicate that the work will proceed. I would like to know whether the Environmental Protection Authority and others have completed their work on this item. It is of utmost importance.

In my time as Minister, investigations were undertaken very carefully because of the fragility of the area. One had to tread with very gentle steps to avoid damaging possible opportunities for use of the estuary for sport and by wildlife. It is a very valuable estuary that certainly needs attention, but any work to take place in the area must be undertaken cautiously. I raise the matter for answer so that I can fully understand whether every necessary step has been taken regarding the environmental examination. I would like to be assured that such necessary steps have taken place.

The member for Karrinyup spoke very ably about the Hillarys boat harbour. I would like to refer to the allocation of \$370 000 for the Hillarys-southern Whitford node carpark. Before the last election when the Premier wanted

to win those two vital seats, he made a total commitment that the area would be preserved and said that it was so fragile that it needed preserving. He has also been committed to preserving the marine park where the boat harbour is now being developed. That displays a credibility similar to that in relation to his freebie to Fiji. The same sort of principle is involved.

I would like an undertaking that the fragile nature of the node, which was held to be of such importance by the Labor Party at the last election, will be preserved. I would like to know what work will be undertaken and whether there are any guarantees that this node and the adjacent land will be preserved.

#### **Division put and passed.**

**Division—Public Works: Buildings and Associated Works Including Furniture and Equipment, \$8 828 000—**

Mr RUSHTON: With respect to this division, I make a few comments relating to the new organisation that has been set up by this Government and to the people involved in it. I refer to the 300-odd people who were reported to have become redundant and who were treated very shabbily by this Government. I am interested in what has happened to them. Inquiry has shown that only about 70 of those people did in fact leave the service. Thus there has been very little net gain by comparison with the Westrail action in which 3 000-odd people have retired or resigned. It was a very discreditable action that left those people who had been faithful servants for a long time in a very poor situation. It created great heartburn and worry for those people for a long time. Of course, it was done purely for political gain. The end result has been very limited indeed because the people who were involved have been retained in other areas.

The interesting thing about this consideration, is that apparently we are not to receive any information about the queries that we have raised. It could be said that it is not worth our raising the matters and that we are only going through the actions of seeking information. We will not get the information; that is the sort of Government we have.

Mr Clarko: It is called political contempt.

Mr RUSHTON: What is more, it is contempt for Parliament. That is what worries me.

Mr Brian Burke: Are you serious?

Mr RUSHTON: The Treasurer's failure to answer the last point was disgraceful.

Mr Brian Burke: We never have debate on the GLF.

Mr RUSHTON: Explanations have always been given. Sir Charles Court would have had all his Ministers lined up to answer questions. Members of the Government have a complete contempt for this Parliament. They will have to answer to the public in due course.

I now refer to the replacement laundry at the Hospital Laundry and Linen Service. I will not speak at length on the matter, but the replacement laundry should not have been gone on with for the time being. The allocation for the item will not be required when there is a change of Government.

I turn now to the allocation of \$708 000 for the provision of covered areas, under the heading, "Other School Facilities". I would like to know where these covered areas are to be constructed. They are of great importance to the schools that have asked for them and schools that will receive them. I would be most interested to know if my needy and certainly priority-worthy schools received an allocation for a covered area.

Mr Pearce: The only school in your electorate that is getting one is Forrestsdale.

Mr RUSHTON: I think that Serpentine also asked for one.

I move to an item relating to the Midland stage one workshop. This comes under technical education buildings and is of vital importance. I would like to know the timing of that development, which is of very great importance to that area. I would like an explanation of that.

Mr Pearce: What do you mean, you would like an explanation? What precisely do you want to know?

Mr RUSHTON: I would like to know the timing. Otherwise we must put a question on notice and receive the answer that it is in the Budget.

What about new and replacement police buildings? A sum of \$600 000 is provided. What is the timing for that? That is the sort of thing we would like explained.

Mr Pearce: The Midland stage one I actually opened about a month ago.

Mr RUSHTON: New buildings for the police.

Mr Pearce: No, you are talking about the Midland stage one workshop. I am telling you it is complete.



Mr RUSHTON: That is all I wanted to know.

What I want to know now is the location of the new prison site where \$700 000 is provided.

Mr Brian Burke: You have asked about this already.

Mr RUSHTON: I have not had an answer. We are entitled to know what has happened. Is it to be in Canning Vale, Mundaring, or Mandurah?

Mr Brian Burke: A decision has not been made.

Mr RUSHTON: Is it to be in Joondalup?

Mr Brian Burke: A decision has not been made.

Several members interjected.

Mr Hassell: Why do you not go to Canning Vale? That was the substantive issue raised in the second reading debate at some length, to which you gave no response.

Mr Carr: We told you to put a question on notice to the Minister for Prisons, and you did not do it.

Mr RUSHTON: The Government has provided great detail about sums of money which will be needed for the prisons. The Government knows that, but it has not made a selection. The Government will make the selection if the election is on about 14 March—

Mr Thompson: It is to be on 22 March.

Mr RUSHTON: Then the Government will announce the location on 23 March. That is the sort of thing which will happen. This is a calous Government. There is no explanation of what will take place in this regard. The Parliament and the public are entitled to an indication of the sites being considered for this prison.

Another item of great interest is the refurbishing of Dumas House. Is this to take place with day labour or by contract? What type of refurbishing will take place for \$4 million?

Another rather large item, partition and alterations, went from \$623 000 to \$3 678 000 this year. What is that related to? It might be another Premier's office or more ministerial offices. It looks as if there will be some large extensions.

Land acquisition increased from about \$4 million last year to \$7.3 million.

Mr Brian Burke: How come you know so much about this? You have more details on this than anyone in the Chamber.

Mr RUSHTON: No, others will follow me. I just happen to have a great interest in the works programme.

Mr Pearce: You are lucky there is no Standing Order about rambling.

Mr RUSHTON: The Minister just speaks out of ignorance with brashness, and he exposes his mouth.

Mr Pearce: I have answered every query you have asked me. You are just trying to show you are awake tonight.

Mr RUSHTON: I would like explanations of the matters I have raised.

#### *Progress*

Progress reported and leave given to sit again, on motion by Mr Carr (Minister for Police and Emergency Services).

#### **ADJOURNMENT OF THE HOUSE: SPECIAL**

**MR CARR** (Geraldton—Minister for Police and Emergency Services) [2.56 a.m.]: I move—

That the House at its rising adjourn until Thursday, 7 November at 2.15 p.m.

Question put and passed.

*House adjourned at 2.57 a.m. (Thursday).*

## QUESTIONS ON NOTICE

1358. *Postponed.*

### FINANCIAL INSTITUTIONS

#### *Interest Rates: "Bandaidd" Measures*

1405. Mr HASSELL, to the Premier:

- (1) Does he recall an advertisement placed in *The West Australian* and *Wanneroo Times* in January 1983 in which he said, "bandaidd measures cannot fix up an incorrect strategy" in regard to home loan interest rates?
- (2) Would he define what he meant by a bandaidd measure in that context?
- (3) Would he explain why his recent assistance to building societies to avoid a one per cent interest rate rise should not be termed a bandaidd measure?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) and (3) For instances of bandaidd measures, the Leader of the Opposition should look no further than the activities of the previous Federal and State Governments. For examples of positive and meaningful assistance, I refer him to the answer to question 1406.

### FINANCIAL INSTITUTIONS

#### *Interest Rates: 12-point Plan*

1406. Mr HASSELL, to the Premier:

- (1) Did he advertise prior to the last State election that Labor had a "12 point plan to reduce interest rates and keep them down"?
- (2) If "Yes", would he detail the 12 points and explain which of the 12 had already been implemented by Liberal Governments, which have been implemented since February 1983, and which have not yet been implemented?
- (3) Would he explain the effects on home mortgage rates of all of the points implemented by the Labor Government, and explain why, given that the 12-point plan was a promise to the electors of Western Australia, the remaining points have not been implemented?

Mr BRIAN BURKE replied:

- (1) to (3) In contradistinction with the philosophy of the Opposition, Labor is not prepared to subject the well-being of tens of thousands of Western Australian home buyers to the unfettered pressures of the money market. Accordingly, Labor developed and has maintained a strategy to contain interest rates as part of its comprehensive housing programme.

The housing programme of this Government has not only moderated interest rates in the industry but has dramatically increased the provision of housing and home ownership for those elements in our society who would otherwise be destitute. This programme has—

Halted a rise of one per cent in interest rates and so forestalled further increases in mortgage repayments for more than 50 000 home buyers;

expanded rental and bond support to assist more than 15 000 people per annum;

reduced the real waiting list for public housing by 14.5 per cent;

provided major contributions to the expected 16 000 new home commencements in this State over the next year; this is up by more than 30 per cent on constructions in the last year of the previous Government.

In all, more than 70 000 families and individuals will receive home purchase and rental assistance in 1985-86 compared with less than 8 500 in the last year of the previous Government.

This housing programme has grown out of Labor's 12-point plan which contained the following items—

1. Special mortgage repayment assistance

A committee comprising representatives from various house lending authorities was set up after Labor took office, and on the advice of this group it was decided to continue to give relief through the Mortgage Assessment and Relief Committee.

Since March 1983 and to 28 October 1985, 1 927 applications have been received. Relief was given to 1 410 as under—

Reason For Financial Difficulties	Number Assisted
Unemployment	952
Supporting parents	194
Interest rate rises	109
Sickness	76
Reduced income	50
Other	29
	<hr/> 1 410

2. Family allowance conversion scheme

In conjunction with other States and the Commonwealth, this scheme was extensively examined, as was the operation in New Zealand. As a consequence of this examination, it was decided that available financial resources would be better utilised in other directions, such as the introduction of new Homeswest home purchase schemes.

3. Eligibility for low interest loans

The income eligibility for concessional interest rate loans through terminating societies has been increased to \$290 in the metropolitan area ranging to \$390 in the Kimberley region, plus \$20 for each dependent child.

For Homeswest purchase schemes, the income limit is based on 85 per cent of average weekly earnings in the metropolitan area, rising to 120 per cent of average weekly earnings in the north-west.

4. Income-geared loans

The initial repayments of loans from terminating building societies and Homeswest are income-geared, the interest rate charged being dependent on the family income. The repayment is varied each year in accordance with the family income.

5. Mixed money schemes

In March 1983 a mix of funds scheme was introduced with both permanent and terminating societies, followed by a further scheme in September 1983.

6. Second and subsequent home buyers

Since March 1983 the Government has ensured that all housing schemes administered through Homeswest and terminating building societies are not for first-time home buyers only.

7. Moratorium on mortgage foreclosures

Because of the high foreclosure rate by permanent building societies of 462 in 1982-83, it was believed that drastic action was needed. As a result of mortgage relief being extended to most people in financial difficulties, foreclosures were reduced to 294 in 1983-84, and 107 in 1984-85. This strong reduction obviated the need for legislative changes in the direction providing for a moratorium on foreclosure action.

8. Stamp duty on home purchases

The reduction of stamp duty on first home purchases and other areas has been continuously under review. To date no additional concession has been given on home purchases.

9. Rationalise Homeswest land bank

Sales of selected broadacre land-holdings with Homeswest's normal land sales programme during 1983-84 produced cash income of \$17.1 million and from the same source \$17.5 million was received in 1984-85.

10. Building society efficiency

In 1984 the Building Society Act was significantly amended to allow building societies to diversify their activities. The amendments proclaimed in March 1985 will allow the societies to compete more freely in the financial markets, and offer a wider range of products to the public. As a result of the blend of operations, a reduced mortgage rate to home purchasers will be charged.

## 11. Mortgage market

The Government has asked the WADC to examine the benefits of the State participating in the national mortgage market.

## 12. Pressure on Federal Government.

The Government has availed itself of all opportunities and at all levels to urge the Commonwealth to take measures to ensure interest rates are not held artificially high.

The Western Australian Government's input to terms and conditions of the first home owners' scheme was significant, and the Commonwealth's overall increased financial commitments to housing resulted from the joint approach of the States.

## LAND CLEARING REGULATIONS

*Approval*

1417. Mr PETER JONES, to the Minister for Agriculture:

- (1) With regard to the reply given to question 1310 of 1985, have the proposed land clearing regulations been approved by the Government?
- (2) When is it intended to introduce the proposed regulations?
- (3) Have the proposed regulations been approved and supported in their present form by all the bodies and organisations listed in part (2) of the reply?
- (4) If not, which bodies and organisations have not approved all the complete proposals?

Mr EVANS replied:

- (1) Yes.
- (2) Within the next two months.
- (3) and (4) All the organisations listed in the reply to question 1310 were consulted via a position paper which outlined the basis of the proposed regulations. The regulations in their present form have been discussed only with the Primary Industry Association and the Pastoralists and Graziers Association. Both organisations support the regulations and their intention. In the case of the PGA, the support is conditional on the Government's agreeing to particular aspects of administration.

1411. *Postponed.*

## LAND CLEARING REGULATIONS

*Discussions*

1412. Mr PETER JONES, to the Minister for Agriculture:

Adverting to the reply given to question 1310 of 1985 concerning draft regulations for control of land clearing, on what basis is it considered there has been "adequate discussion", when those affected have not even been consulted or are even aware of the far-reaching erosion of private land-holders' freedoms contained within the proposals?

Mr EVANS replied:

Agricultural land-holders have been consulted through their industry organisations. This is the normal process of consultation observed by successive Governments in Western Australia. There is no "far-reaching erosion of private landholders' freedoms" arising from the regulations which only exercise a power specifically incorporated in the amendments to the Soil and Land Conservation Act 1945-92 introduced by the previous Government.

I would be pleased to arrange a full briefing on the regulations for the member.

1421. *Postponed.*

## COMMUNITY SERVICES: SPECIFIC LEARNING DIFFICULTIES ASSOCIATION

*Premises: Use*

1430. Mr MacKINNON, to the Minister for Education:

- (1) For how long has the Specific Learning Difficulties Association been using, with the agreement of the Government, its current premises in Turtan Avenue, Mosman Park?
- (2) What has the Specific Learning Difficulties Association been paying to the Government for the use of these premises?

- (3) Has the Specific Learning Difficulties Association been asked to vacate these premises?
- (4) If so, why?
- (5) Who will now use these vacated premises?
- (6) Has the Specific Learning Difficulties Association been offered alternative accommodation by the Government?
- (7) If not, why not?

Mr PEARCE replied:

- (1) 1977.
- (2) Nothing. The building is leased on a rent-free basis from the Education Department by the WA School for Deaf Children.
- (3) I understand from press reports that the Board of the WA School for Deaf Children has asked SPELD to vacate the premises.
- (4) and (5) These questions should be directed to the board of the deaf school.
- (6) I have not had any approach from SPELD on this matter. However, I have indicated that I am prepared to make school facilities available for SPELD classes.
- (7) Not applicable.

#### ABATTOIRS

##### *Interim Meat Marketing Committee: Meetings*

1437. Mr PETER JONES, to the Minister for Agriculture:

- (1) With regard to the Interim Meat Marketing Advisory Committee, how many times has the committee met since being formed?
- (2) On what dates did the above meetings occur?
- (3) Were all committee members present at all meetings?
- (4) If not, which members were absent from the various meetings?

Mr EVANS replied:

- (1) Three.
- (2) 28 August  
13 September  
25 October
- (3) All members were present at the first two meetings.

- (4) Ian Johnston, Brian Gabbedy, David Treloar, and John Newman were not available to attend the third meeting.

#### WATER RESOURCES: CONSUMPTION BEYOND ALLOWANCE

##### *Account: 1929 Holdings Pty Ltd*

1456. Mr CASH, to the Minister for Water Resources:

- (1) Has an objection been received by the Water Authority from 1929 Holdings Pty Ltd in respect of an account for \$6 376.80 which has been raised by the authority for water which has been alleged to have been consumed beyond the usual allowance?
- (2) If "Yes", in view of the circumstances surrounding this alleged consumption, is the Water Authority prepared to negotiate a settlement in the terms proposed by 1929 Holdings Pty Ltd in a letter to the Water Authority dated 28 October 1985?

Mr TONKIN replied:

- (1) Yes.
- (2) The matter is being investigated by the Water Authority. Once these investigations have been finalised, 1929 Holdings Pty Ltd will be advised.

#### WATER RESOURCES

##### *Meters: Business Premises*

1457. Mr CASH, to the Minister for Water Resources:

- (1) What is the Water Authority's policy in respect to connecting water meters to commercial or business zoned premises and hotels?
- (2) Have meters been connected to all hotels in the metropolitan area?
- (3) Which hotels have water meters, and when were they installed?

Mr TONKIN replied:

- (1) The Water Authority has a policy of metering all premises served by it in country areas. In the metropolitan area, existing commercial or business zoned premises and hotels are the subject of a metering programme which takes into account the water allowance, the expected consumption at the premises concerned, and the economics of carrying out the metering

function. In the case of new premises in these categories, provision is made for installing a meter, and a meter is fitted by the authority if it is expected that the annual consumption is likely to exceed the water allowance.

(2) No.

(3) Precise details of those individual hotels which have been metered and the dates the meters were installed are not available quickly without incurring considerable administrative effort.

#### WATER RESOURCES: CATCHMENT AREAS

##### *Northern Jarrah Forest: Monitoring*

1472. Dr DADOUR, to the Minister for Water Resources:

(1) What biological monitoring and scientific studies have been undertaken on metropolitan water reservoirs and catchment areas in the northern jarrah forest?

(2) What biological studies are presently being undertaken on metropolitan water reservoirs and catchment areas in the northern jarrah forest?

(3) What reports relating to studies mentioned in (1) and (2) have been completed?

(4) Are any reports relating to studies mentioned in (1) and (2) publicly available?

(5) Have any studies shown biological disturbances to water reservoirs in the northern jarrah forest?

(6) If "Yes" to (5), can this disturbance be correlated with bauxite mining activities in the Darling Range?

Mr TONKIN replied:

These responses relate to work undertaken by the Water Authority. I am unable to present a comprehensive resume of work undertaken outside the authority.

(1) and (2) Routine microbiological monitoring has been undertaken throughout the metropolitan reservoirs and catchments since 1975 with samples being tested for coliforms, E Coli, faecal streptococci, and salmonella serotypes.

In addition to this general monitoring, the authority is currently undertaking a comprehensive water quality study—biological, chemical and physical—of Canning catchment in conjunction with the reservoir dynamics study being undertaken on behalf of the authority by the Centre for Water Research.

(3) No reports have been completed on either the general monitoring or the Canning study.

(4) Not applicable.

(5) Not yet known as the studies have not been completed.

(6) Not applicable.

#### HEALTH: INTELLECTUALLY HANDICAPPED SERVICES

##### *Budget Allocation*

1474. Mr CASH, to the Minister for Health:

(1) Will he outline the Government's intentions in respect of the \$4.953 million which appears in the 1985-86 Budget under Intellectually Handicapped Services?

(2) Will he outline the proposed building programme for additional residential accommodation for severely intellectually handicapped children and adults during 1985-86?

Mr HODGE replied:

(1) The \$4.953 million referred to represents the contingencies budget—other goods and services—for the Division of the Intellectually Handicapped and covers other staffing costs; communications services and contracts; consumable supplies; maintenance of plant, equipment and buildings; purchase of plant and equipment; grants and subsidies.

(2) The 1985-86 building programme for residential accommodation provides for—

(a) A carryover of \$382 000 from the previous year to complete four group homes which will provide accommodation for 20 intellectually handicapped persons.

(b) In 1984, Belmont Hostel, Ballavista Wing, was damaged by fire. The 1985-86 Capital Works

programme provides \$300 000 towards the relocation of 38 residents in five duplexes with a projected carryover of \$700 000 for 1986-87.

In addition to the above, staff numbers at Fairholme Hostel have been increased to allow for the opening up of an extra 16 beds. The capacity of this hostel is now 48 beds.

#### MOTOR VEHICLE DEALERS BOARD

##### *Transfer of Operations*

1476. Mr MacKINNON, to the Minister representing the Minister for Consumer Affairs:

- (1) Is the Government planning to transfer the operations of the licensed Motor Vehicle Dealers Board to the proposed Commercial Tribunal?
- (2) If so, when is this change proposed to take place?
- (3) Will the interests of motor vehicle dealers be protected by representation on the Commercial Tribunal?

Mr TONKIN replied:

- (1) The matter is under consideration.
- (2) Not known.
- (3) Yes.

#### COMMUNITY SERVICES

##### *Marriage Guidance Council of WA Inc: Government Support*

1478. Mr MacKINNON, to the Premier:

- (1) What support does the Government give to the Marriage Guidance Council of Western Australia Inc?
- (2) Is he aware that the council is currently facing a very severe financial crisis?
- (3) Has the council approached the State Government for financial support?
- (4) Is so, what is the Government's response to that approach?

Mr BRIAN BURKE replied:

- (1) to (4) This matter was raised in a grievance debate on 19 September 1984 and in questions to the Minister for Budget Management on 3 September 1985 and 18 September 1984 and to me on 24 October 1984. On those occasions the Government outlined its position.

1490. *Postponed.*

#### POLICE OFFICERS

##### *Graduations*

1491. Mr D. L. SMITH, to the Minister for Police and Emergency Services:

- (1) How many new police have graduated in each of the last three years?
- (2) How many police officers are now stationed in—
  - (a) the metropolitan region;
  - (b) the country?
- (3) What were the relative figures for each of the last five years?
- (4) What was the net increase in the strength of the police force in each of the last five years?
- (5) In each of these years how many of the increased strength have been—
  - (a) stationed in the country;
  - (b) stationed in the metropolitan area?

Mr CARR replied:

- |                                  |       |
|----------------------------------|-------|
| (1) 1982-83                      | 197   |
| 1983-84                          | 148   |
| 1984-85                          | 214   |
| (2) (a) Metropolitan             | 2 214 |
| (b) Country                      | 815   |
| (3) 1980-81                      |       |
| Metropolitan                     | 1 832 |
| Country                          | 779   |
| 1981-82                          |       |
| Metropolitan                     | 1 902 |
| Country                          | 785   |
| 1982-83                          |       |
| Metropolitan                     | 2 025 |
| Country                          | 799   |
| 1983-84                          |       |
| Metropolitan                     | 2 082 |
| Country                          | 805   |
| 1984-85                          |       |
| Metropolitan                     | 2 214 |
| Country                          | 815   |
| (4) 1980-81—Metropolitan-Country | Nil   |
| 1981-82—Metropolitan-Country     | 37    |
| 1982-83—Metropolitan-Country     | 131   |
| 1983-84—Metropolitan-Country     | 83    |
| 1984-85—Metropolitan-Country     | 114   |
| (5) 1980-81                      |       |
| Metropolitan                     | Nil   |
| Country                          | Nil   |
| 1981-82                          |       |

Metropolitan Country	31
1982-83	6
Metropolitan Country	117
1983-84	14
Metropolitan Country	77
1984-85	6
Metropolitan Country	104
	10

1494. *Postponed.*

### SPORT AND RECREATION

#### *Commonwealth Hockey Stadium: Redevelopment*

1495. Mr WATT, to the Minister for Sport and Recreation:

- (1) Has he read the article in *The West Australian* of Friday, 25 October 1985, reporting his announcement of the redevelopment of the Commonwealth Hockey Stadium?
- (2) What is the estimated total cost of the project?
- (3) How much will be contributed by the Western Australian Hockey Association?
- (4) Why is the Western Australian Hockey Association providing international standard indoor facilities for basketball, volleyball, netball, and badminton when they are to be provided at the State Sports Centre, near McGillivray Oval?
- (5) On what information has it been found necessary to provide two sets of international standard facilities for basketball, volleyball, netball, and badminton in Perth?
- (6) As the Minister for Employment and Training, in a media statement on 25 October 1985, said the State Government was committed to ensuring that the population in regional areas was provided with similar facilities to those available in the metropolitan area, what further facilities does the Government have planned in regional centres to meet that commitment?

Mr WILSON replied:

- (1) Yes.

- (2) The total estimated cost of the project stage to which the Government's grant relates is \$1.37 million. The grant is to fund the establishment of a permanent headquarters for the hockey association and the Australian Institute of Sport hockey unit, extend spectator seating, and upgrade the lights for the playing area.

- (3) Approximately \$170 000.

- (4) No decision has been made to construct indoor playing facilities at the Commonwealth Hockey Stadium. Reference to plans for such a facility, mentioned in *The West Australian* of 25 October 1985, refer to a notional development which the hockey association may implement at some time in the future should the circumstances justify that course of action.

- (5) Refer to (4).

- (6) The Government remains committed to supporting the development of a wide range of facilities in the regional areas of the State and consideration is currently being given to applications for grants received under the community sporting and recreational facilities fund programme. As with previous years, it is expected that by far the greatest percentage of funds available under this scheme will go to projects in country regions.

### SPECIAL EVENTS FOUNDATION

#### *Establishment*

1496. Mr MacKINNON, to the Premier:

- (1) Has the Government set up a special events foundation?
- (2) If so, when was the foundation set up?
- (3) Who are the members of the foundation?
- (4) What is the purpose?
- (5) What Government funding will be made available to the foundation?

Mr BRIAN BURKE replied:

- (1) and (2) The Government has briefed WADC to form the WA Events Foundation and the corporation is in the process of establishing this new vehicle.
- (3) Trustees are to be Messrs T. Land, M. Michael, and D. Whitely.



- (4) The purposes of the foundation are—  
to help manage existing Government-supported events to ensure the most efficient and effective use of Government funds;  
initiate and support new events and where appropriate seek commercial sponsorship.
- (5) A budget is in the process of being prepared.

1497. *Postponed.*

## TOURISM COMMISSION

### *Borrowings*

1498. Mr STEPHENS, to the Minister representing the Minister for Tourism:

- (1) With respect to the Western Australian Tourism Commission's borrowings—
- what is the total loan commitment and for how much and to what projects do they relate;
  - what are the proposed borrowings for 1985-86 showing the estimated loan for each project;
  - with respect to (b), over what period will the loans be negotiated for repayment?
- (2) In 1985-86, what tourism studies are proposed and what is the estimated cost of each of the proposals?
- (3) Does the commission plan to operate the Holiday WA Centre in Perth on Saturday afternoons, Sundays, and public holidays?
- (4) If "Yes" to (3), what is the estimated cost?
- (5) With respect to the "opening hours incentive" for country tourist bureaux what is the estimated cost for 1985-86?
- (6) With regard to South-East Asian development, what is the estimated expenditure for 1985-86 in—
- Japan;
  - Malaysia;
  - Singapore;
  - Thailand;
  - Hong Kong;
  - other countries?

- (7) The 1985-86 budget shows an allocation of \$225 000 for Swan Valley promotion; what are the individual items and the amounts for same that will be covered by this allocation?
- (8) With respect to the item "Grants and Subsidies", what was the actual and proposed expenditure in—
- 1984-85; and
  - 1985-86,  
for—
- travel associations;
  - country tourist bureaux;
  - information centres?
- (9) With respect to the item "Advertising and Promotions", what was the actual amount in—
- 1984-85; and
  - proposed amount in 1985-86,  
for—
- brochures;
  - television and advertising;
  - radio advertising?

Mr BRIAN BURKE replied:

- (1) (a) As at 30 June, 1984 the loan commitment was \$395 632. The loans were raised by virtue of the provisions of section 10A of the Tourist Act 1959 to enable hoteliers to upgrade premises in accordance with the hotel grading loan scheme. Since the date, \$526 000 was raised to cover the capital works programme during 1984-85, of which \$20 000 was allocated to refurbishing the St George's Court building, and \$25 287 to refurbishing the Holiday WA Centre, Adelaide. The balance was carried forward to 1985-86.

- (b) \$600 000. Refer (c) below.

Projects		
Works in Progress		\$ '000
Renovations and improvements 16 St George's Terrace		240
Adelaide		
Install Commander telephone system		16
Brisbane		
Install Commander telephone system		6

Sydney	
Renovation and refurbishment	100
Install Commander telephone system	18
Melbourne	
Renovation and refurbishment	103
Install Commander telephone system	18
<b>TOTAL</b>	<b>501</b>
<b>New Works</b>	
Holiday WA Centre—Norseman	300
Equity Participation—Captain Freycinet Motel	200
Argosy Charters	150
<b>TOTAL</b>	<b>650</b>

- (c) Funds are raised through the Central Borrowing Authority, as follows—

\$526 000—4 years maturing  
1 November 1988

\$350 000—4 years maturing  
1 August 1989

The Central Borrowing Authority has yet to advise the terms and conditions of the remaining \$250 000.

- (2) Refer to answer to question 1155.  
(3) No.  
(4) Not applicable.  
(5) \$196 000.  
(6) Refer to answer to question 1157.  
(7) Refer to answer to question 1388.  
(8) (a) and (b)

	1984-85	1985-86
	\$	\$
(i) Travel associations	63 000	253 700
(ii) Country tourist bureaux	279 700	525 280
(iii) Information centres	30 000	92 500

- (9) (a) and (b)

	1984-85	1985-86
	\$	\$
(i) Brochures	733 305	525 000
(ii) Television and advertising	737 729	900 000
(iii) Radio advertising	106 394	Nil

## MINERALS: GOLD

### *Armway Mining Pty Ltd: Field Visit*

1499. Mr RUSHTON, to the Minister for Minerals and Energy:

- (1) What was the length of the field visit referred to in section 4.3.1., on page 12 of Armway Mining Pty Ltd, Milli Milli and Turee Creek area gold mine environmental review and management programme?
- (2) How many—
  - (a) qualified botanists;
  - (b) qualified zoologists,
 were involved in the field work?
- (3) How long did each professional spend in the field?

Mr PARKER replied:

- (1) to (3) This information is not included in the programme prepared by W. G. Martinick and Associates Pty Ltd. However, as stated in the report by the EPA, as a result of guidelines provided by that authority, the proponents produced a brief but reasonably comprehensive report.

## LAND: NATIONAL PARK

### *Hamersley Range: Mining Project*

1500. Mr RUSHTON, to the Minister for Minerals and Energy:

Was he factually reported in the *Daily News* of 29 October 1985 concerning Hamersley Range National Park, in saying that—

- (a) there was nothing the Western Australian Government could do to stop the goldmining project;
- (b) under the Mining Act, a person who had an exploration permit had a prima facie right to a mining permit?

Mr PARKER replied:

I was correctly reported in that I was commenting on the concept that explorers can expect to convert exploration tenements to leases to develop a project as a result of exploration.

While under the Mining Act 1978 an absolute right does not exist in respect of exploration tenements on reserved land, the prima facie right exists in this particular case due to the fact that

the project consists of 20 goldmining leases which were granted in 1982 under the Mining Act 1904.

These leases by virtue of the transitional provisions of the Mining Act 1978 have automatically become mining leases under that Act.

## MINISTER FOR MINERALS AND ENERGY

### *Armway Mining Pty Ltd: Offer*

1501. Mr RUSHTON, to the Minister for Minerals and Energy:

- (1) Will he give the House an unqualified assurance that he has made no offer to—
  - (a) Armway Mining Pty Ltd;
  - (b) Langton Holdings Pty Ltd;
  - (c) Futuris Corporation Ltd,
 relating to stage 2 of a proposal to explore and assess the Armway gold prospect?
- (2) If not, when did he make his offer?
- (3) What is the substance of his offer?
- (4) Further to question 1356 of 1985 concerning Hamersley Range National Park, what is the instance that has arisen which may have an impact on the development of the Crown's minerals, which necessitates that the boundaries of national parks "may need to be looked into"?

Mr PARKER replied:

- (1) to (3) I refer the member to my reply to question 1341.
- (4) There is no specific instance; rather it is a reflection upon the way some national park boundaries have been fixed in the past.

## LAND

### *Prince Regent Biosphere Reserve: Road*

1502. Mr RUSHTON, to the Minister for Conservation and Land Management:

- (1) On what date was a road bulldozed into the Prince Regent world biosphere reserve?
- (2) By whom was the road made?
- (3) Where did it lead to?
- (4) Where did it begin?
- (5) Is the road currently in use?
- (6) If so, by whom?

(7) What steps did he take against the maker/s of the road?

(8) What steps is he taking to prevent such roads being made in the future?

Mr DAVIES replied:

(1) to (8) I draw the member's attention to my answer to question 1278.

## LAND: NATIONAL PARK

### *Hamersley Range: Tenements*

1503. Mr RUSHTON, to the Minister for Minerals and Energy:

Further to question 1147 of 17 October 1985 concerning Hamersley Range National Park, what is the scientific evidence which supports the proposition that there are no areas of conservation significance within the tenement area?

Mr PARKER replied:

The EPA report states in summary that the shallow strip mining project proposed would normally be acceptable on environmental grounds as the intended management broadly suits the conditions prevailing in the area.

## EDUCATION: TECHNICAL AND FURTHER EDUCATION

### *"Direct Step": Projects*

1504. Mr WATT, to the Minister for Education:

- (1) (a) With reference to the booklet "Budget Outlook 1985-86 Opportunities for Youth", could he advise if the important projects referred to on page 5 under the subheading "Direct Step", have been identified;
- (b) if so, what are they;
- (c) if not, will the rural farm skills course which is funded as a participation and equity programme through the Technical and Further Education Division of the Education Department be affected by the funding cuts?
- (2) As these courses have been highly successful in leading young people into permanent employment, will he give consideration to finding ways of either continuing the courses or increasing them?

Mr PEARCE replied:

- (1) (a) Yes;
- (b) 29 courses are involved;
- (c) the rural farm skills course is included within 1(b).
- (2) Yes.

1505. *Postponed.*

## EDUCATION DEPARTMENT

### *Accident Prevention*

1506. Mr MacKINNON, to the Minister for Education:

- (1) What is the Education Department's policy on accident prevention, safety, and occupational health—
  - (a) to its employees;
  - (b) to students?
- (2) What priority is given in these important activities by the administration in each region and by the director general, in relation to all other functions?

Mr PEARCE replied:

- (1) and (2) The department has recently formed an occupational health and safety unit which has doubled the manpower working in this area. In addition to the medical, nursing and safety personnel that previously existed, we have created positions for an—
  - (a) Occupational therapist-coordinator of the unit;
  - (b) rehabilitation officer;
  - (c) assistant to the senior safety officer.

From our 1984-85 Budget this absorbed \$79 000, a significant amount and in keeping with the current Administration's policy of upgrading services and facilities for staff and students in this area.

## EDUCATION DEPARTMENT

### *Accident Prevention*

1507. Mr MacKINNON, to the Minister for Education:

Within the 1985-86 Budget Estimates, what finance was requested for accident prevention, safety, and

occupational health for the ongoing "Safety Programme", and how much has been provided?

Mr PEARCE replied:

A Budget allocation of \$47 000, in addition to staff, has been provided.

## EDUCATION

### *Noise Abatement: Allocations*

1508. Mr MacKINNON, to the Minister for Education:

What finance has been provided this year specifically for noise abatement and hearing conservation within the department's schools and establishments?

Mr PEARCE replied:

None.

## EDUCATION DEPARTMENT

### *Workers' Compensation Premiums*

1509. Mr MacKINNON, to the Minister for Education:

- (1) What is the current workers' compensation premium paid by the Education Department to the State Government Insurance Office?
- (2) What is the cost per week of alternative staff replacements due to compensation injuries?

Mr PEARCE replied:

- (1) \$3.5 million.
- (2) The estimated weekly cost of alternative staff replacements is \$18 000.

## EDUCATION: PRIMARY SCHOOL

### *Lancelin: Enrolment*

1510. Mr MacKINNON, to the Minister for Education:

- (1) What is the current enrolment at the Lancelin primary school?
- (2) What is the estimated enrolment at the school for the commencement of the 1986 school year?

Mr PEARCE replied:

- (1) At July 1985, 16 pre-primary and 102 primary.
- (2) For March 1986, 22 pre-primary and 121 primary.

## TOURISM COMMISSION

*Annual Report: Completion*

1511. Mr MacKINNON, to the Minister representing the Minister for Tourism:

- (1) Has the annual report of the Western Australian Tourism Commission for the year ended 30 June 1985 yet been completed?
- (2) If so, when will it be released?
- (3) If not, when is it likely that it will be completed, and released?

Mr BRIAN BURKE replied:

- (1) to (3) The report is in the process of being completed and will be released in due course.

## EDUCATION

*Early Literacy Inservice Programme: Cost*

1512. Mr MacKINNON, to the Minister for Education:

- (1) What was the cost to the State Government of its contribution to the early literacy inservice programme during the year ended 30 June 1985?
- (2) What funds has the State Government committed to this programme from the Budget for the year ending 30 June 1986?

Mr PEARCE replied:

- (1) \$98 000.
- (2) \$141 000.

## HORTICULTURE

*Grape Growers: Financial Assistance Scheme*

1513. Mr OLD, to the Minister for Agriculture:

- (1) How many applications have been received for loans under the financial assistance scheme for grape growers in the Swan Valley?
- (2) How many applications have—
  - (a) been approved;
  - (b) been rejected?

Mr EVANS replied:

- (1) and (2) There have been no applications at this stage. Fourteen growers have requested an interview to determine if they qualify under the scheme.

1514. *Postponed.*

## WA DEVELOPMENT CORPORATION

*Money Market Portfolio: Value*

1515. Mr COURT, to the Treasurer:

- (1) What is the current market value of the Western Australian Development Corporation money market portfolio and what is the book value?
- (2) What is the current market value of the Treasury's money market portfolio and what is its book value?
- (3) Are there any book losses in these portfolios?

Mr BRIAN BURKE replied:

- (1) The current market value of the Western Australian Development Corporation's money market portfolio remains commercially confidential to that corporation.
- (2) Treasury is not in the business of trading securities. By the nature of its operations it will therefore not incur a loss of principal on its investments. As at 5 November 1985, Treasury had the amount of \$528 348 170 invested and this amount will be received in full on the maturity of those investments.
- (3) The position of the Western Australian Development Corporation's money market portfolio remains commercially confidential to that corporation.

In Treasury's case, please see answer to (2).

1516. *Postponed.*

## MINERALS: GOLD

*Armway Mining Pty Ltd: Second Stage*

1517. Mr CASH, to the Minister for Minerals and Energy:

- (1) (a) What is the difference between the second stage of exploring and assessing the Armway gold prospect's extractive mining operations; and
  - (b) developmental mining operations?
- (2) Will he outline the Environmental Protection Authority objections to mining in national parks?

- (3) Is the Environmental Protection Authority opposed to mining in national parks only on environmental grounds or are there other reasons?
- (4) What was the legal form of the approval given to Armway to proceed with stage 2 of the proposal to explore and assess the gold prospect in Hamersley Range National Park?
- (5) What are the conditions attached to the approval to explore and assess the gold prospect?

Mr PARKER replied:

- (1) The second stage of exploring and assessing the project was to be by bulk sampling as distinct from continuous productive mining. However, a revised exploration programme is currently being considered.
- (2) and (3) The EPA has maintained as a matter of principle that mining should not normally be allowed in national parks unless—
  - (a) there is a strategic need for the mineral; or
  - (b) the mineral resource is rare and of high value and its exploitation would be of significant material benefit to the State or the nation.
- (4) and (5) As indicated in my reply to question 1341, a request to vary the exploration programme originally submitted is being considered.

up of hydrogen gas in solar hot water systems which utilise sacrificial anodes?

- (2) (a) Is his department aware of a report which discussed the potential dangers of a build up of hydrogen in situations where the appliance was not being used for a period of time;
- (b) if "Yes", when did they become aware of the report?
- (3) Which other Government department or authority did Homeswest consult on the report's findings?

Mr WILSON replied:

- (1) Homeswest's north-west area supervisor stationed at South Hedland obtained copies of mining companies' investigation reports in situations where explosions had occurred in domestic washing machines. The reports were accompanied by a copy of a letter from the Public Works Department district engineer, Karratha, to the regional engineer, Pilbara, referring to the reports and recommending further investigation.
- (2) (a) Yes;
- (b) November 1983.
- (3) The Public Works Department in writing, and discussions were held with the Government Chemical Laboratories.

## CRIME: SENTENCES

### *District Court: Appeals*

1518. Mr CASH, to the Minister representing the Attorney General:

Who may appeal against a sentence handed down by the District Court?

Mr GRILL replied:

The Crown or the accused.

1519. *Postponed.*

## HOUSING

### *Solar Hot Water Systems: Modification*

1520. Mr CASH, to the Minister for Housing:

- (1) Adverting to his answer to question 1364 of 30 October 1985, how did Homeswest become aware of the build

## HOUSING

### *Solar Hot Water Systems: Modification*

1521. Mr CASH, to the Minister for Minerals and Energy:

- (1) Adverting to his answer to question 1363 on 30 October 1985, what action is proposed to be taken to advise owners of solar hot water systems of potential dangers of explosions which may result from a build up of hydrogen gas?
- (2) Will he advise the details of cases where explosions have occurred due to the build up of hydrogen gas in solar hot water systems?

Mr PARKER replied:

- (1) It is now understood that the report by Mr J. Sheahan referred to in question 1363 of 29 October 1985 by the member for Mt Lawley relates to a situ-

ation in which a conventional electric storage hot water unit was the hot water source. As it is understood that the occurrence of hydrogen explosions in solar water heaters is rare, the matter has been left in the hands of the manufacturers.

- (2) While the Solar Energy Research Institute of Western Australia is aware of reports that sacrificial anodes in hot water units are claimed to have caused explosions, it has not received specific details of any explosions involving solar hot water units.

#### GOVERNMENT EMPLOYEES: PUBLIC SERVICE

##### *Retirement: Age 55 Years*

1522. Mr HASSELL, to the Premier:

What is the estimated cost to the taxpayer if optional 55-year old retirement were introduced in the State Public Service?

Mr BRIAN BURKE replied:

The Leader of the Opposition may not be aware that on Tuesday, 8 May 1984 he responded on behalf of the Opposition, and supported the Superannuation and Family Benefits Amendment Act 1984 which, amongst other things, provided for optional retirement at age 55. I refer the Leader of the Opposition to my second reading speech on Wednesday 2 May 1984 for details.

1523. *Postponed.*

#### SUPERANNUATION BOARD

##### *Investments: Refusal*

1524. Mr HASSELL, to the Premier:

- (1) In 1984 did he refuse to approve Superannuation Board investment proposed in the Wesfarmers building and the Custom Credit building?
- (2) Did he direct that proposed investments by the Superannuation Board should be referred to his then adviser, Mr Len Brush?

Mr BRIAN BURKE replied:

- (1) The Leader of the Opposition is referred to the *Hansard* debate on Thursday, 31 October at page 3446 in which he received a reply to this question.
- (2) I asked the Superannuation Board to discuss proposed investments with Mr Brush, who was my adviser on superannuation matters.

#### QUESTIONS WITHOUT NOTICE

##### MR DARCY FARRELL

##### *Employment: Government*

407. Mr HASSELL, to the Premier:

Is the Premier able to tell the House today—

- (1) Whether Mr Darcy Farrell is still employed as a consultant or adviser to the Government?
- (2) Whether his position is under review?
- (3) If he is not still employed as a consultant or adviser to the Government, when did his employment cease?

Mr BRIAN BURKE replied:

- (1) to (3) As I indicated last evening, I am not prepared to comment on matters in such a way or to provide information about matters that would prejudice the interests of people on different sides of arguments of a legal nature outside the Parliament.

As I said last evening, if the Leader of the Opposition has nothing more positive or nothing better to do than to try to attack the characters of people through his use of question time, then the public will judge his attitude in this matter.

So far as the Government is concerned, we do not want to indulge in the same sort of character assassination on any side of the argument currently outside the Chamber. I said that last evening, and I have repeated it today.

It is also true that the Leader of the Opposition seems intent upon persisting with a view that there is some political advantage in destroying the character of people outside this

Parliament. That seems to be common to many Opposition members. I have been here, although I am younger, a bit longer than the Leader of the Opposition; and I can tell him that that is a fast trip to nowhere. The public are not impressed with politicians who use the privilege of Parliament in an effort to denigrate people who cannot—

Several members interjected.

Mr BRIAN BURKE: There is no public sympathy, I am sure, for politicians who use the privilege of Parliament to wrongly assassinate or denigrate the characters of people outside.

As I have said repeatedly, there is a legal action proceeding, on different sides of which are different people whose positions can be prejudiced by answering questions that involve providing information that goes to the legal matters in question. I have told the Leader of the Opposition that I will not be persuaded to his point of view that it is legitimate to somehow or other provide information that prejudices the positions of people outside. That applies to all of those people who are involved in that matter.

My answer remains as it was; I am not prepared to take that action and I suspect that the public generally would take the view that a fair go for people involved in some conflict outside this place is not ensured by politicians taking advantage of parliamentary privilege to try to prejudice that fair go.

## TECHNOLOGY

### *Training: Unemployed People*

408. Mr READ, to the Premier:

Given that information technology is a growth industry, and that Government bodies like the Department of Computing and Information Technology have been established, what has the Government done to ensure that unemployed people can be trained to work in this area?

Mr BRIAN BURKE replied:

One hundred unemployed young men and women will be given the chance of learning career skills in one of the world's fastest-growing industries. I am pleased to advise that the Government has announced 100 special traineeships in computing and information technology. The traineeships, made possible under the joint Federal-State employment programme, will be for a period of 12 months with on and off-the-job training. The Department of Computing and Information Technology will be responsible for coordinating the scheme.

The traineeships are open to young men and women aged between 16 and 18 and who are registered as unemployed. Successful applicants will be paid while they learn. One of the most encouraging aspects of these traineeships is that they are being offered within a growth industry in which specialist skills are in considerable demand—both in the public and private sectors. Worldwide trends in information technology spending show that new jobs and opportunities are continuing to increase. This Government recognises the importance of this industry to the future economic growth of Western Australia.

These traineeships represent the best chance yet for young people to attain computer and information technology skills which will last a lifetime. The future job prospects for these trainees are very encouraging. Successful applicants will be trained in a number of State Government departments which use information technology systems. The trainees will learn tasks including data preparation, data entry, the use of micro computers, and statistical output. The Government is very proud of this initiative, as it is of its employment record in general, which has seen a reduction in unemployment of 16 000 and the creation of 62 500 jobs since February 1983. It just goes to show what cooperation with the Federal Government and an innovative approach by the State Government can do to help create real and lasting employment opportunities.



## LAND

*Urban Lands Council: Absorption*

409. Mr HASSELL, to the Minister for Planning:

Did the Minister for Planning block or oppose the transfer of the Urban Lands Council to Homeswest and its absorption by that body?

Mr PEARCE replied:

I do not know how to answer that question, as I do not have the power to block, by myself, those kinds of transfers. Although I do not have that power, it is the case that the Urban Lands Council was once the responsibility of the Minister for Planning with respect to its formal activities. When the Minister for Minerals and Energy was Minister for Planning he had the Urban Lands Council transferred to the portfolio of the Minister for Housing.

There has been some discussion between the Minister for Housing, the Minister for Budget Management, and me about a proposal to transfer the Urban Lands Council back to the Minister for Planning. Although those discussions have not been finalised, it is probably fair to say that there is broad agreement that that should occur. The Leader of the Opposition may see that as a blocking of the transfer; I do not. When we transferred it from the Planning portfolio to the Housing portfolio we did so because we saw certain advantages in so doing; we now see certain advantages in transferring it back to the Planning portfolio.

As part of those ongoing discussions there will be discussion about some rationalisation of the subdivisional function of the Urban Lands Council and the divisional function of Homeswest. That is a perfectly natural part of the ongoing process of reviewing Government functions in which this Government is involved all the time in the interests of efficiency and effectiveness.

## EMERGENCY SERVICES

*Surf Life Saving Association: Negotiations*

410. Mrs WATKINS, to the Premier;

Could the Premier please assure the House that negotiations under way between the Government and the WA Surf Life Saving Association will not be prejudiced by the comments made yesterday by the member for Kalamunda?

Mr BRIAN BURKE replied:

It is unfortunate that the member for Kalamunda was so precipitate in his support for the WA Surf Life Saving Association in that he obviously caused it some embarrassment. For example, his announcement of a financial assistance package for the association implies that it is not happy with current funding arrangements. His comments are not endorsed by the association which told the Press today it has received adequate funding for some projects and is negotiating funds for others. There is no suggestion that it is unhappy with current arrangements.

I am aware of its comments and can fully assure it that the member for Kalamunda's announcement will not prejudice negotiations in any way.

## LAND

*Urban Lands Council: Statutory Basis*

411. Mr HASSELL, to the Minister for Planning:

- (1) Does the Minister for Planning recall a statement by his predecessor that the Government would make the Urban Lands Council a statutory body and that it would coordinate the activities of other agencies involved in land development?
- (2) What coordination currently takes place?

Mr PEARCE replied:

- (1) and (2) I am the wrong Minister to ask about the Urban Lands Council because at the moment it is the responsibility of my colleague the Minister for Housing. As I just told the Leader of the Opposition, we are discussing a

transfer of that responsibility to me, as Minister for Planning, but that transfer has not yet taken place.

My sole relationship with the Urban Lands Council under the present arrangement is that it acts as consultant to a number of significant planning projects for which I am responsible, most notably the East Perth study and the redevelopment of the Graylands mental hospital site.

I have no operational knowledge of the Urban Lands Council's operations in other areas because they are not my ministerial responsibility. If the Leader of the Opposition wants to know about them, I suggest he ask the Minister for Housing.

## ARTS

### *Music Industry: Promotion*

412. Mr TROY, to the Minister for the Arts:

Can the Minister provide any information on assistance being planned to help out the local music industry in the promotion and marketing of local talent?

Mr DAVIES replied:

At this very moment a draft proposal to implement a programme of assistance that will directly assist bands and music groups with the costs of putting together a demonstration tape of their music in a proper studio is before me. This means the group may then present, to record and cassette producers, a sample of their product that is recorded adequately.

One of the greatest difficulties facing our young and developing music groups, including emerging rock bands, is obtaining the necessary dollars to be able to afford to pay for a few hours' hire time in a professional recording studio. The proposal before me recommends a pilot programme to assist groups in this area, who need help in putting together their first or second demo tape.

I am hopeful, following further consultation with the relevant organisations involved, such as the WA Arts Council and the Musicians Union of WA, that we may be able to announce details of the programme by the end of

the month and have this assistance available to groups, running as a pilot programme, in 1986.

## PLANNING

### *Subdivisions: Government Involvement*

413. Mr HASSELL, to the Minister for Housing:

Although I am seeking information about planning in relation to land subdivision, it seems that the Minister for Planning has directed me to the Minister for Housing.

- (1) Does the Minister recall the statement by the former Minister for Planning that private industry felt that there was already too much Government involvement in land development and that agencies such as the R & I Bank, the State Housing Commission, and the State endowment trust, as well as the lands trust, the University of WA, and agencies such as those, felt there was a need for more coordination and rationalisation?
- (2) What change has been made since the statement by the former Minister for Planning?
- (3) In what way will the coordination and objectives previously outlined be achieved if the Urban Lands Council is transferred back to the Planning portfolio?

Mr WILSON replied:

- (1) No.
- (2) and (3) The second part of the question has already been answered by the Minister for Planning. As he indicated quite plainly, discussions involving the Minister for Planning, the Minister for Budget Management, and me are currently under way as a result of a Cabinet direction to resolve the issues referred to by the Leader of the Opposition.

## GOVERNMENT CORPORATIONS

### *Comments: Member for Narrogin*

414. Mr BURKETT, to the Premier:

Can the Premier comment on the accuracy of comments made by the member for Narrogin earlier today

about the Western Australian Development Corporation and the Exim Corporation?

Mr BRIAN BURKE replied:

It is very difficult to comment on the accuracy of those comments because no detail was provided by the member for Narrogin. He made a series of statements as criticisms which I do not suppose were allegations or accusations, but he did not name any of the people or detail any of the circumstances to which he was referring. In the absence of that detail it is very hard to comment on the accuracy of the information, but it is clear that the comments made by the member for Narrogin are a continuation of the Opposition's policy in a number of areas.

Firstly, the Opposition is intent upon the destruction of the Western Australian Development Corporation and upon denigrating the people associated with it. Let me refer to the Chairman of the Western Australian Development Corporation, Mr John Horgan. He was named in the criticism by the member for Narrogin. Mr Horgan is a man of unimpeachable character and reputation. He is a faithful and intelligent servant of the public in his present role. He does not deserve the denigration to which he has been subjected by the member for Narrogin.

Secondly, the Opposition attacked Mr Easton following the unsuccessful allegations made by the Leader of the Opposition about Mr Easton's connection with some contract which did not exist with the Education Department—allegations which concern his involvement with some firm which sold loose cushions to the Education Department. These allegations were repeatedly made about Mr Easton's character but they were not substantiated by anything which the member for Narrogin had to say.

The member for Narrogin continues to denigrate the characters of people, regardless of who they are, simply to further the political aims of the Opposition. One of these aims is the destruction of the WADC, foreshadowed in the denigration action which the

Opposition has publicly announced by saying it will attack in voting provisions in the Budget Bills covering the Western Australian Development Corporation and Exim.

It also foreshadows the way in which the Opposition intends to comport itself in the months leading up to the next election. There is no doubt in my view that this election will be perhaps the dirtiest election campaign on record in this State. It will be the dirtiest campaign on record because already the Opposition has attacked so many leading figures in this State on one basis only, and that is that they have some association with the Government. That is all. They are guilty of nothing more than cooperating with the Government of the day. They are seen by the Opposition somehow or other to be traitors because they have always been regarded as Liberals. The enormity of their apparent cooperation with the Government has stunned the Opposition. The record stretches as far back as Catherine Bay when the Opposition destroyed so much of the goodwill which previously existed. The Opposition has never been able to recover that goodwill.

There has been an unbroken chain of effort by the Opposition to assassinate the characters of people whom I believe the Opposition regarded as Liberal supporters but who are now regarded as turncoats because they are cooperating with the Government of the day.

I cannot guarantee the political or any other support of any of those people. The Opposition is making a serious mistake by presuming that because they are cooperating with the Government of the day they are somehow or other Labor supporters. One thing which will enhance that proposition is the way in which the Opposition so consistently attacks their characters; the way in which the Opposition so consistently tries to hold people up to public odium simply because the Opposition perceives their political cooperation, their business cooperation, or their public cooperation with the present Govern-

ment. It is an axiom of public life that companies and individuals involved in the private sector cooperate with the Government of the day. If this Government changes I am sure all those people will cooperate with the new Government as thoroughly as they now cooperate with ours.

The major mistake being made by the Opposition is that it has this political view that anyone who deals with the Labor Government and who has more than \$2.50 to his name is somehow a traitor to its philosophy. The Opposition will forfeit their support, not just at the next election but at election after election. These people will not suffer the personal affronts which have been so frequently flung at them by the Opposition. This is a destructive action by the Opposition which has no constructive policies to put forward. It is bereft of any development issues.

The Opposition is bereft of any positive initiative; it is lazy; it has not done the work which needs to be done to present itself as an alternative.

I will tell members of a lesson—I am sure the Deputy Premier will not mind my referring to this, although he is not here. Most members were not here but I was. I will never forget when the Deputy Premier said one of the then Ministers had sticky fingers. The furore continued for two months or so. The only political party which lost out on that exercise was the now Opposition.

The Opposition is doing exactly the same sort of thing because it is denigrating people who are doing nothing more than cooperating with the Government of the day, which somehow or other paints them as traitors.

#### *Point of Order*

Mr HASSELL: Mr Speaker, you have previously indicated that while you give a very broad latitude to Ministers answering questions, there are limits to your indulgence. This has nothing to do with any question that has been asked.

The SPEAKER: That is not a point of order.

#### *Questions without Notice Resumed*

Mr BRIAN BURKE: I was about to conclude.

This is the denigration of people who have done nothing to my knowledge except cooperate with the Government of the day, and cooperate in a fashion that I would think they would replicate if and when this Government changes. Perhaps I am wrong in proffering that advice to the Opposition. One can go so far.

I am perfectly capable of looking after myself. I can trade insults with people on the Opposition benches. I can be hurt by some of the comments and I can hurt back. But these people who are outside the Parliament will not forget the way in which the Opposition has held them up to public odium simply because members opposite perceive them to be traitors to their political cause because they cooperate with the Government of the day. Members opposite demean themselves and deprive themselves of the opportunity to assume the reins of Government.

#### PLANNING

##### *Subdivisions: Coordination*

415. Mr HASSELL, to the Minister for Housing:

What is the Government's present policy in relation to the coordination and control of the sale and subdivision of land by the numerous Government bodies involved in this field?

Mr WILSON replied:

This is really a repeat of a former question.

The SPEAKER: I will determine that. You are obliged only to answer the question as it affects your portfolio.

Mr WILSON: I have already answered the question by saying that the matters the Leader of the Opposition raises are matters that are presently before a group of Ministers charged with the duty of determining the role of the Urban Lands Council. That is a matter presently being determined.

## LAND

*Mortgage Sales: Committee*

416. Mr CRANE, to the Premier:

With reference to the seven-member committee to be set up to oversee farm mortgage sales, as reported in *The West Australian* on Tuesday, 6 November—

- (1) What mechanism is proposed to help stem dramatic land price falls when the committee concludes that all realistic avenues have been explored and the mortgagee can exercise his rights and sell the property?
- (2) What action has the Government taken to reduce high interest rates on rural loans, which are the major cause of the present rural crisis?
- (3) Will the Government introduce a scheme to subsidise interest rates on rural loans similar to the recently introduced subsidy scheme on building society home loans involving \$72 million, which has established a precedent?
- (4) If not, why not?

Mr BRIAN BURKE replied:

- (1) The committee's job is not to act to stem the decline in farmland prices. The committee's task is to ensure that the mortgagee will set a reserve price which takes into account all relevant information and evidence of the market value of rural land. The committee will ensure that a property is promoted to attract the greatest number of potential buyers. It will be those bidding farmers who will determine land values such that their operations will continue to be viable. It is important that no impediment be put in the way to discourage potential buyers.

The member for Moore must realise that there is absolutely no prospect that declining prices for rural land are the order of the day or are to be expected in the present economic situation confronting the rural industry. It may be that the fall in prices has bottomed out. I doubt whether that is the case and I think prices may continue to fall for another couple of months. If the member's question

implies that somehow or other an absolute minimum price should be set beyond which prices should not fall, then he is advocating an interventionist policy that cannot be tolerated or accepted by this Government. So, the vagaries of the market place have decreed that prices for rural land will decline. It may be a matter for conjecture as to whether this has happened to its fullest extent or that prices will start to decline even further.

- (2) The second part of the question referred to high interest rates, which the member for Moore says are the major cause of the present rural crisis.

I am not sure whether that is correct; they certainly are one of the significant causes. But it is necessary that we also add to that cause the successive droughts that have been endured; the decline in terms of trade, which is perhaps the most compelling cause; and the high price paid for farms during the early 1980s. The member for Moore knows as well as I do that the prices paid for farms during the early 1980s were unrealistically high. Those prices had to come back to the field, and that is now happening and being added to by the difficult terms of trade and the high interest rates to which he refers.

Mr Blaikie: Unrealistically high by whose standards?

Mr BRIAN BURKE: By the standards of the market.

Mr Blaikie: Rubbish.

Mr BRIAN BURKE: I do not think members opposite understand. If they were not unrealistically high, why have they been halved at auction?

Mr Bradshaw: Because the returns are not there.

Mr BRIAN BURKE: So they were unrealistically high. I am simply amazed that members opposite would really believe that those prices fetched at the start of the 1980s were realistic prices in view of the changes in the terms of trade and the other problems affecting farmers to which I have referred. The prices were unrealistically high.

Mr Trethowan: Like the value of the Australian dollar.

Mr BRIAN BURKE: Of course it was over-valued. I am simply trying to say that the decline in the rural land prices is a product of all those factors I have mentioned. Members opposite can bury their heads in the sand if they want to, but I can tell them something else: Farmer representative organisations are much better educated and informed than they were previously, and they know that members opposite cannot keep them standing in the sun for hours while the Liberal Party sips wine and spellbinds about socialism, communism, and reds under the beds. They will not cop that. Farmer representative organisations and their spokespeople know what nonsense members opposite have spoken for years while pretending to be their friends. At the next State election they will desert the Liberal Party in their droves because members opposite speak nonsense when they talk about the problems the farmers face.

(3) and (4) The last question relates to the Government scheme to assist home owners affected by increased home loan rates. The member for Moore obviously has not bothered to look at the impact of providing the same amount of money to the rural sector as was provided to home owners. If he has he has not said so, but I will say so. To provide the same amount of money would reduce by 0.2 of one per cent the average interest rate being paid by farmers. So, even if we provided the money of the same magnitude, we would not provide any assistance.

Mr Peter Jones: How is that calculated?

Mr BRIAN BURKE: It is calculated according to the average indebtedness of farmers and the rates they are presently paying.

Mr Peter Jones: Not every farmer needs it, just like you have not given it to every home owner.

Mr BRIAN BURKE: The member is right in saying that we have not given it to every home owner who has a mortgage; we have given it to every home owner with a mortgage beneath \$75 000.

Mr Peter Jones: To people who have a loan from a building society, which is not all home owners or everyone with a mortgage.

Mr BRIAN BURKE: To take up the member's point, if we provided the same amount of money, the reduction would be something in the region of 0.05 of one per cent. How much more unrealistic is the proposition then, because the member for Narrogin now says that our obligation is to provide that assistance to all those people with loans from different sources.

Mr Peter Jones: I didn't say that.

Mr BRIAN BURKE: That would simply dilute further any assistance that would be forthcoming. In addition to that, there is an important qualitative difference; and that is that someone who owns a family home cannot be bracketed with someone who owns a productive property. It seems to me that no Government would have the financial capacity to provide the assistance that is necessary to reduce by one per cent, even if that were of great assistance, the interest rate presently being paid by farmers who are in debt.

The other thing the member for Moore should do is to give a bit of credit where credit is due, and that is to the Minister for Agriculture who drew together all the people involved in this problem—the finance companies, banks, building societies, farmers, their representative organisations on all sides and the Government, and who has put together a voluntary committee that all of those actors on the scene support. It will go to ensuring publicly that people get a fair go if they are forced to have their farms sold from beneath them.

## TRANSPORT

### *Freight Rates: Grain*

417. Mr McNEE, to the Premier:

In view of the statement by the Minister for Transport to 130 farmers in Bencubbin on 16 October that the Government would save farmers \$3 million in the outer wheatgrowing areas by decreasing grain freight rates, will he confirm or deny that grain freight rates will increase for the 1985

season by as much as eight per cent to Southern Cross, for example, taking rates there to \$25.20 per tonne; and to Bullfinch by approximately eight per cent taking freight there to \$25.20 per tonne?

Mr BRIAN BURKE replied:

I am sorry, I cannot answer the question. I do not have the knowledge to answer it off the cuff. If the member puts it on the Notice Paper I will provide a detailed answer.

### LIQUOR

#### *Hotel Developments: Perth*

418. Mr BRADSHAW, to the Premier:

- (1) Did the Premier see reports of recent expressions of concern about the number of hotels being developed in Perth?
- (2) Is he concerned that the Superannuation Board is involving itself in a number of these hotel developments?

Mr BRIAN BURKE replied:

- (1) and (2) I am quite pleased this question has been asked, and I will be even more pleased when it has been answered. It really is an amazing turn of events to have people who are the paragons of private enterprise or of free enterprise publicly calling upon Government at State and local levels to act to prevent other free enterprise people from making investments in hotels.

Mr Hassell: Who has made that call?

Mr BRIAN BURKE: On the front page of the *Daily News* about 10 days ago there was a story which quoted a report from a Mr Harrison representing some association of hoteliers or of hospitality people saying that those sorts of steps were probably necessary to prevent a repetition of the Singapore situation.

Mr MacKinnon: Is he a member of the Opposition?

Mr Hassell: There have not been any such calls from the Opposition. That is why I asked who said it.

Mr BRIAN BURKE: I did not say the Opposition said it. The Opposition did not say it; the Catholic Church did not

say it; the administrator of the Shenton Park dogs' home did not say it; but it is a very tedious process to eliminate everyone who did not say it.

Mr Hassell: You are being terribly smart again. You are a pain in the neck. You have no courtesy whatever.

Mr BRIAN BURKE: No courtesy! That is a terrific comment from the Leader of the Opposition.

I did not mean the Opposition had said it. I was saying that those paragons of the private sector who believe in competition but who are publicly saying there should be a curb placed on investment by people in hotels somehow or other seem to be a touch hypocritical.

Mr Hassell: This question is about the Superannuation Board's involvement.

Mr BRIAN BURKE: I know, that is the second part of the question. If the Leader of the Opposition gave me some notice of the question he might also give me some instructions about how he wants it answered. Until he does I will not be dictated to by him.

This Government does not believe that it should instruct people as to the commercial wisdom of their investment decisions. If the zoning, health, fire brigade, and other relevant by-laws are met, as far as I am concerned if someone wants to make an investment that proves to be unwise it is their decision and they shall live with the success or failure of that decision. We are not involved in telling the private sector that it should or should not make an investment. That is the first part of the question.

I did see the calls. I think the calls were hypocritical in the extreme, and for people who parade their private enterprise heart on their sleeve it seems to me they are wearing short-sleeve shirts.

In relation to the second part of the question, I am not concerned about the investment by the State Superannuation Board in hotels in the Perth metropolitan and other areas, if that is where they have been made. Those investments were made by the board on the basis of the commercial information it had in its possession at

the time. I know of no instance where one of those decisions has led to a situation where the board is losing money. It may be, but I do not know. The board may not be losing money. I have no doubt the State Superannuation Board is as capable of making mistakes as the Commonwealth Superannuation Board or anyone else. I do not have any knowledge about any areas of investment that are less attractive than they used to be.

Mr Hassell: Don't you have to approve their investments?

Mr BRIAN BURKE: That was the case until very recently. I am now in the process of reverting to the practice by which the board submits a total budget in the same way as the SGIO and others. In respect of the Princes Hotel, for instance, that decision was made during the previous Government's period in office. I think the other one mentioned by the member for Gascoyne was the Walkabout Hotel, and I am not sure when that decision was made. I am not sure what other hotel investments have been made. I do not think any have been made, although there have been—

Mr Hassell: What about the Ascot Inn and those two in Adelaide Terrace?

Mr BRIAN BURKE: The Ascot Inn is another, and there is one at Esperance. I am saying that they are not hotels, and I am not sure they are going to be hotels. I am not sure whether all the work necessary to determine the commercial attractiveness of the type of investment they are or what they contain has been done.

On that basis, taking the investments that have been made, I do not know of any that have proved to be less attractive now than they were at the time, but there may be some.

Mr Hassell: Isn't there a real question about the proportion of Superannuation Board funds going to hotel-type investment when there is said to be a market flood?

Mr BRIAN BURKE: There is a question to be asked about the proportion going to shares, real estate, Government securities, and all those sorts of things. I am satisfied, as I said the other even-

ing, that there is not a disproportionate share going to any one of the areas involved. Within the areas I suppose there will be interminable arguments as to whether a hotel is a good investment, or whether a high-tech float is a good investment, or whether an office block is a good investment. I cannot get down to that detail and make the commercial judgments of the State Superannuation Board and its actuaries.

I understand the investments the Leader of the Opposition is referring to in the Terrace were unanimous decisions of the State Superannuation Board's members. If that is the case they undoubtedly acted on the best advice they had and I have no reason to doubt that the investments are anything but attractive investments. So the answer to the second part of the question is "No", I have no reason to be concerned about any aspect—except one that was made some time ago in Halls Head—of the State Superannuation Fund's investment activities.

## ARTS

### *Funding: CAPP*

419. Mr RUSHTON, to the Minister for the Arts:

- (1) Is he aware, and will he confirm, that the chairman of the finance committee of the Western Australian Arts Council has established a new private publicity company and received a sum of money from the director of one of the Arts Council's funded companies or groups on behalf of the arts group called CAPP?
- (2) Is such practice where a person receives money in a private capacity and recommends the distribution of public funds to those from whom the money is received in strict accordance with the Public Service guidelines?

Mr DAVIES replied:

- (1) and (2) I am not aware of that. CAPP is the Association of Performing Artists, and I do not remember its getting any money through anything I have authorised. It may have been through the Arts Council which is a statutory body. I am certain



if there is any worry in regard to such a matter he knows I would be only too happy to investigate it for the member. I believe the chairman of the finance committee is a lady.

Mr Rushton: Will you give me a reply tomorrow?

Mr DAVIES: If the member puts the question on the Notice Paper I will give him a reply any time. I like to deal with him courteously.

Mr Brian Burke: I have a rule with him. All of his questions go on the Notice Paper because he has been here a long time, he is a former Deputy Premier, and before you know it it is like the tar baby in the bramble bush, so I would be very careful.

Mr DAVIES: Does the Premier really think so? I will acknowledge that warning and note that the member is adept and tricky at asking questions, and I will treat him accordingly.

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