Legislative Assembly

Thursday, 7 November 1991

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

JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

Emergency Powers Report Tabling

DR EDWARDS (Maylands) [10.04 am]: I present the report of the Joint Standing Committee on Delegated Legislation relating to emergency powers and I move -

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

The Joint Standing Committee on Delegated Legislation believes that it is entirely inappropriate to hide emergency powers in regulations, and that they should be included in primary legislation. In its report the committee calls on both the Parliament and the Government to institute emergency powers legislation. Currently the Health Act of 1911 contains provisions under which emergency powers can be exercised. Since that Act was proclaimed three occasions have arisen on which these powers have been exercised. The first was in 1988 when the State was under a threat from the satellite Cosmos. At that stage regulations were brought in to cover a potential emergency if the satellite landed on inhabited areas of Western Australia. In 1988 the committee considered those regulations and although it was concerned about them, it thought that the threat of the emergency outweighed what were considered to be risks to civil liberties. Since that time, however, two occasions have arisen in which emergency power regulations have been brought to bear, both of which concerned the unloading of ammonia at Kwinana. Because the regulations unduly impinged on civil liberties a member of the Joint Standing Committee on Delegated Legislation moved to disallow the regulations in the other House on 16 October 1991.

It has been said that emergency powers kindle emergencies. The committee accepts that statement but views it with some concern. Although emergencies arise and emergency powers tend to kindle emergencies, we need a clear definition of what is an emergency and what action should be taken in emergencies. The committee is strongly of the view that the assumption of emergency powers must be clearly spelt out and carefully supervised. This can only be done by having one piece of emergency powers legislation. That legislation should clearly and selectively define those powers and provide a range of powers that would allow for a graduated response to differing and escalating types of emergencies. The legislation should, therefore, define the circumstances in which the state of emergency could be declared. That authority should be vested in a person who can make such a decision, but other people in authority should also be able to exercise those powers.

Finally, and most importantly, the decision of authorities with these vested powers should be subject to independent judicial review. The issue of compensation has also been severely neglected until now.

[Leave granted for speech to be continued at a later stage of the sitting.]

Debate thus adjourned.

[Continued on p 6297.]

ACTS AMENDMENT (REPRESENTATION) BILL

Second Reading

Debate resumed from 5 November.

DR GALLOP (Victoria Park - Minister for Parliamentary and Electoral Reform) [10.11 am]: When I began my reply to the second reading debate on the Acts Amendment (Representation) Bill on Tuesday I pointed out to the House that the issue we are debating is not about the constitution of the United Nations, it is not about the constitution of the Australian Labor Party nor is it about the constitution of the Federation of Australia: It is about the constitution of the State of Western Australia, which is not in itself a country. I put forward the argument that in dealing with an electoral system for this State and its two Houses of Parliament we should start with the fundamental principle of the rights of the

individual - the needs, values and the rights of individuals in our society - and that this should form the bedrock of this State's electoral system.

I also pointed out that in dealing with the many functions that members of Parliament perform we should focus first and foremost on the legislative function we perform within the Parliament itself. It is important that, in performing that legislative function and carrying out those duties, the electoral system which elects members of Parliament is a legitimate and proper one. The only way that can be assured is through a system of one-vote-one-value. While it is important to guarantee that the other functions performed by members of Parliament in their electorates as social workers, as advocates and as people who are keen to ensure that the needs of their constituents are properly met, they can never be given importance over and above the function they perform as legislators. The legitimacy of our Parliament is fundamentally important in guaranteeing that the laws that come from the Parliament are the right and proper laws for our State.

In response to the comments made by members of the Opposition in this debate I will focus on two speeches that were given: First, the speech by the Leader of the National Party and, second, the speech by the Liberal Party spokesman on this issue, the member for Marmion. The Leader of the National Party put forward a very specific argument for rejecting this proposal. It was a specific argument about the history of this State and he was specific in the analysis he used. The Leader of the National Party focused on the 1987 Acts Amendment (Electoral Reform) Act which was largely the result of an agreement that was entered into on the floor of this House, and in the other place, between the National Party and the Labor Government.

Mr Cowan: It was not an agreement.

Dr GALLOP: It was a historical agreement between the National Party and the Labor Party on electoral reform. We did not have to vote for it which implies that it was an agreement. According to the National Party that agreement - I will continue to use that word - should end debate on electoral reform in this State. Indeed, the Leader of the National Party said that the system which we now have and which was introduced in 1987 needed time to develop. He said specifically that the new system which became the basis for the 1989 election, needed to develop and, indeed, there was no need for further change. The first of the two assumptions he used to back up his argument that we should stay with that system was that vote weighting should be retained in the electoral system. According to the Leader of the National Party vote weighting is a reflection of this State's history and it is seen to be necessary to allow the proper representation of non-metropolitan voters.

The second assumption he made was that the electoral boundaries we have are less important to the reputation of our democracy than are questions related to the way the Government and Parliament work. That is a very important point. He claimed that the Government, in introducing this legislation, had exaggerated its importance to democracy. I will respond to his general argument and to the two assumptions he made.

It is true that the reform legislation which was passed by this Parliament in 1987 contained some very progressive elements. It is to the credit of the National Party and the Government of the day that those progressive elements have now become part of the electoral system. For example, an independent Electoral Commission was established to ensure that the rorts referred to by the Leader of the House and the member for Darling Range in their contribution to this debate are no longer possible. Rorts did exist in earlier times in the then seats of Kimberley and Kalamunda. Secondly, that legislation made the electoral distribution commissioners responsible for drawing up the electoral boundaries with one exception; that is, the boundary between the metropolitan and non-metropolitan areas. Thirdly, the legislation provided for four-year terms for members of Parliament. Fourthly, proportional representation was introduced to the Legislative Council. I believe that was an important reform for both the electoral and parliamentary systems in this State. Finally, the legislation removed some of the gross imbalances of vote weighting, for example, from 8:1 in Assembly enrolments and 11:1 in Council enrolments.

The Acts Amendment (Electoral Reform) Bill of 1987 provided reforms which have progressed this State along the path to improving its electoral system. However, the legislation did not significantly reduce the overall vote weighting in our electoral system. There is still a difference between the average enrolments in the metropolitan and

non-metropolitan seats and provinces and that is a cause for concern for those people who focus on the rights of individuals in this State. The present ratio in the Assembly is 1.9:1 and in the Council it is 2.8:1. Those ratios indicate that non-metropolitan voters still have a greater influence in determining the composition of this Parliament than do metropolitan voters. The Labor Party's view of that reform in 1987 was that it helped this State along the road to electoral reform, but it did not complete the process. The removal of vote weighting from both the Assembly and Council is, for the Labor Party, a point of principle. As I said in my second reading speech, to give someone a vote is to imply that that vote should be given to them equally. I find it impossible in philosophical terms to argue that someone can be given a vote and can have that vote diminished somewhat by increasing the influence of some sectors of society to the detriment of others. That is a point of principle. Members of the Australian Labor Party will continue to press for change until that change is achieved; and, make no mistake about it, eventually one-vote-one-value will become part and parcel of our electoral system, and once one-vote-one-value is achieved, there will be no turning back from that system.

I return now to the two points that underpin the argument of the Leader of the National Party. His first point is that vote weighting is necessary. I want to quote from a dissenting report delivered by Mr R.J. Quinn, a Liberal member of the Legislative Assembly in Queensland, in response to a report by the Parliamentary Committee for Electoral and Administrative Review, in which he states -

> Once the principle of weightage is accepted to any extent, the argument concerning fairness of electoral representation becomes an argument of degree and circumstance, not one of principle. With acceptance of weightage to any degree, outside the variation permissible in all electorates, the principle is abandoned and a precedent is set which can be rationalised, used and abused, according to political convenience.

I ask members to note that once vote weighting is accepted, it becomes an argument of degree and of circumstance and it no longer becomes an argument of principle. That is the foundation stone upon which we move this legislation.

I wish now to refer to electoral change within Western Australian history to indicate how the principle that there should not be significant differences in the degree of influence in our electoral system, while not being accepted in full, has become the foundation stone upon which there has been change in our electoral system. It is interesting that the member for Marmion acknowledged this point when he said that Liberal Governments from time to time had adjusted the electoral system to increase the role played by metropolitan voters vis a vis non-metropolitan voters. There has been a trend throughout our history towards equality - a recognition that more fairness is required. I refer to a table which has been prepared from the Electoral Commission's publication, "Electoral History in Outline." The table refers to the major redistributions that have occurred in the 20th century. There have been 11 redistributions in total. The table indicates the number of members and the number of enrolments in each of these major areas: The metropolitan area, the rural area and the north west. Of course, since the 1987 changes that distinction is no longer possible; therefore, after 1987 the table refers to the distinction between the metropolitan and non-metropolitan areas. The table looks at the average enrolment per member for each of the three parts of the State and calculates the ratios of average enrolments per member in each zone relative to the zone with the lowest number of enrolments. I will illustrate that by going back to 1911, when there were 53 700 enrolments in the metropolitan area, 91 736 in the rural area and 6 219 in the north west. I ask members to note how the demographic balance was different at that time in the State's history: The non-metropolitan areas of the State represented in relative terms and number a much more significant force than they do today. The average enrolment per member in each of those areas was 4 475 in the metropolitan area, 2 698 in the rural area and 1 555 in the north west. The ratios relative to the lowest average enrolment - which was the north west - were one for the north west, 1.74 for the rural area and 2.88 for the metropolitan area. The table, then, indicates the ratios of average enrolments per member, with a ratio of one for the lowest average enrolment.

Until 1929 in our electoral system, non-metropolitan enrolments were greater than metropolitan enrolments. The electoral system that existed at that time was not a perfect reflection of the system of one-vote-one-value but the people of the goldfields and of the non-metropolitan areas of the State represented a much bigger force in terms of numbers, and

that was represented in our electoral system. It was, of course, Labor Party members and other progressive members of our political system at that time who advocated those extra seats for the goldfields because of the number of people who were there. It is interesting to note that after 1929, the situation changed. The metropolitan numbers grew relative to non-metropolitan numbers. In every redistribution since then, an improvement has occurred in the representation of metropolitan voters. In 1929, the ratio was 1:8.01; in 1948, 1:7.94; in 1955, 1:7.11; in 1961, 1:6.97; in 1966, 1:5.26; in 1972, 1:4.21; in 1976, 1:2.94; in 1982, 1:2.44 - and the member for Marmion referred to that redistribution; and in 1988, 1:1.88.

[The material in appendix A was incorporated by leave of the House.]

[See p 6335.]

Dr GALLOP: The table indicates that the representation of the metropolitan area has improved consistently as a reflection of the increase in the number of people who live in the metropolitan area.

Mr Clarko: The Liberal Party is a prime reason for that.

Dr GALLOP: Yes, and it is to the credit of the Liberal Party that it has set us on the path to reform. It is interesting that we have improved and modified the system over time, but we have never put the system on the foundation of one-vote-one-value. We have now reached the point, if we look at the table and at the figures that are represented on it, where we need to establish our system and complete the process by establishing one-vote-one-value, because if we depart from that system there is no way that we can base our electoral system on any principle. Do we use economics, intelligence, race, or geography? As soon as we base an electoral system on something other than the rights and interests of an individual person, it becomes the cause of great contention. Indeed, depending upon the degree of departure from that principle, it can become the cause of great conflict and disharmony in society.

Mr Lewis: Who is complaining?

Dr GALLOP: The Australian Labor Party and all of its voters and supporters.

Several members interjected.

Dr GALLOP: That leads me to the second assumption by the Leader of the National Party - that electoral boundaries are not important when it comes to determining the democratic legitimacy of the system. It is possible for someone like the Leader of the National Party and the member for Marmion to take that point of view because they are not Labor voters, Labor supporters or Labor members of Parliament. Look at the history of our system, particularly when it comes to the other place, the Legislative Council. It does not matter to them that there is malapportionment in the system because it has always served their interests.

Let us look at our history in recent times. In the six years in office of the Hawke Labor Government, 48 pieces of legislation were blocked in that malapportioned Legislative Council. In the 12 years of the Brand Government, six Bills were blocked. In the Tonkin Government - in the three years we were given a chance - 19 Bills were blocked. In the Court and O'Connor Governments, nine years, just one Bill was blocked, and that was because a member of the Legislative Council missed the vote in 1977, but the same Bill was passed in 1978. During the period of the Burke, Dowding and Lawrence Governments, 24 Bills have been blocked so far. Democratic legitimacy might not matter to that party, but it certainly matters to the Labor Party and to the interests which we represent in this Parliament. It matters to the trade unionists and the many people that we represent. We have accepted that illegitimacy and worked within the system to change it because we believe in democracy and we believe in working to change that system through peaceful means. From time to time we have had reform. We have seen an end to plural voting. We have seen the enfranchisement of women in our system. We have seen the abolition of the property franchise. We saw the 1987 Electoral Reform Bill. There has been change, but that change needs to be completed.

That leads me to the member for Marmion's speech. It can be said that the member for Marmion is not a liberal; he is a true conservative. There is very little rhyme or reason in him; just good old reaction. The member for Marmion reminds me of when I was a kid and we used to go to Shepherd's Park in Geraldton where the model aeroplanes were on display. They never seemed to work. They started off spluttering with petrol fumes coming out.

They took off into the sky; they darted and dived; they hit seagulls; they flew all over the place, and they finally came crashing to the ground. That was the sort of speech the member for Marmion gave. There was no rhyme or reason in it. Indeed it was disappointing that, as a Liberal member of this Parliament, he did not start his argument with the freedoms and rights of the individual. Every other Liberal Party in this country, when it argues the electoral system, starts with the rights and freedoms of the individual.

Let us go through his argument point by point in the time I have left. There were no positive arguments; they were all negative. His first argument was that this Bill would result in a reduction in the power held by country people. We are not talking about country people and metropolitan people; we are talking about people and about their rights and their interests. Western Australia is a State within the country. It is not a country, it is not a federation, it is a State, and we should base our electoral system on the rights and interests of the individuals in it.

The second argument used by the member for Marmion was that this would reduce the ability of country members of Parliament to service their electorates. The ability of country members to service their electorates has always been a problem in Western Australia, and always will be because of the size of the State. We recognise that, but establishing one-vote-one-value will make it no easier and no harder for a country member because the size of our State and the electoral system means that country members will necessarily have large seats. We need to counterbalance that with appropriate measures, but we should never allow that principle to overrule the principle of one-vote-one-value.

Thirdly, the member for Marmion said that experience from overseas supports that malapportionment. He also said that the Australian federation and agencies like trade unions supported his principle. I studied a little philosophy at university, and one thing I learned was that we can add up all the facts we like but they never make a value. At some point we must start an argument with a set of principles and values. Facts can help to develop those principles, but they can never become the basis of a principle. The fundamental principle on which we should base our system is one-vote-one-value.

Finally, the member for Marmion pointed to the fact that the percentage of votes gained will not necessarily result in the same percentage of seats in any system which has single member constituencies. It is not clear whether the member for Marmion regarded that as a principle which should be endorsed, in which case he would become an advocate of proportional representation. However, he was certainly using it as an argument against our system. If we had single member constituencies we could never guarantee that the percentage of votes cast would be the same as the percentage of seats, because under that system parties wishing to govern must win a majority of votes and a majority of seats, and the strength of the Labor Party in recent years has been its ability to do that. What is important is that each of those seats should have, as close as possible, an equal number of electors. The member for Marmion had nothing positive to say. We are left with the National Party defending good, old-fashioned country interests, which is its historical role in our society, and the Liberal Party is throwing overboard its Liberal principles and accommodating itself to the reactionary principles of the National Party. This is a little taste of what Government would be like with the Opposition in control: No principle. We are now in the era where the Royal Commission is asking us to address issues of principle. We have one before us in this Parliament, and where does the Liberal Party stand? It has a chance to display its principles and say that it believes in the rights and the interests of the individual. What does the Liberal Party do when the first test comes along? It has a nice, little accommodation with the National Party which suits its electoral purposes. That is what Government would be like with the Liberal Party forming the majority and the National Party forming the minority; neat little accommodations which sacrifice principles.

The debate on this Bill has given us the first test of principle in this Parliament since the Royal Commission. We will have other tests; we will have disclosure legislation; we will have the Members of Parliament (Financial Interests) Bill. Will the Liberal Party meet those tests? It will be interesting to see, when we vote on this issue in a few minutes, where members opposite line up. Will they stand for the rights and interests of the individual or will they stand for a sleazy little accommodation with the National Party?

The SPEAKER: In order to be successful this motion will require an absolute majority. Therefore when putting it, if I hear a dissenting voice, I shall have to divide the House.

Question put.

Bells rung and the House divided.

Division

Ayes (29)			
Dr Alexander	Mr Graham	Mr McGinty	Mr Thompson
Mrs Beggs	Mr Grill	Mr Pearce	Mr Troy
Mr Bridge	Mrs Henderson	Mr Read	Dr Watson
Mr Catania	Mr Gordon Hill	Mr Ripper	Mr Wilson
Mr Cunningham	Mr Kobelke	Mr D.L. Smith	Mrs Watkins *(Teller)*
Mr Donovan	Dr Lawrence	Mr P.J. Smith	
Dr Edwards	Mr Leahy	Mr Taylor	
Dr Gallop	Mr Marlborough	Mr Thomas	
Noes (24)			
Mr C.J. Barnett	Mr Cowan	Mr McNee	Mr Trenorden
Mr Bloffwitch	Mrs Edwardes	Mr Minson	Mr Fred Tubby
Mr Bradshaw	Mr Grayden	Mr Nicholls	Dr Turnbull
Mr Clarko	Mr House	Mr Omodei	Mr Watt
Dr Constable	Mr Lewis	Mr Shave	Mr Wiese
Mr Court	Mr MacKinnon	Mr Strickland	Mr Blaikie *(Teller)*

Question thus passed with an absolute majority.

Bill read a second time.

JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

Emergency Powers Report Tabling

Debate resumed from an earlier stage of the sitting.

DR EDWARDS (Maylands) [10.45 am]: The Joint House Committee on Delegated Legislation is firmly of the view that emergency powers should not be tucked away in regulation, but rather that they should be conspicuous. In this State emergency powers have been provided for under the Health Act 1911. We are not the only State where this situation has existed. For instance, in Queensland emergency powers are hidden in the State Transport Act and they only came to light in 1971 during the Springbok tour. It is important that there is public awareness of the exceptional powers that can be granted in an emergency. These powers need to be made known and to be available for public scrutiny. The Committee therefore urges both the Government and the Parliament to institute a single Act that can be widely debated, known about, and available for scrutiny. I urge members of this House to read the report and I commend this report to the House.

MR WIESE (Wagin) [10.48 pm]: I commend to this House and the Parliament the report of the Joint Standing Committee on Delegated Legislation which deals with emergency powers. The matter of emergency powers has arisen on several occasions. The exercise of emergency powers by the Western Australian Government at this stage should be looked at very closely by the Parliament and addressed as a matter or urgency.

The report contains a lot of background material relating to the use of emergency powers in other States of Australia and in other countries of the world. It deals specifically with the use of emergency powers in the United Kingdom and the United States of America. It highlights the fact that those countries have primary legislation which enables the use of emergency powers. The report also brings to the attention of this Parliament the fact that three other Australian States already have emergency powers legislation in one form or another, enacted as primary legislation, whereas in this State the exercise of emergency powers stems from a very insignificant regulation buried away in the depths of the Health Act. The member for Maylands highlighted some of the background to the use of emergency powers in this State. The Health Act has been used on only three occasions in Western Australia for the

application of emergency powers since the relevant section of the Act was proclaimed in 1911.

From 1911 to 1988 that section of the Health Act was never exercised. As the member for Maylands said, the first occasion on which it was used was in 1988, to deal with the pending emergency which could have occurred with the return to Earth of the Cosmos satellite. Emergency powers were exercised then, but for a period of only 28 days. At that time the Government looked around to see how it could cope with that pending emergency, considered several possible options, and settled for the emergency powers contained in the Health Act. The Joint Standing Committee on Delegated Legislation at that time expressed the belief that it was not an appropriate use of the emergency powers regulation in the Health Act, but under the circumstances it was justifiable that that section be used.

Since then, however, that provision in the Health Act has been used twice, again to bring in emergency powers. Both those occasions related to the unloading of ammonia at Kwinana. The Joint Standing Committee on Delegated Legislation examined those regulations and expressed concern that the Health Act was once again being used as the vehicle to control a potential emergency situation. On the first occasion on which those emergency powers were exercised to handle the unloading of ammonia at Kwinana, in 1989, they were applied for three months. On the second occasion, when they were brought in on 3 May 1991, the emergency powers were proclaimed for seven months. The committee was very disturbed at that use of this provision of the Health Act. We did not believe an emergency would exist for seven months, and we said that it was an abuse and misuse of the powers contained in the Act. In fact, the committee took the extraordinary step of moving for disallowance of that regulation which brought in the use of emergency powers for the unloading of ammonia, and that motion for disallowance was subsequently passed in the Legislative Council on 16 October. It is very interesting to note that within days of the regulation's being disallowed the unloading of ammonia at Kwinana was dealt with by the Environmental Protection Authority very adequately in another way, without the need to use the sledgehammer powers contained in section 15 of the Health Act.

The decision to impose the emergency powers rests wholly and solely with the Executive Director of Public Health, not with the Minister for Health or a committee which examines the need for these powers. The Executive Director of Public Health is the sole and final judge of the existence of an emergency and is the only person to exercise the powers which are contained in his declaration of emergency. In the report tabled today the committee expresses its disturbance at those powers. The House should be aware of the regulation which gives him these powers, and I will quote it. Section 15(1)(c) of the Health Act says that the Executive Director of Public Health may -

> (c) Make such other regulations as he may deem necessary to cope with the emergency or necessity.

That seemingly innocuous paragraph tucked away in the Health Act is the vehicle for the exercise of emergency powers in this State. This report of the Joint Standing Committee on Delegated Legislation highlights its disturbance with that fact and its very strong belief that emergency powers should be exercised in a better way. There is an urgent need for empowering primary legislation dealing with the whole question of emergency powers. The empowering section should be examined much more closely by the Parliament, and the best way to do that is for us to debate primary legislation on emergency powers in this House. The most important recommendation of the report is recommendation No 6, which is the crux of the report. It says -

> There should be a single *Emergency Powers Act* in which the powers required to deal with any emergency or necessity, whether existing or anticipated, or in order to prevent an emergency or necessity, are contained.

I strongly recommend that the House look very closely at that recommendation and act to ensure that it is enacted as soon as possible. I urge members to read very closely the 10 conclusions and recommendations contained in part 4 of the report, and also to study the whole report, which I commend to the House.

MR BLOFFWITCH (Geraldton) [10.58 am]: I am a member of the Joint Standing Committee on Delegated Legislation and have had an opportunity to read its report on

emergency powers to be tabled today. I agree completely with the recommendations it makes. Two issues are involved: Should we allow our emergency regulations to be part of a department and controlled by a head of department, or should there be stand-alone, separate legislation which sets out not only duties but also regulations about what we can expect with the use of those powers? It is absolutely essential that we do that. I read with great interest the case quoted in the report where the British Government, when withdrawing from Singapore during the Second World War, actually burnt the then Burmah Oil Co Ltd wells, which would seem to be a completely normal act, in order to prevent the enemy's taking over these installations. Many years later, because of a lack of clarity in the emergency regulations, a claim for compensation was made. That is the type of situation which the Select Committee recommends the Parliament should address so that we are prepared and possess the necessary powers. It seems to me to be more desirable to invest that power in either the Premier or - as one of the States of Australia has done - in the Governor who would then pass that power to the Premier, or at least in a Minister. My preference goes to the Premier who is responsible for the entire State. That person would have the authority to delegate responsibility.

That thinking is probably best illustrated by some of the examples in the report. As Oliver Cromwell said, necessity hath no law. In other words, as the need arises we will take the necessary action. His thinking was best illustrated by his chopping off the head of the heir to the throne, and telling Parliament that it was a fait accompli. Democracy has come a long way since those days, and we do not want an Executive with complete power to do exactly as it pleases. Therefore it is absolutely essential that the powers conform to legislation. The principles I most favour were amplified in Bonner's *Emergency Powers in Peace Time*, published in 1985, which outlines six items. The first is that emergency powers should only be confirmed where absolutely necessary and where existing powers are inadequate. That is a commonsense and correct approach. The danger, of course, always is that someone vested with absolute authority could, if he or she wished, run rampant. Therefore, that type of guideline is necessary.

The second point was that emergency powers should not go beyond what specific situations demand - and that is extremely fair comment. Our role is not to specifically limit the powers but to define the broad guidelines of the power to be enacted. That point allows enough scope for the job to be done but still restricts the powers in the way that Parliament considers necessary. The third point was that the powers should be limited in the duration of time that is necessary and not prolonged. Many examples can be given where a job is sometimes extended because someone is enjoying the position, and so unless some restriction is made abuse could occur. When we set up regulations we should consider that point.

Another point is that the extent of the powers should be formulated clearly and precisely. That is essential, rather than having vague regulations such as those in force currently. The last point is that the powers should contain adequate safeguards against abuse including the provision of remedies for compensation. That should be the case. In this country we would not want a similar situation to that of Burmah Oil's having to go through the process of litigation in the courts. Fortunately, Burmah Oil was able to go to the Privy Council, and had the financial resources to enable it to expend millions of dollars. In an emergency situation, of course, we must consider the normal citizens and in most cases it is totally beyond the financial resources of those citizens to take action. During an emergency the people affected should be able to claim adequate compensation without incurring great cost.

The emergency powers legislation has been used only three times and for that reason such legislation should not set up a department with people sitting around waiting for an emergency to happen. We should introduce legislation that will allow various people and departments to be called in in cases of emergency, and the resources of the State would be available to that department or those persons.

I endorse the contents of the report. As the provisions contained in the Health Act expire on 31 December 1991 it is essential that the Parliament take action rather than renew the existing Act. The Chairman of the Joint Select Committee on Delegated Legislation will present some type of model legislation at a later stage. I ask the House to consider that legislation favourably. We should not cause any delay to the passage of such legislation because it will replace the current legislation subsequent to the expiry date of 31 December 1991. I recommend the report by the Joint Select Committee on Delegated

Legislation on Emergency Powers, and I look forward to the consideration of further legislation.

MR P.J. SMITH (Bunbury) [11.07 am]: I endorse the comments of my colleagues, the members of the Joint Select Committee on Delegated Legislation. No doubt emergency powers are needed by the Government and by society. In cases of emergency, any group delegated by the Parliament must be able to move quickly and efficiently to ensure that any emergency is overcome. If an emergency does occur, we will be better off if we have regulations, or an Act of Parliament, to ensure that the correct action is taken and that the reasonable rights of individuals are not impinged upon.

On the three occasions that the emergency powers have been used I have seen no evidence of the rights of citizens being unreasonably impinged upon. I do not criticise the Director of Public Health or his department for their actions so far. The problem is who should administer the powers and who should implement the safeguards. Should it be the Parliament and a relevant Minister who ensures that everything is in place, or should it be some other body? Currently, the Executive Director of Public Health is responsible.

The emergency powers were used for the first time when satellite debris was likely to fall to earth. The other two occasions were when ammonia was unloaded at Kwinana. However, as I said, I have seen no evidence to suggest that the emergency powers were not necessary or were implemented improperly. The exclusion plan was amended so that people who were inconvenienced on the first occasion the ammonia was unloaded were considered on the second occasion.

All of the reasons provided are sound regarding these three incidents. However, the Parliament must consider what will apply in the future. How often will these powers be introduced, will it be under regulation and under what circumstances will they be invoked? The Parliament must act correctly in the circumstances to ensure that people's rights are not impinged upon. These powers should not be regulations, notices or administrative instructions, as is the case in some departments; they should come to the Parliament and be laid down clearly. Members from both sides of the Chamber have problems with emergency powers as it is thought that when invoked they can overrun people's rights. These matters should come to the Parliament so that we can lay down the correct rules, and the process can be tightly scrutinised by the Parliament.

This is a brief report and its conclusions on page 19 and the points found in part 4 on page 20 are essential reading for everybody in this Parliament, and for those in similar Parliaments under the Westminster system.

Question put and passed. [See paper No 733.]

WILDLIFE CONSERVATION AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr Grayden, and read a first time.

BUSINESS FRANCHISE (TOBACCO) AMENDMENT BILL

Second Reading

DR LAWRENCE (Glendalough - Premier) [11.12 am]: I move -

That the Bill be now read a second time.

This Bill seeks to amend the Business Franchise (Tobacco) Act to authorise the imposition of a penalty when an assessment is raised because a licensee understates the value of tobacco products sold during the sales period on which the licence is based. Under the current provisions, where a licensed supplier understates the value of tobacco products sold, with a consequent underpayment of the licence fee, the Commissioner of State Taxation is authorised to issue an assessment for the amount underpaid. However, the Act does not impose any penalty on taxpayers who evade their licence fee obligations in this way. Consequently, there is no disincentive to evasion. The proposed amendment seeks to redress this deficiency in the Act by providing the commissioner with the authority to impose a penalty equal to the amount of any increase in a licence fee resulting from a reassessment

because of an incorrect declaration. The amendment also authorises the commissioner to remit the penalty in whole or in part where the circumstances warrant. These changes will bring the Business Franchise (Tobacco) Act into line with the legislative penalty provisions of other self-assessed returns-based taxes. The penal provisions will not apply to a reassessment of licence fees issued prior to the amendment coming into force. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

NATIONAL RAIL CORPORATION AGREEMENT BILL

Second Reading

MR PEARCE (Armadale - Leader of the House) [11.14 am]: I move -

That the Bill be now read a second time.

Mr Blaikie: Is this the sell out to the national railways Bill?

Mr PEARCE: No, it is not. The effects of this Bill are to -

(a) Ratify an agreement between Western Australia, other States and the Commonwealth to provide the State with powers to establish a shareholding in the National Rail Corporation;

(b) allow the transfer of interstate rail freight assets from Western Australia to the NRC; and

(c) specify State taxation, financial reporting and other arrangements necessary to ensure the smooth and equitable transfer of interstate rail freight services to the NRC.

I will first provide for members the background to the establishment of the NRC agreement and then summarise its salient features. The need for the Bill will be apparent from this discussion.

The NRC agreement represents one of the major tangible outcomes from the special Premiers' Conference process, and is evidence of the strong cooperation and commitment to microeconomic reform which exists today among the States and Commonwealth. This Government has long recognised the importance of Westrail as one of the State's major Government trading enterprises and has already undertaken a number of initiatives to place Westrail on a more competitive footing. These include the gradual deregulation of land freight transport; enabling Westrail to concentrate on those tasks to which it is best suited; and the development of a new organisation structure better matched to the structure of Westrail's key markets. The success of these initiatives is demonstrated by Westrail's improved financial performance and the benefits it has provided to its customers through reduced rail freight charges.

However, improving the performance of interstate rail services is not something that can be achieved by any one State alone. It requires a national effort involving the coordination and cooperation of all parties currently involved in the provision of such services. At present, interstate rail freight services are weakened by fragmented management. Users of interstate rail freight services are required to deal with a minimum of two and up to four different rail systems. Divided management of trains and terminals precludes the level of service integration needed to provide rail customers with consistent reliability and the level of service they require. The national network is also characterised by high cost structures which in turn are partly attributable to inadequate infrastructure; a mix of incompatible communication systems; congested terminals; and poorly integrated management information systems. Differing business and investment priorities, engineering standards and operating priorities of the present five rail systems also contribute to a less than satisfactory service. As a result of these factors, a substantial overall financial loss is being incurred in interstate rail freight operations. Nationally these losses totalled around $389 million in 1989-90. At the same time, competition from road transport is very strong in all corridors, and in recent years the road transport industry has been increasing its productivity at a faster rate than rail. As a result, rail's share of interstate freight traffic has been falling, and, unless a dramatic improvement in rail operations can be achieved, further declines in competitiveness and rising rail system deficits can be expected.

Continuing with the existing fragmented system of interstate rail freight is therefore unacceptable and reform in this area has been given a high priority as part of the national agenda for microeconomic reform. In an attempt to turn this situation around, a committee was formed comprising representatives of the five Government-owned railways, the Australian Council of Trade Unions, and major users of interstate rail freight services. This committee, established in 1989, had the objective of creating a strongly viable commercial enterprise for interstate rail freight, able to produce net earners sufficient to attract capital into the business in the long term. The committee recommended the establishment of a National Rail Corporation, involving Federal and State equity participation in an independent corporate body and encompassing all of the railways' existing interstate freight business. The company's corporate goal would be to earn a rate of return sufficient to fund all investment from non-Government sources without reliance on Government guarantees.

Recognising the substantial national benefits which could be achieved from reform of interstate rail freight services, the committee's recommendations were taken up and developed further by State and Commonwealth Transport Ministers through the Australian Transport Advisory Council. This resulted in an agreement committing the States and the Commonwealth to establish a National Rail Corporation which was signed by the Premier, the Prime Minister and other heads of Government at the special Premiers' Conference in October 1990. A task force was also established to progress the formation of the NRC. Although we recognise the need to ensure this viable reform goes ahead, as a Government we also have a responsibility to protect the interests of the people of Western Australia. Accordingly, the Premier's consent to the heads of Government agreement in October 1990 was conditional upon a clause being inserted into the agreement that the State of Western Australia would not be financially disadvantaged by the establishment of the NRC.

Establishment of the NRC will contribute powerfully to achieving microeconomic reform in the railway industry. Benefits will come from increases in the productivity of capital and labour resources employed in the industry, and from the development of a more effective interstate rail system delivering more reliable and faster interstate rail freight services. This in turn will lead to a more efficient and effective economy in which Australian industry can prosper. Although it was clear from the outset that formation of the NRC would result in substantial benefits to the Eastern States' participants through reductions in the deficits of their rail systems, the benefits to Western Australia were less clear. Unlike its Eastern States counterparts Westrail's interstate freight operations already make a positive contribution to its financial results. Under the terms of the initial proposal put forward by the NRC task force, by transferring Westrail's interstate freight to the NRC it was estimated that Western Australia would be worse off by up to $105 million in the first five years following commencement of NRC operations. It was made clear from the outset that this was unacceptable to Western Australia and that a more equitable arrangement was required. Officials and the Minister then devoted considerable effort to ensuring that the detailed arrangements required for the final agreement were satisfactory to this State. I believe that this was achieved and that the agreement signed by the Premier at the July special Premiers' Conference represents a far more attractive proposal than that originally offered, while still ensuring the ongoing process of microeconomic reform.

I will now provide members with a summary of the most significant aspects of this agreement and the consequential need for this Bill. The National Rail Corporation has been incorporated as a company under corporations law and is to be responsible for all interstate rail freight across Australia from Perth to Brisbane. It will be subject to the laws of the Commonwealth and the States on the same basis as any private company. It is expected that the NRC will commence rail freight operations early in 1992, beginning with marketing and terminal operations. I emphasise, however, that, in relation to Western Australia, the NRC will be providing only interstate rail freight services. While the agreement provides for the NRC to operate intrastate services this can be done only with the formal approval of the relevant State and only on a commercial basis. The Government has no intention of asking the NRC to operate intrastate rail services in Western Australia.

The States and Commonwealth will be ordinary shareholders in the NRC, with Western Australia's initial shareholding being five per cent but having voting rights of 15 per cent during the initial five year establishment period. Shareholdings at the end of the establishment period will be determined on a basis of cash equity contributions and the value

of assets provided to the NRC through transfer of ownership or long term lease. The agreement also provides for South Australia and Queensland, which have initially chosen not to take up equity in the NRC, to become shareholders during the establishment period. Should this occur, this would also affect the percentage shareholdings at the end of the establishment period.

One of the benefits from being a shareholder in the NRC is that it will enable the State to exercise some influence over the strategic direction of the corporation. For example, the NRC's corporate plan, which includes details of the company's business plan and investment strategy, must be approved by a vote of shareholders. Western Australia will therefore have the opportunity to use its voting rights to protect the State's interests. Western Australia is also entitled to nominate one director for the NRC's nine member board. Mr Stuart Morgan, a company director and current Chairman of the State Energy Commission of Western Australia, has been nominated as the State's founding director. Directors will be required to act according to the provisions of Corporations Law in the interests of all shareholders. The NRC's board of directors will be responsible for all industrial matters affecting the NRC. The agreement envisages that an enterprise award, reflecting the efficient work and manning practices, will be negotiated between the NRC and rail unions. The NRC will employ only those people required for its operations. The Commonwealth and the States will retain responsibility for any redundancies in their rail systems arising from the formation of the NRC. The exact number of Westrail staff affected has yet to be determined, but it is not expected to be large, especially by comparison with the numbers of redundancies that will be required in the other rail systems. I stress that there will be no forced redundancies in Westrail and staff changes will be handled by redeployment, retraining or voluntary severance.

In return for equity in the NRC, Western Australia has a number of obligations under the agreement. The first of these obligations is to enact legislation as soon as possible to facilitate the operation of the NRC in Western Australia. As a party to the agreement, Western Australia also has an obligation, before the end of the first three years of the NRC's operations, to provide the NRC with access to any assets it requires to operate interstate rail services. Such access can be provided by transfer of ownership, long term lease or other appropriate arrangements. In the case of transfer of ownership or long term lease, the State will receive payment for the assets by way of the issue of additional shares in the company. Prior to the transfer of assets, Westrail will enter into contracts with the NRC for the provision of interstate rail services. Decisions have not yet been made on the manner in which assets will be provided to the NRC. These decisions will be the subject of further detailed negotiations between the State and the NRC which can only take place once the NRC has established its organisation structure, developed a corporate plan and identified those assets it requires to perform its interstate freight functions.

Under the terms of the agreement, Western Australia will be required to contribute $8 million in cash equity to the NRC over the period 1993-94 to 1996-97. The first of these payment will be $1 million in 1993-94. These contributions represent a substantial reduction on the amount proposed in earlier discussions and compare with amounts of $76 million for New South Wales, $35 million for Victoria and $296 million for the Commonwealth. Most importantly, the agreement also provides that, during the five year establishment period, the NRC will provide Westrail with compensation payments to offset any financial deterioration which can be attributed to the transfer of its interstate business to NRC. This clause is unique to Western Australia and was inserted into the agreement after protracted negotiations to protect this State's interests.

The primary purpose of this Bill is, therefore, to obtain Parliament's approval of the agreement and to give effect to the agreement. The Bill also contains provisions for financial accountability in regard to the State's shareholding in the NRC, provides a means by which the transfer of assets to the NRC can be expedited and ensures that the State does not forego any State taxation revenue from assets transferred in this manner. Any NRC shares issued to the State in return for cash equity contributions or for assets transferred to the NRC will be held by the Minister responsible for the Western Australian Government Railways Commission, which at the present time is the Minister for Transport. Financial reporting on the State's shareholding in the NRC will be recorded in the annual report of the Western Australian Government Railways Commission in accordance with section 66 of the Financial Administration and Audit Act.

Assets transferred to the NRC under a transfer order as specified in the Act will not be liable for payment of State tax, which would normally be payable if the assets had been transferred by some other instrument. The Act therefore requires the Minister to ensure that, before making a transfer order, arrangements are made for payment to the State of the amount of State tax forgone. I have already alluded to the fact that the benefits from the creation of the NRC will be substantial, both in national terms and for Western Australia. The NRC will be investing in the order of $1.5 billion in rail infrastructure over the next decade and this will have attendant economic benefits. Investment decisions will be undertaken on a strictly commercial basis and will be aimed at eliminating the inefficiencies that currently exist due to differing equipment, standards and practices. Major gains from the NRC will be in reduced transit times and more reliable services, which should lead to a general increase in the volume of Australia's internal trade. This will be significant to Western Australia, particularly as it should further improve the attractiveness of the landbridging proposal for goods shipped to Fremantle to be transferred to the Eastern States by rail. It is expected to take the NRC three years to break even, and five years to be financially self-supporting. In the longer term the NRC will be expected to provide a return to shareholders through dividend payments and an increase in the value of shareholders' equity in the company. Overall, the efficiencies and investment program associated with the NRC are estimated to result in a boost to the national economy of $1.2 billion annually, benefits of which Western Australia will obtain a share.

In summary, this Bill will enable Western Australia to participate in one of the most significant developments in Australia's transport system this century. The benefits which will be received, together with the protection afforded Western Australia under the agreement, provide strong support for this major microeconomic reform initiative. I therefore commend this Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

PETROLEUM RETAILERS RIGHTS AND LIABILITIES AMENDMENT BILL

Second Reading

MRS HENDERSON (Thornlie - Minister for Consumer Affairs) [11.28 am]: I move -

That the Bill be now read a second time.

The Petroleum Retailers Rights and Liabilities Act 1982 was introduced principally to put beyond doubt in Western Australia provisions in the Federal Trade Practices Act relating to the rights of lessee dealers to exercise fuel supply options alternative to those existing with landlord suppliers. It had the support of both the Government and Opposition. It was intended that filling station lessee dealers who were parties to franchise agreements to which the Federal Petroleum Retail Marketing Franchise Act 1980 applied would be given the indisputable right to purchase up to 50 per cent of their fuel supplies from sources other than the landlord suppliers. Those intended purchasing rights were complemented by further provisions enabling dealers to utilise existing equipment for the storage and dispensing of the fuel purchased from alternative sources.

It was envisaged that alternative purchasing options would promote business independence for lessee dealers and encourage real competition at the wholesale level of the fuel marketing process, which should ultimately result in cheaper prices for consumers. In addition, it was designed to contribute to the bargaining power of the lessee. All members will be aware of the difficulties small traders, such as service proprietors, have in negotiating acceptable conditions with their landlord suppliers, and the claim that bargaining power is heavily weighted in favour of the landlord. Regrettably, those intentions have not been fulfilled. Recently a metropolitan dealer of long standing served a legislatively required notice on his landlord supplier of his intention to exercise all presumed rights to purchase, store and sell fuel other than that supplied by his landlord petroleum company. In response, the petroleum company lessor sought a determination in the Supreme Court as to the lessee's rights under the provisions of the Petroleum Retailers Rights and Liabilities Act 1982. Mr Justice Ipp found in favour of the petroleum company plaintiff, concluding that the Act conferred a right upon lessee dealers to utilise on site storage and dispensing equipment for fuel from alternative sources only if such fuel was otherwise lawfully purchased. In essence, that

finding renders the intentions of the Act void, and restricts lessee dealers to the contractual terms of exclusive supply agreements with landlord petroleum companies. This is contrary to the objectives of the legislation. This amendment Bill, therefore, seeks to rectify the legal deficiencies identified in the principal Act. The amendments will secure, indisputably, lessee dealers' rights -

to purchase up to 50 per cent of their fuel supplies from sources other than petroleum landlord companies; and

to utilise on site equipment for the storage and dispensing of fuel purchased from alternative sources.

The Bill additionally seeks to effect minor cosmetic amendments elsewhere in the principal Act, in the interest of drafting consistency. The intentions of the amendment enjoy unqualified support from the Motor Trade Association of Western Australia (Inc) representing filling station lessees. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

HORTICULTURAL PRODUCE COMMISSION AMENDMENT BILL

Second Reading

MR BRIDGE (Kimberley - Minister for Agriculture) [11.32 am]: I move -

That the Bill be now read a second time.

The Western Australian horticultural industry continues to be an important contributor to the State's economy. The production and sale of fresh fruit and vegetables is growing, in response to population growth and overseas market development. The performance of Western Australian growers in the export market is unique in Australia. Due to the State's relatively small domestic market and the closeness of several export markets - especially South East Asia - local horticultural industries have developed export markets as an important outlet for their products. Although, so far, horticultural producers have been able to fairly easily adapt to the requirements of highly organised international markets in order to compete successfully, this is likely to become increasingly difficult in the future. It is a credit to our horticultural industries that they have developed the initiative to expand export markets in recent years. However, if this momentum is to be maintained in the face of increasing competition from overseas countries, the industry will need to develop infrastructure, communications, research effort, marketing and promotional skills in line with its major competitors. Unlike Australia's major agricultural export earning industries, such as wool, wheat and meat, the horticultural industries do not have the individual size and financial base to develop mechanisms to encourage industry based initiatives without coordination of effort. However, these initiatives will be required to carry out a range of tasks necessary to maximise the industry's potential and long term viability.

The Horticultural Produce Commission Act provides for the establishment of a commission to encourage initiatives among growers of horticultural produce to form grower committees through which services can be provided to growers. The intent of the Horticultural Produce Commission Act is to provide a statutory process whereby individual horticultural groups can be self-sufficient and raise funds for services such as product promotion, quality control and research. The commission's role is to direct, coordinate and supervise the functions and expenditures of grower committees. The commission also authorises the determination and fixing of charges and fees for the services carried out by growers' committees. Under the Horticultural Produce Commission Act, the commission can establish a growers' committee when certain conditions have been met, including the conduct of a poll. To be successful, at least 75 per cent of eligible growers must vote and of those polled, 70 per cent must agree. To date, the polling requirements have been met only by small localised industry groups, such as the table grape growers, who are almost entirely located in the Swan Valley. A measure of the success of the table grape growers' committee is its achievement in reaching its budget targets for fee for service collections in its first year. Significantly, it paid for Queensland fruit-fly monitoring and for domestic market inspections from funds raised. This type of success is unlikely for larger and more complex groups whose membership and wide range of growing activities are distributed throughout the State's horticultural regions. A principal concern with these groups is that, although most of the membership will support

decisions made by their executives, it is believed they are unlikely to be sufficiently motivated to participate in a poll which, in effect, requires a majority vote to be carried.

The Vegetable Growers Association of Western Australia and the Market Gardeners' Association of Western Australia, representing vegetable growers throughout the State, and the Floricultural Industry Council, representing all flower growers in Western Australia, have requested that the Horticultural Produce Commission Act be amended. The intent of the request is to allow horticultural industries to more easily form grower committees under the Act, to provide services to growers. These industries consider that because of the way in which a poll must be conducted, the requirement for at least 75 per cent of eligible growers to be polled and for 70 per cent of those to be in favour cannot be reasonably met. Furthermore, the size, complexity and geographic diversity of the horticultural industries creates special problems and substantial costs in compiling accurate lists of eligible growers, and in conducting a poll. Although the majority of members support the decisions of their executive, there is concern that the level of participation in voluntary polls of this nature will not reflect the true level of grower support, and will be insufficient to comply with the requirements of the Act. This approach was demonstrated recently by the relatively small, but also diverse, avocado industry. There was considerable difficulty establishing a list of growers who would be eligible to vote, because of poor response to written and verbal requests for information. It is increasingly important for horticultural industries to be able to implement the intent of the Act and so generate their own funds. Any inability, particularly by the larger, more complex vegetable and floricultural industries, to raise funds for required services will seriously restrict both their development and growth in export earnings.

The amendments in the Bill before the House are intended to overcome these difficulties. They allow for the manner in which a poll may be conducted to be included in regulations. This will allow various industry groups to recommend a polling method appropriate to that group, and it will give individual groups the required flexibility to determine appropriate polling methods for their particular growers in their particular circumstances. In order to ensure that committees will be set up only where required by growers, the Act provides the commission with extensive safeguards to ensure that a growers' committee will not be formed unless the poll is in favour of the establishment of a committee in relation to a particular area or particular kind of horticultural produce. The proposed amendments will enable complex and diverse horticultural industries to more easily comply with the intent of the Horticultural Produce Commission Act and so be able to raise funds for services such as product promotion, quality control and research. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

SOUTH WEST DEVELOPMENT AUTHORITY AMENDMENT BILL

Second Reading

MR D.L. SMITH (Mitchell - Minister for South-West) [11.40 am]: I move -

That the Bill be now read a second time.

The main purpose of this Bill is to amend the South West Development Authority Act to establish the Peel area advisory committee. Members may recall that amendments to the Act last year proposed the establishment of area advisory committees, increased the size of the board of management, amended the staffing structure of the authority and included the Shire of Boddington in the authority's area of responsibility. The Government intended to establish an area advisory committee only for the Peel region in the first instance but wanted to provide the flexibility to establish similar area advisory committees in other regions as the need arose. However, during debate concerns were raised about this matter and rather than risk deferring any further the other important changes proposed in the Bill, area advisory committees were allowed to be deleted from the Bill. During last year's second reading speech it was pointed out that since the South West Development Authority began as a division of the former Department of Regional Development and the North West in 1983 the south west region had grown substantially in population and employment. In addition there has been a significant increase in the economic benefit the region delivers to the State as a whole. The functions of the South West Development Authority laid down in the Act are to plan, coordinate and promote the economic and social development of the south west. It can

be argued that these improvements are directly related to the wide-ranging activities of the authority. The major components of the authority to assist in carrying out its functions are the board of management, the staff and the advisory committee. As mentioned previously, last year's amendments dealt with changes needed to the first two and sought to deal with the third.

At present, the Act provides for a South West Development Authority advisory committee with the specific function of advising the authority on the exercise and performance of its powers, functions and duties under the Act. The advisory committee includes up to 12 persons being representative of the people of the south west region. With the growth in population experienced in the south west over recent years, there have been calls from subregional centres for greater representation on the advisory committee. The Peel area population has grown markedly and since the town of Mandurah has been declared a city there is clearly a need for a much greater say for the people of this area in the direction of the activities of the authority in their area. The function of the proposed Peel advisory committee will be the same as the South West Development Authority advisory committee except it will be limited to the Peel area. The Peel area is defined as the area within the south west region constituted by the combined districts of the Shires of Boddington, Murray and Waroona and the City of Mandurah. Membership of the Peel area advisory committee will consist of up to 13 members, with not more than eight persons being resident in the Peel area. In addition the advisory committee will include a representative from each local authority in the Peel area. The constitution, operation and proceedings of the Peel area advisory committee are proposed to be the same as those for the South West Development Authority advisory committee.

Apart from the establishment of the Peel area advisory committee, the Bill also seeks to amend the section of the Act relating to directions given by the Minister so that it conforms to requirements that such directions be in writing and included in the relevant annual report. The Bill also includes minor amendments to the description of the area of responsibility of the South West Development Authority to reflect the change to city status of Mandurah and to include the authority and its advisory committees within the jurisdiction of the Parliamentary Commissioner for Administrative Investigations. I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

NATIONAL RAIL CORPORATION AGREEMENT BILL

Message - Appropriations

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

RETIREMENT VILLAGES BILL

Second Reading

Debate resumed from 16 May.

MRS EDWARDES (Kingsley) [11.48 am]: The Opposition supports the Retirement Villages Bill. The Bill is not supported in its entirety; for instance, the Opposition does not agree with the way in which the retirement villages disputes tribunal will be established. I will highlight other aspects of the Bill with which we do not agree later during this speech and also during the Committee stage. The Opposition supports the Bill for two primary reasons: First, the industry has asked the Opposition to support the Bill. The industry has had close consultation and negotiation with the Minister over a number of years. I will highlight the history of those negotiations. The second reason for the Opposition's supporting the Bill is the 12 month review period outlined under clause 82. This will allow 12 months during which to iron out some of the problems to which I will refer in a moment. Some of those problems may end up being bombs while others may not eventuate. Either way, an opportunity is provided for the industry participants, those participating in the review and members of this House to review the operations of the legislation 12 months after it is proclaimed. I thank the Minister for her cooperation with two amendments requested by the Opposition. The first was under clause 82 and related to the 12 month review period being commenced within six months of expiration of that 12 months, which is to commence

on the Bill receiving assent. The second amendment related to clause 15. The Opposition believed that residents in existing villages might feel they would not be required to lodge memorials on their properties before they could deal, either by way of charge or sale of their unit.

If those people felt that they were not compelled to do anything now they may also feel that in five or six years' time they would not have to lodge a memorial on the title before dealing with their unit; that is, either by way of a charge or by selling the unit. That creates a problem because huge penalties can be levied for failure to comply with the lodging of that memorial. A penalty of $20 000 is an enormous amount of money for people who may not be fully aware of their entitlements. I understand that most people would deal through a solicitor or settlement agent and, therefore, would be aware of the requirements before dealing with their units. However, the Minister went some way to try to accommodate our concerns because she shared the same concerns. Originally, we suggested that rather than a memorial being lodged at the time of the contract of sale it could be made a condition of that sale. However, it was pointed out by the land titles registrar that that also created some difficulty for the prospective purchaser in his ability to endorse the lodgment of that memorial and whether the purchaser had any right to rescind or deal with the contract at any time. Only time will tell whether that provision will cause difficulty.

The Minister acknowledged that the legislation provided that a person not only could not enter into a contract but also could not invite someone to enter into a contract. That means the provisions of the Bill are very wide and somebody cannot even talk about entering into the sale of a unit if a memorial has been lodged. Therefore, the Opposition will propose an amendment to clause 15(6) during Committee which will provide that a memorial need be lodged only at the time the contract for sale is entered into.

Retirement villages are a fact of life in today's society. I refer to the Ministry of Consumer Affairs' comparison of the common costs associated with self care accommodation in a document titled "Self Care Accommodation in Western Australia". The document does not deal with all types of accommodation which could be classified under the retirement villages system. However, some of the ownership systems mentioned on page 3 of the document include rentals on a monthly basis, contributions or donations to organisations, lease based strata titles, purple titles and resident funded homes. Numerous ownership systems exist but that ministry document does not deal with all the potential types of retirement villages. It is important we ensure that the affairs of retirement villages are conducted properly and fairly and that they provide comfortable, secure and affordable housing for aged people in their well earned retirement. Some of the reasons for the need for regulation of the retirement villages industry are explained in a letter I received from the Hollywood Village for Senior Citizens' dated 3 June 1991. The letter covers some of the history for the reason the industry entered into negotiations and consultation with several Ministers. The letter states -

> The concern of retirement village problems, had it's genesis back some 5 or 6 years ago, when, responding to complaints being received from a number of residents in such villages, the W.A. Council on the Ageing called a meeting for these complaints to be aired. Only after a considerable amount of pressure from The Council and other interested bodies, did the Government agree to get involved . . .
>
> The Government enquiry was first commissioned through the Housing Portfolio -

That is the independent housing portfolio in New South Wales which carried out the provisions of the retirement villages legislation in New South Wales. The letter goes on to state -

> - later to be transferred to the Minister for the Aged, and subsequently to the Department of Consumer Affairs.

The letter then states on page 2 -

> It was the Boldy report, the first real enquiry into the problem, initiated by the Minister for Housing at that time, that in essence supported the concept of encouragement, thereby creating an over supply, allowing the 'buyers market' to sought out many of the devious and non ethical practices which had become evident through the lack of supply.

The Ministry has recognised that seniors are buying a lifestyle and not just a piece of real

estate. The Companies Code requires prescribed interest payments and it was felt that this was unreasonable because the purchase of a share in a retirement village is the purchase of a lifestyle and simply not a real estate transaction. A joint Commonwealth-State decision now exempts retirement villages from the provisions of the Companies Code. Each State has been left to introduce legislation to determine what types of regulations the retirement industry in each State requires. To date New South Wales, Victoria and South Australia have passed such legislation. The letter from the Hollywood Village highlighted the fact that one of the reasons the industry wanted some form of regulation was that many non-ethical practices were occurring in the industry which created odium in the industry. There were many cases of misleading advertising, a lack of adequate and pertinent information being made available and unsatisfactory or unfair contracts being entered into. Particular cases which have been brought to me over the years concern residents wanting to sell their units and leave the villages so they can enter nursing homes. In those cases the money was not refunded to the residents who had been absent from the accommodation for as many years as they had been resident in the accommodation. That was only one of the very unfair practices occurring in the industry and no account was taken of the situations in which residents found themselves. Most of those people are asset rich and income poor and their units are their homes and their only asset. Many promises went unfulfilled and many of the services offered were never provided. There were inadequate or non-existent dispute mechanisms and I am sure every member has heard the same concerns expressed by residents who have bought into retirement villages. Often mediation is required in those cases and that is what is being provided in this Bill. Unfair and non-ethical practices highlighted the fact that people were often buying a lifestyle with unrealistic and unrealisable expectations. That caused concern and distress in the industry and a code of practice was developed and voluntarily accepted by the industry on 12 May 1990.

The code of practice comes under the Fair Trading Act and it was actually developed to reflect the agreed fair trading principles. It included the rules of conduct that the industry would enter into and the rules of dispute management were a very important part of the code of practice. It tended to balance the commercial realistic standards that were needed for the industry to survive and, at the same time, it was sensitive to the needs and expectations of the potential residents as the consumers of the industry. The Fair Trading Act provides for the prescription of the code and its enforcement. Therefore, one may ask why we need legislation to deal with this matter if the industry is already complying voluntarily with the code. The code does not establish offences; it relies on the Fair Trading Act and the code cannot be enforced by individuals. It can be enforced only by referring the matter to the Consumer Affairs Commissioner. Therefore, this Bill does fill a gap and it provides the statutory framework for that prescription and enforcement. The industry has undergone an extensive process of negotiation and consultation with the Minister on this Bill. While this Bill is not perfect, the industry welcomes it and supports the concept, despite the increased administrative workload it will create.

I will read to the House a few of the letters I have received which indicate that the industry supports the legislation, despite having several concerns. I will also highlight some of the industry's concerns during Committee. The first letter I will quote from is dated 22 May 1991 and is from Mr P.G. Wilmot who is the Chief Executive of Anglican Homes (Incorporated); it reads -

> I have been the Voluntary Care Association's (VCA) representative on consultative committees which have considered the implications for the Retirement Village industry of both the 'Bill' and the 'Retirement Villages Code of Practice' for the past two years. I am happy to say that proprietors in the Voluntary Care Sector are now satisfied with both the 'Bill' and the 'Code' and see no reason, from an industry viewpoint, why it should not have a clear passage through Parliament. The Retirement Villages Association (RVA) Chairman, Mr Russell Halpern and myself as Deputy Chairman of the VCA have worked closely together on this issue.
>
> The Minister, has acknowledged the many concerns expressed by both the RVA and VCA with the original draft Bill. Those concerns led both groups to take the unprecedented action of withdrawing from consultative procedures, on 21st September 1990. Following withdrawal, we sought direct representation to the Minister and following a number of meetings, the VCA has given the Minister our clearance for the 'Bill'.

> Whilst we continue to have some minor concerns, it is our considered opinion that the Minister's guarantee that we will be involved in a review of the legislation, after its operation for 12 months, will enable our concerns to be realised or removed.

That is very important. The next letter I will quote from is dated 13 May 1991 and is from the Retirement Villages Association of Western Australia (Inc); it reads -

> While the Act, as drafted prior to our last round of meetings, fell short of resolving several issues, the industry feels able to live with it, provided the latest changes which the Minister has undertaken to effect are incorporated.

The changes referred to in that letter are presently in the form of amendments on the Notice Paper. The 12 months review clause is very important to members on this side of the House and to the industry because it will allow any problems highlighted within that period to be the subject of that review. It will obviously provide the framework for any subsequent changes.

I will highlight some of the difficulties envisaged by the Opposition in detail during Committee. This Bill is a highly complex piece of legislation which provides the framework for the administrative process of retirement villages and it covers the different types of tenures which are referred to in the document issued by the Ministry of Consumer Affairs in April. The definition of "retirement village scheme" outlines the different types of tenures of the scheme which are predominately for retired persons. Not all strata titled retirement villages will be part of the retirement village scheme as defined. Before falling within the definition strata lots must be sold subject to a right or option of repurchase or subject to a condition restricting the subsequent disposal of those premises. The Bill provides for a compulsory disclosure five days before entering into a residence contract, which is also defined in the Bill and includes leases, licences, sale of shares and sale of certain strata units or tenancy in common shares which are commonly known as purple titles.

The Bill provides for a cooling off period. However, this right can be rescinded once a person occupies the property. It is interesting to note that in the event of a person's entering into a contract and it is found that a memorial has not been lodged, as soon as a person occupies a residence a rescission is available. It must be done within a six month period. It could mean that a person has occupied a residence for many years, but on the basis the memorial is lodged within six months he is not prevented from applying for a recision of the contract. That is unfair and I ask the Minister to highlight the reasons for allowing an extensive period. Memorials are a new concept: A memorial is a registration of an interest and it must be registered on the title as a requirement under this Bill. The penalties in cases where memorials are not lodged are extensive.

Another interesting feature of the Bill is the creation of a statutory charge on the land in retirement villages and, in the event where premiums are to be refunded to the residents, this charge takes priority over all subsequent mortgages and encumbrances, even if it is not registered. The real estate agents or solicitors handling the sale of the property or the financing or refinancing of it, will register the memorial. Again, I point out that the penalties are extensive in the event of a memorial not being lodged.

The Bill provides for the resolution of disputes in retirement villages. Hopefully it will solve the complaints which members receive about retirement villages. I have received many such complaints over the last couple of years. Many involve conflicts between personalities and involve those people who previously have not lived in a close environment. In the past they perhaps had their own home and got on well with their neighbours. A country resident came to my office the other day and said that this was the first time that he had found it difficult to get on with his neighbours. However, in the country a person's neighbours may be a long way away from him. People often find it difficult to cope with having to live in a close environment. The problems which occur are often about minor things, but they can become very real to the people who live in such a complex and can create dissension, regardless of whether the complex is large or small.

Some of the problems relate to parking. If a person is allocated only one parking bay and if the common area is also used for parking, he may not be able to get access to his bay, and that may cause him to feel frustrated. It is even more frustrating when people who are visiting other residents in the complex use other people's car parking bays or the common

area. Is it the responsibility of the corporate body or of the residents to clean up any oil spills from visitors' cars? I am sure that this matter will be able to be resolved far more satisfactorily through the disputes settling mechanism than through the strata titles referee, who in many cases of a minor nature is able to say only, "Have the by-laws provided under schedule 1 been adopted? Have you amended them in any way? Have you added to them? Have you included any of the by-laws under schedule 2? What other by-laws can we deal with?"

Animals are another cause of complaint, particularly cats, because there are no controls over cats at the moment. Dogs are not so much of a problem in retirement villages because large dogs are rarely accommodated. The problem with cats is not just that they use other people's yards; it may be, for example, a white fluffy cat which sits on a resident's brand new red car and leaves behind bits of white fluff. That may sound trivial, but it is a cause of concern for people who live in such a close environment. Another problem is people who cause a nuisance. Strata lots can vary greatly in respect of whether they include the area inside the walls of the residence, the yard, the section to the fence, or the car parking bay, and it takes some time to read the strata plan and endeavour to find out what is covered by the strata title. A situation arose in one village where a resident decided that the owners owned only the area within the walls; therefore, he took it upon himself to constantly go through the back gates and into the yards and knock on people's back doors whenever he visited them. That may appear to be a minor matter, but it became of considerable concern to many of the residents in the village, and until such time as it was pointed out to that gentleman that the lot included the yard, he did not stop taking the liberty of going into other people's back yards. That situation caused a lot of disharmony, and it is very difficult to overcome that once it occurs in a village; the residents want to sell up and leave, and do not ever want to go back to such a tight knit environment.

A situation that has arisen recently is the use of bad and foul language. If that language is used by a tenant of a resident in the village, who will be responsible for ensuring that the tenant complies with the by-laws of the corporate body? That may appear to be a minor problem, but it has a huge impact on the residents, particularly as they get older and more frail, and become less confident about themselves. In many cases they do not have people to whom they can turn. If a proper disputes settling mechanism were in place, many of these concerns could be resolved so that people could live more harmoniously.

I have said on numerous occasions, and I will say it again if the present Minister decides to continue to establish one tribunal after another, that it is unnecessary to establish a separate retirement villages disputes tribunal. The Minister should use the existing tribunals, rather than set up another tribunal. What is the estimated number of disputes with which this tribunal will be expected to deal? What will be the cost of establishing this tribunal? This tribunal, unlike the tribunal to be established under the Home Building Contracts Bill, will not be self-funded. How much money has been allocated in the Budget for the establishment of this tribunal? I have estimated that the cost of accommodation, installation of telephones, furniture, the honorariums provided for in the legislation, secretarial resources and stationery, and other establishment costs, will not be less than $250 000. There must be a better way to deal with this area than to set up a new tribunal. I have discussed with the Minister the idea that hats be shared, but the existing court procedures could also be used. In New South Wales, the legislation is administered by the Local Court, and some of the disputes go to the Residential Tenancies Tribunal; there is a joint allocation of power. If the Local Court were used, the maximum penalty that could be levied would be limited to $6 000. The maximum penalty provided for in this Bill is $20 000.

The Bill provides that a person will not be represented or assisted in the presentation of his case. The type of person about whom we are talking in respect of this legislation would be aged 55 or over, but the average age could be the late 60s, if not the 70s. Those people have retired from work, yet they are not to be represented or assisted in the presentation of their case unless they would be unfairly disadvantaged if they were not so represented. A person may come to one of us as a member of Parliament and say, "This dispute has been going on for some time; how do I go about it?" They may say, "How can you assist me with the presentation of my case?" They will be asking us how to go about it, what is going to happen, what sort of questions they will be asked, and what is the best way of presenting the evidence. They will want to know what sort of evidence they should be calling, and whether

they should be bringing their cases before the tribunal. We should be sitting down with those residents who will go before the tribunal and assisting them in the presentation of their cases. I do not see any reason for that clause. The clause provides that we cannot charge for that service. As members of Parliament I am sure that we would like some extra income to assist us in running our electorate offices, but this is a service which we provide to people in many different ways, not only in this instance. That is the sort of advice we are asked to provide on a day to day basis. How does the Minister see this aspect of the matter being overcome?

On the first page of the Minister's second reading speech she said that in 1989 the Cabinet approved a draft code of practice for resident funded retirement villages. That would seem to indicate that the Bill is limited to resident funded retirement villages, but in fact it is not so limited. There is a vast difference between resident funded retirement villages and those which are subject to a resident contribution and other aspects which fall within the definition of retirement villages as defined in the Bill. Resident contribution means making only a contribution towards the accommodation whereas resident funded means providing the full cost of the accommodation. Either way, this Bill is not limited to resident funded retirement villages.

I would like to point to several concerns of people in the industry. Concern has been raised about payments to be made on termination. Very often managers of retirement villages allow for units to be sold through the manager's agent, and onerous conditions are placed on managers to sell units within a particular period and pay over the funds. I can understand that where new units have been erected near the old retirement village the management has sold the new units before the old ones, which might be regarded as unfair practice. The Belgrade Park Village, which is a charitable trust, highlighted some concerns about the code of practice. I refer to a couple of paragraphs from this letter dated 26 February 1990 -

> Under part 3 of the Code on page 15, under "PAYMENTS ON TERMINATION" the Trust is required to repay all monies due to an outgoing resident within 30 days of the date of expiration of notice of termination, i.e. within 60 days of notice being given by a resident that they wish to terminate the Agreement.
>
> Under normal conditions, this appears to be quite fair, but, under the present conditions in the Real Estate Industry, the following situation arises.
>
> The Trust currently has 7 (seven) units on the market for sale where the 60 day limit has been exceeded or will be shortly, to pay out the 7 (seven) residents, will require in excess of $400,000.00. This is a Charitable Trust and we do not have reserves of this nature. The Trust would therefore have to borrow this money at overdraft rates currently in excess of 20%, -

This was in February 1990. To continue -

> - which would amount to over $80,000.00 per year in interest.
>
> The effect of this is that the residents of our other 185 units are faced with a 45% increase in their weekly Service Fee just to cover the interest costs.
>
> A grossly unfair imposition which they would refuse to pay.
>
> Your answer is of course "Let the residents choose their own Selling Agent. "GREAT" after imposing quite onerous conditions of disclosure on us you want us to allow an Agent who may know nothing about the special conditions and requirements of a Village of this nature to be allowed to sell units.
>
> Who is going to take responsibility for any faults or misleading statements or any omissions of disclosure they may make whether through ignorance or just over exuberance to make the sale? Certainly not the Trust, as we would have no contractual control over an Agent engaged by a resident.
>
> In addition, residents would then have to pay Settlement charges which are presently provided free of charge by the Trust.

That highlights some of the concerns in some groups which run retirement villages. There are other concerns, especially those units in the country which consist of only 10 or 12 units. The Bill will impose an onerous obligation on them to deal with the units in a particular way.

Some concern also has been expressed about stamp duty. I would like the Minister to clarify

this situation, because diverse opinions are held about whether an increase in stamp duty will result from the establishment of the code of practice. I refer in particular to the Hollywood Village letter dated 3 June 1991, page 2 of which reads -

> A point not mentioned in any context, is the problem of Stamp Duty. It is a requirement of The Code to include within the Residence Contract the weekly fees, and as a result the contracts become dutiable on the annual fee payable at $4.25%. The duty payable on a Hostel Contract at current rates is in excess of $340.00.
>
> There is a section within the Stamp Duty Act, under 'Exemptions from Duty, Section 5, Lease or Agreement for Lease', which exempts weekly amounts not exceeding $125.00, but the Stamp Duty Office does not assess these Contracts under this section.
>
> It is the belief of the Industry, that this Government has always made it abundantly clear, they are the 'caretakers' of Senior Citizens interests, but in this case are unfairly discriminating against many of them.
>
> In N.S.Wales, we believe there is a nominal fee, set at $10.00 for the original Contract and $2.00 for a copy. In Victoria the fee is $5.00 for an original and $2.00 for a copy, with a similar arrangement in South Australia.
>
> Considering the foregoing details, we believe the problem should be addressed one way or another, either, in the Legislation giving a complete exemption or a nominal fee, or alternately requesting the Treasurer to take appropriate measures to amend the Stamp Duty Act to include these cases.

This was also highlighted in the letter from the Belgrade Park Village dated 26 February 1990. I read from page 2 of that letter -

> Another associated problem, which will arise is the problem of Stamp Duty on Lease Agreements. To allow an outside Agent to sell a unit on a residents behalf will necessitate changes to the wording of the Lease Agreement, which will change our status with the Stamp Duty Office. We have spent 2 years negotiating with the Commissioner for State Taxation to arrive at wording which would result in our aged residents paying only $8.75 stamp duty.
>
> The changes required to allow other agents to sell units will result in a 13,300% increase in stamp duty (this is not a misprint!). Instead of paying $8.75 the aged residents will have to pay $1,170.00 in Stamp Duty.

The Voluntary Care Association of Western Australia raised the matter of stamp duty in its November 1990 newsletter. Its concern is different from those which have been raised by The Retirement Village Association of Western Australia (Inc.) so I would like the Minister to clarify the situation. In the VCAWA November 1990 newsletter it states -

> The payment of stamp duty on resident's contracts is a matter that has been of concern to some VCA members. Attempts to have a blanket exemption from the payment of Stamp Duty included in the Code or the Act were unsuccessful because the legislation applies equally to both the private sector and the charitable/non-profit sector. VCA member organizations not already in receipt of an exemption from the payment of stamp duty on contracts should write to the Commissioner for Taxation seeking exemptions under one of the following general exemption categories:
>
> a. The Crown, Local Authorities and designated Crown Instrumentalities or Government Authorities; or
>
> b. Conveyances, lease or mortgage of property for a university or charitable or similar public purposes.
>
> If the exemption is granted, the organization would need to pay only $5 for the registration of any agreement and $2 per additional copy.

I would like the Minister to advise which sectors would be eligible to receive such a consideration from the Commissioner for State Taxation and which would not? I also point out what happens in other States. New South Wales is conducting a review of the regulations for the retirement village industry. The New South Wales Department of Housing administers the Act. I want to know the cost of establishing the tribunal and how it

will be funded. Under section 39 of the New South Wales Retirement Villages Act the costs of administration of the Act will be paid for by contributions from the rental bond board interest account, which account was set up under the Auctioneers and Agents Act 1941. Section 41 of the NSW Retirement Villages Act specifies that offences be dealt with in the local court or, with the consent of the Minister, in the Supreme Court. The maximum penalty a local court can impose is $5 000. Section 44 sets out the offences under the Act. It states that any person who aids, abets, directly or indirectly confers, conspires or induces another person is liable to the same penalty as the person who breached the Act. The Act applies to the Crown; however, it is not likely to be prosecuted for an offence.

Under the New South Wales Act the Residential Tenancies Tribunal is an independent, decision making body which resolves disputes through conciliation. It deals with disputes in the same way that an ordinary tribunal would, and the tribunal can make orders about transfers. The industry is concerned with the matter of transfers as set out in this Bill. The tribunal also has the power to deal with residents' rules. In New South Wales offences are dealt with in the Local Court, and the penalty for a breach of the Act is $6 000. In comparison, the Bill before the House imposes a $24 000 penalty.

Our legislation is closely modelled on the Victorian law which came into existence after a particularly bad collapse of a retirement village. Victoria conducted a review of its legislation and made enormous changes, which has been the basis of the Bill before the House. I have highlighted the reasons for the Liberal Party's support, although it does not entirely agree with every clause in the Bill. I have also highlighted some of the concerns of the industry and I will go through those in more detail during the Committee stage. The reason for our support is twofold: Firstly, the industry has asked us to support the legislation; it has carried out extensive negotiations and consultation with the Minister. Secondly, the inclusion of a 12 month review period will allow the concerns of industry to be addressed. The industry has been given assurances by the Minister that it will be involved in that review process. We will have the opportunity to see how this Bill has been operating and how the sections of the Act are being implemented.

MR TRENORDEN (Avon) [12.37 pm]: I always approach this type of legislation with some trepidation. However, this is one Bill that we have had sufficient time to consider before debate. It has had a long lead-up period. I cannot say that we have not had enough time to look at all aspects of the Bill. In fact, the consultation process has been extensive and I appreciate the Minister's giving the National Party an opportunity to be involved in briefings. Industry bodies have come to us and we have gone through this Bill word by word over the last 12 months. What really amazed me about the way we deal with seniors, the aged, the elderly, or whatever is the correct term these days, is that we keep throwing legislation like this at them, which as they get older must cause many of them confusion. One of the busier activities in my electorate office is trying to explain to elderly people the requirements of the Department of Social Security, the Taxation Department, the banking industry, Homeswest, and many other areas in which we totally confuse them. This legislation is proposed for their benefit; it seeks to ensure there is some balance in dealing with retirement villages. Undoubtedly many of the people we are trying to help do not have the capacity to understand what is happening around them. That is why out of all the paraphernalia I have received I have been impressed with the proposed retirement village code of practice. It points out what the industry should be doing on behalf for its clients. It is quite specific about the way in which retirement villages should operate, what information should be given, how much notice should be given of nursing home approvals and entries, and so on. That code of practice is more likely to be effective than the legislation, because if we solve the problems for individuals and make sure disputes do not occur we will create a far better environment.

The National Party has no concerns about some aspects of the Bill, such as the establishment of the Retirement Villages Disputes Tribunal to dispense instant justice. However, I am concerned that many elderly people will not want to argue their own case before a tribunal. They will be totally confused about the issues in their retirement village, and therefore it will be necessary for an industry or group of volunteers, as we see in the trade union movement and the workers' compensation arena, to establish some sort of advocacy system for retired people to enable them to have their cases argued before the tribunal; otherwise they will have to resort to lawyers.

Incidentally, it is really pleasing to note that in recent times lawyers have become as unpopular as politicians. At one stage I thought it was a one horse race, like this week's Melbourne Cup which was won by Let's Elope, and that politicians were several lengths in front in the unpopularity stakes. I do not want to pick on the member for Kingsley, but lawyers are not really popular these days either.

Mr Read: What about a lawyer who is a politician?

Mr TRENORDEN: If we follow my argument through, perhaps the member for Murray should withdraw that remark because it might have been an insult, although I do not think so.

Mrs Edwardes: It was not an insult.

Mr Read: The member for Kingsley knows me well enough to know that it was not an insult.

Mr TRENORDEN: I am a bit worried about the member for Kingsley - she seems to be involved in every debate in which I take part and in every committee on which I sit. She must be a very hardworking member of Parliament.

Mrs Edwardes: Obviously I am just like you.

Mr TRENORDEN: Returning to the Bill, our ageing population will ensure that the building industry has a very high interest in establishing retirement villages in future. Human nature being what it is, some people in the industry will not do the right thing, although most will. According to the second reading speech, this Bill has been brought to the House as a result of what happened in Victoria. There is a risk that people who buy a retirement home will find themselves disfranchised because of the various mechanisms by which retirement villages work, and the Government, because of its consumer protection philosophy, has decided that legislation is necessary. As the member for Kingsley said, the legislation contains a provision that the Bill be reviewed after one year. That is both good and bad, because within a year people involved in the retirement village industry, including consumers, will be able to ascertain whether the legislation works, but many problems will take longer than a year to manifest themselves. The one year period is appropriate because many problems will surface in that time, but others will be ongoing problems, as occur in every industry, and it will be necessary to subject the retirement village industry to constant scrutiny. Being part of the baby boom and having been born just after the Second World War, I know that the statistics confirm that large numbers of people are retiring, and people will have a great interest in organising their retirement. There will be many new ideas about how retirement will work in the future, apart from the mechanisms that exist now. For instance, I envisage the strata titling of rural properties so that an operating farm of 3 000 or 4 000 acres will accommodate 40 or 50 houses or a block of units to allow people to retire in a rural setting. People are working on those sorts of ideas now and trying to get them through the State's planning processes. That is why I believe a code of practice set down in stone and adhered to by the industry will be more flexible than this legislation in meeting the changing requirements of retirement villages.

However, the legislation is before us. I do not intend to go through each point the industry raised with me. Previously the National Party would have voted against the legislation but, as the member for Kingsley pointed out in her very detailed presentation, many of those points have been dealt with and in fact the industry has asked it to support the Bill. The National Party will not fly in the face of that and say that the legislation should be altered just because it has a different opinion. The Government was elected on a platform and, even though it is now a minority Government, this measure was part of that platform. The Government has the right to bring this legislation to the House and have it passed, and we have the right to amend it if it is absolutely over the top. Like the Liberal Party, we say that it is not in any way over the top but this is not the way in which this issue should have been approached. Other questions on the Bill might be better raised during what I think will be a fairly lengthy Committee stage.

In summary, I am concerned that in our rush to deliver consumer protection we will make things very difficult for elderly people. I feel for those people who ring my office worried about tax file numbers, how many assets they are allowed to have when receiving social security payments, and so on. Some people regularly ask me the same question more than once. I can understand that; I am not trying to denigrate elderly people, because I really feel for them. They go to the Department of Social Security or their bank to ask a question, or

their bank writes to them saying that they must do certain things; they come to me and to other members for clarification, and then go back to the bowling club or the sewing circle where another point of view is put to them. It is all very confusing. I am disappointed that we cannot simplify things for the people who have worked all their lives, paid taxes, and contributed to the fabric of our society; those who, unlike us, have put the State in such a good position. We have done the dead opposite. Our generation has taken money and spent it; we have imposed a large debt on our children. The elderly people of 65 years or so have built this nation. The 1960s and the early 1970s were constructive years for this State; indeed, for the whole nation, yet it seems we give those elderly people only problems and confusion. Everyone in this Chamber should be conscious that the issues which we consider to be small and of no concern cause great problems for these people.

My mother lives at Mandurah. She is a staunch member of the National Party. I believe that she is the only person who reads *Hansard* page by page. She is a political person and loves to follow the political scene.

Mr Pearce: We are pleased to hear that a member of the National Party can read; that is a revelation for members on this side.

Mr TRENORDEN: That is most uncharitable, Minister. Many members of the National Party are elderly people. Much of the support for the National Party comes from elderly people, and women in particular. The statistics indicate that among National Party voters the strongest group is what I call young women between the ages of 20 and 40.

Mrs Edwardes: That is since you have been a member.

Mr TRENORDEN: No, I would say the situation has deteriorated since then.

The DEPUTY SPEAKER: I suggest we return to the Bill.

Mr TRENORDEN: The point I was making before I was distracted by the Leader of the House was that we tend to make life difficult for elderly people. I do not say that is the intention of the Bill, but that will be the end result. We must bear in mind that elderly people panic about what we consider to be simple matters. I refer to communal property within retirement villages and to many of the situations involving strata and purple titles, and other arrangements through which homes in retirement villages are purchased. They may be simple matters to us, but they are complex matters to other people. Generally, in retirement villages, the ethos is for people to look after each other and to keep things on an even keel. A legal problem may occur as a result of local government involvement, or where an individual dies and the family wants to sell the property, or where other people in the community want to select the individuals who come into the village - that is, not to put property on the open market, and I support that attitude because retired people above all have a right to live within a caring and consistent community.

In 1982 I toured the United States with a group of 30 or 40 individuals from the same industry. We were shown a number of retirement villages in that country, and I was appalled that the villages were surrounded by huge walls, blocked off by steel gates and guards. Our American guide drew our attention to the wonderful retirement villages but in my opinion they were prisons. Obviously the Americans do not consider them in that light. They were brick buildings, and the guide pointed to the tiled roofs. Such buildings in America usually have steel roofs. The retirement villages in that country are virtually fortresses because elderly people feel less secure and become less confident about dealing with violent people or intruders, and so naturally they look for increased security at home. The more important side of the picture is that they like to band together; they want continuity of thought, action and protection. We should be conscious of that when considering such legislation.

Turning to the tribunal, when a dispute arises many retired and newly retired people will be more than capable of fronting up to a tribunal and putting a case. I refer to retired lawyers, bankers, and even to retired politicians who will be able to argue a case - the people who will be able to go through the legislation and confront individuals in the industry and argue their point. However, we all know of senior people who have lost confidence and those people will not want to be involved in any dispute mechanism. I will be interested to see how the tribunal will operate because we will have to develop a mechanism whereby, if lawyers are not involved - and I understand the costs of lawyers' involvement - an advocate can be used. In that case, will the advocates be volunteers from within the community who will argue the

case for these people, or will the advocates be paid? Will we have pseudo lawyers? God forbid! All these issues will not go away.

I have considered the Bill thoroughly, and I have attended several briefings with the Minister which were very useful. The industry told us that a consensus has been reached on the most disturbing parts of the legislation, and urged us to support the Bill. The National Party supports the Bill on the premise that we recognise that the Government has the right to run legislative programs, and that once members of Parliament make election promises they have the right to bring them to this House. We all have the right to expect such legislation to go through without undue argument if it is not excessive.

Debate adjourned, on motion by Mr Nicholls.

Sitting suspended from 1.00 to 2.00 pm

[Questions without notice taken.]

MATTER OF PUBLIC IMPORTANCE - COOPERATIVE FEDERALISM

THE SPEAKER (Mr Michael Barnett): I advise that earlier today, and within the appropriate time, I received a letter from the Leader of the National Party seeking to debate as a matter of public importance the proposed cooperative federalism between the States and the Commonwealth. If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: I advise that the motion can proceed under the normal guidelines: Thirty minutes will be allocated to speakers from the Opposition and the Government, and a further five minutes, if necessary, will be provided to those members who are currently Independents.

MR COWAN (Merredin - Leader of the National Party) [2.35 pm]: I move -

That this House -

(a) notes that the Prime Minister, by ruling out both the transfer of taxing power to the States and the States having a fixed share of Commonwealth tax revenue, has effectively gutted the process of achieving genuinely cooperative federalism;

(b) requires the Government to seek the approval of the Parliament before committing itself to any transfer of power or responsibility to Canberra; and

(c) irrespective of any agreement reached between the Commonwealth and the State Governments, will not agree to the proposed National Freight Corporation, the proposed national vehicle registration scheme or any other action that will disadvantage the State and, in particular, the people living in rural and remote areas of Western Australia.

I thank the House for allowing me to proceed with this matter of public importance. For some time now the Prime Minister has been arguing for what he has termed loosely "new federalism". That concept was based originally on the introduction of a new system that would give the States a more secure base for revenue sharing between the Commonwealth and the States, and it was aimed also at removing or eliminating those areas of duplication which exist between the Commonwealth and the States. If my memory serves me correctly, at least two Premiers' Conferences have debated the concept of new federalism. In addition, I do not think there are any Ministers who have not at some stage in the last two or three months travelled to Canberra or to another capital city with a view to discussing the impact of new federalism and the new cooperative approach with the Commonwealth on their relevant State department. The concept of new federalism is likely to culminate in the Premiers' Conference to be held in this Chamber in the next two weeks.

Mr Wilson: Do you mean come to an end?

Mr COWAN: Yes. That is quite correct, and that is a great pity, because when this concept of new federalism first began, it was something which many of us - in fact, I think all of us - would have embraced. The reason is that there is a difficulty with tax sharing arrangements, or with revenue sharing arrangements, which is impacting upon the States. If anybody were

to read the Federal Budget papers, it would be a simple exercise for them - notwithstanding the fact that the Budget papers are quite complicated and extensive - to quickly deduce that all of the Budget surpluses or cost savings that have been applied by the Commonwealth, particularly when Mr Keating was Treasurer, have been applied by cutting the grants to the States. There have been few other areas where the total level of expenditure by the Commonwealth has been cut. There might be one other exemption - that is, in the Defence budget - but apart from those two areas, Commonwealth spending has been relatively equivalent to what it has been in the past, if not higher, and the only area where expenditure has been reduced in any significant amount has been expenditure in respect of tax sharing arrangements with the States.

It is quite clearly a problem for the States - and I am referring not just to Western Australia but to all States - to deal with the issue of revenue raising, particularly if the Commonwealth is to reduce the share of revenue to the States from income tax or any other form of taxation. Two options were canvassed, the first of which was the prospect of income tax sharing. It has always been my view, and that of the National Party, that it is about time the Commonwealth and the States got together and set some very simple goals. I do not know that they would be simple to achieve but the goals themselves would be quite simple. That is, they should set their revenue from tax as a percentage of the gross domestic product and the Commonwealth, the States and local government should divide up a certain percentage of that tax structure, and that set figure would then come to the States or to local government on a very clear understanding. Unfortunately that is not the case. While there might be prospects of that occurring, the Commonwealth has chosen not to do that but instead to keep a very tight hand on the purse strings. Instead of issuing general purpose grants which the States can then divide up as they see fit, the Commonwealth has been more inclined in recent times to fund the States through specific purpose grants, and unless the States comply with the demands of the Commonwealth they do not get the money.

Our preferred position would be for the Commonwealth to say, "Our target is to set revenue from taxation at, for example, 30 per cent of the total gross domestic product of this nation. From that 30 per cent the Commonwealth can have 13 per cent and the States 13 per cent, and we will offer four per cent to local government." All we would need then is some mechanism in the form of a finance or advisory council to determine the formula by which that distribution would take place between the States and local government. However, because of the actions of the Prime Minister in his competition with Paul Keating, the Prime Minister has been forced into a position where he has indicated very clearly to the States that there will not be any form of fixed tax sharing. Certainly there is no incentive for the States to examine the prospect of raising their own income tax, for a very simple reason; that is, if anybody wants to raise income tax at a State level, once that tax has been raised a corresponding amount is deducted by the Commonwealth from the volume of the grants it returns to the States. That disincentive is quite profound and precludes any State from realistically considering raising its own income tax, notwithstanding that it has the power to do so.

By the very nature of the legislation which originally transferred income taxing powers from the States to the Commonwealth, the States are now unable to raise income tax without penalising the people who live in the States. As well, because of the actions of the Prime Minister as a result of his desire to remain in the Lodge, he has ruled out any prospect of income tax sharing arrangements; so it can be said that one of the major bases upon which new federalism was to be built has been gutted and completely destroyed. We are now going back very closely to what has occurred at Premiers' Conferences in the past, and when the Premiers take their seats in this Chamber they might each find a manila envelope on their chair - if it has not already been slipped under the door of their hotel room - telling them what the States may or may not have in this new federalism deal. New federalism was going to approach several other issues, the most important of which was an end to duplication. I would like those Ministers who are sitting opposite to tell me what areas within their portfolios have been targeted by them or by their Commonwealth counterparts for some examination to avoid or to end duplication.

Mr Pearce: Actually there have been quite extensive discussions in the Environment portfolio.

Mr COWAN: I am very pleased that the Minister for the Environment took up the challenge,

as I knew he would. He might like to tell members who has the constitutional responsibility for management of the environment - the States, or the Commonwealth?

Mr Pearce: It is not a simple question, unfortunately.

Mr COWAN: There is a very simple answer, though; it is the States, and for that reason I would have thought that the Minister for the Environment would be spending a good deal of time trying to find ways to remind the Commonwealth that it has no responsibility for the environment. Of course, Mr Deputy Speaker, you and I know that some environmental issues are global and the Commonwealth should have some responsibility for those.

Mr Pearce: That is right - that is the problem.

Mr COWAN: However, the Commonwealth has no responsibility to misuse the World Heritage Commission in the way in which it does. Every other country uses the World Heritage Commission for listing matters or areas which they regard as being of world heritage and, if they are listed and approved, that is recorded. However, in this country the Commonwealth Government uses World Heritage listings in order to transfer the constitutional powers of the States to the Commonwealth and then it manages that area of environment which has been listed. I have not seen anything published by the Minister for the Environment which shows that he has taken any action which has successfully achieved the objective of returning those State powers to the State rather than having them usurped by the Commonwealth.

Mr Pearce: Well, you do not read very widely. You might not be aware that the only time there has been an agreement with the Commonwealth on Commonwealth-State legislation to prevent the Commonwealth misusing those World Heritage powers it has been organised by me and this State.

Mr COWAN: The Minister's success rate is very low.

Mr Pearce: It is one out of one, which is not bad.

Mr COWAN: It is a matter of one's interpretation of success. My interpretation of the Minister's success is not as high as is his own.

The other issues which are very important are education and health. The Minister for Health has made it clear in the past that he regards with some disdain the approach of the Commonwealth in relation to health funding, and precisely the same thing can be said about education. None of those issues is a constitutional responsibility of the Commonwealth, yet we have fully fledged Federal departments for education, for health, for the environment, and - and this is always a good one - for local government. Local government is a delegated authority of this Parliament, yet we now have a Federal local government department. The Commonwealth has no responsibility for local government. We have heard people talk about how we will end duplication, but I have not yet seen any list or any objective printed which states where the State Government will concentrate its energies on removing duplication. Perhaps the Premier can tell me what approach she will make to remove the Commonwealth's intervention in education? What approach will be taken to remove intervention in health? We all understand that funding comes from the Commonwealth, particularly for tertiary education and health; however, we do not have to accept Commonwealth policies on these matters.

Dr Lawrence: That is why we were chary with the rural adjustment scheme finance which involved tied grants. The Commonwealth would say, "You use it as we say, and we will give the money in return."

Mr COWAN: That is a classic example; I almost rest my case! However, the State Government waited until it received something from the Commonwealth before it acted on this. It would have been better if the Premier had charged over to Canberra to protest strongly. It was only when Mr Crean came to Western Australia that the Government had a result.

I move on to allow time for my colleagues to speak. Part (2) of the motion indicates clearly that the Parliament should be given authority over whatever arrangements are entered into by the Premier at the special Premiers' Conference. This applies particularly to the transfer of powers from the State to the Commonwealth. Over a long period of time we have seen the encroachment by the Commonwealth on the powers of the State. It is time this Parliament

made it clear that it is not prepared to tolerate any further encroachment on State powers, unless agreements are made on the basis of mutual consent. The Premier should be locked into seeking the approval of Parliament for the transfer of any powers to the Commonwealth.

Part (3) of the motion refers to two particular aspects of this power transfer. I was interested to hear the Leader of the House, representing the Minister for Transport, give the second reading speech for the National Rail Corporation Agreement Bill this morning, as this legislation enables the Parliament to tell the Minister what it thinks of that agreement made with the Commonwealth. However, the Minister will have even more difficulty in gaining the support of the House and the public for the national vehicle registration scheme. When the interstate commission reported it made it very clear that the whole basis of the new road funding scheme would be road cost recovery. However, for some reason or other, in association with the recovery of road user cost and in a bid to achieve uniformity, State powers had to be transferred to the Commonwealth.

Dr Lawrence: We oppose that. We are not talking about transferring power to the Commonwealth; this matter will be the subject of legislation.

Mr COWAN: Does the Government oppose the transfer of those powers to the Commonwealth, and does it oppose the application of the new system of charging for the recovery of road costs, which would increase the costs for those who depend on the roads for their livelihood?

Dr Lawrence: We must look at both sides of the ledger. That is what the Commonwealth and the other States are not doing. We must consider what taxes are levied on that industry and what recovery will be achieved through that measure. I will address that in a moment. Overall I agree with the Leader of the National Party. We do not want an increase in the total burden falling on that sector.

Mr COWAN: If we accept the national vehicle registration scheme as it stands now, a massive increase will occur in the costs for road users, particularly for heavy haulage operators.

Mrs Beggs: What do you mean by "as it stands now"?.

Mr COWAN: If the Butcher recommendations are accepted.

Mrs Beggs: We don't accept them.

Mr COWAN: The Minister does not accept the recommendations for two reasons: Firstly, it is recommended that the Commonwealth should collect all funds, and the Minister has insisted that the State collects the funds; secondly, the Minister cannot work out what is the real cost of road recovery. I assure the Minister that road recovery costs assessed at her office are higher than the cost currently charged to road users. I am sure that if we adopt the national vehicle registration scheme, an increased cost will apply to the road user. The national vehicle registration scheme should be rejected by this Government, and if it is not rejected by the Government we serve notice that it will be rejected by the Parliament.

DR TURNBULL (Collie) [2.55 pm]: I formally second the motion. I follow the extensive remarks by the Leader of the National Party by concentrating on the third part of the motion, which calls on this House not to agree to the proposed National Rail Corporation, the national vehicle registration scheme or any other scheme which will disadvantage remote and rural people in Western Australia.

The Federal Government currently collects a huge amount of revenue from the road heavy haulage industry in Western Australia and Australia-wide. The Federal Government collects $3.5 billion in taxes every year, but only 75 per cent of that money is used for road construction and maintenance throughout Australia. Where does this money come from? One source is fuel excise. The current fuel excise rate on diesel is 27¢ per litre, yet only 7¢ of that tax is set aside for use on roads. If the Federal Government is searching for funds to upgrade roads, it need only look at the fuel excise revenue collected. If one considers the way in which the Government charges the heavy haulage industry on a per kilometre basis, one can see the amount of funds collected from this sector; therefore, the Federal Government has plenty of funds to return to the sister States to be spent on roads. The heavy haulage industry is making a contribution and if that contribution were returned to the roads, it would be unnecessary to increase licence fees or to implement a national vehicle registration scheme.

Mr Wiese: Roads paved with gold!

Dr TURNBULL: Indeed, that could be done if the total amount collected was directed to roads. However, the Government is increasing taxes and charges for heavy haulage and other country road users. This will increase the general costs of transport, which will ultimately increase the price of goods to the people of this State. How will this scheme increase costs? Consider a typical small operator who carts stock, fertiliser or general feeds with a turnover of $150 000 per year; 50 per cent of the operator's income is allocated to costs - not including capital repayments and wages - so this scheme represents an increase of $10 000 to $20 000 per year. We do not know yet exactly what it is because the details of the program have not been worked out. The main reason this motion has been moved is to emphasise to the Premier and the Minister for Transport the case we want them to present at the Premiers' Conference about how severely the proposed new licence will impact on Western Australia. An extremely serious on-cost is being proposed which is not necessary. If the Federal Government used the money it collects in taxes from fuels, this extra licensing charge would not be necessary. The fuel tax is collected from the haulage operators in rates related to the mileage travelled by vehicles. There is no need for any more taxes and it is not necessary for the State of Western Australia to transfer more power to the Federal Government to enable it to operate the national licensing scheme. I support the motion and emphasise to the Premier and the Minister for Transport that they must oppose this iniquitous scheme when it is discussed at the Premiers' Conference in two weeks.

DR LAWRENCE (Glendalough - Premier) [3.03 pm]: I have found almost nothing to object to in the comments by the two members of the National Party today. However, I do not entirely agree with the wording of the motion. Nonetheless, by and large we are of one mind on the matter and it is important that we remember that. None of us has planned for the Premiers' Conference without wanting a number of things. The goals must be clearly articulated publicly, and they have been. One of those goals is to reform the federation in a way that provides a number of clear benefits, not costs. Whenever we have seen that principle deviated from, we have tried to return to it; that includes charges on registration. We are trying to improve the performance of the economy by reform; for example, by changes to the Eastern States' electricity generation system and mutual recognition of qualifications and goods. Reform involves eliminating the absurd differences between our States; not by giving up our powers, but as a sensible group of States seeking to find a reasonable - not lowest common denominator - set of standards and how we should eliminate differences. All the Premiers, regardless of geography or political persuasion, and the Prime Minister and the Leader of the Federal Opposition could see that was an absurd position in which to find ourselves. As far as I have been able to determine, that applies to Opposition members in this House also. That issue is particularly relevant in light of the massive reforms being undertaken in the European community where the vitriolic and often painful history of division and nationalism still requires those countries to overcome trade and other barriers.

The States bit the bullet on that and said that is their part of the equation. They will undertake - in Western Australia's case with strong reservations and strong protection, as can be seen in the Bill - to be part of a national rail freight consortium. In the short term our financial position is protected, but in the long term, with continued monitoring and control of the States involved, we should see a reduction in the total cost of freight carted across this country. The Australian rail system is plagued by five management systems, varying railway gauges, a run down rail network particularly in the Eastern States, and differences in charges and multiple handling processes. Those variations are crazy and add to the total cost of freight.

As a nation, we have not addressed that problem because the States have taken territorial attitudes and said they will not talk to each other about reforms. The National Rail Corporation is the first of those major reforms and, understandably, it will evoke some anxiety. It did for us, the union movement, the transport industry and some other sectors. We are stepping it through very carefully and are bringing the legislation into Parliament. However, one cannot get to that point until one has had discussions and reached an agreement in principle. That is basically what we have. Until the Parliament agrees to, for instance, uniform legislation or a National Rail Corporation Bill, uniformity will not happen. The Ministers involved in various discussions, and I, have always understood that. We are

working for the nation, and aim to do away with bizarre barriers to trade, practices which contribute to the inefficiency and cost of our industries and things which make us less competitive. In Western Australia's case we want to eliminate practices which have resulted in the Eastern States having high tariff protection barriers paid for by Western Australia because of its export orientation. The consumers in Western Australia have been paying for the protection on the eastern seaboard for a long time because it could not get its act together on waterfront reform and road and rail transport. Petty regional jealousies prevented the States from resolving those problems. Overcoming them requires vigilance.

Mr Cowan: Perhaps you could give some examples of the petty regional jealousies.

Dr LAWRENCE: Historically, I think the rail system is a very good example of that.

Mr Cowan interjected.

Dr LAWRENCE: I hope the Leader of the National Party is not assuming I am accusing him of that. I am not. The statement the Premiers have put together makes it clear that the principles which underlie this cooperative Federalism strengthened the Australian Federal structure to enable expressions of diversity. In other words we recognise regional variations are necessary. That is healthy and desirable. However, it is consistent with the need to maintain unifying features in the economy and the achievement of national objectives and aspirations.

Mr Cowan: You are not reading from the communique are you? I was looking for a United Nations draft resolution. It was couched in such vague terms that -

Dr LAWRENCE: I just read an introductory paragraph. I am trying to provide the Leader of the National Party with a clear understanding of our aims. We recognise regional variations exist; I hope we also recognise that within this State. The needs, the problems and the solutions to those problems in Derby are not the same as those in the metropolitan area. We are not throwing overboard either State sovereignty or a recognition of the need to take account of variations within the nation.

Mr Cowan: The National Rail Corporation overthrows State sovereignty and transfers responsibility to the Commonwealth.

Dr LAWRENCE: A very important difference exists between what is Commonwealth and what is national. The Commonwealth Government has had the view for a very long time that in order to achieve some national objective it had to control it, set the agenda, provide the funds and set up the agencies and bureaucrats to administer it, and its politicians would take credit for it. I am referring to people from all parties. I get angry with some of my Federal colleagues, as I am sure do members opposite, because of that attitude. Western Australians, particularly, have wanted to resist the centralist push. On the other hand we can say clearly all States have national objectives and goals in which we all want to participate and cooperate. However, they can only be national if they are agreed to by the States. It is not a matter of the Commonwealth being the national Government and the rest of us being Mickey Mouse players.

Mr Lewis: That is what it is trying to do.

Dr LAWRENCE: I know. We have the first opportunity, for a very long time, to redefine the agenda. That is why it is very important not to lose the game.

Mr Lewis interjected.

Dr LAWRENCE: It is easy to say that. I do not think even Nick Greiner in his darkest moment would think that, and he has had a lot to lose.

Mr Lewis interjected.

Dr LAWRENCE: The member for Applecross should participate in this debate in the spirit in which the Leader of the National Party introduced this important motion. It does not affect the short term difficulties we are facing with unemployment, but the long term prosperity of our nation and the ability of this State to provide, not the status quo; not "near enough is good enough", but something better for the taxpayers of Western Australia.

The other side of the ledger, for which we are seeking cooperation at the next Premiers' Conference and which is referred to in the motion, is the question of the States' share of

income tax and the States' ability to equate the amount that we are required to expend on services that are our constitutional responsibility with the revenue that we have available to us. That has been slipping from our grasp for a very long time. It is not something that has happened in the last year and it is not something that has happened under centralist Labor Governments; it has happened under centralist Liberal and Labor Governments generally. We have been losing ground for a very long time. We have not just whinged about that and said, "Oh well, we will have to make more noises before each Premiers' Conference" because that has had no effect on the outcome. Joh Bjelke-Petersen was a classic. He would go to the conference and thump the table and rant and rave and the next year he would get less. It was an inexorable process of the States' providing the funds for the Commonwealth's fiscal discipline. As I have said elsewhere, it has made a fiscal hero of itself by saying, "We have a Budget surplus and we have cut back our expenditure." Certainly it had, but most of it was from cutting back on the grants to the States and local government. The record over the last decade indicates that the Commonwealth has consistently increased its own purpose outlays and reduced grants to the States, and that the States, by combining revenue from the Federal Government and from their own taxes, have been significantly less able to increase their own purpose outlays. Our share in that revenue has been eroded since the 1950s. That has accelerated since the 1970s and I attribute some of that to Gough Whitlam. That was one of the things about his Government that I did not like then and I do not like now as I see its effects.

It is important that the Commonwealth Government has not needed to use legislative power to put the States in a mendicant position. It has held the purse strings and it has tugged on them every time it wanted to. It has cut down our general purpose grants so that we have less and less discretion. It says, "Look, we have given you all this money. We will give you $3.5 million under the rural assistance scheme but we will not give it to you unless you give us $1 for every $2." Not only does it decide the purpose for which it will be spent, but also it tells us how much we have to spend. That has happened in many areas of government, and has been an accelerating part of the State's financial picture. Over the past decade, the proportion of funds that the Commonwealth provided to the States and the Territories, with conditions attached - in other words, tied grants - increased from 41 per cent in 1980-81 to nearly 50 per cent in 1990-91. In the early 1970s, the proportion of tied grants was about 25 per cent.

Mr Court: Federal Minister Dawkins said on the radio today that it will go up to about 90 per cent.

Dr LAWRENCE: That is why it is so important that Mrs Hallahan, our Minister for Education, be absolutely clear about what the Commonwealth is offering on TAFE. We welcome an increased contribution from the Commonwealth on technical and further education. However, if it attempts to say it will give us that money if and only if -

Mr Lewis: It wants to run it.

Dr LAWRENCE: It does not want to run it; it wants us to run it and take the criticism if things are not going as well as our constituents like, but with the funds and with the guidelines that it provides. That is the worst of all possible worlds, in my view, and it is not something that has been reached by national consensus. In addition, the Commonwealth is trying to divide TAFE into post school, school, and technical and further education and that does not make any sense at all. I will tell Mr Dawkins that as many times as he will listen to me. We certainly will not agree to that.

A proposal has been put together by the Premiers after very lengthy discussions by our officers and the Premiers that we do not want to upset the Commonwealth's capacity to control national economic performance and indicators. We recognise that that is a responsibility of the Commonwealth. However, by providing a guaranteed share of income tax to the States which will then grow as the economy and the population grow rather than flipping up and down as our State taxes do, we can, with certainty, develop our State services and, over time, gradually reduce our reliance on those taxes which are principally regressive and certainly, in a time like this, antibusiness and antidevelopment. That is on the agenda. We are not asking for the world. It is a reasonable proposition and I shall be most disappointed if the Prime Minister, Federal Ministers and the Federal Opposition do not look at that as a reasonable proposition. The Federal Treasury acknowledges that a 6¢ in the

dollar take for the States is not sufficient to overwhelm the Commonwealth's financial control. It is a step in the right direction. However, we still have to address the problem of tied grants and we want to see a significant reduction in the amount of funds provided in that way because, when the federation was established, the States insisted on and were given, by constitutional right, certain responsibilities which they still retain. We still have to provide the hospitals, the schools and so on.

Mr Lewis: We are sovereign States.

Dr LAWRENCE: That is right. However, what is happening because of those financial strings is that our hands are becoming increasingly tied by Commonwealth policies and procedures. Those are not national objectives or national goals; they are Commonwealth dictated goals and policies, dictated by a Government which is not close enough to the people. People tell us that they would prefer, in most cases, to have State Government or local government run services because they can approach the responsible Minister or the local member and tug on his or her shirt tails and say, "We do not like what you are doing" or "We have an important proposal to put to you." Members should try doing that with Federal Ministers on a regular basis; they will get nowhere. That is inevitable, given the size of the nation and the distance the Ministers are from their constituencies. They have no right to dictate.

The States have an equal responsibility to look at those largely inherited barriers that have been put up over the years that inhibit trade and increase costs. For instance, the boundaries in the environment area are essentially artificial. However, the Federal Minister for the Environment is insisting that we have nationally agreed objectives. We do not want a Federal environmental protection authority and we do not want another body examining and monitoring the performance or the implementation of those standards any more than we do our health standards.

Mr Cowan: You want to set the standards?

Dr LAWRENCE: Yes, and that is what happens in the health area. The State and Federal Governments set the standards, the State Health Department manages them and all levels of government abide by them. A national EPA is a diabolical proposition. That should have also been said about the Federal Health Department, the Federal Department of Education and so on at the time they were established.

Mr Court: Let's get rid of them.

Dr LAWRENCE: Frankly, we have to be political realists. In the short term, a mighty rearguard action is being fought by the Commonwealth bureaucrats, Commonwealth Ministers, and Commonwealth members.

Mr Court: Keating?

Dr LAWRENCE: Yes, Keating, Hewson and all of the other Commonwealth members see allowing the States to have responsibility for those areas - their constitutional responsibility - as a threat to their ability to sell to the electors their good ideas. If they have good ideas, they are very easily sold in the climate of a ministerial conference or a Premiers' Conference; then we can all agree that they are a good idea. They can take as much credit as they like. If they wanted to put $50 million into housing into Western Australia we would say, "Terrific, do it, but don't tell us how to spend it. That is $50 million that you are putting into the State's coffers for that purpose and if we all agree that that is a good way to spend it, that is good, too." However, the policy that they monitor it and administer it -

Mr Cowan: I hope that does not happen to the vehicle registration scheme because it will take $50 million out of that.

Dr LAWRENCE: No, it is very important that we resist that. The Minister for Transport will have a few moments to discuss some of those issues.

I hope I have outlined in general the State's position on some of these matters. We want a predictable share of revenue and the Premiers' agreed position will provide that. It is not the whole hog; it is not as far as we want to go, but we are political realists.

Mr Court: Who works out the percentages?

Dr LAWRENCE: The proposal we put would fix it for three years. The percentage has been

worked out initially on the basis of propositions from the Federal Treasury, but somewhere between $10 and $13 billion of taxation revenue in the State's hands would not upset the Commonwealth's capacity to control the national economic picture. It is based on that principle. However, built into it is the proposition that, by consensus through a council that we propose to establish, there could be increases in that proportion over time, particularly to allow us to get rid of some other taxes. The Commonwealth has failed to recognise that the States also impose stamp duty, land tax and excise, and they are all taxes that, in the best possible world, we would want to get rid of. Therefore, if we can increase the take of the national income and companies tax over time we can get rid of those other taxes. However, we cannot operate in a climate where we have no revenue options. That has been happening to the States over the last decade or two. That is why there is so much whingeing and tantrum throwing by the Premiers. They have had little choice but to do that in the past.

Mr Court: Who worked out the split amongst the States?

Dr LAWRENCE: The total amount of money given to the States would be a straight per capita allocation. However, the fiscal equalisation principle would apply to the balance and that would be sufficient to maintain the status quo. Therefore, the additional revenue that is provided to Tasmania, the Northern Territory, and Western Australia, etc, by the Grants Commission would still be done for the remainder of the revenue that comes from the Commonwealth to the States.

Mr Lewis: Is the fiscal equalisation talking only about the formula that is used? That formula can be changed whenever you like.

Dr LAWRENCE: If we get an agreement between the States and the Commonwealth, as in the case of Canada, that the process is fixed, unless there is agreement it cannot be changed. We can go from one year to the next saying that the estimated income tax revenue for the nation is X number of dollars and our share must be Y number of dollars, and get on with the business of forward planning. One of the difficulties we face - and I know the Opposition has pushed hard for forward estimates - is that the State Government can look pretty stupid because its source revenues bounce all over the place and it does not have access to the one predictable form of revenue growth in a predictable way. The Commonwealth has steadily sliced it up and given it to the State Governments in tied grants. We do not propose to change the formulas every year. Once we have done the Prime Minister the courtesy of giving him the final draft of document, I hope members will examine it carefully and if they have any better ideas, I would be happy to hear them. We must put proposals to the Prime Minister as Premiers and this matter has been researched very carefully.

I will quickly deal with the question of motor vehicle registration. That is an area in which we have agreed - not on a particular set of charges or on the principles on which those charges should be based - to do away with the differences between the States. That will require parliamentary approval, if finally agreed. I refer to differences between the States in registration procedures, classifications, various demands in terms of tonnage and weight, and all those items that are very variable between the States. They result in considerably increased costs for interstate transport companies which must change their arrangements and double handle as the vehicles cross State borders, or risk heavy fines. We must recognise that the variability in various registration fees between the States is a problem. Some companies register vehicles in one State or another depending on which imposes the cheapest fees. Therefore, competitive bidding takes place which is not necessarily helpful to the States or to the companies which must shop around until they find the best rate. That is a secondary issue, and my primary concern is the standards that govern the registration of vehicles and the differences between the States. We are trying to find a solution to that. We are concerned that some of the background papers developed - principally by bureaucrats and I do not say that in a critical way - on the basis of full cost recovery by way of road, registration, and mass vehicle fees, are not endorsed by this Government. In fact, we have taken a very tentative line on the whole question. Only today I sent a letter to the Prime Minister and to other Premiers - and I have had preliminary discussions with them - calling on the Premiers and the Prime Minister to accept the reference of taxation on the heavy vehicle industry as a matter to be discussed at the Special Premiers' Conference. Although the Government feels that reform of that sector is very important, I am concerned that it will be blunted and opposed - as the Leader of the National Party has indicated in his case - because the existing proposals with regard to road user charges are addressing only one side

of the equation. It forgets the many other taxes which apply to people using light and heavy vehicles, and which are not being taken into account in this discussion. Preliminary discussions with transport companies indicate that the heavy vehicle sector may be paying rates which are higher than the national average. Therefore, far from not recovering costs from that sector, it might be argued, on the basis of the industry's representations to the Government, that the industry is paying more than the average. I hope the Leader of the National Party is listening to me - I do not mean to interrupt his conversation but he suggested that the Department of Transport is not sympathetic to road user charges. An analysis by the Department of Transport indicates that it agrees with the industry view that the heavy vehicle industry may be paying tax rates higher than the national average. There are pretty serious anomalies between the tax rates applied on different vehicle classes. We must look at that side as well as at registration and other charges that might apply. The industry has made strong representations to me, as Treasurer, and to the Minister which outline that if full road cost recovery were introduced, for example, the net tax paid by a six axle semitrailer would be 12 per cent of operating cost. The rate for double bottom road trains would be approximately nine per cent of operating cost, and that compares with an industry average of approximately five per cent. It seems they are already paying more than their fair share.

Mr Lewis: Can you make that information available to the Opposition?

Dr LAWRENCE: This is a Press release, and I am happy to provide the Opposition with a copy.

Mr Cowan interjected.

Dr LAWRENCE: It is not looking at the whole question of taxation. The State Government has told the Federal Government that it cannot look at road cost recovery in isolation, and it must address the taxes on items such as vehicles, spare parts, tyres, tariffs, duties, excises, and all the things from which the Government gets revenue, which are a cost to the industry and in part are used to pay for the infrastructure needed, such as road maintenance, road construction, planning and the like.

Our concern is that those taxes, particularly on the intermediate stages of production, immediately impact on our primary sectors of wool, wheat, grain generally, minerals and so on. It is a big tax on the industry and if we do not recognise that in the discussion on road cost recovery, we shall be fooling ourselves. Far from lying down and copping it on this question, we are trying to advance the argument by getting the Commonwealth to look at the costs which impinge on the industry and at the revenue Governments - both State and Federal - derive from the road transport industry and the impact on users. I said at the Premiers' Conference, when we insisted on a low cost zone for Western Australia and retained the right of veto, that I would not stand by - and I am sure no Minister in this Government would and nor would the Parliament - and watch the introduction of a regime which led to a disadvantage for the people of Western Australia, and which effectively abolished the Pilbara and decimated the wheatbelt. We are not in that game; in fact, we want the reverse to happen. We want the total cost of business in this community to be reduced and not increased. Although I have some sympathy for the proposition put, I believe it should be amended.

Amendment to Motion

Dr LAWRENCE: I move -

To delete all words after "House" and substitute -

(a) supports the State Premiers' proposal for a shared national income tax system as the best way to secure a long term stable tax base to fund essential State services and to reduce reliance on the States' existing narrow tax base as a means of reducing the tax burden in Western Australia;

(b) agrees that it is in the interests of proper accountability and improved Government service for duplication and overlap of the roles and responsibilities of Government in Australia to be reduced;

(c) requires the Government to seek the approval of the Parliament before committing itself to any transfer of power or responsibility to Canberra.

I hope that I have picked up in that amendment the sentiments expressed by members. I understand that a further amendment may be suggested by an Independent member, which would pick up the last point about which the Leader of the National Party was concerned with regard to disadvantage to country members.

MR DONOVAN (Morley) [3.28 pm]: At the outset I indicate that I am extremely sympathetic to the concerns expressed, in my view quite eloquently, by the Leader of the National Party with regard to this motion. It is certainly time this Parliament expressed its concern about the new federalism. I am particularly angry at the role played by the Labor Party's national leadership struggle, which has largely been responsible for this turnaround on the part of the Prime Minister. It is one of those factors which are quite detrimental to the political future and welfare of this country. I understand the Premier's concern about the condition of Commonwealth and State relations, obviously with the forthcoming Premier's Conference, and I am inclined to accept the amendment she has proposed, bearing in mind, very importantly, that it embodies the major points the Leader of the National Party addressed in the first paragraph of the original motion. It is essential that those points be addressed. Further, I want to propose an amendment that - as the Premier suggested - will address the primary concern of the Leader of the National Party expressed in paragraph (3) of his motion.

I would be reluctant for the debate to proceed without this view being expressed. My amendment would be to add, assuming the Premier's amendment is picked up, a fourth point as follows -

> (d) before agreeing to national policy coordination schemes like National Rail Corporation and national vehicle registration, requires evidence that full priority has been given to the interests of this State, in particular to the interests of people living in rural and remote areas, and to the interests of those employed in the transport sector.

It seems to me that the interests of those people are certainly to be given first priority in this matter. I recognise that the motion moved by the Leader of the National Party, if it contained any fault at all, had the problem that it tied the Government's hands in a way I believe they should not be tied. Nonetheless, the sentiment expressed should be respected. I commend the amendment to the House.

DR ALEXANDER (Perth) [3.31 pm]: I second the amendment. I make the point that this whole debate about transportation and centralisation of control of transportation is very important.

Points of Order

Mr LEWIS: I am confused about what is happening. An amendment has been moved by the Premier to the principal motion. Before that was put another amendment was moved and has just been seconded. Should the first amendment not have been dealt with before the next was accepted.

The ACTING SPEAKER (Mr Kobelke): Having sought advice on the point of order my understanding has been confirmed that the amendment moved by the member for Morley is to amend an amendment moved by the Premier. It is therefore appropriate that they be considered together. When asking the House to decide on that amendment we will first have to consider the amendment moved by the member for Morley which, if accepted, will become part of the amendment moved by the Premier which would then be put to the House.

Mr Court: The member for Morley can only signify his intention to move the amendment.

The ACTING SPEAKER: I am ruling that the amendment moved by the member for Morley is an amendment on the amendment moved by the Premier and that it is proper they be considered at the same time.

Mr COWAN: The amendment moved is to deal with all words after "this House". I am quite sure that if you, Mr Acting Speaker, examined Standing Orders you would find that that amendment would have to be agreed to and when the time came for the Premier to insert the new words you would allow the member for Morley and the member for Perth to move and second the amendment to add further words to those being inserted by the Premier. That is my view, but I am sure that the Clerks will advise you of the correct procedure.

The ACTING SPEAKER: Having considered the point made by the Leader of the National Party and taken advice from the Clerks, I think the point made by the Leader of the National Party does reflect the Standing Orders. Therefore, my understanding is that in speaking to the motion the members for Morley and Perth are foreshadowing an amendment. If the Premier's amendment is carried by the House, I will then take the amendment moved by the member for Morley and seconded by the member for Perth.

Debate Resumed

Dr ALEXANDER: What has just happened highlights the fact that the Independents do not have enough time allocated to them in these sorts of debates. All I can do, having foreshadowed my seconding of the amendment, is sit down again.

MR LEWIS (Applecross) [3.36 pm]: The Liberal Party is concerned that the Premier, without reference to the Parliament or anyone else, put her hand up at the Premiers' Conference and agreed to something not knowing what she was agreeing to. As a result of that agreement people in both country and metropolitan Western Australia are facing trauma because of the figures bandied around about increased land transport costs. I do not believe that the Premier or the Labor Party are aware of the costs foreshadowed, particularly those in the country. It was arrogant of this Government in the extreme to agree to something when it did not know what it was agreeing to.

I have searched high and low in an attempt to gain an understanding of what has been agreed. I believe an agreement has been signed and that the State will combine with the other States of Australia to take part in a national rail corporation and a national transport corporation. I believe also that people from Treasury are presently working on that proposal. Despite that, today is the first time the Premier has said anything about the intent of this matter. The Liberal Party believes the Premier is taking for granted the Parliament of this State and its people because of what she thinks may happen. I can assure her that the people of this State will not accept this move if it means an abrogation of the sovereign rights of the State and their secession to the Federal Government. Those rights accompany the costing and licensing of road transport. No way exists that the public of this State will accept Canberra's telling us what we will charge for the licensing of road transport in this State.

Dr Lawrence: I agree.

Mr LEWIS: I am glad the Premier agrees because that is the first time she has said so.

Dr Lawrence: I have said it until I am blue in the face.

Mr LEWIS: The Premier has not said that previously. That is the unfortunate thing. The other point that needs to be put firmly on the record is that the Liberal Party agrees with what it calls "cooperative federalism". It sees a need to have a uniform regulation and licensing system for the operation of road transport in Australia.

There is no way in the world that we in the Liberal Party will cede the sovereignty of States to the Federal Government for it to tell us, in two, five or 10 years' time what we must charge for road transport licensing and the like in this State. It is pathetic to think of Bob Hawke, who bends with the wind as a result of the pressures on him - to my mind he is a pathetic old man - subjecting the wellbeing of Australia to his need to massage his own ego so that he can remain Prime Minister of this country.

Amendment put and passed.

Amendment to Motion, as Amended

MR DONOVAN (Morley) [3.42 pm]: I move -

To add the following -

(d) before agreeing to national policy coordination schemes like National Rail Corporation and national vehicle registration, requires evidence that full priority has been given to the interests of this State, in particular to the interests of people living in rural and remote areas and to the interests of those employed in the transport sector.

DR ALEXANDER (Perth) [3.43 pm]: In seconding this amendment I must emphasise two points. The first is that this amendment seeks to ensure that before there is any agreement to

national policy coordinating schemes such as those we have been talking about the interests of the people of the State, particularly in rural areas, must be taken into account. I believe that meets the point raised by the member for Applecross. It is not a case of agreements being made and the interests of the people in the State not being taken into account by the Parliament. If that were the case I would share the member's concern. Agreements are made outside the Parliament, and there is no prospect of the Parliament scrutinising those agreements. We underline that point, although this amendment may not be in terms as strong as the original motion requires.

Right across the rural areas of the State the restructuring of the railway system over the last several years has led to tremendous job losses. Many people have been put out of work with little chance of re-employment. In the second reading speech on the National Rail Corporation Agreement Bill this morning I was glad to learn that the rural areas of the State are not at present being affected by that proposal, but I wonder whether that is just a matter of time. The projections I have seen foreshadow huge job losses for rail workers in rural areas. That is very worrying for the workers and for the economies of those areas. Even on the east-west line, job losses are contemplated. I was examining some maps yesterday which were quite startling in their implications and which illustrate this point quite starkly. That matter is also addressed by this amendment.

Amendment put and passed.

Motion, as Amended

Motion, as amended, put and passed.

HONEY POOL REPEAL BILL

Report

Report of Committee adopted.

Third Reading

MR BRIDGE (Kimberley - Minister for Agriculture) [3.47 pm]: I move -

That the Bill be now read a third time.

As a result of an undertaking which I gave during the Committee stage of this Bill last night I have a supporting statement to table. Prior to seeking leave to do that, I have some further comments to make.

The intention of the Honey Pool Repeal Bill is to provide for the business undertakings of the Honey Pool of Western Australia to be carried on by an incorporated, unlisted public company. The company would be controlled and run by beekeepers in Western Australia. There has been deep division within the industry in the past, but fears about such divisions should not detract from the achievements made by the industry and outlined in this Bill. Giving effect to the agreement reached within the industry will help to break down these fears and give confidence to those involved. The commercialisation proposal needs to proceed on the basis that the new company is given every opportunity to be an effective competitor in the marketplace. For these reasons the Bill we have been debating has been structured in a unique way. I am pleased that members opposite have given me the opportunity to expand on some of the technical issues involved. I have decided to formalise my answers to questions raised by tabling an explanatory statement. I therefore seek leave to table this document.

[See paper No 736.]

Mr BRIDGE: In brief I have attempted to deal with each of the questions raised by members opposite in a manner that is both technically correct and more easily understandable. Points which were of concern are addressed in some detail. Of these, section 4(6) was seen to be of vital importance. The Bill provides that, for a limited time, corporations law will be overridden. It is critical that members understand that this provision does not apply for all time. It applies in order to provide for a smooth transition from the old to the new system, principally so that the requirement under the corporations law for an immediate payment for shares to be made, may be avoided.

Clause 14(1) of the Bill provides transitional arrangements to give a breathing space during which the company can determine its future operating arrangements. These include the continuance or abandonment of the pooling system.

The Bill provides for the allotment of some shares at the Minister's direction. In this context the document entitled "Proposals for Commercialisation of the Honey Pool of Western Australia" must be also considered. This outlines the extent of agreement reached with the industry and the manner in which the Government will support the changeover to the new system. Clause 7 of the Bill provides that there shall be no appeals against the Minister's decision in regard to the distribution of assets held by the statutory authority, and it is important that the reasons behind this provision be fully understood. Were this not to be the case, the will of the Parliament, in supporting the thrust of the Bill, could be decided in a place other than in this Parliament. I am sure that all members would not wish this to happen.

Concern was expressed about aspects of the B class share issue. In particular, the payment option proposed in relation to the 20¢ call was questioned. Without the provisions included in the Bill, participants without ready cash at the required moment could possibly be disadvantaged. This could flow on to affect the supply of honey to the pool which in turn could jeopardise the continued existence of the fledgling company. The limit of 18.6 million B class shares was determined on a reasonably arbitrary base as necessary to provide for the future growth of the company. Further details of this arrangement are given in the statement that I have tabled. The need to safeguard the ongoing viability of the new company is also provided for by a selective buy-back arrangement. This provision, like the one about which I spoke previously, is included to protect the continuity of supply of honey by ensuring a smooth hand-over of production from one supplier to another should this be necessary.

Members opposite were also troubled in relation to the non-beekeeper representation of the Western Australian Farmers Federation. I can assure members opposite that the arrangements to be implemented were recommended by the federation because of the need for an appropriate person who would be impartial and at arm's length from the industry. The distribution of A class shares to participant beekeepers over 10 rather than five years was seen to be an equitable treatment and a recognition of past long term support for the honey pool system. Matters associated with the revolving fund have been dealt with extensively in the statement I have just tabled. Essentially, moneys in this fund are beekeepers' moneys and therefore may be applied as individual beekeepers see fit. To balance this, the company will be given access to a lesser amount of beekeepers' money in the suppliers' fund. Also, to assist the early survival of the new company, a number of A class shares have been set aside to provide a safety valve. This will enable the company to assist those beekeepers who believe they have been inequitably treated by the A class share distribution.

Finally, I again thank members of this House for supporting this Bill. I realise that the issues contained in it are complex, but I believe that its passage will be of benefit to the industry. No doubt, if this Bill is accepted by the Parliament, there will be need for ongoing discussion in order to ensure that any directions I may give meet with the general approval of those involved. I give an undertaking to the House that I will consult the industry at all appropriate times.

MR OMODEI (Warren) [3.55 pm]: I note in the Minister's third reading speech that the briefing notes were supplied to make some provisions of the Bill more understandable. I hope that is not a reflection on members in this place. Some matters of corporations law are of a complex nature and continue to be for me, although the Minister has tabled a supporting statement. I am sure that area will be questioned further in another place. I appreciate the efforts made by the Minister and his department to ensure that we have a greater understanding of matters of a more technical nature.

I thank the Minister for his explanation about the transitional pooling system devised to allow for proper transition from the old Honey Pool to the new company. I thank him also for the comprehensive list of instructions on how corporations law will affect parts of the Bill. The allotment of shares is also a complex matter. I understand now that 18.6 million shares is an arbitrary figure, although at the second reading and Committee stages I wondered how that amount had been arrived at. Apparently there is no special reason.

The 20¢ call on B class shares was another concern, and I accept the Minister's explanation.

I am sure that members of the honey industry will have the opportunity between now and the transmission of the Bill to another place to question that point if they have a problem. The selective buy-back of shares has been explained satisfactorily. My concern was that perhaps members of the industry would be disadvantaged. I understand that measure is to maintain a viable new industry and a continuation of the supply of honey. The operations of the validation committee have been explained satisfactorily. That committee will be set up to oversee the allocation of the free issue of shares. I had, and still have, some difficulty with the 4¢ per kilo levy for the new suppliers' fund because I do not understand the reduction when the levy will increase from 3¢ to 4¢. The old Honey Pool had a revolving fund to which the 3¢ per kilo was allocated; now that levy will be increased by 25 per cent and allocated to the new fund. My question was whether it was necessary to have that provision incorporated in the legislation. As I understand it, the new limited company, Wescobee, has agreed to levy the extra cent per kilo. I suppose the 4¢ per kilo will be put to good use.

Clause 7 relating to appeals against the Minister has been well explained by the Minister. I have no difficulty with that. While it may seem unusual for the Minister to provide supporting statements for the Bill, and it may be that the questions asked at the second reading stage could have been asked earlier, matters of a complex nature arise only during debate. The Bill is in much better shape now that it was at its introduction. In hindsight it may well have been better for members on both sides of the House to have consulted more closely so the Bill was in better shape on its introduction. I have no problem with the Bill; it is an innovation to corporatise what has been a statutory authority in the past and with the support of industry I hope it succeeds. There will be adequate opportunity between now and the Bill's transition to the Legislative Council for the industry to comment further on the Minister's statement, and I am sure the Minister would be available to discuss that with the industry. I have great pleasure in supporting this Bill. Consultation with industry has been good and it augurs well for a solid honey industry in the future.

Question put and passed.

Bill read a third time and transmitted to the Council.

DAYLIGHT SAVING BILL

Returned

Bill returned from the Council without amendment.

QUEEN ELIZABETH II MEDICAL CENTRE AMENDMENT BILL

Second Reading

Debate resumed from 26 September.

MR MINSON (Greenough - Deputy Leader of the Opposition) [4.03 pm]: I have no problems with this Bill, although I am a little surprised that we even needed to introduce a Bill of this nature into the Parliament. Perhaps to save time in the Committee stage, could the Minister advise me why the facility cannot be built there?

Mr Wilson: That is made clear in the second reading speech.

Mr MINSON: Is there something in the law that says they cannot establish such a facility?

Mr Wilson: An agreement was reached that the medical centre site was the preferred site and the medical centre trust, which governs the site, was approached and it indicated that it had no objection on the understanding that progressive and final programs were approved. However the Crown Solicitor at the time indicated that the present definition of "medical centre" in the Act presented a problem. The presence of a coroner's court would be incidental to the purposes of the medical centre as defined. Unfortunately it is a legal technicality that we must overcome by amendment.

Mr MINSON: I was talking to someone who indicated his surprise that such legislation was necessary; and he thought it could be done with the existing legislation. Obviously it cannot. The Minister's second reading speech states that the trust "with the approval of the Minister" may set aside whole or part of the medical centre for purposes incidental to the medical centre. That indicates a fairly broad brush approach. Is that clause inserted to get around

any future problems with something which might be built there, or does the Minister have something in mind now?

Mr Wilson: No.

Mr MINSON: It is a sensible move and I see no reason why we should not have a coroner's facility on the site. The Liberal Party is happy to support the Bill.

DR TURNBULL (Collie) [4.07 pm]: This Bill is a reflection of an extremely important activity within the process of government. The process of government is for the convenience and management of those facilities which the community requires. In this case the community requires a coroner's court. It requires laboratories where autopsies can be conducted and a place where the legal activities of the Coroner's Court can proceed. I am pleased that the Coroner's Court will be relocated at the Queen Elizabeth II Medical Centre because this will provide an environment for people who have to attend the Coroner's Court which does not cause the same degree of anxiety or concern as a coroner's court located at a judicial site. It is a forward thinking move for the Coroner's Court to be in the same location as the autopsy facilities. It provides a much more conducive atmosphere to those people who have to attend such courts. The other reason I would like to commend the Government for moving to combine the laboratory areas with the Coroner's Court is that it will reduce duplication. Obviously, if the two activities are on the one site, the whole system will be able to run with a little less complication and with more direct coordination. I regard the activity that has gone on through all stages of this Bill as very important and as a positive step in the further management of the Health Department and the judicial section of the Government of Western Australia.

Question put and passed.

Bill read a second time.

Third Reading

Leave granted to proceed forthwith to the third reading.

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

MEDICAL AMENDMENT BILL

Second Reading

Debate resumed from 15 May.

MR MINSON (Greenough - Deputy Leader of the Opposition) [4.08 pm]: This is a very small Bill and my contribution in this debate will be similar in length to the Minister's second reading speech. I have not seen a second reading speech with printing so large. I can find nothing wrong with the Bill and have consulted the Australian Medical Association, which has no problems with the Bill but which expressed some concern that as a matter of principle such an arrangement should not be seen as establishing a precedent and that this sort of thing should not continue to happen. I am not sure why the AMA made that statement and I have not followed it up.

Mr Wilson: It would be very much related to the registration of people qualifying overseas, and the AMA's opposition to that.

Mr MINSON: I can understand that. Why did we not proceed with the medical amendment legislation which was proposed last year?

Mr Wilson: It was deferred in the upper House pending further discussion with medical bodies and we subsequently agreed to a comprehensive review of the Medical Act prior to proceeding with anything.

Mr MINSON: So this Bill is similar except for that one clause?

Mr Wilson: Yes, we are proceeding with this part and not the other parts at this stage.

Mr MINSON: Will those other clauses of the Medical Amendment Bill 1990 be considered in the review of the Medical Act?

Mr Wilson: A review is being undertaken by a representative working party prior to legislation being proposed.

Mr MINSON: What has happened to the medical practitioner in the meantime?

Mr Wilson: She has continued to receive approval to practice on a number of prescribed bases.

Mr MINSON: She will be pleased to see this Bill receive Royal assent. I am satisfied with the Minister's replies and see no reason for any medical practitioner being denied the possibility of practising because of a technicality. The Liberal Party has no reservations in supporting it.

DR TURNBULL (Collie) [4.11 pm]: Although I have not seen the full details of this case I do not think it is up to the Parliament to legislate for only one case. I object to the need to amend a Bill for one person because I know of many people who came to Western Australia on the understanding that they could commence practising as a doctor even though they had overseas qualifications. Many of those people were under the impression that they could work in Western Australia for a certain time and then receive registration. The drafting of this Bill has been carried out carefully to ensure that only one medical practitioner will be accommodated and so it does not open the door for other people who are in the same situation to make application under the law. I predict that many people will want their cases reviewed after this Bill is passed. It is unfortunate that we are amending the Bill for only one person to practise in Western Australia because many people are forced to operate in Western Australia under temporary licences, and are restricted to practising in only certain hospitals and certain areas.

There will always be exceptions to the law, but we cannot amend Acts for those exceptions because they are too many. The Minister and the department should devise a way of dealing with those exceptions in the most humane way possible. An example of exceptions to the law is that of women who became widows before the Federal Government abolished widows' pensions and introduced social security benefits. Those women were no longer classified as widows but as supporting mothers or old age pensioners. No law was passed to make an exception for those women and they were condemned to having their legal status as widows defined by the Department of Social Security. Exceptions to the law should be dealt with within the context of the law at the discretion of the department and the Minister. Why did that not happen in this case? The Minister's second reading speech said that this amendment was being introduced for only one person and I will permit that explanation to temper my support for this Bill. However, I would not be surprised if some people felt that they could be covered by this amendment. With that warning I support the Bill.

MRS EDWARDES (Kingsley) [4.15 pm]: I rise on this Bill primarily because of the concerns of a constituent of mine. The Minister has received letters and a personal deputation from my constituent, Dr Muller, who practised in Sydney and elsewhere in New South Wales for 25 years. When he came to Western Australia he was not able to practise as a doctor. When the Minister met Dr Muller and me last year, he indicated that a Bill to amend the Medical Act would be introduced some time in the near future. My constituent was led to believe that if it was not introduced in the spring session last year or the autumn session this year, it would be introduced in the spring session this year. This amending Bill does not provide for Dr Muller to practise in Western Australia and that is an outrageous situation. Will the Minister explain why this amendment, which applies to one person, does not apply to my constituent who was led to believe that the amendment to the Medical Act would accommodate his situation and allow him to practise in Western Australia?

MR WILSON (Dianella - Minister for Health) [4.17 pm]: I thank members for their varying degrees of support for this Bill. The member for Collie has raised concerns that the provisions of this Bill will open the way for other practitioners to put forward their cases. I do not intend to divulge the identity of the person whom this Bill will benefit; however, this Bill centres on the case of a person who, as far as the research available indicates, is the only person to have a written notification of guarantee from the Health Department of the day saying that this would be made available to her. It is on that basis that this amendment is being extended to her case and her case alone. The amendment rectifies the binding nature of an agreement into which she entered with the department of the day and to which, I believe, she is entitled. The introduction of this amending Bill was the only way to do that and it will overcome an instance of considerable injustice felt by the person concerned about the original undertaking given to her.

The case of the constituent referred to by the member for Kingsley was brought to my attention and I did meet the member and her constituent and discuss the intention to proceed with further amendments to the Medical Act. However, in further discussions I held with the Australian Medical Association and the medical board, it became clear that a more comprehensive review of the Act and the present state of medical registration in this State was needed before that matter could be properly addressed. The issue of the registration of doctors who are trained overseas and whose qualifications are not recognised in Australia has caused some aggravation within the profession. I realise that in Australia the situation varies from State to State and it could be perceived to bear unjustly on some people. A person who was fully registered as a doctor under the conditions which previously applied in New South Wales could not move to this State and, on that basis, be registered here. It is a matter which is caught up in the concerns of the medical profession about the oversupply of doctors in the community. It is not an undue concern.

Dr Turnbull: The Federal department says there is an oversupply of doctors.

Mr WILSON: There is an oversupply and I am not questioning that, but there is an uneven distribution of doctors. For that reason it is very difficult for the Government to explain to the community that there is an oversupply of doctors in this State. Some Governments, particularly the New South Wales Government, have allowed large numbers of foreign doctors to practise in country areas, but Western Australia has not taken that option. Successive Governments in Western Australia have taken the view that it is more important to train our doctors locally, to support the medical school at the University of Western Australia and to ensure that there is a supply of medical practitioners for this State. They have not tried to solve their problems by allowing foreign doctors to register in this State without proper scrutiny. Certain individuals get caught up in this system and there certainly have been some injustices in individual cases.

It is the opinion, after consultation with the profession and the board, that if we are to properly address the doctors' situation as it applies to Western Australia we must have a comprehensive review of the Act. At the moment a working party comprising representatives from the profession, the board, the Health Department and health consumers is preparing a report which will form the basis for a comprehensive review of the Medical Act. I hope the report will be released for public comment some time next month. Following that process the Government will proceed to draft a Bill which will involve a comprehensive review of the Medical Act. In the meantime, the Federal Government, through the Federal Minister for Education, Employment and Training - I doubt whether he remembers that he is a Western Australian - is undertaking unilateral decisions with respect to opening up the boundaries for overseas trained personnel across the board, without, in my view, proper scrutiny of their qualifications. That will surely complicate the situation.

The situation is confused, but this Government intends to proceed with an orderly and proper review of the Act. I hope, following public comment on the working party's report, that the legislation will be introduced in the autumn session next year because these matters need to be resolved as quickly as possible. I regret that it has not been possible to proceed with this legislation as quickly as I had anticipated to assist the constituent of the member for Kingsley. I can assure her that her constituent has not been forgotten and that the Government is addressing the issue. I commend the legislation to the House.

Question put and passed.

Bill read a second time.

Third Reading

Leave granted to proceed forthwith to the third reading.

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

House adjourned at 4.26 pm

APPENDIX A

ENROLMENTS PER MEMBER OF THE ASSEMBLY THROUGH HISTORY
(BASED ON TABLE 2 OF 1990 WA ELECTORAL COMMISSION PUBLICATION "ELECTORAL HISTORY IN OUTLINE")

Zone	Year of redistribution	No of Members	Enrolments	Average enrolment per Member	Ratios of average enrolments per Member ☆
Metropolitan		12	58,876	4,906	3.63
Rural	1904	34	99,549	2,928	2.17
North West		4	5,401	1,350	1
Metropolitan		12	53,700	4,475	2.88
Rural	1911	34	91,736	2,698	1.74
North West		4	6,219	1,555	1
Metropolitan		17	111,027*	6,531	8.01
Agricultural	1929	21	85,693	4,081	5.01
Goldfields Mining & Past	*	8	15,900	1,987	2.44
North West		4	3,259	815	1
Metropolitan		20	171,414	8,571	7.94
Agric Mining & Past	1948	27	120,750	4,472	4.14
North West		3	3,240	1,080	1
Metropolitan		21	198,187	9,437	7.11
Agric Mining & Past	1955	26	130,374	5,014	3.77
North West		3	3,980	1,327	1
Metropolitan		22	231,937	10,543	6.97
Agric Mining & Past	1961	25	134,110	5,364	3.55
North West		3	4,539	1,513	1
Metropolitan		23	265,026	11,523	5.26
Agric Mining & Past	1966	24	139,723	5,822	2.66
North West Murchison Eyre		4	8,755	2,189	1
Metropolitan		23	356,429	15,497	4.21
Agric Mining & Past	1972	24	179,759	7,490	2.04
North West Murchison Eyre		4	14,715	3,679	1
Metropolitan		27	420,925	15,590	2.94
Agric Mining & Past	1976	24	190,808	7,950	1.50
North West Murchison Eyre		4	21,220	5,305	1
Metropolitan		30 #	486,725	16,224	2.44
Agric Mining & Past	1982	23	197,428	8,584	1.29
North West Murchison Eyre	#	4	26,561	6,640	1
Metropolitan		34	669,293	19,685	1.88
Non-Metropolitan	1988	23	240,081	10,438	1

☆ Ratios of average enrolment per Member in each zone relative to the zone with the lowest average enrolment per Member

* As from 1929 metropolitan enrolments exceeded non-metropolitan enrolments.

\# As from 1982 the number of metropolitan MLAs exceeded non-metropolitan MLAs.

QUESTIONS ON NOTICE

JUVENILE OFFENDERS - LAKE JASPER CUSTODY PROGRAM, D' ENTRECASTEAUX NATIONAL PARK

1523. Mr OMODEI to the Premier:

(1) With reference to the Premier's media statement of 14 August, 1991 regarding the Lake Jasper custody program what are the details of the custody program for juvenile offenders which is proposed for Lake Jasper in the D'Entrecasteaux National Park?

(2) Can the Premier confirm that the program is scheduled to start in October 1991, and if not, why not?

(3) What are the names of people from the Gnuraren Aboriginal community who are to be involved in the program?

(4) Has the Premier inspected the Lake Jasper area and availed herself of information on the topography of the area, and if not, why not?

(5) Is the Premier aware that the Lake Jasper area is subject to inundation for at least four months of the year?

(6) Will the Premier advise the anticipated full year cost of the custody program and if not, why not?

(7) Has the Premier consulted the Nannup Shire Council in relation to the suggested custody program, and if not, why not?

(8) Has the Premier canvassed the opinions of adjacent landholder and tourism related businesses within the Nannup-Lake Jasper area to ascertain their opinions as to the feasibility of the custody program, and if not, why not?

(9) Will the Premier advise on whose advice the decision was made to select Lake Jasper for the implementation of the young offenders custody program, and if not, why not?

(10) Will the Premier advise as to whether the new custody program is intended for young Aboriginals only and if so, why would any program in the south west for young offenders be for Aboriginals only?

(11) What provisions have been put in place should the program be unable to continue at Lake Jasper in the months when there are adverse weather conditions?

(12) Where will young offenders be rehabilitated in the months when the Lake Jasper area is subject to inundation or adverse weather conditions?

Dr LAWRENCE replied:

The details are in a report which I will forward to the member for Warren. The Lake Jasper-D'Entrecasteaux National Park area is one location of several being developed for this project. The project area extends to the Busselton, Augusta and Walpole areas. I am also aware that in August 1991 Hon Barry MacKinnon and Hon Barry House were verbally briefed about the Lake Jasper program by Mr Mike Hill.

(2) The alternative custody component of the Lake Jasper project will not commence operation in October 1991. The commencement date has been set back to 8 November 1991 and is ultimately dependent on the purchase of land near the D'Entrecasteaux National Park. At present land has not been purchased. Lease arrangements are being investigated which, if successful, will lead to an early commencement of the project.

(3) The Gnuraren Aboriginal Community and Association has numerous members. Those actively involved in the Lake Jasper project are -

Mike Hill	Lola Corbett
Valerie Cole	Mitchell Thompson

Wayne Webb	Vivien Thompson
Tony Watson	Glen Hill
Mark Hutchins	Dave Corbett
Barry Corbett	John Pell

(4) No. The Minister for Community Services has inspected the site.

(5) Yes. Despite this the area is still accessible by four wheel drive vehicles. The Gnuraren Association and Department have four wheel drive vehicles.

(6) The full year cost for the program is $325 000. For this cost the project will have from six to eight children in alternative custody every day of the week for a full year. The comparative cost for six to eight children placed in a juvenile detention facility is approximately $600 000. Part of the $325 000 will be utilised to provide additional services to conditional release order and "at risk" children.

(7) The Gnuraren Association has had contact with CALM workers in the area, the local Tourism Commission, individual business people and land owners. Contact with Nannup Shire Council has not occurred as the project may span several shires. The intention is to formally advise the shire councils in due course. The Nannup Shire Council has written to Hon Eric Ripper MLA asking for information about the project. The Minister has responded.

(8) Some local business people, land owners and the local Tourism Commission have been canvassed.

(9) The Gnuraren Aboriginal Community and its association selected the location because of its cultural significance and isolation.

(10) The program is in practice most suitable for Aboriginal offenders but is in principle available for other offenders as well.

(11) The alternative custody project will utilise other employment, education, recreation and cultural sites. Other project locations in the Jarrahwood, Pemberton and Margaret River areas are available for youths during their period of custody.

(12) As previously stated the project is not confined to Lake Jasper alone. Other sites have been developed and links with various agencies established that will facilitate work, recreation, training and cultural activities for young offenders.

BLACK, MRS HELEN - LANDS DEPARTMENT EMPLOYMENT

1610. Mr MINSON to the Minister for Lands:

(1) Did a Mrs Helen Black work as a draftsperson for the Department of Lands?

(2) If so, for how long?

(3) Why did she cease to work for the department?

Mr D.L. SMITH replied:

(1) Mrs Helen Black was employed as a drafting assistant with the Department of Land Administration.

(2) Her employment with the department was from 13 January 1975 to 15 May 1990.

(3) She requested her employment be terminated on the grounds of ill-health.

LAND - LOT 1157 JOHNSON ROAD, MANDOGALUP
Resumption

1622. Mr MacKINNON to the Minister for Lands:

(1) When did the Government resume lot 1157 Johnson Road, Mandogalup?

(2) For what purpose was the land resumed?

(3) Does the Government still own the land?

(4) If not, who is the current owner of the land?

Mr D.L. SMITH replied:

(1) The Government has not resumed lot 1157. The most recent transaction over this land occurred in 1973 when it was transferred under private treaty for a consideration of $45 000. This was a sale from one Arnoldus Fransiscus Leijser to Alcoa of Australia (WA) Limited.

(2)-(3) Not applicable.

(4) The land has been continuously owned by Alcoa of Australia Limited following its 1973 purchase.

COLE, MR MICHAEL RONALD - PREMIER AND CABINET DEPARTMENT
Executive Officer, Level 5, P1601659

1676. Mrs EDWARDES to the Premier:

(1) Is the substantive classification and position of Michael Ronald Cole, Executive Officer, Level 5, P1601659 within the Department of Premier and Cabinet, effective from 12 July 1990 as shown in the Public Service Notices on 5 June 1991?

(2) If so, has Mr Cole taken up his position within Premier and Cabinet and, if not, in which position and on what level is he currently working?

(3) Who is presently acting in the position of Executive Officer, Level 5, Premier and Cabinet; what substantive level is this officer; and for how long has this officer been a public servant?

Dr LAWRENCE replied:

(1) Yes.

(2) No. Mr Cole continues to undertake the role of Executive Officer, Level 5, in the office of the Minister for Lands; Planning; Justice; Local Government; South West.

(3) Katherine Jennifer Allum. Ms Allum is substantively classified as Level 2. She has been employed as a public servant since 24 April 1985.

PREMIER AND CABINET DEPARTMENT - EXECUTIVE OFFICER, LEVEL 5, P1601659
Job Description Form Tabling

1677. Mrs EDWARDES to the Premier:

Will the Premier table the job description form for the position of Executive Officer, Level 5, P1601659 within the Department of Premier and Cabinet?

Dr LAWRENCE replied:

Yes.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS 1991-92" PART 2, DIVISION 19
"Step by Step" Project Allocation

1678. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements under "Planned Achievements 1991-92" -

(a) how much money is expected to be allocated to the project "Step by Step";

(b) who is going to carry out the project and how;

(c) what is the expected outcome of the pilot project;

(d) what is the package of training and support mechanisms likely to consist of;

(e) whereabouts in the northern suburbs will the project be targeting?

Dr WATSON replied:

The "Step by Step" project is to be conducted in the northern suburbs by the Office of Women's Interests. The Women's Advisory Council is also undertaking a project called "Increasing women's participation in decision making at community level". Planning is currently under way to jointly conduct these two programs to ensure efficient use of resources. However, this planning is in the early stages and full details are not yet available.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19
"Women's Plans"

1679. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements under "Planned Achievements for 1991-92" -

(a) what are the "Women's Plans" referred to; and

(b) how will they be coordinated?

Dr WATSON replied:

(a) Government agencies will be required to demonstrate the relevance and responsiveness of their programs and service delivery through the development of a women's plan.

(b) The Office of Women's Interests will coordinate the development of women's plans and has developed guidelines for agencies. OWI will offer consultative support and seminars for planners and policy staff.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19
"Maths Multiplies Your Choices" Campaign

1680. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements under "Planned Achievements for 1991-92" -

(a) who is carrying out the evaluation of the "Maths Multiplies Your Choices" campaign;

(b) how is the information being processed;

(c) do the education district officers have the database capacity for identifying the gender outcomes?

Dr WATSON replied:

(a) The evaluation report will be prepared by the coordinator of the Women in Science and Engineering project at the University of Western Australia, in consultation with members of the campaign advisory committee.

(b) Standard statistical techniques will be used.

(c) No. Access to that data will be available through the Secondary Education Authority.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19
Portfolio-specific Database - Women on Boards and Committees

1681. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements, how is the portfolio-specific database to be developed to increase the representation of women on boards and committees?

Dr WATSON replied:

The Women's Register is a portfolio-specific database, and aims to increase the representation of women on boards and committees. It is being developed jointly by the Office of Women's Interests and the Department of the Cabinet, utilising software specifically developed for this purpose.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Subprogram 1.3 Community Initiatives - Specialist Library on Women's Issues Allocation

1682. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements in respect to subprogram 1.3, Community Initiatives, what is the amount to be allocated for the specialist library on women's issues?

Dr WATSON replied:

$3 100.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS for 991-92" PART 2, DIVISION 19

Subprogram 1.2 Community Consultation - Estimates of Expenditure Reduction

1683. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of Program Statements, in respect to subprogram 1.2, Community Consultation, why is there a reduction in the estimates over the actual expenditure in 1990-91?

Dr WATSON replied:

The Office of Women's Interests contingency budget, minus the set Women's Trust allocation, has been reduced from $398 000 to $205 000. This necessitated reductions across all subprograms. In addition a reduction of one FTE has been achieved in this subprogram due to the efficiencies achieved through the amalgamation of the Office of Women's Interests.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Subprogram 1.1 Improving Opportunities for Women; Subprogram 1.2 Community Consultation; Subprogram 1.3 Community Initiatives - Estimates 1991-92 Breakdown

1684. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements, what is the breakdown of the 1991-92 estimate of Subprogram 1.1, Improving Opportunities for Women; and for Subprogram 1.2, Community Consultation and Subprogram 1-3, Community Initiatives?

Dr WATSON replied:

Subprogram 1.1: Improving Opportunities for Women

Salaries	$186 000
Contingencies	$ 20 000

Subprogram 1.2: Community Consultation

Salaries	$119 000
Contingencies	$ 90 000

Subprogram 1.3: Community Initiatives (includes the Women's Trust)

Salaries	$326 000
Contingencies	$262 000

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Women's Information and Referral Exchange Allocation and Expenditure

1685. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements -

(1) What is the fund allocation for the Women's Information and Referral Exchange (WIRE) for 1991-92 and what was its actual expenditure for 1990-91?

(2) What allocation of funds has been made to WIRE for the rural and metropolitan Outreach programs?

(3) What are the 10 locations referred to?

(4) How is it proposed to operate these Outreach programs?

Dr WATSON replied:

(1) 1991-92 Fund Allocation $321 000
1990-91 Expenditure $310 000.

(2) $3 600.

(3) The office is currently in the processing of negotiating with community and Government agencies to coordinate the Outreach program, based on existing projects so as to maximise service delivery and minimise cost.

(4) See (3).

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Contingencies $435 000 Breakdown - Expenditure 1990-91 Reduction Reason

1686. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements, what is the breakdown of the contingencies figure of $435 000 and for what reason is there a reduction of $193 000 on the actual expenditure in 1990-91?

Dr WATSON replied:

The breakdown of the contingencies budget is -

$	
230 000	Women's Trust
90 000	Community Consultation
63 000	Corporate Services
32 000	Community Initiatives
20 000	Improving Opportunities for Women
$435 000	

The reduction from last year's expenditure is due to across-Government savings to be made in this financial year. The Women's Trust is a set allocation and is maintained at the same level as last year.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

"Issues and Trends" - Government Policy on Women's Needs in Employment and Workplaces

1687. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements, under "Issues and Trends" on page 116, how is the Government proposing to ensure the needs of women are considered in Government policy relating to employment and workplace issues?

Dr WATSON replied:

The establishment of the new Department of Employment, Vocational Education and Training (DEVET) includes strategic initiatives to ensure that the workplace and employment needs of women are considered. The Office of Women's Interests works closely with the Women's Unit and will be working with the new DEVET to product a Women's Plan for 1992-93. The development of women's plans by several Government agencies which are addressing workplace issues will ensure their programs and services meet the needs of their female clients.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Program 1.0:Status of Women - Estimates of Salaries Increase

1688. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements, Program 1.0, Status of Women, for what reasons is there a percentage increase on estimates of salaries as against the actual expenditure in 1990-91; when there is no increase in the number of full time equivalents (FTEs)?

Dr WATSON replied:

Natural increments and wage rises have caused the increase. In addition, some positions were not occupied for the full duration of the 1990-91 financial year, which meant savings were made on actual expenditure during that time.

PROGRAM STATEMENTS - "PLANNED ACHIEVEMENTS FOR 1991-92" PART 2, DIVISION 19

Achievements for 1990-91 - "Women in Decision Making" and "Active Expressions" Conference Costs

1689. Mrs EDWARDES to the Minister assisting the Minister for Women's Interests:

Referring to Part 2, Division 19 of the Program Statements and the Achievements for 1990/91, what were the costs of each of the conferences "Women in Decision Making" and "Active Expressions"?

Dr WATSON replied:

"Women in Decision Making" was a one day conference attended by approximately 200 participates at a cost of $5 155. "Active Expressions" was a three day conference attended by approximately 500 participants at a cost of $18 240.

LAND - PORT KENNEDY AREA

Federal Heritage Listing

1731. Mr LEWIS to the Minister for Planning:

(1) Is the Federal Government taking action to list a large parcel of private and Government owned land in the Port Kennedy area for interim Commonwealth Heritage listing?

(2) If so, when is it expected such listing will be promulgated?

(3) If so, how would such listing affect the proposed Secret Harbour and Port Kennedy developments?

Mr D.L. SMITH replied:

(1) Yes.

(2) The interim listing was to be considered by the Australian Heritage Commission at its meeting on 5 November 1991.

(3) If listed, the land would be subject to the Australian Heritage Commission Act 1975.

PROFESSIONAL LIABILITY - NEW LEGISLATION

1750. Mr MacKINNON to the Minister representing the Attorney General:

(1) Is the State Government considering introducing legislation to allow Government approval of schemes for professionals to provide for limited liability, compulsory professional indemnity insurance, risk management and complaints and disciplinary structures?

(2) If so, in which areas will the legislation apply?

(3) When is it anticipated that the legislation will be introduced into the Parliament?

Mr D.L. SMITH replied:

(1)-(3)

A Government motion for the establishment of a Select Committee to examine professional liability is currently before the Legislative Council.

BUSINESS ENTERPRISES - LOCAL ENTERPRISE CENTRES

Government Funding

1754. Mr MacKINNON to the Minister for State Development:

(1) How many new enterprise agencies does the State Government now fund?

(2) What is the total amount of funding committed to those agencies?

(3) How many does the Government plan to establish during the coming year?

(4) Where are the agencies currently located and where are the new agencies to be established during the 1991-92 year?

Mr TAYLOR replied:

(1) The State Government presently funds 15 local enterprise centres and one workspace centre.

(2) The total funds committed to these centres from the 1991-92 Budget is $830 000.

(3) The State Government has allocated funds from its 1991-92 Budget to facilitate the establishment of an additional four local enterprise centres. The Department of State Development is presently seeking access to Commonwealth funds under the Department of Primary Industry and Energy's business advisers in rural areas program. It is envisaged that should funds become available from the Commonwealth, a further five centres will be created.

(4) (a) Local enterprise centres are presently located in -

Albany
Broome
Bunbury
Esperance
Fremantle
Geraldton
Maddington
Manjimup
Margaret River
Midland
Narrogin
Port Hedland
Rockingham
Tambellup
Wanneroo

The workspace centre is located in Midland.

(b) The location of the proposed new local enterprise centre has not yet been determined. Applications from interested parties are due for lodgment with the Department of State Development on 22 November 1991.

SPRAYING - VEGETATION, BANNISTER CREEK, LYNWOOD
Glyphosate Herbicide Trade Name

1759. Mr KIERATH to the Minister for Water Resources:

(1) Further to my question on notice 1594 of 1991, with respect to the chemical spraying of vegetation abutting Bannister Creek in Lynwood, what is the trade name of the glyphosate herbicide used for this spray program?

(2) Does this formulation contain surfactants?

(3) Do studies (Monsanto) show that some of these glyphosate formulations, including the chemical known as Roundup, are not recommended for use in aquatic and wetland areas due to the toxicity of surfactants to aquatic organisms?

(4) Do studies also show that accidental exposures to glyphosate herbicides have resulted in bronchial constriction, nausea, headache, pleuritic chest pain, conjunctivitis, contact dermatitis, nervous system disorders and other complaints?

(5) Do studies show that, in some glyphosate herbicide, the surfactant is more toxic than the active ingredient?

(6) Does another glyphosate herbicide known as Rodeo not contain these surfactants?

(7) Would the Minister consider using this herbicide in future in wetland areas?

(8) Will the Minister instruct operators using herbicides in public places to display warning signs and leave these on-site for a period of at least 24 hours?

Mr BRIDGE replied:

(1) Nufarm Glyphosate 360 herbicide.

(2) Yes.

(3) Glyphosate is used at this and similar sites to control grass and weed growth between low water mark and the top of the bank and other areas not accessible by tractor lawn mowing equipment. It is not used for control of water weeds and consequently is not sprayed over the flowing water in the drain. The surfactant has similar toxicity to the active ingredient, as the herbicide is not directly sprayed over the water and is inactivated immediately in the soil; it is not expected to affect aquatic organisms in this application.

(4) Glyphosate herbicides have a low toxicity hazard. Accidental exposures at high levels may case the physical conditions described in humans. Water Authority operators use personal protective equipment when handling the herbicide.

(5) The surfactant used in Glyphosate 360 has a similar toxicity to the active ingredient and the herbicide has a low toxicity when used in accordance with manufacturer's instructions.

(6) The composition of Rodeo herbicide is not known. Rodeo is not registered for use in Australia.

(7) Not applicable.

(8) Care is taken to ensure that spraying is not undertaken when the sites in public places are in use, and in this context signs in place for the duration of the spraying operation may be of limited value. Due to the low toxicity of this herbicide, there is no need to prevent the use of sprayed sites.

WATER CONSUMPTION - PERTH

1760. Mr McNEE to the Minister for Water Resources:

What was Perth's average daily water consumption in kilolitres in 1991 for the months -

(a) January;

(b) April;

(c) July;

(d) October?

Mr BRIDGE replied:

(a) 953 670 kilolitres

(b) 611 270 kilolitres

(c) 326 560 kilolitres

(d) 552 160 kilolitres

SEAGRASSES - RESTORATION RESEARCH EXPENDITURE

1761. Mr McNEE to the Minister for Fisheries:

(1) How much money did the Government spend in the financial year ending 30 June 1991 on research into seagrass restoration?

(2) How much will be spent this financial year?

Mr GORDON HILL replied:

(1)-(2)

The member has directed the question to the wrong Minister. However, my colleague the Minister for the Environment has informed me that no funds were committed to seagrass restoration in the 1990-91 financial year or have been committed in the 1991-92 financial year, as CSIRO specialists had earlier investigated this possibility and advised that restoration of important temperate meadow forming species was not feasible. The Government's object is the prevention of further loss of seagrass. The honourable member's attention is directed to the EPA Technical Series Bulletin No 30 of June 1989.

QUESTIONS WITHOUT NOTICE

PAYROLL TAX - OPPOSITION'S JOBS INCENTIVE STRATEGY

468. Mr MacKINNON to the Premier:

(1) Given the disastrous unemployment statistics announced today, will the Premier now implement the Opposition's jobs incentive strategy of announcing that no payroll tax will be paid for the next 12 months on any new employee taken on as from today by private employers?

(2) Given that such an initiative would not cost the Government in direct revenue, will the Premier also propose this idea as a national employment initiative at the forthcoming special Premier's Conference?

(3) Applicable to both questions: If not, why not?

Dr LAWRENCE replied:

(1)-(3)

I am pleased to see that for the first time in a long while the Opposition is putting its mind to contributing to the stock of ideas which the community, the Government and the Opposition, must develop to address the serious problem of unemployment. I have no argument with the Opposition's desire to do that, and I commend its leader for it. The range of initiatives taken by the Government, and future initiatives, are very important indeed. As I have

indicated in the past, payroll tax is a tax on employment for businesses above a certain threshold, and most small businesses do not pay such tax. The Leader of the Opposition's proposal will benefit those businesses which have a substantial payroll; nevertheless, the question of whether that will be an employment benefit is not as simple as the member's question suggests. This is a matter which requires careful assessment before I - or any economist - can be convinced that it would be more than a partial solution for a few businesses. I do not know whether it would have an effect on companies which are marginally deciding whether to take on new employees. Unless businesses are profitable and can look in the long term towards profitability, and increased profitability, they are not likely to make decisions regarding new employees on the basis of a simple proposal regarding payroll tax. However, I do not rule this proposal out of court. I am interested to see the details of the Leader of the Opposition's proposal as it is one that has merit. It has been floated in various forms by this Government and by other people.

Later this year or early next year I hope to see further examination of this matter, particularly following the special Premier's Conference, after which we will have the capacity to make sense of the Commonwealth and State payroll tax situation. In the interim the Government has taken action to employ directly - not a wish - 650 additional people in the public sector; to provide 2 700 extra training positions; to ensure that tax is kept to a minimum; and to provide rebates on land tax, which has a dramatic effect on the cost impediment on many businesses as opposed to a reduction in payroll tax for a small number of businesses.

The Leader of the Opposition's proposal is not a silly idea; however, it is a small part of what is necessary in the community to correct the unemployment situation. These initiatives include a reduction in interest rates; greater efficiency in Government infrastructure; a reduction in the cost of electricity; and incentives to business in many forms. Many such incentives are already provided by the Government directly through the Department of State Development and the responsible Minister. For example, tax breaks, royalty reductions and payroll tax holidays are already provided. We have taken these initiatives, and will continue to do so, because they assist the situation.

RURAL AND INDUSTRIES BANK OF WESTERN AUSTRALIA - SALE BY PUBLIC FLOAT CONSIDERATION

469. Mrs WATKINS to the Premier:

Has the Government considered selling the R & I Bank Ltd by a public float?

Dr LAWRENCE replied:

I understand this is another proposal the Leader of the Opposition, and the member for Cottesloe in particular, have been floating around the community today. The idea has a superficial appeal, although I think the R & I Bank Ltd is rather unhappy with the proposition of being floated at this stage, when the bank is undertaking some substantial work to put it in a better position than it has previously been. The proposal creates a climate of uncertainty about the bank's operations about which I know it is not very pleased. The proposal has a superficial appeal for raising short term funds for State works of various kinds in these difficult times of high unemployment. However, if one looks at the proposition seriously - and I hope members of the media and the financial and business communities will do this - the apparent benefit is almost entirely illusory.

The State, as I hope everyone would appreciate, has a long term investment in the bank, and no responsible Government would squander that investment for short term benefits, and only apparent ones at that. Given the size of the State's investment in the bank and its recent trading results, which we all know are not good, like other banks in this country, State and privately owned - this is not the best climate for banks - any immediate sale would

almost certainly result in very marginal net returns. In other words, we would first have to get back what equity was in the bank; and what remained would be unlikely to be very much, particularly if the bank were sold in the worst economic climate this State has seen for a long time. The sale of the bank would probably result in a major loss against its real value. The market conditions that are causing our terrible unemployment would result in taxpayers as a whole, past, present and future, being robbed of their rightful return on their investments if the bank were sold at this moment. If members opposite examined the proposition carefully they would reach the same conclusion that the State Government has reached; namely, that this is not a sensible proposition in the current economic climate, and certainly not in the way the Opposition suggests. If the Opposition wanted the sale to raise funds to tackle unemployment in the short term, it would have to flog the bank off now.

Mr C.J. Barnett: At least I have real questions on real subjects.

Dr LAWRENCE: Is the member for Cottesloe trying to tell me that he has not put to the business community the proposition that they should sign a letter saying that it would be a good idea to sell the R & I Bank Ltd so the Government could get money to relieve our unemployment problem?

Mr C.J. Barnett: That is an absolute fabrication.

Dr LAWRENCE: Would the member care to tell the House what he has been suggesting?

Mr C.J. Barnett: Ask another hypothetical question and make up another fantasy. Get serious!

Dr LAWRENCE: Time will tell. Seriousness means serious solutions. The people of Western Australia are not stupid; they know the difference between a good idea and a bad idea when they see it. They are not prepared to accept as a short term measure the sale of the State bank at a loss, or at a minimum marginal rate of return, to solve a problem that should be solved in the way that I outlined in my answer to the first question. We will continue to examine a range of options and to implement options - as I announced yesterday - to do what the State Government can to assist the private sector and to ensure the employment and training of our youth. Selling the R & I Bank in the worst possible economic climate for a very low return, after all the debt and so on is paid off, frankly, is not an idea that deserves the consideration of the people of Western Australia. They know that this is no more than a knee jerk reaction, a politically opportunist move. It is not a good idea, and certainly not in the form the Opposition is proposing.

LOCAL GOVERNMENT - HARVEY AND WAROONA SHIRES
Funds Utilisation Legislation

470. Mr WIESE to the Minister for South-West:

(1) Can the Minister indicate to the House what progress is being made to implement his promise to the Shires of Harvey and Waroona that he was preparing either amendments or a new Bill which would enable those shires to utilise funds currently tied up in special trust funds?

(2) Will the Minister's proposed Bill be brought before the Parliament in this session to enable those shires to utilise the funds for urgent public projects which cannot proceed until the trust funds are released?

Mr D.L. SMITH replied:

Cabinet granted approval to draft the legislation about six weeks ago. The draft Bill has now been returned by Parliamentary Counsel and will go to Cabinet for approval in the near future. I expect to bring it back to the House and, with the cooperation of the Opposition, to see it passed through both Houses in this session of Parliament.

SPEED LIMITS - LOCAL GOVERNMENT
40 Kilometer Speed Limits Legislation

471. Dr ALEXANDER to the Minister for Transport:

(1) Why has the promised legislation to allow local authorities to introduce 40 kilometre an hour speed limits in residential areas not been introduced this session?

(2) What has caused the further deferral of the legislation, which was first promised over 12 months ago?

(3) When will this legislation be introduced to Parliament?

Mrs BEGGS replied:

(1)-(3)

A committee has been set up by the Minister for Police to examine the issue of traffic problems in suburban areas and those problems resulting from schools being located in areas where the road system is not adequate to protect the safety of children. I expect to receive a copy of that report soon. Local governments will be allowed to introduce 40 kilometre speed limits or traffic calming measures in areas where it is considered necessary for the safety of the people who live there. I hope to be able to introduce that legislation in the autumn session next year.

KOOMBANA CARAVAN PARK LAND - UPGRADING TENDERS

472. Mr P.J. SMITH to the Minister for South-West:

Has an agreement been reached regarding the recall of tenders for the upgrading of the former Koombana caravan park?

Mr D.L. SMITH replied:

Yes; agreement has been reached with the City of Bunbury for a new approach to the redevelopment of what was called the north shore land in Bunbury, which includes the former Koombana caravan park site. The council has agreed that instead of all the land being offered on a leasehold basis, a core 1.8 hectares of a total of 10 hectares will be offered on a freehold basis on condition that the council is given the right to repurchase the land in the event of the developer wishing to sell that land at any time in the future and in circumstances where the council has the opportunity of approving a proposed tender for the development of that land. The decision by council will enable us to retender the area in the near future and, as part of the Bunbury harbour city project, get that project moving. Members will be aware that recently Cabinet gave approval for the Bunbury harbour city development to become part of the national better cities program; so, provided the Federal Government agrees to contribute to that redevelopment at the end of the month, we can envisage an enormous amount of development on the north shore area. That is part of the good news for Bunbury and the south west coupled with the Federal approval of the Beenup mineral sands project and the revelation that Bunbury will continue to attract 80 per cent of all country subdivision approvals in Western Australia. Some of the statistics on that town show strong economic revival for the south west.

FEDERAL-STATE FINANCIAL RELATIONS - INCOME SHARING PROPOSAL
Signed Agreement

473. Mr COURT to the Premier:

(1) Has the Premier signed an agreement with other State Premiers for an income sharing proposal for the next few years?

(2) If yes, was the deal described not as an additional State tax but as a Federal tax shared in agreed percentages by the States?

(3) Does that mean that additional levels of tax will be imposed in income earners?

Dr LAWRENCE replied:

(1)-(3)

The House will have the opportunity to debate this matter in a motion after question time. There is no agreement signed by the States. The States have signed a letter to the Prime Minister asking for this matter to be examined and that will include the options we intend putting forward at the special Premiers' Conference. From time to time the Premiers have been criticised for not being able to show a united position, not being clear about their objectives, and not being able to put forward a clear argument in favour of reducing the discrepancy between the amount of revenue we raise and the expenditure required to provide our services. Yes, we have worked together and our officers have worked together. We have examined options including a State income tax, a fixed share of revenue and access to other forms of revenue in order to arrive at this proposal that will be placed before the Prime Minister. I said yesterday that I was very disappointed that the Leader of the Opposition had chosen to make this a matter of some short term political gain as I was annoyed by the fact that my Labor Party colleagues seemed to be doing the same thing in the last few days.

Mr MacKinnon: I supported you.

Dr LAWRENCE: I am not saying that the Leader of the Opposition did not.

Mr Kierath: A bit of bipartisan support and you reject it.

Dr LAWRENCE: I said that I was disappointed that the Leader of the Opposition at the Federal level, Dr Hewson, tabled this material in Parliament yesterday in draft form before the Premiers had the opportunity to put it before the Prime Minister. I think he adopted a politically opportunistic position. As I said, I am equally critical of Labor Caucus members who have been squabbling over this issue when a great deal is at stake.

A fixed percentage share of national income tax is proposed. That would give us a predictable revenue base for Western Australia. It is designed to be revenue neutral. In return we would forgo that delightful spectacle of turning up at the Premiers' Conference every year and asking for handouts under the financial assistance grants scheme. It means that we can guarantee on the basis of the income tax returns of the nation a share to the States while preserving the principle of fiscal equalisation to ensure that additional funds are provided to the less populous States for the balance of the revenue, because six per cent is not the total amount of money that comes from the Commonwealth to the States; it represents a portion of it and it does not threaten the Commonwealth's ability to control the national economy. However, it provides the States for the first time with some real options in reforming Commonwealth-State relations. I hope when the final draft is made available to the Prime Minister - it will then be made public - members opposite will examine it carefully and will, as a matter of course, express their views to me so that when I go to the Premiers' Conference I am able to say whether it enjoys bipartisan support. I hope that it does.

MINISTERS OF THE CROWN - OVERSEAS TRAVEL DETAILS TABLING

474. Mr READ to the Premier:

When will the Premier honour her commitment to table details of ministerial overseas travel for the last financial year?

Dr LAWRENCE replied:

I apologise to the House for not having done this sooner. As members are aware, I have been away for the last couple of weeks, when it was my intention to do it. Details of the overseas travel costs by Ministers have never before been collated in this State. As far as I can establish - we have rung around the other States to check - no State in Australia has ever attempted this exercise. It has been the practice at the Federal level for some time, but none

of the State Governments of any political colour have ever or do now provide this information.

It has taken some time to get the details together, and I apologise for that. The Ministers agreed that this unprecedented move to make public their expenditures under a strict code of ethics that I took to Cabinet last year is a good move. Under the code there are very explicit guidelines for ministerial expenses. These guidelines include providing the details of the cost of all overseas travel and expenditure by Ministers, their spouses, guests and staff when accompanying the Ministers in carrying out their duties, and any reporting back to me about the purpose and costs of those expenditures is to be the subject of tabling at the end of each financial year. Any private sponsorship of overseas travel also has to be declared. That does not apply in the case of this year's travel arrangements.

The code of ethics governing travel is the most comprehensive in this country and it will be clearly available not only for the House, but for all the people of Western Australia to see. It is important that this code is strict and clearly defined so that Western Australians can have absolute trust and confidence that when members travel, whether they be Ministers or otherwise, it is quite clear what they are using taxpayers' funds for and how much it costs. This gives me an opportunity to table the first ever report of overseas travel expenses by Western Australian Ministers. It includes details of the dates of trips, the destinations, and members of the official parties, and ministerial travel expenses, associated destinations and members of official parties and total expenditure.

Mr Cowan: Does it include us also?

Dr LAWRENCE: It does include the Leader of the National Party and the Leader of the Opposition to the extent that non-imprest funds have been used. Where members' imprest funds have been used they are not recorded because no other members of Parliament, at this stage, provide details of their expenditure of imprest funds. The report details the travelling expenses of Ministers, the Leader of the Opposition and the Leader of the National Party.

[See paper No 734.]

HOSPITALS - BUSSELTON, MARGARET RIVER, AUGUSTA HOSPITALS
Services and Staff Reductions

475. Mr BLAIKIE to the Minister for Health:

(1) Following a review of the budgets of the Busselton, Margaret River and Augusta hospitals, will the Minister indicate whether there will be -

(a) any reduction in existing services; and

(b) any reduction in existing staff numbers at these hospitals?

(2) If yes, will the Minister advise in what areas there will be a reduction in services and staff?

(3) If no, will the Minister make a public statement to alleviate the widespread concern of the local communities and the staff of the respective hospitals?

Mr WILSON replied:

(1)-(2)

Before I answer the specific question, I advise members that action has been taken over the past two years to regionalise health services in Western Australia. I am aware that some members of Parliament take the trouble to keep in touch with the regional administration and the regional director of hospitals in their electorate to obtain specific information from them about their budget and other matters. Not all members take advantage of that and it is to be regretted.

In answer to the member's question I do not have the details concerning the

potential redundancies in staff or the specific details of the budgets of those hospitals with me. I will make sure those details are provided to the member within the next couple of days.

I reiterate something that has been said before on this issue; that is, there will be no impact on patient services. To ensure there is no impact on patient services all unit operations have been advised that in making productivity savings it is necessary to ensure that they are made with respect to corporate and administrative services and not to direct patient services. If, in meeting their budget quota they have exhausted all possibilities in the non-patient service areas and find, after monitoring the situation, that to meet that quota it will be necessary to impact on patient services they are required, before taking any action, to discuss the matter with the Commissioner of Health or with me. The undertaking that there will be no impact on patient services is a firm undertaking and will not be breached.

LOCAL GOVERNMENT - WARD BOUNDARY CHANGES
Ultimatums

476. Dr TURNBULL to the Minister for Local Government:

(1) How many shire councils in Western Australia were issued with an ultimatum to adjust ward boundaries to reduce the variation in elector-councillor ratios?

(2) Will he inform the House of the names of those shire councils which will be permitted to keep the current representation and will not be required to comply with his ultimatum?

Mr D.L. SMITH replied:

(1)-(2)

A total of 42 local authorities have been asked to adjust their electoral representation to try to achieve a fairer and more democratic electoral system. Of these, only one - the Shire of Donnybrook-Balingup - is within the electorate of Collie. I will not attempt to list all the shires involved, but I will provide a list of them to the member for Collie.

I have advised the 42 shire councils that I am willing to meet them and discuss any compromise they may wish to suggest. A large number of councils have taken advantage of that offer and to date I have met nine in total. A large number of the remainder have accepted the suggestions made. In one case the council suggested that I go further than I had already gone. Despite the comments of one or two local authorities, I have been surprised by the good grace and cooperation forthcoming from the local authorities concerned. I confidently expect that the 1991-92 election will be the fairest and most democratic this State has ever had.

JUVENILE REMAND CENTRES - MURDOCH PROPOSAL
Local Community and Council Opposition

477. Mr LEWIS to the Minister for Community Services:

(1) In view of the fact that the Government is to proceed with the construction of the Murdoch remand and detention centre, is the Minister aware that -

(a) the local community is totally opposed to the project; and

(b) the local council is totally opposed to the project?

(2) Is the Minister also aware that the Rangeview Remand Centre Bill, presently before the Parliament, calls for proper consultation with all parties prior to that project commencing?

(3) Why is the Minister treating the local community and, indeed, this Parliament with contempt by proceeding with the project before that legislation is considered?

Mr RIPPER replied:

(1) The Rangeview Remand Centre is not a detention centre. It is a remand

centre for juveniles who have been arrested and who are awaiting consideration of their cases by the court.

(2)-(3)

This matter has been debated extensively since the announcement of the project. Numerous opportunities have been available for residents in the area to meet me and representatives of the Department for Community Services, and to be briefed. It is understandable with this type of project that some community alarm will occur. However, when the matter is examined rationally - if people choose to do that, including people in this Chamber - it can be seen that the centre will have no impact on the quality of life of surrounding residents or on their security.

As I said yesterday, the current remand centre is in the middle of retirement village accommodation and no complaints have been received from nearby residents. The security at the new remand centre will be vastly superior to that at the existing centre. In addition, the centre is more than half a kilometre from the nearest houses and is separated from them by a freeway. The topography of the ground will screen the centre from those nearby residents. Any rational examination of this project indicates that it will have no impact on those residents.

RURAL ADJUSTMENT SCHEME - PART B FUNDING
Federal Allocation

478. Mr OMODEI to the Premier:

(1) Given that the Premier indicated in reply to question on notice 1369 on 22 October that the Federal Government allocation to part B of the rural adjustment scheme was $1.768 million, will she advise this House why she announced on 4 November that this allocation was only $1.185 million?

(2) Where did the discrepancy of $583 000 go?

(3) Is the Premier satisfied that a six per cent interest subsidy over two years - also announced on 4 November - is sufficient to assist farmers in extreme difficulty?

Dr LAWRENCE replied:

(1)-(3)

The member is aware that the Commonwealth Government indicated some two weeks ago that it would double its contribution to the States, which is now more like $3.4 million - I will double check the figure - on a 2:1 basis with the States. The Leader of the National Party may recall the figure. The Commonwealth has doubled, in principle, the amount of money that it will provide, and the State will match that on a $1 for $2 basis. The effect of that, with the interest subsidy, will be to provide for the release of funds of up to $71 million; that is, if the farmers can attract the appropriate funding from commercial sources. That is the amount of money that is effectively available to them. The interest subsidy is clearly only a small portion of that.

I have always argued that part B funding is not necessarily one of the best ways to go for farmers seeking to achieve carry on finance because of the farmers' difficulty, even with that subsidy, of convincing banks of the desirability of funding them for the next crop and for future operations. Therefore, while it is an important measure, it certainly does not solve the problems of the rural sector. That is the reason that it is critical that a range of options be available under the various sections of the rural adjustment scheme. We triggered part B finance as soon as it was clear precisely what the Commonwealth would do. The Commonwealth had hinted to us that it might increase its allocation, but over time we have become a little suspicious, and sometimes when the Commonwealth states that it will increase its allocation we suspect that that means that the Commonwealth thinks we should increase our allocation also, and we were not prepared to make that commitment until we could see the whites of their eyes. I will check on the

discrepancy, but I understand that the Commonwealth doubled its allocation to the States and that our allocation remains the same as it would have been previously.

HOSPITALS - POLLARD CONVALESCENT HOSPITAL, GUILDFORD
Closure

479. Mr BLAIKIE to the Minister for Seniors:

(1) Is the Minister aware of the closure of Pollard Convalescent Hospital in Guildford?

(2) What assessments are being done by her department to evaluate aged accommodation needs for such people throughout Western Australia?

(3) Where will the 21 people who currently reside at Pollard go if the Government forces the closure of this hospital?

Dr WATSON replied:

(1)-(3)

This question should have been addressed to the Minister for Health. Housing options for seniors and nursing homes are the province of the Minister for Health. Other housing options come to the Minister for Seniors. We are working with Homeswest to develop a range of housing accommodation options for people over the age of 60. At the moment, one person in eight in Western Australia is aged over 60. In 30 years, one person in five will be aged over 60. At the moment, only seven per cent of people live in nursing homes and frail aged care, and 93 per cent are housed independently.