

Legislative Council

Tuesday, 17 June 1986

THE DEPUTY PRESIDENT (Hon. D. J. Wordsworth) took the Chair at 4.30 p.m., and read prayers.

ADMINISTRATION AMENDMENT BILL

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.40 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes to amend section 25 of the Administration Act.

Historically, entitlement to a grant of letters of administration has been, to a large extent, dependent on the right to share in the distribution of the estate in question, those having the prior right to share in the distribution also being preferred in the grant of the right to administer.

Prior to an amendment in 1954, section 25 of the Act identified those preferentially entitled to the grant of administration as those having such a relationship to the deceased as would entitle them to share in the distribution, such as "the husband or wife of the deceased or one or more of the next of kin".

The 1954 amendment deleted from the Act mention of "next of kin" and substituted for the above quoted words, the words "any person referred to in the table following section 14 (1)". The persons mentioned in that table are those who will in certain circumstances be entitled in distribution.

It has been suggested that the substituted words do not carry the desired implication that the first right to a grant is to go to those entitled in distribution. It is therefore proposed to replace those words with the words "one or more of the persons entitled in distribution to the estate of the intestate".

Clause 3 of the Bill effects this change.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. John Williams.

ACTS AMENDMENT (TRUSTEE COMPANIES) BILL

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.43 p.m.]: I move—

That the Bill be now read a second time.

The two Western Australian private trustee companies are governed by Acts of Parliament; namely, the West Australian Trustees Limited Act, and the Perpetual Trustees WA Ltd Act. Both private trustee companies are presently recovering financial institutions duty from the various trusts and estates operated by them as trustees.

The Government's legal advice is that the passing on of FID by the trustee companies is sufficiently unclear to warrant legislative action. The Public Trustee is authorised to pass on FID by virtue of section 39(1) of the Public Trustee Act. It is proposed that the two private trustees' Acts be amended to allow similar recovery. Both private trustee companies have been consulted and agree with the proposed change.

Clauses 3 and 4 of the Bill effect that change by inserting a new section 15A into the respective trustee companies' Acts.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. John Williams.

BILLS OF SALE AMENDMENT BILL

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.45 p.m.]: I move—

That the Bill be now read a second time.

The Bills of Sale Act presently provides for registration of a "notice of intention to register" as a prerequisite to the registration of certain bills of sale by way of security. A notice of intention to register must be registered either seven or 14 days prior to registration of the Bill. The purpose of the notice requirement is to enable unsecured creditors and others who may wish to object to the registration of a bill of sale by way of security to do so by lodging a caveat prior to expiration of the notice period.

For many years, the requirement for prior registration of notice of intention to register a bill has been criticised because it unduly delays the provision of finance to borrowers, particularly in relation to certain consumer credit transactions.

For this reason, the hire-purchase agreement was, until recently, a preferred method of providing consumer finance. Notice of intention to register was not required in the case of such agreements.

As members will be aware, the Credit Act 1984 effectively abolished the hire-purchase agreement as a means of providing consumer finance. This has had the effect that consumer credit transactions hitherto secured by hire-purchase agreement are now secured by bills of sale which attract the notice of intention requirements of the Bills of Sale Act.

This change in business practice has resulted in renewed criticism, particularly from the finance industry, of the notice of intention requirements of the Act.

The change in practice has also significantly increased the number of notices of intention registered with the Commissioner for Corporate Affairs and as a result, the costs of administering the Act.

The notice requirements of the Act are rarely used by creditors and the costs which this requirement imposes on the finance industry and Government cannot be justified.

In the period 1 January 1984 to 22 May 1986, some 88 175 notices of intention were registered while only 22 caveats were lodged in response.

At present, Western Australia is the only Australian jurisdiction which requires registration of notice of intention to register as a prerequisite to registration of a bill of sale by way of security.

The Bill proposes to repeal those provisions of the Act which require registration of notices of intention to register and related provisions. The Bill is consistent with the Government's commitment to deregulation and the repeal of unnecessary laws. Enactment of the Bill will also enable cost savings to be achieved in the Corporate Affairs Department. Clauses 4 and 5 of the Bill effect the substantive change.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. John Williams.

PUBLIC TRUSTEE AMENDMENT BILL

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.47 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes to effect a change to the procedure adopted by the Public Trustee in respect of unclaimed money.

Under section 45 of the Public Trustee Act, the Public Trustee is required to twice advertise in a newspaper details of money which has remained unclaimed for six years. This applies to all money regardless of the amount and where only small amounts are involved the procedure is not cost effective.

It is therefore proposed that section 45 of the Public Trustee Act be amended to remove the requirement to advertise in every case by prescribing an amount below which no advertisement will be necessary. To ensure there is no undue restriction on publication it is proposed that the prescribed amount will be \$250.

In considering this amendment members should bear in mind that six years must have elapsed before any unclaimed money is transferred to Consolidated Revenue, and then only on condition that the Public Trustee has no information or knowledge of the existence of any person entitled or claiming to be entitled to distribution.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. John Williams.

FUTURES INDUSTRY (APPLICATION OF LAWS) BILL

Second Reading

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.48 p.m.]: I move—

That the Bill be now read a second time.

The Bill proposes to apply in Western Australia a further piece of Commonwealth legislation pursuant to the State's obligations under the cooperative companies and securities legislative scheme.

The formal agreement executed by the Commonwealth and all the States on 22 December 1978, provides the framework for a cooperative Commonwealth/State scheme for a uniform system of law and administration regulating companies and the securities industry. The scheme covers the relevant law operating in the six States and the Australian Capital Territory.

The Northern Territory Government has now joined the cooperative scheme and by 1 July 1986 will have introduced legislation to apply Commonwealth companies and securities legislation in the Territory.

The parties to the formal agreement have agreed that the cooperative scheme should be extended to cover the regulation of the futures industry and franchising.

The necessary amendments to the formal agreement have been approved by each participating Government and the amending agreement is presently in the process of being signed by each of the parties.

In accordance with the amending agreement, the proposed futures legislation was agreed to unanimously by the Ministerial Council for companies and securities prior to its introduction into Federal Parliament.

Parties to the formal agreement, other than the Australian Capital Territory, have now enacted or will be introducing legislation in a form substantially the same as that now before the House.

The Futures Industry (Application of Laws) Bill will apply the substantive provisions of the Commonwealth Futures Industry Act 1986 as laws of Western Australia.

The Bill will operate in essentially the same manner as the Companies (Application of Laws) Act and other similar legislation comprising the cooperative scheme.

The applied provisions will be known as the Futures Industry (Western Australia) Code.

The substantive provisions of the Commonwealth Act provide the content of the Futures Industry (Western Australia) Code, subject to minor technical modifications which reflect local law and practice.

Background: Futures trading involves entering into standardised agreements to deliver or take delivery of a commodity at an agreed price at sometime in the future.

Futures trading in Australia has developed from a specialised market of interest mainly to wool producers, into a market in which producers, consumers and participants in the financial system seek to redistribute economic risks or secure a profit by hedging against commodity price fluctuations or speculating on future price movements.

In the last decade, the major growth area in the futures industry has been in financial futures markets. Financial futures enable business risks, such as changing rates, interest rates, and share prices, to be protected.

The need to have a uniform regulatory system governing the futures industry in Australia was recognised by the Campbell com-

mittee and has been endorsed by the Sydney Futures Exchange.

The Campbell committee recommended a national approach to the regulation of futures exchanges with the same co-regulatory approach that is adopted in relation to stock exchanges applying to futures exchanges.

At present the only legislation in Australia that specifically deals with the futures industry is the New South Wales Futures Markets Act.

Experience with the administration of this Act has clearly indicated the need for Australia-wide legislation in this area.

Outline of proposals: The law applied by the Bill and to be known as the Futures Industry (Western Australia) Code will establish a framework applying controls to participants in the futures industry. Briefly, it will—

- (a) require futures brokers and advisers to be licensed;
- (b) establish a system for the approval of futures exchanges and clearing houses;
- (c) require futures exchanges and futures associations to establish a fidelity fund for the protection of clients;
- (d) provide criminal sanctions for manipulative and fraudulent practices; and
- (e) require futures brokers to maintain adequate records and separate client funds from their own funds.

Much of the public debate about the Bill has concerned the definition of futures contract and hence the reach of the legislation. The definition aims at ensuring that it is sufficiently wide to include all contracts generally considered to be futures contracts, whether traded on or off-market, so as to overcome any avoidance techniques which may deny clients the protection of the legislation. At the same time, the definition provides for the exclusion of legitimate commercial arrangements that clearly should not be subject to the legislation.

In addition to applying the substantive provisions of the Commonwealth Futures Industry Act 1986 as laws of the State, the Bill also operates to apply, as regulations under the code, regulations made under the Commonwealth Act, and fees regulations made under the Commonwealth Futures Industry (Fees) Act 1986.

Those regulations will be applied in the same manner as the provisions of the Commonwealth Futures Industry Act 1986 are applied.

Amendments to the Commonwealth Futures Industry Act 1986 are applied automatically in the same way as amendments to the Commonwealth Companies Act 1980 and other scheme legislation are applied.

I have arranged for an explanatory memorandum to be prepared and distributed with the Bill.

I commend the Bill to the House.

Debate adjourned, on motion by Hon. V. J. Ferry.

MINING (VALIDATION AND AMENDMENT) BILL

All Stages: Leave to Proceed

HON. J. M. BERINSON (North Central Metropolitan—Attorney General) [4.56 p.m.]: I seek leave under Standing Order No. 15 to put the Mining (Validation and Amendment) Bill through its remaining stages in this sitting.

Mr Deputy President (Hon. D. J. Wordsworth), with your concurrence I will proceed to make two comments by way of explanation.

Firstly, despite the fact that the motion seeks leave to put the Bill through all stages of today's sitting, if the progress of the Bill is such as to interfere excessively with members seeking to speak on the Address-in-Reply later in this sitting, I will be happy to adjourn proceedings to permit debate on the Bill to be completed tomorrow.

Secondly, and substantively, the reason for the urgency in dealing with this matter will already be known to members, both as a matter of general knowledge and because of the various relevant comments in the second reading speech.

The fact is that the subject matter of the Bill is at this stage also the subject of litigation before the Supreme Court. Both before and since the court action was initiated, the Government clearly indicated its intention to put any matters of interpretation beyond doubt by the legislation which was introduced in this House last Thursday.

It is undesirable that the Supreme Court should be left in a position where to proceed with litigation could be a futile exercise, with much wastage in terms of costs and the court's valuable time. Yet to delay the hearing of the action could be seen by some to put the court in the position of waiting on the future will of Parliament. It is not the role of courts, in the

ordinary course of events, to do other than adjudicate on the law as it stands.

The Government is anxious that any potential embarrassment of this kind should not be allowed to arise.

HON. G. E. MASTERS (West—Leader of the Opposition) [4.59 p.m.]—by leave: The Opposition has never at any stage suggested it would delay the passage of the Bill through the Parliament. Indeed, the Bill made rapid progress through the Legislative Assembly.

Nevertheless I feel that in future it would be a good idea, and I would appreciate it very much, if the Opposition were to be given more notice of the suspension of Standing Orders. I know Hon. Des Dans told me about 15 minutes before we came into the House that the Government would move to suspend Standing Orders. I think that is unfair to members, certainly those on our side who have to handle the Bill. Half a day would be better.

Hon. D. K. Dans: I said I thought the Clerk had told you.

Hon. G. E. MASTERS: I do not know whether Mr Dans said that. Just now he told me he was not going to deal with this matter until tomorrow. It is fair enough that we should have longer warning than we have had. In that way we can get through the business, certainly legislation which the Government considers urgent and which we agree is urgent.

HON. H. W. GAYFER (Central) [5.01 p.m.]—by leave: I wish to advise that we in the National Party were not aware until a few moments ago of the speed with which it was desired this legislation should progress. Certainly we were not told 15 minutes before the sitting commenced.

Nevertheless, we see no reason to hold up the progress of this Bill, and we support the Minister accordingly.

HON. D. K. DANS (South Metropolitan—Leader of the House) [5.02 p.m.]—by leave: I seem to be the villain of the piece. I informed the Clerk about this as soon as I could get to him today, and I understood he would inform the Leader of the Opposition and the other parties. When I spoke to Hon. Gordon Masters I thought he told me he knew all about it.

I apologise. I certainly did not see Hon. Mick Gayfer. I understood that the Opposition wanted to extend the debate until tomorrow, and I complied with that request. Maybe I was half wrong and half right.

[Questions taken.]

HON. A. A. LEWIS (Lower Central) [5.10 p.m.]:—by leave: I thank the Leader of the House for his acknowledging that I have some interest in mining and for his courtesy in allowing us to extend the debate until tomorrow, when I hope we can complete this Bill.

Leave granted.

Second Reading

Debate resumed from 12 June.

HON. N. F. MOORE (Lower North) [5.12 p.m.]: The Mining (Validation and Amendment) Bill is a fairly complicated and interesting piece of legislation. In fact, basically it is retrospective legislation, and the word "retrospective" is one that I have found, in recent times, to be quite objectionable and one which, under normal circumstances, I have great difficulty in supporting.

The Liberal Party has, over recent years, suffered considerably because of its attitude in the Federal sphere to retrospective tax legislation during the Fraser Government. The Liberal Party has carried the can since those days because of people who were disadvantaged considerably by the fact that the party was prepared to pass retrospective legislation. I am mindful also of the fact that the previous Liberal State Government has also passed legislation of a very similar nature to this Bill. I refer, of course, to the Afro-West case and the situation that occurred at the Argyle diamond mine in the Kimberley. On that occasion, legislation of a retrospective nature was passed essentially to validate certain decisions made by the then Government.

When that legislation was being debated it was interesting to note the attitude of the Labor Party which was in Opposition at the time. It needs to be borne in mind that, at that time, the Afro-West case was before the courts. The courts had not made a decision on the matter and the Government decided to intervene and to pass legislation which had the effect of pre-empting any decisions that would be made by the courts.

Mr Burke, who was then the Leader of the Opposition, spoke very vehemently and at great length against the legislation in the Legislative Assembly. On 25 November 1981, Mr Brian Burke said—

I am not saying that Afro-West, CRA, and the Ashton Joint Venture have strong or weak legal cases, but each of them has

the right to take any situation it has to court and to seek a legal decision about matters it believes are in dispute. It is strange how members on that side of the House—

Members of the coalition—

—can sit comfortably in the face of the confiscation of this company's legal rights.

On that occasion, the then Opposition spokesman on mining matters, Mr Grill, said—

The Leader of the Opposition—

Mr Brian Burke—

—and his deputy—

Mr Bryce—

—have made our position crystal clear with respect to this retrospective legislation. The Opposition will not countenance legislation which confiscates the rights of a person to have his legitimate claim decided upon by a court . . . If this sort of legislation were even suggested by members on this side of the Chamber, I am sure that to a man the coalition Government would sanctimoniously scream for our blood.

In effect, he was saying that the now Premier, in respect of the Afro-West case, was saying that the courts should be entitled to make their decisions and if there were litigation before the courts, the courts ought to make a decision based upon the law as it stood at the time and that people who were involved in such litigation were entitled to know that that was the course of action that would take place.

What we have before the House is a piece of legislation very similar to the Afro-West legislation. A lease, or leases, owned by Pancontinental Gold Mining Areas Pty Ltd at Paddington, north of Kalgoorlie, were overpegged when they expired. The Bill also refers to three other similar circumstances: A coalmining lease at Collie which was held by Western Collieries Ltd, a goldmining lease at East Coolgardie held by Charles Barton Cecil Jones, and a goldmining lease at Comet Vale held by Robert James Donovan, deceased. It does not apply only to Pancontinental.

Under the provisions of the Mining Act, the leases to which I have just referred expired at midnight on 31 December. People were entitled to assume that, from the moment the clock struck midnight on that day, the land became vacant Crown land for the purposes of the Mining Act and was therefore available to be pegged. Several people descended upon the

Pancontinental lease and proceeded to peg the middle of the mining operation. I think three seconds past midnight was the time that Mr Bill Bierberg pegged his claim and Wingate Holdings Pty Ltd was several seconds behind him. They pegged the leases with the expectations that the warden would decide whether they had a legitimate claim.

They presumed that they had a legitimate claim because their understanding of the Act was that those leases had expired.

What happened next, of course, was that Pancontinental in particular, to say the least, was disturbed about the circumstances in view of the fact that it has a significant financial commitment to the Paddington operation. Pancontinental sought assistance from the Minister, who sought various legal opinions on this matter and then decided, in a very unusually worded statement, that he would renew the leases of Paddington and the other three, and that he would then seek legislation in order to validate his actions. The Minister said in his statement that he had taken advice from the Solicitor General, or words to that effect. I do not have the exact quotation with me, but the impression given was that he was not necessarily agreeing with some of the legal advice that had been given to him. It is fair to assume, therefore, that the Minister is probably of the view that if this particular litigation were to proceed to court, he would probably lose. He has taken the course of legislating to validate what he has done—that is an assumption that I have made and it may, of course, not be correct.

What we have before the House is a Bill which seeks to reinstate those leases to the four individual companies whose leases had expired because in effect, as the Minister has said, they have not expired. The Minister has renewed the leases even though they were renewed after the expiry date. It is interesting that we have these four cases before the Parliament when in fact there is another case involving a talc mine out of Meekatharra, where a similar overpegging took place. The company which held the mining operation—Westside Mines—lost its operation to the people who overpegged. The talc mine might not have sought the Minister's assistance, but this provides an example where it was accepted, in practice at least, that the people who overpegged at the talc mine were entitled to do so, and they now run it, while the people who originally ran the mine lost it by virtue of the

fact that they had neglected to renew their lease.

Hon. Mark Nevill: There was not any doubt about the law in that case.

Hon. N. F. MOORE: If there was no doubt about the law in the case of Paddington, why not let the court decide whether in fact what the Minister did was right or wrong? That is the normal course of events; but the talc mine was a very similar case, where the same sort of thing happened.

Now we have to decide in this Parliament whether we will support the action taken by the Minister; and it is very hard not to support what the Government is seeking to do because we are talking about an investment of \$30 million or \$40 million in a goldmining operation. If it was an operation worth only \$300 or \$400, it might be a different kettle of fish. The Government might not be seeking to put legislation through the Parliament because it related to an activity of considerably less value.

However, if one looks at those two potentialities, one comes back to the question of principle. I find great difficulty in supporting this legislation on the basis of the principle involved. The problem is that the practicalities are such that one is forced, in a sense, to forgo one's principles on this subject and support what is taking place.

The Opposition has resolved that it will support the legislation. I make the point that it does so grudgingly, and I do so particularly grudgingly because of the great principle involved. The Attorney General may say to me in the future, "Well, you supported the Afro-West legislation, didn't you?" and I might say that I did; to which the Attorney General might say that I am being a hypocrite by changing my mind—which he would not say, but if he did, he would be correct.

I have, in recent years, come to appreciate that when one makes a series of mistakes in Government and the electorate exacts the penalty on one, the penny drops and one begins to evaluate a different course of action to be taken. We are in Opposition for the second term and the penny has dropped very loudly for someone such as myself, and the dropping of the penny indicates that one has to change what one has been doing in the past to a certain extent. One of the things which I think we have to change is our attitude towards retrospectivity. That is where I personally find it is very difficult to support this legislation. I believe that the time has come when we should

refuse this sort of legislation. I accept that there will be occasions when retrospective legislation of some sort is necessary, but when there is retrospective legislation which takes away somebody's rights, or takes away somebody's benefits, that must be opposed.

This legislation is taking away the right of Mr Bierberg to peg vacant Crown land. I make the point to the Attorney General that Mr Bierberg spent some \$15 000 to \$20 000 of his own money in pegging costs and litigation costs, and I wonder whether in fact the Attorney General is going to give any consideration to paying compensation to the people who were involved in pegging at the Pancontinental operation, because they may have succeeded had the courts been able to make a decision about it.

Had the Minister not interfered and had the courts decided that these people were entitled to overpeg, Mr Bierberg's lease would now be worth many millions of dollars. All that is going to happen to Mr Bierberg is that we in this place will pass legislation to validate the Minister's actions, and he will be \$15 000 to \$20 000 out of pocket while Pancontinental carries on operating its lease without any difficulty or any penalty at all, even though by negligence it allowed its lease to expire, which consequently required expensive litigation to occur and the Parliament to have to go through the relatively expensive action of passing retrospective legislation to fix up the problem that Pancontinental itself created.

I wonder whether the Government has given any consideration to compensating the people who were involved in what they considered to be a legitimate activity and whether this legislation will prevent the courts deciding that it was in fact legitimate.

Two parts of the Mining (Validation and Amendment) Bill are significant. The first part refers to the question of validating the Minister's action and, as I have said, we will support this. The Opposition will do so not because it specifically wants to, but because it feels it has no choice.

The second part of the Bill relates to clause 7 which amends section 111A of the Mining Act, and this disturbs me because the Minister has taken the opportunity afforded by this validating legislation to give himself a stack more power with respect to the Mining Act. He has added sweeping powers for himself, and I

will quote parts of the Bill which indicate this. The clause reads as follows—

Section 111A of the principal Act is amended by repealing subsection (1) and substituting the subsection following—

“(1) Where an application is made for a mining tenement but in respect of the whole or any part of the land which the application relates—

- (a) a person who in relation to that land was formerly the lessee of a mining lease the term of which has expired, or is a person deriving title through such a former lessee, subsequently applies (in the manner prescribed for the purpose of section 78 notwithstanding that the application was not made during the final year of the term of that lease) for the renewal of that mining lease with effect from the expiry of the preceding term and the Minister, being satisfied that the requirements of that expired mining lease and of this Act in relation to that lease had been substantially observed (other than as to the timing of an application for renewal) and that the applicant has continued to observe those requirements as if the term of the lease had not expired, determines that the subsequent application for renewal of the expired lease should be approved and grants that renewal; or

- (b) the Minister is satisfied on reasonable grounds in the public interest that—

- (i) the land should not be disturbed; or

- (ii) the application in question should not be granted,

the Minister may, by notice served on the warden to whom the application has been made, refuse that application, whether or not the application has been heard by the warden.”

That means that if anybody applies for a mining tenement the Minister may refuse that application provided he can satisfy whoever must be satisfied that he has reasonable grounds and that it is in the public's interest. It is an extraordinarily wide power for the Minister to be given, bearing in mind that the Bill quite specifically states that this will apply

whether or not the application has been heard by the warden. Many applications are made for tenements in the mining industry and it is normal for the applications to be heard by the warden's court. The warden makes a decision about whether or not the tenement shall be granted. However, we now have a situation in which the Minister may decide on reasonable grounds and in the public interest, whatever that might mean, to refuse an application regardless of whether it has been heard by the warden.

That introduces an element into the Mining Act which I find totally unacceptable. I would be interested to hear from the Attorney General when he responds why the Minister feels it is necessary to give himself these additional powers. The Minister may consider that he is doing so in order to avoid another Pancontinental situation. If that is the case, I suggest there are better ways of overcoming this problem than by giving the Minister these powers.

It was suggested by my colleague in the other House that there should be some system of prior notice that a tenement is due for renewal, rather like a driver's licence. For example, a period of notice could be given prior to the expiry of a lease and a certain period of grace allowed after that renewal date. This occurs with many other renewals and the persons involved do not suffer if they have not renewed the lease on the specified date.

I also suggest that the Government may be prepared to look at the question of the renewal dates. Leases that expire on 31 December must be renewed during the Christmas period when many companies are not operating and when people are enjoying the festive season. If ever there was a time when people might overlook such renewals it would be at that time of the year. It might be worth changing the date of expiration of tenements to 30 June when most people are considering all sorts of renewals at the end of the financial year.

In order to overcome the problem that has arisen the Government is proposing to give the Minister new powers to make decisions which could lead to all kinds of skulduggery. Under the provisions of the clause the Minister could decide that somebody may or may not be granted a tenement on some manufactured "reasonable grounds" or "public interest". In effect it could happen that somebody would have to make a large contribution to the Curtin Foundation in order to receive a favourable decision. When enormous amounts of minis-

terial discretion are written into legislation the potential for these activities increases. Mining leases are worth a great deal of money, and this provision could allow a situation in which people who support the right foundations are given the right mining tenements and those who do not support the right foundations are not granted mining tenements.

That causes a great deal of concern because of the importance of the mining industry and the need for people to know that they can take a case before the court if they have a problem. This Bill specifically states that it does not matter whether the case has been before the warden; the Minister has power to grant or refuse the tenement.

We oppose clause 7, and when we reach the Committee stage I shall seek an amendment because I do not believe we should give the Minister the powers he is seeking in this part of the Bill.

I briefly recap the views of the Opposition. Retrospective legislation is very difficult to accept in principle, bearing in mind that the Liberal Party was responsible for such legislation when in office. Hopefully, we are learning from our mistakes.

We find it difficult to accept that the courts will not be permitted to make a decision on these matters and that, in fact, the Parliament will pre-empt the decision of the court. I was rather amused in a sense when the Attorney General in explaining the need to deal with this matter quickly said that we cannot keep the courts waiting. The courts would not think twice about keeping Parliament waiting. I think it rather interesting to note that, in fact, the courts adjourned consideration of this case pending deliberation by Parliament.

I would have thought that in the normal course of events the case should have been heard regardless of the protestations and public comments of the Minister, because the events took place prior to the last election. There was no certainty that the same Minister would be Minister after the election, or indeed that the same party would be in Government. However, the courts were prepared to allow an adjournment on the expectation that retrospective legislation would be passed. I find that aspect of the matter disturbing.

In view of the considerable investment involved in this case, the Opposition has little option but to allow the legislation to go through. I hope that some better system can be found which will ensure that this sort of thing

does not happen again. I hope also that companies will not regard this as a precedent in the sense that every time they get into trouble through their own negligence and are faced with the prospect of losing something of value, they feel they can run to the Parliament and seek validating legislation to overcome their problem.

I reiterate that clause 7 causes considerable disquiet and I shall oppose it in the Committee stage.

HON. D. J. WORDSWORTH (South) [5.37 p.m.]: I too have great difficulty accepting the need for retrospective legislation. It has caused problems for various parties in the past and as a member of the Liberal Party I can say that if any party should have learnt the lesson, this party should.

I am fearful of the principles that are being thrown away with this legislation. It was rather interesting when Hon. N. F. Moore was able to quote the words of the now Premier of Western Australia (Hon. Brian Burke) and Hon. Julian Grill who was then shadow Minister for Mines. They have suddenly found that they have had to change their principles when in Government, and I wonder whether this will come back to haunt them just as retrospectivity came back to haunt Malcolm Fraser. Many of our followers consider that is the reason the Liberal Party is still in the political wilderness.

The Act explicitly states that a mining lease can be renewed any time in the last year of its term. Therefore, there is a considerable period during which a lease can be renewed. One would have thought that a company that had spent \$40 million would diarise a renewal date on such an important matter. There is a reason for the lease to be renewed after a given period. I understand that that period at present is 21 years.

There must be a turnover of leases and others must have a chance if the previous lessee decides he does not want to continue. I would have thought the lessee would be aware of that and would have noted in his diary that, sometime during that year, he should renew the lease.

The devil in the story is the person who went out at midnight on New Year's night and pegged the lease. Everyone felt very sorry for Pancontinental, because its claim was jumped. However, it is interesting to note when one reads the Bill—I understand it covers the four leases—that the other three leases were pegged in the middle of January, some 17 days later

than the day on which Pancontinental's lease was pegged.

Hon. A. A. Lewis: They were renewed.

Hon. D. J. WORDSWORTH: No; the leases were not renewed. This Bill covers four claims which it appears were jumped or the owners failed to renew the leases.

Hon. A. A. Lewis: They were not jumped; they were renewed late.

Hon. D. J. WORDSWORTH: Only one of the leases was pegged by someone else.

The interesting aspect is that this case hit the newspapers on 2 January last and it took 15 days for some companies to work out that it was possible they might lose their leases. That is rather a long period, particularly if millions of dollars are at stake.

It has been suggested that the renewal of mining leases should be treated in a similar way to the renewal of drivers' licences; that is, people should be given a fortnight's grace. In this case, a fortnight's grace would not have been enough, because it was 17 days before either someone jumped the claim or the company worked out that the lease had expired.

A further question which comes to mind is that if these leases had to be renewed on a common date, why did only four companies fail to renew their leases? Surely if 1 January is a common date, a great deal more than four companies would be involved. Did the other companies have their leases renewed? If that is the case, and only four companies failed to have their leases renewed, why are we suddenly jumping to their aid? These are the questions which have not been answered, and they should be.

We should know also whether any compensation will be paid to the people who pegged these leases thinking that their actions were legal. Indeed, it was legal to do that; therefore, surely they should receive some form of compensation for the costs they have incurred.

Will the Minister direct the courts to consider the matter of compensation? We, as a Parliament, have jumped in to correct the law in this respect, and surely the issue of costs must be considered, bearing in mind that the people involved were carrying out a lawful act. We require an answer from the Minister on that aspect.

Will a penalty be levied against Pancontinental for failing to renew its lease on time? If it is necessary for the Government to

legislate in this manner, surely some sort of penalty should be paid by Pancontinental. I understand that usually in cases like this, where someone jumps a claim, an out of court settlement of \$20 000 or \$30 000 is paid and the person involved is told to go away on holiday. That may sound a little harsh, but if one fails to renew one's lease and the investment involved is substantial, one is lucky to find a way out of the difficulty. Perhaps the people who did the pegging in this case were asking for too much.

However, the whole issue of penalties to be met by the companies involved should be considered and certainly some direction should be made in regard to costs. I hope that, in its deliberations, the court will look at the statements made in this Parliament. Indeed, the Attorney General has directed and the Parliament has enacted that the courts should take note of what members of Parliament say during debates on various issues, and this is a good example of a case where that should be done.

I will not refer to the future effects of the changes the Minister has suggested, because Hon. Norman Moore has spoken at length on that aspect and it will be debated fully in Committee.

HON. P. H. LOCKYER (Lower North) [5.45 p.m.]: I support the comments made by the previous speaker. I reiterate the point he made that consideration should be given to compensating the people who pegged the Pancontinental lease. They spent between \$15 000 and \$20 000 doing something which was quite lawful at that time and which is a rather common practice in the mining industry.

Pancontinental has come out of this wearing a halo when in fact it should be classed as an incompetent company. I am glad I am not one of its shareholders, because it appears it cannot attend to the very minor duty of renewing its leases when they are due.

The people who pegged the lease were very sharp and they knew what they were doing. Regrettably, because they picked on a company of the size of Pancontinental, they are to be nailed by retrospective legislation. As a result, they will lose the opportunity to obtain something which would normally come into their hands.

Usually when prospectors or peggers do this sort of thing they can expect to receive a substantial sum as compensation. The people involved in this sort of activity are very sharp

and they make up a special breed of prospectors.

Pancontinental has been caught with its pants down. It is in big trouble and the Government has had to legislate to get it out of its difficulties. It is a very sad situation and at the very least the Government should consider the way in which those involved may be compensated.

Indeed, perhaps Pancontinental should be made to offer compensation, because of its incompetency in dealing with this matter. That company is in considerable disarray and its actions have created the need for this legislation.

The aspect of this Bill which frightens me is its selective nature. This practice is widespread. Indeed, Hon. Norman Moore referred to the fact that the talc mine outside Meekatharra was pegged. However, the Government disregarded that company's case and simply selected the few companies quoted in the Bill.

I have grave reservations about the legislation. I shall listen carefully to the Minister's comments before I make up my mind as to how I shall vote on it. We are dealing with a very grave situation when a Bill of this sort is brought to the House in order to protect companies like Pancontinental from people who did something lawful. I urge the House to carefully consider the matter before voting on it.

HON. H. W. GAYFER (Central) [5.48 p.m.]: The National Party is concerned about retrospective legislation, although as a supporter of the previous Government it agreed to retrospective legislation. However, I was one of quite a few members who voiced their sorrow at having to agree to the legislation for the reasons stated then.

I am not a great believer in the proverb that two wrongs do not make a right, but nevertheless in this instance departmental officers have fully explained the case to us. We believe a good reason exists for the legislation and, indeed, a precedent has been struck already in this regard, and we are reluctantly following that precedent.

With those observations, I indicate that the National Party supports the Bill.

HON. A. A. LEWIS (Lower Central) [5.50 p.m.]: We have heard a lot about retrospectivity and how people should be compensated. I wonder how many people usually peg leases six seconds after midnight.

Hon. P. H. Lockyer: Six hours.

Hon. A. A. LEWIS: Wait a minute. Mr Lockyer is flying one of his kites again. Is it generally done for prospectors to peg a few seconds after midnight?

Hon. P. H. Lockyer: It is the law—

Hon. A. A. LEWIS: Wait a minute. Does Mr Lockyer not think those people were following a plan?

Hon. P. H. Lockyer: They were doing something that was perfectly lawful.

Hon. A. A. LEWIS: Perfectly within the law—oh, yes, that is lawful.

Hon. P. H. Lockyer: You usually stick up for them.

Hon. P. G. Pendal: His party won't let him now.

Hon. A. A. LEWIS: My party is into big business now. None of the other members of this House can do that. I am one of the few members who can understand it, I suppose.

The retrospective part of this Bill does not appeal to any of us, but let us look at it. I agree to some extent with Hon. Norman Moore in that perhaps in relation to clause 7 the Attorney General should go back to the draftsman. I seem to remember him bringing into this House a Bill which subsequently became an Act which aligns the Minister's second reading speech with the Bill, in cases of doubt. If the Attorney General can align the first paragraph of the last page of his second reading speech with revamped section 111A, I will be very surprised. I would like the Attorney General to explain how he joins them together. I ask the responsible Minister: If my driver's licence or my vehicle registration expires, will he bring in a validation Bill if I have an accident? That is what the Attorney General is trying to do here, is it not? Mr Lockyer might have correctness and efficiency on his side, but then again it might have been the butler, the fellow who was compiling the list of leases, who was at fault. I am prepared to give the Government the benefit of that doubt. Big companies have many leases which must be reapplied for and something may have gone wrong.

The Attorney General is asking us today for power to forgive for evermore mistakes like this; and, not only that, but, at the Minister's discretion, to affect nearly all renewals. The proposed section is so wide that the Attorney General with his great knowledge and all his officers should want to have a look at it, though he is not really setting a precedent for the whole Mining Act. This precedent has arisen because

the Minister has become involved. Some members, but none of the Labor Party members—they disappear from this House whenever a Mining Bill comes in because they are not prepared to talk about it—

Hon. Fred McKenzie: No, once only.

Hon. A. A. LEWIS: I think it was for 13 hours because that is how long I spoke on the Bill; so once only for 13 hours Labor Party members lost their opportunity to contribute to the debate.

The warden should have powers and the Ministers should only have the final power and interest; but the House has heard me on this matter *ad nauseum*. Currently the Mining Act gives the Minister certain powers.

The drafting of clause 7 needs to be looked at because it is far too wide. As Mr Wordsworth suggested, perhaps there could be a 14, 21 or 28-day period of grace in regard to renewal of leases. I suppose when a company is paying enormous sums of money for the renewal of many leases there is a chance of omitting one along the way. There should be a requirement for a lease to be renewed within seven days after 31 December, and after that period the department will contact those concerned. We are paying many people in Government departments to go through these leases.

I would like to know where the information came from in regard to the Pancontinental situation and why these people were pegging, knowing Pancontinental was not going to peg and had not renewed its lease. Does it not seem a little strange for half a dozen people to go out at two minutes after midnight and peg a lease? It seems there may have been a little leak in a system—maybe nearly as good as the leaks of the Liberal Party Federal executive or even Mr Keating. Nobody here would have that sort of leak.

The Minister goes on further in his second reading speech to talk about the jobs of employees. I suppose it is the employer's concern. I do not really get worried about the jobs of employees because the other fellow would probably have sold the lease back to Pancontinental anyway and the number of jobs would have remained the same.

Let us face the realities of it. The Minister should go away and come back with a redrafted section 111A. Let us see it and see how we feel then because the current section gives the Minister too much power. The Government is trying to resolve a situation with a sledgehammer when a nutcracker would do, because all we

want to do is to see that the Afro-West and Pancontinental people are not hugely disadvantaged by somebody in their organisation forgetting to renew a lease. That clause can be redrafted to provide X number of days for the companies and to provide that a warning will be issued to the company half-way through that period of grace. Does the Attorney General follow me?

Hon. J. M. Berinson: The reason I was having some difficulty is that I understood you to say earlier that you accepted national interest questions as being a legitimate exception to the general rule.

Hon. A. A. LEWIS: The national interest question is in the Mining Act all right.

Hon. J. M. Berinson: But it is imported into clause 7 as well, although here it is called "the public".

Hon. A. A. LEWIS: There is absolutely no need for that provision. National interest is provided for—I cannot remember exactly where but I will find the provision for the Attorney tomorrow morning if he wants it; but surely one of his aides can do it. The Minister can do almost anything "in the national interest" under the Mining Act. The Mining Act is one of the few areas in which the Minister should have no say at all. The warden should have the say. A period of 14 days' grace should be provided and if the lease has not been renewed in that time a person should receive a notice and then if he has not renewed the lease in 28 days he should be chopped off at the knees. He has no more excuses. I suggest we have a look at revamping this clause.

Debate adjourned, on motion by Hon. J. M. Brown.

Sitting suspended from 6.00 to 7.30 p.m.

ADDRESS-IN REPLY: FOURTH DAY

Motion

Debate resumed from 12 June.

HON. S. J. HALDEN (North Metropolitan) [7.31 p.m.]: It gives me a great deal of pleasure to speak in this debate for the first time. I take this opportunity to congratulate all new members and all those members who were re-elected.

The Legislative Council has long been regarded as a House of Review. It is considered more so by members opposite than by members on this side of the House. Since the mid-1950s this House has rejected 51 Labor Government Bills and only one Liberal-

Country Party Government Bill. Interestingly, Labor Governments have been in Government for 12 years of that period and non-Labor Governments for 21 years.

The reviewing function of this House has been described by my Labor colleagues as the Liberal-Country Party members, who have always been a majority, behaving in a political manner in order to frustrate, annoy and even to bring about the downfall of a democratically elected Labor Government. This undemocratically elected Council has rejected proposals for parliamentary and electoral reform on seven separate occasions during the life of the first Burke Labor Government. Hopefully, this House will take up as its paramount review function the reform of its own terms and parameters of existence.

It is not just my Labor colleagues who think the system is undemocratic and in need of reform. As long ago as 30 April 1981 an editorial in *The West Australian* stated that the then Liberal Government's proposal for electoral reform would do little to break down the gross imbalance in voting values. Non-metropolitan electors still wield almost twice the voting power of their metropolitan counterparts in the Assembly; and, worse, the average imbalance in the Council remains at nearly three to one. The editorial concluded—

The Court Government's plans smack of camouflage . . . It appears to be designed to preserve as far as possible the hefty weighting in favour of non-metropolitan voters and this is to protect the "Liberal" Government's electoral advantage.

Speaking of attempting to camouflage electoral reform, I would briefly like to discuss the proposals put forward by the Leader of the Opposition, not as an election platform because at the time of the election Mr Hassell stated that electoral reform was not an issue. On Friday, 6 June, four days prior to the opening of Parliament, the Leader of the Opposition announced an electoral reform package that would see an average rural weighting of 1.8:1 in the Assembly and 2.8:1 in the Council. He conceded that the Government's proposal for proportional representation from six regions within the State was acceptable; but, of course, he was not about to allow any of the Conservative parties' massive electoral advantage to slip away. Under his proposal power in the Legislative Council would be vested in the hands of the Liberal-National Country Party forever.

Equality, the basic cornerstone of democracy has clearly still not been encapsulated into Liberal Party thinking. The conservatives' excuse for distorting electoral boundaries and claiming electoral weighting is that rural voters require special protection; that is to say, rural people have special problems that can be resolved by the weighting of votes. Ridiculous! The argument has gaping holes. The conservatives disregard that argument for the people living in the Kimberley and Pilbara regions.

If one looks at market gardeners living in and around Wanneroo in the North Metropolitan Province one has to accept that their rural livelihood is in some way different from the rural producers in Kalamunda and Darling Range. In the case of the Council, their vote is discounted by two-thirds. The system defies logical explanation except to say that it fits into the general conservative view of electoral democracy; that is, a small measure of the democratic process is allowed provided the people do not get carried away with it and elect a Labor Government too often or with too large a majority and provided that the conservatives always have the upper House—the Legislative Council—to block any Bills with which they do not agree.

If any action by a Labor Government threatened the status quo or the balance of power in the community, the conservatives in this House have traditionally dropped all pretences to a commitment to parliamentary democracy. They took any action necessary to ensure the threat is overcome. Of course, not all Liberals and conservatives are as blatantly political as those in this State.

As far back as 1974 Senator Steele Hall said in the Senate—

... It is utter absurdity to say that any person geographically placed anywhere in Australia should speak with a louder voice than does another person... It is divisive and fostering class warfare in the community to say that anyone is at a disability and should have a bigger electoral weighting than another person.

To further convince members opposite that conservatives elsewhere in Australia—except perhaps the Queensland National Party—have a conscience on this issue, I quote from a speech by Sir Billy Sneddon in August 1974 in the Federal Parliament when he said—

We the Liberals agree with the principle of one-vote-one-value. Under one-vote-one-value, no sectional or geographical

group should ever exert more influence than its numbers warrant.

Even the then leader of the National Party, Doug Anthony, said in 1974—

Equality of voting value, and equality of political representation, are fundamental principles which should be insisted upon and adhered to.

It would seem that the thinking of Liberal Party members in this State is at least 12 years behind that of their Federal counterparts.

There are those who would argue that this House stands for vested interest groups closely associated with conservatives in this State. I suggest to this House that Western Australians believe much more in an egalitarian ethos than the Liberal Party would care to concede. In our society there is distaste for class and privilege. There is a belief in genuine equality and a stance for a fair go for all. If there is a threat to the basic fabric of our egalitarian and liberal society, it would be to replace fraternity, equality and compassion, with greed, indifference and self-interest. These latter three philosophies, I am sorry to say, are becoming more and more attuned to the philosophies of the Liberal Party and particularly to the philosophies of the so-called new Right.

The last State election saw the Liberal Party appeal to narrow self-interest more clearly than ever before. The Liberal Party in its current confusion as to direction and policies, fashions and forces, is in imminent danger of being captured by the philosophies of the new Right. The current factionalism within the Liberal Party reflects a struggle between the new *laissez-faire* dogma and the party's traditional opportunism. Conservatism today embraces two inherently contradictory interest groups: The traditional social conservatives who believe in using the state to preserve a certain moral order, and the free marketeers who believe in a minimal role for Government. In contemplating these viewpoints, one could say that they are epitomised by Bob Santamaria and Hugh Morgan respectively. If one were to combine their philosophies it would probably go along these lines: The state most definitely has a role in the nation's bedrooms, but most definitely not in its boardrooms.

Returning to the issue of this House, I suggest that the electoral laws governing its existence currently reflect class bias designed to protect the privileged. Electorate population sizes suggest that equality is a term that has not yet reached the intellect of this House and, as

for a fair go, it will be given to anyone who is basically conservative, moneyed, or a non-metropolitan landowner. The challenge lies in whether this House will reform itself or be brought before the public in total odium.

Prior to entering Parliament, I spent 10 years as a State public servant working in the social welfare system. Both these sectors of the community in the past have been on the receiving end of brutal attacks by the Liberal Party. Today, the attacks by the new Right, the dries, or whatever they call themselves, are even more virulent.

The State Liberal Party has launched attacks on the modern social welfare system, which is the very mechanism developed in response to the inequalities and inequities of the marketplace. Unashamedly, some of their members have proclaimed that they are interested only in wealth creation, not at all in its fair distribution. Conveniently, many of these same spokespeople make no mention of corporate welfare mechanisms such as tariffs, import quotas, bounties, subsidies, research and export grants, tax concessions and incentives, and protective regulations, let alone the Government's commitment to protect infrastructure like roads, water, ports, an educated work force, corporate law, information, and communication.

It is without doubt that the Liberal Party would reduce welfare assistance to individuals and groups. They blame bigger Government and bigger Government taxes for growth in this area. They say that welfare spending has undermined personal initiatives and self-reliance. As Galbraith once observed—

The rich seem to need their taxes reduced and incomes increased in order to unleash their initiative, whereas the poor need their income cut in order to motivate them.

At this very early stage of my parliamentary career, I state clearly my belief that Government has an essential role in compensating for market failure and inadequacies. Government has a primary responsibility to ensure social equity. First, Government provides a form of social insurance against the risks of illness, injury, widowhood, desertion, unemployment, and old age. Secondly, Government ensures the provision of merit goods, such as housing, health, legal aid, and education which, if left to the marketplace to supply, would be beyond the reach of many people. Thirdly, Government should also supply such public goods as

law and order, and an economic and social infrastructure, which, because of their collective nature cannot be marketed individually. Finally, through a positive transfer of income and the supply of certain goods and services, Government provides a fairer distribution of the community's resources.

Besides these attacks on the welfare system, the conservatives, of late, have launched their inevitable attacks on the public servants and the public sector. These attacks culminated in the Liberal Party's privatisation policy prior to the last election. The Liberal Party continues to be obsessed with the size of the public sector rather than with its performance. It has no interest in the quality of the public sector. Consequently, it will always pursue either the Holy Grail or cheap panaceas such as that of privatisation.

To highlight this, I point out that John Howard was Treasurer for five years and did nothing to improve the efficiency of the Federal public sector. Frequently I have heard Opposition members refer to the public sector as the non-productive sector. One would have hoped that this furphy would have been buried forever, but the Right still persists with it. To paraphrase Galbraith, the Right continues to push arguments along the lines that a teacher at a school is non-productive, while a contract plumber changing the toilet seat at a school is productive. That is obviously absurd. Both sectors can be equally productive or non-productive. I suggest that the public sector in this country, by international comparisons, should not be embarrassed.

The Liberal Party has called for small Government for at least the last two decades. Why is it then that we do not have small Government? After all, the conservatives have been around for a long time. In this State they have been in Government for 20 of the last 26 years. The proponents of small Government—Court, O'Connor and now Hassell—have all had opportunities but have never delivered. The conservatives do not want small Government, nor are they interested in efficient Government.

I suggest that there is a new right-wing language in the Liberal Party: Small Government means good health care, sound education, decent housing, and access to legal counsel only for those who can afford it. Above all else, the Liberal Party has taken the view that the rich have no obligation to assist the less well off. The Liberals have allowed their cohorts to avoid taxation. Not that long ago, the only

growth industry in this country under a Liberal Party Government was tax avoidance.

Nowhere in recent days can the attitude of supporting their peers, the rich, be more clearly seen than in the stance of the Leader of the Opposition, Mr Hassell, who says he will lead the tax revolt in this State. The Liberal Party's policy of privatisation was based on the notion that profitable public enterprises would be sold not because they had failed, but because they had succeeded. The public sector would be left with uneconomic enterprises which would be cited as further evidence of public sector inefficiency. I quote a statement by the late Victorian Liberal senator, Alan Missen, which reads as follows—

Anyone who has experienced the chaos of USA telephones or slowness of its mail, will realise that, particularly in this country, the outback dweller and private citizen have a lot to lose from applying mechanistic supply and demand rules to people's fundamental needs.

Even the selling off of profitable parts of these enterprises will leave the ordinary citizen with a vast burden to pay for uneconomic but necessary services.

Privatisation asserts the primacy of bookkeeping over social justice. True Australian virtues of compassion and concern have no place in the conservative schema. The conservatives of our society and their political wing, the Liberal Party, have an avid desire to entrench two nations in Australia, one of the rich and the other of the poor.

In the past three years this State has been governed in a spirit of cooperation and compassion rather than confrontation and the use of power to suppress. In place of despair and division, characterised by the bleak years of the Court Government, we have seen this State come together with optimism and confidence. There is more goodwill between labour and capital today than at any other time in the past.

It could be said that this House typifies the Liberal Party's desires to entrench the two nations of the rich and the poor. Since its inception, this House has been controlled by the conservatives with vested interests and close associations with the rich, the powerful and the moneyed. The political party most closely associated with the working class has been deprived of democratic control.

But the day is approaching. The very existence of this House with its current electoral laws is an insult to the average, honest, hardworking person in our society.

The last election saw the Hassell-led Liberal Party attack the working class further by proposals to cut youth wages, introduce voluntary work contracts, and ultimately destroy the arbitration system. For the Liberal Party to consider that young people straight from school could negotiate their own wages and conditions with a worldly-wise employer is ludicrous.

Further, to place jobs in the sphere of going to the lowest bidder is to threaten the job security of older people, because unemployed Western Australians, desperate for a job, are prepared to work for lower wages.

Of course, there are winners. Under a Liberal Government, as has always been the case, they would be the powerful, the moneyed and the propertied.

As the member for North Metropolitan Province, I share with Hon. Graham Edwards an electorate of vastly different character and feature; an electorate whose population size has grown exponentially over the past three years. This growth, particularly in the northern sector of the electorate, has placed considerable strain on the resources of Government and on the people who reside there.

The demand for resources and facilities caused by population growth are enormous and often difficult to satisfy. However, I believe that people who live within the boundaries of the province have a degree of common purpose and direction. They demand for themselves and their children an education system geared to assist them cope with the demands of a modern society in a constant state of change. They want an education system designed to guarantee the relevance of schooling to the needs of individuals and the community in such rapidly changing social and economic times; equality of educational opportunities for all.

Literacy and numeracy skills of the highest possible level must be available to all, as must an environment in which children and adults can be helped to overcome social and other disadvantages so as to help to develop positive attitudes of self-worth and communal respect.

They also want the provision of an appropriate, efficient, and economical transport system which will guarantee to all an opportunity to get to their place of employment, or commute from one side of the city to the other with the minimum of delay and maximum standard of

safety. Whether they choose to use private or public transport, the demands on this State's finances will be stretched to the limit to provide a transport system which meets their needs.

Already there are demands for a further two lanes on the freeway and a rapid railway system. In the older and more established areas the demand on road systems to cope with traffic densities which were never envisaged has created stress, not only on the commuter, but also on residents who have to cope with increased pollution, road dangers, and the intrusion of traffic-related problems into their lifestyles.

Like so many other Australian cities, Perth's transport system poses a myriad problems for administrators, policy makers, researchers, and ultimately for the Government to remedy.

Like people all over this State, the constituents of North Metropolitan Province want a secure employment future for themselves and their children. This Government has taken initiatives in the areas of small business, tourism, and housing, and with the eventual creation of the Joondalup subregional centre we will see more jobs created *in situ*.

This contradicts previous Liberal Government policy, under which vast dormitory suburbs were created whose primary purpose was to export their work force daily so as to meet the needs of the commercial sector.

The concept of a living community which resides, works, and recreates within its own boundaries is essential in the northern corridor. With the election in the past four years of eight State and Federal Labor members in the area, it is obvious that the people of the northern corridor have entrusted their future to the Australian Labor Party and not to the conservatives who failed them after a decade.

The next six years will be a challenging time for all Labor members, but we have accepted the challenge to provide an egalitarian and free society for all rather than one based on vested interest and privilege.

I await with interest to see how this House responds to the challenges that face it. What this House chooses to do is in our hands, but members can be assured that I will not be deterred by disappointment, for there are many wrongs in our society to be overcome. The challenge for me is to remain committed to their resolution, no matter the time or the energy required.

I support the motion.

[Applause.]

HON. G. M. EVANS (Metropolitan) [7.57 p.m.]: It is an honour for me to be elected to this Chamber, and I offer my congratulations to you, Mr Deputy President (Hon. D. J. Wordsworth), on your return, and ask you to convey those congratulations to the President on his return.

I wish to thank the Clerk of the House for all the help he has given new members and for his introduction to this place. We found it a great help, and I appreciated it as a new member of the House.

I would like to make reference to Hon. Ian Medcalf, my predecessor, who helped me very much before coming to the House and has helped me in the House since. For many years we have been associated professionally and in business life. Since coming here I have recognised the great contribution he has made to this House. I owe a great debt to Hon. Ian Medcalf as my predecessor. He is also a great friend of mine. His predecessor, Sir Keith Watson, and I merged our accounting practices many years ago, and I have learnt much from him. It is a great honour to follow them into this House.

Today I wish to speak on various subjects which have been of interest to me in my professional life, and in my service as Chief Commissioner for Boy Scouts in Western Australia. Also I will refer to my personal interest in sport as a parent and competitor, my education at Scotch College and my time as a member of Scotch College Council.

Scotch College is apolitical. Mick Gayfer from the National Party, John Halden from the Labor Party, and myself from the Liberal Party are all from Scotch College; so it is truly apolitical.

In recent times I have taken an interest in State Government and local government authorities through my firm, which does many local government audits.

In the last two years I have taken considerable interest in the many new developments in accounting standards for the public sector, and some improved budgetary and financial management skills that have been developed for use by Governments. We must take note of these, and I will be making further comments on these matters in other debates.

My main interest of recent times, and the one thing that stimulated me to come into politics, was the fact that I believe something must be done for small business. Small business is

the backbone of this community. Most of our businesses in the public sector are small—not small in thinking, because their owners are big in that respect and they work hard to make a profit. They work hard for their employees, and that improves the state of the whole work force.

Small businessmen are the men who have to suffer all Government taxes imposed on them, whether it is the financial institutions duty, the bank account debit tax, or payroll tax—all these taxes must be paid from their pockets.

The small businessman has to find the wages packets for his employees every Friday out of his own pocket. Unless members have been in business for themselves they will not know what it means to have to go down to the bank to find the money, or to bring down stock levels, or to collect from debtors. This is all part of small business life—keeping people employed and improving the work force and the life of Western Australians generally. The employees of the small businessman will, as often as not, have wives and children to support, so many people are supported by his business.

The small businessman takes the risks; he puts up his capital and risks it all going into business for himself. He knows that if he does not succeed he may go bankrupt and have to find a job for himself again. He gets no statutory holidays, no redundancy pay at the end of the day, and no workers' compensation. But he has a go and he wants to be out there working for himself.

In this House I will contribute to debates on legislation affecting small business people—the backbone of this State. We must allow them to continue with the work they are doing by removing regulations and getting Governments off their backs.

Only in the last two weeks we have seen the real impact of the fringe benefits tax on business, and particularly small business; we have come to realise the paper war the small businessman will confront because of this tax. For the first time in many years my friends opposite will know as politicians what keeping business records is all about. The fringe benefits tax and the substantiation rules will come home to members opposite with respect to their allowances. I advise them now to keep a record of their allowances and to do all the necessary paperwork, something they have probably never done before. I would not wish this on them, but this is one of the problems we will have to share with the business com-

munity. The Government has its problems, but we will have our problems with the substantiation of our expenses. We will join with the business community in cursing the day a fringe benefits tax was ever brought into law.

Several years ago the Perth Chamber of Commerce appointed me to chair a committee inquiring into the accountability of the public sector. We set up the committee because we believed there needed to be a lot more interest taken in the accountability of the public sector so that it was more responsible in the way it handled public money. From what we saw, there was not enough accountability. The figures come in each year, budgets are drawn up year after year, but no-one seems to be accountable for the accounts. This applies to Governments, local authorities, authorities, and boards.

One example is in the 1981-82 activities of the Australian Wheat Board, a body that borrows millions of dollars each year on the wheat crop. That board had failed to lodge a financial statement for several years. How many similar bodies have been neglected?

I commend to this House to have its Standing Committee on Government Agencies look at all Government departments. Much needs to be done to police the operations of them and other bodies to see that they are accounting properly for the funds for which they are responsible.

At a State level the Perth Chamber of Commerce tried to trace the costs of Government capital expenditure outlined in the Estimates. The Press provided quotes of what the Ministers had said about how much such and such would cost. We found it impossible to go back over the years to find out what actually were the major capital costs and if they were actually on budget, and if they were not, whether someone was held responsible for the accounts. In free enterprise, heads roll if expenditures do not meet target figures. It is a really hard game out there. We cannot tolerate non-accountability of public funds.

Also, some years ago we undertook an investigation of work done by the Public Accounts Committee, and we found very little work had been done on investigating financial matters. I am pleased to say that lately a lot more has been done in this area. I look forward to debating the work of the committee in the years ahead.

Last year the Perth Chamber of Commerce issued a discussion paper on public sector accountability, and that paper was sent to all members of Parliament. I suggest that all members read that document and consider it not as a political one but as one prepared by businessmen and indicating their thoughts about the whole process of government and Government expenditure. It is a good paper and it should be read and digested by all politicians and public servants.

An interesting new subject which has arisen over the last two years is public sector accounting. In 1984 the two national accounting bodies—the Institute of Chartered Accountants in Australia and the Australian Society of Accountants—together with representatives of State and Federal Governments, established the public sector Accounting Standards Board to assist in developing a nationally harmonised approach to public sector external financing for Federal and State Treasury officials and officials of the State Auditor General's Department.

There has been a determined effort on behalf of the Australian accounting profession to develop a consistent set of accounting standards relevant to the private sector.

Until recently scant attention was paid to developing accounting standards to address problems unique to the public sector which would provide guidance to those involved in presenting and reviewing financial reports of Governments and Government agencies and for other people using those reports. This is so despite the magnitude of the public sector's financial activities, which in outlay terms currently account for 42 per cent of gross domestic product and, strangely enough, for 20 per cent—or 10 000—of accountants, who are employed in the Public Service, and who have never really worried about accounting standards which they learnt years before.

The goals of the public sector Accounting Standards Board can be summed up with the board's plan for the future, which is to work towards the promotion of the development of external financial reporting in the public sector and the development of a standard of reporting which will provide all users of public sector financial statements with meaningful financial information. In pursuing these goals, its concern extends to reporting at the Federal, State and local government levels by departments, statutory authorities, and Government.

The development of public sector accounting standards has not been targeted exclusively at statutory bodies and business undertakings; it is aimed at the wider public sector, including departments of State Government and local government.

While the accounting bodies accept that they cannot legislate for legislators—us—the quality of standards developed should be received by Governments and Parliaments as complementary to their objectives of improving the quality of financial administration and reporting.

The absence of accounting standards for the public sector has been a cause of great concern to me for some time. Much work has to be done at both the Federal and State level. We must take a closer look at how our accounts are presented to us.

All entities should be required to disclose the accounting procedures adopted, particularly when accrual or other accounting bases have been adopted. This particularly applies to Government agencies and authorities and their cash operations.

We are also concerned about the materiality of information, including financial statements. I will report on that more in a moment.

Regard must also be taken of the treatment of funds occurring after balance day. That means we cannot bring figures from one year into the next year; there must be a good clean cut-off. In the private sector we would all like to move profits from one year to the next to save tax. One cannot bring sales in or make movements of funds, because there are standards in the private sector which stop this. In the public sector we must have similar standards so that we can compare one year with the next.

The public sector Accounting Standards Board believes we should be planning for the future by working towards better financial management generally, improving financial reporting and increasing efficiency and effectiveness.

It is important that the Government of the day recognises the value of the work that has been done and fully supports the implementation in every Government department and authority of the standards recommended. I will endeavour to assist in future debates on these subjects.

I will refer now to anomalies existing in Government accounting which have existed in that accounting over the last several years throughout Australia. The private sector has

had to live with accounting standards which have been upgraded from time to time to account for current trends.

They have been controlled by the Accounting Standards Board, and by the legislators through the Companies Code. They put in rules and standards on how to present accounts. This does not apply to Governments.

The private sector auditor must report that accounts are "true and fair", the Auditor General reports the facts. I am most gratified in reading the Auditor General's report to see how well the facts are brought out there, but rarely do I see the follow-up to those facts. The Auditor General gives all the facts, anomalies, and accounting standards, but he cannot say, "This is not true and fair." These statements are made in the private sector.

In his 1983-84 report the New South Wales Auditor General stated that while cash accounts are fundamental to management of cash flows, a consequence of having only cash accounts is that the cash deficit or surplus for a Budget year gives no clue as to the operational cost or effectiveness of Government operations. That is so important in the whole business of accounting. People want to adjust the figures at the end of the year because cash accounting makes that so much easier than accounting on an accrual basis.

The public sector Accounting Standards Board intends that the accounting standards of the private sector shall apply to the public sector with no variations.

Governments at the time of preparation of the Budget and financial accounts for the current year are usually under considerable pressure to produce a balanced Budget and to minimise the chance of a deficit for the current year or to end up with a small surplus. In recent years various Governments have used different techniques to achieve this objective. I will give some examples. In New South Wales several years ago the Government raised approximately \$500 million by selling off rolling stock and leasing it back from a conglomerate of finance companies. In a year when the Government faced a \$300 million deficit, the sale money went to Consolidated Revenue to reduce the deficit. The Auditor General advised that lease payments in New South Wales that year rose from \$21.5 million to \$66.7 million, an increase of 209.8 per cent. He went on to say that the lease payments would escalate further in future years under the nature of the deals and the fact that further lease-back

arrangements had been scheduled in 1984, 1985, and 1986. In other words, he was pre-termining the cash flow on the sale of assets to come back in and lease them back at a high interest rate.

Governments for many years leased new rolling stock, ferries, buses, and trucks. That has been a different matter because the lessor, the person supplying the finance, had the benefit of the investment allowance so he could do a very attractive deal to the Government because the lessor got the benefit of the investment allowance which was not required by the Government. This was changed after the massive leasing of the powerhouse in New South Wales. It has been stopped because the Government was working with free enterprise to help avoid taxation.

Private companies will sell buildings and premises and lease them back, but usually they are doing it to reduce their interest bill or to use the funds to generate more profit to survive in the workplace. If they sell off the buildings and use the funds to finance losses, and keep funding those losses, the eventual result will be to go out of business or into liquidation.

The advantage of lease-backs to Government is to improve the cash flow of the incumbent Government, but it imposes a huge liability on future Governments and future generations. The leases are usually over about 10 years.

The New South Wales Auditor General referred to a liability of \$1 billion which would be influenced by floating interest rates and exchange rates. When one realises that these leases were entered into several years ago, the debt on the same items could be at least \$1.5 billion after making repayments in recent years.

Another accounting anomaly that has been used in recent times has been referred to by my friend Tom Sheridan, the Auditor General of South Australia. Last year he qualified his report by saying the accumulated deficit could be reduced by a further \$7.7 million if the necessary regulation had been in place to effect the planned transfer of the highway funds. He went on to say the same principle applied to housing moneys of \$18.6 million retained in the deposit account. The Government commenced the year with a deficit of \$64.8 million which reduced by \$13.7 million surplus, but could have been further reduced by \$26.3 million that had been held out of the accounts at 30 June to be spent the following year.

I mentioned materiality before. In accounting terms that is a very material variance. When one is holding out of the accounts \$26.3 million and one only made a surplus of \$13.7 million, it is clear that twice the surplus has been held out of the account for use in the following year. Is that true and fair?

In his report to 30 June 1985, the Victorian Auditor General reported on long-term leasehold commitments of \$1.2 billion in respect of sale and lease-back of \$624 million in one year of assets of the Metropolitan Transport Authority, the Port of Melbourne Authority, the State Energy Commission, and the State Transport Authority. If one looks at the exchange rates from then until now, one can see that \$1.2 billion would now be far greater because a lot of the money was in foreign currencies and interest rates have gone up.

We have not missed out locally either on making certain that the figures come out nicely at the end of the year. The Auditor General reported last year that the Estimates provided for \$23.5 million for interest on short-term investments and \$22 million from the State development fund. However, the transfers were not effected. That was on a year-end surplus of \$0.8 million. So \$45.5 million was left out of the accounts in a year which had a surplus of less than \$1 million. When one looks at that in respect of the Budget and reads the Treasurer's statement, one realises that he is bringing \$45.5 million from last year into this year because no interest was brought in from the short-term money market and budgeted for this year. The Treasurer said—

Perhaps there is no better demonstration of the restoration of the State's financial fortunes than that this Budget provides for a modest surplus of \$1 million. I am advised that this is the first time since 1944-45—the first time in 40 years—that the State has budgeted for a surplus. The Government believes it has made substantial progress during its term towards the achievement of its goals

I would be frightened if it made any more progress when one considers there was a surplus of \$1 million and that \$45 million had been brought over from last year.

Are these State accounts true and fair when this can be done? This is the question that is being addressed by the public sector Accounting Standards Board—we must have better, more straightforward accounting. These are men, Federal and State Government and Audi-

tors General, and outside bodies who want standards applicable to the Government as well to the private sector.

I have mentioned the sale of Government assets and I am hoping personally the public sector Accounting Standards Board will research all different types of Government sales of assets, land and buildings, and rolling stock, and how it will come into the books. I hope they will look at whether it goes into Consolidated Revenue, or is kept in deposit accounts or held by statutory authorities. Normally it cannot be spent in the year in which the funds are received because it has not had the approval of the Government at the time of the Budget.

I refer now to an example from England. I am in favour of the sale of assets, but it depends on how one uses them. The Chancellor of the Exchequer, Mr Lawson, has promised extra public funding of five billion pounds during the next two years to be paid for by doubling the rate at which State assets should be sold to the public. We in Australia are selling assets, and I am not against that; this Government has done it. The question is where the funds go. If we keep selling assets to pay operating costs—in household language if we sell off the wheelbarrow, the lawnmower, and the car to pay for food, education and clothing, and then the house—unless we replace them with some other income the eventual end is bankruptcy.

In Government terms a lot more money must be raised to cover the sale of assets. I hope that the Government does not enter into the sale of major assets. I would like to think that that sort of thing will not occur in these times of hardship and that a new formula for Budget restraint and control in Government expenditure will be drawn up.

In my time in business I found that people in authority enjoy spending other people's money. They often have little to spend themselves and find that it is a nice feeling to be in a position to put their names to newly-erected buildings. However, they must have respect for other people's money when they work out the expenditure estimates and reduce them until the revenue matches them. In the case of the Government it immediately goes around increasing existing rates of income tax and sales tax. If that does not provide enough revenue it finds new sources such as a gold tax, a fringe benefits tax, a financial institutions duty, and a bank accounts debit tax. Things that have never been thought of before have been introduced—

disallowing deductions, investment allowance, entertainment expenses, and the abolition of negative gearing—all of which bring in income to match uncontrolled expenses. These taxes become a disincentive to business. They take away incentive from the person who has put up his own money and has no holidays, long service leave, or redundancy pay.

The Government needs the money and the people will have to pay it; and this will have to stop because the public will object. The Government can only get so much out of the business sector before it reacts.

A well tried formula was made famous many years ago by an American named Harold Geneen from the International Telephone and Telegraph Corporation. That formula was income, less profit, equals expenses. I came across this formula in the 1950s when I was attending the University of Toronto and I have used it with my firm and my clients. That is the sort of thing which the Government must look at—what is reasonable revenue for the year earned by a reasonable increase in taxes and charges. What sort of surplus is required in order to break even? Therefore we have the expected revenue and the anticipated surplus, which should equal expenses.

In business a person must prune his expenses to balance the equation because he does not have the privilege of putting up taxes. He is competing with overseas and interstate companies to survive and he cannot push up his prices to create a profit or he will be out of business.

The Government must address the problem of revenue and what is reasonable for the economy. It must avoid all disincentives to business and investors as has occurred in recent State and Federal Budgets.

In 1981-82 the Federal Government talked about programme budgeting which is now part of Government procedures and should become part of Government work papers and the first report of the Auditor General. Programme budgeting is the system used in most OECD countries, the United States, the United Kingdom, and Canada. It has been adopted by most States in Australia and by the Federal Government. It is an approach for focussing on departmental managers, resource allocation decisions, and parliamentary and public scrutiny; and for focussing on the purpose of Government activity and the efficiency or the effectiveness of that activity, rather than on the level of expenditure on certain items or input.

It provides a budgetary framework for systematically reviewing the achievements of programmes against objectives as part of the funding process and for retaining accountability of departmental management for the ultimate result or expenditure of funds, whether capital or revenue expenditure.

In business terms programme budgeting can be looked at as budgeting for each department, branch and retail, wholesale, and manufacturing division. It is a breaking down of divisions. We do not have one conglomerate budget for BHP or Ampol—it is broken down into divisions. Why should not the Government be doing things the same way?

It is not sufficient to develop a programme budget on work papers which is the system used by most State Government departments at the moment. The programme budget must be able to be fed into a computer and form part of the whole accounting system in order that departmental managers can measure what is happening against the programme budget at any time and are able to ascertain its progress. This particularly applies to Government expenditure. It is integrated into the financial ledger system in the Government computer.

Three departments in the Federal Government have this year undertaken programme budgeting, and it will be interesting on 30 June to see the budgets of those departments broken down into a number of programmes and not just one budget. We will be able to compare the efficiency and effectiveness of one programme. The public and politicians will be able to see what is happening—they will see the good with the bad and not just one overall budget.

I look forward to these developments being fully integrated into the WA Government accounting system and I will support anything that is done in this regard.

I come back to small business. Payroll tax must be seen as a distinct disincentive to employers because only very small businesses are exempt. Australia has a massive unemployment problem and people should be absorbed by private enterprise if any major benefits are to be achieved. If the Government employs people on unproductive schemes there will be no long-term benefit.

An employer today must consider carefully the short and long-term costs of a new employee—workers' compensation, holiday loading, possible shorter working week, superannuation, flexi-time, long service leave, and payroll tax. The average businessman who

employs between 10 and 30 employees must consider this every time he employs a person. He is the man who has no workers' compensation, holiday pay, or long service leave for himself. He is locked into a situation and he cannot get off the treadmill. Governments must endeavour to reduce payroll tax. I commend the Government on the reduction it has made to date.

I discovered last year for the first time that Government departments and authorities are subject to payroll tax. The Education Department will pay \$28 million this year in payroll tax to the Government. This amazed me and from inquiries I made with my business friends I found that not many of them realised that this occurred and were unaware of the reason for it. On further inquiry I discovered that approximately 30 per cent of payroll tax collected by the Government—that is \$90 million—comes from Government departments. The result is that the total revenue is not as great as we have been led to believe. It is \$210 million and not \$300 million. I would like some details from the Government about the 30 per cent of payroll tax which is paid by Government departments.

Last year the Treasurer, in his Budget speech, said that he had reduced the burden of payroll tax by \$40 million over three years; the figure was about \$28 million because the Government had saved \$12 million on the total payroll tax. The rate must be reduced to assist business and help employment, but this can only be done by the Government controlling costs.

I said before that I have a great interest in small business and in recent years it has been hit very hard by land tax. The community and the Government are conscious of this problem and many submissions have been made to the Government. The situation as I understand it is that there will be no changes and the 10 per cent discount which applied last year will still apply and many firms will be on their second or third instalment of the new rate.

Land tax rates increase as a result of revaluations. These take place in one shire after another and increases are phased in over three years. Increases in recent years have inflicted severe financial burdens on many businesses. The rates are not increased as a result of any changes in the tax rate but merely as a result of the revaluation. They have been particularly severe in the City of Perth and it is very difficult to appeal against such valuations. It is correct that the rate of land tax has not changed

and it is still imposed at the average rate of 2.4 per cent on properties valued at more than \$120 000.

The Government gave a discount or rebate of 10 per cent last year but that 10 per cent applied right across the board to every person paying land tax, irrespective of whether that tax had been increased. Therefore, those paying an increased land tax were helping those whose tax had not been increased, because their property had not been revalued. It cost a great deal of money; I understand that the amount allocated in the Budget was \$6 million and the Government can say that its income was reduced by \$6 million. However, when that reduction is looked at in perspective it can be seen that it was a very small reduction.

Land tax is often referred to by politicians and the media as a tax on wealthy landowners. Such people are wrong; it is an occupancy tax. It is paid by the occupant of the premises, whether manufacturer, retailer, service industry, or professional office. Every lease allows the landlord to pass such taxes on to the tenant. However, that does not apply to leases on residential properties. For example, if a landlord is renting a small house and land tax increases by \$10 a week, his return from a rent of \$100 a week will be reduced. It is no wonder that many people are no longer investing in properties for private rental. It is not so bad with commercial properties because the owners can pass on the increases. However, if one considers small shopkeepers in the suburbs it can be seen that they have been hard hit by these increases. Some increases have been up to \$1 000 a year and the average small businessman will usually have to absorb that increase because he cannot pass it on. In some cases adjoining shops may be in two different local authorities and in one the land tax is increased and the businessman must pay a much higher rate. However, the business next door may not yet have been revalued by the Valuer General and, therefore, the rates will not have increased. Consequently there would be a considerable difference in the profitability of those businesses. The circumstances are very hard on small businesses.

In recent years many increases based on the revaluation of properties have been of 100 per cent to 200 per cent. Some people might say that this can be recouped from the developer who makes all the profits from the land. However, the developer will capitalise the land tax in the long or short-term period and our children will pay that land tax when they buy the

land further down the track. They will pay land tax, with interest added and compounded, because the land has been financed by the developer with the cost to be passed to the eventual purchaser of the land. This tax is a burden to consumers and to small businessmen; it is not just applied to wealthy people and landowners.

It is understood that the tax will continue in the same way this year. The Confederation of WA Industry, the chamber of commerce, and the Real Estate Institute of Western Australia have made submissions to the Government regarding changes to the land tax. However, they have been told by the Government that it does not wish to discuss this subject with them because it is to be discussed in-house. It is not a subject that should be discussed in-house. The Government should consider the people who will be affected by this tax. It must consider the reality of the situation and the unfairness of this matter.

I refer now to sport. I have made a submission with regard to sporting opportunities for children. Gifted and talented students in music, art, and academic subjects are given special treatment in a number of high schools in the metropolitan area. Also children with problems such as abnormal hearing, sight, or learning difficulties, are treated in a special manner. The same applies to aggressive children. However, talented young sports persons are not receiving special treatment.

Today sport is as important as entertainment both for health reasons and as a social activity. For many golfers, tennis players, and footballers it is their only occupation. There are professional sportsmen in our community who make considerable financial sacrifices for many years to develop their skills. They travel overseas or around Australia to gain greater experience so that they may live on the rewards of their sport. These young men and women are the backbone of free enterprise. They take risks in their efforts to try to reach the top in sport and to make a lifetime's job. They must move around from place to place, be coached, and gain experience at considerable cost to themselves. Some have done very well but others, as a result of injuries, gain nothing from the sport.

The education authorities should assist and encourage sportspersons with above-average talents to develop this talent at school so that they may benefit in years to come from this part of their education. This could be done in a system similar to that which applies to art, mu-

sic, and academic subjects taught to above-average students. It should not be done at the expense of academic learning. The two must go together as I imagine takes place in high schools that specialise in art and music.

I do not think that this will cost the Government more than it is paying now. The schools already have physical education teachers who are top sportsmen. Many talented teachers are employed in our schools today and they would love to be able to help young people to develop their maximum potential in sport and to make a career of their sport. I envisage high schools for swimming, cricket, football, and athletics, specialising in those subjects just as other schools specialise in music, for example. The teachers are available; they just need the opportunity.

I should also like to see greater interest developed in competition in high schools to help students achieve their potential. The cut and thrust of sport is good for everyone and it should be encouraged. I am not suggesting that we should encourage competition for the sake of winning Australian championships or international competitions, but to help young people attain their self-esteem, confidence, and possibly economic security through the development of their abilities. I would prefer the Government to spend money on lifting the standard of coaching in sport rather than building large concrete buildings for the elite. The money would be far better used for coaching.

With regard to education generally, it seems to me that schools are lacking in that they do not motivate the students to want to succeed. The students need to increase their self-esteem and to be able to visualise what they are going for in the long term. They must aim for a positive lifestyle when they leave school. The schools provide counselling officers who do a good job but they are few in number. They are working on a one-to-one basis. We must motivate the children so that they can set goals for themselves which are worthwhile and which they can go for. That type of ambition seems to be lacking in our schools today. They need help from teachers, parents, and the community. We must do something about this matter.

A famous Western Australian said of Perth Modern School, "I feel some criticism about my education at Perth Modern School because of lack of guidance and direction it gave me." Despite the lack of positive direction at school he went into the work force and then achieved great distinction in later life. That person was

not the Primer Minister. He found in the Perth Modern School that the teachers were helping those who wanted to get university scholarships or exhibitions but the rest of the students received no guidance. The same is true today. We must try to instil into our educators the need to do more than just teach the three R's. This will develop in students the desire to succeed in a positive manner.

Finally, we must do something about the tertiary education system to attract more students to this area. Some courses which are popular and have good job potential will not accept students because the courses operate on a quota system. Other courses are not popular and have no job potential but students can easily gain entrance to them. We must make every effort to improve and change our system. We keep students out because of their TAE results but they should be given a further opportunity to gain entrance to tertiary education, whether by paying fees, scholarships, or some other means.

There are many people in the community who are late starters and although they might wish to attend a tertiary institution they could never pass at school. History can show us that these people might well do better in later life, and looking around this Chamber perhaps one can see people with a similar sort of background. They may not have had the opportunity to attend university because they could not reach that magical figure on a computer somewhere. There must be another way for people such as this to get into the system and prove their worth. Some people in this Chamber may have degrees in commerce or medicine or whatever, but nowadays people are often precluded from attending university and developing their abilities.

I know that students in many colleges nowadays are given a very broad education—sport, and other recreations—but some of them may not have done as much academic study as perhaps they should have. Despite this they may have great potential to go on, but their low marks prevent them from doing so. I think we in this place should do what we can to rectify this situation.

Finally I would like to discuss youth organisations. As a former Chief Commissioner of Scouts, I believe there are great assets in the community which must be made available for youth organisations. The public and the police are aware of the mounting problems caused by the mass of unemployed youth who are living on the dole, and are independent of their

parents or any other authority. The public are also aware of the need to provide greater support in the raising of their children, such as in youth organisations for sport, music, and group activities. These organisations need greater help, both physically and financially.

Much could be done here in regard to schools. Years ago an architect in Victoria conducted a survey which examined how high school facilities in the suburbs and the country could be made available 24 hours a day, seven days a week, 52 weeks a year, rather than limited to school hours for 40 weeks a year for school children only.

Libraries in country towns, community libraries generally, and school libraries should be expanded for use by the entire community, with a multiple use for all people. The school swimming pool which is available only for the use of students should be made available for school physical education staff to coach high school students and other persons and be available for the "keep fit" brigade, for use, for example, after a jog around the school oval. The use of these facilities could be a family affair and it could be an asset which the entire community could use rather than merely only the Education Department.

Sports ovals and changerooms are great costs to local government and amateur sporting bodies on outside grounds. I believe that far greater use of these could be made in the way I have suggested rather than to be left in the hands of the Education Department. From my experience of years ago, the use of these facilities is usually at the discretion of the principal. The biggest problem the scouting movement had was usually fitting in with the school cleaners, and the hours they worked and when they locked the doors and so on. There are hundreds of millions of dollars worth of assets which are locked up and used only a few hours a week and they should be used for the benefit of the entire community.

I suggest that members give serious consideration to this matter. It is not going to cost money because a lot of these organisations and local governments are arranging more funds to provide these facilities for the youth of the community who we know are looking for leadership and support.

I appreciate very much the opportunity given to me to speak and I hope to be able to speak in future debates of this Parliament.

[Applause.]

HON. S. M. PIANTADOSI (North Central Metropolitan) [8.44 p.m.]: I rise also to support the motion and in doing so would like to take the opportunity to acknowledge with deep regret the death of my close friend and colleague, Mr Clive Hughes, the former member for Cockburn. He was a good member of Parliament, and a good trade unionist and friend of the people.

I would also like to congratulate the Leader of the House, Hon. Des Dans, and Hon. Joe Berinson on their reappointment and take this opportunity to welcome the appointment of Hon. Kay Hallahan to the front Government bench of this House. To the members of the Liberal Party who sit opposite on the front benches, I offer my congratulations on their appointment and notice that there is a new addition in this new House. I can only hope that things will improve and a better contribution will be made by the Liberal front bench.

Hon. P. G. Pental: Is that a compliment or what?

Hon. S. M. PIANTADOSI: I can only say that if the last few days are any indication, the Liberal Party is in dire straits.

Hon. P. G. Pental: I just wanted to get that clear.

Hon. S. M. PIANTADOSI: At the commencement of the first session of the Thirty-second Parliament we notice a number of new faces in this House, and I congratulate all those members who were elected to the Parliament and wish them every success in their endeavours to serve the people.

It would be remiss of me if I did not take this opportunity to raise the issue of electoral reform, even though a few members opposite have sneered at the idea and do not like it one little bit.

Hon. P. G. Pental: Which version do you support—the Bryce or the Tonkin version?

Hon. S. M. PIANTADOSI: I noticed during the maiden speech of Hon. John Halden, the member for North Metropolitan, that there were a lot of sneers from Liberal Party members who, of course, do not want to hear about electoral reform at all. They made that quite clear prior to the election. Mr Hassell, as Hon. John Halden stated, did not consider electoral issues as being important, nor that people were concerned about electoral reform at all. I suggest that members opposite ask Hon. Tom Knight about what happened to him. I can only say, and I offer it as a suggestion to members opposite, that unless they get their act together

we could very well see, after the next election, that the Opposition front benches will not consist of Liberal Party members but National Party members. Members of the Liberal Party had better be very careful.

Hon. J. M. Berinson: That is a very serious position.

Hon. S. M. PIANTADOSI: It certainly is. I certainly hope that members of the Liberal Party heed my advice and lift their game. There has been a lot of discussion over some of these changes. Hon. Phil Pental mentioned Mr Tonkin's proposed electoral changes. Mr Tonkin proposed those changes for the good not only of this Parliament but of Western Australia.

Hon. G. E. Masters: Why is he not now a Minister?

Hon. S. M. PIANTADOSI: After all, if members opposite disagree that a democratic and accountable Parliament is necessary both for the success of the State and for the country—

Hon. G. E. Masters: Tonkin was horrified at your insincerity.

Hon. S. M. PIANTADOSI: Hon. Gordon Masters obviously does not agree that the Parliament must be accountable to the people or that it is every citizen's right to have a choice in electing the Government.

Hon. P. G. Pental: Do you support the Tonkin or the Bryce version? That's all we ask.

Hon. S. M. PIANTADOSI: I support electoral reform, Mr Pental.

Hon. P. G. Pental: But you are not sure what it is.

Hon. S. M. PIANTADOSI: Hon. Phil Pental will have ample opportunity in the very near future to put his point of view in this debate. I certainly hope that it has changed over the last few months from his stance of last year and previous years. All Hon. Phil Pental is intent on is denying people their basic human rights, which is what will happen unless these changes are made in the electoral system of the State. I think members opposite need to acknowledge that.

In respect of reform there is an area that I would like to bring to the attention of this House. I have raised it in the past and I raise it once again. It concerns the recognition by this Parliament that within our society there exist multicultural communities which have special needs. On many occasions we in this place hear about different sectors, particularly from our National Party colleagues dealing with the dif-

difficult times that farmers are facing in certain respects, and I agree that farmers are facing many problems, as is the rural community in general, in business and in other matters. There are many people within our community who have come from a non-ethnic background who have many difficulties as well. I think the onus is on this Parliament to take the initiative and ensure that the basic human rights of these people are protected. One step which is needed to ensure that these basic human rights are met is to—

Hon. V. J. Ferry: Get rid of the fringe benefits tax.

Hon. P. G. Pental: Are you going to support the Bill of Rights?

Hon. S. M. PIANTADOSI: I would rather worry about protecting rights for human beings, not privileges.

Hon. G. E. Masters: What about the Bill of Rights?

Hon. S. M. PIANTADOSI: Hon. Gordon Masters might learn a little more if he listens. Obviously he did not learn much as Minister for Industrial Relations and in Opposition it was necessary to change his shadow portfolio. I suggest to Hon. Gordon Masters that if he sits back and listens he might possibly learn a little more. He was the Minister for Multicultural and Ethnic Affairs and if he wants to discuss his record I can tell him it was a sham.

Hon. G. E. Masters interjected.

Hon. S. M. PIANTADOSI: No progress was made at all. The Leader of the Opposition should speak to the people. Three years ago he refused to attend a public meeting and since he has been shadow Minister he has done nothing.

Qualified interpreters are necessary to meet the needs and the basic human rights of migrants who have medical problems. In many cases people who are unable to speak English are brought to hospitals. The cleaner or some other member of the staff, whose interpreting skills are inadequate, is called in by the doctor because it is urgent that the needs of the patient are catered for. That must change.

We need to encourage medical and nursing personnel to provide a service to persons discriminated against because of language and cultural difficulties.

We need to ensure that all medical services are responsive and compatible with all needs of a cultural, pluralistic society. We need to enact legislation to ensure a legal right to an interpreter in police interrogations, and court

and committal proceedings under the Department of Mental Health's jurisdiction where insanity and incompetence are involved.

We must ensure that all Public Service information and official court documents, as well as all notices issued to the public affecting citizens' rights and duties, are printed in community languages, including information concerning bail, probation, legal aid, the duties of the Ombudsman, and citizens' rights in all cases of arrest or apprehension by police, or interviewing and investigation by officers from State and Federal departments.

We must ensure also that, as part of the legal process, anyone arrested should be informed in his or her language at the time of arrest or apprehension of the reasons for the action, and the person should be promptly informed of his or her rights and any charges against him or her.

Hon. P. G. Pental: That is more than the Bill of Rights will allow. That is a very good point.

Hon. S. M. PIANTADOSI: If Mr Pental listens, he might learn something.

Any anomaly in civil rights among non-British migrants should be removed to ensure that all migrants are placed on an equal footing. In matters of family law affecting the marriage, divorce, and care and custody of children of migrants, family courts and their counsellors should be made aware of and have access to information on social customs of diverse cultural groups.

I turn now to industrial conditions. This subject will interest Mr Masters, bearing in mind his former portfolio. We should ensure that awards and conditions are printed in multilingual documents and are made available at the workplace, especially when they contain information on workers' compensation entitlements.

Hon. G. E. Masters: Do they put membership tickets for the BLF in different languages?

Hon. S. M. PIANTADOSI: There are approximately 250 registered unions in this State and the Leader of the Opposition bases all his interest on just one organisation. That shows how shallow and limited was his information and knowledge of his previous portfolio.

We should support industrial safety campaigns by ensuring the availability of safety programmes in different languages. I assume Mr Masters initiated some progress in that area as well.

The most urgent matter is the establishment of a central interpreting and translating service within the Multicultural and Ethnic Affairs Office of Western Australia.

It is essential that we proceed with the programme I have just outlined to the House, because it will assist many people with those difficulties in the community. Failure to establish such a facility will continue to deny equal rights to many of our citizens.

Recently Mr Masters raised in the House the problems many tenants will face as a result of increased rentals. He tried to blame that situation on the Government. Mr Masters is rather selective in the areas on which he chooses to comment. For years he and his Liberal Party colleagues have stated in this House and outside that they support the small businessman. However, the other day he made no mention of those poor businessmen in Fremantle, some of whom have rented premises for over 20 years and are now facing these exorbitant rent increases, some as much as 1 000 per cent and even up to 3 000 per cent. Those rents have been increased by Mr Masters' little mates to whom I referred. Those little rip-off merchants and little mates have increased rents in Fremantle, but Mr Masters did not mention them. He preferred to attack other people.

Mr Masters, who is critical of the proposed fringe benefits tax, says the abolition of negative gearing is to blame for the crisis in rental accommodation. It is not the fault of his little mates who have their hands in their pockets and want to line them a little more by ripping off their friends. Mr Masters made no mention of them. He said the position was all the fault of the Government. He should go and check the position with his friends in Fremantle. Indeed, I will speak to them. Mr Dans will take Mr Masters on a guided tour. Mr Dans would know these people and he could take Mr Masters to speak to them so that they may indicate how they have been ripped off and who has ripped them off.

Hon. G. E. Masters: You made Mr Dans turn very pale then.

Hon. S. M. PIANTADOSI: These little friends of Mr Masters are intent on making a quick buck through increased rents.

Hon. G. E. Masters: It is the wicked landlord now, is it?

Hon. S. M. PIANTADOSI: It is Mr Masters' mates, whom he supported, who are ripping off people; or is it the system that is doing that?

Several members interjected.

The DEPUTY PRESIDENT (Hon. Robert Hetherington): Order! I suggest that the member address the Chair.

Hon. S. M. PIANTADOSI: I suppose one can live in hope that we will be successful with our electoral reform legislation.

Hon. G. E. Masters: Are you all under instructions to talk about this?

Hon. S. M. PIANTADOSI: No, I am not. I just hope that for his own sake the Leader of the Opposition's party supports that legislation. I quite like Mr Masters and I like looking at him sitting opposite. If the reforms are not passed, he will continue to sit there. The only one in the hot seat is Mr Pental. That seems to be the seat in which changes take place, and I suggest he get his act together also.

Hon. P. G. Pental: Don't forget that Mr Dans told me last year that I would not be back here.

Hon. S. M. PIANTADOSI: Well, the person who sat previously in Mr Pental's seat did not return, so if I were he, I would take notice of that.

I sincerely hope that, for the sake of Western Australia, the Liberal Party supports the electoral reform legislation. I mention the Liberal Party only, because the National Party has shown a little more maturity in this House than has the Liberal Party. I am sure that now the National Party has its act together, it will be progressive and will fill a few more seats in this place.

Hon. P. G. Pental: As long as you tell us what election reform you want—Mr Tonkin's, Mr Bryce's, Mr Beahan's?

Hon. S. M. PIANTADOSI: The Liberal Party cannot put its own house in order. Talk about democracy. A clear demonstration of that is in the Liberal Party's Swan division when Mr Michael Brazier, my former opponent, realising he could not get his own way, decided to have a meeting in Duncraig and not at the Liberal Party's divisional headquarters in Colombo Street, Victoria Park.

Hon. P. G. Pental: We had the lights off that night.

Hon. S. M. PIANTADOSI: That is how democratically the Liberal Party machine works. We all know how the Liberal Party conducts its affairs. The Liberal Party cannot put its house in order. With its continual challenges to Mr Hassell how can it talk on any issue, put forward any claim or have any knowledge or

sound proposals to put forward for government?

Hon. P. G. Pandal: Tell us about Mr Tonkin, your old mate Arthur, your little friend.

Hon. S. M. PIANTADOSI: I hope for the sake of all Western Australians we have a Liberal Party Opposition for a long time. I again extend my apologies to my four colleagues in the National Party and to the WA Democrat.

Hon. P. G. Pandal: He hopped out to do some lobbying.

Hon. S. M. PIANTADOSI: I believe they will support reform.

I support the motion.

The DEPUTY PRESIDENT (Hon. Robert Hetherington): There is a great deal of frivolity in the House tonight. Hon. Mark Nevill who is about to speak has not got quite the strength of voice of the gentleman who has just resumed his seat so I would be very pleased if there were fewer interjections from my left.

HON. MARK NEVILL (South-East) [9.01 p.m.]: In my opening remarks I want to congratulate Hon. Kay Hallahan on her election to the Ministry. She will do an excellent job in that position. I also welcome the new members of this House who made their maiden speeches tonight. I am quite pleased with the contribution each made and feel they will make more good contributions to this House during their years in Parliament.

I want to discuss three topics tonight, the first being pesticides. I have been concerned for a couple of years about the excessive costs of some pesticides. There is potential to lower costs, particularly in regard to a major herbicide, by about 30 per cent. On my estimation that could reduce costs to farmers by \$3 million a year. With falling commodity prices, farmers have to look a lot harder at costs and not only Government charges in order to improve their terms of trade. The herbicide I am referring to is called Sprayseed. It is made and marketed by ICI, a major herbicide manufacturer. The sales of the herbicide in this State amount to over \$10 million a year and the Australian figure is around the \$40 million or \$50 million mark.

Sprayseed contains two toxic chemicals, paraquat and diquat. Both chemicals are imported from overseas but they both could be synthesised in Australia. Both chemicals are out of patent. Diquat was introduced in 1957 so it would have been out of patent in 1973. Paraquat was introduced in 1958 and would

have been out of patent in 1974. There is a problem though; the National Health and Medical Research Council has a requirement that paraquat cannot be sold without an emetic. An emetic is a substance which induces vomiting. On the National Health and Medical Research Council's schedule 7 there is a list of some 33 toxic and dangerous poisons and only one carries the requirement to contain an emetic.

I find that quite strange, yet putting an emetic in paraquat has the effect of extending the patent because the product cannot be sold without an emetic and the emetic is owned by ICI. The National Health and Medical Research Council will not inform any of the Australian potential producers which emetic is suitable. They have to come up with their own emetic, evaluate it and put it before the council. That is grossly unfair. As I said earlier, both chemicals are quite easy to synthesise. They can both be produced in Australia; in fact, they can both be produced in Kwinana. However, under the present arrangements they may not be produced.

The reason for requiring an emetic in paraquat is that it prevents people from committing suicide by ingesting it. I have had examined some coroners' certificates concerning 13 suicides which occurred between 1979 and 1982. These were effected by seven different pesticides which are all fairly commonly available as an alternative to paraquat. If one goes to any farm or horticultural establishment or even a garden shed one will find chemicals with which one could commit suicide, so I really do not feel that having an emetic in paraquat is justified.

If paraquat and diquat, the two ingredients of Sprayseed, were manufactured in Western Australia, farmers would pay about 70 per cent of the prices they currently pay, and that would reduce the Australian bill for imported chemicals by over \$50 million or \$60 million, a considerable amount of money which would be reflected positively on our balance of payments and reduce our current account deficit.

If these chemicals were synthesised in Western Australia more jobs would be created, more money would be invested in the Australian chemical industry, and skills would be developed. It is an area at which farmers should look very closely. I have had discussions with Hon. Julian Grill, MLA, the Minister for Agriculture, on this matter and I hope the Government opposes the requirement for an emetic in paraquat formulations next time the

matter comes before the National Poisons Review Committee.

I make that point because I feel that chemicals are an area in which farm costs can be reduced. Most members who are involved with the farming community know that certain duties and tariffs are imposed on chemicals. I would like to see some of those costs removed selectively. Recently a commitment was made in the Federal Minister for Primary Industry's rural hardship package to revise tariffs and duties on chemicals and I hope the farming groups and the State Government take up that challenge to further reduce these costs.

My next topic relates to an anomaly in the Workers' Compensation and Assistance Act. I feel it needs to be amended. A constituent with whom I worked underground came and saw me. He obviously had a chronic lung disorder. He had been retired since 1980 and he had been turned down by the Pneumoconiosis Medical Board. He came to me in a state of despair because he had worked underground for 30 years in goldmines and believed he had silicosis. Under that Act he is entitled to regular reviews. I arranged for him to go before the Pneumoconiosis Medical Board for a review. Again he was turned down.

The problem I had with the constituent was that he was convinced he had silicosis, and so was his wife. I finally said to him that the only way that it could be definitely established that he had it would be through an autopsy because it was not showing up on the X-rays. It was a fairly delicate matter, but it was fairly evident that he would not live much longer—he actually died a few days later. His heart and lungs were sent to Sir Charles Gairdner Hospital. The histopathology report from the autopsy showed he had 30 per cent microscopic silica throughout his lung. It was rather sad to find out because it was not discovered by the Pneumoconiosis Medical Board. I do not blame the board; the silicosis usually shows up clearly on X-rays.

That man retired in 1980. However, because he did not have silicosis he missed out on the winding-up of the Mine Workers' Relief Fund which had run for many years. The beneficiaries of that fund were silicotic miners. He therefore missed out on about \$6 000 which he and his wife could have used. Because the silicosis was not detected, he lived the last six years of his retirement in not the most affluent of circumstances.

I would like to see the present Workers' Compensation and Assistance Act amended in such a way that autopsy results can be used in evidence to ensure that at least widows of silicotic miners are eligible for some compensation. I have written to the Premier about it and hopefully we can achieve some amendment which would bring justice to these people. There would not be very many of them. Silicosis is a disease which is not as prevalent today as it was many years ago. It is suffered only by people who have worked in these industries for many years.

The third topic about which I wish to speak relates to the proposed gold tax. Over the last six months I have been privileged to be the deputy chairman of the State Government's goldmining policy committee, which was chaired by Hon. Julian Grill. That committee put forward what I consider to be a definitive case against a gold tax. The report was rather lengthy, running for some 250 pages. It was put together because a gold tax is continually threatening the goldfields and the Murchison areas. It does seem to receive a lot of favour in Canberra, particularly among the Treasury Department people.

The report has put together some strong arguments against anyone who, in future years, contemplates taxing gold. It is well worth reading. If one does not have too much time, I recommend one reads the recommendations and conclusions. The committee felt that gold should not be taxed for a number of reasons. The main reason is that gold is already taxed in many ways. A capital gains tax exists on the sale of tenements and shares. Goldmining companies pay payroll tax and sales tax and, under the new system of dividend imputation, the goldmining companies will have to pay tax on the dividends in their hands.

Hon. P. G. Pendal: They will soon pay a fringe benefits tax.

Hon. MARK NEVILL: That is another tax which will impact on goldmining companies in remote areas more than in other areas.

Hon. N. F. Moore: Do you support it?

Hon. MARK NEVILL: I do support the fringe benefits tax. I do not believe that the PAYE taxpayers should be carrying the can like they are. The burden of taxes should be lifted from the PAYE taxpayers.

Hon. N. F. Moore: Do you think that Western Mining should be paying a fringe benefits tax on housing in remote areas?

Hon. MARK NEVILL: The member knows that there are thousands of rorts, especially by people in more privileged positions. They get cars. However, I do not want to get too distracted. School fees are paid for and some people have the use of credit cards on week-ends. We need to put an end to that. Whether the recipe that has been put together is the best one I am not sure; but this issue cannot go on the way it is where people in certain positions are bypassing the taxation system. If there is a better way around it, Opposition members can tell me.

Another reason the committee was opposed to a gold tax is that it would reduce gold production simply because, to achieve the same rate of return on capital, one would have to mine a higher grade of ore. This would lead to a shorter mine life. This shorter mine life would inevitably lead to fewer jobs. The committee established in its research that there would be 2 000 fewer jobs for every 20 per cent decline in output.

The other interesting statistic our research showed is that for every 100 jobs in the goldmining industry, 110 jobs were generated in the region. We applied a multiplier effect to those figures. We felt that, with the imposition of a gold tax, investment in exploration would be reduced because gold would lose its attraction. Last year in excess of \$110 million was spent on gold exploration in Western Australia.

Exploration is always very highly sensitive to expectations of returns on capital. We felt that exploration was absolutely essential for future development. Most of the present goldmines have only a short life of five to seven years. They are basically open-cut mines which mine lower-grade areas of existing goldmines and they will probably last until the early 1990s. In the next few years we really need to find some good underground deposits or new open-cut deposits of gold to see us through to the turn of the century. Thus it is absolutely essential that investment and exploration be kept up to maximise our chances of finding these larger, longer-term gold deposits.

The other point our research showed was that a gold tax would make the typical gold project that had been commenced in the last six years an uneconomic target. At least 80 per cent of those goldmines which were commenced in the last six years would be uneconomic exploration targets if a gold tax were imposed.

Members would have read in today's paper that the Pelsart group is getting out of oil and going into gold exploration in Indonesia. It has been recognised that in many of these South-East Asian countries—Indonesia, the Philippines, the Solomon Islands, and Fiji—are many very big tonnage, low-grade gold deposits which are extremely attractive exploration targets, much more attractive than our deposits here. It would not surprise me to see some of our exploration funds going into these areas in the future, even without the imposition of a gold tax. If a gold tax is imposed, the process will be hastened.

Our study showed that another effect of the gold tax would be that less equity capital would be made available for the goldmining industry. Goldmining companies rarely use loans to raise funds. Funds are usually raised by floating companies and using equity capital. A company tax would obviously lower the attractiveness of investing in goldmining. There would certainly be less equity capital available and goldmining companies would have to raise capital from loans and other borrowings, some of which would have to come from overseas. As soon as capital is borrowed, interest bills start coming in.

One of the regional effects of a goldmining tax that we documented was the reduction of the capital value of assets in many goldmining towns, not only for mining companies, but also for those with any property or businesses in regional areas. In those small towns around the State there would be less demand for services and products. We would see a real and negative impact on regional development and there would be less incentive for people to build houses and offices in these towns. In this respect, I comment on my disappointment at the number of mining companies that are doing very nicely in the eastern goldfields but are building flash office blocks in Perth. Those companies need to put a bit more into those towns where they mine gold if they want the support of members of Parliament from those areas in their efforts to avoid imposition of a gold tax. They have to be seen to be looking after the towns from which they make their profits.

Hon. N. F. Moore: Are you suggesting that the Government does not have that obligation?

Hon. MARK NEVILL: The Government also has an obligation.

These companies are building flash offices in Perth. Quite a few of them should look at building them in Leonora, Kalgoorlie, or some of the other towns, not just in Perth.

Hon. P. H. Lockyer: Pancontinental?

Hon. MARK NEVILL: I think its capital works programme should have ceased until the Bill went through this House.

If a gold tax was imposed there would also be a reduction in revenue to the Mines Department for tenement rentals. The gold tax would also have an effect on the proposed development of the Perth Mint. There would be less throughput of gold. A company tax on gold would result in a net outflow of funds from the State because 80 per cent of gold is produced in this State and we all know where the company tax would go. It would certainly not go to the State Government, so there would be a net transfer of funds out of this State. That does not appeal to me in the slightest, because WA is already burdened with an annual tariff bill of something like \$1 billion. As we all know, the main States to benefit from that are Victoria

and South Australia. Thus a gold tax would result in a further outflow of funds from this State.

We do not believe that the Federal Government's estimate of revenue to be raised from a gold tax will be achieved. There would actually be a decrease in Federal revenue because there would be a decrease in income tax on employee payrolls and a decrease in sales tax which would follow from the reduced production which would follow a gold tax.

I repeat that the gold tax is a threat that has always been with us and will always be with us unless we put up a definitive argument against it. The report of the Goldmining Policy Committee achieves that purpose and will stand in future years as a bulwark in any campaigns this State may have to fight against a company tax on gold.

I support the motion.

Debate adjourned, on motion by Hon. D. W. Wenn.

House adjourned at 9.30 p.m.

QUESTIONS ON NOTICE

TRANSPORT: ROAD

Wollaston: Bunbury

7. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Transport:

- (1) What provision is there for passengers arriving at the Wollaston railway station, Bunbury, to avail themselves of road transport to other parts of the city?
- (2) Are improvements to the present arrangements being contemplated?
- (3) If so—
 - (a) what is being proposed; and
 - (b) when will the improvements be available to the travelling public?

Hon. D. K. DANS replied:

- (1) The Bunbury city transit service has been specifically timetabled to meet every Australind train service scheduled to arrive and depart the Wollaston rail terminal. Passengers are then connected to all other route services.

In addition, a service operates past the Wollaston rail terminal approximately hourly throughout the day from 7.47 a.m. to 6.07 p.m. Monday to Friday, and 7.52 a.m. to 1.32 p.m. Saturday.

Those services not met by the city transit bus are catered for by Westrail which provides transit into Bunbury by its own road coach service.

Further, taxis service the Wollaston rail terminal on demand.

- (2) The present arrangements are considered to be adequate.
- (3) Answered by (2).

AMERICA'S CUP

Alitalia Flights

18. Hon. P. G. PENDAL, to the Leader of the House representing the Minister for Transport:

- (1) Has any firm agreement yet been reached on whether Alitalia will operate to Perth during the America's Cup period?
- (2) If so, what are the details?

- (3) If not, why did the proposal not come to fruition?

Hon. D. K. DANS replied:

- (1) No.
- (2) Not applicable.
- (3) Despite strong pressure from the State Government, Alitalia decided not to put a scheduled service into Perth for the America's Cup. The reason for this is that the company currently has operational constraints—aircraft availability, etc.—which means that it would have to disrupt other, more attractive schedules to serve Perth. The company is, however, looking at putting some unscheduled flights into Western Australia over the coming summer. The Government is staying in touch with them about this.

MOTOR VEHICLES: GOVERNMENT

6QG-774: Department

19. Hon. N. F. MOORE, to the Leader of the House representing the Minister for Employment and Training:

- (1) To which department or statutory authority is the Government vehicle 6QG-774 attached?
- (2) For what purpose is the vehicle used?
- (3) Which officer has access to this vehicle?

Hon. D. K. DANS replied:

- (1) The Department of Employment and Training.
- (2) Aboriginal enterprise project.
- (3) As required by officers of the department.

ABATTOIR: MIDLAND

Tax Valuation

25. Hon. NEIL OLIVER, to the Minister for Budget Management:

- (1) As the Midland abattoir was not previously valued for land tax, rates, and taxes, what is the assessed value of the property for the purposes of land tax, rates, and other taxes?
- (2) What method of valuation was used for the purposes of assessments?

Hon. J. M. BERINSON replied:

- (1) Midland abattoir is presently not liable for land tax, rates, or taxes and has not been valued by the Valuer General for these purposes.
- (2) Not applicable.

TRANSPORT: BUSES

Bunbury: Passengers

28. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Transport:

- (1) On a week-by-week basis since commencement how many—
 - (a) students, and
 - (b) other passengers have been carried by the Bunbury bus service?
- (2) In view of the obvious lack of patronage on some routes, has a review of the total service been undertaken?
- (3) If so,
 - (a) what changes will be made; and
 - (b) when will they be effected?
- (4) On what contractual terms will changes be effected?

Hon. D. K. DANS replied:

- (1) The passengers carried by Bunbury city transit include—
 - (a) Students—63 485, 5 February-29 March 1986;
 - (b) Other passengers—23 800, 20 January-29 March 1986.
- (2) A review of the Bunbury city transit service is being undertaken and this includes the calling of public submissions.
- (3) (a) Principal changes include—

Deletion of the late Friday night service at 11 p.m., due to lack of demand; inclusion of a Thursday evening shopper service; servicing the Boulders Heights area; other smaller variations which will improve the efficiency of Bunbury city transit, while still maintaining a similar level of service;

 - (b) it is proposed at this stage that changes will be effected—Monday, 21 July. This will be preceded by a direct mail distribution of new timetables to households.

tion of new timetables to households.

- (4) The changes will be effected in accordance with the contract between the parties, which substantially comprises the Conditions of Tender.

AMERICA'S CUP

Live Sheep Exports: Cessation

44. Hon. A. A. LEWIS, to the Leader of the House representing the Minister for Transport:

Is it correct that the Minister's department is requesting live sheep exporters not to use the Port of Fremantle during January and February 1987 because of the America's Cup?

Hon. D. K. DANS replied:

No. It has been explained to the various involved parties on many occasions that during the build-up to the America's Cup, the Fremantle Port Authority does not intend to turn away one live sheep carrier during the period of the America's Cup, although it will be necessary during the peak period mid-January to 12 February 1987 to move all live sheep operations to North Quay.

HEALTH: HOSPITAL

Collie District: Extensions

46. Hon. A. A. LEWIS, to the Minister for Community Services representing the Minister for Health:

With regard to the Collie District Hospital extension—

- (1) Have tenders been called?
- (2) If "Yes", have they now closed?
- (3) If they have closed has a tender been let?
- (4) If so, to whom and for what amount?
- (5) If not, when is it anticipated that the tender will be let?

Hon. KAY HALLAHAN replied:

- (1) Tenders called 19 April 1986.
- (2) Tenders closed 20 May 1986.
- (3) Approval given to BMA on 12 June 1986 to accept tender.
- (4) Tender let to Devaugh for \$3 237 340.
- (5) See above.

HEALTH: HOSPITAL

Collie District: Day Care Centre

48. Hon. A. A. LEWIS, to the Minister for Community Services representing the Minister for Health:

- (1) Have plans been drawn up to remodel and renovate the Collie day care centre at the Collie District Hospital?
- (2) If "Yes", when are tenders expected to be called?

Hon. KAY HALLAHAN replied:

- (1) and (2) This centre is managed by a community based committee of management. An offer of \$100 000 has been made by the Government to assist the committee with its plans to remodel and relocate the centre.

POLICE AND CITIZENS YOUTH CENTRE

Collie: Planning

50. Hon. A. A. LEWIS, to the Leader of the House representing the Honorary Minister assisting the Minister for Police and Emergency Services:

When is it expected planning will be finalised for the new Police and Citizens Youth Centre in Collie?

Hon. D. K. DANS replied:

It is not known when planning will be finalised. However, as a result of representations by Mr Tom Jones MLA, member for Collie, discussions have taken place between the Executive of the South West Development Authority, the Police and Citizens Federation, and the officers of the Police and Citizens Youth Club in Collie.

A number of proposed sites have been considered and the South West Development Authority has now forwarded the matter to the Executive Director of the Building Management Authority as that authority will be involved in the planning, design, and construction of these facilities.

AMERICA'S CUP

Donations: Tax Deductibility

53. Hon. A. A. LEWIS, to the Minister with special responsibility for the America's Cup:

With reference to his statement on tax deductibility for donations to the America's Cup, will he tell the House—

- (1) What are the areas in which the deductions are allowed?
- (2) Are they on the Minister's say-so only or do they have to be referred to some Federal body?
- (3) If so, what is that Federal body?
- (4) How does one apply to it?

Hon. D. K. DANS replied:

- (1) Donations or gifts to the Sports Aid Foundation are tax deductible under section 78 (1) (a) of the Income Tax Assessment Act.
- (2) Total discretion as to the acceptance and disbursement of the gifts or donations rests with the Australian Sports Aid Foundation.
- (3) See (2) above.
- (4) The address of the Sports Aid Foundation is—

Secretary
PO Box 787
CANBERRA ACT 2601
Telephone (062) 689 411.

MINISTER FOR EDUCATION

Meeting: Discussions

54. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

I refer the Minister to the Press article in the *Daily News* of 9 June 1986 headed "Pearce calls meeting" and ask—

- (1) Did this meeting take place?
- (2) If so, what issues were discussed and what conclusions were reached?
- (3) Who attended the meeting?

Hon. KAY HALLAHAN replied:

- (1) Yes.

- (2) Senior officers were briefed on the general outline of the proposals to reorganise the Education portfolio.
- (3) Members of the executive of the Education Department.

MULTICULTURAL AND ETHNIC AFFAIRS COMMISSION

Racism Studies

57. Hon. P. G. PENDAL, to the Minister for Multicultural and Ethnic Affairs:

- (1) What stage has been reached in the studies being made into racism by the Multicultural and Ethnic Affairs Commission?
- (2) When are the reports expected to be completed?
- (3) Will they be immediately made public?

Hon. KAY HALLAHAN replied:

- (1) The racism study being undertaken by the Multicultural and Ethnic Affairs Commission is in its concluding stages.
- (2) The reports will be presented to the Minister for Multicultural and Ethnic Affairs without delay, upon completion.
- (3) The Minister will then determine whether or not, and if so, to what extent, the reports will be made public after studying them.

HEALTH

Drug Abuse: Schools

58. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

What action is the Education Department taking following the allegations of Constable Rick Veaney of widespread drug abuse in our schools?

Hon. KAY HALLAHAN replied:

The Education Department has no direct evidence of widespread drug abuse in schools and has written to the Police Department for the detailed information upon which Constable Veaney's allegations were based so that specific action can be taken to support the general drug education programmes which have been introduced.

ABATTOIR

Midland: Zoning

59. Hon. NEIL OLIVER, to the Minister for Community Services representing the Minister for Planning:

- (1) What is the zoning classification for the Midland abattoir and saleyards complex, Reserve No. 23917?
- (2) Is the entire area encompassed in Shire of Swan town planning scheme No. 9?

Hon. KAY HALLAHAN replied:

- (1) Metropolitan region scheme—Industrial; Shire of Swan town planning scheme No. 9—industrial and development.
- (2) Yes.

TRANSPORT

Air: Kuala Lumpur-Perth

60. Hon. P. G. PENDAL, to the Leader of the House representing the Minister for Tourism:

- (1) Has any decision been made or conveyed to the Minister by Malaysian authorities on the introduction of a third weekly direct flight between Kuala Lumpur and Perth by Malaysian Airline System?
- (2) What is the attitude towards this extension by Australian Federal authorities?

Hon. D. K. DANS replied:

- (1) A joint announcement was made yesterday by the Premier and the Managing Director of Malaysian Airline System on the introduction of a third weekly direct flight between Kuala Lumpur and Perth by MAS. This announcement evidences the commitment to and work being undertaken by the Government in encouraging the development of new international air services to Perth. The third weekly air service by MAS is a significant initiative by that airline, providing a very valuable opportunity for Western Australia to further capitalise on the tourist potential which exists within Malaysia.
- (2) The exercise by MAS of its right to a third weekly flight to Perth is in accordance with the bilateral agreement which MAS has with the Australian Government.

EDUCATION: TEACHERS

Leave: Non-replacement

62. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

- (1) Is it correct that teachers who are going on leave—long service leave—are not being replaced?
- (2) If this is correct, how are schools expected to provide staff to carry out the duties of the staff on leave?

Hon. KAY HALLAHAN replied:

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

SPORT AND RECREATION MINISTERS

Sydney Conference: Input

63. Hon. P. G. PENDAL, to the Minister for Community Services representing the Minister for Sport and Recreation:

- (1) Will the Minister advise the House whether WA had an input at the 30 April Sydney Conference of Ministers for Sport in relation to violence in sport?
- (2) Were any WA proposals put but not adopted?
- (3) If so, what were they?

Hon. KAY HALLAHAN replied:

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

EDUCATION DEPARTMENT

Reorganisation: Minister's Statement

64. Hon. N. F. MOORE, to the Minister for Community Services representing the Minister for Education:

- (1) Was the Minister correctly reported as having said that a major reorganisation of the Education Department is being considered?
- (2) If so, will the Minister table any public documents which relate to this major reorganisation?
- (3) When is it expected that this major reorganisation will take place?

Hon. KAY HALLAHAN replied:

- (1) Yes.
- (2) No public documents are available. The proposal is at a preliminary stage that will require substantial further consideration.
- (3) The next stage of consideration will flow from consideration of advice of the functional review committee, which is anticipated by the end of July.

TOURISM

Japanese Visitors

65. Hon. P. G. PENDAL, to the Leader of the House representing the Minister for Tourism:

- (1) What numbers of Japanese visitors are expected in Australia and Western Australia in the current financial year?
- (2) What projections are available for such visitors for the next two-years?

Hon. D. K. DANS replied:

- (1) and (2) In March of this year, the Australian Tourist Commission released revised extracts of the 1984 international visitors survey. The revised calendar year estimates as provided by the commission are as follows—

	Western Australia	
	Australia	Australia
1985	112 000	4 250
1986	140 000	6 500
1987	180 000	10 000

There is a significant upward trend in the number of Japanese visitors to Western Australia over the past three years. The ATC forecast a 135 per cent increase in Japanese visitors to Western Australia by 1987.

Over the next few years, Western Australia's share of Japanese visitors to Australia is expected to increase substantially due to—

Establishment of a weekly direct Japan-Perth flight from April 1986; Western Australia now has 6.5 per cent of all seats from Japan to Australia;
use of Japanese market segmentation study data to fine tune our marketing strategies;

Western Australian Tourism Commission representative working in Tokyo;

Japanese outbound travel will increase from 5 000 000 passengers in 1985 by 4 per cent per annum—PATA research;

Western Australian Tourism Commission-QANTAS marketing initiatives which include special low air fare promotion activities over the next 12 months.

LAND

Endowment Land: Bunbury City Council

66. Hon. V. J. FERRY, to the Minister for Community Services representing the Minister for Lands:

- (1) In view of the importance of Bunbury as a regional centre, does the Government have any plans for providing more endowment land as a means of compensation for services enjoyed by a wide community and provided by the Bunbury City Council?
- (2) Does the Government intend providing endowment land for the benefit of the Shires of Dardanup, Harvey, or Capel which adjoin the Bunbury City Council?
- (3) Apart from Bunbury, has endowment land been made available to any other local authority in this State?
- (4) If so,
 - (a) what local authorities have benefited;
 - (b) when was the land granted; and
 - (c) for what purpose was the land granted?
- (5) Does the Government intend providing endowment land to any other local authorities?

Hon. KAY HALLAHAN replied:

- (1) No.
- (2) No.
- (3) Yes.
- (4) Some local authorities—e.g. City of Perth and City of Fremantle—were granted endowment land in the distant past. Compiling details is a lengthy task and the Minister for Lands will let the member have details in due course.
- (5) No.

TRANSPORT: AIR

East-West Airlines: Internal Routes

67. Hon. P. G. PENDAL, to the Leader of the House representing the Minister for Transport:

Will the Minister list the full extent of commitments obtained by the Government from East-West Airlines at the time this airline was given access to internal Western Australian air routes?

Hon. D. K. DANS replied:

Skywest Airlines was in fact the organisation granted access to the Pilbara jet routes. It was only following the takeover of East-West by Skywest that the former became involved in WA.

The specific commitment obtained from Skywest prior to its being granted a licence to operate on these routes was an acceptance of the Government's "Guidelines for Effective Competition on Airline Routes in WA" as follows—

GUIDELINES FOR EFFECTIVE COMPETITION ON AIRLINES ROUTES IN WESTERN AUSTRALIA

- (i) The new policy will not mirror the Federal Government's two airline policy. Licensing another operator to compete over four routes does not imply that the airlines operating on these routes have protection from outside competition for any more than two years.

As the market for airline services within Western Australia grows, it will become more competitive. In time, this may involve the issuing of additional licences.

- (ii) Any operator which chooses to take up an airline licence does so on a purely commercial basis. The Government gives no undertaking to "prop-up" the airline, either directly through financial support, or indirectly by indefinite protection from additional competition, by establishing minimum fare levels which ensure viability, or by any form of capacity determinations or market sharing.

- (iii) The Government will support and encourage innovative and market oriented fare setting and service scheduling by competing operators and minimize interference in these areas. Government regulation of these factors will be limited to:

- * a protected timezone of 90 minutes on either side of any innovative new jet service (60 minutes for turbo prop services) to be in force for an establishment period of six months.
- * general surveillance of timetables on non-competitive routes to ensure that the quality of service to users does not suffer in order to support an unjustified concentration of capacity on competitive routes.
- * air fare monitoring which, while it allows and, indeed, encourages, the airlines to make market oriented discount fares available to a wide range of travellers, actively discourages the practice of predatory pricing.

- (iv) The development of competition on these four routes is Stage 1 in a progression towards system wide competition. When further routes are opened to competition, the licence would not automatically go to the second operator. A pre-condition of the second operator gaining further licences would be that any problems which might have been created by the initial introduction of competition (e.g. excess capacity) were alleviated and not reinforced.

Commitments were not specifically sought on service-related matters—fares, timetables—because of the acknowledged difficulty in predicting market reaction to the new services. Nevertheless, it was made clear to Skywest that lower fares and innovative discounts and timetables were being sought as outcomes of the new competitive services.

WATER AUTHORITY

Employees

68. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Water Resources:

How many people were employed with the Water Authority of Western Australia as at—

(a) 30 June 1985; and

(b) 31 May 1986

(i) at Bunbury; and

(ii) at all other centres of the south-west, each detailed separately?

Hon. D. K. DANS replied:

The Water Authority of Western Australia was established on 1 July 1985 under the provision of the Water Authority Act 1984. The following is the number of people employed at Bunbury and at all other centres of the south-west on the respective dates detailed separately—

	(a) 1 July 1985	(b) 31 May 1986
Bunbury	115	114
Albany	109	103
Bridgetown	11	11
Busselton	19	21
Collic	47	45
Harvey	44	44
Katanning	15	14
Mandurah	88	78
Manjimup	18	17
Margaret River	6	7
Mt Barker	9	9
Narrogin	69	69
Pingelly	5	6
Roelands	29	27
Waroona	20	20
TOTAL	604	585

TOURISM COMMISSION

Travel Agents: Commission

69. Hon. P. G. PENDAL, to the Leader of the House representing the Minister for Tourism:

- (1) What is the WA Tourism Commission's attitude towards Westrail's failure to pay commission to travel agents writing student and child rail fare business to it, when the same agents receive commission for similar fares on coach and air bookings from other travel organisations?

(2) What are the reasons for Westrail's failure to pay agents commission on student and child fare bookings?

(3) Will the Minister undertake to have the commission review the situation so that travel agents receive commission from Westrail for all business written for it?

Hon. D. K. DANS replied:

(1) to (3) I am advised by the Minister for Transport that Westrail pays commission on all sales generated by accredited travel agents.

INDUSTRIAL RELATIONS DEPARTMENT

Construction Safety Branch

70. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Industrial Relations:

How many people were employed with the Department of Industrial Relations, construction safety branch, as at

(a) 30 June 1985; and

(b) 31 May 1986

(i) at Bunbury; and

(ii) at all other centres of the south-west, each detailed separately?

Hon. D. K. DANS replied:

(a) 17;

(b) 19;

(i) 1;

(ii) not applicable.

CONSERVATION AND LAND MANAGEMENT ACT

Honorary Royal Commission Report

75. Hon. V. J. FERRY, to the Minister for Community Services representing the Minister for Conservation and Land Management:

In terms of recommendation No. 19 of the report of the Honorary Royal Commission into the Conservation and Land Management Act 1984 what action, if any, has been taken to effect changes in the names of the three regions.

Hon. KAY HALLAHAN replied:

The issue has been discussed but no agreement has yet been reached on substitute names.

CONSERVATION AND LAND MANAGEMENT ACT

Honorary Royal Commission Report

76. Hon. V. J. FERRY, to the Minister for Community Services representing the Minister for Conservation and Land Management:

In terms of recommendation No. 19 of the report of the Honorary Royal Commission into the Conservation and Land Management Act 1984 what action, if any, has been taken to effect changes in the names of the three regions.

Hon. KAY HALLAHAN replied:

The issue has been discussed but no agreement has yet been reached on substitute names.

LAND

Westrail: Leases

78. Hon. W. N. STRETCH, to the Leader of the House representing the Minister for Transport:

(1) What is the total area of Westrail land leased out to individuals or businesses for activities not directly associated with railway operations?

(2) How much income has this land earned for Westrail over each of the past five years?

(3) What is the classification of such land—e.g. Crown, vested etc?

(4) Has Westrail ever sold or exchanged such land, and, if sold, where were the proceeds credited—e.g. to Westrail, CRF, or other?

Hon. D. K. DANS replied:

(1) Approx 1 050 hectares.

(2)

1981-82 Approx \$m	1982-83 Approx \$m	1983-84 Approx \$m	1984-85 Approx \$m	Anticipated 1985-86 Approx \$m	Total Approx \$m
1.75	2.0	2.2	2.3	3.0	11.25

(3) Crown, freehold, and vested.

- (4) Yes. Treasury procedures relating to sale of land are, briefly—

- (i) Total proceeds of sale are credited to Westrail earnings;
- (ii) book value of the land is written out of Westrail accounts;
- (iii) any excess or profit between book value and sale price is appropriated to the railway assets purchase fund for use on approved capital expenditure projects.

CONSERVATION AND LAND MANAGEMENT ACT

Honorary Royal Commission Report

79. Hon. V. J. FERRY, to the Minister for Community Services representing the Minister for Conservation and Land Management:

In terms of recommendation No. 3 of the report of the Honorary Royal Commission into the Conservation and Land Management Act 1984—

- (1) Does the Government intend to change the name of the Department of Conservation and Land Management to "Department of Land Management"?
- (2) If not, why not?

Hon. KAY HALLAHAN replied:

- (1) No.
- (2) Conservation of flora and fauna throughout the State is a major function of the department.

CONSERVATION AND LAND MANAGEMENT ACT

Honorary Royal Commission Report

80. Hon. V. J. FERRY, to the Minister for Community Services representing the Minister for Lands:

- (1) In terms of recommendation No. 44 of the report of the Honorary Royal Commission into the Conservation and Land Management Act 1984 does the Government intend to amalgamate the Bush Fires Board with the Department of Conservation and Land Management?
- (2) If not, why not?

Hon. KAY HALLAHAN replied:

- (1) No decision has been made.
- (2) The recommendation will be considered in conjunction with recommendations made by the Functional Review Committee and the committee inquiring into emergency services.

TRAFFIC BRIDGE

Mandurah Estuary: Opening

81. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Transport:

When is it expected that the new traffic bridge over the estuary at Mandurah will be open to traffic?

Hon. D. K. DANS replied:

Works are progressing satisfactorily and with this situation continuing the bridge and approaches will be opened to traffic in late September or October.

ROAD

Bunbury-Mandurah: Four-lane Highway

82. Hon. V. J. FERRY, to the Leader of the House representing the Minister for Transport:

What is the time scale for completing a four-lane highway section by section between Mandurah and Bunbury?

Hon. D. K. DANS replied:

The upgrading of Bunbury Highway is a long range project and will be implemented in stages. So far a four-lane facility has been achieved between Perth and Mandurah.

Improvements in the form of passing opportunities have been provided immediately south of Mandurah at Dawesville and similar works are currently in progress in the vicinity of Mt John.

Further ongoing projects are stage 2 of the Mandurah bypass, including a second bridge over the Mandurah Estuary due to be opened later this year, and the Australind bypass programmed for completion in two stages by 1989.

QUESTIONS WITHOUT NOTICE

COMMUNITY SERVICES

Cutbacks

25. Hon. G. E. MASTERS, to the Minister for Community Services:

Which welfare services does she expect to be cut in light of the call for cutbacks by both the Prime Minister and the Premier?

Hon. KAY HALLAHAN replied:

The deliberations on that matter are not at all clear.

COMMUNITY SERVICES

Cutbacks

26. Hon. G. E. MASTERS, to the Minister for Community Services:

If the Minister is not clear on that matter can she indicate which services may be at risk of being cut back through reduced Federal and State funding?

Hon. KAY HALLAHAN replied:

No.

ENERGY

Fuel Levy: Increase

27. Hon. G. E. MASTERS, to the Minister for Budget Management:

Is it the Government's intention to increase the State fuel levy in the next few weeks?

Hon. J. M. BERINSON replied:

The Premier has indicated that he will be making a major financial statement to the Parliament early next week, and I would not propose to anticipate what he might do by answers to speculative questions of this nature.

COMMUNITY SERVICES

Food Vouchers: Repayment

28. Hon. P. H. LOCKYER, to the Minister for Community Services:

Is a person who applies for food voucher assistance required to pay the money back from his or her dole payment or some other source of income that person might get in the future?

Hon. KAY HALLAHAN replied:

The feature of the emergency relief programme is that people who receive it are not required to pay it back. It is a grant to people in very difficult financial circumstances, and experience has shown that the grant is needed for a particular crisis, and there is therefore no requirement that it be repaid.

COMMUNITY SERVICES

Food Vouchers: Repayment

29. Hon. P. H. LOCKYER, to the Minister for Community Services:

Can she give a total undertaking to the House that when one applies for a community services food voucher one is not required to sign a form stating that one will repay the money from the dole payment?

Hon. KAY HALLAHAN replied:

If the member is implying that some problem exists I will get him a full response on this matter. My understanding is that people are not required to repay an amount when it comes out of the emergency assistance vote.

PRISON: FREMANTLE

Segregation Block

30. Hon. JOHN WILLIAMS, to the Minister for Prisons:

In view of the questions aired in the Press recently by the secretary of the Prison Officers Union, has the Minister investigated, or can he indicate, what steps will be taken to either re-open the segregation block of Fremantle Prison or set aside another portion of the prison for that purpose?

Hon. J. M. BERINSON replied:

I have previously investigated in depth the question of the segregation block. It was the subject of a special inspection and a discussion with officers of the Prisons Department and prison officers towards the end of last year. Nothing that has emerged since that time indicates a need for any further review of that matter.

PRISONER

Raymond Mickelberg: Classification

31. Hon. P. H. LOCKYER, to the Minister for Prisons:

What category of prisoner in Fremantle Prison is Raymond Mickelberg; high risk or low risk?

Hon. J. M. BERINSON replied:

I am reluctant to provide answers to detailed questions of that sort except on notice. I really need the opportunity to go to the files in most cases. My recollection is that Raymond Mickelberg is classified as a maximum security prisoner.

TAXES AND CHARGES

Fringe Benefits Tax: State Payment

32. Hon. A. A. LEWIS, to the Minister for Budget Management:

(1) Will the State Government pay the fringe benefits tax on cars and allowances of—

- (a) public servants;
- (b) members of Parliament?

- (2) If not, what changes does the Government intend to make to the system that now applies?

Hon. J. M. BERINSON replied:

- (1) and (2) I am unable to anticipate future developments on questions of this nature.

AMERICA'S CUP

Impact: Study

33. Hon. P. G. PENDAL, to the Minister with special responsibility for the America's Cup:

I refer to my question to him last week and his answer, and ask whether we are any closer to receiving the report on the economic impact of the America's Cup, and if so when might we see it?

Hon. D. K. DANS replied:

Mr Pendal is that much closer than he was last week. The report is with the Premier, and I want it released as soon as possible.