

# Legislative Assembly

Tuesday, the 9th October, 1979

The SPEAKER (Mr Thompson) took the Chair at 4.30 p.m., and read prayers.

## THE LATE HON. C. F. J. NORTH, BA

### *Condolence: Motion*

**SIR CHARLES COURT** (Nedlands—Premier) [4.31 p.m.]: I move, without notice—

This House records its sincere regret at the death of the Honourable Charles Frederic John North, B.A., a former Member and Speaker of this House, and tenders its deepest sympathy to the members of his family in their bereavement.

There would be very few members of this House who had personal acquaintance with the late Charles North. He was a very friendly and dignified person who always conducted himself in a gentlemanly way. He had a great affection for the Parliament. He also had a great belief in what the Parliament stood for. In some ways it could be said that Charles North was the product of an era.

He served this Parliament from the 22nd March, 1924, to the 7th April, 1956. During that period, he was the member for Claremont. He was also the Government Whip during the time of the Mitchell Government from 1930 to 1933 and Speaker during the time of the McLarty Government from the 31st July, 1947, to the 5th August, 1953.

Those who saw Charles North in action realised that he was not only a very competent Speaker, but also that his great knowledge of the Parliament and, of course, his legal training served this Parliament in good stead. It was generally acknowledged that during a very difficult period he was an excellent Speaker who brought great dignity to the Parliament; and also, he demonstrated great competence in the office.

Charles North was born in Perth on the 14th September, 1887, and at his death he was 92 years of age. He had a great and strong connection with the history of this State, being the grandson of Edward Hamersley. He was very proud of his connections with some of the great names in the earlier days of this State.

Charles North was educated at Rugby and at Oriel College, Oxford, where he gained his Bachelor of Arts degree in law. He was admitted to the Bar in 1912, in the Middle Temple in

London. He practised in Fremantle and Perth, but not to a great extent, if my memory serves me correctly.

I speak with great affection for Charles North because, when I first came into the Parliament in 1953, at the same time as the Hon. Colin Jamieson, I sat beside Charles North. He had a very profound knowledge of the Standing Orders, having been the Speaker and having legal knowledge as well. He also had great knowledge of some of the past characters in this Parliament, bearing in mind that he had served under Mitchell and some of the great names of that period. He was well respected by both sides of the House. Of course he had a very close working knowledge of members who served under Mitchell and Collier—some of the great names of this Parliament.

I remember Charles North giving me advice as to how one operated under Standing Orders. Perhaps I had better not repeat some of that advice, because some members might want to take advantage of it.

He was a wise old man, and he was very friendly. It did not matter who one was, or on what side one sat. It was always Charlie North's desire to make his knowledge available to any member.

Charles North had an impish sense of humour, and that is recorded in some of the speeches he made. I well remember him saying, both privately and publicly, that whilst he was Speaker he could not ask a question and he could not make any speeches; and during that time his majority increased handsomely. Perhaps, Mr Speaker, that is of interest to you. The next part will not be of any interest to you, or any great joy to you, because he said, "When I was able to return to the floor of the House, and I was able to make many speeches and ask many questions, I never even got re-elected." That was the type of humour indulged in by Charles North. He was a gentle man in every way. He was a man who served this Parliament, his electorate, and this State well.

We would appreciate it if you, Mr Speaker, would convey to his family our deepest sympathy on the passing of a man who has the respect of many.

**MR JAMIESON** (Welshpool) [4.36 p.m.]: On behalf of the Opposition, and at the request of the Leader of the Opposition, I support this motion.

As the Premier has said, Charlie North was an unassuming type of fellow who never indulged in any form of bitter debate, at least in my days in this House. I should imagine that he was a very

kindly type of Speaker. The member for South Perth might know about that, because he would be the only member who sat under Charles North's Speakership.

Charles North was the greatest proponent of Standing Order 48. Hardly a month went by when he did not come to this House with something to move in that regard. In retrospect, one realises how tolerant the Speaker was in those days and, indeed, how tolerant the other seven members were who stood in favour of his proposing the motion. Charles North did not fear to move any motion that he felt could assist or might be of some benefit to his fellow man. Because of that, he was a worth-while representative in this Parliament.

The Premier mentioned the career of Charles North. It was not a very illustrious one over the period he was here; but I think it is the type of career that North would have wanted for himself. Unfortunately, he did not appear very often after he left the Parliament. I do not think we saw very much of him at all. He may have been around within the confines of his own political party; but he was a friend whom we lost rather suddenly from the midst of our parliamentary acquaintances.

During the time that we knew him we appreciated his style and his temperament. He was probably an example to me and to many other members now who want to wreck the place occasionally. He would never undertake that sort of behaviour. He was probably an example of the old style of members of Parliament who represented the people the way the members believed they had a responsibility to do, rather than representing them in the way individual members do today. Of course, he lived in a day when the media was not as powerful as it is now.

The friendliness of Charles North was known to all, I am sure. We are sorry at his passing, although his great innings of 92 years is something most of us will not be able to achieve. He had a good life, and I am sure it was a happy one. It was the type of life that Charlie North would have wanted for himself, as a representative of the people both in local government and in the Parliament of this State, especially in the illustrious position of Speaker for six years.

I support the motion moved by the Premier.

The SPEAKER: I call upon honourable members to signify their support of this motion by rising in their places.

Question passed, members standing.

## QUESTIONS

Questions were taken at this stage.

### FAMILY COURT ACT AMENDMENT AND ACTS REPEAL BILL

#### *Second Reading*

MR O'NEIL (East Melville—Deputy Premier)  
[4.56 p.m.]: I move—

That the Bill be now read a second time.

Since the Commonwealth Family Law Act came into operation, Western Australia has been the only State to have a single court which could deal with all aspects of matrimonial and other family law proceedings. This has the advantage that our State Family Court can deal with matters governed by the Family Law Act and also any other relevant Acts which have been passed by the Western Australian Parliament.

The court's jurisdiction is therefore both Federal and non-Federal and it may be appropriate, in view of the contents of this Bill, that I give members some explanation as to exactly what these terms mean.

The court's Federal jurisdiction is its jurisdiction under the Family Law Act of the Parliament of the Commonwealth. This involves the dissolution of marriage and so far as it is constitutionally possible for Commonwealth legislation, matters such as custody of and access to children, and maintenance and orders relating to property following breakdown of marriage.

The court's State or non-Federal jurisdiction has already been conferred on the court by the Family Court Act as originally introduced, and the 1978 amendment. This non-Federal jurisdiction relates to matters such as adoptions, and custody and guardianship of children outside marriage. Because of constitutional problems which were found to limit the operation of the Commonwealth's Family Law Act, the State Parliament in 1978 conferred on the court further jurisdiction in the property area to overcome hardship which was found to be occasioned by the limitation of Commonwealth power.

The Bill which is now before the House is basically a tidying up exercise of the Family Court Act. The matters which are dealt with in the Bill are largely matters which have already been agreed to and form part of the present law. It is proposed that the Married Persons and Children (Summary Relief) Act and the Guardianship of Children Act will be repealed and their provisions incorporated in the Family Court Act.

With approximately half the 111 original sections of the Married Persons and Children

(Summary Relief) Act having already been repealed, proceedings under that Act have been found to be unnecessarily unwieldy. Also entrenched in the remaining sections of that Act are procedural matters which have been found to be unnecessarily complicated and inconsistent with other simplified procedures used in the court.

Originally the Supreme Court dealt with Guardianship of Children Act matters and Summary Relief Courts with matters arising under the Married Persons and Children (Summary Relief) Act. Now that proceedings under both Acts are dealt with in the State Family Court, these separate Acts are unnecessary.

To achieve these objects it has been necessary to create a new part within the Family Court Act to deal specifically with non-Federal jurisdiction. These matters include sections 26A to 26G which were included in the 1978 amendment. Custody, maintenance, and enforcement provisions in respect of ex-nuptial children and children of the family other than children of a marriage are presently dealt with in the Married Persons and Children (Summary Relief) Act and will be incorporated in this part.

The provisions contained in the Guardianship of Children Act, including the rights of parents of an ex-nuptial child and other persons to apply for guardianship are to be included. Children of a marriage are already subject to the provisions of the Commonwealth Family Law Act. Matters relating to the maintenance of a child the subject of a guardianship order, are also to be incorporated in this part.

With the repeal of the two Acts mentioned earlier, it is proposed also to enlarge the powers of the Family Court in the case of children in need of care and protection. This will permit the intervention of the Director of Community Welfare and also the Family Court itself to exercise powers conferred on the Children's Court under the Child Welfare Act. This will include the power to place the child under the care of the Director of Community Welfare provided that the child is already before the Children's Court.

As I mentioned earlier, the substance of the Married Persons and Children (Summary Relief) Act and the Guardianship of Children Act which are to be repealed, will now be contained in the Family Court Act. Some minor drafting alterations have also been necessary to relate the provisions of those two Acts to those contained in the Family Court Act.

Apart from these changes, there are two other matters to which I wish to refer. The first of these

is to make the collector of maintenance an officer of the Family Court. At present, the existence of this position is dealt with in the regulations under the Family Court Act.

The office of collector of maintenance exists under the Married Persons and Children (Summary Relief) Act and is of considerable importance in the total jurisdiction of family law, both Federal and non-Federal. For this reason, it is considered that the collector of maintenance should be given standing in the Bill.

The second matter deals with the proposed new section 23 which will allow the Registrar of the Family Court to hold a concurrent appointment as a stipendiary magistrate. Such an appointment would allow the registrar to undertake some of the minor administrative and judicial tasks associated with the ancillary jurisdiction of the Family Court, such as return dates for ancillary applications, consent and interim orders, granting adjournments, and enforcement or variation of maintenance.

At present, these matters occupy the time of one judge every morning of the week, with enforcement of maintenance orders aggregating a further half day each week. Appeals from any decision of the registrar sitting as a magistrate would be to a judge of the Family Court of Western Australia.

The appointment of the registrar as a magistrate would allow judges to spend more time dealing with defended cases and associated matters.

Pursuant to the agreement between the State and the Commonwealth Governments, the latter has agreed to all the amendments which are contained in this Bill and this once again has demonstrated the flexibility with which the State can approach matters relating to matrimonial proceedings.

The amendments will assist further the efficient operation of the court and ensure avoidance of delays in hearings which have arisen elsewhere.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Bertram.

## **PAY-ROLL TAX ASSESSMENT ACT AMENDMENT BILL**

### *Second Reading*

Debate resumed from the 20th September.

**MR DAVIES** (Victoria Park—Leader of the Opposition) [5.04 p.m.]: The purpose of this Bill is to make good the promise of the Treasurer when he introduced the Budget. The Bill was

introduced on the 20th September, so to remind members of the concessions, I will take a few minutes of the time of the House.

The proposals are to increase from \$62 000 to \$72 000 the annual pay-rolls which are exempted from pay-roll tax; and to reduce the total amount of pay-roll tax payable by business with annual pay-rolls of more than \$72 000.

The latter aim will be realised in two ways. Pay-roll tax liability will be reduced by \$2 for every \$3 that an annual pay-roll exceeds \$72 000, up to a maximum of \$131 400; and, employers with annual pay-rolls of more than \$131 400 will be able to deduct \$32 400 before calculating the pay-roll tax they must pay. At present the amount of deduction is \$27 000.

I want to make it clear at the outset that the Opposition welcomes the Government's proposals, but, in the current economic climate, we do not believe they go far enough. It is always easy, of course, for Oppositions to stand up and criticise legislation. It is easy for us to say that the Government's concessions do not go far enough, and sometimes Oppositions do not have to be too specific about saying what they would do.

I do not propose to follow that course. Instead, a little later in the speech I propose to outline exactly how much more the Opposition would do, why we would do it, and how we would pay for it.

However, first of all I would like to make some general remarks about pay-roll tax. Some of these remarks have been made in this House before by me and by my predecessors, and some of the remarks I am about to make have been made also by present Government members when they were sitting on this side of the House.

Those who have to pay pay-roll tax complain bitterly about it. I suppose everyone who has to pay tax complains to some extent, but the complaints about pay-roll tax are louder and more frequent than those about other taxes.

Those who impose the pay-roll tax do not like it either because we all recognise that it contains more inequities and more unfairness than most other taxes. The worst aspect of pay-roll tax is that it is a tax on employment, and at a time of high unemployment, any measure that imposes a financial penalty on an employer who hires additional labour seems absurd.

As I have said already, the tax has been a bone of contention for many years. It was first levied by the Commonwealth Government, though at a considerably lower rate than we have been accustomed to in recent years. During the 1960s, the States were feeling the financial squeeze caused by growing responsibilities and only low-

growth sources of income. The States pressured the Commonwealth to give them a growth tax; something that could be expected to grow in rough proportion to the population.

Eventually the Commonwealth Government gave the States pay-roll tax because it seemed to be the one growth tax which the Commonwealth felt it could afford to hand over, and I am sure the Treasurer knows more about this than I do.

In the years that followed the rate of pay-roll tax increased rapidly, imposing a greater burden on business and increasing the cost of employment. During the heady days of the boom of the 1960s and early 1970s, that did not seem to worry business too much, although we still had a few complaints. However, when the economic crunch came in the last few years, business began to feel how much the pay-roll tax hurt.

As I said before, it is a tax on employment, and at any time we should be providing incentives for business to hire more people, not disincentives for them to employ staff. The Opposition believes that pay-roll tax should be abolished. However, we concede the impossibility of abolishing it at the present time when it makes such a substantial contribution to the revenue of the State, and when there is no more equitable replacement tax readily at hand.

I will just repeat something I have said several times before, and something that the Treasurer himself has said: If we take a tax away, there has to be something to replace it. The only time the Treasurer has not kept to his maxim is in regard to death duties. He has removed death duties, but he has not indicated a replacement tax. Does this not indicate a double standard?

In 1978-79, pay-roll tax raised by the State amounted to about \$153 million. This was about 52 per cent of the revenue raised under the Budget heading of "Taxation", and about 10.5 per cent of the total State revenue. Those figures, I think, indicate adequately the impossibility of doing away with this tax overnight.

There is not much doubt that the people hardest hit by the tax are those involved in small businesses. It is the small business, rather than the medium or large business, that feels the effect of pay-roll tax. The adverse effects include—

- eroding profits, thereby affecting business viability;

- retarding the accumulation of internal funds to finance expansion;

- acting as a disincentive to expansion through the employment of additional labour; and making the retrenchment of

labour the easiest option when times are hard and costs have to be cut.

There is not the slightest doubt that employers, and especially employers in small businesses, look very carefully before they employ anyone to see how it will affect their pay-roll tax position. As I said, if an employer is looking to save money, he will put off a staff member because it will probably reduce the pay-roll tax payment, or possibly, it may exclude him from paying the tax altogether.

When we combine these effects I have outlined with the general reluctance of banks and other financial institutions to assist small business, the impact of pay-roll tax on small business becomes even clearer.

As members have probably noticed, recently the Australian Labor Party brought down policies designed to assist small business in this State. Our six-point plan to assist small business represents the most comprehensive programme ever proposed in this area in Western Australia. I am sure members opposite have had a look at our policy, but I welcome the opportunity to repeat some of our aims.

The plan aims to provide—

- a greater role for small business in Western Australia's economic development;
- more business opportunities; and
- a greater share of the State's wealth for employers and employees.

The six points in our plan for small businesses are—

- the creation of an establishment and expansion incentive scheme;
- the provision of Government guarantees for loans to small business;
- the establishment of a country industries assistance fund;
- the holding of the first comprehensive study of the Western Australian small business sector;
- the establishment of a small business development corporation; and
- the increasing of pay-roll tax exemptions.

I mention all this to demonstrate our reasons for supporting this Bill. We support it because it provides some assistance to business to stimulate the economy, because it could help stimulate employment, and because it will help small business most. However, I mentioned our six-point plan also to demonstrate that in our view pay-roll tax exemptions will not alone provide all

the assistance that the small business sector needs.

Of course we have said it before and we will say it again: The small business sector does need help. It needs help because there has been an alarming increase in the number of small business failures in this State in the last five years. For example, since 1974, the number of manufacturing establishments in Western Australia has fallen by more than 800. It needs help because the manufacturing sector continues to operate at substantially less than its full capacity, and 97 per cent of manufacturers in the State are classified as small businesses—a very big sector of the community.

Small business needs help because it can provide more jobs and, given the opportunity, it can make a substantial contribution to the recovery of the economy in Western Australia.

It is worth noting that the Western Australian Government provides the lowest level of assistance to decentralise industry and to small businesses of any of the mainland State Governments. When we researched this matter we were surprised at how little assistance was provided by this State compared with that provided in other States; and yet, our State is one with the greatest need for the expansion of small business and the decentralisation of industry. As I said, whilst Western Australia is the State with the greatest need, it is also the State which provides the least help.

Currently, pay-roll tax exemption and concession levels are no exception to the general rule about assistance to small business in this State. The level of basic exemption in Queensland is \$125 000, in New South Wales \$66 000, and in Victoria \$63 000. Bearing those figures in mind, it is hard to escape the conclusion that the Government's move in including this matter in the Budget is a reaction to the Australian Labor Party's small business plan.

However, I stress that while lifting the basic pay-roll tax exemption level is a welcome move, this measure alone will not give the small business sector all the help it needs. At the beginning of my speech I said the Opposition believes this Bill should do more, and I promised to say how it should be done, why it should be done, and how it could be financed. I do not think I need to say more in respect of why great concessions need to be given.

I turn now to discuss the level of exemptions which the Opposition believes Western Australia can afford and ought to provide at this time. So there will be no scope for confusion or

misrepresentation later, let me repeat what I said earlier: We would like to see pay-roll tax abolished. At present the Government advocates an increase of \$12 000 or 20 per cent in the basic annual exemption from pay-roll tax. The Government proposes the amount should be raised from \$60 000 to \$72 000. The Opposition believes the increase could responsibly be, and should be, 60 per cent; that is, pay-rolls up to an annual value of \$96 000 should be exempted completely from pay-roll tax.

The Government proposes to increase, from \$109 500 to \$131 400, the ceiling on annual pay-rolls which qualify for the pay-roll tax deduction of \$2 for every \$3 by which they exceed the basic exemption. The Opposition proposes that the ceiling for this tapering of pay-roll tax should be \$160 000. Consequently, employers with annual pay-rolls of more than \$160 000 would be able to deduct \$60 000 before calculating pay-roll tax payable, compared with the deduction of \$32 400 under the proposal of the Government. The cost of the Government's proposal, according to the Treasurer, will be \$2.2 million in a full year. In answer to a question last Thursday, the Treasurer confirmed that the cost of the proposal I am putting forward today would be \$3.4 million in a full year. In other words, the additional cost of my proposal would be \$1.2 million in a full year.

That is a reasonably small amount of money; yet it would almost double the number of small businesses which would be freed from the payment of pay-roll tax. According to the Treasurer's introductory speech, the proposal in the Government's Bill will free about 800 businesses from the payment of pay-roll tax, whereas our proposal will free about 1 530 small businesses from it—almost double the number for a loss of only \$1.2 million in pay-roll tax.

I want to make it clear that the Opposition has not just plucked figures out of the air to reach its conclusions in respect of what the exemption and concession levels should be. We have calculated our figures carefully. Our exemption and concession levels would give the greatest help to businesses employing up to about 16 people. We have calculated it that way quite deliberately. We would like to propose exemptions and concessions to cover businesses with up to about 50 employees; but, as I said before, that kind of amendment would not be a responsible one in terms of the State's revenue.

When one thinks that for an extra \$1.2 million we would be able almost to double the number of businesses which would be freed from pay-roll tax—and it would help those businesses which

employ up to about 16 persons—one can see it would be money well forgone by the Government.

I believe that is the level at which the State can afford to go ahead. I am aware I will be asked where will the Government get the extra \$1.2 million; and that is a proper question. I suggest some of the \$44.6 million which has been hoarded for the election fund, could be used. Some of it will be left after this year's spending—if all the money proposed to be spent is spent—and an amount of \$10 million will build up to something like \$30 million by the end of the present financial year. If that is the case, the State could afford to be generous, and could afford to take up the suggestions I have made.

The proposals of the Government will cost the State \$2.2 million; but when one considers the Budget papers one finds that receipts from pay-roll tax this year will increase by about \$11.5 million. Despite the concessions—whether generous or niggardly concessions depends on where one is sitting—the Government is making, total receipts from pay-roll tax will still increase by \$11.5 million in this financial year.

I believe this tax is a most iniquitous one. I know the Treasurer agrees with me; he is on record in *Hansard* as saying pay-roll tax has a number of unfair aspects. As I said previously, a man could employ quite a large staff and make a very small profit or even a loss and still be liable for pay-roll tax; yet a doctor or another professional man who employs a small staff and does not qualify for the payment of the tax could be making a huge profit. The present scheme contains many inequities; it is a tax on employment. At a time of high unemployment—about the worst we have ever had—we should be providing incentives to businesses to provide jobs, not offering disincentives such as this Bill.

I believe the \$1.2 million additional cost involved in the proposal of the Opposition would be money well spent by the Government. It is really only a drop in the ocean compared with the total Budget, but it is a step which would be very much appreciated.

The amount of pay-roll tax which will be collected this year is slightly over 10 per cent of our total proposed revenue. It represents more than 50 per cent of the taxation revenue of the Budget. Therefore, pay-roll tax is an important feature of the Budget. I am not anxious to mess up the Treasurer's Budget, but I do want to point out that the Opposition has acted responsibly in researching this matter. We believe a huge benefit may be gained from the expenditure of a

relatively small sum. About 800 businesses will be assisted for a loss of \$2.2 million under the Government's proposal, as against 1 530 businesses assisted for an estimated loss of \$3.4 million under our proposal.

Mr Acting Speaker (Mr Crane), you might ask whether I intend to move amendments. I do not, but I have them here and the Treasurer has only to give me the nod and I will go ahead with them. They are all worked out in the proper form and are completely acceptable. They are amendments which are difficult to place on the notice paper. However, if the Treasurer says the present Bill is as far as the Government can possibly go, and he does not believe the additional small amount would be an added incentive, we would have to take his word for it.

I will not move the amendments. I hope the Treasurer will let us know that he would like the amendments to be moved, because if they are not moved I am sure pay-roll tax will be discussed at the time of the election and the Opposition will clearly indicate it put a proposition to the Parliament which would have helped a large section of the community, but it was rejected by the Government.

We support the Bill and hope the Government will see sense in what I have said. We hope the Government will realise our proposition would not mess up the Budget to a large degree. Hopefully, if the economy is recovering, estimated revenue will be exceeded in some areas and we may then have a surplus at the end of the year. We may find we could easily have made this concession.

I say to the Treasurer: Grasp the nettle and have a go. Provide an incentive for those extra businesses. I am sure such a gesture would be very welcome in the community.

Opposition members: Hear, hear!

**MR McPHARLIN (Mt. Marshall) [5.27 p.m.]**: I indicate at the outset that the amendments in this Bill have my full support. The measure is certainly a step in the right direction, and is in accordance with references made to this matter earlier by the Treasurer. Pay-roll tax is an iniquitous tax which many people would like to see abolished. However, it is realised that it is most difficult to abolish a tax which produces such a large amount of income, because that income must be replaced with another tax. It would not be easy to replace pay-roll tax with an equitable tax which would be satisfactory to the community.

I believe all Governments in Australia would welcome the opportunity to abolish pay-roll tax. Perhaps as time goes by a system of taxation may

be devised which will replace this tax with a more equitable source of income.

Pay-roll tax has an impact on small businesses in all areas, and particularly in country areas. It is not easy to define what is meant by the term "small business" because in many cases a business could be too small to be big or too big to be small.

Mr B. T. Burke: Hear, hear!

**Mr McPHARLIN**: Therefore we have a situation in which it is difficult to make an assessment.

Mr B. T. Burke: Especially when you want to give them a tax concession.

**Mr McPHARLIN**: Yes. Perhaps we could say a small business is one which employs fewer than 100 persons; or a lesser figure could be used. However, this tax takes no account at all of the ability of a business to pay it. Of course, the cost of the tax is passed on to the consumer, anyway. In effect the people are paying pay-roll tax, even though it may not be apparent to them.

This amending Bill increases concessions and will provide a certain amount of help. However, it has been suggested to me by an accountant acquaintance that when we take into consideration the rate of inflation, we find the concessions are merely keeping pace with inflation.

I realise that, during the drought last year, certain businesses which were able to submit an acceptable case proving that the drought had been detrimental to their business operations were able to claim a pay-roll tax refund. These businesses were very grateful for the Government's concession.

I have placed an amendment on the notice paper which refers to working director-shareholders of small proprietary companies, and I will explain my amendment in detail during the Committee stage.

With those few remarks, I indicate my support of the Bill.

**MR JAMIESON (Welshpool) [5.31 p.m.]**: Pay-roll tax obviously causes many problems within the business community. I do not refer to large businesses, such as Hamersley Iron and others. To these companies, pay-roll tax is part of their every-day expenses and responsibilities; they just include the cost of pay-roll tax in their pricing structure, and do not worry about it. In fact, most high profit or large establishments take this attitude.

However, pay-roll tax is becoming increasingly irksome to the smaller businesses, and sooner or later we must find some way of getting over this

problem. The people who are employing perhaps 20 or 30 people and find they are not getting very much out of life when compared, say, to a general practitioner who may earn \$100 000 a year while employing only one or two receptionists, are feeling very cheated off at having to pay a tax such as this.

Pay-roll tax virtually prevents small businesses from expanding and going ahead. It reaches the stage where the only way small businesses can expand and improve their financial position is by putting people off, not employing more people. As a consequence, this is having an adverse effect on the employment market. It is possible for the large business establishments to move with the times and the amount of work on their books by employing more staff; however, the smaller businesses cannot simply go out and employ additional people because they are inhibited by the system of pay-roll tax. The smaller business people must cut their cloth the best way they can, and if putting people off will improve their financial situation, that is what they will do.

Pay-roll tax receipts comprise some 10 per cent of the total income of the State, so it is not insignificant. Despite this, I believe the Government should look elsewhere for its revenue. Whilst the member for Mt. Marshall might not agree with me, I would far prefer to retain some sort of probate duty, rather than relying more and more on pay-roll tax. I know the imposition of probate duty causes problems to the rural sector, but I am sure they could be overcome.

Some taxes are warranted, and others are not. To me, any tax which dissuades people from expanding their businesses is a bad tax, and should be replaced. People who would like to make their businesses just a little bigger are prevented from expanding by the encumbrance of pay-roll tax.

I believe the Government should look towards taxing more heavily some of the luxury items we consume in our society. I concede we are already raising a substantial sum from tobacco licences, and whilst I would not like to put the joy of smoking beyond the reach of some people, this area of taxation should be examined by the Government in preference to pay-roll tax. The Government could give consideration to increasing liquor tax, through hotel licensing; similarly, other luxury consumer items could be taxed more heavily. This should be the goal of the Government in order to raise sufficient revenue to do what it must do within the State Budget, rather than constantly having to rely on pay-roll tax.

Were pay-roll tax not such a big proportion of State revenue, one would readily advocate its complete abolition; however, it would be irresponsible to suggest that at this stage. We should all be trying to arrive at a tax which is more equitable, and which does not inhibit expansion and employment.

Whenever a Government must raise additional revenue, it should look first to the luxury items. For example, an increased betting tax could be considered. We see that each year, the turnover on the TAB increases substantially; last year was no exception, and the trend has continued this year. In fact, the rate of increased turnover is something like 10 per cent per annum.

We should be looking towards alternative taxes to give the people to whom the member for Mt. Marshall referred some incentive to keep going and, indeed, to expand their businesses. The Government should not continually hurt these people financially by the imposition of pay-roll tax. If small business people see they are working for peanuts, simply to keep people employed, they will not continue in business. After all, why should they devote all their energies and risk their resources for no result?

At present, I cannot suggest a way out of this situation except by increasing the "bits and pieces" taxes to provide for increased pay-roll tax exemptions. I support the Bill at this juncture, but implore the Government and, indeed, all members to give very serious thought to developing some other means of taxation which would be more equitable and successful in the encouragement of small businesses.

**SIR CHARLES COURT** (Nedlands—Treasurer) [5.38 p.m.]: I thank members for their contributions. Of course, the contribution by the Leader of the Opposition contained nothing new. When one is in Opposition, one always thinks one can provide for a few more tax reductions, and provide for more expansion in expenditure than the Government. However, when one is in Government, one must have regard for one's total responsibility.

I remind members that pay-roll tax was handed over by the Commonwealth Government to the States in 1971, which was the time when the Tonkin Government had just been elected. The then Prime Minister (Mr McMahon), in response to the entreaties of State Governments to give them a growth tax, agreed to hand over pay-roll tax.

Mr Davies: I thought it was before that.



Sir CHARLES COURT: If my memory serves me correctly, it was in 1971, and the then Treasurer of the State was the Hon. T. D. Evans.

The States, of course, were not happy about it, because no-one has ever loved pay-roll tax. Its original intention was quite different from its subsequent use, as we have found with other taxes, such as the fuel tax and the like, when they are in the hands of the Federal Government. Pay-roll tax subsequently became very much a part of Commonwealth revenue.

When the States forced the issue to get some sort of growth tax, the Commonwealth decided to hand over this tax, and the necessary complementary legislation was passed.

Since then, at various Premiers' Conferences, and usually by mutual agreement, the Premiers have increased the rate of tax originally imposed when we took it over in 1971. The States were desperate for income, and formed a common bond in trying to obtain money from the Commonwealth from other sources and for other purposes, so as to avoid increasing pay-roll tax. However, invariably the States were forced to move their taxes upward.

I think members will find the States always moved in concert. In the main, the deductions, too, have been fairly uniform because there is a degree of consultation. The one State which has stepped out of line in a major way is Queensland. I have never been able to ascertain why Queensland went so far out of step with the other States; no doubt one could find a compensating factor if one could get behind the scenes.

Members have said—and I agree—that pay-roll tax is an iniquitous tax and that the higher it gets as a percentage, the worse it gets. It is a fact that pay-roll tax has increased over the years.

However, in view of the fact that the High Court of Australia has adopted such a severe line in connection with what are permitted taxes by the States under the Constitution, the States have been forced into a smaller and smaller circle as to where they can raise funds. No matter what additional tax we may consider, we must look very closely at the constitutional position, because it is usually under challenge.

The tax on receipts imposed by the Brand Government was perhaps the most equitable of all taxes and would have been the most satisfactory had it been allowed to survive. However, it was challenged in the High Court, and that challenge was successful. Had it been allowed to prevail, it would have been a much more equitable tax than pay-roll tax, because everybody would have made a contribution and the amount coming into the

State Treasury on a growth basis would have been very satisfactory.

In fact, when the question of States' income was under challenge when Mr Whitlam was Prime Minister, he was almost prevailed upon to bring down the necessary Commonwealth enabling legislation to allow the States to impose a receipts tax so that a small but equitable figure could be levied over a very large spectrum of the community, and the total amount of income raised would be considerable. It would be an equitable tax, which would be easy to collect and, importantly, would have a growth factor built into it. Had that proposal to the Whitlam Government been agreed to at the time, or had the original tax imposed in Western Australia not been successfully challenged in the High Court, we would not have imposed pay-roll tax. It would have provided an equitable alternative.

I repeat that, during the Whitlam era, we got closer than with any other Federal Government to having Commonwealth enabling legislation introduced. However, Mr Whitlam having given the proposition a favourable smile during the Premiers' Conference, by the time we got home—no doubt his advisers got busy on him—we were forced to abandon the idea.

If members will look at the Bill originally introduced by Sir David Brand, when Premier and Treasurer, they will find some very interesting reading as to a possible alternative source of income which is equitable, easy to collect and which has a growth factor built into it. Its most important feature is that whilst its percentage would be very low, it would be spread over the whole income of the State, and things like insurance companies, iron ore sales, alumina sales and a whole range of things which are produced, sold or handled in prodigious quantities would pay their small percentage. This would provide the State with the sort of growth income it needs. However, it was found by the High Court to be unconstitutional, therefore it had to be abandoned.

I think members will recall that the Tonkin Government brought down legislation which enabled some people to claim refunds, the residue of which we terminated after we came into office.

The Leader of the Opposition said that what he proposed to do would cost only about \$1.2 million in a full year. That does not sound much, but there are many other people who would want \$1.2 million, more or less as the case may be, either on the expenditure side or in the reduction of revenue. It is the total picture that one has to bear

in mind when one is Treasurer and is framing the Budget and formulating Budget strategy.

The Leader of the Opposition made great play about his policy for small businesses, but when one analysed it—as I did—one found it did not contain anything that was now practical or effective so far as small businesses were concerned. In the final analysis, small businesses are very much a part of the total economy and the policies that have been followed by the present Government—and its predecessor between 1959 and 1971—are the type of policies that eventually have the greatest impact on small businesses.

Mr Davies: When?

Sir CHARLES COURT: This Government has been very much in touch with small businesses. In my experience as a Minister for Industrial Development and in the experience of my colleague, it is not so much money that small businesses want but guidance and help in the conduct of their businesses; the formation of their businesses; the way in which they should go about promoting their products and so on. In the final analysis we find that nine out of 10 small businesses are more concerned about getting positive help and sound advice on business methods than in seeking handouts and subsidies.

In that regard my ministerial colleague, the Minister for Industrial Development, has found his experience to be the same as my own. For this reason the Department of Industrial Development has a strong component of people of competence who can give this advice.

Mr Davies: We have 800 fewer small businesses in the manufacturing field than we did five years ago.

Sir CHARLES COURT: In fact, one of the problems we used to have when I was in charge of that department—and no doubt it is the same now—was that once we allocate any person who was skilled and helpful to small businessmen in matters of advice, it was very hard to get him to disengage when their task was complete.

Not only did the Government give consideration to the suggestion put forward by the Leader of the Opposition but also it gave consideration to a much more generous programme. We tried to read what might happen in the other States in a year or two ahead. After making a survey of this we decided to adopt our figure as being the best one possible.

I remind members that this is the fourth out of five consecutive years that the Government has made a concession. This year we have made a 20 per cent increase, which is much greater than the inflation rate in the period in between. I further

remind members—and this never seems to get a mention—that there has been no increase in either shipping or rail freights in this year's Budget. There has been no increase in fares.

Mr Davies: They occurred during the year.

Sir CHARLES COURT: The Leader of the Opposition keeps referring to the \$44 million in the Suspense Account as an "election" account. He is being quite reprehensible in doing that.

Mr Davies: I bet he is!

Sir CHARLES COURT: This is a very sound piece of accounting and housekeeping. It is serving the State extremely well. If we take seriously what the Leader of the Opposition has said he would have squandered the lot year by year and today he would have nothing to show for it.

Mr B. T. Burke: You are the one who is the squanderer and who is reprehensible.

Mr Tonkin: You squandered \$100 000 on Kimberley.

Sir CHARLES COURT: If the member thinks that he should tell the people there.

Mr Pearce: It was squandered on the Minister for Housing.

The ACTING SPEAKER (Mr Crane): There have been too many interjections at the one time. I ask members to desist.

Sir CHARLES COURT: The Leader of Opposition gives the impression that this Suspense Account is a bottomless pit. Of course, we can take money from it as long as we replace it from somewhere else. If the Leader of the Opposition wants to commit every cent in the Treasury he will certainly not get us to join him.

I remind the Leader of the Opposition that finance for drought relief was stated at \$7 million in this Budget. In spite of the fact that we thought that figure to be an adequate and conservative amount, the deterioration of the weather pattern means we are going to have to contribute much more than that.

A Government has to allow for these contingencies to arise. This is the only way that a Government can formulate a sound Budget. Because we cannot predict all the eventualities which may arise, while I am the Treasurer I will never commit all our money to the very last cent.

Mr H. D. Evans interjected.

Sir CHARLES COURT: The Leader of the Opposition has not taken note of the fact that there has been a complete change in the pattern of disaster relief funding from the Commonwealth

Government as from this year, which has meant a greater burden on the States.

Mr Davies: Why do you say "me"?

Sir CHARLES COURT: I am sorry. I meant the member for Warren.

When we bring down the Budget we do so with regard to what we can properly afford without being extravagant. I believe what we have done is to strike a compromise between what we would like to do and what we can do.

Mr B. T. Burke: Why didn't you say that instead of using words like "reprehensible" and "squandering"?

Sir CHARLES COURT: Listen to the great moralist over there.

I shall refer briefly to the comments of the member for Mt. Marshall who has foreshadowed moving an amendment during the Committee stage. The Government cannot support his amendment because it would be very hard to justify increasing the exemptions to include a full-time director of a proprietary company. When we are dealing with proprietary companies we are dealing with a whole host of companies and not merely small farming businesses.

If we accepted the member's amendment we would have a lot of trouble and a lot of explaining to do in allowing specific exemptions for particular people within a particular group of companies. The method we have followed in giving a total increase is a sensible one.

The member for Welshpool referred to the fact that we should be looking at some other source of revenue. I agree with this and in fact we are trying to do this; however, the constitutional limitations on States are quite horrific. The idea of trying to find luxuries that we can tax is a good one if they can be found. I have looked at some of these things but in most cases, because of the constitutional limitations, they have had to be abandoned. Of course, there is a limit to the taxing of things we have taxed.

My decision was not to increase betting taxes. One does not kill the goose that lays the golden egg. This applies to liquor and tobacco taxes.

Mr B. T. Burke: What about legalising the sly gambling establishments and taxing them?

Sir CHARLES COURT: There has not been a Premiers' Conference when the question of pay-roll tax has not been raised by the States. There will be no major breakthrough in relief from that tax until the Commonwealth Government, of whatever political colour, accepts that it has to make a contribution to adjust State tax-sharing arrangements so that with any reimbursement

figure we get something extra by arrangement to replace pay-roll tax. That is the only way it can be done on a major scale. In the meantime we have to live with it and increase exemptions to the maximum extent we can from time to time.

Question put and passed.

Bill read a second time.

### *In Committee*

The Chairman of Committees (Mr Clarko) in the Chair; Sir Charles Court (Treasurer) in charge of the Bill.

Clauses 1 to 5 put and passed.

Clause 6: Section 9D inserted—

Mr DAVIES: If we were going to amend the Bill this is where we would start. I find it a matter of some considerable regret that the Treasurer seemed to wipe off our suggestions without due consideration. In effect, he said, "We have had a look at everything. We are not concerned with making any other concessions. We have gone as far as we can." He said the surplus of \$44 million in the Suspense Account was so much nonsense. The table on page 3047 of *Hansard* shows that the balance as at the 30th June for the following years was: 1970-71, \$9.3 million; 1971-72, \$8.3 million; 1972-73, \$8.7 million; and in 1973-74, \$6.4 million.

Some of that money was spent on unemployment relief during those years. In 1974-75, the balance was \$6.5 million and money was then transferred to the Consolidated Revenue Fund. In 1975-76, the balance had jumped to \$11.5 million and the following year it went to \$24.5 million. In neither of those two years was one cent spent. What was happening?

The Suspense Account was being built up. We had unemployment in those days, yet we had more money in the Suspense Account than we ever had before. But in 1975-76 and 1976-77, not one cent was spent by the Government. What other interpretation can be put on that situation other than that the Government was hoarding the money? It wanted the money there to build up to a large sum so that it could do spectacular things with it. It was not a matter of good housekeeping; rather, it was a matter of irresponsibility.

A plumber phoned me this afternoon and told me that three years ago he wrote to the Treasurer from Holland asking whether he would be right for a job if he came to Western Australia. The Treasurer told him that as long as he was prepared to work there would be plenty of jobs for him. This man has been trying to see the Treasurer for weeks; but he has no chance. He

was wanting to know whether I might be able to get a job for him.

During those years not one cent was spent and the Suspense Account has built up to \$44.6 million. Now that we are into a pre-election year the Government is starting to spend some of that money. It is not irresponsible of me to suggest that \$1.2 million from that Suspense Account, which is likely to be in the region of \$30 million by the end of this financial year, should be used to help small businessmen. As I have said before, by increasing the cost to the State by about half we would double the number of businesses which would benefit. Is that not a bargain? How can the Government not afford to accept that?

The CHAIRMAN: Order! I have given the Leader of the Opposition some time in which to move towards a position where he relates his remarks to the clause before us. As yet I have not noticed him doing this and I would like him now to ensure that he does refer to clause 6.

Mr DAVIES: Mr Chairman, you are just a small jump ahead of me. I wanted to say that the Government was being irresponsible in building up, in just two years, an amount of \$18 million in the Suspense Account without spending one cent of it. Of course, I would have spent a sum of money to provide jobs for fellows such as the plumber who three years ago was told to come to Western Australia. He has been out of work for 10 weeks now and it does not appear he will be able to obtain a job or speak to the Treasurer. It was only two hours ago that that fellow spoke to me.

If we were to amend clause 6 along the lines I suggested we would then need an amount of \$2 700 to \$5 000; that would be an increase in the minimum amount which would apply. This amendment is fairly complicated but in many respects it is not once it is investigated fully. One of the difficulties encountered has been the interpretation of the Bill and the Act. It has been difficult for the layman and it would be indeed helpful if it could be written in standard language.

We are constantly at the mercy of the State Taxation Department which has its own interpretation of the Act. Its members are working with it every day so it is no problem to them. The Bill becomes increasingly difficult to interpret when it is read from clause 5 onward and applied to the Act.

I was disappointed when the Treasurer decided that we did not need to amend this clause. He said he has the answers, as he always says. The Government is satisfied with the classification of the people who will benefit from this—the small

manufacturers. The Treasurer says the large manufacturers should get a go and then the small men will be right. I remind him that in five years more than 800 local manufacturers have ceased business. Yet he is telling us this kind of thing. The reasons for so many local manufacturers ceasing business is that they cannot obtain exemptions because of the low minimum amounts which are provided in this Bill.

The proposition I have put forward with figures which have been researched through the Bureau of Statistics states the number of employees in small businesses. My proposition was a very reasonable attempt to provide some relief. It was not in any way irresponsible. I said that it may upset the Budget, but of course the Budget is a tabled document and it has so many variations over a year. It would be possible to work well within \$1.2 million and if that meant more employment it is something we are more than agreeable to.

The Treasurer has missed a golden opportunity in not accepting the amendments we suggested. I did not put them on the notice paper because they are somewhat complicated. However, if the Treasurer wishes to give a nod we would be only too pleased to have his Treasury boys investigate them. If this proposition had been looked at it may well have been discovered that for once this aspect might have been overlooked. I believe that we cannot afford to be any worse off than any other State. The Treasurer said that we are really at a level above that of Queensland. Perhaps that is why Queensland is having so much of a boom.

I pointed out during my speech that the concessions available to small businesses in other States—South Australia, Victoria, and New South Wales—are much better than the concessions business people enjoy here. I do not want us to be second to any State. We should start amending this legislation now, and if the Treasurer gives the nod to look at our amendments we will be only too happy to let him have them.

Mr B. T. BURKE: It is not my intention or desire to prolong the Committee debate unnecessarily on clause 6 which refers to the incidence of pay-roll tax in so far as exemptions are accorded to people who may or do pay that tax. But it seems to me that it needs to be brought to the notice of the Committee that there is a whole class of people involved in a multi-million dollar industry in the State of Western Australia who may be exempt—not by virtue of size or by virtue of the number of their employees—from paying any pay-roll tax at all.

If the Treasurer, as was indicated during his reply to the second reading debate, wants the Chamber to believe that he has studied every possible alternative tax in an effort to make exemptions flexible and more realistic, he has some responsibility to explain to the Committee why it is that the multi-million dollar illegal gambling industry is not acknowledged at all when we talk about pay-roll tax.

I venture to say there are not many members in this Chamber who do not know—whether or not the Premier likes to acknowledge the fact—that many millions of dollars are turned over annually by businesses which employ many tens, and perhaps hundreds, of people in catering illegally for the gambling desires and wants of the people of Western Australia. But, as far as the Premier is concerned, he does not believe that is a legitimate focus for his efforts to find an industry which can bear its fair share of tax in this State.

As the member for Dianella has said, the Premier refuses to recognise that this industry exists. He refuses to see that in its existence is quite properly the potential to relieve other sections of a considerable burden with respect to taxes generally, and in respect of pay-roll tax in particular. As you would be aware Mr Chairman, periodic raids upon these different establishments cause this State to involve itself in considerable expenditure.

Not only are we, in terms of clause 6 of the Bill, providing an exemption of considerable significance to a section of the community that does not deserve it—by any logical argument I have heard—but also, in addition, we are expending a considerable sum of money in policing the establishments which the Premier claims do not exist.

Mr Davies: Do you think those establishments would pay pay-roll tax at all, or would they be able to cover it up?

Mr B. T. BURKE: I doubt very much whether those establishments would pay any pay-roll tax at all. If they were to pay pay-roll tax, I am sure it would be paid upon the basis that they were other than gambling establishments, and that they employed a number of people far less than are actually employed within the industry.

As you would readily acknowledge, Mr Chairman, if we are to talk about exemptions from pay-roll tax we should talk about those exemptions on the basis that they are deserved by those to whom they are granted. Not only do we have no defence advanced by the Premier in justification of this massive exemption he is granting this particular section of the community,

but also we have from the Premier no mention or acknowledgment that this industry exists.

While we talk about exemptions, what about the fields of prostitution and escort agency operation? The Premier has not advanced to the Committee reasons to show that if these activities are part of the economy, they are entitled to an exemption. It is just not true that these aspects of our life will disappear if we pretend they do not exist. It is totally unfair of the Premier and his Government to use words such as "squandering", "reprehensible" and other similar expressions when he describes opinions the Leader of the Opposition has put forward on this matter. I might add that what the Leader of the Opposition said was reasonable and intelligent, from my point of view. At the same time, the Premier has ignored the unfairness inherent in his refusal to apply this tax equitably upon the community.

I am sure you will agree, Mr Chairman, as will the Committee, that the Premier needs to be able to cover his ground much more thoroughly than he does now if he wants to convince the Committee he has investigated every possible additional avenue through which a tax of this nature might be replaced or more equitably shared amongst members of the community. It is just not good enough for the Premier to say that an industry which is capable of relieving the burden of tax in this area does not exist, and use that denial as the justification, firstly for its existence not being acknowledged and, secondly, not taxing it in a proper and fair manner.

Clause put and passed.

Clauses 7 to 11 put and passed.

New clause 7—

Mr McPHARLIN: I have placed the proposed amendment on the notice paper because of an imposition which applies to a working director-shareholder of a small proprietary company. A small proprietary company director is obliged to pay pay-roll tax on his salary. If that director is in partnership, he will not have to pay pay-roll tax because his drawings are not classed as salary. It seems this is a rather unfair aspect, and several business organisations in my electorate have requested that I move this amendment. In order to keep staff in country areas it is necessary to pay higher salaries than are paid to their counterparts in business in the city.

If my amendment is agreed to, small business organisations in country areas would be assisted. The exemption is to apply to small businesses, and I believe it should be acceptable that the small businesses or companies I have mentioned should be included in this category.

The Premier has said it is very difficult to apply an alternative, and I think we agree with that statement. I believe my proposition is a practical way to assist some small businesses.

Mr Davies: Can you give us an example.

Mr McPHARLIN: I will refer to a working director-shareholder drawing a salary in the vicinity of \$12 000 to \$15 000 as his share of the profits of the business.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr McPHARLIN: Prior to the tea suspension I was giving an illustration of the full-time working director-shareholder of a small proprietary company paying pay-roll tax on what he drew as his salary. During the tea suspension I telephoned two small companies in a town in my electorate and was given the instance of a director-shareholder drawing a salary of \$15 000—which is not a large salary these days—out of which he would be required to pay about \$750 in pay-roll tax under the present system.

Both of the proprietors to whom I spoke told me the new provisions would assist to a degree but not to a large degree. One of them said it was quite likely that after the Christmas period his business would be on the market because he could not continue to function the way things are. He is in the process of dismissing a couple of his employees. He has 15 employees, so his business must be regarded as a small company. The other gentleman to whom I spoke employs 24 people and he is also contemplating putting off some of his staff.

It is not asking a great deal to seek exemption from this iniquitous tax for the working director of a small company who works full time, who has invested his money and is a shareholder of his own company, and who draws a salary on which he has to pay pay-roll tax. There appears to be an anomaly in that the working partner in a partnership draws a salary which is not subject to pay-roll tax.

I hope the Committee will give consideration to my amendment, which seeks a concession for small businesses—say, those which employ fewer than 50 people. This is an avenue whereby the Government could give further assistance to small businesses. It would not apply only to country businesses, which I specifically had in mind; it could also apply to metropolitan businesses. I move—

Page 6—Insert after clause 6 the following new clause to stand as clause 7—

Section 10  
amended.

7. Section 10 of the principal Act is amended by inserting after paragraph (i), the following paragraph—

(j) by a proprietary company to a shareholder of the company, who is working full time for the company as a salaried director.

Sir CHARLES COURT: As I indicated during the second reading debate, the Government cannot accept this amendment. I think the member for Mt. Marshall oversimplifies what he is seeking to do. He gives the impression that his amendment is relevant only to small businesses in the country when he refers to proprietary companies. That is not the case; it refers to a tremendous range of companies, some of which are quite large and some of which are quite wealthy and could be predominantly in the metropolitan area. The fact that it is a proprietary company does not necessarily mean that it is small. Not all private family companies in the city or the country are small.

The honourable member tried to draw an analogy with a partnership. The position of a partnership is quite different. In a partnership one can draw a nominated salary as a partner but it is not tax deductible because it is not salary for tax deduction purposes. It is a partner's share of the profits which is taxed. Under the arrangement a person might draw a salary because he is a managing partner or because he does more in the business than the other partner, and after allowing for that salary they share the profits. The situation is not the same as that of a proprietary company where one has the benefit of limited liability and if one receives a salary it is a deduction for tax purposes.

Try as I may, after reading the amendment on the notice paper and hearing the explanation of the honourable member, I cannot make out a case for this exemption to be granted. The honourable member will realise section 10 of the principal Act has a list of exemptions most of which have an historic or special reason for being there; but if we went as far as the honourable member suggests and selected one particular case of a shareholder who is a working director of a proprietary company, I believe we would bring an avalanche of demands which we would not be able to resist. The Government cannot entertain this proposal, and I cannot find any justification for it.

The honourable member referred to two country business proprietors who said they were contemplating putting off staff. I suggest it is not because of the pay-roll tax but for another reason, particularly if they are in areas which are affected

by drought conditions. We are sending officers into the country to talk to these people to see how we can help them to remain in business and retain as many as possible of their staff. That type of help will do more to enable them to remain in business than will the suggestion of the honourable member. If they are employing 15 and 24 people respectively, the difference between pay-roll tax and no pay-roll tax will have no effect on their retaining the staff they have. We therefore reject the amendment.

New clause put and a division taken with the following result—

|                   |             |
|-------------------|-------------|
| Ayes 3            |             |
| Mr Cowan          | Mr Stephens |
| Mr McPharlin      | (Teller)    |
| Noes 37           |             |
| Mr Barnett        | Mr Mensaros |
| Mr Bertram        | Mr Old      |
| Mr Blaikie        | Mr O'Neil   |
| Mr B. T. Burke    | Mr Pearce   |
| Mr Carr           | Mr Ridge    |
| Sir Charles Court | Mr Rushton  |
| Mr Coyne          | Mr Sibson   |
| Mrs Craig         | Mr Skidmore |
| Mr Davies         | Mr Spriggs  |
| Mr H. D. Evans    | Mr Taylor   |
| Mr Grayden        | Mr Tonkin   |
| Mr Grewar         | Dr Troy     |
| Mr Grill          | Mr Tubby    |
| Mr Hassell        | Mr Watt     |
| Mr Herzfeld       | Mr Williams |
| Mr Hodge          | Mr Wilson   |
| Mr Laurance       | Mr Shalders |
| Mr MacKinnon      | Mr Bateman  |
|                   | (Teller)    |
|                   | (Teller)    |

New clause thus negatived.

Title put and passed.

### Report

Bill reported, without amendment, and the report adopted.

### Third Reading

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Sir Charles Court (Treasurer), and transmitted to the Council.

## PENSIONERS (RATES REBATES AND DEFERMENTS) ACT AMENDMENT BILL

### Second Reading

Debate resumed from the 2nd October.

MR DAVIES (Victoria Park—Leader of the Opposition) [7.43 p.m.]: This Bill came to us on the 2nd October, not very long ago. It makes provision for an undertaking the Premier gave in

his Budget speech and has three purposes. The first is to provide for the granting of rate concessions from the 1st July, 1979, to pensioners who are at present ineligible for concessions because the properties they own are under purple title. The second purpose is to increase the level of rate rebate from 25 to 50 per cent from the 1st July, 1980; and the third is to make it clear that the pensioner rate concessions do not apply to water consumed beyond the allowance.

The Opposition agrees to all these measures—I am sure no-one will be surprised about that—but in passing I want to say a few words about the attitude of the Government towards these corrections which are now to be made, and also its attitude towards the concession of 50 per cent which it is proposed to grant from the 1st July next year.

First of all, we had this question of purple title. I do not want to traverse the same ground as I did in the Budget debate last week, when I mentioned the Government's attitude, and the way it had treated people who suddenly found their property was on a purple title and they were no longer entitled to the concession they thought they enjoyed. I understand there are some 400 such people. Even though that is a relatively small number when compared with the number of people who do enjoy the concession, I believe the Government's treatment of them was fairly cavalier.

Last February, in a letter from the Under Treasurer, the Acting General Manager of the Metropolitan Water Supply, Sewerage and Drainage Board was told there was some doubt about pensioner concessions, where a pensioner's property was on purple title. One would have thought that, in the meantime, knowing how concerned these pensioners would have been to find a concession to which they thought they were entitled had been taken away from them, the Government would take prompt and positive action to put the matter aright.

To be fair to the Government, at no time did it suggest the concession would be taken away completely. The Government carried out a title search, identified all the people concerned and wrote telling them they no longer enjoyed the concession. At the same time, the Government was saying to me and to other members who protested, "We are going to put the matter right." The Government knew at least as far back as the 14th February, 1979, that such was the situation, but took no action to overcome what had obviously been an oversight when the original legislation was brought down.

Indeed, I believe there is evidence that the Government knew something about this matter before then, because in answer to question 996 of Thursday, the 9th August, the Treasurer said—

The problem was referred to Cabinet in October 1978 when most rate assessments for 1978-79 had already been processed. It would have been most inequitable to change the practice at that stage of the year and it was therefore decided to make the change from the beginning of the next rating year when all pensioners concerned were advised of the position.

So, whilst there has been some doubt about the legality of the action adopted by the Water Board, there has been no suggestion that the Government is going to make the legislation retrospective to cover the situation.

There is also no suggestion that the Government is going to ask these pensioners for the amount of rebate—the 25 per cent—which they enjoyed. So, I do not know what the position is likely to be for the 1978-79 rating year. I hope only that is something which is in the past and that the Water Board or any private citizen, including members of Parliament, will not challenge the situation and that, as far as 1978-79 goes, the matter is completely forgotten.

The Government deliberately set out to advise pensioners whose properties were on purple title that for the 1979-80 rating year they would not enjoy the concession. The Government gave no indication in the correspondence that it was going to try to put the matter right. In fact, it need never have written to those pensioners to upset them. Knowing as it did in October, 1978, that the situation could be doubtful and receiving a suggestion from the Under Treasurer on the 14th February, 1979, that the practice was doubtful and dubious, the Government could have introduced amending legislation in the autumn part of the session of Parliament this year. If it has done it now, it could have done it then. However, the Government did not introduce amending legislation but chose to write to these persons in the manner I have described.

What kind of way is that to run the Government? At the very least, the Government could have said, "Technically, you cannot continue to enjoy the concession. However, we are going to try to remedy the situation." The Government could have said, "We are going to try to do something about it. We cannot do it until the spring part of the session of Parliament. In the meantime, to protect yourself, pay half your water rates, and we will worry about the

balance at a later date." That would have been the kindest thing to do. However, the Government showed scant regard for the feelings of the people concerned.

I can understand the distress and agitation of these people, many of whom telephoned not only me, but also, I am sure, members from both sides to draw our attention to the letter they had received telling them the concession they thought they enjoyed no longer applied. As water rates and other rates increased, this concession became much more valuable.

So, I castigate the Government for not being more sensitive in its handling of this matter. It is true the Government did what it was required to do to the letter. However, it should have gone a little further and said, "Do not worry about it. We are just advising you to protect ourselves." I am quite certain that some pensioners whose properties are on purple titles already have paid their rates in full. I hope only that the Government will refund 25 per cent of those rates. The Government as yet has given no indication of its intention in this regard. However, as this legislation is to be retrospective to the 1st July, 1979, I would expect it to refund the 25 per cent rebate to any pensioner who took note of the Government's direction that the concession no longer applied and went ahead and paid his rates in full.

Apart from castigating the Government on its handling of this matter, I should like a reply from the Treasurer as to whether if rebates are available, because the same information went out to the Local Government Association informing it there was some doubt about the application of the legislation. To their credit, local government authorities did not take the same precipitous action the Government took. They said, "If the matter is going to be put right, we will wait until it is. We will just go along as if it never happened." The Local Government Association was warned on about the 25th July, and passed on the information to its affiliated organisations. They did not immediately start writing letters to pensioners withdrawing the concession, but wisely chose to wait.

There is more than a little bit of bungling in the way this matter has been handled by the Government.

Sir Charles Court: It was mainly the objections raised by certain local authorities about their difficulty in making adequate assessment which brought about the problem and the eventual seeking of a legal opinion. It did not generate from the Water Board.



Mr DAVIES: That is true; it came back in October, 1978. I was dealing with the Water Board aspect because that was the body which took the action of writing to these people.

I am complaining very sincerely about the Government's insensitivity in this matter. It should not simply have written to these people advising them their concession had been withdrawn; they should have been informed the Government was rectifying the anomaly.

When the Treasurer was questioned on this matter he said, "No action will be taken against anyone who does not pay his rates in the meantime." He was very fair about the whole matter. However, the letter sent out by the Government is a matter for great regret.

The situation now is to be rectified, and we certainly do not express any opposition to the amending Bill. I presume the year which has just passed is something forgotten and will not be worried about. From a quick glance through the Bill I could not pick up any retrospectivity provisions other than to the 1st July, 1979, although the concession applied for a period before then. They are my feelings and, I believe, the feelings of the Opposition on this matter.

The second matter dealt with by this Bill is to increase the level of rate rebates from 25 per cent to 50 per cent as from the 1st July, 1980. I am very happy indeed to agree to this proposal and to note that the Government has adopted some Labor Party policy.

When the initial legislation providing for this rebate went through this place, the Opposition maintained that the rebate should be 50 per cent because we believed a rebate of only 25 per cent was niggardly. Indeed, the Government had something to go on, because the other States were offering a 50 per cent rebate.

I remind the House once again that, with a flourish of trumpets, this Government set up the Committee for Enquiry into Pensioner Concessions and Benefits, the report of which has been gathering dust since about 1975. It was appointed by the Hon. G. C. MacKinnon, who was then Minister for Education, Cultural Affairs and Recreation, and the Hon. N. E. Baxter, the then Minister for Health and Community Welfare. Its membership comprised the following—

Mr P. N. Gorton (Chairman)  
Mr P. C. Firkins, J.P.  
Mrs E. D. Griffin, J.P.  
Mr J. Haines  
Mr W. Harwood, M.B.E.  
Mr T. J. Hannis, J.P., B.E.M.  
Mrs M. F. Shearer.

The committee sat for quite some time dealing with pensioner concessions generally because, in 1974, the Government had come in with a flourish saying, "It is no good giving you travel concessions only; you want better than that. We will have a full inquiry into pensioner matters and decide what we can do for you. You will be better off under us than under a Labor Government."

Indeed, only today a lady from Leederville sent me a letter which she received in 1974 from the under secretary, written under the direction of the Premier, assuring her that the pensioner concession for travel was not going to be withdrawn. Of course, we all know what happened to that concession! However, we would have hoped, as a result of that inquiry, some far-reaching benefits would be extended to pensioners.

The rate rebate concession has been in force for more than a little while, and the report listed a number of options regarding concessions for water and local government rates which apply in other States and which could conveniently apply in this State. One of the nine recommendations contained in the report was that the rebate concession should be 50 per cent of the annual rate. That is why we tried to amend the Acts Amendment (Pensioners Rates Rebates and Deferments) Bill in 1977.

Despite the fact that this report was completed in 1974-75, despite the fact that it had remained secret for many months, and despite the fact that since it was published we asked the Premier repeatedly to take action on it, his sole excuse has been that he wants standard provisions in every State. Indeed, he said he was writing to the Federal Government, so he told me, to see whether we could establish standard provisions. He was writing to each of the State Premiers. I wrote to a Labor Premier in another State, and he assured me he had never heard from our Premier on the subject. I wrote to Canberra, and I received a letter in return saying the writer had never heard anything about it. So, whilst the report was good, whilst it had remained secret for a long time, and whilst it was an attractive election issue, the fact remains that it was an election issue and nothing more, and that the benefits enjoyed by pensioners today—such as they are—would have been received notwithstanding this report.

As I said, the Government removed the free travel concession and allowed a concessional fare. In relation to rates, we had an option in our election campaign. The Government came up

with that finally in 1977, and allowed a reduction of 25 per cent. We had this report then. We pointed out that there was a recommendation for 50 per cent, and the Government said it could not afford it. That is the same as the situation with pay-roll tax, as I dealt with it tonight. The Government said, "We can't afford another \$1.2 million. We are spending \$2.2 million, and that is more than we can actually afford." In 1976-77 the Government spent \$4.4 million on pay-roll tax, and was apparently happy to do so.

On an earlier occasion, when we wanted a 50 per cent reduction, the Government said it could not afford it. However, in a pre-election year it has suddenly found it can afford it.

Mr H. D. Evans: It is \$44 million-worth.

Mr DAVIES: It makes one wonder just how seriously the Government is considering the plight of pensioners. Let us consider the concession on electricity, or the rebate that pensioners enjoy—and I put "enjoy" into inverted commas, because they do not "enjoy" it as they are pensioners; they enjoy it only because the proportional unit rate is much greater if one is a small consumer of electricity. No-one else can enjoy the benefit unless he is a pensioner.

Mr Wran in New South Wales, according to what I read in the newspaper recently, is providing a concession that will amount to \$20 a year on electricity charges for pensioners. I have details of that coming and I will probably say something more about it in the not-too-distant future.

In 1977 the definition of "pensioner" was altered by the Government. Under the previous legislation a "pensioner" was as defined under the Social Security Act. In 1977, under the Government's new Act, a pensioner was one who was defined under the National Health Act. In effect, if a person carried a medical benefit card, he was considered to be a pensioner. Immediately dozens and dozens of pensioners who thought they were eligible for the concession found they were no longer eligible because they did not have a national health card, and therefore they were not pensioners in accordance with the Act. Another sleight of hand on the part of the Government! That is something about which it cannot be proud.

Since that time we have found that, with increases in various payments, some people who receive a part-superannuation payment or a part-insurance payment, or the like, because they now receive 10c or 20c over the permitted amount, have lost the right to a national health card or medical benefit card. Those people now have to

insure themselves, at a cost of something like \$10 a week. They might enjoy a few extra cents; they might enjoy extra superannuation or extra income of \$1 or so, but they will find they are being penalised to the extent of \$9 or \$10 a week because they are outside the means test limit. They have to insure themselves for medical benefits.

Many banks and credit unions are now allowing people to deposit money without drawing interest. Apparently that is quite legal, and people prefer to leave their money on deposit without interest because the interest might preclude them from receiving a benefit. They might be gaining a few dollars in interest and losing many dollars by having to insure themselves. They may lose their telephone concession, their rebate on municipal rates, and their rebate on their water rates because they receive a few extra cents. I believe the whole pension scheme, and the means test, are getting out of kilter. Something should be done about it.

As far as Government employees are concerned, the Government should make an effort, when superannuation rises, to offer the superannuated person the right to elect to take the increase. It should not be compulsory for a person to take an increase. This can be done; it is done in other States, and it can be done here. The person receiving the superannuation should have the right to elect whether or not to take any increase when the review is made each year. Perhaps the review should be made twice a year; but at the present time it is made once a year only. The person receiving the pension should have the right to accept or reject the increase.

As I said, for an increase of \$1 or \$2 a week, a person loses the telephone concession, medical benefits, water rates concession, local government concession, and the travel concession. All of those things may mean the cost of more than a few dollars a week. I wish the Government would give that matter consideration, because it is something I have had on my table for quite some time. It is one for which I am trying to find time to do research. I understand the right to elect exists in other States. Many people would elect not to have an increase rather than be penalised by accepting the small increase.

In regard to the 50 per cent increase, it is an election gimmick, but it is one with which we go along. It is one I support wholeheartedly; but it is two years too late. It will not apply until the 1st July, 1980. Presumably the legislation could have been introduced on another occasion, after an election; but of course this is a fine thing for the Government to take to the polls. The Government

can take little pride in waiting so long to introduce the concession. It should have looked at the report. I had it in 1975. It should have taken notice of the amendments and the suggestions we put forward in 1977. It did not do any of those things.

The Government believes, of course, that pensioners are pawns in the political game. It is quite happy to use them as such. The sum of \$1.85 million needed to finance the concession could have been allocated from the \$44.6 million I have mentioned. By the end of the year, that account will be of the order of \$30 million again.

It is absurd that the Premier should announce a concession that will affect the 1980-81 Budget when he introduces the 1979-80 Budget; but I know it is a political ploy, and I accept it.

Mr Sibson: That is sound economic planning. Many pensioners have thought of that. They are very happy that they have been told in advance it will happen. They believe it is sound economic planning.

Mr DAVIES: It is a wonder the member for Bunbury did not say also it is good housekeeping. That is the phrase we heard in the past from the Premier. We are beginning to doubt that the Premier is a sound economic manager, especially when one remembers he was going to cure inflation and unemployment. He said that was an economic matter to be dealt with State by State. We have the second worst unemployment rate, and we have the second highest inflation rate. It is the highest since 1974 for any State in Australia. That is the result of these great economic managers; so it is irrelevant for the member for Bunbury to say that the Government has to plan ahead, and it is good budgeting. It is not good to budget more than 12 months ahead. I imagine some of the pensioners hope they will still be alive to enjoy the concession; but if they are living in Bunbury, I am sure they will be, with such a salubrious setting and such healthy air, without the storms, hail, and gales that besiege the State from time to time.

We do support this measure. As I say, the Government is playing politics with it; but we are prepared to go along with playing politics because it is a measure which we have long advocated. I hope the Government will go through the report and consider some of the other matters which are recommended for concessions. I particularly want to remind the Government about the electricity concession because, of all things, that hits the pensioners the hardest. I believe that is something that needs attention.

The third major amendment proposed in the Bill is designed to exclude pensioner rate rebates from applying to water consumed in excess of the allowance. We go along with that. I do not think it was ever intended that excess water should be subject to rebate. I do not know the sums and the amounts involved; but it has never been considered as a rebatable item. Apparently there has been some doubt about that. The Government seeks to put it beyond doubt, and that is the purpose of the amendment, which we do not oppose.

To recap: We do not oppose the last amendment; we do not oppose the Bill at all. We believe that the 50 per cent rebate could have been introduced earlier; and we believe also that the Government was quite insensitive in handling the purple title matter. We will not give the Government any more argument on the Bill, unless it wants to provide some.

MR O'NEIL (East Melville—Deputy Premier) [8.14 p.m.]: The Leader of the Opposition is aware, of course, of the reason for the Treasurer's absence this evening. He is aware that, to the best of my ability, I will be handling the matters on his behalf.

Mr Davies: I gave away that function because I thought he was going to be here. Now he has gone.

Mr O'NEIL: I want to thank the Leader of the Opposition for his support of the measures. I understand, of course, that it would not be politic for him to oppose any of them. I will bring the other matters raised by the Leader of the Opposition to the attention of the Treasurer.

Question put and passed.

Bill read a second time.

### *In Committee*

The Chairman of Committees (Mr Clarko) in the Chair; Mr O'Neil (Deputy Premier) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Commencement—

Mr DAVIES: I want to mention the fact that the provision in relation to the purple title could have taken effect during the previous financial year. I appreciate the position in which the Deputy Premier finds himself; but the matter should not be allowed to go by as if it has been forgotten.

If it was necessary to amend the legislation for this financial year, it is obvious that there was some doubt about the position during the last financial year and many people have enjoyed the

concession which applied. I should like the Deputy Premier to give an assurance that those people have nothing to worry about.

Mr O'NEIL: I noted the comment made by the Leader of the Opposition during the second reading debate. It is the Government's understanding that no action will be taken in respect of the previous financial year.

As mentioned by way of interjection, there was some difficulty because certain local authorities found it extremely impractical to determine the portion of their rates in respect of various occupiers of land on purple titles. It was as a result of that problem that the matter was brought to the Government's attention.

It is the Government's desire that no action be taken in respect of matters which occurred prior to this financial year. The reason that clause 2 of the Bill makes the provision that the Act, other than section 4, shall come into operation on the 1st July, 1979, is that it should cover this rating year and, of course, section 4 covers the 50 per cent increase which will come into operation on the 1st July, 1980.

If the normal situation prevails, it is not the custom of this Parliament to meet in the first half of the next calendar year, because an election is to be held. Therefore it is important that this Bill be passed during this session of Parliament so that the increase in the rebate from 25 per cent to 50 per cent can be effected during the next financial year.

Clause put and passed.

Clauses 3 and 4 put and passed.

Title put and passed.

### *Report*

Bill reported, without amendment, and the report adopted.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Neil (Deputy Premier), and transmitted to the Council.

## **METROPOLITAN WATER SUPPLY, SEWERAGE, AND DRAINAGE ACT AMENDMENT BILL (No. 3)**

### *Second Reading*

Debate resumed from the 2nd October.

MR DAVIES (Victoria Park—Leader of the Opposition) [8.21 p.m.]: We do not oppose this

measure and I am sure Government members would be aware of that, because this Bill is similar to the one I introduced in this House last Wednesday. I gave notice previously that I intended introducing that Bill—

Mr Pearce: Prior notice of it. I am emphasising the point that we are well and truly ahead of the Government.

Mr DAVIES: —and this had the effect of shaking up the Government and getting it to act. Although the Bill introduced by the Government is more complicated than that which I introduced, I am prepared to accept it, because I feel the Government has greater expertise in preparing this legislation. However, I should like to point out that, when we were working on this measure, we put our amending Bill before the Taxation Department and the deputy commissioner indicated that it was an acceptable measure and would accomplish the desired objective.

The result of this legislation is that the total cost of water supply for domestic and business use may be used as a tax deduction. I want to remind members that previously water rates were much higher than the \$36 charged at the present time. Each householder was allocated a certain amount of water depending on the rate paid. That system was abolished and a pay-as-you-use system was introduced with a flat rate of \$36 and an allowance of 150 kilolitres after which excess water rates were charged.

We have said on many occasions that this system is wrong. We have said it is not generous enough and many people would be worse off, because it is not practical. Had we not had a drought, I am certain much more water would have been used during the last financial year. One has only to look at the gardens in the metropolitan area during the summer months to see the lack of attention which indicates that water is not being used.

This tendency might have had some side effects so far as consumption and storage is concerned; but it certainly did not have any benefits for the Water Board. When there was a shortfall in the board's revenue it had to increase charges for both the basic rate and the excess water rate in an endeavour to make up the loss.

It is obvious this will happen time and time again if the campaign to cut down on water use is too successful. I do not intend to deal with the problem of water supply at this stage. There is a motion on the notice paper dealing with that subject and it shall be referred to at another time.

I should, however, like to point out that the Government needs to be castigated for the way in which it has handled this matter.

Mr B. T. Burke: We told it when it introduced the Bill in the first place that its proposal fell short of what was required.

Mr DAVIES: I agree with that interjection. The Government knew for over 16 months that some taxpayers would be disadvantaged in relation to the tax deduction they could claim under the new rating system. The Government told us it knew this would happen. It knew what was happening in other States and said it would introduce amending legislation. Approximately 16 or 17 months ago the Government appreciated the situation, because previously all water rates paid could be claimed as a tax deduction. Usually the figure for domestic use was between \$80 to \$100. Under the new system the only amount which could be claimed as a tax deduction was \$36. It was necessary to add to the \$36 the additional amount paid for excess water used over and above the 150 kilolitre allowance. In some cases the amount paid in excess water rates would have been rather large; in other cases it might have been less than was paid under the old system.

The Government had the option to take action which could have been of benefit to many taxpayers; however, it did not act. That does the Government little credit.

Once again this is a small matter only. When we questioned the Government about it and discovered it had not acted, but was allegedly giving the matter consideration, we were able to prepare a suitable Bill before the Government gave notice of its Bill. We were able to have a suitable Bill drafted, printed, passed by the Deputy Commissioner of Taxation, and available to be introduced in the House and yet the Government, with all the staff at its disposal and all the expertise it can call on, had not managed to prepare a Bill. As I have mentioned, the Bill introduced by the Government is more complicated than the simple measure we proposed; but I want to point out also that the Deputy Commissioner of Taxation had given us the nod and I have already read the text of the letter he sent to me saying this Bill was acceptable as far as he could see.

With goodwill and interest the Government could have introduced this legislation, but it did not care, because some taxpayers only were going to be affected. Under the present level of taxation, the taxpayers need all the concessions they can get. It is true that many people claim the lump sum rebate and do not bother assessing whether

they would be better off under one system or the other; but that does not excuse the Government. It was aware of the situation and it did not act. It is of no credit to the Government that it showed such lack of interest.

This measure could have been introduced by the Government during the autumn part of the session of Parliament this year and those who wanted to could have used the facility during that tax year. In the present position, the provision may be used only in the 1979-80 tax year.

Is it not sad that the Government should do this without a word of apology? It did not say, "We got bogged down. We tried hard." The Government did not care, and we were able to prepare a Bill during the period of a week. Once we told the Government we intended introducing a Bill, it decided to do something about the situation. As a result of the work of its experts, it introduced amending legislation.

Another Bill contains a provision to amend the Country Areas Water Supply Act. Such amendments are consequential amendments to the legislation. The amendments which will apply from the 1st July, 1979, are more complex than those which we proposed. I can only suggest the Government wanted to make a show of being interested. It wanted to pretend the situation was much more difficult than was in fact the case. I do not know why the situation should be difficult. This provision works in other States and has done so for several years. I wonder why it was not possible for the basic rate and excess water rate to be admitted as a tax deduction previously.

It is too late now, because this legislation relates only to the situation from the 1st July, 1979. It is sad that the Government took so long to introduce this amending legislation. This Bill will accomplish the same end as the legislation I introduced last Wednesday. However, I felt compelled to proceed with that legislation, because I had given notice of it before the Government announced its intentions.

I gave an undertaking to some of my electors, and members of the public, and I want to be known as a man of my word. Did I hear the Minister for Agriculture make an interjection?

Mr Old: No, I was talking to my colleague.

Mr DAVIES: I am sorry.

Mr Old: That is all right.

Mr DAVIES: Do not cry about it.

Mr Pearce: It is nice to have friends.

Mr Old: The member for Gosnells does not know.

Mr B. T. Burke: The Leader of the Opposition was saying he was a man of his word, and you are a man of the Premier's word.

Several members interjected.

The SPEAKER: Order!

Mr DAVIES: I am talking about a Bill which the Government took 16 months to prepare, because of its lack of concern. The Minister for Agriculture is still trying to show a lack of interest and a lack of concern. If he was to try to introduce something which would be of benefit to country people, he might have some success. He is supposed to represent country people.

Mr Old: We will see who represents country people, in time to come.

Mr DAVIES: The Minister should do something for country people rather than ignoring them completely, as he does. He is not accepting his responsibility by taking matters to Cabinet.

Mr Old: Be patient, you will see.

Mr DAVIES: I have been patient for three years.

Mr Old: And it will be for another three years.

Mr DAVIES: There is an admission. I have been patient for three years waiting for the Minister for Agriculture to put some National Country Party policy into effect, and he has said I will be waiting for another three years to see that policy put into effect.

Mr B. T. Burke: He does not know what it is; do not ask him to do hard things.

Mr Old: You will be waiting; you will not be over here.

Mr B. T. Burke: The Minister believes that National Country Party policy is to go to the Royal Show.

Mr Old: That is part of it.

Mr B. T. Burke: Do not be hard on him.

Mr DAVIES: Not too many people went to the Royal Show.

We support the Bill, but we are disappointed that the Government showed so little interest, that it did not activate itself until we made a Press announcement and then gave notice that we would introduce a Bill. I think there was a difference of one week between the two announcements.

We waited for the Government to take some action but there was no response; none whatsoever. We said, "Right, we will introduce a Bill." What happened then? The Government announced it too would introduce a Bill. Because we have private members' day only once a week,

the Government was able to introduce its measure on the day before we introduced ours. That is a bad reflection on the Government, and it is an indication of how far it will go to take credit for what the Opposition has done.

MR PEARCE (Gosnells) [8.33 p.m.]: I would like to support my leader in regard to the Bill of which he gave notice, and his remarks about the tardiness of the Government in introducing its Bill. I will, perhaps, be a little less modest about the Opposition Bill than was my leader. Although slightly more brief than the Bill currently before us, it carried the same point. It is a model of conciseness to achieve its purpose; that is, to enable people to obtain a tax relief for a section of their water bills.

The members snoozing away on the Government benches opposite showed little interest in promulgating this policy until six months before the next State election. Perhaps tonight is "State election promise beginning night". We will now see the Government putting time aside to pass little Bills to provide little benefits here and there for people. None of those benefits will be available until the 30th June, 1980, on the assumption that the Government will be returned—and that is questionable. I certainly will not be distracted by the Leader of the National Country Party, whose hold on a Government position must be the most tenuous of all because three members constitute his party. We have only to give our preferences against the member for Moore at the next election and his party will be reduced to two.

Mr Old: I would be surprised if you did not.

Mr PEARCE: The member for Moore is so ineffectual we will have to give the matter serious thought. We will have to consider whether to give our preference to a Liberal candidate, or to the present ineffectual member.

Mr Old: This is good stuff.

Mr PEARCE: We will have to consider the situation. I believe your colleagues, Mr Speaker, will be reluctant to settle for two ministerial positions to be filled by the National Country Party when it may have two members to vote. The grip by the Minister for Agriculture on his portfolio would have to be the most tenuous in the House.

Mr Old: Your leader usually takes up agricultural matters.

Mr PEARCE: I am confident our leader will be the Premier within the next six months. I see the member for Darling Range is smiling.

Mr B. T. Burke: He has a grip on himself.

Mr PEARCE: Even the member for Darling Range is probably temporarily safe because he will still be asleep in his seat six months after the next election before someone wakes him to tell him he has lost.

Mr Spriggs: He will be here, though.

Mr PEARCE: The Government has not shown any sincerity at all with regard to an exemption of tax on water rates. It has been the action of the Leader of the Opposition that has secured this benefit for the people. Nobody can pretend this legislation would have been introduced if my leader had not given notice in this House that he would introduce a Bill to provide these benefits. The Government, in a flagrant misuse of the forms of Parliament, managed to get priority for its own Bill. The Government was aware that as private members' day comes around once a week only, it had plenty of time to introduce a Bill between the time the Leader of the Opposition gave notice, and the time he introduced his Bill. The Government took that action rather than support the quite justifiable Bill presented by the Leader of the Opposition. Having had 16 or 17 months to do something with regard to an exemption of tax on water rates, the Government has now grabbed the credit for the initiative taken by the Leader of the Opposition. What could be more reasonable than for the members on the Government side to support the Bill introduced by the Leader of the Opposition?

It needs to be drawn to the attention of the people that they would not be receiving this benefit had it not been for the fact that the Leader of the Opposition gave notice that he would introduce a Bill of his own. The Leader of the Opposition took that action and followed the proper procedure required by this House. The Opposition will give notice of many more Bills in order to provide some benefit to the people of Western Australia. The Opposition will take action to provide benefits which the Government has been promising, but which it has been failing to come up with.

I will be very surprised if any of the small Bills introduced by the Government will be opposed by the Opposition. If we have to legislate in this manner, in the end the people will benefit.

I support the comments of my leader in this matter. The people of Western Australia would not have received this benefit had it not been for the action of the Leader of the Opposition. I hope a large number of people will realise—when they receive their tax refunds next year—that they should be giving credit to the Opposition for the extra money they will receive. Many people will

not understand the position, but we will be satisfied that they will receive a benefit.

MR B. T. BURKE (Balcatta) [8.39 p.m.]: I do not believe it can be emphasised too strongly or too often that this Government has, once again, been dragged screaming to the introduction of a Bill at the behest of the Opposition. Let us not be under any illusion about the fact that this measure was foreshadowed by the Leader of the Opposition prior to this Government moving to extend the concession that is embodied in this Bill. That is something of which no member of the Government can be proud.

It seems to me the need, or the desirability, to introduce this Bill is a reflection—and a significant one—of the complete chaos into which this Government has plunged the State's water supplies and the charging of consumers for the services which the Metropolitan Water Board provides. If we cast our minds back to the time when the pay-as-you-use system was introduced, I do not believe any member of the Government—least of all the Minister then handling the Bill who is absent from the Chamber tonight—can complain about the attitude adopted by the Opposition. It was one of complete co-operation. We pointed out on several occasions, in the media and in this place, that there was a need to conserve the State's dwindling water supplies and that the philosophy embodied in the scheme then being introduced was one which the Opposition could accept. However, at that time we warned the Minister and we warned the public that unless some attention was given to the precision of the scheme it would stagger from crisis to crisis as the public rebelled against, and the Government was forced to amend, the details of the system that was introduced.

We warned the Government on that occasion, and tonight we have an example of quite a major benefit being introduced, not because the Government is attempting to introduce some sympathy, compassion, or precision to the legislation being considered, but simply because the Opposition moved to pre-empt the Government in an obvious area of need; an area in which there was some obvious action to be taken. As I said earlier, I do not believe that point can be emphasised too significantly or repeated too frequently.

The area to which we are paying attention tonight is one in which some legislative action is warranted. The Opposition urged the Government to pay attention to this area when we were first associated with the charging for the State's water supplies. We urged the Government to pay attention to the unusual restrictions placed on

consumers of water; the unrealistic restrictions placed on some people in the incidence of charging; and the unfairness associated with the burdens being borne by separate sections of the community.

We urged the Government, at the time of the adoption of the philosophy embodied in the system now in use in this State, to give special consideration to people with large families.

Nothing was done. At that time we urged the Government to give special consideration to State Housing Commission tenants who would go from a situation of paying no water rates, except a small sum for excess water, to a significant charge as a result of the change in the system.

Nothing was done. We urged the Government to differentiate between those owners who rented flats and paid water rates on those premises as opposed to those people who rented single houses, and we warned the Government of the inequality inherent in that situation.

Again, nothing was done.

The results of those warnings are obvious. Despite the assurances of the Minister at that time, and the assurances of the Water Board that the same amount of revenue would be raised as was raised previously under the old system, we find again the Government lacked precision in its calculations, and again the Government was wrong. Within a period of 12 months the lack of precision, the mistake made by the Government, forced a revision of charges made for water being used.

If the Government is not aware of, or awake to, the public disadvantage which its slipshod and faulty detailed planning in this area is producing, then that will be another one of the reasons that it will lose support at the next election.

Government members may scoff and scorn when the member for Gosnells says that the Leader of the Opposition will be the Premier of this State in six months' time; I cannot say whether that is true or not, but I can say that the performance of this Government is becoming far worse with each day that passes.

The public discontent about areas such as this and, with your forbearance, Mr Speaker, areas such as the cessation of the railway service between Perth and Fremantle, the public disquiet about unemployment, and the public awareness of the deliberate provocation of industrial unrest that is being ignored by this Government, is gradually building up into a substantial case that will surely see the Leader of the Opposition installed as Premier unless action is taken by this

Government in the closing weeks of its term of office.

While I support wholeheartedly the provision that is now before us and the concession being extended, I repeat: It is a concession extended at the provocation of the Leader of the Opposition who gave notice of a Bill prior to this Bill being introduced by the Government. It is just one of the small facets that lack precision about the Government's efforts in this whole area. I support the Bill.

**MR O'NEIL** (East Melbourne—Deputy Premier) [8.46 p.m.]: I guess we should be grateful for the support given to the principles contained in the Bill by the members of the Opposition. However, I want to deny unequivocally the allegations made that the Bill was introduced as the result of the notice of introduction of a Bill by the Leader of the Opposition.

During the few speeches made to this measure, I have had the opportunity to look through some of the files dealing with this matter. I am quite amazed at the thoroughness of the research that has gone into the preparation of this Bill and the consequential Bills. These Bills will do exactly what they are intended to do.

I have had an opportunity also to examine the critique of the Bill introduced by the Leader of the Opposition. I am sympathetic to him because I have noticed that where Bills or amendments are produced by the private members' draftsman—as he used to be called—it always seems to me that they are a little impractical in some aspects. I do not mean any disrespect to this gentleman, it just seems to be a habit that no matter who is in government, its own legal advisers in regard to the drafting of legislation do not see eye to eye with the form of drafting procedure used by someone else. However, that is another matter.

Every member on this side of the House is fully aware that the allegation that the Government was bulldozed or spurred into introducing legislation at short notice because of action taken by the Leader of the Opposition is not factual at all.

**Mr Pearce:** Just a coincidence—pure coincidence!

**Mr O'NEIL:** It is not even a coincidence. The records indicate the thoroughness with which the Government examined this whole matter. The Leader of the Opposition himself admitted that his proposals would not affect those people who were serviced by water boards. We know that some people in country areas are serviced by



water boards and some by the Country Areas Water Supply.

The Leader of the Opposition indicated that he had corresponded with the Deputy Commissioner of Taxation in this State. The Government undertook similar inquiries, and I have seen copies of letters from the Metropolitan Water Board to the Commissioner of Taxation in Canberra and his replies. So a great deal of research was needed to ensure that the intentions of the Government were enabled to be put into effect. I can state unequivocally that certainly it was in no way the initial move by the Leader of the Opposition which has produced the three Bills which appear on the notice paper. However, politics aside, I thank the Leader of the Opposition for his support of the measure, and I commend it to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Neil (Deputy Premier), and transmitted to the Council.

## **COUNTRY AREAS WATER SUPPLY ACT AMENDMENT BILL (No. 2)**

### *Second Reading*

Debate resumed from the 2nd October.

**MR DAVIES** (Victoria Park—Leader of the Opposition) [8.52 p.m.]: This is one of two consequential measures which are necessary because of the Bill which was just passed. We have no objection to this measure.

I have noticed some complaints about the cost of water in the country from time to time, but possibly now that people can claim a tax deduction for excess water rates, the pain may be a little less severe. I noticed recently in the Press that the people of Carnarvon complained bitterly about the fact that valuations had been increased by some 800 per cent.

**Mr Laurance**: That is for commercial consumers.

**Mr DAVIES**: That is right. The Government had indicated that the rate would probably be reduced, but instead of reducing the rate the

valuation has been increased by some 800 per cent. I know this is not the time to debate that matter, but as we now need three Bills to accomplish one alteration, I believe it might be the time to consider consolidating these authorities into one organisation. I do not know what the complications of such a move would be, but time and time again we find we need three Bills to alter anything in regard to the water supply situation.

Is the State involved in higher administrative costs because there are three separate organisations? Could one organisation deal with the water supplied throughout the State quite adequately? This is something that I would like to throw into the arena in the same way that I threw in the comment earlier tonight that superannuated people do not have to take rises when they are granted. It might set somebody thinking, and something might be done to improve the situation. This Government has become famous for the number of boards, committees, and commissions it has set up, and one day I would like to carry out a costing of them. My suggestion may be one way to save some money.

This Bill will do for country consumers precisely what we have just agreed to for metropolitan consumers. We have no objection to it.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Neil (Deputy Premier), and transmitted to the Council.

## **WATER BOARDS ACT AMENDMENT BILL**

### *Second Reading*

Debate resumed from the 2nd October.

**MR DAVIES** (Victoria Park—Leader of the Opposition) [8.57 p.m.]: We support this Bill also.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr O'Neil (Deputy Premier), and transmitted to the Council.

## **FAMILY COURT ACT AMENDMENT AND ACTS REPEAL BILL**

### *Message: Appropriations*

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

## **RESERVE (WOODMAN POINT-JERVOISE BAY) BILL**

### *Second Reading*

Debate resumed from the 20th September.

**MR TAYLOR (Cockburn)** [9.00 p.m.]: About 1969, before the Labor Government came to power, the Government of the day decided to put a sewerage main near my residence. I lived close to a pumping station—no more than 50 metres away. This project was put forward and financed. The engineers said it was necessary to run the sewerage main right through my property from front to back. It was to run then through a number of other properties, and ultimately it would service an area some distance away.

At the time I questioned that. I discussed it with the member for the area in which I then lived—the present Deputy Premier. I had previously been in the electorate of the former member for Melville, but a boundary change had put me into the other electorate. I asked the member the reason, and he said it was necessary. I questioned this. I threatened not to vote for him if it proceeded. He was quick to remind me that my name was not on his roll anyway; it was on my own!

I decided that perhaps nothing should be done about it. The major reason was that deep sewerage seemed to be the right thing to have. People wanted it; people expressed a need for it. There were various reports and statements made with respect to health and other matters and they seemed to make it necessary for deep sewerage to be provided. The fact that it would take away the recreational activity of and be of considerable cost

to me and a number of other people did not seem to matter very much.

The point I want to make is that some years later a very detailed report was made for the Metropolitan Water Board which was released no more than 12 months ago. That report contained a recommendation that deep sewerage is not necessary in parts of the metropolitan area, and that the Government ought to look again at the demand for it. It was thought that the treatment of effluent could be accommodated very well in the old system. However, the new decision to which I have referred was made, as I say, some time after taking away my recreation.

It seems that this legislation has similarities to the predicament I found myself in some years ago.

The Bill authorises the excision of about 25 hectares from the area of Class "A" Reserve No. 24309, which is presently set apart for the purposes of recreation and camping. This Bill is the keystone to the amendments proposed in the metropolitan region scheme, amendment No. 255/31, Jervoise Bay-Woodman Point, which was tabled in the Parliament two months ago. That report recommended a number of planning changes in a considerable part of the Cockburn-Naval Base area. It also recommended that this reserve be reclassified from class "A".

At that time, the Opposition did not seek to interfere with the report. A report that is tabled in that way, which after standing for some 12 sitting days comes into effect, can only be accepted or rejected outright by the Parliament. I know that the Parliament can reject an amendment in toto but make a proviso that it is happy with a large part of it and wants only a certain section amended. However, it means really that the Parliament accepts the amendment in toto or rejects it in toto.

There did seem to the Opposition to be a number of factors in that report which were acceptable. I will take a minute or two to speak to those parts that were acceptable because, as I say, this reserve and its change of status is an important part of that report.

The announcement by the Government that the Commonwealth had agreed to sell its part of Woodman Point and all that it contained to the State Government as part of its 150th Anniversary gift was very noteworthy and most commendable. It certainly is a tremendous adjunct to the recreational facilities of the whole of the metropolitan area and the State, let alone the Cockburn area. That announcement was well received. The announcement that the Government

would move the explosives depot from Woodman Point to an area somewhere in the Rockingham district was also very well received. Perhaps as good as any was the announcement that 635 hectares—that is, 1 582½ acres—formerly zoned as industrial land would be put aside for recreation and park reserve. This is a considerable area with views to Cockburn Sound and a section of wetlands. The addition of the 635 hectares was also most appreciated.

The Government made quite a play of this. It said, "We are giving you 635 hectares. We are giving you Woodman Point and the explosives area. All we want in exchange for it is the 25 hectares of foreshore."

Before dealing with that argument, which is the key to the matter, I would say that there were one or two items in the MRPA reports about which we were not so happy. One of those was the move to realign Cockburn Road.

Members who now travel south along Cockburn Road will know of the very fine vista over the sound as one goes past Woodman Point, past the shipbuilding area, and looks across to Garden Island. The Government's intention is that the road will deviate now before it reaches Woodman Point, and it will go over the limestone ridge and behind it. It will go through a sewerage plant—and I repeat "through a sewerage plant"—or the outskirts of the sewerage plant; and it will hardly be scenic at that point. The road will then continue until it joins Rockingham Road in the Kwinana area. That means that in driving down Cockburn Road one will not have any glimpses of Cockburn Sound from Fremantle to Rockingham, because the only present view will not be available. The road is to deviate over the hill.

I understand that the Main Roads Department is not happy about this. It has asked for funds to cover the proposed deviation. Presumably the money is available, as that is one of the recommendations.

Although the Opposition is not happy about the deviation of the road, we are prepared to accept it. One reason we are prepared to accept it is that we see the predicament the Government may face in the future in that Cockburn Road, where it abuts the Kwinana industrial area, passes between two areas of land owned by Alcoa of Australia. Under the Act which allowed Alcoa to establish its plant, and which gives it certain rights and privileges, there is a section which says that should a road pass between two properties owned by Alcoa it has the right to demand, on payment of costs, to have the road closed. I was present at

the hearings of the MRPA and I heard the representative of Alcoa make the point that Alcoa may do this in the future. It would appear that Cockburn Road, at least in part, will be cut off; so we have no major objections to that deviation.

In the main, the Opposition was quite happy with the bulk of the amendments in the metropolitan region scheme as tabled. It was particularly happy with the changing of so much industrial land to recreation and parks, the transfer of the Woodman Point explosives area to parks and recreation, and the purchase from the Commonwealth Government of the quarantine station and naval land.

This brings me to the point of the reserve and the Bill. You have been most patient, Mr Speaker. The amendments in the metropolitan region scheme really have no bearing whatsoever, or need not have any bearing, on the required alienation of the "A"-class reserve on the foreshore. There has always been a demand by State Governments for Woodman Point to become a recreational area. Approaches were made by both parties when in Government to Prime Ministers Menzies, Gorton, McMahon, Whitlam, and, I presume, to Prime Minister Fraser. I was not privy to the files once we went out of Government; but I assume that approaches have been made to all Governments. It has come to pass on the occasion of the 150th Anniversary.

The movement of the explosives depot from Woodman Point to another location has been discussed for a long time—since the days of the Brand Government. It was certainly discussed while the Tonkin Government was in office. Byford was considered, and other sites, too, were considered. It was just a matter of time before the Treasurer could finance the move.

The fact that 600-odd hectares of industrial land have been rezoned for parks and recreation also need not hinge on the matter of the "A"-class reserve. Historically, this land was included in the scheme for industrial purposes in 1963. It was zoned industrial from that point on. However, very little use was made of it. In fact, no use was made of the great bulk of it.

At the time of the Tonkin Government, most of the area called the Henderson area was rezoned, under the auspices of the present Leader of the Opposition, to residential. Once the land was rezoned residential, it was to hold a community of 15 000 people living in 4 000 dwellings. Many of these dwellings would have had views over Cockburn Sound, from the heath country along the ridge.

When the Tonkin Government went out of office, the Court Government was very quick to rezone that land for industrial purposes.

Mr Rushton: Are you talking about Henderson?

Mr TAYLOR: Yes.

Mr Rushton: It did not become urban.

Mr TAYLOR: I will have to check my information. However, the point is not germane to my argument.

Mr Rushton: The Hon. Herbert Graham proposed it, but it never got to that stage.

Mr TAYLOR: It certainly went through the Cabinet.

The Cockburn Sound Consortium, comprising Westralian International Limited; Realty Development Corporation Pty. Limited—not a small company—the General Agency Company—not a small company—and Ardross Estates Pty. Ltd. forwarded a submission to the Government in September, 1970. My understanding was it had been approved. If it was not, then I have erred. Certainly the proposal was considered at the time.

Mr Rushton: My understanding is that it didn't get through, and industry thought it was protruding too closely into industry.

Mr TAYLOR: The fact remains that there was no use of that land from 1963. Despite a considerable period of development throughout the State, particularly in the north, other land was found for industrial purposes.

To recapitulate: none of the major changes set forth in the MRPA report hinge on the need for the 25 hectares which are the subject of this Bill.

I want to try to sort out why the Government claims to want this particular 25 hectares and why the Parliament should not move at this stage to grant it that 25 hectares. I shall consider firstly the question of proposed shipbuilding in the area. The Government has made great play of the fact that the area is required for shipbuilding. We need to look at the Government's record in this field.

The first occasion this question came before Parliament was in 1961 when an almost identical Bill was presented. At that time it was said very clearly by the Government of the day that it wanted to take almost the identical section of the "A"-class reserve for shipbuilding purposes. This was 18 years ago. The then Minister for Lands (Mr Bovell) said that if the area was not rezoned the shipbuilding industry in Western Australia would fail. The Legislative Council—apparently a more independent body at that time than

now—threw out that legislation. This was despite a committee of managers. Apparently the Country Party might have been more independent than it is today. This was in 1961. The industry which was to be established on this reserve—the reserve the subject of this legislation—did not come to fruition.

By 1963 the Government had found a way around the problem. It did what it should have done in the first place; it acquired the adjacent 25 hectares of land from the Commonwealth Government—that is, the area to the north of the reserve. It was the area contiguous to the present 25 hectares with a further 27 hectares of Commonwealth land on the further side. So the Government bought the 25 hectares from the Commonwealth. At this time development in the north was under way. There was much activity along the coast to develop ports at Port Hedland, Karratha, Roebourne, Broome, and Derby. There must have been times when ships were in need of service or were needed to be constructed. However, it was two years before the land was acquired and there seems to have been no loss of shipbuilding during that period, although the Government acquired the land during the period of much development in the north and we could no doubt compare that development with the development expected with the go-ahead of the North-West Shelf. However, no ships were built in Jervoise Bay at that time, despite land being available.

In 1961 the Government stated it needed this area for the shipbuilding industry, but Parliament threw the legislation out. The Government then acquired land contiguous with this reserve.

In 1968 shipbuilding began on a small scale. The major group involved was the Australian Shipping Industries, but in a very small way. One would have assumed the Government knew what it was talking about when it said it wanted the 25 hectares back in 1961. Obviously the Government or its officers had something in mind when it attempted to obtain the land in 1961.

In 1970 the Government developed a new plan for the land it acquired from the Commonwealth. I refer to diagram 150 dated the 12th February, 1970, file 30937. The plan by the Department of Industrial Development was to provide 11 lots from the land the Government had purchased from the Commonwealth. So, nine years later, the Government was still looking to the establishment of a shipbuilding industry.

In 1972 a report came out from a committee set up during the time of the Brand Government. The report was titled, "Rationalisation of

Waterfront Development, Cockburn Sound". It was the Premier's Committee for the development of Cockburn Sound and Kwinana. I refer to file 451/2/26 iv.8.

I shall quote as follows—

In 1961 it became apparent that the orderly development of the full potential of Cockburn Sound and Kwinana called for the rationalisation at the planning stage of the many interests that were concerned. Accordingly the Premier directed that a top level Inter-departmental Planning Committee should be set up to be known as "The Premier's Committee for the Development of Cockburn Sound and Kwinana" with the express function of co-ordinating both public and private development throughout the area. The members appointed to the Committee were:

Town Planning Commissioner  
(Chairman)

Under Secretary for Works

General Manager, Fremantle Port  
Authority

Under Secretary for Lands

Director, Department of Industrial  
Development

Senior Treasury Officer

To this main Committee were thereafter  
co-opted:

Commissioner of Main Roads

Commissioner of Railways

Chief Engineer, Metropolitan Water  
Supply, Sewerage and Drainage  
Board.

On page 2 of the report we find the following—

In so far as the twenty foregoing  
recommendations are concerned the  
Committee was unanimous—

That is, with the exception of the Commissioner  
of Railways who did not like something  
concerning Kwinana. To continue—

In conclusion the contents of the Report  
and twenty recommendations in question  
were discussed in detail in a confidential  
meeting with the Shire President and Shire  
Clerk of the Shires of Rockingham and  
Kwinana respectively. The same matters  
were also separately discussed in confidence  
with the Mayor and Town Clerk of the Town  
of Cockburn.

The final two paragraphs are as follows—

The representatives of the Town of  
Cockburn were especially interested in the  
Clarence ship yard area and the related  
recommendation No. 17.

I make the point that some 10 years after the  
Government of the day first attempted to obtain  
this "A"-class reserve, only a very small company  
had established itself in the vicinity. To  
continue—

Although they had no objection to  
consolidating the existing small ships area,  
and even extending it to the east to obtain  
adequate land backing for the industrial  
water front activities at present being carried  
on, they were most emphatic that there  
should be no extension either to the north or  
south into existing or proposed waterfront  
recreation reserves. They felt that a  
guarantee should be given by the  
Government to this aspect, preferably in  
person by the responsible Minister to a full  
meeting of the Council.

The final paragraph is as follows—

May I say that I support the viewpoints  
expressed by the respective Councils entirely,  
and in conjunction with other matters  
specified in the Report I recommend their  
acceptance to the Government.

It was signed for J. E. Lloyd, Town Planning  
Commission by Dr David Carr.

So by 1971 the Government's desire for this  
area to be used for the establishment of a ship  
building industry, following all the development in  
the north—with no ships of any consequence  
being built—we had a recommendation from the  
Premier's departmental committee, presented in  
1972, saying, "Do not extend it." So the  
Government was advised not to extend the area  
either one way or the other.

Things changed and by 1973 it was necessary,  
or thought desirable, to obtain a site to build a rig  
in Jervoise Bay. This was done very easily by  
leasing a small section of land further to the  
north, away from the reserve. The  
Commonwealth agreed to the leasing an area for  
seven years with a further seven years' option. It  
is history that the rig was built on the foreshore  
on land owned by the Commonwealth and that  
the "A"-class reserve was not touched.

By 1974, with a change of Government again,  
the earlier shipbuilding area had been divided into  
seven lots. At this time, half those lots are still not  
utilised to the full. The present ship servicing area  
comprises seven lots of approximately 20 hectares.  
There are five companies which have some use of

these lots. Something like 12 of the total of 20 hectares, are hardly being used.

On page 12 of the 1976 Jervoise Bay Proposed Rationalisation report the following can be found—

The Prime Minister has in a recent letter to the Hon. Premier indicated that the land can be made available in the long term subject to agreement to its use.

This refers to the 27 hectares of beach front immediately to the north. So, altogether, without incorporating the "A"-class reserve at all, there are some 47 hectares—120 acres—of land available on the foreshore with approximately 1 700 metres—over one mile—of coastline to Jervoise Bay presently available for ship construction or repair facilities. Of over 120 acres, no more than 12 acres are presently being used. This is despite, over the years, development in the north, reports of jumbo steel mills, and with the advent of the North-West Shelf feasibility study which was begun back in the late 1960s. Development in the north was certainly in full swing during the 1961-1974 period. In all this time there has been nothing to indicate that the area is needed. At this time, the great bulk of the available foreshore of Jervoise Bay is still unused.

In 1975 there was, as I have said, a report commissioned by the Department of Industrial Development, dealing with proposed rationalisation of Jervoise Bay for marine based industries and recreation. That report made a number of suggestions with respect to Jervoise Bay and included the recommendation that the 20 hectares of the "A"-class reserve be acquired. The thrust of the recommendations of the report was that the area would be needed for future shipbuilding. It was said that a major breakwater and groyne would be needed. The cost at that time was put at \$5 million, which means \$7 million or \$8 million now.

This was to provide berthing facilities in Cockburn Sound for tankers of up to 200 000 tons. It was to have at least two dry docks and was to be able to service almost any vessel in the world.

Mr B. T. Burke: More pie in the sky.

Mr TAYLOR: Exactly. The key was to provide some grandiose scheme, hopefully in the thought the area could be built up. It was expressed that tankers of up to 200 000 tons could be handled in Jervoise Bay. The reference in the report to the "A"-class reserve was that the major breakwater should be built there. It was to abut the reserve. Part of the dry dock would be cut into the reserve.

There was to be no shipbuilding in the area. The work would be done in the other section of land acquired from the Commonwealth in 1963 when the Government of the day could not get the present reserve it then wanted, because its legislation was thrown out of Parliament in 1961.

The report had a couple of gems in it. It had five recommendations worth noting—all this in a Government report. I refer to page 3, section 4, headed "recommendations", which reads as follows—

It is recommended that the Planning and Co-ordinating Authority recommends to Cabinet that the plan be approved in principle and the following course of action endorsed:—

- (i) An approach to the Commonwealth Government to obtain a firm commitment for the transfer of the Woodman Point land.
- (ii) An approach to the Commonwealth Government for funds to cover the initial development of the Jervoise Bay area.

Therefore, all this planning was to depend as much as anything on an approach to the Commonwealth Government for the funds. Yet the Department of Industrial Development wanted the "A"-class reserve at that time to build a breakwater and to cut a dry dock into the ground. Presumably its chances of being financed by the Government are as good as they were previously. To put forward a report such as this is absurd. To continue—

- (iii) An approach to the Cockburn Town Council seeking its agreement to rezone the areas in question and to surrender its vesting order in respect of part of the "A" class reserve.
- (iv) Referral of the plan to the MRPA.
- (v) Action by Departments—as requested by the Planning and Co-ordinating Authority—to undertake the investigations necessary prior to detailed implementation of the proposal.

As a summation of this report I will list as follows: No. 1 is the approach to the Commonwealth Government for Woodmans Point; No. 4 is the referral of the plan to the MRPA; No. 5 is the action by departments; and in No. 3 we have, it appears, to acquire the "A"-class reserve for this presumably grandiose scheme. For No. 2, not a word. No. 2 states, "action to approach the Commonwealth Government to finance the venture". Why the fuss? What is the point? The Government is

taking away a reserve which it has been trying to take away for many years, and it is attempting to do the same tonight. However, that report recognises that the Government would have to approach the Commonwealth Government.

Mrs Craig: Is that the Maunsell report? It was not accepted by the Government.

Mr TAYLOR: It was not accepted? It was certainly put to the Government. However, accepted or not it does not affect my argument?

Mrs Craig: I will tell you afterwards; but never mind.

Mr B. T. Burke: Perhaps you could sit down for a while and let her have a say. Incredible, isn't it?

Mr TAYLOR: That then brings us to the present alleged proposal—I say "alleged" for the Minister's benefit—because of the efforts by the Government in 1961, 1963, and so on. Members will recall that the Government in 1961 felt that something should be done with this reserve. I keep coming back to that point because that is what a Government can do. As far as this site is concerned at the present time it is not very clear what will happen; that is as far as I am able to determine.

I asked a question of the Minister on Wednesday, the 19th August, 1978, as follows—

Is any company, not already established on Cockburn Sound, indicating an interest in establishing either a ship repair facility or a ship construction facility in Western Australia which could handle ships with tonnages in excess of 1 000 tonnes?

This was in respect of the area of 25 hectares of reserve out of 120 hectares adjacent to but not being used. The answer was—

Yes, generally in the size range up to 1 000 tonnes and possibly a little larger, depending on the needs of the offshore industries.

That is, at least one company was interested in the building of a ship of about 1 000 tonnes.

Because it was alleged that this area was required in relation to the North-West Shelf project, I asked a further question on Thursday, the 30th August, as follows—

- (1) As the area at Jervoise Bay seems large enough only for small vessels and components with respect to the proposed north west shelf project, does his department expect that the production platforms and other large components will be built in Singapore or elsewhere?

That, I believed, was a reasonable question. To continue—

(107)

- (2) If "Yes" will the greatest part of the expenditure budget with respect to all offshore facilities be in fact expended overseas?

The Minister replied as follows—

- (1) The Jervoise Bay site could be developed to accommodate the construction of the steel jacket structures. It is expected to be utilised primarily as a site for building the modules and other large components.
- (2) Providing the Jervoise Bay site is available in time I expect approximately half the expenditure associated with all the offshore facilities will be incurred in Australia.

There was a clear indication that this land was to be acquired by the State and was to be leased to a company or companies.

Now, the Minister on the 30th August, 1979, said "Yes, these jackets will be built and modules will be built on this particular area." The Minister is not present but I wonder whether the Minister representing him has any idea what these jackets are.

Mrs Craig: They are very heavy type apparatus, or whatever, which are needed if we wish to be able to participate in production here of goods for the north-west.

Mr TAYLOR: I am impressed. I appreciate the point that they are heavy.

Mrs Craig: Yes.

Mr TAYLOR: The department says that this site—the 25 hectares—will be developed for the activity of the construction of these jackets. They are steel jackets which are to go into water of 315 feet depth. Obviously they will protrude above the water. They will be higher than the highest anticipated waves. They will be between 400 and 500 feet in height and their weight will be 45 000 tonnes.

Apparently there will be two jackets and the Minister or his Department has the temerity to say that we need this "A"-class reserve to build them. However, could we be building them there on the 25 hectares?

These jackets are made in Scotland for the North Sea fields. They are a great structure which protrude from the water off shore there. The total weight of all the accoutrements needed to float out and set up the apparatus of this huge rig is 600 000 tonnes; and is this what we will be building here on our 25 hectares? The Minister had better do his homework. I say the following

because I know the Government would not accept my authority on this.

However Mr R. B. Harrison of Woodside Petroleum Development attended a seminar held by the Chamber of Commerce for its fifth annual conference and was asked a question by Mr R. B. Willis who is fairly well known to the Minister. The absurdity of the answer to my question must be apparent when Mr Harrison was asked whether we would be building these jackets here. I have the words he spoke in reply—I wrote them on the side of my programme. Mr Harrison said that some facilities to build these jackets were constructed in the United Kingdom where they are still waiting for their first orders. However they have never built one. He said that “their size militates against their construction here” and further “I don’t see the jacket as such being constructed here”. That was the response to the question at that conference. This is from the general manager and the Minister tells us we can build jackets here.

Mr Skidmore: I hope he is talking about cardboard jackets.

Mr TAYLOR: There will be two jackets constructed, phased over a five-year period. When these platforms are built and the legs go down they can radiate from each side and cover a field of five miles each side. So just two platforms constitute a massive development. One is not denigrating when one says just two platforms. So it is alleged that over a period of five years a construction of this size and magnitude will be built on our 25 hectares in Jervoise Bay!

The other items in the Minister’s second reading speech are a little easier to understand when he refers to modules. It does not appear that we have any mention of the piles. This is just as well because they would be about 300 feet long. We do not look like getting that work here either. The modules the Minister referred to are different structures. The modules are pieces that fit together something like a child’s building set.

Mr O’Neil: A Meccano set.

Mr TAYLOR: Perhaps, or like Leggo equipment, in that a particular section is manufactured and it fits into another and then another fits into that. We are told that in the future houses will be built in this way where one can just order the rooms for a house and they will fit together. If one does not like one room one fits in another. They have to be planned in various sizes to suit specific needs.

So these parts are taken to the site and put together on the site in such a way that they fit into a composite holder. These are presently built

in Melbourne for the Bass Strait oilfields and the only other place where they are built is in Singapore. Mr Harrison said they could be built here. These modules are in some ways comparable with the containers on a container ship. They are a boxed regular size as far as possible and they fit together in a composite holder to make a block structure on a platform. These are things that could be built away from the coast. They are the type and size of unit which could possibly be taken north by road as well as ship. They certainly need not be constructed alongside the water. Bearing in mind the block structure they are, there is not a single factor to require that they be built specifically on the 25 hectares now desired by the Government from this “A”-class reserve.

Mr Laurance: In other parts of the world they build them alongside the water.

Mr TAYLOR: To summarise in carrying out the recommendation given for the taking away of the 25 hectares of land the Minister has not given any indication of what this area will really be used for.

Mr Carr: They could be built on the coast near Geraldton.

Mr TAYLOR: The member for Geraldton is right. Some of the accommodation modules are to be built in Geraldton. There is no rhyme or reason for the taking of the 25 hectares of this “A”-class reserve.

I asked a further question of the Minister on Thursday, the 30th August. This was the same day I received the reply about the steel jackets and the modules. The question was as follows—

- (1) With respect to that area at Jervoise Bay lying east of Cockburn Road and to remain zoned for industrial purposes, is it expected that any or all of the area in question will be either terraced or levelled?
- (2) If “Yes” when is it expected the work may be carried out?
- (3) If the area is to be used as a back-up area to the bay side construction areas, how is it expected to move large metal components backwards and forwards across Cockburn Road?
- (4) Is there a possibility his department could recommend the closure of Cockburn Road when the construction phase begins?

The answer was—

- (1) Yes.
- (2) Over a period of 3 to 5 years beginning in 1980 depending upon demand.



- (3) By rubber tyred heavy duty vehicles specially designed for such work.
- (4) No. Such movements will be undertaken at times to minimise traffic interference. However in due course it will be desirable to provide for future highway traffic to bypass this area.

I am not talking about the 45 000 tonne jacket; but whatever the magnitude of the construction on that 25-hectare site, the presumption from the answer is it is small enough to be put onto a rubber-tyred trailer and towed across Cockburn Road. That is the only conclusion one can come to.

The Minister for Urban Development and Town Planning was very quick to tell me the 1975 report was not accepted by Cabinet. I would like to recapitulate for her, that in 1961 the Government wanted this "A"-class reserve for shipbuilding, but it did not take place; in 1963 it acquired other land right alongside but did not use it for shipbuilding; in 1968 the area had a small shipbuilding yard on it; in 1970 a Premier's committee said, "Do not enlarge or expand it", a sentiment which we endorse. We were able to build a rig there. Rigs are about 12 000 tonnes, by the way, not 45 000 tonnes. The area was further subdivided in 1974. Even now it is still only half utilised. The Commonwealth land on which the rig was built is not utilised at all. In 1975 we were presented with the Jervoise Bay rationalisation scheme, which mentioned tankers of 200 000 tonnes and spoke about utilising the reserve. The Minister says, "We did not agree to that." Nothing was agreed to in that period.

How is this Parliament expected to endorse the use of these 25 hectares with all the adjoining land still available, on the say-so of the answer the Minister gave to my question? If I have missed a report, I would like to know what other reports have been used. They are the Minister's answers and they mean absolutely nothing as far as the proposed use of this land is concerned.

I return to some earlier comments with respect to the use of the reserve. The matter goes back some time. I quote from page 2731 of *Hansard* for the 14th November.

Mr O'Neil: Which year?

Mr TAYLOR: I deliberately did not mention the year. It was 1961. The Minister has taken my punch line. On page 2731 we find this—

Mr. COURT: The Minister in charge of this Bill has asked me to make some observations regarding the industrial development aspects of this particular matter.

That is, to take away this particular "A"-class reserve. This is the debate on the 1961 Bill. I am reading from the speech of the then Minister for Industrial Development, who is now the Premier. To continue—

The decision to be made by Parliament on this occasion is whether we desire to establish a shipbuilding industry in this area or not. We have got to the stage where building of ships of the size that we hope to construct in this State is impossible if we try to build them in areas remote from the river foreshore or remote from the coastline.

Further on, on page 2731, he said—

We must decide whether we desire to advance into the small shipbuilding industry. We have been told by the experts that there is not another suitable site.

That is somewhat prophetic. In 1961 there was allegedly no suitable site for shipbuilding other than this "A"-class reserve. I have already made it plain what happened to that shipbuilding industry. The gem appears on page 2737, where the same Minister said—

Once we get the experience of building such a ship, it will be a turning point for us to go into the other States and tender for the small ships being built there in the dozens. We can "be in it," and build them as well as anyone else.

That statement could have been made this evening but the situation has not changed since 1961. Sir Charles Court said then that if he did not get the "A"-class reserve in 1961 we would miss out on shipbuilding and would fall behind. The Government did not get the reserve, thanks to the other place. And what happened? Nothing. In fact, it is mentioned further on in that debate that another site had already been made available. The then Minister for Industrial Development, who is now the Premier, was saying 18 years ago that if he did not get this "A"-class reserve we would lose our shipbuilding industry, and if he did get it we could build ships in the dozens for the Eastern States. More research ought to be made of comments made by the same Minister in the past. The usefulness of the reserve for construction had not been proven by any stretch of the imagination.

The second factor we should look at is the environment in that area. This matter has been tossed around, and those who espouse some concern for the environment are being denigrated by those who do not have the same sort of feeling. It is a worth-while exercise to look at that particular factor. The conservation reports go back for some time. They are beginning to show

some detail, and I will take a few minutes to talk about the ecology in the area of that particular "A"-class reserve.

The first report I looked at was the Fremantle Port Authority's report entitled "The Ecology of Cockburn Sound". It was compiled by Environmental Resources of Australia Pty. Ltd. and Sheen Laboratories and was a voluminous report. It made the point that seagrass had been disappearing over an extended period. It existed to the south; and certainly in the area of Jervoise Bay, where it was strongly established, but it was beginning to recede. Virtually the only reseeding area available in Cockburn Sound was in Jervoise Bay. Littoral drift and water movement were problems, the consequences of which were not known.

The second report was the "Jervoise Bay Proposed Rationalisation" in March, 1976, the one the Minister said the Government did not accept. Whether or not the Government accepted it, it is worth noting that the report was compiled by Maunsell and Partners Pty. Ltd., together with Y. Ard. Australia Pty. Ltd. of Canberra. It forms part of a supplementary report on ship repairing in Cockburn Sound. I mention those who prepared the report because they are eminent people. Maunsell and Partners have been used by Governments over a considerable period. Under the heading "Development and Recommendations", paragraph 1.3.(6) says in relation to the "A"-class reserve, where the breakwater was to be built for the hoped-for 200 000 tonne tankers and where the jackets and modules are allegedly to be built—

Further investigation and studies are required to examine the following:

- (a) Bores to test the nature of material to be dredged.
- (b) Bores to examine the nature of the limestone underlying the site.
- (c) Wave studies and possible module studies to examine the extent of breakwater necessary. In addition a study of littoral drift in the bay is necessary to determine whether it would be necessary to build a groyne to control sand movement.

That was in September, 1975. Now I come to the time the metropolitan region scheme amendment No. 255/31, which was tabled in the House a few weeks ago, was receiving objections. When the MRPA was leaving submissions, the acting Mayor of Cockburn said this—

Before presenting this section I wish to recapitulate on some of the events which took place about three years ago.

He goes on to refer to the section of the report which I have just read, and then he makes this comment—

Three years after the recommendation those studies have not been done.

In 1975 a report is commissioned with respect to this "A"-class reserve. It is recommended that test bores be made and checks be carried out to see what might happen in relation to littoral drift, breakwaters, etc. Three years later, just a few months ago, the Town of Cockburn was able to point out in the Minister's department—perhaps one floor above or below her office—that specific recommendations had been made and no opportunity had since been taken to check whether or not these things had been carried out.

At that time Maunsell and Partners were worried about the area alongside the "A"-class reserve and warned that certain site tests should be done before the report was accepted. The report was not accepted and those tests have not been done since. The Government now wants the "A"-class reserve and there is no indication that any of that testing has been done on the site.

I now refer to the report entitled "A Review of the Environmental Consequences of Industrial Development in Cockburn Sound for Environmental Protection Authority, Western Australia", which was produced in 1976 by W. D. Scott & Company Pty. Ltd. in conjunction with Meagher and Le Provost—roughly about the time of Maunsell and Partners' report. On page 3 under the heading "Environmental Change", the report has this to say in section 2.1—

There has been measurable change in the Cockburn Sound environment over the last twenty years. It can be attributed in part to industrial development but the exact causes of individual biological changes are not known.

That is the key to it. It continues—

The main changes and their significance are as follows:

1. The deterioration of the seagrass meadows on the eastern shore from the Naval Base in the north to Palm Beach jetty in the south, along which stretch the meadows have virtually disappeared.

So far there has been no major effect attributable to this change. But, if all seagrass meadows disappear from the Sound it would lose its role as a fish nursery.

2. The construction of the Garden Island causeway.

Research indicates that there is still an exchange of water between Cockburn Sound and the sea and that the exchange rate is of the same order of flow as before construction of the causeway. Research to date does not draw any firm conclusions about the causeway's effect on water circulation, rinsing characteristics or its reaction under storm conditions.

That was said in 1976 with respect to the area adjacent to the "A"-class reserve which is allegedly vitally needed at this stage for the North-West Shelf development. Environmental problems exist. The report continues—

3. The occurrence during summer of transient "blooms" of algae suspended in the water mass and attached to the sea floor. These blooms are caused by the addition of nutrients and the consequent lowering of the water quality occasionally interferes with bathing at Rockingham and Palm Beach.
4. The removal of the seagrass meadows has led to the disappearance of marine fauna associated with that habitat. The growth of benthic algae and the addition of groynes and jetties has increased productivity and has expanded the range of marine fauna.
5. The recording of moderate concentrations of heavy metals in Cockburn Sound sediments. To date there has been no record of unacceptable levels of heavy metals in fish taken from Cockburn Sound and the significance of heavy metals in the sediments is not fully understood. The accumulation of heavy metals in the sediments has the potential to become a health hazard in the long term and needs to be understood and controlled.
6. The continuing accumulation of a pile of gypsum at the end of the CSBP outfall adjacent to the bulk loading jetty. This

outfall operates in accordance with an agreement with government. It has caused an obstruction to shipping and has been dredged at the request of Fremantle Port Authority. It will continue to accumulate.

7. There has been erosion of the beach fronts in the Kwinana and Rockingham region of the Sound. This erosion has been more noticeable during storms of 1973-75. Research has merely noted this effect but has not advanced reasons for it nor compared it with other coastal changes during the same period.

Paragraph 2.2 under the heading, "The Results of Research" says—

The research programmes to date have been directly concerned with monitoring change in Cockburn Sound. They have not aimed at isolating causes of environmental damage. There has been no parallel research programme to evaluate the effect of industrial development and environmental change on the community at large.

What exists now is good documentation of effects on marine ecology and the results of the Cockburn Air Pollution Study.

Decisions will have to be made about the future development of Cockburn Sound or about similar industrial development based on Cockburn Sound experience. If made now, those decisions would be made without sufficient knowledge of physical, biological, technical, social and economic factors and the way they interlink.

This is in 1976, and it is about an area adjacent to the reserve which we are asked to take away in order to build some jackets—which cannot be built—and some modules, which probably could be built at Bunbury, Albany, or Geraldton; in fact, some will be built at Geraldton. It is said they must be built in this area—an area which has not been researched. I repeat what the consultant said, as follows—

If made now, those decisions would be made without sufficient knowledge of physical, biological, technical, social and economic factors and the way they interlink.

That study was carried out by eminent researchers. I quote again as follows—

### 2.3 Environmental Management

If Cockburn Sound is to provide a desirable balance between the economic and the natural resources of the region, it will require effective environmental management. Such management should be able to identify and remove any unacceptable change to the environment. At present that management is not possible.

We are going to change the environment further by taking away this "A"-class reserve for construction purposes. I can assure you, Mr Acting Speaker (Mr Watt), that if the Parliament goes against logic this evening and follows blindly the path of the Government without following the precedent of 1961—an excellent precedent—then the Government will make certain something is done with the reserve; certainly something will be built on it. Yet I have pointed out a mile of foreshore to the north of this area is still not being used. In 1976 it was said ecological management was not possible. I continue to quote as follows—

1. There are neither accepted policies nor standards which can be used as the criteria for judgement as to whether a change to the environment is acceptable or not.

The report then says there is no recognised single body with the responsibility to initiate these tests and what-have-you. Then it says—

3. The mechanisms of environmental damage are not known to a degree of exactitude which would allow specific causes to be isolated and remedied.

So if we had something wrong we might not know what it was, anyway. Then it goes on to say—

4. Until causes are isolated and remedial action devised, the economic and social consequences of remedial action cannot be calculated.

That is a review of the environmental consequences of industrial development in Cockburn Sound. It was carried out for the Environmental Protection Authority in February, 1976, by W. D. Scott & Co. So we have a report by Maunsell, a report by Scott, and a report by the port authority all saying much the same thing.

I would like to follow on with a further report on the ecology of the area. This report was carried out for the Town of Cockburn and concerns a small study made on erosion control of Coogee Beach. The study was carried out by Meagher and Le Provost. Those members who were paying rapt attention to my earlier remarks will recall that these were associates of Maunsell in the earlier report; and Maunsell gave them

considerable credit for the work they did. Meagher and Le Provost presented this report with respect to Coogee Beach, which is just to the north of Woodman Point. I will quote some extracts from the report, because they are worthy of quotation. At page 37 we find the following—

#### 4.4 Discussion and Recommendations

It should be clear from the preceding analysis of shore stabilizing techniques that there is a lack of data on field conditions at Coogee.

That has already been shown by the other reports. They went on to say—

However, it is our opinion that there is no necessity for obtaining detailed design information. The following reasons are given in justification of our opinion:—

- (1) There are a number of case histories available in both Owen Anchorage and Cockburn Sound which can provide much design information. For example, the wreck of the "Omeo" provides information on distance from shore, depth of water and length of structure which will effectively form a tombolo configuration between the structure and the shore.

A tombolo, for the benefit of the non-school teachers in the Chamber, is an island which is tied to the shore by a sand spit. Our best known examples are Point Peron and Penguin Island. I see I have the gratification of a former school teacher.

Mr Clarko: Could I give you a better definition? It is a piece of land which is in the process either of attaching itself to, or detaching itself from, the mainland.

Mr TAYLOR: I see the member is still a school teacher rather than a politician. I thank him for his elucidation. The report goes on to state—

Proceeding south into Cockburn Sound, there are two examples of the effectiveness of tombolos in a similar area largely free from direct open ocean swell. These are the wreck in Jervoise Bay and the Kwinana Wreck. Both of these structures are ships which on going aground maintained the beach alignment.

That is, on going aground, the beach came out to meet the ships. The consultant is saying that at Coogee, where the beach has been washed away as a result of the efforts of Robb Jetty and Anchorage to the north, some structure has to be installed, and we will find sand will bank up

against it. Despite that, the Government has said breakwaters will be built in Jervoise Bay to protect the small boat harbour and the yacht club.

Yet in 1976 a consultant said the sand is likely to bank up and modify the foreshore, as happened in Jervoise Bay to the north and Kwinana to the south. I repeat again that the consultants involved worked for the Government and their efforts with respect to the beach and Cockburn Sound have been accepted elsewhere. The report then says—

- (2) It will be difficult to obtain detailed data on field conditions. This is because the accuracy of the data required is somewhat dependant on defining the parameters which influence erosion. Our previous report showed that erosion only occurs intermittently in response to specific storm conditions.

However due to the cyclical variation which occurs in meteorological conditions, it may be a number of years before these specific storm conditions occur at sufficient intensity to be representative of the average condition.

So we might not get the average conditions for several years. The report is saying that in 1976 the consultants did not think they had sufficient information even to know the average. It continues—

In addition, our observations during storm conditions in 1976 indicate that even if a representative storm did occur within the next year, wave conditions at the shore are so confused that it is unlikely meaningful data could be obtained. This is because the line of reefs running north of Garden Island together with the two major sandbanks to the north and south of Owen Anchorage refract, diffract and attenuate waves approaching Coogee Beach to such an extent that when a strong wind surge is superimposed, the pattern of wave-train orientation, crestlengths and significant heights and periods of waves are difficult to determine.

These are consultants who have worked with Maunsell and have been complimented by them for their environmental studies on Cockburn Sound; and they made those remarks in respect of a similar study of Coogee Beach, just to the north of Woodman Point. The report makes the point that not enough is known and all the consultants could do was to make minor recommendations in respect of saving the beach. The recommendations

were based on past experience—that is, the precedent created by two or three wrecks along the coast which indicated that sand would be held and would build up.

The Government is going to build large breakwaters, but there is nothing to indicate it is environmentally satisfactory to do so, apart from the blase statement in the study report which says that guarantees have been given, and it is all okay! Yet all the earlier Government reports would seem to indicate something different.

While still on the matter of conservation, I turn to the report concerning MRPA amendment No. 255/31, to which I have referred previously. It contains two matters which are worthy of comment. The first is contained at page 17 and concerns recommendations to the EPA in respect of the environmental review and management programme. This is the basis for the report which preceded this Bill to turn an "A"-class reserve into a questionable shipbuilding, jacket building, module building area. In paragraph 26.7, concerning the recommendations of the Environmental Protection Authority, the following is stated—

The recommendations of the Environmental Protection Authority have been formally considered by the Authority and the following comments are made:

#### Recommendation No. 1

"Providing the management programme and further work suggested in the ERMP, together with the recommendations contained in this report are accepted and implemented, no environmental objection can be seen to the proposal proceeding.

That is nice; provided all the things recommended are carried out, the MRPA has no objection to this. That is quite bad for a start! Recommendation 3 is as follows—

"Provision should be made for a comprehensive stormwater disposal system over the shipbuilding, the oil production construction area and the industrial estate, . . ."

The whole point is that oil, etc., should not flow into Cockburn Sound and the report says nothing should be done unless it can be guaranteed that no oil or waste will flow into Cockburn Sound. The fourth recommendation is as follows—

"The industrial estate and marine oriented facilities should be served by deep sewerage connected to the Woodman Point Waste Water

Treatment Plan and slop tanks should be provided to service all commercial and private boats."

So deep sewerage will have to be installed, and it will have to be a pressure system in order to get the waste up into the sewerage plant. Fortunately a sewerage plant is very close—across the road—but it cannot be fed by gravity.

Mr Skidmore: The sewerage would have to be good enough and heavy enough not to be damaged by these rubber-tyred vehicles.

Mr TAYLOR: Yes, and the alleged 45 000-tonne jackets! Another recommendation concerns the necessity to be prepared to combat pollution within the bay. The report wants the Fremantle Port Authority to come up with some schemes, contingency programmes, and management programmes which will prevent pollution in the bay. Recommendation 6 says water quality monitoring should be undertaken and carried out under the general guidelines of the Department of Conservation and Environment. Recommendation 7 says—

"If the results of the monitoring studies indicate levels of pollutants which are unacceptable to the EPA, then action must be taken swiftly to modify the management programmes in order to improve water quality to a desired level."

Recommendations 8 and 9 state—

"Further studies should be undertaken into the preparation of acceptable chemical, bacteriological and amenity (such as grease, turbidity, odour, and floatables, etc.) standards for water quality associated with recreation activities."

"Positive action to improve water quality within Owen Anchorage should be taken by the control of industrial waste discharges into it."

Recommendation 14 says further steps should be taken to arrest the potential problem of sandblasting. It states that a decision to proceed with the proposal need not await this study, but should be instituted without delay. Recommendation 17 is concerned with wrecks, and says they should be left undisturbed. However, if they cannot be left undisturbed, the recommendation says the Museum should be got in there quickly.

Those recommendations are all contained in the report on the MRPA amendment No. 255/31, which has as one of its prime, focal points, that

the 25 hectare reserve should be taken away. It says that all these things are vital before certain usages are made. A whole host of things need to be done, and the ones to which I have referred are merely the environmental matters. The EPA wants the port authority to guarantee that if anything goes wrong in respect of pollution, it will be rectified. It refers to deep sewerage on the foreshore so that storm water will be collected and pumped back. Can one imagine the cost of that? Yet the MRPA says, "Yes, we agree, as long as all these things are done." There is not a thing before this House or which has been mentioned in the Press which would indicate that anything at all has been done about the matter. Yet we have accepted that report. The Opposition accepted it because of the "A"-class reserve at Woodman Point and the other areas which would be rezoned for recreational purposes. But the linchpin is this 25 hectares.

The report stands only if all these things are done environmentally. I have pointed out that in all other environmental reports there is nothing mentioned that would make one complacent or able to accept the Government's intentions.

The next environmental report is the Chittleborough report, or the Cockburn Sound study. That is the report we should have.

Mr Mensaros: I do not have a copy yet. Do you have one?

Mr TAYLOR: Unfortunately, no, though many of my arguments could possibly have been blown to shreds because that report was instigated following all these others. The other reports were so damaging and damning that the Government agreed not to proceed further until it could do something about Cockburn Sound. I think that is the general theme of utterances by various Ministers.

The Chittleborough report was instituted in 1976 and was to be ready, roughly, in June this year. I understand from the mumblings of various Ministers that the Government has taken note of what the reports have said and has decided to do something.

Mr Davies interjected.

Mr TAYLOR: I agree that the case of Dr Chittleborough is a sorry story. If one had time one could recapitulate what happened. The Minister for Conservation and the Environment said in March, while he was down in Rockingham, that the Chittleborough report would be ready in June this year. In March or April this year I asked a question in Parliament and was told the same thing. In fact, the Minister

has now said that it will not be ready until November of this year.

Here is a report that in March and April was said would be ready in June. For three years it was planned to be ready in June, but two months before that time the date drops back another five months.

Mr Laurance: That has been explained.

Mr TAYLOR: Is my logic out?

Mr Laurance: Yes. This situation applied to the Federal Government's report on domestic satellites. The chairman of the Jennings committee cannot hand his report in on time either.

Mr TAYLOR: It can happen. Here we have a case where, suddenly, after three years, this report is held up and the reason given is that it is awaiting a technical report.

Mr Laurance: Tell me of a report where this has not happened.

Mr TAYLOR: After two years and 10 months of a three years' study, a report should be substantially concluded. However, it is said a technical report is not ready. The whole report cannot be considered and it is said that it will not be ready until November. In the meantime, we are being asked to alienate an "A"-class reserve. At this time, the only report we want is not available.

Another report which is not available is the system 6 committee report, which was said to be available by the end of the year, and which could make a substantial difference to our considerations. The Institute of Planners made mention of the fact that the recreation report is out. There may be some recommendation in that which, while not being acceptable to the Government, makes some reference to Jervoise Bay and what should take place there.

However, in September we are being asked to agree to this vital move. We are asked to pass this Bill without waiting another year, when all the evidence shows that this step is not necessary.

Mr Mensaros: As an ex-Minister for Industrial Development you would be in a better position to criticise the Government if it was not in a state of readiness for the North-West Shelf development.

Mr TAYLOR: I do not question that. I pay the Government the compliment of trying to be in readiness for the development. But the Minister missed my earlier remarks when I said that as far as his department is concerned there has not been sufficient information from it as to the need for those 25 hectares. I suggest he looks at my

remarks which are based largely on answers he has given.

I shall refer again to the 1961 debate when Parliament showed its strength over the Executive and threw out an identical Bill seeking to take out these 25 hectares. The debate was in two phases. The reasons for Parliament throwing out the Bill to take this land from the "A"-class reserve hinged on two aspects. The Parliament did not accept what the previous Minister (Mr Court) said. I think we have forgotten what the Minister was like. All the members referred only to recreational matters. There was not one comment about conservation in 1961; there was not one word about the pollution of Cockburn Sound or the despoiling of the area, because in those days the problem was not there.

Mr Mensaros: The problem with the "environment" had not been invented.

Mr TAYLOR: Members of Parliament being what they are, if there had been the slightest reason for touching on this matter, they would have done so. I recall that two years before, in 1959, the Hawke Government was criticised when some effluent was noticed at Floreat Park beach and some had been seen flowing down the river. Cartoons of the day suggested there were terrible things being done to the river. But in that 1961 debate there was no such trouble with Cockburn Sound. Nowadays one cannot mention Cockburn Sound without referring to either industry or pollution.

If Parliament at that time could throw out an identical measure because of recreational needs, certainly this pollution problem adds further reasons why we should not accept the present measure.

Another problem is that of costs with respect to these 25 hectares. The report of the Jervoise Bay Proposed Rationalisation committee which was not accepted by the Government did say that offshore breakwaters were needed. The estimated cost in 1975 was \$5 million and present-day costs would be more like \$7 million or \$8 million. The Government will pay the Commonwealth \$2.5 million for the Woodman Point area. The Main Roads Department will have to acquire land besides being granted some by the Government which is presently vested with the Industrial Lands Development Authority. The construction of the new road around the area would be in the order of \$2 million, based on the Stock Road equivalent.

I asked the Minister for Mines a question in relation to the proposed explosives depot in Rockingham. He could not give an estimation of

the cost; but certainly during the period of the Tonkin Government it would have cost between \$2 million and \$3 million to establish a comparable depot in the Byford area. So it could be a substantial figure considering that it has to be connected by road and rail and have facilities for explosives.

The Woodman Point area has to be upgraded. The MRPA report states that this should be done conjointly by the Government and the local authority. What a lovely statement! How a local authority could find money of this sort I do not know, yet the MRPA states quite bluntly that this should be done. It stated that it did not know where the money was to come from, but suggested the Government and the local authority do something about it. *The West Australian* of the 12th August, 1971, had the following to say—

#### BIG WOODMAN PLAN

Plans for a recreation complex for the "Playground of the State" covering 640 acres of Woodmans Point were shown to Councillors at Tuesday night's meeting of the Cockburn Town Council.

The Town Clerk, Mr E. L. Edwards, told the meeting that the plans had been obtained from the MRPA to show the current thinking on the region's development.

The plans provide for two Hotels, a Motel, holiday chalets, an 18-hole golf course, a caravan park, indoor and outdoor sports areas, an enclosed Yacht Marina with slip facilities and heliport, a hydrofoil terminal and several parking and picnicking areas.

Mr Edwards said the plan had been obtained to dispel rumours on what would be done with the area when the explosives storage facilities were removed.

I cannot visualise this sort of thing being done now; but something has to be done with the area, and the MRPA suggests the development be handled by the Government and the local authority. Is the Government to pick up the major part of the tab—heliport, hydrofoil terminal and all?

In the Minister's report No. 255/31 there is a recommendation of assistance to the groups presently using the 25 hectares. This includes the power boat club, which is one of the largest in the southern hemisphere. Unfortunately the Deputy Premier is not in his seat at the moment. I understand he was a member of the club and used its facilities to some extent during his odd days off. It has excellent facilities. It is recommended that it be accommodated elsewhere. Surveys have shown that on some days 120 boats come in or go

out from the club's ramps, or an average of one every 120 seconds. This amounts to boats arriving for four hours and boats leaving for four hours. This is a lot of use of this "A"-class reserve.

The Tiger Go-Kart Club was established in 1960 and has been operating ever since. It too has to be found another spot. There is a public boat ramp in the area. There is the Underwater Explorers Club which has to be relocated. The club has done work in the past for the Army and Navy. It has trained police officers and people from the Lands Department. All these groups have to be found alternative accommodation and the recommendation is that the Government pays for re-establishing them before it utilises the reserve.

I will run through a few of the costs involved: \$5 million for breakwaters and other facilities suggested for shipbuilding, or likely shipbuilding there; the purchasing of Woodman Point, another \$2.5 million; at least \$2 million for the Main Roads Department; the shifting of the explosives store, unknown; and the upgrading of Woodman Point, unknown. The replacement of all those facilities must add up to between \$12 million and \$15 million. That is without any effort with respect to conservation.

I believe I have made abundantly clear to this Government the recommendations of the MRPA with regard to the deep sewerage treatment area, and a constant surveillance and reporting on the area. The whole matter hinges on 25 hectares of land, and the cost cannot be explained. There is no point.

As I leave the matter of costs, perhaps I can again mention the Underwater Explorers Club. The MRPA, in its report, said that Jervoise Bay would be all right if all the precautions were carried out. However, in a letter to the Underwater Explorers Club dated the 20th August, 1979—some six or eight weeks ago—reference No. 20/255/31, the Metropolitan Region Planning Authority stated—

Dear Sir,

#### METROPOLITAN REGION SCHEME AMENDMENT NO 255/31 JERVOISE BAY—WOODMAN POINT LOCALITY

The Authority has given consideration to the written and oral submissions made on the abovementioned amendment to the Metropolitan Region Scheme and has resolved that certain submissions be upheld and the remainder dismissed.

In considering the Club's submission the Authority noted that it highlights a number



of problems in so far as Club members are concerned...

And the club is concerned. The letter further states—

With the intensification of uses on Jervoise Bay... it will be difficult to effectively allocate... and more particularly a water zone for Club use in the nominated optimum conditions. For these reasons the Authority is recommending that an alternative site be selected for the Club.

I have left out the irrelevant parts of the paragraph.

The Underwater Explorers Club has used this area for something like 20 years, and has trained police, Army, and Navy divers. The club is still using the area satisfactorily and yet it has been told, in a letter dated only six weeks ago, that the use of the area would not be suitable in the future. The MRPA said that the water conditions required by the club would not apply after industrial usage of the land. The club has been operating there for 20 years and it was asked to put in a submission. When the club stated its requirements, it received a letter stating that although the requirements of the club were appreciated, the water conditions in future would not be suitable for its needs. I intended to mention this matter while dealing with conservation.

There are only another couple of matters which need to be mentioned. One concerns the Town of Cockburn and the problem it has experienced in dealing with the Government. My understanding is that the Town of Cockburn did receive superficial consideration by the Government. Most Ministers were prepared to listen to submissions, and they made officers available. Those officers went to the area when called upon. A steering committee was set up which comprised, first of all, the present Minister for Transport and later the present Minister for Local Government, the Mayor of Cockburn, one of his councillors, and Mr Hawkins, the Chairman of the MRPA. Two or three meetings were held in an effort to help the council, but the crazy thing was that when the council put forward its ideas and its thoughts nothing happened. When the council wanted minutes kept of the meetings, the Minister informed them that minutes were not kept. Talks only were held and we are all aware of that sort of approach by the Government.

Mrs Craig: That was agreed to by all the people present at the first meeting. The council suggested, and it was agreed to by all parties, that there would be no minutes.

Mr TAYLOR: Then there is a conflict.

Mrs Craig: At the third meeting a different councillor attended. He requested that minutes of that particular meeting be taken. I intimated it had been agreed at the original composition of the committee that discussions would be informal. That was agreed to by the mayor and the committee.

Mr TAYLOR: The Minister is quite persuasive in her comments, and who am I to disagree. I can only repeat that the council requested me to ask questions in Parliament with regard to minutes and what was happening. I will quote from a letter dated the 19th March, 1979, addressed to myself from the full council of the Town of Cockburn. The letter, in part, reads—

My Council is not satisfied with the Constitution and Composition of the Committee, and it is particularly concerned about the way in which the abovementioned meeting was conducted. There can be little point in maintaining a Committee which cannot form resolutions or make decisions,

That was a letter from the full council. Whether or not it is right, or whether or not there was a misunderstanding I do not know.

Mrs Craig: What did you do about that letter? Is it a copy of a letter sent to me?

Mr TAYLOR: I think it was a letter which went to all and sundry. The only point I want to make is that the council, although it received superficial consideration, felt that that consideration meant nothing at all.

The council made the point that from 1961 onwards the reserve has been desired and required, and that moves have been made consistently since then in an effort to take it over. A decision was made, discussions were held, but that made no difference at all with respect to acquiring the site.

The Government has made promises over the years. It has talked about what may happen, but I do not think it has presented a case. There was a plea for shipbuilding facilities to be placed at Bunbury, Albany, and at Esperance in 1961. It is ironical that no member from any of those areas has requested that the development be placed in his area. That is how far we have progressed since 1961.

There are still some questions to be answered by the Government. The Government has said it wanted the reserve some years ago, and nothing which the Government said since has indicated it could use the area. The Government made promises with regard to Woodman Point, but those promises have not been kept. The Government is not using half of the area it

already has. The Government has not made out a case with regard to what construction will take place on the area that could not take place along the one mile foreshore to the north, including the Commonwealth land which the Prime Minister has said is available under conditional lease.

There have been innumerable reports on the area, and conservation questions have not been answered. An important report will not come out until the end of this year.

I repeat that precisely the same Bill was put to this Parliament in 1961 on the basis that industry would be established in the area. Those who opposed the Bill said the area would be destroyed. That was in 1961. A sufficient number of Government members had the strength to say "No" on that occasion.

I hope I have made a case this evening to show the Government has not established a need to take over the reserve. Certainly, there is no reason that this matter should not be allowed to lie over until next year when we will receive the latest report. There is no reason at all that the reserve should not be returned to the Cockburn Town Council. I oppose the Bill.

**MR BARNETT (Rockingham) [10.40 p.m.]:** I want to commence my speech by stating unequivocally that I am opposed to this legislation. I believe the member for Cockburn, during the one hour and 40 minutes he was speaking, put forward to the Government and Government members a very potent argument; one which if members opposite were listening—and I hope they were—they could not help but be moved by it.

I want to take a slightly different tack from that taken by the member for Cockburn. I want to accept that the Government is correct in all that it has said, and that it does need this 25 hectare reserve. I do not want to accept that it is necessary to excise 25 hectares, but I want to accept that what the Government has said in replies to questions, and in the introduction of this Bill, is basically correct. I want to accept that the answers given to questions are correct. I only want to accept that, because the argument put forward by the member for Cockburn, I believe, has effectively destroyed it. But, I want to assume that what the Government has said is basically correct because if, in fact, it is true then there are alternatives to using this 25 hectare site.

Firstly, to refresh members' minds—because it is a long time since I have spoken about Cockburn Sound in this House—I would like to spend some time describing to members how Cockburn Sound has developed over the last 19 years. The Liberal

Government, at that time, was faced with a dilemma. Cockburn Sound is appropriately placed in that it is adjacent to the metropolitan area and to a town which has an increasing population with a very appropriate work force.

At that time, 19 years ago, Cockburn Sound was one of the most scenic attractions which this State had to offer. In the small amount of travelling I have done, I have never been moved as much as I have been while driving along the edge of Cockburn Sound. Even now, there is still a magnificent view. One can imagine how attractive the area must have looked 19 years ago.

One can imagine how attractive the view over Cockburn Sound must have been. One looks across at a most picturesque island, only a few miles from the shore. Cockburn Sound has one of the safest beaches in the whole of the metropolitan area. Many people take their children to Cockburn Sound to teach them to swim, and in order to enjoy the recreational facilities which are there. The reason people take children there is that it is the safest place—although it is not the cleanest place. There are no rips or waves to speak of, and it is still relatively attractive generally.

In the 1960s the Liberal Government at the time was faced with a dilemma—whether to put capital-intensive industry on the site at Cockburn Sound; industries that had to go somewhere; industries that, in those days, it was thought quite acceptable to site on the beachfront; and I do not criticise the Government for doing so then.

A number of these capital-intensive industries were placed along the beachfront—BP Australia Ltd., Australian Iron and Steel Pty. Ltd., subsequently CSBP & Farmers Ltd., and the wheat silos—taking away from the public massive stretches of beach that could now be used by the increasing metropolitan population, the increasing population in Rockingham, and beaches that could be used in the future by the people who are supposed to be coming to the south-west corridor by the 1980's. Never mind the south-west corridor, by 2000 it is mooted there will be 100 000 people in Rockingham alone! These people will need areas for recreational purposes.

**Mr Sibson:** Where do you think Kwinana should have gone?

**Mr BARNETT:** If the honourable member had listened to my remarks, he would know that I have been trying to develop a thumbnail sketch of Cockburn Sound. I said the development at the time was acceptable because in those days nobody had any real sense of purpose about environmental matters.

Mr Sibson interjected.

Mr BARNETT: I will answer the honourable member's question, but I would ask him not to interrupt again unless he has something important to say. I have only 40 minutes left. There is no reason at all, knowing what we now know, that these industries could not have been placed one kilometre in from the beachfront. The industries could have used the water and we could have altered environmental provisions of the legislation they operate under to facilitate the dumping of their waste at some place other than in Cockburn Sound.

This is not something we did not know about then, but it is something we should have learnt by now. The Environmental Protection Authority has learnt about it; it has a policy of no industrial development and no urban development within one kilometre of the beachfront where possible. The Australian Labor Party has the same policy, and I believe it is a very good one. There are very firm grounds for accepting it.

The situation now is that the industry in the area is laying the seabed bare of seagrass. Very few areas of seagrass are left. My colleague, the member for Cockburn, has quoted from many reports this evening to show what has happened as a result of the mistake we made in placing that industry on the beachfront. We have lost a great deal of the fish life in the area. For example, one can no longer fish successfully for scallops in Cockburn Sound. Scallop fishing was a thriving industry, but I venture to say that one would be battling to find any there now. Almost all the crustaceans in the sound now have a heavy metal content. Although it has not yet reached a dangerous level in the fish in the sound, the heavy metal contamination is increasing at such a rate that very soon the fish which swim in the sound and eat the crustaceans will have a heavy metal content which is unacceptable to the World Health Organisation.

As a result of the loss of the seagrass, we now have severe beach erosion. About two years ago the Rockingham Shire Council was faced with enormous costs to restore the beachfront, and according to the reports quoted tonight, the erosion is a direct result of the denuding of the seabeds of seagrass. The wave action is unhampered and the waves drive into the shore. So every year that we have a relatively severe storm, we can expect more erosion to occur.

A navigational hazard now exists opposite the CSBP & Farmers Ltd. works where the Government mistakenly allowed the company to discharge 350 tonnes of gypsum. Daily

eutrophication, the adding of nutrients to the water, now makes it very unpleasant for swimming around this area. A green slimy algae has spread from the top of the water to the seabed and has deoxygenated the water. It has killed the fish because it precludes the sunlight from reaching the seagrass, and this adds to the destruction of the seagrass. So in many areas of Cockburn Sound we cannot swim in comfort.

I accept that this industry was sited in the area mistakenly, but tonight we have the opportunity to acknowledge that mistake. We need those areas of beachfront. We should not establish any more industry on the very limited beachfront that is left. I believe every member in the House would agree that the original decision was a mistake. There are alternatives. The beachfront should be left for the people. Surely that would be everyone's policy.

The current industrial development virtually stops at the works of Alcoa of Australia Ltd., and for many years the land to the north has been zoned industrial. I again accept that when the decision was made to zone this area for industry nobody worried very much about the environment. There were not very many people in the area to worry about anyway, and areas for their recreational pursuits could be sited elsewhere. However, that is no longer the case, and it is not sufficient argument to come to this Parliament and say that this land is zoned industrial but that the Government will give the people back a portion of it in return for a 25-hectare area of land right on the beachfront—a 900-metre section of beachfront.

From the thumbnail sketch I have given of the area, surely members will realise that not only was it a mistake to site industry on Cockburn Sound, but also it was a mistake to zone the rest of Jervoise Bay industrial. Tonight, members are faced with the decision as to whether or not to continue to make the same mistakes.

I have been in this House for five years, and during that period I cannot recall one occasion that an amendment put forward by the Opposition or the objection to a Bill by the Opposition has been supported by both Government and Opposition members. I hope tonight is the exception.

The member for Cockburn gave members good and sufficient arguments to oppose this legislation. I believe he has woken up a great many people to the fact that the Government, either knowingly or unwittingly, has submitted to this House a piece of legislation which is quite

wrong, which has insufficient facts to back it up, and which was the subject of insufficient research.

I am not saying that the researchers are to blame for this legislation, and basically it is not the Government's fault. I can understand the Government's haste in wanting to develop the North-West Shelf gas, and it wants to say, "We have set aside this area for the industry to support the North-West Shelf." The Government has a very real need to show the people of Western Australia that it is moving ahead. However, it was quite incorrect to make the request it did to the researchers in regard to the environmental impact statement. Basically the researchers have said, "You have not given us many sites to choose from. Basically, we agree that the site you have chosen is not too bad, but our recommendations are subject to—" and then the statement sets out lists of matters that must be looked into before the researchers will give their support to such a scheme.

The member for Cockburn told us this evening that Dr Chittleborough's report was due in June. In May I asked questions in this Parliament of the appropriate Minister, and I was told that the report would be tabled in June. We still do not have this report, and yet it is a report that will make recommendations about what should happen in Cockburn Sound, what areas should be set aside for recreation, and what areas should be set aside for industrial development. We are being asked to make a decision on behalf of the public with only half the facts, and it is just not possible to do that.

The system 6 study is an inquiry into the recreational needs of the metropolitan area, and surely its recommendations will include some reference to Cockburn Sound. Yet we are asked to give away 900 metres of beachfront without the benefit of this report. How can we do it? How can Government members sit here tonight and vote along party lines without realising they are making a mistake?

When the Government first introduced the ideas that are incorporated in this legislation and made them public, it was faced with a furious outcry. Some Liberal members of the House may not be aware of that fact because the outcry was made generally by people living in the Rockingham, Kwinana, Cockburn, and Fremantle areas—areas not normally frequented by Government members.

Mrs Craig: How many people made submissions?

Mr BARNETT: I will come to that.

Mrs Craig: You are talking about a furious outcry.

Mr BARNETT: I promise the Minister that I will come to that later. I hope she will remind me if I do not do so before I sit down.

Many meetings were held at Kwinana, Cockburn, Naval Base, and Rockingham. The Government attempted to defend its decision, and at one particular meeting chaired by the Hon. Neil McNeill (the member for Lower West Province), the Minister for Conservation and the Environment (Mr Ray O'Connor) attended. The meeting was called at Rockingham by the Liberal Party, and the public were invited to attend. It attracted approximately 150 people.

In introducing the subject the Minister spoke for 10 minutes—that was all the time he was prepared to spend to tell the people of Rockingham about this excision of 900 metres of beachfront. During that 10 minutes he told the people that he came down from Fremantle with the Hon. Neil McNeill and the Hon. Ian Pratt in a boat. He apologised because the day was cloudy and said that therefore he could not see much pollution floating about the water, and he assumed that the pollution was not as bad as had been made out by members who had spoken about it in this House. So obviously the Minister thinks that if he can see no pollution floating around on the surface of the water, there is none.

I asked the Minister a series of questions at this public meeting, and the Hon. Neil McNeill sat me down. He refused to give the Minister the opportunity to answer those questions because they were embarrassing questions which related to what has been pointed out tonight; namely, that the decision to excise 900 metres of beachfront land has been a hasty decision, a wrong decision, and a decision based on lack of facts.

The next stage—this is what the Minister was asking me about—was for the MRPA to accept objections as a result of the public meetings and the furious outcry. In answer to the Minister's question, 140 objections were submitted to the MRPA. However, hidden in those figures are very many more people, because for a start the Tiger Go-Kart Club submitted its objection on behalf of its members. I wonder how many members it has; I would suggest it would be well in excess of 100. We have already heard there are 119 plus one members of the Cockburn Power Boat Association. The Cockburn Town Council surely made its submission on behalf of its ratepayers. So, really, one can hardly say there were only 140 submissions. I would suggest that if people within

the Cockburn Council area realised the Cockburn Town Council was not going to put in a submission, many individual submissions would have been received. I venture to suggest the figure may well have been 1 000, or more, which is a far more appropriate number when one considers the issues properly.

Having drawn that small thumbnail sketch of the situation which has developed, I wish to accept again that the Government's information contained in the Minister's second reading speech and the answers to questions is correct. If that is true, we need a 900 metre section of beachfront, or some 25 hectares. We need a back-up industrial estate. However, the back-up industrial estate need not be situated next to the beachfront area because, as has already been stated, the component parts can be trundled along on specially made rubber-tyred trailers.

If they can be trundled along a road—which is not a major road, but a fairly narrow subsidiary road—surely they can be trundled along on the same trailers from a back-up industrial estate some three miles away. I am only accepting what the Government has told us. There is a 900 metre, 25 hectare section of land owned by the Government between Australian Iron and Steel and the Kwinana power house. The Minister for Industrial Development has already answered my question in this House untruthfully when he said the Government did not own this section of land. However, every time I telephone his department I am told the Government does own it.

Mr Skidmore: They should get together.

Mr BARNETT: So, I looked at the tax maps and found the Industrial Lands Development Authority in fact does own this section of land. If it does own it, there is no need to excise 25 hectares of land along the beachfront, because this area of land is already tucked away behind an ugly industry which cannot be moved because it would cost millions and millions of dollars. A back-up industrial estate exists nearer to an appropriate work force. It consists of 400 hectares of land and it is situated next to Rockingham, bounded by Patterson Road, Dixon Road, and the now Mandurah Road. If this Government is dinkum and has been feeding members the correct information, there is no reason it can offer to oppose that suggestion. If the Government will not accept my suggestion and will not at least look at the area I have mentioned, it is not dinkum in the information it has fed to this House to enable the House to make its decision.

I would hope the case put forward by the member for Cockburn, and the short case put

forward by me will prompt all members to believe this project is ill-conceived, that it is hastily conceived, that insufficient planning has gone into it, that there is at least one alternative option—I believe there are a number of others—which should be considered, and that it is folly to proceed and to make the same mistakes Governments have been making in Cockburn Sound for the last 19 years.

I once again reiterate my wholehearted opposition to this legislation and seriously request the Government at least to consider some of the alternatives which are available.

**MR SKIDMORE** (Swan) [11.07 p.m.]: I wish to refer the Minister to her second reading speech in which she gives what I regard as specious reasons to support the Government's proposal to excise 25 hectares of Class "A" Reserve No. 24309. In effect, the Minister said, "We are going to take 25 hectares, but we will leave you with 30 hectares on the same reserve. To make the bitter pill a little easier to swallow, you are going to get some more hectares of land from Woodman Point, and this should make you satisfied."

I have seen the ravages of this Government on our coastline and recreation areas for far too long. Coastal areas have been eroded, and people have been denied access to beaches adjacent to the metropolitan area. One has only to look at the industrial complex around Cockburn Sound to see many places where an individual on his own beachfront cannot get within "cooee" of some of these areas. Yet the Government wants to excise a further 900 metres of beachfront.

A Minister's second reading speech when introducing legislation is generally considered to contain the valid reasons in support of the legislation. With this in mind, I quote from the Minister's second reading speech, as follows—

It is considered particularly suitable for providing sites for the fabrication of jackets and module units needed for the North-West Shelf gas project which is of such vital importance to Western Australia.

I do not need to reiterate the figures given to the House by the member for Cockburn in regard to the size of those jackets to demonstrate the sheer hypocrisy of the Government in its efforts to justify the excision of a miserable 25 hectares of beachfront land from the people of Western Australia. The member for Cockburn has made it abundantly clear it is physically impossible to manufacture these jackets and transport them to the North-West Shelf; furthermore, it is an impractical engineering problem; it simply cannot take place.

The Minister claims the module units needed on the North-West Shelf will be manufactured in this area. This again demonstrates the duplicity of the Government. How bad can a Government get when it must resort to such statements in order to justify its actions? The member for Cockburn has made it quite clear these modules will probably be constructed at Geraldton or in another industrial area.

Those were two reasons given by the Minister in support of the Government's proposal to excise 25 hectares of beachfront land, and they have been shot down in flames—unless, of course, the Minister can come up with some specific answers.

Let us have a look at some of the other reasons given by the Minister in justification for this Bill. The Minister stated as follows—

When the excision has been completed, the resultant Crown land will be made available to the Industrial Lands Development Authority, in exchange for freehold land it currently holds. The authority will ensure best use of the land for essential industrial purposes.

Therein lies the reason the Government wants to excise this land. What are the "essential industrial purposes" to which this land will be put? Why could not this industry be located in other industrial areas already owned by the Government? Plenty of land is available in this area, and there is no need to excise portions of "A"-class reserves. I hope the Minister in her reply tells me about some of these "essential industrial purposes".

The Industrial Lands Development Authority will be subject to the MRPA recommendations to which the member for Cockburn has already referred. Mention has been made of the Tiger Go-Kart Club and the necessity to relocate it on another site south of the Cockburn industrial zone. In addition, the Cockburn Power Boat Association and public boat launching facilities will be provided with substantially larger sites. Land will also be made available for the Underwater Explorers Club of Western Australia.

All these people are to be inconvenienced simply to allow the Government to excise 25 hectares of land, supposedly to facilitate the construction of modules and jackets for the North-West Shelf gas project, which probably will be built in another industrial area because of the transportation costs involved and because to fabricate jackets for the North-West Shelf project in this area would be physically impossible.

Why must we upset the recreational pursuits of so many people? Why is the Government

involving itself in such expense for such needless objectives?

The Minister went on to state—

This whole coastal area between Coogee and Naval Base has been most carefully planned after studies by competent consultants, to ensure the best relationship between the respective needs of industry and people.

I ask the Minister and the Government whether they are fair dinkum in their attempts to justify this legislation. Study after study have established that the Government has done nothing to ensure that Cockburn Sound is not polluted, that the beachfront will not be eroded, that the seagrass banks will not disappear, that the cadmium levels will not remain at their present level, and that the effluent which flows from Robb Jetty and the sewerage will not continue to be discharged into the sound. Nothing has been done about all these things.

The Minister wants to take away a further 25 hectares of land. To do what? She talks about competent consultants doing their job. They have done their job; there is no question about that. The Minister is well aware of that. The recommendations are a clear intimation of the Government's attitude over the years to Cockburn Sound. Since 1976 nothing has been done by her Government to bring out a study which will justify any of the industrial expansion that has taken place in Cockburn Sound or which is envisaged.

I understand why there are many people disturbed that this Government, aided and abetted by a Minister who puts forward such a proposition as this, wants to go ahead and deny the people access to this area of land, as well as continuing the pollution of Cockburn Sound, ignoring the recommendations that have been made. I quote again from the last part of the Minister's second reading speech. She said—

....this portion of ravaged class "A" reserve being made available to essential shoreline industry which cannot be located elsewhere with advantage.

On the one hand the Minister said that with the excision of the land the land will be given to the Industrial Lands Development Authority for essential industrial purposes, and then she tries to con those on this side of the House, in the latter part of her second reading speech, by saying that these shoreline industries cannot be located elsewhere with advantage. The member for Cockburn has shown beyond any shadow of doubt

that they can be and they will be, out of sheer necessity, located in other places.

I cannot for one minute imagine why this Minister, in a speech which lasted for a few minutes, would deal with four or five essential environmental reports and studies to make the Parliament aware of what was involved in the excision of the land. In three minutes, in a cavalier fashion, the Minister said we ought to be agreeing with the Government on the question of the excision of this land.

No wonder we look askance at the Government's actions when it comes to this piece of land. The duplicity is in the Minister's own statements. On the one hand, she is going to give it to an authority for essential services, unnamed, unchallenged, with no idea of what they are going to be. Neither do the people of this State know what they are going to be. She has not the faintest idea why the Government wants the land. Then she says, "Well, there is nothing wrong with that. Why shouldn't we excise 25 hectares of land?" Then she repudiates the statement she made by saying that shoreline industries are needed to be located here. Who is telling the untruths? For what reason is this land needed?

All I can say—and I will conclude on this note—is that the Minister, in three minutes, dealt with the subject matter which the lead speaker for the Opposition was able to deal with admirably in a short one hour and 40 minutes! Members want to remember, when they read *Hansard*, that the member for Cockburn summarised many of the objections which were raised by the consultants which the Minister says the Government has agreed to. The member for Cockburn summarised 14 recommendations in one report in a very short speech lasting a matter of five or six minutes. However, the Minister has not extended the courtesy of giving us a valid reason in her three minute speech.

No wonder we are opposed to the Bill. It is not just, and there is no degree of consistency in its presentation by the Government. The land is not needed for industrial development in Cockburn Sound. The land is needed for things about which we have not been told. I wonder what they are. The people of Western Australia are entitled to a better deal than that.

Along with my colleagues who have spoken tonight and other members of the Opposition, I oppose the Bill wholeheartedly. We will not have a part of it. As far as I am concerned, it should never have come forward in this form. Certainly the Minister stands condemned by her own second reading speech.

**MRS CRAIG** (Wellington—Minister for Local Government) [11.20 p.m.]: I remind the member for Swan that we are debating a reserve Bill at the moment, and that the Bill is related specifically to one issue. I understand why the Opposition tonight has wished to take up some of the points of the amendment proposed to this House by the MRPA in order to plan cohesively and effectively for the area of Jervoise Bay. For that reason we have heard argument that is related to that report as well as to the excision of the 25 hectares.

Members of the Opposition have indicated continually that they do not believe adequate consideration has been given to the area of land in question. I indicate to them that the report is a public document, to which the member for Cockburn alluded many times. It was tabled in this House a couple of months ago. It is the metropolitan region scheme amendment No. 255/31. It indicated that the MRPA was asked to co-ordinate the planning and environmental studies in respect of recreational use of Woodman Point and the facilities to serve the needs of the shipbuilding and other projected marine orientated industry in adjacent areas, and also to indicate the final implementation through the statutory planning process by way of amendments to the metropolitan region scheme. This report, as a recommendation of the authority, has been accepted by the Government.

The member for Cockburn indicated tonight in great detail that he had done a lot of research on various reports in relation to matters concerning Cockburn Sound. The ones he mentioned specifically were matters of environmental importance.

He indicated too that the Maunsell report of 1971—I may be wrong with that date—proposed building ships of a very large size; and that he did not think that activity would be suitable for that area.

**Mr Taylor:** That was in 1975.

**Mrs CRAIG:** The Department of Industrial Development was asked to have a look at this particular area. It was given terms of reference which included a study that had been effected by the Department of Industrial Development. Because of the development of the North-West Shelf gas project, there was a need to offer to Western Australian industries the opportunity to construct the modules, units, jackets, and platform for the development.

The MRPA was asked to investigate areas on the coast from Port Hedland to Albany. The areas were investigated, and it was indicated that the

land in question in the Bill was the most suitable area for the industry to be located.

It is only fair to say that most people on both sides of this House have great concern for unemployed people in Western Australia. We are endeavouring to establish further industries in this State which will give employment to people in Western Australia.

I point out for the edification of the member for Swan that this Bill is not within my portfolio. It happens to be a Bill introduced by the Minister for Lands in the other place. There has been much debate already on the matter. This is my first opportunity to reply to the member, and I am taking a much longer time than three minutes.

As a Government, we are enormously concerned about unemployment and the need to establish career opportunities for young people in Western Australia. With the development of the North-West Shelf gas project, there was an opportunity to have more industry located in Western Australia, so these reports were commissioned. One report was prepared by a consultant, and the other was prepared by environmental consultants. Those consultants had access to the officers who were, at that time, working on the Chittleborough report.

Mr Barnett: They were not given an opportunity to suggest to the Government the best possible site.

Mrs CRAIG: The Chittleborough report was commissioned as a result of the many environmental studies previously alluded to by the member for Cockburn.

Mr Taylor: I acknowledge that point. We agree on it.

Mrs CRAIG: The reports showed that pollution in the sound had increased. The Government exhibited its concern by commissioning a study over a three-year period, which was going to cost a great deal of money. It has been said in this House on numerous occasions tonight that the report is expected to be available about the end of October or early November this year.

Mr Skidmore: Why don't you wait for it?

Mrs CRAIG: The point is that Soros, Longworth, and McKenzie, who did the environmental study for the MRPA, had access to the officers and much of the information contained in that report. After the MRPA considered the report it reached the conclusion that the industries to be established on the shores of Cockburn Sound would not contribute to the pollution that was already there. That is the

significant point that no member took out of the metropolitan region scheme amendment as tabled.

I am talking about the proposal before us tonight for the excision of 25 hectares and the industry that will be established on it. The environmental consultants have given proof, supported by the EPA, and it has been accepted by the MRPA, that the industry will not add to the pollution of the sound.

The MRPA made many recommendations, and the Government has accepted all those recommendations. I draw the attention of the Opposition to the Press statement that was made by the Premier at the time the amendment was tabled. The Press statement read as follows—

The Premier, Sir Charles Court, said that the Government had accepted the recommendations of the report . . . .

Mr Skidmore: How can you accept the recommendation of a report when you do not know what industries are going there?

Mrs CRAIG: The member for Swan asserts constantly that nobody knows what industries are to go there. The report details—

Mr Skidmore: I am looking at your second reading speech. They are your words, not mine.

Mrs CRAIG: —the facilities to serve the needs of shipbuilding and other projected marine orientated industry; and other more specific needs have of course been discussed by the MRPA.

Mr Skidmore: Words, words, words.

Mrs CRAIG: The Press report continues by indicating that the MRPA had recommended that positive action be taken to improve the quality of the water in Cockburn Sound and Owen Anchorage, and that the Government was awaiting the report of the Cockburn Sound study. This would deal in more detail with the waters of Cockburn Sound and Owen Anchorage, and the steps needed to correct any matters calling for attention.

Mr Skidmore: Is that report available?

Mrs CRAIG: That is a clear indication of the recommendations that are to be made in that report, which will be put into effect by the Government. It has accepted the responsibility to do something about the deteriorating waters in Cockburn Sound.

Mr Pearce: Why did the Premier try to stop Dr Chittleborough from getting a job in Victoria?

Mrs CRAIG: Dr Chittleborough had almost completed the report. He said that he believed the greater part of the work he was commissioned to do in the first instance had been done; and he



recognised the job was commissioned for three years only. Because of that he felt he would go on to another commission.

Mr Barnett: That does not answer the question.

Mrs CRAIG: The member for Cockburn drew attention also to the objections that had been lodged by the Town of Cockburn. I know from my discussions with the officers of the Town of Cockburn that it was opposed to the excision of the 25 hectares.

Mr Pearce: It still is.

Mrs CRAIG: It had even directed that a notice be prepared to the effect that it was not happy with that area of land being taken from the people who live within its vicinity. The views of the council were taken into consideration and we tried to indicate to it why the proposals had been put forward. The matter was discussed with the members who have been indicated already by the member for Cockburn. At the behest of the council other departmental officers were called in, but only when the council wished this to be done in order to obtain more accurate information. Otherwise the council preferred the meetings to be attended only by the persons who were nominated to be on the steering committee.

This 25 hectares of land is being used presently by a go-kart club, as has been mentioned. There is a public launching ramp there and the Cockburn power boat club operates from there. The greater part of the rest of the area has been ravaged by quarries and there is little natural vegetation left within the area.

It is my understanding that this particular area was chosen by people with engineering expertise because it had a sufficient foundation to be able to stand the weight of the machines and structures which it will be necessary to build there, and that the area referred to by the member for Cockburn, which is further north of that site, where the rig was erected previously, does not have the same limestone foundation and would not be suitable for the purposes we sought.

The member for Cockburn asked also what would happen to the facilities located on the reserve. There is a clear recommendation in the report that the Government will accept the responsibility for relocating those clubs.

Mr Barnett: Big deal!

Mrs CRAIG: A project co-ordinating committee has been appointed which is liaising already with the clubs and the council in order that they may be redirected to a site suitable not only to the Government, but also to the people who are utilising the facilities at the present time.

The same project co-ordinating committee is looking at the use of Woodman Point. It will make recommendations to the Government as to the most effective management for that area. Whilst I realise that in this report it was suggested that perhaps the most suitable persons to manage that area would be the local authority jointly with the Metropolitan Region Planning Authority, that is a matter which has been referred by the authority to this committee so that we can ensure the area is developed in the best interests of all the people of Western Australia.

The member for Cockburn said also that insufficient study had been made of the area in question for us to know that it was indeed a suitable site. I would like to point out to him that it is impossible for any machinery to go onto the land to determine its suitability until the area has been excised.

Mr Taylor: Are you saying it could not be done?

Mrs CRAIG: The area is believed to be suitable, because of the limestone foundation; but it is necessary now for further drilling to take place in order that we may establish exactly what can be supported by the site where the platform is to be located and matters of that sort.

Mr Taylor: If the tests are not suitable, will you return the land to its present condition?

Mrs CRAIG: The member for Cockburn is aware of a rig operating some little distance off the groyne in Cockburn Sound which is doing exploratory work already; but it will not be able to move onto the land until a later time and that is why it is necessary to carry out intensive investigations.

Mr Barnett interjected.

Mrs CRAIG: The member for Rockingham indicated that it was an area which would no longer be available for swimming. If the member looks at the surveys carried out in relation to the number of people who actually utilise the area for swimming, he will find that is not in fact a very serious problem and that the area of land shortly to be made available to those people on the northern side of Owen Anchorage will be a better place and a more protected site for swimming. The water will be less polluted.

Mr Barnett: I am not talking about people using it now; I am looking ahead into the future.

Mrs CRAIG: If the member for Rockingham was trying to develop an argument, he did not do so. That is what he said, and I am indicating a much greater area will be available to people in the future.

The member indicated also that industry should not be adjacent to the sound. We have tried to indicate it is absolutely necessary, and the member for Cockburn said on three occasions that other industries of this sort had been established adjacent to the water.

Mr Skidmore: That does not mean they have to be.

Mrs CRAIG: It is necessary for these industries to be adjacent to the water and that is the very reason they were located there.

The member for Rockingham said also he was concerned because scallops no longer existed in Cockburn Sound. Had he done his homework better, he would have realised that historically scallops have a fluctuating population for reasons scientists cannot explain. They move in and out of an area and no-one knows whether it is the pollution of the sound that has caused them to leave, or some other reason. This matter is not disputed by environmental experts.

The member referred also to gypsum in the sound and he said he realised that the Government is arranging now for its removal. He referred also to the eutrophication of the sound and the algal blooms and slimy green seaweed which have developed there. We are aware of this and that is another reason we are awaiting the recommendations of Dr Chittleborough in order that we will be able to effect sound management techniques in Cockburn Sound to ensure that deterioration of the water does not increase.

Mr Davies: If the Chittleborough report is against what you are recommending, will you go back and alter what you are doing now?

Mrs CRAIG: In reply to the Leader of the Opposition, Dr Chittleborough has been asked to indicate to the Government the exact water movements in the sound and how it will be best to rehabilitate it. The Government has accepted a commitment to rehabilitate Cockburn Sound. That is really extraneous to tonight's debate which relates to an industry which the environmentalists are convinced will not contribute any further to the pollution of the sound, except perhaps in two ways which are mentioned in the report. One is the sandblasting which will need to be controlled carefully, because there could be some drift into the sound. This can be controlled in this day and age and it is in fact controlled in many places where sandblasting occurs.

So I believe the Government—

Mr Davies: What was the other point?

Mrs CRAIG:—in seeking to excise this area of 25 hectares from an "A"-class reserve is acting in the best interests of the people of Western Australia. It is an honest attempt to establish an industry here which will utilise a great labour force and provide career opportunities to many young people.

Mr Skidmore: Strike up the band!

Mrs CRAIG: It will not preclude the activities of the clubs presently sited in the area from continuing, because they will be relocated at a site which will be quite close to that which they have been occupying for some time.

I commend the Bill to the House in the true knowledge that it is in the best interests of the people of Western Australia.

Question put and a division taken with the following result—

#### Ayes 25

|              |             |
|--------------|-------------|
| Mr Blaikie   | Mr Old      |
| Mr Clarko    | Mr O'Neil   |
| Mr Cowan     | Mr Ridge    |
| Mr Coyne     | Mr Rushton  |
| Mrs Craig    | Mr Sibson   |
| Mr Grayden   | Mr Sodeman  |
| Mr Grewar    | Mr Spriggs  |
| Mr Hassell   | Mr Stephens |
| Mr Herzfeld  | Mr Tubby    |
| Mr Laurance  | Mr Watt     |
| Mr MacKinnon | Mr Williams |
| Mr McPharlin | Mr Shalders |
| Mr Mensaros  |             |

(Teller)

#### Noes 15

|                |             |
|----------------|-------------|
| Mr Barnett     | Mr Hodge    |
| Mr Bertram     | Mr Pearce   |
| Mr B. T. Burke | Mr Skidmore |
| Mr T. J. Burke | Mr Taylor   |
| Mr Carr        | Mr Tonkin   |
| Mr Davies      | Mr Wilson   |
| Mr H. D. Evans | Mr Bateman  |
| Mr Grill       |             |

(Teller)

#### Pairs

| Ayes              | Noes           |
|-------------------|----------------|
| Mr Crane          | Mr T. H. Jones |
| Mr Nanovich       | Mr McIver      |
| Sir Charles Court | Mr T. D. Evans |
| Mr Young          | Mr Harman      |
| Mr O'Connor       | Mr Jamieson    |
| Dr Dadour         | Mr Bryce       |
| Mr P. V. Jones    | Dr Troy        |

Question thus passed.

Bill read a second time.

#### In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mrs Craig (Minister for Local Government) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Reserve 24309 Town of Cockburn—

Mr TAYLOR: The Minister's response was an abysmal apology, but it was presented beautifully. I will take the time of the Committee on two or three matters only. The Minister referred to a point I should have covered but did not. It related to the fact that other areas had been checked, but the departmental officers' recommendation was that, after checking from Port Hedland to Bunbury, this was the only site.

Mr Watt: Port Hedland to Albany.

Mr TAYLOR: Port Hedland to Albany. I would like to reply to the interjection by saying that in the previous debate in 1961 a plea was made for Albany and Bunbury. I made the point earlier that presumably members these days are not as interested in their electorates as they were in 1961 in regard to the construction of these modules.

The suggestion was made that the departmental officers had looked from Port Hedland to Bunbury. I believed I had covered in a long dissertation the fact that the officers had made suggestions to various Governments since 1961, and report after report and recommendation after recommendation had been made to no avail.

In 1961 it was decided that the area was needed for shipbuilding, but that did not occur. In 1963 the land alongside was purchased. A shipbuilding facility was not established until 1968.

In 1970 the land was rezoned into 11 lots, and in 1971 into seven lots. In 1974 it was set aside for North-West Shelf and other developments, and it is still less than half utilised. Officers have been saying these things over and over again in reports. The Maunsell report in 1976, which the Minister said was not accepted by the Government, made reference to using this reserve for shipbuilding. That report was commissioned by the Department of Industrial Development. Officers have to say these things—it is their job to say them—and the Minister comes up with the statement that the officers looked from Port Hedland to Albany and this was the only suitable site.

Paragraph 16.6 of the metropolitan region scheme amendment No. 255/31, under the heading "Proposal Not Substantiated" says—

Another often expressed criticism of the Planning Study Report is that evidence is not available showing that other sites along the coast have been examined and found wanting, nor is the choice of the Jervoise Bay site adequately substantiated. During the course of hearings it became clear that Members or Deputies were satisfied that

evidence in that regard would be needed before the submissions were finally considered and a report prepared for the Minister.

Mrs Craig: Read further on.

Mr TAYLOR: I will follow it through. Paragraph 17 reads—

The Co-ordinator, DID, lodged with Members and Deputies at the Special Meeting of the Authority on 16 June, a paper setting out the relevant background referred to in 16.6 above.

That paper is attached hereto as APPENDIX B.

From the submissions the MRPA committee was satisfied that a sufficient case had not been made out that other places had been looked at, and unless that study were made it was not prepared to push the report forward. The report of the Department of Industrial Development, which is appendix B, is a generalised statement of a number of reasons why other areas are not suitable—back-up facilities, soil testing, and the need to be near a port. A number of suggestions are made in a 2½ page submission. That is all the department could come up with. The MRPA said, "No, we want to hear more. Why should it be on that site? Tell us. Without that information we are prepared to believe other sites could be used." So the Department of Industrial Development came up with a 2½ page report which makes generalisations only.

Mrs Craig: And the members of the authority accepted it.

Mr TAYLOR: They also accepted environmental restraints, provided a number of things were done. They took the word of the Government that certain things would be done. The MRPA said, "If you really believe it, we will accept it."

On the 30th August I asked the Minister for Industrial Development question 1320, which read—

(1) With respect to this department's recommendation that Jervoise Bay be the major construction and assembly area for the North-West Shelf modules, service vessels, etc., would he give details of and table all papers and reports in connection with studies done to determine the suitability of areas at—

- (a) Bunbury;
- (b) Geraldton;
- (c) Kwinana/Rockingham;
- (d) all other areas?

- (2) What companies carried out such studies?
- (3) When were any such studies undertaken?
- (4) What specific areas were examined at each location?
- (5) (a) Where were specific soil compaction and similar tests undertaken in each case; and  
(b) what was the result?

That was a fair question because it is not answered in the MRPA report which was tabled in Parliament. The Minister did not answer the parts of the question individually. His answer was—

- (1) to (5) No. The Government had access to earlier reports by Maunsells Yard on ship repair sites and accepted the criteria for a feasible offshore services construction site as set out in the MRPA report.

The MRPA accepted the DID report when the people who compiled the MRPA report said, "We want further information as to why it cannot go somewhere else." The Minister now says, "I will not tell you where that material came from. We will go along with the MRPA recommendation." That is going around in a circle. The Government will not tell us anything about its reports; instead it will agree with the MRPA recommendations, which are based on the statement of the Minister's department that the work has been done. It is a circular argument.

I had the Maunsell report earlier but unfortunately it is not here now. It is the report the Government rejected in 1975-76 and it determined that the breakwater should go out, there should be a big swinging basin, and it could take ships of up to 200 000 tonnes. The Government rejected it.

Mrs Craig: The Government rejected the proposition of building ships of that size in that area.

Mr TAYLOR: To my recollection, nothing in the report indicates that any work was done at all in Port Hedland or anywhere else. Regrettably I do not have it in front of me at the moment. I asked the Minister to substantiate these matters. I asked whether investigations were made in Bunbury, Geraldton, and other areas, which companies carried them out, when were they carried out, what studies were made, what soil compaction tests were done, and whether he would table the papers. The Minister said he would not do that. He said the area was selected

because it was recommended by the MRPA as the only site available.

Another point I made is that right alongside that 25-hectare site is another 20 hectares which has the same material, and so on, and only half of it is being utilised. A little further up, also adjacent, is a sandy area where the rig was built; that is 47 hectares of land which are not being used, and over a mile of foreshore which is not being used. But this 25 hectare piece of land has to be used because the officers say no other area is available. It does not wash.

Dr Chittleborough had almost completed his report before he went to the Eastern States six months ago and it has been held up by one small technical report. We cannot have it to see what is going to happen. The Leader of the Opposition made a very good point when he asked what would happen if the report were against the development of the site and whether the Government would reverse its decision. The Minister said, "In no way." I asked whether, if the site is not used for shipbuilding or for the North-West Shelf development, and any subsequent use is completed, the land will revert; and again his answer was, "No." So, if the North-West Shelf development does not get off the ground the reserve does not go back to the Town of Cockburn. I asked whether, if the site is not used subsequently, it will revert to the reserve, and again the answer was, "No." So what is the point? If the Chittleborough report comes out against it, no matter what it says, the reserve stays with the Government.

The Minister also made the absurd statement that the Chittleborough report is extraneous to the argument tonight. I went to great lengths to show that up to 1976 every single environmental report had claimed no adequate knowledge of Cockburn Sound. By interjection the Minister acknowledged that. The Government commissioned a report, which was three years in the making, in relation to what could be done about Cockburn Sound, and the Minister says it is extraneous to the debate tonight.

Mrs Craig: Because the industries proposed would not contribute pollution.

Mr TAYLOR: Yet the MRPA report is full of statements about things which need to be done.

Mrs Craig: But they do not relate to the excision of the 25 hectares.

Mr TAYLOR: They relate to the consequences of the excision of the 25 hectares.

Mrs Craig: They do not relate to the excision of the 25 hectares, which is the matter under debate tonight.

Mr TAYLOR: One statement made publicly in a newspaper by a member in another place was that this area, the excision of which the Opposition in another place opposed, would provide 2 000 jobs. It will have such an impact, yet it will not cause pollution problems, and the Chittleborough report is irrelevant to the debate tonight. That is one of the craziest statements I have ever heard.

Another point the Minister made was that other marine paraphernalia was likely to be constructed in the area although whatever was constructed on the other side of Cockburn Road apparently could be brought across on rubber-tyred trailers. I am not sure that has any bearing on this matter.

Her final response was the suggestion that the Government had to acquire an "A"-class reserve so that it could test it to see whether it could be used.

Mrs Craig: So that further testing could be conducted.

Mr TAYLOR: I do not recall the Minister saying "further" testing, but I assume from that that some testing has taken place.

Mrs Craig: At the time of the Maunsell report.

Mr TAYLOR: I read in the Maunsell report that certain things needed to be done, including boring of the site; and the Cockburn Council said in a submission to the MRPA that after three years those things had not been done. The Minister said the Government had not accepted the Maunsell report, and she now says the reserve is needed to do more testing. I ask again: If as a result of further testing it is found not to be suitable, will the reserve revert?

Mrs Craig: The area will be used for industrial purposes of a non-polluting nature.

Mr TAYLOR: No matter what is said in this debate, some use will be found for that reserve, when there is an area of 25 hectares elsewhere and a mile of foreshore alongside it. It should not be allowed to happen.

Mr SKIDMORE: I want to take up the Minister's misleading reply to the argument from this side of the Chamber in opposition to the Bill. I will take out of the MRPA report and its appendix some of the essential facts which will indicate the Minister has not a clue what she is talking about. She says we have not read the report and that we are using it wrongly. On page 2 of appendix B to the Jervoise Bay-Woodman Point study, this is said—

All sites other than those at Geraldton, Bunbury and Cockburn Sound were eliminated when tested against the criteria.

No further mention was made of the other sites; they did not meet the criteria so they were forgotten. The report then says—

It was and still is considered a proposition to building the accommodation modules for both Woodside's platforms in Geraldton, and general planning to enable this to be done is continuing.

The Minister made great play in her second reading speech about the fact that the modules would be built there, and that is one of the reasons that the 25 hectares should be excised. The report goes on to make the following damning indictment of the Minister—

It is considered impossible for modules other than accommodation to be done on this site due to site conditions and the workforce and backup facilities not being available.

So the report says only a small proportion of the work involved in respect of the North-West Shelf could be carried out on this site. The Minister tried to impose upon us a confidence trick by saying that is not so and that a 40 000-tonne piece of machinery would be built there—and we have already indicated that is an impossibility. The Minister should be careful to be sure that what she says is truthful. The report goes on to say—

Potential sites in the Bunbury area were finally eliminated after a careful review of the criteria, particularly 1 and 3.

The first criterion is as follows—

1. The site must be on the seafront and be capable of development within reasonable cost parameters of effectively carrying out the type of work already described.

That is not on at Bunbury. The same criterion could be applied to Cockburn Sound, but I doubt that happened. If Bunbury was rejected, certainly Jervoise Bay should be rejected also. The second criterion is as follows—

2. It needs to have certain minimum areal features since the nature of the activity being serviced is that a large volume of work is required to be done in a limited time period.

If the Minister tells me that the work envisaged by the Government for the North-West Shelf project will be able to be carried out on 25 hectares of land, I will not believe it. I believe it is an engineering impossibility in respect of both time and area. The third criterion is—

3. It requires the ground load carrying capability of the site to be higher than normal because of the very large and heavy work involved in this type of construction.

I refer back to the fact that potential sites in the Bunbury area were finally eliminated after a careful review of the criteria. Therefore, Geraldton and Cockburn Sound are now left to us. Apparently drilling was carried out at Bunbury; so the Minister wants us to agree to the excision of 25 hectares of a class "A" reserve in order that some holes may be drilled to determine the load carrying capacity of the land. Testing was carried out at Bunbury, and the area was abandoned. It is a wonder the member for Bunbury is not hopping up and down and going crook because of the loss of employment opportunities.

The Government has not bothered to arrange a drilling programme in the area. The Minister has told the member for Cockburn that even if the land in question is not good enough for the job it will be excised and used for industrial development. We do not even know what industries will be established there; they could include an abattoir or a sewage treatment plant.

This matter concerns me seriously because the Minister has misled the Chamber. I am aware that she is handling the Bill for a Minister in another place, but incompetence is not an excuse to be let off easily. If the Minister accepts responsibility she can expect to be castigated by this Chamber for her puerile, ineffective, and abysmal reply to the debate.

The report prepared for the Minister shows the area is not good enough for the proposed work. Therefore, that is no reason for its excision. The Government has adopted a pig-headed attitude, and it will excise this area and let the go-kart club, the underwater explorers, and boat owners go to hell! The Government will retain this piece

of prime recreational land for an undetermined use. The Opposition will not cop that, nor do we believe the people of this State will cop it.

I ask the Minister to explain to me why the site in question was not tested, when the other sites were tested.

Clause put and passed.

Title put and passed.

#### *Report*

Bill reported, without amendment, and the report adopted.

#### *Third Reading*

Leave granted to proceed forthwith to the third reading.

**MRS CRAIG** (Wellington—Minister for Local Government) [12.09 a.m.]: I move—

That the Bill be now read a third time.

**MR TAYLOR** (Cockburn) [12.10 a.m.]: I will be brief. Now that the Bill has passed through the Chamber and the Government has had its way after so many years, I wonder whether some thought could be given to agreeing with the Town of Cockburn that if the North-West Shelf project is postponed for any reason the reserve will be left available for public purposes. If when the North-West Shelf project gets under way, the contracts for the work are let elsewhere, again I would ask that the reserve now owned by the Government and controlled by the Department of Industrial Development be allowed to remain for its present purpose. Certainly if after a reasonable time has passed the site is not utilised for this purpose, I would ask that it be returned to its former status of an "A"-class reserve.

I would ask the Government to consider this matter in order to salvage something from this shameful episode.

Question put and passed.

Bill read a third time and passed.

*House adjourned at 12.11 a.m. (Wednesday)*

# QUESTIONS ON NOTICE

## LAND

### *Cervantes*

1704. Mr CRANE, to the Minister representing the Minister for Lands:

- (1) Has funding in the 1979-80 State Budget been provided for the development of the new subdivision of 131 lots at Cervantes?
- (2) If not, what funding can be allocated?
- (3) When will the subdivision proceed in view of the delay experienced by the Dandaragan Shire and the demand for building blocks in coastal towns?

Mrs CRAIG replied:

- (1) and (2) Subdivision funding for 1979-80 is currently subject to discussion with the Treasury.
- (3) A decision will be made shortly, subject to finalisation on the question of funding and requirements for deep sewerage.

# TRAFFIC: PEDESTRIAN CROSSINGS

## *Overpass: Albany Highway*

1705. Mr BATEMAN, to the Minister for Transport:

What is the cost of constructing an overpass at Albany Highway, Cannington, to service the Carousel shopping centre with safety from the south to the north side across the highway?

Mr RUSHTON replied:

No estimate has been prepared but, based on previous works of this nature, an overpass could be expected to cost in the order of \$200 000.

It should be noted that the provision of pedestrian facilities is the responsibility of the local authority concerned. However, where large numbers of pedestrians are required to cross busy arterial roads, the Main Roads Department does provide a subsidy, particularly where significant numbers of school-age children are involved.

# TRAFFIC

## *Albany Highway*

1706. Mr BATEMAN to the Minister for Transport:

- (1) How many vehicles use Albany Highway daily from 6 a.m. to 6 p.m. Monday to Friday from Nicholson Road to Wharf Street, Cannington?
- (2) How many accidents have occurred between the same two streets on Albany Highway in the past two years?
- (3) Will he give the number of fatalities and injuries caused by accidents over the same period of time?

Mr RUSHTON replied:

- (1) A count taken in August, 1978, showed 35 500 vehicles per day.
- (2) 592.
- (3) It has been assumed that the information is required in relation to Albany Highway between Nicholson Road and Wharf Street, including the intersections, during the past two years. The number of fatal accidents was three and the number of accidents resulting in injury was 97.

It should be noted that when one or more persons is injured in a particular accident, this is regarded as "one injury accident". The same applies to fatal accident statistics.

# HEALTH FUNDS

## *Control*

1707. Mr BERTRAM, to the Minister for Health:

- (1) Is it a fact that some of the health funds in this State are controlled from sources foreign to this State?
- (2) (a) If "Yes", which ones;  
(b) where is the source; and  
(c) who are the controllers?

Mr YOUNG replied:

- (1) and (2) It is assumed the member means health benefit funds. All health benefit funds operating in Western Australia are registered by the Commonwealth under the National Health Act to operate in Western Australia and are registered by the Commonwealth as Western Australian organisations.

In special circumstances, there are exceptions to this rule—the Commonwealth Bank Health Society for employees of the Commonwealth Banking Corporation, whose central office is in Sydney, and Medibank whose central office is in Canberra. Both these organisations have branches in Western Australia.

### TRANSPORT: BUSES

#### *Fremantle-Perth: Patronage*

1708. Mr COWAN, to the Minister for Transport:

- (1) What was the average patronage of line buses on the Perth-Fremantle run during their first month of operation?
- (2) What was the average patronage of normal buses on similar routes between Perth and Fremantle during the same period?
- (3) What was the average patronage of normal buses on similar routes between Perth and Fremantle in the month before the introduction of the line bus service?
- (4) What was the average patronage of normal buses on these routes last financial year?

Mr RUSHTON replied:

- (1) to (4) The period since withdrawal of the rail service has been one of considerable fluctuations in regard to loading, the reason being that it has included school holidays, football finals, and the Royal Show.

The MTT is monitoring the loading changes on routes in the Perth-Fremantle corridor. The deputy chairman has advised that the results will be available to me in November this year, by which time normal trends will be apparent and valid comparisons can be made.

### CONFEDERATION OF WA INDUSTRY AND PERTH CHAMBER OF COMMERCE

#### *Rented or Leased Floor Space*

1709. Mr DAVIES, to the Premier:

Further to question 1620 of 1979 relevant to grants and loans, what was

the value of floor space rented or leased to the Confederation of Industry and/or Perth Chamber of Commerce, together with the value of the provision of State promotional material?

Sir CHARLES COURT replied:

In regard to fairs and promotions over the last three years, no exhibit space was rented or leased to the Confederation of Industry and/or Perth Chamber of Commerce.

State promotional material used at trade fairs is drawn from stocks held by the various departments concerned. One exception was a payment of \$1100 made to the Confederation of Western Australian Industry by the Department of Industrial Development for a brochure setting out the interests and capabilities of Western Australian industry for the 1978 South-East Asia offshore oil and gas mission to Singapore.

### TRANSPORT: AIR

#### *Fares: Interstate*

1710. Mr DAVIES, to the Minister for Transport:

- (1) Further to question 1619 of 1979 relevant to fare construction formula, will he advise when he wrote to the Federal Minister for Transport seeking a better air fare construction formula?
- (2) Will he advise the outcome of his representation when received?

Mr RUSHTON replied:

- (1) The last occasion was on the 28th August, 1979.
- (2) It is my intention to keep the public informed of the results of our efforts to secure better air fares for Western Australia as they are achieved.

### TRANSPORT: AIR

#### *Fares: Perth-Sydney-Perth Extensions*

1711. Mr DAVIES, to the Minister for Transport:

- (1) Further to my question 1617 of 1979, relevant to domestic air fares, will he fully explain the two tiered formula as a basis for the calculation of domestic fares?



- (2) Is it intended that his suggested formula would operate in terms of domestic and international travellers, or have alternative arrangements been sought for international travellers for the Perth-Sydney leg of their journey?
- (3) What are the other matters related to the welfare of tourists and other travellers on international and domestic flights to and from this State to which he is awaiting a response from the Federal Minister for Transport?

Mr RUSHTON replied:

- (1) The present domestic air fare formula for economy travel on major trunk routes is as follows—

flagfall—\$17  
distance component—6.85 c per kilometre

The two-tiered formula we have suggested as a start, is as follows—

flagfall—\$25  
distance components—  
first tier 7.5 c per kilometre for the first 1 000 kilometres  
second tier 4.5 c per kilometre for each subsequent kilometre.

Obviously there could be a number of variations on this theme which would give a similar result for Western Australian travellers.

- (2) The question shows some lack of comprehension of the answer given to question 1617, the question to which the Leader of the Opposition has referred. The suggested formula would apply to all passengers travelling either with an economy class domestic airline ticket or with an airline ticket bought under discount fare conditions where that airfare is tied to the domestic economy air fare.
- (3) Apart from the general question of air fares, other matters are—  
parallel scheduling;  
frequency and timetabling of flights to and from Perth;  
congestion at Perth Airport;  
planning for the future of Perth and other airports in Western Australia;  
cost and continuity of supply of aviation fuels.

## TRANSPORT: AIR

### *Darwin-Perth*

1712. Mr DAVIES, to the Minister for Transport:

Further to question 1618 of 1979 relevant to the delay in approval for a DC9 second service, in view of the importance of a second DC9 service each week from Perth to Darwin, why did he not bother to inform himself of the reasons for the delay?

Mr RUSHTON replied:

The Commonwealth Airlines Agreement Act specifies a procedure to be followed where either airline desires to operate a new service on a competitive route. This procedure can be protracted.

I knew that TAA, in seeking to advance its own cause, was doing all it could to minimise the length of time taken to work to the procedures.

## TRANSPORT: AIR

### *Two Airline System*

1713. Mr DAVIES, to the Minister for Transport:

Further to question 1616 of 1979 relevant to termination of the two airline policy, will he advise those features of the two airline policy which clearly disbenefit Western Australia and will he advise what modifications of those features he is seeking?

Mr RUSHTON replied:

No. I am not prepared to release this information until negotiations have advanced further.

## APPRENTICES

### *Government Departments and Instrumentalities: North-west Towns*

1714. Mr DAVIES, to the Minister for Labour and Industry:

Further to question 1611 of 1979 relevant to apprentice employment, why is he unable to provide maximum quotas of apprentices which can be employed in the north-west towns, in numerical terms?

Mr O'CONNOR replied:

In earlier replies to the member's questions about this subject, I have explained that the number of apprentices employed by Government departments and instrumentalities is to a large extent influenced by varying circumstances such as those listed in my reply to question 1611.

I cannot add to that information. However, if the member will explain clearly what he means by the term "maximum quota" I shall endeavour to provide further information.

## LAND

### *North-west Towns*

1715. Mr DAVIES, to the Minister representing the Minister for Lands:

Referring to question 1578 of 1979 relevant to the demand for residential land, how many lots have been sold in each of the towns referred to since the beginning of 1977?

Mrs CRAIG replied:

- (a) 42.
- (b) Nil.
- (c) 3.
- (d) Nil.
- (e) 85.
- (f) Nil.
- (g) Nil.
- (h) Nil.
- (i) 5.
- (j) Nil.
- (k) Nil.

## TOURISM

### *Press Advertisement*

1716. Mr PEARCE, to the Minister representing the Minister for Tourism:

- (1) What was the cost of the Department of Tourism's advertisement published in *The West Australian* on Saturday, the 15th September and headed "Fair Go Mate"?
- (2) Was the advertisement paid for by the department and, if so, from what part of the department's appropriation did the funds come?

- (3) If it was not paid for by the department, who paid for it?
- (4) Who authorised the placing of the advertisement?
- (5) Is it departmental policy to place display advertisements in newspapers on behalf of visitors to Western Australia who suffer some loss while in the State?

Mr O'CONNOR replied:

- (1) \$109.
- (2) and (3) The cost will be charged against the miscellaneous Press advertising sub-item of the advertising and promotion budget.
- (4) The Director of the Department of Tourism.
- (5) This matter arose from a report in *The West Australian* of the 14th September, wherein a visitor to Perth who had an article stolen from his motor vehicle criticised the State's hospitality and friendliness.

The department has a responsibility to promote Western Australia and the advertisement was designed to create an awareness of how valuable our reputation for hospitality and friendliness is.

It is significant that, since the advertisement, a local silversmith has offered to sculpt and cast a new mascot free of charge—(other than material)—for the visitor.

## STATE FINANCE

### *Bank Negotiable Certificates of Deposit*

1717. Mr DAVIES, to the Treasurer:

- (1) What are the names of the companies, corporations, and financial or other institutions to which \$38 million had been advanced at the 30th June in return for the transfer to the Government of an equivalent value of bank negotiable certificates of deposit?
- (2) When conducting transactions of this nature is it a fact that the Government makes cash advances to these organisations in exchange for the negotiable certificates of deposit?
- (3) What is the rate of return on this type of investment?

Sir CHARLES COURT replied:

- (1) I am not prepared to provide this information. As I have now stated repeatedly, the type of security held by the Government to cover investment transactions with individual clients is confidential between the Treasury and client in accordance with normal commercial practice.
- (2) The whole process of investing the Government's cash resources is one of placing funds with approved borrowers in exchange for the lodgment with Treasury of specified securities.
- (3) The rate of return on all investments varies during the year with daily market fluctuations and it is not possible to give a specific answer to this question and for reasons of which the Leader of the Opposition should be aware.

This and other questions on this subject from the member indicate that he is not knowledgeable on the normal operations of the short-term investment market or, alternatively, he is being wrongly advised.

If it is of any assistance to him, myself and senior Treasury officers would be prepared to confer with him and explain the ramifications and practices of the market.

#### HEALTH: CHIROPRACTORS

##### *Council on Chiropractic Education*

1718. Mr HODGE, to the Minister for Health:

- (1) Further to question 1654 of 1979 relevant to chiropractic, will he provide the following details about the Council on Chiropractic Education referred to in his reply—
  - (a) which Act of Parliament established the council;
  - (b) is the council a Western Australian organisation;
  - (c) is the council a registered, incorporated or statutory body in Western Australia;
  - (d) who does the council represent and who is it responsible to;
  - (e) who are the council members, what are their names, occupations and qualifications;
  - (f) how do council members gain a board position; that is, are they elected or appointed;

(g) if council members are elected or appointed, who elects them or who appoints them?

- (2) Is the Chiropractic Education Council the same body referred to in his Press release of Wednesday, the 3rd October, as the Australian Council of Chiropractic?

Mr YOUNG replied:

- (1) (a) to (g) No, because many of the answers are unknown. The Council on Chiropractic Education is based in Des Moines, Iowa, USA and is the professional accrediting agency for chiropractic education in the United States of America and is used for this purpose also by Canada.
- (2) No.

#### HEALTH: CHIROPRACTORS

##### *Act: Amendment*

1719. Mr HODGE, to the Minister for Health:

- (1) Is it a fact that the Government intends introducing legislation into Parliament during this session to amend the Chiropractors Act, 1964?
- (2) If "Yes", what is the nature of the proposed amendments and when will they be introduced into Parliament?
- (3) Does the Government intend changing the Chiropractors Registration Board rules during this session of Parliament?
- (4) If "Yes" to (3), what is the nature of the proposed changes and when will they be introduced into Parliament?
- (5) Has the Government had consultations or negotiations with the United Chiropractors Association regarding any proposed changes to the Chiropractors Act or rules?
- (6) Is it a fact that currently the Chiropractors Act makes no provision for Australia's largest Chiropractic Association to be represented on the Registration Board?
- (7) (a) If the Chiropractors Act is to be changed will he give consideration to providing equal representation on the Registration Board to the two major chiropractic associations, the Australian Chiropractors Association and the United Chiropractors Association of Australia;
- (b) if not, why not?

- (8) If the Government is considering changing the Chiropractors Act rules, will Australia's largest longest established and most respected Chiropractic college, the Sydney College of Chiropractic, New South Wales, be included as a prescribed recognised college?
- (9) Is it fact that graduates of the Sydney College of Chiropractic have been recognised by the New South Wales Registration Board and the Victorian Registration Board?
- (10) Is it a fact that legislation has been passed by the New South Wales, Queensland, Victorian, and South Australian Parliaments that provides for equal representation from the two major Chiropractic Associations on registration boards in those States?

Mr YOUNG replied:

- (1) If it is possible to do so.
- (2) (a) To provide for an appeal to the courts against decisions by the board;
- (b) to require the board to submit an annual report and supporting audited financial statements;
- (c) to increase penalties for offences against the Act;
- (d) to recognise the Australasian Council of Chiropractic as the body to advise the board on acceptable academic levels for registration;
- (e) to give the board powers to conduct examinations of chiropractors and appoint examiners if the Crown Law Department advise that this power is not already sufficiently well established in the present Act.
- (3) Yes.
- (4) (a) The standard for registration to the completion of training at the International College of Chiropractic in Melbourne or equivalent training.
- (b) the schedule of fees.

Amendments to rules are not introduced into Parliament.

- (5) No.
- (6) As the size of membership of the various chiropractic associations in this State is not exactly known, it is not possible to answer this question.
- (7) (a) No;

(b) because the United Chiropractors Association is not considered to be representative of sufficient number of chiropractors, who are registered in Western Australia and members are eligible for appointment under section 7, subsection 2(c) of the Act.

- (8) The graduates of the Sydney College of Chiropractic will be eligible for registration if that college is able to prove that its standard of chiropractic tuition is at least as high as that of the International College of Chiropractic in Melbourne.
- (9) and (10) Not known.

## QUESTIONS WITHOUT NOTICE INDUSTRIAL ARBITRATION ACT

### *Amendment*

- 1. Mr PEARCE, to the Minister for Labour and Industry:

When does the Government propose to introduce new amendments to the Industrial Arbitration Act?

Mr O'CONNOR replied:

As soon as possible.

### LAND

#### *Forrest Place*

- 2. Mr DAVIES, to the Premier:

Has any decision been reached—or is any decision approaching finality—with regard to the transfer of the land in Forrest Place from the Commonwealth to the State? I think this transfer has been under negotiation since 1973.

Sir CHARLES COURT replied:

My understanding is all the formalities so far as the State and the Commonwealth are concerned have been completed long since. I am not referring to the final legal documentation. My understanding also is that the final use of the land and the integration of the land into the local area is still subject to discussions between the Perth City Council, the Government, and other parties involved.

I will obtain the latest information for the Leader of the Opposition and advise the House tomorrow.

# STANFORD INSTITUTE

## *Report*

### 3. Mr SKIDMORE, to the Premier:

Why was the Stanford Institute report never made public?

Sir CHARLES COURT replied:

The document referred to is a report which was made to the Government, and, as such, it has been treated on that basis. That is not unusual, and I think quite proper.

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