Premier's remarks than in terms of the remarks of the Leader of the Opposition.

In my reading of the traditions of our Parliament, it became clear that many years ago a person elected to the office of Speaker was usually very reluctant to take the Chair. In fact, it was a tradition in the House of Commons that the person chosen to be Speaker had to be dragged to his seat. This reluctance was brought about by the fact that a Speaker sometimes lost his head when his decisions did not please certain people. I did not demonstrate that reluctance today because of the obvious bulk of the Premier and his Deputy; it was little use my struggling as I would have reached here anyway.

I believe our system of democracy is the envy of many countries and many people around the world. Unfortunately we meet at a time when democracy is under some change. Some time ago an article in an international magazine featured a showing the shrinking number democracies. This illustrates to us that we have a very grave responsibility; we must ensure that the system under which we operate is in no way brought into disrepute. It will be my aim during my term in this office to conduct myself in such a way as to ensure I will leave the office without the institution having suffered in any way, having been brought into disrepute or downgraded in any other way.

I thank members for the confidence they have placed in me in electing me their Speaker.

PRESENTATION OF SPEAKER

SIR CHARLES COURT (Nedlands—Premier) [11.56 a.m.]: Mr Speaker, I desire to announce that his Excellency the Governor will be pleased to receive the Speaker-elect and such honourable members as desire to accompany him tomorrow afternoon at a time convenient to the Governor.

THE SPEAKER: I will now leave the Chair to a date and time to be advised to honourable members.

Sitting suspended from 11.57 a.m. on the 24th May, 1977, to 3.00 p.m. on the 28th July, 1977.

Thursday, the 28th July, 1977

The SPEAKER (Mr Thompson) resumed the Chair at 3.00 p.m.

PRESENTATION OF SPEAKER

THE SPEAKER (Mr Thompson): I desire to

report that accompanied by the member for Cottesloe, the member for Gosnells, the member for Melville, and the member for Mundaring, I submitted myself to His Excellency the Governor on Wednesday, the 25th May, and, on behalf of the House, laid claim to its undoubted rights and privileges, and prayed that the most favourable construction be placed upon its proceedings; and that His Excellency has been pleased to express his satisfaction at the choice of the Assembly in the following terms—

Mr Speaker,

It is with much pleasure I learn that you have been elected by the Members of the Legislative Assembly to the high and honourable office of Speaker of that House.

I have every confidence that you will fill the office in a worthy and dignified manner.

> (Sgd.) Wallace Kyle, Governor.

SPEAKER'S COMMISSION

THE SPEAKER (Mr Thompson): I wish to report also that I have received from His Excellency a Commission to swear in honourable members and this I hand to the Clerk to read to the House.

The Commission was read.

SWEARING-IN OF MEMBERS

THE SPEAKER (Mr Thompson): I desire to announce that before me on the 12th July last Mr Ronald Edward Bertram did take and subscribe the Oath of Allegiance according to law.

I am prepared to swear-in the member for Morley.

Mr Tonkin took and subscribed the Oath of Allegiance, and signed the roll.

SUMMONS FROM THE GOVERNOR

The Speaker and members, in response to summons, proceeded to the Legislative Council Chamber and, having heard His Excellency deliver the opening Speech (vide Council report ante), returned to the Legislative Assembly Chamber.

EDUCATION

Bayswater School: Petition

MR BRYCE (Ascot) [3.40 p.m.]: I have a petition to present to the House. It is as follows—

Mr Speaker,

I present a petition from 1 743 residents of Bayswater praying that attention be given to the appalling conditions being experienced by the junior grade children at Bayswater Primary School.

Approximately 150 children in Grades 1, 2 and 3 are housed in 24 year old prefabricated "Bristol" buildings which are unbearably hot in summer and bitterly cold in winter. These classrooms—without verandahs—which were erected as temporary accommodation more than 2 decades ago, fail to provide:

any form of exterior shelter from the heat in summer and the rain and wind in winter,

washing facilities,

a protected lunch area.

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

This petition conforms to the Standing Orders of the Legislative Assembly and I have certified accordingly.

The SPEAKER: I direct that the petition be brought to the Table of the House.

See petition No. 1

PSYCHIATRIC PRISONERS

Treatment and Control: Petition

MR BATEMAN (Canning) [3.42 p.m.]: I have a petition to present to the House. It is as follows—

To the Honourable Speaker and Members of the Legislative Assembly of THE PARLIAMENT OF WESTERN AUSTRALIA IN PARLIAMENT ASSEMBLED:

Wc, the undersigned residents in the State of Western Australia do herewith pray that Her Majesty's Government of Western Australia will urgently support an appeal regarding the problem that there is clear need for a special unit under professional direction within the prison system for the control and, where possible, the treatment of persons who are in a disturbed psychiatric condition and who are harmful to the community can be put away and not allowed to mix with prisoners not so affected. Your petitioners therefore humbly pray that your honourable House will give this matter earnest consideration and your

petitioners as in duty bound will ever pray.

I have signed the petition in accordance with the Standing Orders and it contains 1966 signatures.

The SPEAKER: I direct that the petition be brought to the Table of the House.

See petition No. 2

QUESTIONS (7): WITHOUT NOTICE STATE INCOME TAX SURCHARGES

Legislation

1. Mr JAMIESON, to the Premier:

I should like to ask the Premier the following question without notice-

Since there was no reference in the Governor's Speech to the introduction of legislation to empower the Government to impose State income tax surcharges, can he advise whether it is intended to bring forward such legislation?

Sir CHARLES COURT replied:

The Leader of the Opposition would know from his past experience that it is not necessary nor is it customary for every Bill to be listed in the Governor's Speech. It is, however, the intention of the Government to introduce legislation to give effect to the next phase of the tax-sharing arrangements with Commonwealth Government if the form of legislation can be agreed upon between our State and Commonwealth Government, and also with Victoria and maybe in the meantime with some of the other States. But at least those three parties are in the process of drafting suitable legislation. It is the Government's desire to get the legislation on the Statute book, but as I have announced previously there is no intention of using either of the alternatives proposed to have surcharge or a rebate for this financial year, 1977-78.

UNEMPLOYMENT

Government Proposals

2. Mr BRYCE, to the Premier:

In view of the fact that there are more people out of work in Western Australia than there were in February when he promised an extra 100 000 jobs, and in view of the fact that unemployment has more than trebled since he took office, will the Premier explain at the commencement of this twenty-ninth Parliament what his Government proposes to do to provide work for the 25 000 Western Australians who are unemployed?

Sir CHARLES COURT replied:

I thank the member for the opportunity to expound on this particular subject. First of all, this State has the best employment record in Australia and this Government does talk in positives and not in negatives. We also have the best population record which again means that Australians are wanting to come and live in Western Australia where we have the best employment record, and I remind honourable members, of what is in the Governor's Speech. For the year ended the 31st March. civilian employment went up 3.1 per cent in this State whereas the rest of Australia had a slight decline overall.

I also remind members opposite that our record for unemployment—if they will insist on dealing in negatives and not positives—is still better than the national average.

If we could get industrial stability in this State we would attract industry, and reduce unemployment.

The honourable member referred to 100 000 jobs. That estimate, target, and objective of the Government still stands, and given reasonable industrial peace, which I hope the Opposition will help to obtain, it will be achieved within the period of seven years which was the period intimated.

METROPOLITAN AREA

Restriction of Expansion

3. Mr TONKIN, to the Premier:

Allowing for the fact that, with the doubling of its population, as is expected, Perth's present water restrictions may well become the normal and usual state of affairs, will he agree that the detrimental consequences of the continued expansion of Perth should be carefully examined so that steps may be taken to avoid such a catastrophic concentration of population?

Sir CHARLES COURT replied:

I invite the attention of the honourable member to the fact that in the Governor's Speech there is reference to the formation of the Water Resources Council which will be a body to look forward to the future water needs not only of the metropolitan area, but also, and more importantly, the needs of the whole State. It is the policy of the Government to attract the population away from the metropolitan area and I invite the attention of members to the fact that îŧ was durine administration of the Brand Government that the greatest step forward took place to attract some development away from the metropolitan area, particularly to the Pilbara region. It will be the objective of the present Government to pursue such policies. We believe that is the most important feature of any developmental programme for the State.

I sincerely hope we will be able to harness some of the obvious potential of the water resources in the Kimberley region and the underground basins in the north so that this State can not only proceed safely so far as the metropolitan area is concerned, but also make tremendous advances in the Pilbara, Murchison, and eastern goldfields. These advances can be made if only we have access to adequate water.

I assure the honourable member that the Government is very conscious of the need for water and that it will, in fact, be taking positive action about the matter.

AMERICA'S CUP

Promotion Rights

4. Mr HARMAN, to the Treasurer:

Concerning payment of \$50 000 to a yachting syndicate, in view of the fact that the amount is taxpayers' money, will he table on Tuesday next any agreement, letter of intent, or any letter setting out conditions between the Government and the yachting syndicate concerning the promotion rights?

Sir CHARLES COURT replied:

I am glad the honourable member gave the Premier a rest and addressed his question to the Treasurer. As Treasurer, having consulted the Premier, I will now answer the question. I invite the honourable member's attention to the fact that it was clearly announced when the Government made this arrangement in connection with promotion rights arising Australia's participation the America's Cup race, the matter was handled as a business deal, and it was the intention and desire of Government that the tourist authorities of this State should have access to those promotion rights which, if we are successful in any of the phases of the be of Newport encounters, will tremendous value to this Concerning the documentation to which the honourable member has referred, I will have a look to see what there is on the matter and advise him on Tuesday.

URANIUM ENRICHMENT PLANT

Safeguards

5. Mr BARNETT, to the Premier:

Is the Premier correctly reported in the media when he expressed his intention not only to mine uranium in Western Australia, but also to establish an enrichment plant in this State, with suitable safeguards; and if the answer is "Yes" I would like to know precisely the safeguards he intends.

Sir CHARLES COURT replied:

I do not know that I used the word "intention". I definitely referred to the Government's desire, or I used words to that effect. I say quite categorically that it is the policy of this Government, in conjunction with the Commonwealth Government, to enter into programmes for the mining and processing of uranium—with suitable safeguards, of course—because we believe that to do otherwise would be to deny the rest of the world a resource to which it is entitled and which I believe we have a responsibility to develop, emphasising again, with the proper safeguards.

So far as an enrichment plant is concerned I would like to feel the Opposition would join with the State Government in hoping we have such a plant in Western Australia in due course so that the young students who will become, eventually, the scientists of this State, will have access to this modern technology.

So far as the details of the safeguards are concerned, they are in the process of being finalised by us with the Commonwealth Government.

MINISTER FOR LABOUR AND INDUSTRY

Performance

6. Mr B. T. BURKE, to the Premier:

In view of the dismal but provocative performance of the Minister for Labour and Industry, is it the Government's intention to allow that portfolio to languish in his hands? Alternatively, will the Premier admit that the Minister is implementing a deliberate policy of provocation of unions?

Sir CHARLES COURT replied:

I want to say that we are very proud of our Minister for Labour and Industry.

Government members: Hear, hear!

Sir CHARLES COURT: I also want to make it quite clear that what the Minister is doing is Government policy. He is taking the action which the Government desires and it is strictly in accordance with the policies of the Government. So the Minister is not implementing personal policies, but policies of the Government and policies we completely support.

CONSOLIDATED REVENUE FUND

Accounting Procedures

. Mr JAMIESON, to the Treasurer:

I, too, am giving the Premier a rest. I ask—

- (1) Has he again, during the financial year ended the 30th June, 1977, in any way altered the State's accounting of the Consolidated Revenue Fund without the prior knowledge and approval of the Parliament?
- (2) If "Yes", state each alteration made and give the justification or the alleged justification therefore.

Sir CHARLES COURT replied:

I thank the Leader of the Opposition for some notice of the question, the answer to which is as follows—

 and (2) Any further changes that have been made to improve the State's accounting procedures will be stated when the Supply Bill is introduced next Tuesday.

INDUSTRIAL AND COMMERCIAL EMPLOYEES' HOUSING ACT AMENDMENT BILL

Leave to Introduce

SIR CHARLES COURT (Nedlands—Premier) [4.00 p.m.]: In order to assert and maintain the undoubted rights and privileges of this House to initiate legislation. I move—

That leave be given to introduce a Bill for "An Act to amend the Industrial and Commercial Employees' Housing Act, 1973-1976".

Question put and passed; leave granted.

Introduction and First Reading

Bill introduced, on motion by Sir Charles Court (Premier), and read a first time.

GOVERNOR'S SPEECH

Distribution of Copies

THE SPEAKER (Mr Thompson): Accompanied by members of this Chamber, I attended His Excellency the Governor in the Legislative Council Chamber to hear the Speech which His Excellency was pleased to deliver to members of both Houses of Parliament. For the sake of greater accuracy, I have caused printed copies of the Speech to be distributed among members of this Chamber.

ADDRESS-IN-REPLY: FIRST DAY

Motion

MR HASSELL (Cottesloe) [4.01 p.m.]: I move—

That the following Address-in-Reply to His Excellency's Speech be agreed to—

May it please Your Excellency: We, the Legislative Assembly of the Parliament of the State of Western Australia in Parliament assembled, beg to express loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech you have been pleased to address to Parliament.

Mr Speaker, in moving the Address-in-Reply I am delighted to be the first in this Chamber to congratulate you on your appointment to the high office of Speaker. As I have known you for some years, I know you are a man of great integrity and strength and that you will always uphold the dignity and the authority of this Parliament.

I am pleased to place on record my thanks to members on both sides of the House for the courtesy and friendliness they have extended to me since my election. I also record my thanks to officials of the House for the help and guidance they have given me since I came here. It is encouraging to come as an inexperienced newcomer and be welcomed by members and so patiently and efficiently assisted by the staff.

It is a great satisfaction to have become the member for Cottesloe, and I thank the electorate of Cottesloe for the confidence which it has placed in me. The electorate of Cottesloe has existed since 1950, and until the 19th February last its only representative was my predecessor, the Hon. Sir Ross Hutchinson, DFC.

My congratulations go to Sir Ross on his knighthood. He had a distinguished career. He was Chief Secretary and Minister for Health and Fisheries from 1959 to 1965. He was Minister for Works and Water Supplies from 1965 to 1971, at which time the coalition ceased to hold office. From the re-election of the coalition in 1974 he was the Speaker of this House, a position he held until the end of the last Parliament. Older members know better than I with what propriety Sir Ross held that office.

Sir Ross was well known and well liked in his electorate. In the course of my own campaign I became accustomed to hearing people say how well they knew Sir Ross and how in the past he had assisted them with problems. He is also well remembered for his sporting achievements but I know he does not like that to lessen the record of his service of 27 years in this Parliament and in the Government of the State. I wish Sir Ross and Lady Amy a long and happy retirement.

His Excellency has set forth the programme of the Government of Western Australia. It is a good programme, and I believe it will command the support of the majority of Western Australians. I say that with confidence because it is a programme substantially in line with the policies presented by the Liberal and National Country Parties to the electorate prior to the election.

I do not intend to imply by that the Government has what is sometimes called a mandate to implement every paragraph and subparagraph of the policy document; but the Government went to the people with a clear policy which was fairly and properly put before the people, and I believe its main points have been endorsed by the election result.

I see those points as being four: Firstly there is the promise of strong State Government leadership. That is relevant to the growth and success of the State. Despite improvements in transport and communications, this State is isolated; it is relatively undeveloped; it is sparsely populated, except for the one major city; and it has an economy based almost exclusively on its capacity as a world trader.

It is essential to the protection of the interests of the State that decisions made in other places in Australia and outside Australia which may disregard our economic well-being, are not made without the strength of the State Government there to ensure our interests are protected.

Secondly, there is a commitment to growth and development: not growth for its own sake, and not development for its own sake; but growth and development for the well-being of people. Development to provide employment; development aimed at ensuring that the State reaches its full potential; balanced development which has proper regard to the environment in which we live. It is hardly progressive to have an untouched environment when the only thing people have to live on is the dole.

Thirdly, there is the promise of a continuation of responsible financial policies. The broad thrust of support for Commonwealth endeavours to reduce inflation and increase employment will continue. We are now reaping the benefits of financial policies adopted by this Government. The Government can proceed without hesitation on the abolition of probate duties on a progressive basis. Other concessions promised prior to the election, such as the abolition of the personal levy, have already been fulfilled.

Fourthly, we see the promise of a growing partnership with the Commonwealth in a working federation.

It is my desire to refer to the federalism policy of the Liberal and National Country Parties. It is a clear policy which was put forward prior to the 1975 Federal election. It is a policy which was thoroughly canvassed throughout the nation. To the best of my knowledge it is the first policy document on federalism presented prior to a Federal election. It is the first time that a Federal Government has recognised that the tendency towards financial domination from the centre was so strong that the federation was being undermined, and that the tendency ought to be reversed.

I see as the key part of the federalism policy the revenue-sharing proposals which are set out in part seven of the policy document. I quote the first sentence as follows—

The Liberal and National Country Parties

propose to ensure the States permanent access to revenue raising through personal income tax.

It continues-

The new system is intended to ensure that the States will have substantially the financial capacity to meet their responsibilities.

The first stage of the programme gives to the States a fixed percentage of the total personal income tax collections. The second stage—which has yet to be implemented—allows to each State Government a discretion to impose a surcharge or allow a rebate on the rate of personal income tax in the State.

The essence of the scheme can be seen from a simple example. If a man has one dollar which is subject to taxation, he will have to complete an income tax return in which he will disclose that he has a taxable income of one dollar. He will continue to complete only one return. He will file that return with the Commonwealth Taxation Office, as he always has. He will receive one assessment and will make one payment. To that extent, there will be no change from the system prevailing since the Second World War.

Suppose that the rate of tax on his one dollar is 20 per cent. One difference he will notice on his tax form is that it will show that a certain proportion of the 20c he has to pay will go to the State Government, and the balance will go to the Federal Government.

When stage two is implemented, the individual States will have the right to determine whether the rate will continue at 20c or be increased because of special needs in the State, or be decreased.

One State may choose to give greater emphasis to other forms of taxation and therefore have a lower rate of income tax. Another State may favour personal income tax as a form of revenue raising, and increase the rate so that other concessions can be made.

What is clear is that the individual will continue to make one return, to have one rate apply to him in his State, to receive one assessment, and to make one payment. Both stage one, which guarantees to the States a fixed percentage of the personal income tax collections, and stage two, which gives the States a discretion as to the rate, are at the heart of responsible government.

The States will have to accept the responsibility for spending and raising revenue. The States will not be under direction from the Commonwealth

as to the level of tax or whether to increase or lower it. The State Governments will be responsible to the people who elected them and will have to make decisions as to priorities. Those decisions are the decisions appropriate to government, as distinct from administration. The capacity of the States to govern will be enhanced; the financial pressure to hand responsibility to Canberra will be reduced.

I see as wholy positive the results of the implementation of the federalism policy. It forces responsible Governments to accept responsibility. Canberra cannot be blamed for every incapacity to act and for every failure to perform. It allows the States to govern, to make real choices, to set priorities, and to undertake initiatives or decide not to undertake them. For years the States have had many responsibilities and little choice as to finance.

When the basic needs of health, welfare, and education have been fulfilled no room has been left for initiatives, flexibility, or the development of the role of government. It is no wonder that interest groups turn to the Commonwealth with requests and demands in fields which constitutionally belong to the States.

Their leaders know that even if willing the States have no capacity and no chance to meet their requests. Under pressure from interest and client groups, and with constant criticism from the States that they cannot afford to act in this way or that, perhaps it is not surprising that the Federal Government has taken on areas which are strictly none of its concern.

The federalism policy preserves the Federal system, and thereby prevents alienation of government from the people. It will allow Federal and State Governments to get on with their own jobs, knowing where they are going.

Public debate can then centre on the quality of government decisions and not on the argument of who is to make them; not on the issue that this decision, or that decision made by a Federal Government or a State Government, ought to have been made by the other.

Political energy can be more correctly directed towards an examination of what has been done, and not who has done it. It is my hope that all Governments of Australia—Federal and State—will live up to the commitments they previously gave in favour of the federalism policy.

The Premier of Western Australia, and the Government of Western Australia, are to be complimented on their continued support for the policy, despite some difficulties of implementation. They are to be complimented on

continuing to stand up for and stand by the principle of responsible State Government. Responsibility based in essence upon accepting the political cost of raising money it is intended the State will spend.

As far as I am concerned, federalism is about people. It is about government to which people can relate. It is the antidote to the problem of alienation of people and their Government.

With the growth and complication of Government, there has emerged in many countries a sense of frustration amongst groups of people; a sense of incapacity to affect the decisions of Government, and the course which Governments take. People begin to feel that remote and anonymous individuals make decisions which affect their lives, but which are based on arbitrary criteria, unresponsive to local need.

I conclude by placing on record my desire to work in this Parliament for the protection of individuals. The seemingly endless growth of Government activity—the activities of unelected non-parliamentary groups, the growth of capacity to monitor and control through technological means—must not be permitted to crush individuals, to eliminate personality, and to impose conformity.

His Excellency has expressed the concern of the Government about industrial disputes. Equally there is concern about the individuals who are often the innocent victims of those disputes. He has also referred to possible law reform to safeguard personal privacy.

Both of these matters are directly relevant to the lives of individuals. In both cases the protection of the law has proved itself inadequate. I will work to see that in these and other fields effective measures are identified and implemented.

MR HERZFELD (Mundaring) [4.18 p.m.]: I formally second the motion.

Debate adjourned, on motion by Mr Jamieson (Leader of the Opposition).

ADJOURNMENT OF THE HOUSE: SPECIAL

SIR CHARLES COURT (Nedlands—Premier) [4.19 p.m.]: I move—

That the House at its rising adjourn until 4.30 p.m., on Tuesday, the 2nd August.

Question put and passed.

House adjourned at 4.20 p.m.