

Legislative Assembly

Thursday, 13 April 1989

THE SPEAKER (Mr Barnett) took the Chair at 10.45 am, and read prayers.

PETITION - STOKELY RAILWAY STATION

Passenger Service - Continuance Request

DR GALLOP (Victoria Park) [10.47 am]: I have a petition couched in the following terms -

To the Honourable Speaker and members of the Legislative Assembly duly assembled in Parliament -

We, the undersigned, request that the railway station named Stokely on the Armadale line will remain open for passenger service.

The petition bears 37 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 9.]

PETITION - YANCHEP NATIONAL PARK

Amenities - Deterioration

MR MacKINNON (Jandakot - Leader of the Opposition) [10.48 am]: I have a petition couched in the following terms -

To the Speaker and members of the Legislative Assembly of the Parliament of Western Australia assembled, your humble petitioners sheweth:

- 1: There is widespread concern about the decline in the standards of amenity at Yanchep National Park.
- 2: Therefore it is requested that the State Government take immediate steps to prevent further deterioration of the National Park, and in particular that:
 - (i) the continued availability of the swimming pool for use by the public be guaranteed;
 - (ii) that irrespective of the Draft Management Plan, the gardens and enclosures for native animals be restored to their earlier state;
 - (iii) that an independent Board be set up to manage the tourist facilities in the Yanchep National Park.

As in duty bound your petitioners will ever pray.

The petition bears 6 441 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 10.]

ADDRESS-IN-REPLY - SIXTH DAY

Motion

Debate resumed from 12 April.

MR READ (Murray) [10.50 am]: Mr Speaker, I take this opportunity to offer my congratulations to you on your re-election to your position. I am sure you will continue to guide the affairs of this House with fairness and impartiality. I also congratulate the Premier for leading the Labor Party to a historic third term and what should be 10 years of Government. The people of Western Australia no longer look on the Australian Labor Party as the alternative Government but rather as the natural choice for Government.

My campaign, undoubtedly like most others, was a most arduous and taxing one. I take this

opportunity to thank publicly all those involved. In particular I thank my wife, Kerry, who demonstrated enormous patience as well as support in an area entirely new to her. My sincere thanks are due to my family, who all worked extremely hard, and, of course to my campaign team, who guided my campaign and devoted much of their own time to the cause.

I would be remiss as a new member of Parliament and as a son if I did not pay some tribute to my father, the former member for Mandurah, John Read. John Read was elected to the seat of Mandurah in 1983, unseating the then Minister for Housing, Richard Shalders, in what can only be described as a shock result. He was determined from the start, as are most new members, to work as hard as he possibly could for his constituents, and provide the best possible representation for the electorate of Mandurah.

His achievements over the years demonstrated his commitment to the electorate and I will briefly outline some of his major achievements since 1983. Millions of dollars has been spent since 1983 in researching and moving to solve the problem of the algae weed growth in the Peel-Harvey Estuary, a problem which prior to 1983 had been ignored for the most part. All of this research will culminate in the construction of the Dawesville Cut which will commence later this year, and I will say more on this subject later in my speech.

A major addition to the town of Mandurah has been the magnificent courthouse and police station complex. The police station now holds 22 general duties officers, including a newly appointed forensic specialist, and two officers with the Criminal Investigation Branch. This initiative was sorely needed, when one considers that only a few years ago the Mandurah Police Station was located in a tiny building with only a handful of staff and the courtroom was so small that people waiting for their cases to be heard had to queue outside the building in full view of the people using the busiest street in Mandurah. An \$18 million cultural centre has been proposed for Mandurah, to which the Government has already committed some \$4 million. The building of the first stage - the senior citizens' centre - will commence in May and local seniors will soon have access to one of the best senior citizens' facilities in the country.

Other major achievements in which John Read had a hand include funding for the extensions to the Mandurah aquatic and recreation centre, four lane highways from Mandurah to Pinjarra and Mandurah to Falcon, a bus service between Mandurah and Pinjarra, additional air-conditioned Transperth buses to and from Perth, a new Coodanup High School, a new women's refuge, and a commitment for two new primary schools at Falcon and Greenfields. These are but a few of the many achievements of John Read since 1983. All of these achievements add up to a dedicated and committed parliamentary representative who put his electorate and constituency ahead of all else. In his maiden speech in August 1983 he said -

One area of concern to me over the years during which I have followed and been involved in politics is the view of politicians held by the general public.

He went on to say -

Our actions must always be guided by what is in the best interests of the people as a whole and not by what is in the best interests of a small group.

John Read always worked by this philosophy and I think he went a long way towards improving the image of parliamentarians on both sides of the political spectrum.

Government members: Hear, hear!

Mr READ: I move now to matters of my electorate. The electorate of Murray was revived in the recent redistribution after being abolished in the 1982 redistribution when it was replaced by the electorate of Murray-Wellington. The Murray electorate was first formed in 1890 and has since had eight parliamentary representatives, the most notable of whom was Sir Duncan Ross McLarty who was Premier of this State between 1947 and 1953. One point worth noting is the fact that until now the seat of Murray had never had a Labor representative since its formation in 1890. I recognise the responsibility that now rests with me and I am anxious to convince those people who supported this Government and me, as well as those who did not, that the right choice was made by Western Australians on 4 February 1989.

The Murray electorate is approximately 1 900 square kilometres in size and has a population of about 23 000 people, although this is very hard to calculate due to the enormous growth

rate being experienced in the area. It takes in the northern, southern and eastern aspects of the town of Mandurah as well as the Murray Shire in its entirety, which includes the towns of Pinjarra and Dwellingup - Pinjarra being one of the oldest towns in Western Australia. The main source of employment in my electorate is Alcoa of Australia Ltd, which employs about 1 500 people at its Pinjarra and Wagerup sites.

Mr Speaker, the Government's past achievements within my electorate are many and I will draw some of these achievements to the attention of the House. I am fortunate to have two hospitals in my electorate - the older Murray District Hospital in Pinjarra which recently underwent over \$1 million worth of upgrading, and the marvellous new Mandurah Hospital which I was fortunate enough to inherit in the last redistribution. The Mandurah Hospital in particular is a credit to the Government and also to the local hospital board which was instrumental in its being built. The new Coodanup High School, which I have mentioned briefly and which was opened this year, is a tribute to the designers and is an example of the modern design which is now being incorporated within our education system. This school, which currently caters for year 8, will within five years operate as a full senior high school. Two new primary schools are scheduled to open in 1990 and I take this opportunity to state publicly that the Government's commitments in this area have in no way whatsoever changed.

Recently I had the pleasure of opening the Joblink project in Pinjarra on behalf of the Minister for Employment and Training. This project amply demonstrates the Government's commitment in reducing unemployment in our State. Recent employment figures indicate the huge success the Government is having in this area and I am confident it will continue to do so.

Homeswest accommodation in the Murray electorate has dramatically increased since 1983. In fact, since then 204 units of accommodation have been built in the area with a further 69 being built this financial year. In the same period leading up to 1983 only 71 units were constructed in the area. This Government will continue to construct as many homes of this type as possible to provide affordable accommodation for those in most need. It is for this reason that the Government's stamp duty rebate will be of tremendous assistance to first home buyers in my electorate. I can assure members that \$80 000 for housing and \$33 000 for land will purchase good quality properties in the Mandurah-Murray area.

Mr Speaker, the Peel Inlet and Harvey Estuary play a large part in the lives of the people in my electorate, and in no other way is the commitment of this Government to the area more clearly demonstrated than in the case of the Peel-Harvey Estuary. The Peel-Harvey system is a shallow coastal lagoon of approximately 133 square kilometres, or 12 100 hectares. It is estimated the system contains some 160 million cubic metres of water. The algal problem in the Peel Inlet dates back to the mid 1960s and became much worse in 1973 when the *nodularia* weed first bloomed. It is this weed which feeds on the phosphorous flowing into the estuary and which emits a foul odour when it drifts onto the shores and dies. This has an adverse effect on residents, fishermen and tourists alike. Experts say the estuary is dying; clearly, urgent action is needed. The main strategy in managing this problem will revolve around estuarine management and management of the catchment areas to reduce the phosphorous input. Each year about 143 tonnes of phosphorous enters the Mandurah-Murray system. The objective of the management strategy is to restore the Peel-Harvey system to a clean, healthy and resilient system. It currently falls far short of this. Management of the estuary itself will involve weed harvesting in the Dawesville channel. The Dawesville channel, or Cut, will cost approximately \$40 million to build and will take about three years to complete.

It will vary in width from 150 metres to 200 metres and in depth from 4.5 metres to 6.5 metres. Spoil material from the cut will be used to recontour the adjacent land. For members who do not know, the Dawesville channel involves a direct cut between the estuary and the sea. The Dawesville channel will do three things -

- (1) It will greatly increase the level of phosphorous leaving the system. At present twice as much phosphorous enters the system as is lost to the sea through the Mandurah channel.
- (2) It will make the estuary more marine in nature and thus more resilient.

- (3) It will make the estuary waters more salty, hence more unsuitable for nodularia growth.

The aim of the catchment management program is to reduce the phosphorous input to the system from 143 tonnes to a maximum of 85 tonnes. This will be done by -

- (1) Modifying the fertiliser usage in the catchment area;
- (2) conversion of land use in the catchment area to forestry usage, especially in areas with sandy soils where leaching of phosphates occurs to a much larger degree; and
- (3) control of point sources such as piggeries, sheep holding yards and market gardens, which together contribute over 10 per cent of the phosphorous to the system, and also a moratorium on further clearing in the area.

I want to make absolutely clear that in no way are farmers being blamed for this problem. In most cases farmers have been very cooperative in dealing with the Department of Agriculture in respect of this matter, and this cooperation will need to continue for these measures to succeed - and I am sure it will.

The Dawesville Cut must succeed, but it must go hand in hand with a catchment management strategy. I am pleased the Government continues to recognise its responsibility in this area and its commitment to commence construction of the Dawesville Cut later this year was welcome news to the residents of the Murray electorate. As a result of the magnitude of this project and the obvious changes it will cause in the local area, I have decided to form a residents' committee which would have access, through me, to all relevant information pertaining to the Cut. I would like to be sure that all local residents are kept fully informed regarding the construction of the cut and will have input to those managing the project. I am determined that the lifestyle enjoyed by local residents will be disrupted as little as possible because of the Cut.

Another very exciting proposal for my electorate is the proposal to construct a Western Australian College of Advanced Education campus for environmental studies in the area. I see this college, with its environmental expertise and extensive facilities, as an ideal base for management of many of the environmentally sensitive areas within my electorate; namely, the Peel-Harvey system and adjacent wetlands, the coastline itself and the beautiful Yalgorup National Park which abuts the proposed project area. I intend to have talks with the college in the very near future along these lines should the project proceed. It has come to my attention that interest has also emanated from Bunbury in respect of this college, but I respectfully assure my colleagues, the members for Bunbury and Mitchell, that I am determined to keep this facility in Murray.

I would now like to move from local issues to a more universal issue - that is, our ecological and environmental problems. I will briefly draw these matters to the attention of the House. These problems are directly linked to our huge population, population growth and the development we in the western world continually undertake to improve our standard of living. In third world countries this mostly occurs through genuine economic necessity and is done to service huge national debts, and provide a meagre living for their millions of people. The world population is set to increase from 5.2 billion now to more than 6 billion next decade, and the problems I am about to describe will only increase. The problems are ones most of us are familiar with - the Greenhouse effect; depletion of the ozone layer; global warming and climatic changes due to this; huge deforestation of tropical rainforests in order to open new farmlands; massive erosion of valuable top soil to the point where millions of tonnes of top soil are washed into the sea each year - and this problem is very pertinent in Western Australia, as is the salinity problem - reduction in usable water supplies; inefficient waste disposal methods and many others I could mention.

I will not go into details about these problems as I am sure most members are aware they exist, and certainly do so to some extent in Australia, but I urge all members to become familiar with these issues. It is too easy to become emotional about these issues - for example, the incident which occurred in Tasmania - but we cannot afford to deal with these problems in that manner. Too much emotion from both sides of the argument will not get us anywhere; sensible, rational debate must be encouraged between developers, ecologists and environmentalists. However, ultimately it is up to Governments and Parliaments to lead the

way. We must work on solutions to our problems with soil erosion and with solving waste disposal problems; we must continue to legislate chlorofluorocarbons out of existence, as well as other such measures. Most importantly we must encourage an acceptable balance between the economic development necessary for our survival and the preservation of our natural resources and environment, which are also necessary for our survival.

We must offer economic incentives to developers to participate in environmental programs. I commend the Government's initiatives along these lines; namely, the efforts being made in cooperation with farmers to grow Tasmanian blue gums on their properties as a cash crop. I was pleased to find that research is being done at a Queensland university into genetic engineering of trees, which could result in trees that grow 20 per cent faster than normal within the next three to five years. A 100 per cent increase in growth rate should be possible within 10 years. Not only can the growth rate be improved, but also trees specially designed for a certain application such as timber and woodchipping can be grown. The net outcome of such research would be to reduce significantly pressures on our national forests and increase returns to the industry. Research such as this must be encouraged, and I welcome Government and industry support in these programs.

In conclusion this issue is now bigger than individual politics, the economy or any other issue members might like to name. The buck stops here; decisions made in this and other Parliaments will be the deciding factor in determining the future of certainly our country and our planet. We must consider the interests of the world as a whole and not just the interests of small groups.

Finally, I congratulate all new members of Parliament and I thank those who have made me feel welcome - particularly the staff - in this place. I agree with the advice of a member opposite who stated that we should not take ourselves or each other too seriously in this place, but certainly we should take our responsibilities to our constituents very seriously.

I thank all members for their attention.

[Applause.]

MR GRAHAM (Pilbara) [11.07 am]: Mr Speaker, I add my congratulations to those given by other speakers on your re-election to the Chair. I suppose I should also commend you on your eyesight, and being able to see down to the back back-benches. It is possible that my friend from Northern Rivers and I are the only two people in the House who actually enjoy a division because it gives us the ability to get down into the House to see what is really happening.

I rise today with great pride to give my maiden speech as the inaugural member for the newly created seat of Pilbara. That seat was created after the recent redistribution of the old seats of Kimberley and Pilbara. I put on record my appreciation of the member for the former electorate of Kimberley and the present member for Ashburton, for the way in which they have serviced their electorates and their assistance to me both during the campaign and since. I know that assistance will continue and I appreciate it. Those two members have put an enormous amount of work into their electorates, but they were hampered in their ability to service the north west because of the sheer physical size of the electorates. Two members of Parliament were servicing approximately half of Western Australia. The redistribution has made the situation much more sensible, and I am left with an electorate roughly the size of Victoria to service.

I would also like to put on the record my thanks and appreciation to all the people who assisted me in my campaign. There are too many of them in too many towns to mention, but to all of them, including my family - and particularly my mother who made the effort in the last week of the campaign to hop on a bus to come to Port Hedland and give me a hand - I give my heartfelt thanks. Every member of this House knows that the people who involve themselves behind the scenes in election campaigns put in an enormous amount of work for their respective political parties and candidates. In the case of the Pilbara a lot of work and effort was rewarded with a clear victory in the seat. Although I have collectively mentioned the assistance given to me by people, I must make particular mention of two senior members of the trade union movement without whose help and encouragement I would not be here today.

I refer to Jack Marks, the secretary of the Amalgamated Metal Workers Union, and to Joe Keenan, the secretary of the Australian Workers Union. I thank them for their friendship and

sponsorship, as I also thank the Deputy Premier, David Parker, for his support and encouragement over the years. I must also record my appreciation and congratulations to the Premier on winning the election. It was a particularly difficult election for us to win and I think everyone on this side of the House joins with me in congratulating the Premier, who showed himself to be a fine leader of a great political party in this State.

Government members: Hear, hear!

Mr GRAHAM: It is pleasing for my family to see the name of Graham appear in this House again. My uncle, the late Herb Graham, sat in this House from 14 August 1943 until 30 May 1973, a period of almost 30 years. When I look at that record and consider some of the sitting hours lately, I sometimes doubt his wisdom. His widow, Beryl, has joined us today and the Speaker has been kind enough to allow her into the Speaker's Gallery. During his time in Government, Herb Graham served as a Minister in the Hawke Labor Government in the 1950s, and as Deputy Premier in the Tonkin Government in the 1970s. Herb held many portfolios in this State, and his contribution to Western Australia and his party was of the highest order. It is a daunting task for me to attempt to carry on the family tradition but I would like to think one day my contribution to the State and my party will be matched against his.

As an aside, I have only recently been informed that Herb's father, my grandfather, the late William Graham of Narrogin, was also endorsed by the Labor Party and stood as a candidate in the 1912 elections for a seat in the upper House. That gives me the honour of being the third generation of Graham to be endorsed by the Labor Party.

The Pilbara is a large and important electorate based mainly on the town of Port Hedland. I have lived in Port Hedland longer than anywhere else on this man's earth; my three children were born there. It is a town that has been the victim of political decisions in the past. Unfortunately, some of the political gurus of previous times thought the Pilbara their sole province; we have had nearly every social experiment known to the Western world carried out in the Pilbara. The Pilbara in its developing years suffered from a lack of planning and Port Hedland is a classic example of this. Logic and commonsense should have dictated that as the only existing town in the Pilbara at that time Port Hedland should have been developed and expanded as the major regional centre. This did not happen as it should have and the people of Port Hedland believe that Karratha was promoted at the expense of Port Hedland for purely political reasons. The net result over the years has been the insane rivalry between the two towns which are in an extremely isolated region being 200 kilometres apart, but 1 000 kilometres north of Perth. We have this insane rivalry and it is not a healthy situation.

I believe, because of the excellent political and personal relationship that exists between myself and the member for Ashburton, and the ability of the Government to make decisions based on the needs and merits of each community within the guidelines of Government policy for the north, this counterproductive rivalry will diminish to healthy competition - except by those people who have a vested interest in maintaining and perpetuating that division.

The Pilbara is an important electorate, and by that I mean primarily the wealth generated from it. I refer to the iron ore industry, and the salt, gold and pastoral industries situated in the electorate. My electorate contains all or part of three of the four mainland producers of iron ore. The only producer which is not present in the area is the infamous Robe River Mining Company - the doyen of the new right in Australia - and, even though I would love to continue my long running battle with that warped philosophy, after three years of dealing with those people daily, I do not and will not miss them. That type of corporate behaviour is something I hope I will never see in my electorate - or see applied in this State again.

Government members: Hear, hear!

Mr GRAHAM: I would like to turn my attention to the iron ore industry because I enter this House having been involved in that industry since 1975. I believe I possess the credentials to comment on that industry. I have worked in the industry both as a white collar worker and blue collar worker. I served my apprenticeship as an electrical fitter in the industry; I have served as a rank and file union member, as a union convener and as a full time union official. I have twice represented the union movement on international tripartite trade missions - first, in 1985 to Brazil and, second, in 1987 to Europe.

The iron ore industry has had a stormy history, averaging 79,000 working days lost every year since 1978 through industrial disputes. In the early 1980s the industry was confronted with a world market which was over supplied and the subsequent downward pressure on the selling price tied with the increasing costs in the Pilbara meant that the industry was in a crisis situation. We had to match the low cost international competition from India and Brazil. Something had to be done to promote the industry. The Federal and State Labor Governments with the support of the unions and producers in 1984, after lengthy negotiations, formed the Western Australian Iron Ore Industry Consultative Council which comprised representatives of the companies, the Government and the unions - including representatives of the shop floor level of the unions. That body has contributed to what I believe to be one of the greatest turnarounds in modern industrial relations history.

Members should consider the following statistics: In 1983 the iron ore industry lost 105 000 working days through industrial disputes; in 1987 that figure had decreased to 22 600. To put that another way, the working hours actually lost by each employee through industrial disputes in 1983 was 129, and in 1987 that figure dropped to 27. The 1988 figures are not out yet but I expect even with the recent major dispute in the industry that the figures will be at most 50 per cent of the 1983 level.

Turning to productivity we should consider the tonnes mined in the industry in 1983. In that year approximately 130.430 million tonnes of dirt was moved around the Pilbara. In 1987 the figure was 200.490 million tonnes - a 53 per cent increase in productivity. If we consider what that means by way of tonnes over the end of the wharf in 1983 we sold 66.4 million tonnes of iron ore; in 1987 we produced 96.09 million tonnes - another significant increase. It is a credit to the participants in the industry that such a turnaround has been possible.

I would like to place on public record my appreciation to the union movement for the manner in which it has conducted itself in recent years. I also congratulate the two Labor Governments for taking, and the iron ore companies for supporting, an initiative which was at the time controversial. It is one which has gone on to become a model for other areas in Australia. To my mind, there is no clearer example of the difference in philosophies between the party I belong to and those people opposite - with their policies of endless confrontation with the union movement - than that such an improvement could take place. The improvement in industrial relations and productivity in one of the major industries in Western Australia would not have been possible other than under a Labor Government.

But, more importantly, the cold hard statistics that I gave, which incidentally come from the council itself from the figures supplied by the iron ore companies, prove the fact that the industry and the jobs of the people employed in that major industry are now secure for the foreseeable future. As I said earlier, I believe it has been a remarkable success story in modern day industrial relations and I consider myself privileged to have been a part of it. I hope I continue to be a part of the working of the council and the industry in my new role as a member of Parliament.

There is much more to the Pilbara than just iron ore mining. It is fair to say that mining is the major employer in the area and that position will remain for a long time to come, but that is notwithstanding the promising development in the tourism field in Tom Price and the Hamersley National Park, which is one of the truly great tourist destinations in the north west. There is a need to attract further industry into the region and not only for reasons of diversification, or only at election time, as there is an urgent economic need to add value to our primary products. I have wondered over the years whether the iron ore secondary processing industry has been pursued hard enough, as the rhetoric over the years has usually come around election time. Sitting down and having a conversation about this the other night we came to the view that if all the jumbo steel mills that we were promised in the 1970s had been delivered, we would have one each. Some interesting processes are being developed in the processing of iron and steel and I will watch them with interest. I assure members that if there is any possibility of a steel mill being built in the north, I have the ideal location for it at Port Hedland in mind.

Mining has brought rapid development to the north west, but with that development has come many associated developments and major problems. Like most Western Australians I am aware of the legacy of Wittenoom, a legacy that will be with us for many years to come.

It is nothing short of a tragedy and my sympathies go out to the victims and families suffering from mesothelioma and asbestosis. I have consistently taken the line in Wittenoom, whether it is politically popular or not, that I have serious concerns over the health risk from asbestos. Those concerns are heightened when I consider one of the problems remaining from the mining days. I am speaking of the tailings stockpiled in the Wittenoom and Western Gorges. I have seen it and I am told that there are five million tonnes of asbestos tailings sitting in the gorges. Those tailings contain the fibrous material and it is spread around the Pilbara when the river floods. The question of who is responsible to clean up the tailings is a vexed one. Personally, I have no doubt that the responsibility rests with the mining company and I intend to pursue that line. In this enlightened day and age a mining company should not be allowed to leave an area in the way that Wittenoom was left.

I get all the good ones in my electorate. The Rudall River National Park is also in my electorate and as most people are aware there is a major conservation blue looming there; it promises to be the conservation event of the year judging by the way that people are teaming up for it. I do not wish to address the conservation issue today, nor do I wish to address the problematic question of whether we should mine uranium. However, I wish to address the question of the Mardoo Aborigines who live in this area. Their claim to that land predates the park, mining, exploration and even this House. They are one of the groups of Aborigines in the north who are trying to live as close as possible to their traditional life style and trying to rebuild their culture. They have avoided the bottle that is slowly destroying other Aboriginal cultures around Australia. I believe that they should be applauded for their efforts. This group has been opposed to mining on their land even though they have no secure tenure to the land. In fact, their ownership of the land is under dispute from another Aboriginal group. A report currently is being compiled by the Department of Conservation and Land Management in conjunction with the desert people and I am sure that the report will support the Mardoo people's claim. I would find it distasteful if Australians again uprooted these people when their aim, after 200 years of white settlement, is to rebuild themselves with dignity. I believe strongly that these people are entitled to a fair go from us and should be given the opportunity to re-establish themselves free from the pressures of outside influences. I know that I did not and will not make friends by that statement. However, I believe, whether I make friends or not, it had to be said. I believe strongly in it and I will continue to say so.

In the past I do not believe that people in Perth realised the difficulties that people faced as residents of the Pilbara. There is a lot said about the weather in the Pilbara and in the summer time there are days when the temperature is 40 degrees plus. I have heard the Pilbara described as having the best climate in the world for six months of the year, and the worst climate for the other six months. I suppose that a statistician could work out on average that the weather was quite reasonable over a year. Personally I do not believe that it is a problem; I do not think the Pilbara has a weather problem, apart from the cyclones. I believe that places like Melbourne have a weather problem because people have to carry singlets, jumpers and umbrellas all at the same time.

We have high costs in the north west. We have a transient population and in the past we have had trouble contacting Government agencies. These are some of the difficulties confronting people in the north. In the past the Government services delivered in the north did not work because they were delivered in the wrong place and to the wrong people. But I believe that has changed as the Labor Government has served the north well since it was elected in 1983. It is a totally different place in which to live now, and I will give some examples of this. The Pilbara road study was undertaken by the Labor Government. I will give an example of how road planning worked prior to this study. In 1946 the people of Marble Bar had their railway line closed and they were promised an all weather bitumen road. The Pilbara road study provided the first stage of the roadway in 1988; that was 42 years later. The Labor Government introduced the Pilbara road study and it did something unprecedented; it went out and spoke to the people in the community and the local authorities to find out where people really wanted the roads to go. This was a novel and successful approach to the problem.

The delivery of welfare and community services was a much needed part of life in the Pilbara. In my view it is quite simple; there is no point in the rhetoric that we often hear of

working for the dole or that young people are lazy when the young people who live in the town depend upon a sole industry with a finite number of jobs. What is needed is progress and community based programs. Those programs are now in existence in the Pilbara and are receiving ongoing funding. The difference, Mr Speaker, is that we now have, on our side of the House, local members from these electorates in the north west who actually live in the area. When I first went to the Pilbara in 1975, my local member of Parliament, who was from the other side of politics, lived in Perth and continued living in Perth until he was defeated in 1983; I believe there is a message in that.

Some of the programs that this Government have initiated in the north have been extremely successful and I would like to example some of them. Community houses have sprung up in the area including the Treloar Community House in South Hedland, the Nintirri Centre in Tom Price and the Koorringal Family Centre in Paraburdoo. These organisations are funded by programs introduced by a Labor Government. The long ignored women of the north are now able to meet and to take up community issues that are of interest to them. That did not happen prior to 1983. There has been a major social turnaround in the Pilbara.

I could go on and explain that the Telecom 008 number gives those people access to Government departments so that they can find out what is going on. I could talk also about arrests at public meetings in the 1970s and armed convoys going through the State, but I will not because there has been a major social turnaround in the Pilbara. I congratulate this Government for its foresight and direction.

I will not attempt to give a policy speech from the north all over again. That was done very well by the Premier. However, I applaud the Government for its initiative and will mention a couple of initiatives because they are particularly important. A women's conference is to be held in the north this year. I am sure it will be a success. It would have been unthinkable in previous years for such events to take place in the Pilbara. I also mention the recognition by this Government of the higher costs involved in building in the north through the introduction of the Stamp Duty Amendment Bill (No 2) which allowed for an allowance in the amount of stamp duty paid on houses up to \$125 000 in the north as opposed to \$80 000 in the city. That recognition has not been given previously to the north.

That has come about because of the situation that this Government finds itself in. The Premier lived and worked in the north, as did the Deputy Premier, albeit for a short time only. The Minister for Agriculture has been a long term resident of the north as has the member for Ashburton. I am also a long term resident of the north. A number of other members, including the member for Peel, have also lived and worked in the north for lengthy periods. That has given the Government an ability to be able to make decisions for people in the north with an input from people from the north. It is new. It has not all been welfare and spending by the Government in the Pilbara over the last six years.

I wish to mention some of the major new developments that have come about in the period since a Labor Government came to office in this State. McCamey's Monster is a major new development and probably the best development in the area. Not only did it open up a whole new market for our iron ore in the Eastern bloc countries, but it also gave us access to the counter trade which is something that we have not been involved in before. It has now become one-third of the world trade. That development was held up for nearly 20 year because Lang Hancock did not get on with the previous Premier of this State or for some other reason that I am not sure about. However, it took a Labor Government to get it up and running.

Channar is another major development near Paraburdoo. It has also opened up a new major market for the export of our iron ore. We now export to China. That project was possible only because the State and Federal Labor Governments involved themselves in the negotiations with the Chinese Government. Particular congratulations should go the Deputy Premier for his active involvement in that development.

Goldsworthy Mining Ltd was going out of business before intervention and support by this Government extended the life of its operations by 20 years. That has meant that approximately 850 jobs have been saved in the WA iron ore industry.

The Port Hedland harbour and channel have been deepened to take some of the biggest ships in the world. The harbour will now also house the Australian Navy's forward operating base.

I could go on, but considering that six years of Labor Government has produced this kind of first class result, it comes as no surprise to me that Labor holds all of the northern seats.

I am proud to be part of this excellent Government and I am looking forward to playing my part over the next four years and longer because I know that the Pilbara will continue to grow and prosper under this Government. It is the only Government that has the policy mix right and the people with a real and lasting commitment to the north.

[Applause.]

MR CATANIA (Balcatta) [11.35 am]: First of all, I thank the electors of Balcatta who have entrusted me with the very significant responsibility of representing them in this Legislative Assembly. My task is to represent all of my electors and not merely any particular segment or the 58 percent of the electorate that voted for me.

The electorate of Balcatta comprises the suburbs of Balcatta, parts of Balga and Carine, East Hamersley, Gwelup and Stirling. It is a compact area with great contrasts in the social and economic status of the inhabitants from one suburb to another. Not long ago the area consisted mainly of market gardens run primarily by Yugoslavs and Italians. That contributed greatly to the high ethnic content of the area and, today, approximately 36 percent of the population is of ethnic extraction with the major groups, Italians, Yugoslavs, Macedonians and recently Asians, all establishing large and very fine clubs and associations in the Balcatta electorate.

It is significant, therefore, that a person of ethnic background was given the opportunity to represent the area in the Western Australian Parliament. It is also significant because it has been caring Labor Governments that have encouraged and promoted people like me with ethnic backgrounds to partake in all levels and facets of Australian life. The establishment of the Multicultural and Ethnic Affairs Commissions by Labor Governments around Australia was undertaken to provide access to Government services and equity for all people no matter what race, religion or colour these Australian residents may be.

Of course, I am Italian born, arriving here with my mother at the tender age of four years to join my father who had migrated to Australia two years earlier seeking a better future for his family. My presence in this Legislative Assembly attests to the wisdom of his decision. I am very proud of my heritage and cultural background and thank this country for giving me the opportunity to obtain an education and to establish and successfully conduct a business here.

I believe I am the first Italian born member of this Assembly. That is a great honour as there are approximately 120 000 people of Italian origin or descent living in this State. They and their predecessors have made a great contribution to this State and my presence in this Assembly will provide them and other ethnic Australians with further encouragement and be an example to the fact that they are not only welcome here but that they are also able to contribute at every level of our great and vast developing State.

Various significant developments are due to take place in Balcatta over the next two to three years which will impact strongly on the environment, lifestyle and population of the area. The removal of the Australian Broadcasting Corporation towers in East Hamersley, the development of the Gwelup area and the continuance of the North Perimeter Highway through the electorate are all significant issues which should proceed with sympathetic regard to the effect on the lifestyles of present and future residents of the Balcatta electorate.

Six former members of this Assembly have represented the electorate of Balcatta. I am more familiar with the last three, namely the late Hon Herbert Graham who represented Balcatta from 1962 to 1973, former Deputy Premier Brian Burke who represented it from 1973 to 1974, and my predecessor, a former Attorney General, Ron Bertram, who represented the electorate from 1983 to 1988. Clearly they have all made their mark in this Parliament and elsewhere and have been rewarded by the support of their electors over many years. In due course, it is my intention to hand over the electorate of Balcatta to my successor in even better shape than it was when I won it.

It has been said that Australian Labor Governments have lost touch with their traditional supporters. I do not accept that. The Australian Labor Party is talented, diverse, experienced and big enough to know where its traditional support resides. However, it is also brave and responsible enough to recognise that in tough economic times tough decisions must be made

and that those tough decisions often impact most upon its own supporters and those who are least able to bear them.

The Premier has made it very clear that this Government will work to give "the little people" - the senior citizens, youth and the sick - a better deal during the next four years and thereby balance, so to speak, the good fortune of all the people of this State.

The recent Federal and State elections have shown that the Liberal Party's vague, generalised and high sounding policies lack specific achievable undertakings or objectives and no longer satisfy a discerning electorate. In our young State and in a fast changing world it is obviously difficult to justify entrusting conservatives with government - with Opposition, yes, but not with government. Clearly, government must keep pace with the world and with change if it is to be efficient. Its administration and law making must not be forever dragging behind as, for example, is so sadly the case with the Australian Constitution.

We hear a great deal about law and order, as well we may, since crime is increasing. No-one questions the need for a numerically strong and efficient Police Force, but I put it to members that that is only part of the solution. We have always had a tendency to blame Governments for everything that goes wrong. It may not be the most popular proposition or theme, but crime is substantially a product of the family and social environment. As a result, it places a responsibility on every member of our society, not just on those members who make up the Parliament of Western Australia.

The lopsided emphasis which society places on our youth, the environment in which we rear them, and the adverse impact of the media places unfair pressures on our youth and, in many cases, those pressures are more than they can cope with.

Too often we see companies, organisations and people using their positions of power, advantage, wealth and experience to lawfully, though immorally, exploit their fellow Western Australians in our adversarial society.

Greater opportunity and encouragement must be given to parents and the community in order that children can be raised to be good citizens. They should not be obliged to do so in an inhospitable and antisocial environment. While governments have a role to play the individuals in our community must ultimately do the right thing because laws cannot be made which will make citizens do the right thing by one another, if they are disciplined to do so. Every day provides proof of that fact.

It is quite unacceptable to me that those people who are often known as "the workers", the producers of our nation's wealth, should have their wages fixed while so many others carry on, on a business as usual basis, riding on the inflation spirals. The latter people to which I have referred in many cases receive a high income, but they have the gall to insist that workers should either not receive a pay increase or justify a pay increase because of increased productivity. Furthermore, when workers are granted an increase in pay the system allows that increase to be absorbed, particularly with immediate price increases, with shrinkage in the size and quality of goods sold and a decrease in the quality of services rendered. Is this really fair? Is it Australian? Quite obviously it is not. It is lopsided and reflects no credit on our society because it unfairly pits Australian against Australian and one section of the community is permanently in front of inflation and the other is pursuing inflation.

In this day of the computer and high technology, I trust that ways and means will be found to more equitably distribute the wealth of our country while not pricing it out of the world markets or boosting inflation to an unacceptable level and adversely affecting this country's balance of payments.

One very significant young and exciting industry will help our country and State in the area of the distribution of wealth and the creation of new opportunities and I refer to the tourist industry. One million years of natural wonder should be used for the betterment of all Western Australians. With the proper environmental protection buffers in place we can develop an industry that can generate enormous wealth and jobs and will ease the pressure on Australia's balance of payments. This State comprises physical features and vegetation that people outside Australia only dream of seeing. We must exploit their desires and dreams and take a larger share of the global and domestic tourist dollar. Western Australia must strongly promote intrastate and interstate visitors; it must encourage people from the north to visit the

south and vice versa; it must attract interstate visitors, as domestic travel keeps the dollar circulating within Australia.

I will be urging my colleagues on this side of the House to continue to include the resources available to promote Western Australia as a tourist destination. It has been proved in many instances that a million dollars spent in the iron ore industry, for example, will create one job and that the equivalent amount spent in the tourist industry will create 20 jobs.

Raising the standard of our present facilities and increasing variety of facilities to complement Western Australia's natural resources should be a priority of this Government. Promoting the development of tourist resorts like that established at Broome and like those proposed for Geraldton and Bookara is crucial to this State's economy. We must take advantage of this State's natural charm and hassle free lifestyle.

Training our population to accept visitors and to welcome them rather than viewing their inquisitiveness as an interference and encroachment on our lifestyle is a challenge we should confront as soon as possible. The Government's first task in this area should be to establish training facilities to instruct and educate our front liners - taxi drivers - bus drivers - hotel reception staff, customs officials and transport terminal staff in the skills of making our visitors welcome so that when they return home they will be ambassadors to our wonderful State and country.

Finally, but most importantly, I record my appreciation of the support and encouragement given to me, by my wife, Rita, my three children, my parents, my brother Tony and other members of my family, my dear friends, colleagues and helpers, especially Hon Sam Piantadosi and my predecessor, Mr Ron Bertram, whose efforts made it possible for me to embark on a parliamentary career.

[Applause.]

Debate adjourned, on motion by Mr Pearce (Leader of the House).

STANDING ORDERS - SUSPENSION

Wheat - Deregulation

MR HOUSE (Stirling) [11.48 am]: I move, without notice -

That so much of the Standing Orders be suspended as would enable the consideration of a motion relating to wheat marketing, without notice and before the adoption of the Address-in-Reply.

The SPEAKER: In order to be successful this motion will need an absolute majority of the House. If when putting the motion there is a dissentient voice, I will have to divide the House and, in addition, I will have to count the House to ensure an absolute majority is present. The question is that the motion be agreed to.

MR PEARCE (Armadale - Leader of the House) [11.49 am]: The Government is prepared to accept the request for the suspension of Standing Orders, although it is a little unusual because the Address-in-Reply debate is still in train. However, I accept that the matter sought to be debated by the National Party is one of particular moment in the Western Australian community and it deserves to be dealt with in this way. It would, of course, be better to deal with it by way of an amendment to the Address-in-Reply debate, but I understand the desire of the National Party to obtain a decision of the Parliament by voting on a motion rather than an amendment. Therefore, the Government is prepared to accommodate the National Party under those circumstances.

All members know that Parliament is due to rise at six o'clock this evening. I said at the beginning of the week, when speaking on this matter, that there was time for every member who wished to speak on the Address-in-Reply debate to do so. The House will rise at six o'clock this afternoon and I hope the Address-in-Reply will be adopted by then. If Opposition parties wish to move motions or amendments to the Address-in-Reply, they cannot then complain if individual members do not have an opportunity to speak on the Address-in-Reply debate. The Government is prepared to accommodate business in whatever way members wish to proceed, but members must accept the consequences.

MR COURT (Nedlands - Deputy Leader of the Opposition) [11.51 am]: The Liberal Party will support this motion because it is proper for parties to have the opportunity to raise this

type of issue in the form of a motion. I put it to the Leader of the House that it would have been preferable to have allowed matters of public importance to be debated during this short sitting of Parliament. There is a great difference between moving an amendment to the Address-in-Reply and debating an issue such as the one before the House as a matter of public importance. If the Government wants to pursue a policy in the next four years of having ridiculous three-week sittings, it should at the same time allow the Opposition to debate matters of public importance.

The Leader of the House said that everyone knows that business will finish at six o'clock this afternoon. The Opposition has been extremely critical of the fact that the Government has tried to ram through so much legislation in such a short period. The ridiculous situation occurred in which the preparation on two important Bills - the petrochemical and accountability Bills - was rushed.

Mr Gordon Hill: That is not true.

Mr COURT: The Minister for Multicultural and Ethnic Affairs says it is not true, but he knows that the Opposition cooperated with the Leader of the House, and the legislation was debated without a week in which to peruse it. I was involved in both those Bills, and Opposition members have worked extremely hard to make sure that the amendments were available in time. In fact, those amendments were coming into the House during the second reading debate. If Government members think that is normal practice in this House, they are a disgrace. This afternoon the Opposition will not have the proper opportunity to debate the Address-in-Reply. Members will be denied the opportunity to speak in that debate because the Government has decided that it will finish this short sitting at six o'clock, as planned. Parliament should not work that way; all members should have the proper opportunity to debate a matter as important as the Address-in-Reply.

The Opposition supports the motion because it believes Opposition parties should have the opportunity to debate this type of motion in the House.

MR COWAN (Merredin - Leader of the National Party) [11.54 am]: I thank the Government for its preparedness to cooperate and offer the opportunity to discuss this very important issue. I give an undertaking that the members of the National Party will confine their remarks to the substantive motion which is to be moved, and that those remarks will be brief. Some members of the National Party are prepared to forfeit their right to speak in the Address-in-Reply debate in exchange for the opportunity to debate this motion. It is the most important and critical issue in Western Australia at this time.

Question put and passed with an absolute majority.

Motion passed.

MOTION - WHEAT

Deregulation - Opposition

MR HOUSE (Stirling) [11.55 am]: I move -

That this House confirms -

- (1) That the State of Western Australia is united in its opposition to the proposal by the Commonwealth to deregulate the domestic wheat market without regard for the majority views of wheatgrowers.
- (2) That, in the event of the so-called Kerin Plan being agreed to by the Commonwealth Parliament, either in part or in whole, there is all party support in the State Parliament for the principle that West Australian wheatgrowers retain control of their own industry.
- (3) That all parties in the State Parliament are opposed to any attempt by the Commonwealth to exceed its Constitutional jurisdiction in the areas of transport and grain handling in Western Australia and that, if necessary, all party support will be given to a challenge by the State of Western Australia in the High Court to any such move.
- (4) That whilst the grain handling and storage system in Western Australia is already one of the most efficient systems of its kind in the world; the

Parliament will support State based moves to improve even further its efficiency.

- (5) That the State of Western Australia is already making satisfactory progress towards a more efficient grain freight system, despite the failure of the Commonwealth to provide adequate road funding and to write off the capital debt of Westrail.

I thank members for giving the National Party the opportunity to debate this subject. It is of great moment, not only to the producers of Western Australian wheat, but also to those involved in the handling, storage, transport and other areas of marketing the produce. Wheat has been one of the main export earners of this country over a long period. The Kerin plan is the thin edge of the wedge and is the beginning of the breaking down of a system which has proved since the Depression to be of great benefit to Western Australia. Three years of debate have taken place on this proposal, during which there has been a great deal of vacillation and a number of meetings, and politicians have sat on the fence waiting to see on which side the majority of views lie. There is no doubt that the majority of wheat growers in Western Australia do not want the Kerin plan implemented.

It is important to consider the history of the Kerin plan and why it came about. Mr Kerin appointed Commissioner McColl to investigate the handling and storage of wheat in Australia, and the McColl commission presented a report to the Minister approximately 18 months ago. That report made a number of recommendations, upon which I shall enlarge at a later stage. By and large McColl stated that in some States the system of handling and transporting grain was very inefficient. That is not the case in Western Australia, which is in the unique position of having a very efficient bulk handling system. Western Australia has also taken steps to make the transport of grain more efficient. If any State can hold its head high with regard to cost structure and return to growers for the price of wheat, it is Western Australia. There is no doubt that it has the most efficient system. In the last few years Western Australia has put in place a number of practices and as a result, it can be held up as an example of what other States should do. Mr Kerin through the implementation of the recommendations of the McColl report - and what is now called the Kerin plan - is trying to foist on Western Australian wheat growers a system they do not want.

I am sure that it can be demonstrated that great savings are to be made in other States in the transport and handling of grain, but that is not the case in Western Australia. If anybody, including those in the industry, thinks that there are great savings to be made, they should examine that report closely because McColl has said that savings are based on assessments done on averages and the averages applied in some districts have been used by McColl. They do not spell out how those savings will be made, or where they will be made, they just use an average figure.

An important statement in McColl's report is that there will be some growers in Western Australia who will actually pay more for the transport and handling of their grain. That part of the debate has not been highlighted by anybody, so some growers will be disadvantaged. That is clear for anybody to see in the McColl report. We need to be very clear about matters so that we do not get ourselves into a muddle talking about cost savings when we should be talking about the efficiency of marketing our grain to the best advantage so that we get a better return for growers.

It is interesting to note that in the past few months the price of wheat has risen \$30 a tonne on the international market. In real terms it has risen more than that. The estimated return to growers from the 1988-89 pool is around \$28 a tonne more than was estimated a few months ago, yet here we are in Australia with just about every rural politician spending his time and effort arguing about a cost saving of maybe \$4 or \$7 a tonne. What a nonsense! We ought to be concentrating on returns to growers and making sure that those returns are as efficient as possible, and I do not deny that, but as I said before, I think that we in Western Australia have to be sure that the supposed returns and supposed savings that we are talking about are not a myth but a reality. I am not convinced that they are not a myth because I am sure that in many cases that is what they are.

I make the point that if the price of grain can increase by \$28 or \$30 a tonne in a few months then the supposed saving we are talking about on the total price - which is something like \$180 per tonne, and nobody can be specific about that because it depends on the final net

pool return - is \$4 per tonne, which as a percentage of that \$180 is very small, about five per cent. If one takes that point and enlarges on it - and one can do that forever - where will the savings come from?

If one looks at the McColl example of Wongan Hills there probably are savings to be made for growers. In such areas they grow largely a single type of grain which is delivered to the CBH handling authority as an Australian standard white wheat and there are very few grains involved. I am sure that private traders could come in and make that facility obsolete and handle the grain at a lower price, but that is still to be proved. If we take Jerdacuttup, Green Range or Cranbrook and examine them closely we find that last year some of those bins took up to 20 different varieties and types of grain and no private authority would move in and accept responsibility for that. What such people want to do is pick the eyes out of the market to the detriment of others. Any of us could do that.

I am sure that we could make a case for that. A small minority of growers in Western Australia can see that there may be some savings for them, but there would be a great detriment to other growers if that happened. Members of this House need to remember that as members of Parliament we represent all the people in our electorates and not just a small proportion of them. Let us concentrate on returns to growers and not on the mythical savings that might be made if just a few things go right. I recommend to any member of this House who doubts what I am saying that they get a copy of the McColl report, which is now published in summary form, and read it for themselves. As an economist, McColl has undoubtedly made a number of mistakes, one of those being not concentrating on areas where there may be a problem but concentrating his efforts on areas where there could be savings to some individuals in some circumstances. Western Australian wheat growers want to retain control of their industry. It is important to all of us to make certain that grower representation on the Australian Wheat Board is not diminished in any way. It is certainly important to ensure that grower representation on that board is in a majority and not a minority.

Although I acknowledge and applaud the expertise on the Australian Wheat Board supplied by a number of people who are not growers of wheat and who are a very necessary part in advising that board with regard to the marketing of wheat, it is important that we retain grower control. It worries me considerably that part of the Kerin plan is to reduce grower control to a minority on the Australian Wheat Board. It is important that every wheat growing State is represented on that board, as they are now. I do not think that anybody could deny the fact that in Western Australia, and perhaps more in Australia, over the past decade one of the problems with all industry has been that we have lost control of it at the grass roots. We have had so many takeovers of so many things that we now find ourselves in the position of a small minority of people controlling the great wealth and interest of this State. I will give an example of that. Not long ago one could walk down the Terrace in this great city and probably every tenth person one passed had shares in *The West Australian* newspaper. Because of that shareholding being held by that vast number of people the paper represented a conglomerate view. *The West Australian* is now largely owned by two institutions which have control of it. I use that example to demonstrate that it is not necessarily in the best interests of this State or the people we represent to allow such things to happen.

One could use any number of examples where people used to own parts of the developing areas of this State yet passed that ownership into the hands of a few people. It is important that we ensure that that does not happen to the wheat industry. While I have a part to play in that industry I will attempt to ensure that does not happen to any part of the agricultural rural industry. Members of my party, and I am sure other members of this Parliament, share my concern regarding the Commonwealth's intrusion into the powers of the States. This situation highlights an example that we could realistically face in the future. We may face another intrusion by the Commonwealth into the powers of the States regarding the handling, transportation and storage of grain. That will be a very sad day, because if the Commonwealth were to use the High Court to impinge on the powers we now have we would be faced with a situation of a gradual breakdown and would finish up being a rubber stamp and Western Australia, not just the grain industry, would be controlled from Canberra. I am sure that every one of us who seeks to represent the people of this State in this Parliament would not want that to happen. I am sure we would all argue that the States

should retain control of a great many things. I acknowledge that there is a minority of things over which the Commonwealth should have some control such as defence, immigration and customs. There are, however, many other areas in which the Commonwealth has impinged on the rights of the States. I urge members of this Parliament to support that part of this motion which argues strongly that we must not allow the Commonwealth to break down another area of States' rights: The right to make decisions about the transport, handling and storage of agricultural produce.

The handling and storage of grain in Western Australia is a unique system; it stands as a testament to the people who have worked very hard to ensure that it is efficient and represents the best interests of the growers who own it. The grain producers, as partners in a cooperative grain handling system, share in its decision making processes, and determine the direction it will take. There were rumblings amongst the grain growers of this State about eight or 10 years ago that Co-operative Bulk Handling was not doing its job efficiently; and it is to its credit that after a number of meetings around the country to discuss the problems that were being experienced, the board of directors set about re-establishing CBH in Western Australia as a premier handler of grain, which can hold its head high as an example to the other grain handling countries in the world. People from all over the world come to Western Australia to look at the way we handle our grain, and CBH is held up as a model of efficiency which other countries can copy.

We see when we look at the history during the past eight to 10 years that while CBH went through a period of great expansion, and borrowed a lot of money to build storage facilities, it now has its act together, and has the lowest grain handling charges per tonne of any State in Australia, and, indeed, of other grain producing countries in the world. So an examination of the history of CBH's operations - and the Leader of the National Party will enlarge on this point when he speaks - reveals just how efficient it has been in its ability to hold down costs, because the cost increase during the last eight years has been less than 10 per cent.

The Federal Labor Government has told us it intends to establish a different system. We have not been told how this will work; just that the introduction of private enterprise will do the industry a world of good, and that if we open up the operation to free trade, the growers will be better off. The important point is that the growers have to be the beneficiaries of any changes to the system. There are very good reasons why we in Australia have some form of protectionism for a range of industries. The debate about privatisation in Australia is now out of hand; it has reached the stage where the nonsense of academics is believed by people who used to be sensible. It is believed because the people on the other side of the debate have given up. I intend over the next few years to re-establish their position, and to ensure that whenever these points are debated, we highlight some of the benefits which we have received as a result of having a protectionist policy for our industries.

In case there are people who think that when we talk about privatising Australia, we are talking about opening it up to total free trade and that we will join the rest of the world, let me say that they should examine what happens in the rest of the world, because they will find that every country in the world has some form of protection for its industry and for the people who trade in that country. Australia does a large amount of trade with Japan, and Japan is the greatest example of protectionism, which takes the form of quality control, rather than a system of tariffs. The system in America is no different; we are not told that we cannot export Australian meat to that country, but such strict quality controls are imposed that it becomes almost impossible to comply with the guidelines.

Australia is beginning to head down the path of saying, "If we join the free traders of the world, if we go out there and open up our markets, everything will be sweetness and light; we will resolve the balance of trade problem." However, that will not be the case. It is about time the academics and pseudo intellectuals went out to the country, where this nation's grain crops are produced. I will not stand by and let people in the cities dream up ideas that are supposed to make grain growers more efficient, and give them more money in their pockets. I am sick and tired of the Federal Labor Government's imposing its will on the people of this State; in this case the wheat growers. We need to examine very closely in this debate where Australia is going. Our balance of trade deficit has never been worse. The agricultural producers and the grain growers of this country are contributing towards redressing that imbalance. They are paying a high price for that, part of which is the 20 per cent interest rate being charged on the money they are borrowing to put in their crops

for this year, and to keep the agricultural industry going. The industry is returning \$180 a tonne to wheat growers, yet they are being faced with a measure which might save them \$4 a tonne.

It is a joke of the worst order, and I am afraid that Mr Kerin has been caught up in a political nexus between the puppeteers in the Labor Party, and people such as Hawke and Keating, who are manipulating him into a position where he is not able to distinguish between what is right for the wheat growers of this country and what may be right for the re-election prospects of the Labor Party. I think that might be what the debate is all about, because to its great discredit, the Federal National Party has been caught up in that debate and has gone along with it. It has sold itself for the price of re-election to Government, maybe at a cost to the wheat growers of this country. I acknowledge the National Party has said it will not vote for this Bill - and the irony of the matter is that no-one has yet seen the Bill - and that it has said it wants some reforms to take place, but how realistically can we achieve those reforms?

No-one would deny that tremendous savings are to be made on the waterfront; when we look at the number of man-hours that it takes to load a tonne of wheat and compare that with the situation in Canada and America, it cannot be denied that the waterfront could be made more efficient. However, I say to the Federal National and Liberal Parties, "For heaven's sake, get some concrete proposal before you sell yourselves for \$4 a tonne." I can tell members that, for many reasons, it will not be a \$4 a tonne saving; it will be a \$4 or \$10 a tonne cost. We could argue forever about what we believe should happen, but I hope that when this motion is put to the House, every member of this Parliament will support it, because to do so makes good sense. I acknowledge that we need to look at the proposed Bill before we can be absolute about what we say, but we must ask Mr Kerin and his colleagues whether what they are proposing for the Western Australian grain growers is realistic. They should spell it out in terms that we can understand, and not in the vagueness of the McColl report.

I would like to pay tribute to the member for Eyre, who was Minister for Transport from 1983 to 1986, for some of the reforms that he instituted in the transport system for grain, particularly in the Lakes area of this State. While people of other political colours vacillated with that question for a long time, he grasped the nettle and instituted a system which seems to be working and which seems to be giving a better return to growers on a reduced freight system.

There are many more savings to be made. Westrail must become more accountable, efficient, competitive, and it must be made to compete in the open market in those areas where we can allow road transport to come in and make sure that it is more efficient. We are taking steps towards that, and we do not need politicians in Canberra to tell us how to do it. We do not need people like McColl, with his academic qualifications, to tell us how to run our industry.

Those who have survived the last shake-outs in agriculture during the last decade, those who have survived the three droughts in 10 years that my area has gone through, are very efficient. They are knowledgeable business people and they have their heads screwed on the right way. Cocky farmers are no longer in Western Australia, because with that attitude one did not survive. We now have hard headed, hard nosed businessmen who know exactly what they are talking about. I urge this Government and the Federal Government to listen to them.

The subject which seems to have produced the greatest dissension among farmers and wheat growers in this country is the deregulation of the domestic market for wheat. It is worth noting that the arrangement for the Australian Wheat Board to continue to control the export market will have to be rewritten in the next few months. The Federal Minister, Mr Kerin, has been holding a sword over the heads of the wheat growers with regard to that decision by saying that he may not do anything if, by 1 July, we have not succumbed to his blackmail about the other areas he wants to do something about. As Federal Minister for Primary Industry he stands condemned for that attitude, because it is not right and proper to decide that he will give us that only if we give him something else, particularly when the majority do not agree with what he is supposed to be offering.

It is important for all wheat growers in this State to have a good look at what is in place now. Largely as a result of the permit system, we have some deregulation of the domestic market, but it is controlled by people who are in a position to make a judgment about whether the amount of wheat coming onto the domestic market will affect us in other ways. These

people have a great deal of expertise. They seek advice from members of the Grain Pool of Western Australia and the Australian Wheat Board, people who have a tremendous amount of expertise. These people know what they are talking about. They can regulate the amount of wheat permitted to flow onto the domestic market in a so-called free trade system through the permit system. For those who want to take advantage of it, it is already in place. Those who want to take advantage of it in a greater way can negotiate with the Australian Wheat Board to get a permit.

I acknowledge that the board has the ability and the right to refuse that permit, and that is only right and proper, because it has the expertise and knowledge to make that decision. Under Mr Kerin's plan, if we open up the market completely, as has been demonstrated, there could be a fall in the domestic price of wheat. Heaven knows, given those figures, why we want to press ahead with a plan which could allow that. It is unfortunate that, as a result of the fast rising price of wheat this year, that point will be rejected, and anyone could argue against the point I am making. I acknowledge that. But when the cycle turns, as it always has throughout history, and wheat comes to the down side, we will need to be able to take some comfort from legislation which allows us to take the average price over the last three years. I urge wheat growers not to fall for the cheap trick which will see more money in their pockets this year but less in the future.

While talking about the domestic market it is important to remember a couple of things. The free trade agreement between Canada and the United States is very interesting. One of the things excluded in that agreement - and there are very few - is the ability of the American traders to purchase Canadian wheat and put it into their own market. The Canadians are very shrewd people, and they have recognised that that could cause them tremendous problems, so they have guaranteed to control their domestic market for wheat. The Canadian Government fought an election in Canada and won solely on the free trade issue, yet the one thing the Canadians excluded from that agreement was the domestic marketing of wheat. If other people in other parts of the world take those steps, we should make sure that we are not making a mistake in what we are doing.

It is amazing that some of the big businessmen in this country are buying up bulk handling storages in other parts of the world. I wonder why! Those people do not operate in the marketplace unless they can make a profit. I have never seen John Elliott operate in any area where he cannot make a profit. He is the head of Elders IXL and several other organisations, and he has been buying up grain storage facilities on the west coast of America because he thinks he can make money out of trading in grain. Can anybody demonstrate to me that he can make money out of trading in grain by getting a better price for it? There are only two ways he can make money out of grain: He can either get a better price for the grain, or he can buy it at a lower price, which would be to the detriment of the people I represent, the wheat growers of this country, particularly Western Australia. I do not think John Elliott cares one damn about the wheat growers of Western Australia. I do not think he or his cohorts in the business of buying those storage handling facilities care at all. John Elliott only cares that he makes a profit. I warn anyone who thinks otherwise to examine his areas of business. I do not deny him the right to make a profit, but I do not want him to make a profit out of the people I represent. I want them to get the best possible price, and they can do that by supporting the Australian Wheat Board in the export and in the domestic market of wheat.

If we allow the domestic market to be opened up, that would be the thin edge of the wedge for the export market. Last year Australia exported, in round figures, 16 million tonnes of wheat. Our average export is somewhere between 15 million and 20 million tonnes a year. When we realise that some other individual countries in the world produce up to 240 million tonnes for export, we can see where Australia fits into the picture. We are almost a nonentity. If we disappeared from the scene tomorrow, no-one in the world's grain trade would miss us. The State of Kansas alone produces more wheat than Australia ever looks like producing. If we disappeared tomorrow, no-one would miss us, and we should remember that.

We should also remember that a lot of our trade is done with the Chinese and the Russians. The Chinese and the Russians like to deal on a Government to Government basis. They like to deal with the Australian Wheat Board because it has some authority from the Australian Government. It is important that we remember and support the Australian Wheat Board in its efforts in the domestic marketing of wheat.

I believe I have made the case for this motion very strongly on behalf of all wheat growers in Western Australia. I hope that all members of this Parliament will support this motion and examine the facts very closely, because it is very important that they do. Finally, I thank the Leader of the House and the Government for allowing us to take this very important step of suspending Standing Orders to debate this motion.

MR COWAN (Merredin - Leader of the National Party) [12.31 pm]: I formally second the motion, and want to add to the remarks made by the member for Stirling in relation to this entire debate and the direction it has taken; or perhaps the way in which it has degenerated would be a more apt description.

Part (1) of the motion deals with the opposition that growers have to the Kerin proposals, which was very clearly demonstrated last year when the Farmers Federation (Inc), in conjunction with the Grains Council of Australia, conducted three meetings - one at Mingenew, one at Wyalkatchem and one at Newdegate in conjunction with the Newdegate Field Day. While I do not know the total number of growers who attended those meetings, and I do not think a record was kept, it has been stated that more than 2 000 Western Australian wheat growers attended, which is a very representative group of wheat growers. At those meetings there was not unanimous support but a very clear majority - an overwhelming majority - of support for the proposals that were put forward by the Grains Council of Australia in the development of the new five year wheat marketing plan. Those proposals were built around four issues which the Federal Minister for Primary Industries and Energy, John Kerin, said he was going to bury. It dealt with the grower representation on the Australian Wheat Board; the underwriting provisions; the deregulation of the domestic market in relation to human consumption and industrial milling; and the deregulation of the export market in relation to feed wheat.

In each of those areas the Federal Minister has indicated that he wants to make some changes, and it was clearly demonstrated that Western Australian wheat growers did not support those proposed changes. Even though some of the other areas are very important, and underwriting is one of those, the greatest area of contention was that the proposal put forward by the Federal Minister removes some of the stability that is inherent in any orderly marketing system. That stability, of course, is provided by price averaging. While it is fine, as the member for Stirling said, to accept a price on the rising market and talk about the benefits we gain by discarding averaging, the truth is that when prices are coming down again we end up in serious trouble. The Kerin plan, as it is called, tended to look at providing a guarantee on the basis of merely an estimate of the price in the subject year; in other words, it removed averaging, which is a fundamental principle in relation to orderly marketing.

But perhaps the area of greatest contention was in the matter of the deregulation of the domestic marketing of grain, particularly the aspect of human consumption. As I understand it, the proposal Mr Kerin wants to introduce is that he would deal with nothing in the wheat marketing plan other than those Commonwealth powers; in other words, he will introduce legislation which grants an export licence to the Australian Wheat Board and does nothing else. We all know that the control of the domestic market is through the mechanism of the power of acquisition, which is a State authority - a State power which the State confers on that wheat marketing plan by the passage of complementary legislation. I understand it is Mr Kerin's intention merely to introduce legislation which contains the grant of an export licence to the Australian Wheat Board - an exclusive licence, I might add - and forgets about anything to do with the power of acquisition which, in its turn, would bring about deregulation of the domestic market.

I point out to the Minister for Agriculture that members of the National Party very strongly oppose the loss of these acquisition powers and the consequent loss of control over the domestic marketing of grain. It is very important that that be remembered. The proposal known as the Kerin plan does not have the support of the Western Australian grain industry; that was clearly indicated at the meetings conducted last year by the Farmers Federation in conjunction with the Grains Council of Australia, and attended by more than 2 000 growers.

I might also add that the Kerin plan has been formulated as a consequence of two reports. The first is the Industries Assistance Commission inquiry which makes recommendations on changes to the new five year wheat marketing plan. In the report of the inquiry conducted by

the Industries Assistance Commission it was suggested that if the price of wheat for human consumption in the domestic market became more closely aligned to that of the export price, that reduced price - and it is a reduced price; it is about \$42 a tonne - would encourage processing of wheat in Australia, and value added processing would pass on as a benefit to the nation as a whole. I say to the Minister for Agriculture that that is a myth. The price would certainly drop but there would be no increased value added processing of grain in this country, for the simple reason that our clients, the countries which purchase Australian wheat, want whole grain because they want to undertake the value added processing in their own countries. So the recommendation of the Industries Assistance Commission that the domestic wheat market for human consumption be deregulated because it would enhance the prospect of value adding that product in Australia has no basis in fact - it would not happen.

The other report which prompted the Kerin plan was the report of the Royal Commission into Grain Storage, Handling and Transport. One of the difficulties that we have with the recommendations of what is known as the McColl report is that they are not applicable to Western Australia. The commissioner discounted to some extent the statement I have just made by claiming that there would be a \$10 per tonne national saving in the handling and transport of grain if his recommendations were applied, but in Western Australia that saving would reduce to \$7 a tonne because of the efficiencies in handling, and certainly in relation to transport, which the member for Stirling has already mentioned.

That was a claim made by Commissioner McColl but other research has been carried out and I recommend to the Minister that he read the submission put forward to Commissioner McColl by Co-operative Bulk Handling Ltd, which calculates that instead of there being a net \$7 per tonne saving, in many instances there would in fact be add-on costs. CBH reached the conclusion that in most instances there would be a \$4 per tonne additional cost in handling and storage in Western Australia, rather than a saving of \$7 per tonne.

While it may be said that Co-operative Bulk Handling has an interest in this matter, I do not think it could ever be claimed that it does not have the ability to ascertain accurately the actual cost of handling and storage. I suggest - and I am sure no-one would dispute it - that CBH would be far more able than anyone else to determine accurately the costs of handling and storage. Whereas Commissioner McColl examined two receival locations in Western Australia - from memory I think one was Wongan Hills and the other Kondinin - and then said that savings could be effected, CBH has at its disposal every receival point in Western Australia and by its calculation there would be an added cost of \$4 per tonne, and not a saving of \$7 per tonne.

Commissioner McColl said - and his remarks were repeated by the Federal Minister for Agriculture, Mr Kerin, in his promotion plan - that handling costs in Australia had increased by 50 per cent over the past five years. That may apply to other States, but in Western Australia over the past eight years there has been only an 8.6 per cent increase in handling costs. Once again the basis upon which the Kerin plan is to be implemented - that it will provide efficiencies and savings for the industry - can be and is disputed; those claims are wrong. One of the most serious matters about the debate is that it is not about marketing of wheat or about efficient handling, storage and transport of grain, but it has become a question of which political ideology will be satisfied and who has the numbers to ensure that a particular ideology is rammed through the Federal Parliament and then imposed upon wheat growers regardless of their stated wishes to retain the system they have.

One of the greatest difficulties is that in order to impose this system upon wheat growers because of the various political machinations of the parties, the Federal Minister has stated that he is prepared to use the external powers provisions of the Australian Constitution to override what are clearly the constitutional responsibilities of the State of Western Australia. I refer specifically to the matter of transport and the question of handling. I am sure it would be the Minister's intention to include in the new wheat marketing plan provisions which would exempt the Australian Wheat Board from having to comply with any of the regulatory provisions in Western Australia which deal with the regulation of transport and handling. Western Australia has a system which was designed to bring the transport of grain into a deregulated position; we are well advanced down that particular path, which was instigated by the present Minister for Economic Development and Trade. As has been stated in the motion, the grain handling and storage system in Western Australia is by far and away the most efficient if not in the world, then certainly in Australia. I think it could claim to be the

most efficient handling and storage system in the world. An enormous number of people travel to Western Australia to examine our system because it is regarded by the grain industry itself as being the most efficient.

One other area in which the Kerin plan is attempting to effect some efficiencies is the matter of grain handling on the waterfront. No-one in this Parliament - certainly not the Minister for Labour - would disagree that inefficient work practices exist on the Australian waterfront. That applies as much to Western Australia as anywhere else. I think that many people would be somewhat impatient that at the moment all the Government and perhaps arbitration commissions can do is commission reports or study reports. There have been a great number of reports on what is likely to happen or investigations of what has occurred on the Australian waterfront. The Western Australian Farmers Federation estimated that there are potential savings of \$30 million to be made in Australia if work practices on the Australian waterfront were tightened. Before the Minister believes that, he should look very closely at the stevedoring costs of grain throughout Australia because it costs less than half that to actually put our grain across the Australian waterfront. Therefore I find it difficult to believe that when it costs only \$15 million in stevedoring charges for the entire export of our grain crop we will save \$30 million. I think the Minister should take some of the figures which have been presented with a pinch of salt. Notwithstanding that clearly there are some inefficient work practices on the waterfront which need to be addressed, I hope the Minister prevails upon his colleagues not to commission another report but to persuade the unions, the port authorities and the Government itself to sit down with the Industrial Relations Commission to restructure the award in order to remove many of these inefficient work practices. That would give even greater flexibility to the ships that are loading and to the manning rate. If that can be achieved, there will be some saving, but it will not be in the vicinity of \$30 million, which is the figure promoted by the Western Australian Farmers Federation. As I said, the actual stevedoring charges for the shifting of the Australian crop are less than half that amount.

This has been a vexed issue for wheat growers in Australia ever since the new marketing plan was proposed. It is a disappointment to me that the Federal Liberal Party has adopted the position that it is not in the least bit interested in the industry or the wishes of the industry, but is more concerned about its political image, which is such that it does not want to be seen to be less deregulatory than the present Labor Government. For that reason and that reason alone, the Federal Liberal Party has argued strongly in favour of the Kerin plan with one or two minor exceptions. That is something the State National Party rejects. While I am disappointed with the attitude of the Federal Liberal Party, my disappointment with the Federal National Party is much greater. It was the Federal National Party's responsibility to deliver the coalition's policy on this issue and it is unfortunate that the Federal National Party has been unable to do so. As a consequence of that, the Kerin plan has stood unchallenged other than by the Grain Council of Australia, representing the growers. Unfortunately the representations made by the growers have been totally disregarded by the Federal Labor Government because it sees an opportunity to wage political war and make political gains over the coalition, when the coalition could not make a decision on this issue. If there is any service the Minister can give to the Western Australian wheat growing industry, it is that he should carry to Canberra and to Mr Kerin - in fact he could achieve where the Federal coalition has failed - the message very clearly that this plan is rejected by Western Australian wheat growers.

They want to remain in control of their own destiny and will not have anything to do with political bickering and the results that come from that. We are not interested in who will win the debate on whom is more or less deregulatory than the other. We are interested in maintaining a marketing structure for grain in Western Australia that has stood the test of time. That certainly needs maintenance or needs to be subject to constant scrutiny; where efficiencies can be demonstrated they should be applied. The same can be said for handling and storage; the system needs to be under constant scrutiny and where efficiencies can be demonstrated they need to be applied.

The Minister for Agriculture can achieve something here which the Opposition parties in Canberra have failed to achieve; that is, to impress on the Federal Minister that it is time he listened to the wishes of the industry and forgot about political expediency.

MR BRIDGE (Kimberley - Minister for Agriculture) [12.51 pm]: The Government is

happy to support the motion because it seeks to achieve something very fundamental to the interests of the industry, the growers and the community at large. This is an attempt to establish a united approach to this matter and one in which the situation can ultimately be made known to the Commonwealth Government as it seeks to implement the measures. We would like to see an end to the debate which has continued for more than two years. During that time, many views on the Kerin plan have been put forward, both for and against. We have reached the stage where the legislation is about to be introduced in Federal Parliament, if that has not already happened today. The final details of the legislative package will be made known to us very soon.

The motion covers all the areas contained in the legislative package - reference to deregulation of the domestic market, Commonwealth powers overriding those of the States, the current transport system and the handling system, in relation to the wheat industry. We want to be united in relation to each area of the motion, and the Government will seek to achieve that end through parliamentary processes within this State and to deliver that message to the Commonwealth Government. This will require not only the agreement of the State Governments with a firm decision by the National Parties, to achieve a united approach, but also requirements will need to be placed on the Liberal Parties to support these measures.

Regarding the comments made about questions being asked over the last couple of weeks and my attempts to answer the questions on notice, I gained the impression that the Liberal Party has difficulty in going along with the opposition which might be mounted by this State in response to the legislative package in the Kerin proposal. If that is a wrong perception, I hope that Liberal Party members will come forward during debate to alter that perception and indicate their support of the motion and the opposition we are seeking to set in place as a consequence of the way the State Government is handling the issue.

As I have said over the last couple of weeks, we have deliberately prepared ourselves to seek from the industry groups and farmers in this State their views and advice as to how we should firm up our position in respect of their interests.

Mr MacKinnon: We have heard this speech before.

Mr BRIDGE: The Leader of the Opposition may feel this is a repetitious exercise.

Mr MacKinnon: On every single issue, the Minister says the same thing.

Mr Pearce: He is consistent.

Mr BRIDGE: It is important to restate the reasonable requirement of the Government to obtain the views of the growers before we formulate our position. This is a different approach from the Liberal Party policies on handling sensitive matters of this kind. When one says that, the Liberal Party seems to become riled to some extent. I fail to understand that, other than to conclude it probably typifies the lack of communication within the Liberal Party structure and between the party and the public at large. For a party which once advocated its genuine interest in the rural scene, it now makes a pathetic attempt to demonstrate that interest. That is evident when one travels to rural areas.

As I have said, a series of meetings have been set in place which will allow people to speak for or against the measure. At the end, we will firm up on our position and make that clear to the Commonwealth Government.

Mr Blaikie: Did the Government have a policy prior to your becoming Minister?

Mr BRIDGE: There was no need. The Kerin report did not exist then, it is news to the member and to myself.

Mr Blaikie: The Minister has sat there for two years.

Mr BRIDGE: In our view, it is appropriate to wait and make a proper assessment of the legislative package.

Mr Blaikie: The Minister's colleague has attended Ministerial Council meetings and did not express the Western Australian Government's view.

Mr BRIDGE: My predecessor has said, and the member knows this, the same things that I say: We are waiting to consider the Kerin proposal to make a proper assessment. Maybe

avenues will exist within that proposal that merit consideration. We will examine them in the context of that situation; we will continue to talk to the industry groups and others.

The Opposition proposes an unusual situation. It says, "Don't allow the industry the opportunity to speak. Don't allow the Farmers Federation, the PGA, and others to speak. That is not important."

Mr Kierath: That is not true.

Mr BRIDGE: We are about to present to the Commonwealth Government the position that we as a State Government feel is most appropriate to take in the interests of the Western Australian industry. That is my position.

Mr Kierath: We would like to know how you stand.

Mr BRIDGE: The member should sit their quietly and calmly and in the next week or two I will be happy to tell him.

Mr Blaikie: The Ministerial Council has been discussing this for the last two years; the State Government should have a position.

Mr BRIDGE: In respect of the matters canvassed by the National Party in this motion, it is true that out in the wheat areas of the State, a group of people have difficulty in supporting any kind of measure which talks about deregulation of the present system; that is not a matter of dispute. A large percentage of farmers are in great difficulties. There are others, the percentage of whom one does not know, who say that there are reasons to consider implementing some changes to the current system. It is necessary for us to be sure that when we move as a Government to ultimately put the official position to Canberra, that situation has been taken into account.

Mr MacKinnon: By that time it will be all over.

Mr BRIDGE: It will not be over before it is made public. In respect of the domestic position, that is our position.

Mr Kierath: Everybody has a position on it except you.

Mr BRIDGE: What is the member for Riverton's position on it? If he is so brave, why does he not tell us his position?

Mr Kierath: The National Party has made a decision, and everybody else has made a decision except you.

Mr BRIDGE: The member says that his position is a good one, yet he is not prepared to say what it is.

Mr Kierath: Give me some of your time, and I will do so.

Mr Pearce: We will give you as much time as is necessary to state your position. The member does not know what it is; he does not have a clue!

The SPEAKER: Order! To give everybody a chance to consider their position I will leave the Chair until the ringing of the bells.

Sitting suspended from 1.00 to 2.15 pm

Mr BRIDGE: Prior to the luncheon break we saw an indication of the difficulties the Liberal Party is experiencing with this debate.

Mr Pearce: Perhaps they briefed their members over the lunch break, do you think?

Mr MacKinnon: We made our position clear in August last year.

The SPEAKER: Order!

Mr BRIDGE: Clearly, the National Party saw a need for this debate. I am sure the Western Australian growers would want to hear that.

Mr Kierath: They would like you to make the position clear.

Mr BRIDGE: The member for Riverton will be addressing us in a moment, I believe.

Mr Kierath: No, you were going to give me some of your time.

Mr BRIDGE: I think it is consistent with what has been seen as the position in Western

Australia that the Government is trying to avoid, by way of consultation, the situation in which a decision is made by a party to proceed down a path without effective consultation with the people directly involved. The method we have in place is to offer the growers of this State a clear opportunity to talk to the Government once they have had an opportunity to make a judgment in respect of the legislation to be introduced into the Federal Parliament. I would have thought no sensible member of Parliament would argue with that approach. It is reasonable and responsible for the Government to say to the growers of this State that it is keen to proceed to talk to the Commonwealth once the legislation is available to each and every one of us. The Government will ask the growers exactly how they react to that legislation and explain to the Government their areas of concern, and the Government will proceed to represent their interests in the appropriate manner. We are not delaying the process. The legislation is not even before us yet. This is the responsible approach to adopt. When all is said and done why should the Government deny the growers a free opportunity to speak to me as the Minister? I ask the Liberal Party why it is so concerned about delaying my final decision, and on what basis does it do so? I want the growers to sit under a gum tree or on a tractor and say, "Now that we have seen the legislation, this is our position. Will you make that position known to the Commonwealth?" That is all that the Government is saying.

Mr Fred Tubby: Farmers were saying that 12 months ago.

Mr MacKinnon: You have been sitting on the fence.

Mr BRIDGE: I have not been sitting on the fence.

Mr Fred Tubby: Have you been listening to the farmers for the past 12 months?

Mr BRIDGE: I have been listening, but I think an important process must be followed. It is a decision that will impact in one way or another in a significant manner on the industry throughout Australia, not just Western Australia. I believe the growers should be entitled to the opportunity that I have already explained. I have not been sitting on the fence; I have given them the opportunity to talk to me. I am now the Minister for Agriculture in Western Australia and I will make the decision when I think it is appropriate for the growers and not through the advice of the member for Roleystone or anyone else. What we are saying here today is that the call from the National Party in this motion is an appropriate one. As a political group of people in this State we should attempt to unite in seeking to make a position known to the Commonwealth Government and in the course of reaching that position I am providing the growers of this State, through me as the Minister, with a way to achieve a proper representation of their position to the Commonwealth Government. What that situation will present to us will be determined when we go down that path, and if that requires us to rigidly oppose the proposal contained in the Kerin report, and that is the overwhelming view of the growers of this State and that seems the most practical and responsible action for the State Government to take, we will not hesitate to do so.

Mr Kierath: If that is so, I commend you on that.

Mr BRIDGE: Before the member commends me, let me say that I am not shutting the gate. If, on the other hand, there are people out there saying that they have developed a certain view because of the views expressed to members of the Opposition, that is the other side of the story. The Government will listen to both sides of the story.

Mr Fred Tubby: Will you be going on numbers?

Mr BRIDGE: The member will have to trust me, as the Minister, to make a decision at the end of the day on what I consider to be the aspects of this debate which compel me to put to the Government, through the Cabinet, the most appropriate way of responding to this issue. That is the approach I will adopt and that is what will happen in due course. I do not think we have any difficulties with this situation. The Government sits comfortably with the issue. I am sure that a degree of confidence currently exists in the farming community with the way I have addressed this issue in the time I have been Minister. That followed a firm basis of consultation and discussions with my predecessor and the industry group. The Government will, in a week or so, be in a position to inform the Commonwealth Government of its attitude.

In that context, I hope that the National Party and the Liberal Party are prepared to commit themselves to all that is contained in the motion.

MR BLAIKIE (Vasse) [2.24 pm]: The Liberal Party supports the motion. It is important to understand that changes are being imposed on the wheat growing industry of Australia by the Federal Government. We should understand the general parameters of those changes. The Kerin plan, put forward by Federal Primary Industries Minister, John Kerin, is a proposal to deregulate wheat marketing. One of his reasons for doing that was to improve efficiency and to increase competition. It is also proposed that the underwritings currently in vogue as a result of Federal legislation will be substantially reduced. Currently, the level of underwriting by the Commonwealth Government stands at 95 per cent.

I am concerned that the underwriting factor has not had a great deal of prominence in the debate on this motion today. I hope other members will raise the matter because the underwriting is a critical part of whether the motion should be supported or opposed. In addition to gaining support for his proposal, Mr Kerin and the Federal Cabinet decided last week to use the powers of the Commonwealth Government to take over State transport and handling responsibilities and therefore to deregulate the transport and handling industries of the States. That is a clear breach of the responsibilities of the States and an imposition that I certainly do not support. A proposal relating to that is also contained in the motion and I support it.

I have a fair degree of experience in statutory marketing bodies, particularly in agricultural marketing bodies, having been involved for 18 years. I have certainly been involved for much longer than anyone else in this Parliament. Members are aware of problems involved with statutory marketing. Only a couple of years ago statutory marketing changes resulted in the Leader of the Country Party and a Minister of the Crown resigning from Government. However, that is part of the trauma that all political parties face from time to time.

In this instance, it is interesting that all members of the State team are fairly united in one direction. In relation to agricultural policies, I am concerned about the lack of proper information that is made available to the grass roots people back on the farms. I am of the firm view that if people are given long enough to understand the problems and the proposals, and then if they are given long enough to make a decision, they will make the right decision. However, they will not accept having decisions imposed on them.

Some fairly hard decisions have been made on agricultural marketing in recent times. The difficulty is that the decision makers believe that they act in the interests of the people in the industry. Two examples are: Firstly, a Select Committee of this Parliament recommended that the Government get out of both the Midland Junction abattoirs and Robb Jetty abattoirs. At the time, the farming community was horrified with the decision. However, in due course the Government got rid of the Midland Junction abattoirs but not the Robb Jetty abattoirs. If it had, the industry would have been far better off. The point I am making is that the industry accepted the decision.

Secondly, significant changes to the dairy industry have taken place over the last 18 months. I give credit to the former Minister who stopped the blackmail occurring in milk quotas and removed the restrictions on upper and lower levels of production. The industry had time to consider those changes. The problem is that the Federal Labor Party decides what is best for Australia and imposes its views against the wishes of the industry.

For the information of members, I table a news release of 30 August by the Leader of the Opposition which states in part -

Mr MacKinnon said changes to wheat marketing, as proposed by the Federal Primary Industries Minister, Mr Kerin, without majority support from WA growers will be seen as divisive and will be rejected by the people of WA.

It is quite wrong for the Minister for Agriculture, who is not in this House this afternoon, to say that the Liberal Party does not have a position. It does have a position and it has had a position for some time. No doubt the Liberal Party finds itself in a similar position to that of the National Party. It has a position and its colleagues in the Federal Parliament also have a position.

Mr Cowan: The Federal Opposition would not know what its position is.

Mr BLAIKIE: I know what the State Liberal Party's position is and it was determined some eight or nine months ago.

The Leader of the National Party referred to meetings conducted by the Grain Pool of WA and the Western Australian Farmers Federation and I advise the House that I also attended those meetings. It was reported in the Press that in excess of 2 000 people attended the three meetings which were held. Concern was expressed at those meetings over the changes that have been mooted. However, the concern which was expressed was not clearly understood. The purpose of the meetings was for the Federal Minister, Mr Kerin, to explain his proposals to Western Australian growers. It was an insult to the integrity and intelligence of the growers that the Federal Minister did not attend the meetings and sent one of his office staff to represent him.

Mr Cowan: There were two advisers.

Mr BLAIKIE: Although he sent two of his representatives it was not what the growers wanted and it was not what I wanted. If a Minister is proposing changes to an industry it is incumbent on that Minister to explain the reason for the changes to the industry. He should listen to the points of view expressed to him and give consideration to them and then advise whether he will make any changes. In this instance it was diabolical that Mr John Kerin remained in Canberra and sent two of his advisers to attend meetings which were attended by at least 2 000 interested people. If any changes were required to the industry the Minister's advisers were not in a position to make any decisions. Before they could make any decisions they would have to confer with the Minister to ascertain whether he agreed.

It is important that members understand that the proposed changes to an industry which has existed in Western Australia for over 50 years are significant, yet the Federal Minister did not even bother to attend the meetings. He still has not visited Western Australia to ascertain the attitude of the people in this industry. He is making a determination from the warmth of Canberra and from the protection of his facsimile machine and his Press releases. The Federal Government is a Government of Press releases and it is not good enough.

At the meetings I attended there was a strong message that people were concerned and that they had not been given sufficient information about the proposed changes to the industry. The fear they expressed was that they do not want to return to the situation that prevailed in the 1930s. Also at those meetings some people - one could count them on one hand - expressed a contrary point of view and were of the opinion that some changes were required and should be considered. However, an overwhelming number of people did not want any changes to the industry and their wishes should be taken on board by the Federal Government.

One of the very important points that came out of those meetings was an inherent mistrust of the actions and deeds of politicians. At the end of the day it will be very interesting to learn what the Federal Government - I should say the Federal Labor Party - does with its wheat marketing proposals. I am of the opinion that the Labor Party has a definite agenda and the first item on that agenda is its lack of concern about the interests of the wheat producers of Australia. The wheat industry is not its power base - it does not receive votes from the wheat growers. The Kerin plan is not designed to further the interests of the wheat industry. Ultimately, this plan will save the Australian taxpayers millions of dollars each year because Mr Kerin and the Federal Cabinet intend to get out of underwriting the wheat industry. In due course the Federal Government will impose the underwriting of the wheat industry back onto the industry and at the end of the day it will ensure that the increased competition it talks about will occur and the price of bread will probably be decreased. That is part of the hidden agenda of the ALP. The Federal Government's interest is not in the wheat industry; it is in getting Australian consumers to reduce the cost of living index.

I advise the House of an example of another Kerin plan. I was the only member of Parliament in Western Australia who opposed the Kerin plan for the dairy industry. Many members in this House today should have opposed that plan when it was introduced. Those members to whom I refer should hang their heads in shame. The restructure of the dairy industry has cost every Western Australian dairy farmer over \$10 000 per annum to subsidise the Victorian producers. The industry is responsible for its own underwriting. That Kerin plan has cost, and still is costing, the Western Australian dairy industry tens of thousands of dollars. I advise members that there are interesting similarities between the two plans.

I had the opportunity to invite the member for Roe to a meeting of the State Liberal Party in Esperance. I invited him to attend in order that he could listen to a Federal Liberal Party

member's explanation of the Federal position on wheat marketing. I hope the member for Roe recalls how I gave this fellow a heavy dusting off and told him that I could understand that being a Victorian he would support the plan, but he was not concerned about the interests of the wider community. He was too narrow minded.

They sold out the dairy industry and I believe the concern expressed is not well founded in this instance, either. That is part of my concern. There is another concern held in Western Australia that I believe should be mirrored by members here; that any Government believes it can bludgeon its point of view forward without regard as Kerin is doing in Canberra. There has been much comment about what is the Federal Coalition's position. Part of the position is that they want to see a guarantee of a 95 per cent underwriting for any changes to the wheat industry. They want to see a maintenance of existing powers in relation to exports. I hope some safeguards will be contained in that position. Whether those safeguards will go far enough is yet to be decided in another forum.

At this stage this Parliament has not confirmed that it is united in its opposition to the Federal Government's proposals. I believe that part 4 of the motion comes back to the very nub of this matter, that we look to improving the efficiency of handling and storage in Western Australia. If this State Government believes that the handling of grain from our waterfront is sufficient, it has another think coming, because report after report, Federal, State, independent, or whatever report one looks at, has indicated that the waterfront around Australia - and Western Australia is no exception - is costing industry tens of millions of dollars. There is an obligation on the State to address those matters - it can and it should. I support the motion.

MR MINSON (Greenough) [2.43 pm]: I am pleased that the Minister for Agriculture is in the House as he has said that he is interested in listening to farmers and what they have to say and I am a farmer who will tell him a couple of things. First, for some reason the Minister seems to be a little confused about the position of the State Liberal Party on wheat marketing. I am proud to say that after my endorsement to contest the seat of Greenough I put forward a proposal to the Leader of the Opposition which led to him and the shadow Minister for Agriculture raising this matter in the party room. A policy statement was released last in August which was reported in *The West Australian* and the rural Press, as follows -

The WA Liberal Party will oppose the Federal Labor Government's plan to impose changes on wheat marketing in Australia.

This was resolved at a recent WA Parliamentary Liberal Party meeting.

WA Liberal Leader, Barry MacKinnon, said the Liberal Party's support of the Australian Wheat Board was based on meeting the needs of agricultural producers.

Mr MacKinnon said changes to the marketing situation should only be considered where such changes were instituted and approved by a majority of involved producers.

He warned that changes to wheat marketing, as proposed by the Federal Primary Industries Minister, Mr Kerin, without majority support from WA growers will be seen as divisive and will be rejected by the people of WA.

He said that as WA entered the 1990s, it was imperative for the State's agricultural industries to be competitive as any in the world.

"Cost effectiveness and efficiency in reaching world markets can be achieved through well-run producer boards, heading in the right direction with their export efforts.

"Producers must have access to the widest possible markets, which, in some instances, can only be effectively reached by producers joining forces to gain economic loads or quantities," he said.

"The Liberal Party stands for freedom of choice and the right of individuals or groups to self-determination that does not reduce the rights of others.

"It is this philosophy which will ensure the retention of producer boards which effectively deliver the services they were established to provide."

That was issued on 30 August 1988.

Mr Bridge: That is double dutch, it is absolute gobbledegook.

Mr MINSON: If the Minister would like me to paraphrase that: We do not support any change to the current situation without a referendum of growers. That is virtually what part (1) of the motion says and I have risen to speak specifically in support of that.

The policy just released is not Federal Liberal Party policy but a coalition policy. The policy of the Federal Liberal Party the whole way through has been to ask for the same courtesy that the State Minister for Agriculture is now asking for; that is, to wait until the legislation is released. That is what Mr Howard has been saying ever since the whole matter blew up over a year ago. I am pleased that the State Minister thinks it reasonable that we wait until the legislation is produced before we get too detailed with any policy we put forward.

As a State body we put forward a general policy which I am proud to say originated from me. I have risen to speak to this motion because our party supports its broad thrust. Part (1) of that motion states -

That the State of Western Australia is united in its opposition to the proposal by the Commonwealth to deregulate the domestic wheat market without regard for the majority views of wheatgrowers.

So far as I am concerned, the last few words are the crux of that clause - "without regard for the majority views of wheatgrowers". I was at the meeting mentioned by the Leader of the National Party at Mingenew. There were some 400 farmers present and I put forward a resolution that no change be made without a full referendum. That received unqualified support. We are happy to support part (1) of the motion. Part (2) states -

That, in the event of the so-called Kerin Plan being agreed to by the Commonwealth Parliament, either in part or in whole, there is all party support in the State Parliament for the principle that West Australian wheatgrowers retain control of their own industry.

As a member of the wheat growing fraternity, the WA Farmers Federation and The Pastoralists and Graziers Association of WA (Inc) I am fully supportive of growers controlling their own industries. I believe that grower representation from every State is essential, but that is not guaranteed at the moment. There is a distinct possibility that Western Australia could have no representation on the Wheat Board. Every State should be represented on that board, particularly Western Australia, because of its geographical isolation and its peculiar situation with respect to the trade routes of this world.

With respect to grower representation, I listened to Mr Kerin's reasons for not having all growers represented on the board. What he said had some merit. He said we should have the expertise of economists and such like on that board. What he says is true, except that there are plenty of people involved in the wheat industry who have expertise and who may not have realised that there are some pretty smart people with degrees in agriculture who could well fill those vacancies on the board as they become available.

We have no argument with part (3) of the motion. It has my full support. I hope other parties in this House remember that when the World Heritage listing debate comes up, as it will if the Australian Labor Party wins the next Federal election. We agree with the basic thrust of part (4). However, it should be noted that there is always room for improvement.

Mr Cowan: Like what?

Mr MINSON: All I am doing is making a general comment that if it comes from some other source it can be taken on board.

Mr Cowan: What source?

Mr MINSON: I have no idea. It is a philosophy I am putting forward. If someone makes a suggestion for an improvement it is all right to take it on board. It need not originate in the State.

Mr Cowan: We are not saying it originates in the State; we are just saying the handling and transport of grain happen to be State responsibilities, and as State responsibilities they are the Government's problem. They are not something which can be imposed on us by the Commonwealth.

Mr MINSON: While we are talking about grain handling and transport, I should mention something about work practices which were touched on by the Leader of the National Party. Some of those practices which are causing problems are to be found on the waterfront. As to what will or will not be saved, Mr Cowan pointed that out fairly well this morning. One of the practices I would like to bring to the notice of members today is that at the time the Australian Workers Union held control of Co-operative Bulk Handling Ltd and the waterfront with respect to wheat handling, the employees had four weeks' annual leave and 17.5 per cent loading, and they worked in gangs of three. As soon as the Waterside Workers Federation took over, the employees did not change but their conditions went to six weeks' annual leave with 20 per cent loading and the gangs to do the same work went to five.

Around the time self loading and self trimming ships were introduced to Australian ports, there were a couple of interesting cases in Australia. One concerned self loading ships in Tasmania. The situation was that self loading ships were manned to the same level that they used to be when they were loaded manually. Another interesting case from Queensland was that which occurred when self trimming ships were introduced. It had always been traditional in Australian ports - in fact I believe around the world - that the first mate on the ship wandered around the holds and supervised the loading. He had gangs working under his direction to help him do that. However, we now have, in the main, self trimming ships. The only difference is that now all the first mate has to do is to stand on the gangplank to make sure that is happening - press the right button and make sure the sparks go in the right direction. People are standing around smoking and drinking cups of tea while these ships are being loaded. That situation was challenged in Queensland two or three years ago and the Farmers Federation won that case, but there has been no flow on from that Queensland case or from the Tasmanian case to the rest of Australia.

We agree with the general thrust of part (5) of the motion also. I cannot entirely agree that we are making satisfactory progress; we could progress at a far greater rate. There are still many glaring, isolated examples where progress is not being made, and the best interests of growers are not being served by Westrail. I cite as an example the situation at Pindar, where there is a spur line of some 25 or 30 kilometres running up to the siding. Westrail seldom, if ever, run trains on that line because the line is in such a bad state. This should be deregulated. Until recently nitrate trucks have been going up to the mines full, and coming back empty when they could and should have contained wheat, and that had been going on for some time. However, Westrail refused to deregulate that situation. There are other situations like that which need looking into.

Several members interjected.

Mr MINSON: The Minister well knows that a representation to have that line closed was made to him some three years ago.

Mr Pearce: I was not the Minister three years ago. Do you want to make a representation to me now to close that line?

Mr MINSON: Yes.

Mr Pearce: So the member calls for the closure of that line?

Mr MINSON: That is right.

Mr Pearce: Okay; I shall look at the matter.

Mr MINSON: We should be able to deregulate Westrail and the transport system for wheat and other products farmers produce a little more quickly. As we deal with those lines, the money saved can be put into roads so that those roads are satisfactory.

I regret the way that the debate on wheat marketing and handling in this country has developed. Two separate events brought about this debate. The first happened a couple of years ago, when there was a \$350 million or \$380 million shortfall in the wheat sales, and for the first time in our history the underwriting provisions of the wheat legislation were brought into play. The Federal Government had its fingers burnt and decided to set about very quickly trying to make sure that that situation never developed again. Around about the same time the McColl report on grain handling and transport throughout Australia came on the scene. Since that time the two debates have become mixed and blurred. I regret that, because I think the two debates should have been kept separate and the whole question of

grain marketing should be treated entirely differently from grain handling and grain transport.

I would like to say that this party's position has been, is and will remain that it will have a referendum of growers before it will support deregulation of the wheat market in this State. Finally I am proud that I instigated the formation of the State Liberal Party's policy.

MR AINSWORTH (Roe) [3.00 pm]: I take issue with one of the statements made by the member for Greenough about the Federal Liberal Party's policy. I agree that the State Liberal policy has been broadly in line with the industry's wishes, but the details of the Kerin plan, if not of the legislation, have been known for some time and there has been a strong push from the Federal Liberal Party to support part of that deregulation thrust in the Kerin plan.

I speak specifically of the domestic market and the Federal representative from this State, who represents the largest wheat growing electorate in Australia, Wilson Tuckey. He has actively pursued a policy supporting deregulation in the domestic market against the majority wishes expressed by his constituents. As the member for Greenough just outlined, the domestic market has clearly shown it is of value to the industry and deregulation would be of no particular benefit at all to Western Australian growers because in the physical market in Western Australia, domestically traded wheat represents three per cent of the total grown in Western Australia. Therefore, 97 per cent of growers cannot participate in a deregulated market in any case. Secondly, the benefit from a pooled share of the premium received by the domestic market in a regulated sphere is spread across the whole of the wheat pooled in WA, and if that is taken away by deregulation 97 per cent of growers will lose out.

It is worthwhile looking at the Kerin plan, how it came about and some of the results that will occur if it is implemented. It came about as a result of two reports - the McColl report into storage, handling and transport of grain and the Industries Assistance Commission's report, which is brought out every five years as a prelude to negotiation of the five year wheat marketing plans.

Mr Blaikie interjected.

Mr AINSWORTH: The two happened to coincide and that was probably a good thing from the Federal Government's point of view because it gave it ammunition to bring in what I believe is a plan to phase in the reduction of grower control of this and other industries. I believe it also reflects a philosophy which is coming from some of the Canberra bureaucrats, the people who advise Ministers such as Mr Kerin; that is, an economic philosophy that deregulation is good for all industries regardless of the circumstances surrounding those industries. I do not have any argument with the fact that deregulation in some industries would probably be beneficial, but certainly not in the wheat industry. To lump that industry with all the others and say that the cure for one will be the cure for all is crazy.

The first of four key proposals in the Kerin plan is the deregulation of the export market. That proposal has since been dropped, but in a package deal which Mr Kerin put to growers at the time he announced his framework of proposals that was one of the things he advocated. It was partial deregulation of the export market but it was a step in the direction I believe the Federal Government is going - that is, to deregulate the whole industry across the board, both domestically and on the export scene. He was talking about the deregulation of feed wheat only as an initial step, which does not represent a large percentage of the wheat exported from this country. However to remove even a portion of the export wheat from the monopoly control of the Australian Wheat Board is a detrimental step and as someone mentioned earlier it is the thin end of the wedge to total deregulation. Fortunately that proposal has been withdrawn but it is indicative of the philosophy of the Federal Government and its long term aims.

There are several reasons export control must be maintained solely by the Australian Wheat Board. As a monopoly seller, the Australian Wheat Board is out there on the world market competing as only another trader with a whole lot of others, so there is no monopoly once one has left Australian shores. Australia also has an excellent record of supplying quality grain; it is a regular supplier in times of short supply, and it has a record second to none in those areas. There have been times when Australia has honoured its commitment to long term markets by supplying wheat at prices a little lower than it may otherwise have been able

to obtain if it were acting just as a grain trader looking for the highest priced market on the day. It has not been out to grab the highest price possible on every occasion; it has recognised the value of maintaining continuity of supply to regular customers so that in times of oversupply those customers will do the right thing by us and come back and buy from Australia. That has been proven time and time again, and I believe that will continue to be the case while the Australian Wheat Board has monopoly control. If that is broken down grain traders will come in and take whatever profits they can from the industry, regardless of whether it is good for the long term benefit of the growers.

The second area the original Kerin proposal touched on was the domestic market. This aspect has probably been the most prominent one in the headlines and in the debate, and yet, as I said before, in a physical market it represents only three per cent of Western Australian sales. The margin above exports that the domestic market for human consumption provides is pooled across all growers and therefore those growers in Western Australia who cannot be involved in the physical market of domestic sales still benefit from the premium achieved in the domestic market within Australia. In the McColl report, the commissioner clearly indicated in his summary that the savings identified in the storage, handling and transport area were not contingent upon deregulation of the domestic market. He said quite clearly that this could largely be achieved without altering the current marketing system. Mr Kerin, for his own reasons has decided to lump the two together and put the whole thing to the industry as a package. I do not believe he is serious; he cannot honestly believe that one is contingent upon the other because it is just not so, and the report of his own commissioner - which he is quite happy to quote in other areas - clearly says that one is not contingent upon the other.

The third area that Mr Kerin's proposal touched on was the structure of the Australian Wheat Board. It is probably worth going into a bit of history because we have talked about the Federal Minister's proposal to change the grower representation on the Wheat Board from five growers - that is, one from every mainland State - to a lower figure. Only five years ago Mr Kerin was successful in changing the grower representation on the Australian Wheat Board from 10 growers to five growers, so he has chopped off 50 per cent of the grower representation in one move and is now looking at reducing that even further to the point where a State like Western Australia, which at times grows 40 per cent or more of the national crop depending on seasonal conditions, might not have a single grower representative on the Australian Wheat Board looking after the interests of the growers and the people of this State.

The expertise mentioned earlier is already on the board. When the board membership was changed from 10 to five growers, those people were replaced by people with expertise in things like marketing, finance, bulk handling and so on. There is adequate expertise on the board and I do not see that a move from five growers to fewer will enhance the operations of the board one iota.

The last and probably most important aspect of the Kerin plan was the proposal to reduce the underwriting. Again, it is worth thinking about how the underwriting scheme came into being and the philosophies that the same Federal Labor Government that is now trying to wind back this support was espousing at the time the scheme was brought into being. Mr Kerin said that the underwriting was put into place to keep in the wheat industry resources that would otherwise go from it at a time of sudden market downturn. In other words, he is attempting to keep resources in an industry that was a cost efficient industry, that would recover in the short term, and that needed the support on a one year basis. The basis of that underwriting was not to create false market signals or ongoing support for the industry, but was purely a stopgap measure in the unlikely event of a sudden major downturn in world wheat prices.

The one time that that underwriting formula was triggered it fitted those criteria precisely. The Australian acreage of wheat sown had reduced because of the downturn in market prices before the underwriting triggering. It occurred only for one year so it was not a subsidy, and it achieved all the aims of keeping resources within the industry for that short time. The only thing that the Government did not bargain on was the sudden downturn in the wheat market. It had done figures on historical returns for wheat and worked out that, under the formula that it had provided, it would never have to pay a cent. It was caught out because there was an unprecedented downturn in wheat prices brought about by the export enhancement

program in the United States and the subsidies given to wheat growers in the European Economic Community.

However, the Kerin proposal for an 80 per cent underwriting would do absolutely nothing because under no situation that we have seen in the past, including the major downturn that we are talking about, would an 80 per cent underwriting have achieved any result as far as paying money back to growers in that year was concerned.

I believe that the 95 per cent underwriting which is in place currently is a reasonable figure. It is based on a three year moving average, not on a subject year average, so sudden upturns in the market for wheat do not mean that the underwriting will increase markedly. It is based on an average for the subject year plus a figure for the lowest two of the last three years' pool returns, and then a 95 per cent average. So it has built into it the mechanism to control it to the point where it does not go overboard and give assistance where it is not warranted.

The other thing that has not been mentioned today is the value to the industry of that underwriting in terms of the Wheat Board's borrowings. The Australian Wheat Board's borrowings can be undertaken at an interest rate that is significantly lower than that which can be achieved by individuals borrowing in their own right. The Wheat Board's borrowings are at sovereign risk and I think I am correct in saying that, at one stage, the Wheat Board had a better credit rating than the Federal Government. That reputation had been built up over years. However, to give the Federal Government its due, its underwritings and support for the board's borrowings to a large extent give that degree of stability that helps to bring the rate down.

The Wheat Marketing Act has been refined and will continue to be refined by the industry. The industry has proposed changes to some of the features of the Act which it acknowledges are not in the best interests of some of the consumers - for example, the arbitrary margin above export price that the domestic price currently achieves. The industry made an offer to the Government to change that arbitrary margin above the export price to a figure that was more closely aligned with the real commercial value of the services that were provided in that margin. That would have stopped most of the complaints from the industry in Australia. However, the Federal Government chose not to accept that offer but chose to go ahead and promote this total deregulation of the domestic market and threaten the partial deregulation of the export market.

I think the Federal Government's long term agenda is quite clear. I believe that all parties in this Parliament should support the motion and reject entirely the Kerin proposals because they will be detrimental to the wheat growers of this State and therefore to this State as a whole.

Question put and passed.

ADDRESS-IN-REPLY: SIXTH DAY

Motion

Debate resumed from an earlier stage of the sitting.

MR LEWIS (Applecross) [3.15 pm]: I am pleased to have been returned to the Parliament as the first member for Applecross and to have the privilege of receiving a majority of nearly 70 per cent which was a reflection of my campaign. I increased the vote by nearly 10 per cent from my previous representation of the electorate of East Melville. I thank the electorate for the trust it has placed in me to represent it for the next four years. I will represent the people of my electorate to the best of my ability, notwithstanding who seeks that representation and without favour to any individual.

I wish to speak today on what was once the great Australian dream - the dream to own one's home. Unfortunately, over the last 18 months, that dream has become a nightmare for some people because of rising land and house prices and exploding monthly mortgage repayments. The ability for everyone to own his own home has been placed beyond his reach and this has happened in 18 months. Eighteen months ago, someone with four or five thousand dollars deposit could buy a home in the vicinity of \$40 000 or \$45 000. Today that same person needs a \$30 000 deposit to buy a home.

I place the blame for this disaster at the feet of the Government. The youth of our country no longer have the opportunity to buy homes. Both Federal and State policies have been

misdirected. Federal Government policies have been directed more at massaging the egos of the Federal Treasurer (Mr Keating) and the Prime Minister (Mr Hawke) instead of at helping ordinary Australians. Those people are being threatened by ever soaring interest rates and increasing monthly costs.

Indeed, there is a housing crisis in Australia and there is a grave housing crisis in Western Australia. Unfortunately, it has taken this Government a long time to recognise it. I remind members that they cannot stare fact in the face forever without realising what is going on. This Government may try to pass the buck by carping about the Federal Labor Government and saying that it has caused the problem. I suggest that in Western Australia the housing situation and the affordability of housing has deteriorated faster than it has in the Eastern States.

After repeated reminders this Government has ignored the warnings about land shortages. It did not recognise the increase in the number of migrants coming into Western Australia and it was oblivious to the shortage of skilled labour. It kowtows to the Federal Labor movement which does not want to bring skilled labour to Australia because it wants to feather its bed and have a closed shop situation. The Labor Government has not recognised the growing shortage in the supply of building materials. These are the elements which have caused housing costs in Western Australia to explode by 60 per cent and in the last 12 months the cost of land on which to build a home has exploded by over 100 per cent - in some cases 130 per cent.

The Liberal Opposition believes that drastic changes must be made and the Government should be advised of its concerns. On that basis I intend to move an amendment to the motion.

Amendment to Motion

I move -

That the following words be added to the motion -

But the Parliament regrets to advise your Excellency that your Government has failed in its duties to the people of Western Australia to take appropriate action to ensure the availability and affordability of adequate housing for its people and more specifically it -

- (a) Ignored the great financial pressures and the burden the recent large interest rate increases have had on the house purchasers, the business and rural community
- (b) Failed to recognise that the inadequacy of supply of sufficient low cost land, labour and materials were the driving factors in the explosion of cost of land and housing in Western Australia over the past 15 months
- (c) Improperly and dishonestly gave false hope to thousands of hopeful home buyers in election propaganda that the "Keystart Scheme" was the palliative or solution for those who were priced out of home ownership by government inaction
- (d) Has not taken account of the impending repercussions of the housing crisis which will ultimately be reflected with shortages in availability of residential rental tenancies and rental costs
- (e) Has failed to monitor land supply or to remove impediments to the private sector that would allow adequacy of supply of developed residential land at affordable prices
- (f) Failed to adequately inform the Federal Treasurer of the effects high taxation and interest rates are having on all Western Australians and the great need to reverse the current economic policies as re-inforced in the April Economic Statement.

The crux of home ownership revolves around the affordability of homes and whether that affordability involves someone wanting to acquire his own home or someone being able to afford the cost of high interest rates.

It is interesting to note that in 1987 Western Australia had an affordability factor of 19.8 per cent. An affordability factor is the percentage of one's gross family income which goes towards the cost of housing. In December 1987 the affordability factor increased to 21 per cent and in September 1988 it increased to 24.2 per cent. It then passed what financiers believe to be the affordable benchmark; that is, 25 per cent of one's income. In December 1988 the affordability factor hit 26 per cent which represents a 30 per cent increase in two years.

It is also interesting to note that the median cost of an ordinary home in December 1988 was \$63 000 and the cost of a home unit was \$47 500. In December 1989 the cost of the same home exploded to \$103 000 and the cost of the same home unit exploded to \$77 000. This represents a 63.5 per cent increase in the cost of a home which resulted in a purchaser having to find an additional \$40 000. In the case of the home unit a person would have to find an extra \$29 500, which represents a 62 per cent increase. That is what this Labor Government has done to housing in Western Australia - it has destroyed it. Prices have exploded.

The median price of land increased from \$25 000 in December 1988 to \$58 000 in 1989 - an increase of \$33 000 or 132 per cent. The increases are also reflected in the first home buyers' land market where a block of land has increased from \$18 000 to \$37 000 during the same period.

The Federal Government has recognised that there is a problem and that it has a crisis on its hands. In true Labor spirit the Federal Government decided it should confront the situation and it decided to hold a housing summit to let people know that it realised there was a housing crisis. The Prime Minister called this summit and the very nub of the problem - housing interest rates - was left off the agenda. Housing rates are an integral part of the housing crisis in Australia and since last May and June they have increased by two and a half to three per cent. The funny thing is that interest rates did not even crack a mention in the terms of reference of the housing summit.

It amazes me how the Federal Treasurer, Mr Keating, in his arrogance can completely ignore that factor and leave the Prime Minister to put on another PR stunt to try to convince Australians they are not hurting. I have some simple figures on interest rates. On average, housing loans in Western Australia now sit at \$55 000. The interest rate since May 1988 has increased to around 15½ per cent to 16 per cent which means that the average person must find an extra \$130 a month because of that explosion in interest rates. That is a great indictment of the Governments of this country.

I have suggested that the summit was an absolute gimmick and that Labor had its priorities wrong. It did not recognise how interest rates were driving the average Australian into virtual bankruptcy in his own home. Problems with housing are causing great stress in our community, with marriage breakdowns rising and people being forced to live in substandard accommodation in caravan parks. There are rental shortages and the vacancy factor is around one per cent, so rents are rising to reflect that situation. The housing situation looks worse for the future.

The Government should start thinking seriously about what it will do about the impending explosion in Homeswest rents, which are already reflected in the current 12 per cent increase and rent increases generally. The Federal Government should have tackled interest rates. The first item on the shopping list of this State Government to the Federal Government should have been to ask it to do something about interest rates.

In the broader view, a nation is really no different from a family. If a family spends more than its income it gets into debt and a never ending spiral of never being able to get in front. They go to Bankcard and have to pay exorbitant rates for that money. They borrow and live from hand to mouth, week to week. Unfortunately, under Labor Administrations Australia has got into that situation. A hand to mouth situation now exists in this country because it has over-borrowed and we are living on our borrowings. The interest rates we are paying today are a reflection of our hopeless indebtedness.

What must happen in this country is that we must once again get a savings ethic back into the community. We must encourage the community to save so that the national debt is diminished and interest rates fall resulting in housing once again becoming affordable. The incredible situation has occurred that the Federal Government has wound up interest rates to suit its monetary policies. By so doing it has taken \$30 or \$40 per week from the average

householder in this land. That amount is after taxation, so in real terms the householder has had to find \$45 or \$50 a week in addition to what he had to find 12 months ago.

It has been said that the standard of living has fallen considerably in Australia in the past three or four years. That cannot be denied by anyone. I understand that commodities and general day to day living requirements have remained static in real terms. The two factors that have affected ordinary householders of this country are unbridled taxation greed caused by bracket creep and huge increases in interest rates. They are the two factors that have taken \$70 or \$80 a week out of the pay packets of average Australians.

In his statement last night the Treasurer told of how he is giving back \$50 or \$30, according to one's status in his pecking order. All he is doing is giving back less than his rotten policies have taken from the average Australian over the past two or three years. They are the facts. That is the confidence trick that the Treasurer of this country, ably assisted by the Western Australian Labor Government, has played on the average Australian.

Hard decisions must be taken to fix Australia's problems. We do not want bandaid measures that will give a five minute palliative and make people think things will get better. We need hard decisions and the first thing we must do is recognise that a person's savings in the bank are capital. If there is to be a capital gains tax it should properly be levied against interest gained on savings. At present savings are taxed at the marginal rate of the person who has them. We should recognise that part of that interest rate is applicable to CPI increases. That savings interest should be discounted by that inflation rate in the first instance and tax should only be levied against the real interest rate, which might be only four per cent or five per cent. If that were done Australians would again be encouraged to put some money into savings institutions. They would develop a savings psychology or understanding. That would make it worthwhile to save. At present people do not want to save because for every dollar they save they are taxed and it is not worthwhile.

The first thing that the Federal Government should do is recognise the fact that if we are to get the national debt down savings must be increased in this country and incentives must be given to encourage that increase in savings. I suggest that to bridge this affordability gap that has developed in housing in Australia we should recognise straightaway that all bona fide savings for home ownership should be exempted from taxation on the interest earned. That would be a major step and would not cost the Federal Government much in real terms. It would probably return the Government more in the long run because of additional revenue generated further down the line by people not having to pay higher interest rates and because of the extra activity generated.

The Federal Government must recognise that its immigration policy is off the rails. We are crying out for more skilled labour in this country, particularly in the housing industry. A person rang me the other day who wanted to sponsor a bricklayer from the United Kingdom but was told at Australia House in London, "Sorry, we don't need bricklayers in this country." That shows how ill informed they are; or perhaps they are being told that in order to discourage those people from coming to this country.

Everyone in Western Australia knows that the Government has blown the supply of land. The reason why land is now not in such short supply is because the shortage of land has forced up the price beyond the reach of most people, so the demand for land has declined. Land is available for first home buyers, if they are prepared to pay \$37 000 or \$40 000 for a block. It was this time last year when I first drew to the Government's attention the shortage of land, and I was ridiculed by members opposite. We were advised by the Government that 22 000 lots of land were technically available for sale; whether the owners wanted to sell them was another matter. Since that time, 22 000 dwelling units have been built in Western Australia and, bearing in mind that that comprises home units and attached dwellings, there have still been significant inroads into the amount of land available for development, with 18 000 lots having been taken up.

The Minister for Housing announced recently that the Government has done a really great job this year. It has produced an additional 12 425 lots, which is the second highest increase since 1976. However, the Minister fails to understand that because we have already used 18 000 of the available lots, there is still a shortfall of 5 500 lots. There is still a shortage of land in real terms; the difference is that the high price of land has driven away many prospective buyers.

During the run up to the election, the Government introduced into its propaganda machine a quick draw Keystart loan scheme. This scheme has attracted more than 4 000 applicants, but as of 1 April, not one application had been approved. The Government did not get its sums right; it did not realise that interest rates were rising so rapidly, and it did not take into account the huge contingency liability that was placed on the lenders of the funds, who in order for the scheme to succeed had to ensure that the financial position of the people to whom they loaned money was rock solid. Consequently, only 170 applications have been approved, out of a total number of 400, and 65 per cent of applicants failed in their attempt to take part in the scheme. We have all seen newspaper articles in the *Daily News* and the other newspapers about how people have gone into the Keystart scheme with the hope that it would prove to be their saviour; but the scheme has failed dismally. The housing situation in this State is in an absolute mess, and the Keystart scheme is not offering a solution to the problem. The housing crisis is seriously affecting people's marriages and their standard of living. It is also putting great pressure on Homeswest. We will shortly have a rental crisis on our hands if the Government does not do something very quickly to rectify the matter. Rental charges are rising rapidly because of the low vacancy factor.

I commend this amendment to the Parliament.

MR WIESE (Wagin) [3.45 pm]: I have great pleasure in seconding this amendment to the Address-in-Reply, and in doing so I want to comment on the importance of housing to the people of Western Australia and Australia in general. The ownership of one's own home is a key factor in the type of society which we in Australia have developed over many years, and it has become the ultimate Australian dream. This has put Australia in a position which is different from that in many other countries, where the accepted practice is to rent one's home. However, the policy being followed by the Government makes one wonder whether we are not in fact moving away from that dream to a situation where every person will live in rental accommodation from the time they move into their own home until the time they leave this world. It is time for the Government to state clearly whether it is undergoing a change in policy and is intending to discourage the long term ambition of most Australians to own their own home. The spiralling land and house prices in Australia go a long way towards discouraging and actively preventing the achievement of the goal of home ownership. The Government's support for high interest rates is another factor preventing the achievement of this goal, as is negative gearing.

This Government has moved back to negative gearing. It has moved back to that policy which encourages those who have money to invest in rental accommodation, so that we have gone back into a period where policies are aimed very much towards discouraging home ownership and encouraging the building of rental accommodation. This all points to a State Government and a Federal Government which are moving away from the Australian tradition of home ownership.

In addressing the amendment before the House, I would like to touch on some of the points raised. The first clause deals with the Government's policies which have ignored the great financial pressures and burdens which increased interest rates have had on house purchases, on businesses and on the rural community. I want to expand a little on the matters raised by that clause.

The financial pressures of increased interest rates on home purchases are many. Let us first look at the effect on house purchasing. Those people are at the mercy of circumstances completely beyond their control. Once the house purchaser has made his commitment and concluded his financial arrangements, from the moment when he signs those documents he is at the mercy of Government policies as they affect interest rates. The people we are talking about so often are those young families who have just married and are setting up their first home. We are talking about young families with children beginning to move into their schooling years. They are faced with all those expenses which go hand in hand with putting children through school in today's cost system. They are extremely vulnerable to any rise in their cost of living, and interest rates impact in a major way on every aspect on the cost of living. They do not just impact in the area of housing; they impact on everything which goes into that house. They impact on hire purchase commitments to furnish that house, put in a fridge, and buy a washing machine, furniture or a car. All those things entail, for the majority of people in Western Australia and in Australia, moving into hire purchase commitments or leasing arrangements. Interest rates have an enormous impact on every one of those areas and on the cost living of those people.

They also have an effect on those people as a result of inflation. Interest rates affect the costs borne by the whole community - the cost of food, clothing, and every other necessity of life. They have a major effect on buyers of homes and on their ability to achieve the Australian dream of owning their own home.

Let us look at the impact of those interest rates on business. This is an integral part of this clause. They have an enormous inflationary effect on the cost inputs of businesses as they are reflected in labour and in the goods the business will be selling. Look at the effects inflation has on a business as a result of the inability of so many people to purchase, either because of the increase in the price of the goods they want to purchase or the decrease in their ability to spend money on those goods. This inflation caused by increased interest rates causes a loss of jobs. It causes a rundown of stock and inventories. It causes a decrease in the quality of service these businesses are able to provide and in the quality of service available to the general public. So the policies we are talking about have a major impact on businesses.

Let us look at the third portion of that clause, and that is how these pressures affect the rural community. I can speak for every person in the rural area of this State on the terrific increase in the costs which primary producers face as a result of these financial pressures and policies that we are talking about in this amendment. Primary producers are at the end of the chain. The majority of businesses in the cities and towns are faced with increases in costs, but at least they have the ability to pass them on. The farming industries and primary producers are selling on export markets and they are not able to pass on those costs. We are at the end of the line and have to bear the lot. By the time they get to us there has been a compounding effect on the costs, and a five per cent or 10 per cent increase in the metropolitan area has become a 20 per cent or 30 per cent increase by the time it has passed through the business community in the metropolitan area.

Interest rates affect the overdrafts which farmers, due to the nature of their businesses, have to have. Most farm incomes are seasonable. There is a flush of funds at the end of the harvest or at the end of the shearing, but about six or nine months later that money has been spent and the farmer is forced into an overdraft. That is where we are again caught up in increased costs as a result of these interest rates. We get it in machinery costs and hire purchase costs. All those rise drastically, and the rural industry is at the end of the chain and must wear it all.

Any person who has purchased land to extend farming operations has been disastrously affected. The initial borrowings may have been at 14 per cent or 15 per cent 12 or 18 months ago, but those people are now paying 20 per cent or 22 per cent interest. That is a recipe for disaster. We have all been through it once in the rural areas. Every member of this House must be well aware of the effect the last interest rate boom - if it can be called that - had on primary producers of this nation. Farmers were forced off their land; farming communities were drastically affected as farming people, and those who depended on them were forced to leave those country towns. It was a general recipe for disaster throughout the rural areas. The way we are going at the moment - we can see that sort of thing happening now - means that we are looking down the barrel of a gun. Again it is a direct result of these interest rate policies which seem to be being forced and encouraged by the State Government and the Federal Government.

The second clause of the amendment I wish to address relates to the condemnation of the Government for failing to recognise that the inadequate supply of low cost land, sufficient labour and materials is the driving factor in the exorbitant costs of houses and land in this State over the past 15 months. The previous speaker has already canvassed that area, so I will not labour it to a great degree. However the cost of labour and materials is a major factor in the cost of houses and land. We have a drastic shortage of skilled workers in the building and housing industry. This has led to an enormous shortage of labour and exorbitant charges being imposed by many sections of the building industry. Brickies and plumbers are two of the classic examples, but there are others in the building industry. The building industry has been able to impose enormous increases in charges for services upon the home builder, whether he is a home building contractor or a person contracting to have his home built. The situation is that one can take it or leave it. There is plenty of work for people involved in the building industry, so the home buyer or contractor has to pay up if he wants to get his job done. The situation is much the same when one gets down to materials.

There are desperate shortages of many essential items such as bricks. I can personally vouch for that because I have been trying to get bricks for a tiny renovation job but it is not possible. It is an ongoing saga and it is 10 times worse in the country. If one wants a particular type of brick -

The SPEAKER: Order! Members of both sides of the House have today tended to forget the Standing Order which requires them to show some manners in this place. It is very rude to have those sorts of loud conversations which have been going on on both sides of the House. The member who is on his feet is entitled to be heard in relative silence. If members must have those sorts of meetings, they should have them somewhere else. There are many places in Parliament House where members can have meetings without interfering with the member on his feet. Members on both sides of the House should pay attention to that.

Mr WIESE: I must say it is a Thursday afternoon and it is a pleasure to have so many members in here to hear what I am speaking about.

Mr Pearce: We are just too tired to shift out.

Mr WIESE: I have no doubt about my ability to be heard but I cannot make members listen.

Mr Pearce: Try talking sense.

Mr WIESE: I am talking sense and anybody in the community who has tried to get some bricks is very much aware of what I am talking about. They are aware of the great shortage of materials and of the effect this has had on the cost of building a house.

Mr Troy: You are talking about the availability of skilled labour, of which everyone knows there is a shortage. You have offered absolutely nothing in terms of how that should be resolved. I don't know whether you just want to ramble on about a few issues, or whether you seriously want to put up some ideas. The building industry has addressed the problems in this area and that has been very good for arrangements made between employers and employees.

Mr WIESE: If I had time I would discuss that problem at length. As it is I will deal with it briefly. The major problem in the building industry is the boom-crash situation we have had for as long as anybody can remember. There is a boom with a shortage of skilled labour, which is what we are crying out for now, followed by a crash, and we cannot get people into the building industry during a crash. At present we have the situation where the Government's policies have again caused a boom in the housing industry. We are now trying to dampen that down with enormous rises in interest rates. The economic statement delivered by the Treasurer yesterday did absolutely nothing about that. In fact the Treasurer did not even refer to interest rates in any way whatsoever. That will be a major factor in what we will have in the next six to 12 months; which will be a crash. That is the cause of the problem - the lack of availability of skilled labour and workers in the building industry. That will cause another boom-crash in the building industry. This Government is committed headlong to policies which will establish another crash. This country needs policies which are aimed at steady growth and which encourage people to go into an industry and stay there. I will go this far: I support the efforts of the Government to encourage people to get skilled occupations.

MR PEARCE (Armada - Leader of the House) [4.07 pm]: In responding to this debate on behalf of the Government I will be quite brief. Not because the Government does not think it is an important issue, but because I want to give those few remaining members of the House who have not had an opportunity to speak to the Address-in-Reply debate the opportunity to do so prior to question time this evening. If other members are similarly cooperative it will be possible for that small number of outstanding members to have their chance to participate in the Address-in-Reply. The Government wants to give people every opportunity to do that.

I offer some advice to our colleagues opposite: If they are moving this kind of amendment to the Address-in-Reply as part of a four year plan to get back into Government, I do not think they are handling it in a very intelligent or sensible way. We have an amendment to the Address-in-Reply which runs through a preamble and six specific propositions, all of which are critical of the efforts made by the Government. One might say that they are ignorantly critical; certainly it would be difficult to match the hyperbole. There is nothing substantive in the amendment and there is no suggestion for any kind of solution. This seems already, in

the short time the Parliament has been sitting, to be the way in which the Opposition is dealing with every matter. Members opposite have got into what I might call the "Applecross approach", which is to criticise everything with the greatest level of hyperbole one could imagine. We have seen that on a range of issues over the course of the last few days. That kind of rhetoric really has no credibility in the community. It underlies everyone's stock appreciation of what politicians and politics are like. It is what people expect of and despise in politicians. It is not the kind of thing that wins votes. The member for Applecross may have been comforted by the fact that in a heartland Liberal seat where he could have expected 80 per cent or 90 per cent of the vote he actually got 70 per cent in the last election, because that is not something that the Liberal Party has been able to assemble in any of the State seats in recent times. That has had the unfortunate effect of perhaps encouraging members like the member for Applecross down the path they set for themselves in the course of the last Parliament. That is not the kind of thing which will win members opposite an election, and it did not win them the last one.

Complementary to that is what one might call the "Kingsley approach", from one of your neophytes. That is, pick up every problem or every complaint and promise to fix it. That is the Scrooge McDuck approach - that somewhere behind the member is a vast building full of gold dollar coins in which the member can swim around occasionally, from which she promises the people she will draw in order to fix their problems. People are not stupid and they know perfectly well that the mindless, critical rhetoric approach is not indicative of a substantial approach likely to solve the problems faced by this State and nation. Equally, people are not impressed by wild promises for every area.

Mrs Edwardes: You would know about that.

Mr PEARCE: I said during the member's speech last night that in some ways the approach she has taken is not dissimilar from the approach I took when I was a shadow Minister except I did not talk about the maintenance of buildings, the mowing of ovals, and the lack of paint for the buildings. She has to realise that, in the end, her credibility rests on the points she makes in debate. She has to understand what the problems are and all of the issues surrounding those problems before she can approach them in a realistic way. The member for Applecross will never be able to do that. The member for Kingsley may be able to, but she will not do it by going through my old speeches when in Opposition and just adding 50 per cent because it is that adding on of 50 per cent that gives her a lack of credibility.

The Government recognises the problems in the housing industry. They are difficult and in many ways almost intractable problems that the community faces at this time. Much of the difficulty is caused by the high level of interest rates. This Government has taken action by approaching the Federal Government which is, in part, responsible for those high levels of interest rates because of its economic policies - good policies in many ways. However, they are having the unfortunate effect of forcing interest rates up. We have all heard the statements from banks and building societies about the reasons for their applying such high rates. There is certainly no Federal requirement that they be as high as they are. It is our belief that, in times of significant levels of bank profitability, some of the banks seem to be doing their best to grab as much as they can from those who are purchasing houses. We have made our attitude known to the Federal Government and to the banks.

The Government has taken all of the actions that it can take as a State Government in those areas. It has made a drive on the increases in land and building costs and sought to put in place a range of schemes which will make housing in Western Australia more affordable by taking the sting out of rising interest rates. We fought and won the election on that issue. The difference between the Opposition and the Government is that the Government has done as much as it can about solving these issues and people understood that it was doing its best. They had no faith in the credibility of the Opposition parties in this area, and so did not vote for them.

We accept that, during the election, people were dissatisfied with a range of things that the State Government was doing. That was reflected in the result. However, even though they were prepared to go to the brink, they were not prepared to jump over. That explains the figures that the member for Floreat referred to last night. It was no coincidence that the swing against the Government in the safe seats was high with the swing against it in the marginal seats being low. The electors could afford to give the Government a kick in the

pants in the safe seats without changing the member. However, when it came to the wire, those Western Australians who really make the decision about who will form the Government were not prepared to exchange us for the Opposition because they had no faith in the credibility of the Opposition's policies on housing or on anything else. The Opposition has not learnt that lesson yet. It will not be successful in an election until it does.

I am disappointed that the member for Applecross has moved a motion about housing in which he has included six criticisms of the Government without moving anything constructive. The State Government has addressed all of the issues raised in the motion. It has schemes in place with regard to each of them. It has adopted courses of action and is now following those courses. Despite our best efforts, ordinary people are still finding it difficult to afford houses whether they are paying them off at the moment or whether they are looking to buy houses. We recognise those problems and are doing our best to overcome them. If the Opposition can be constructive by moving a motion in the Parliament or in some other way and suggest a scheme or program to do something about this problem, we will be pleased to deal with it. We will support anything that is constructive. However, this is the worst kind of amendment to the Address-in-Reply. It is a carping, unconstructive, vote seeking, but in the end, very ineffective way of dealing with any kind of issue.

Mr Mensaros interjected.

Mr PEARCE: I and my colleagues were much more constructive when in Opposition. That is why we are now here and the Opposition is on the other side of the Chamber. We criticised when criticism was due but, at the same time, offered constructive suggestions. In the end, the people of this State were sick of the then Government for not listening to our constructive suggestions, and made us the Government.

The Opposition can accept my advice or not. I would rather it did not because I am quite happy on this side of the House for another four years and for another four years after that. The Opposition's assistance in keeping the Government on this side of the House so far has been appreciated and any further assistance in the future will also be appreciated. If the Opposition accepts my advice it will be better off for it as will the people of Western Australia.

The Government is not prepared to vote for this amendment.

MR FRED TUBBY (Roleystone) [4.18 pm]: The Leader of the House has not changed. Twenty-seven years ago I used to listen to that gobbledygook. Every time the Minister stood to make a speech at assembly, the principal of Governor Stirling Senior High School used to quiver and shake thinking about what our school captain was going to say on that occasion. He has not changed. He says it very well, but says nothing at all.

I am disappointed that the Minister for Housing is not here this afternoon because I would like to pay her a small tribute. I know that, as far as the broad picture of housing and planning is concerned, the Minister does not have the vaguest idea of where the State is going or of what her policies are. I think she is taking bad advice in these areas. However, every time I have approached the Minister in the last 12 months with a problem of any of my constituents, she has dealt with them with compassion and solved every one of them. I compliment her for that. She is a good Minister in that regard. However, in the larger picture, she falls a long way short of being a good Minister because she is too naive.

I will not bore the House again with figures about the amount of residential land on the market at the present time and in 1980. In 1980, there were 40 000 residential serviced blocks available in the metropolitan area and last year 16 000 were available. That is a pretty bad decrease considering the population increase in the metropolitan area and the number of people looking for houses and land at the present time. It is no wonder that the price of land doubled during the last 12 months and that the price of housing has increased by approximately 62 per cent in the same period. The land shortage has caused the increase in prices and, to try to solve that problem, the Federal Government screwed the economy right down. As a result, we are now having to put up with interest rates of 17 per cent on home loans with a prediction from someone in the banking industry that the rate could rise later this year to 18 per cent.

It is diabolical and it is something that would occur in Mexico. The interest rate for housing loans in Australia is far too high. I admit that farmers in the rural communities would be

pleased if they were paying 18 per cent interest on their loans because they are paying a great deal more than that. Currently the interest rate on home loans is 17 per cent and by the end of the year it will probably be 18 per cent. It is no wonder that people are being forced out of the housing market. Young people deserve the opportunity to own their homes.

There is one good side to this crisis; that is, the restriction on the supply of land and the increase in the price of land which has almost doubled over the last 12 months. For example, in my electorate areas of land which were zoned urban could not be brought on stream because the cost of servicing them was far too great and the developers would not recoup the costs involved from the sale of the lots. With the doubling of land prices those blocks of land have been brought on stream and a number of blocks are available in the Maddington and Armadale areas. Unfortunately, the price of those blocks may be out of the reach of people who deserve to purchase them. The amount of \$60 000 is far too much to pay for those lots when one considers that previously equivalent blocks in the area were valued at \$9 000.

Mr Blaikie: The Government's policy does not include young married couples.

Mr FRED TUBBY: No, its policy does not include young married couples and it is not interested in marriage per se.

The Commonwealth Government has screwed the economy and, as a result, interest rates on home loans have increased. According to the financiers in the banking industry the increase in interest rates will not be short term. It was absolutely irresponsible of the Prime Minister when he came to Western Australia during this State's election campaign to make a ridiculous statement that home loan interest rates would drop in the near future.

Mr Trenorden: He knew they wouldn't.

Mr FRED TUBBY: Like this Government the Prime Minister tried to fool the public. Two days after he made his statement interest rates increased and they have not stopped increasing.

Mr Blaikie: He said there would be no child poverty in 1990.

Mr FRED TUBBY: Once again, pigs might fly.

Mr Thomas: We are not there yet.

Mr FRED TUBBY: We do not have much time. I like the interjections from the member for Cockburn because they are so intelligent!

In the last 12 months there have been six rises in interest rates. The monthly repayment on a \$70 000 loan, over 25 years, has increased by \$140. Do members know of any person apart from Mr John Horgan who has received a pay increase in the vicinity of \$140 per month? There are not too many people who have. People are feeling the crunch and the amount that they pay from their salaries to repay their mortgage is exceeding the 25 per cent limit which economists say is the maximum people can afford.

Mr Troy: Are those six rises from the same institution?

Mr FRED TUBBY: I do not know, they could be.

Mr Troy: You are not sure. You are jumping all over the place.

Mr FRED TUBBY: I do jump all over the place.

Mr Troy: You are not sure of your facts.

Mr FRED TUBBY: I am sure of my facts. Perhaps the Minister for Labour would be interested to know that the monthly repayment on a loan of \$70 000, spread over a 20 year period, is now \$1 000.

Mr Troy: Get your facts right and do not change the subject. Which institution are you talking about?

Mr FRED TUBBY: Any institution which has a current interest rate of 17 per cent.

Mr Troy: Name them.

Mr FRED TUBBY: The Advance Bank Australia Ltd and CitiBank Ltd. Is it not any wonder that with this exorbitant increases in interest rates, the price of land and housing that

people are not buying land? On 28 March this year an article in *The West Australian* was headed, "Land supply exceeds demand, says Beggs." The Minister said that for the first time since the late 1970's the supply of land exceeded demand. How naive of her to make a statement like that. Do members know why the supply of land exceeds demand? It is because people have been screwed down so much they cannot afford to buy the land. The responsibility for these increases and the high interest rates can be sheeted home to this Government and the Federal Government. That is the reason there has been no increase in the demand for land. It has nothing to do with the supply exceeding demand.

There is a need for land and for homes. As soon as interest rates decrease there will be a need for land and if it is not available the Minister may find herself in more trouble than she found herself prior to the election when she nearly lost her seat. She may still lose her seat.

I support the amendment.

MR TRENORDEN (Avon) [4.28 pm]: In the time I have been a member of Parliament no other issue has affected more people in the community than this issue. In recent days two of my constituents have told me that they have to sell their homes because the repayments on their mortgages have gone beyond their capacity to pay. I had previously told them to take their problem to the Government because it has a new beaut scheme, but they have since told me that they have been unable to obtain assistance from the Government. It seems that these wonderful schemes were nothing but another smokescreen to buy a little time for the Government until after the election.

Mortgage repayments have increased on an average of \$200 a month and they have doubled over the last five years. It is hurting Mr and Mrs Average. The two people who came to me are young and have young families and they have been married for less than five years. They find themselves in a hopeless situation. One of those people is leaving his employment and moving out of the district because he is ashamed that he cannot maintain the family home.

As the member for Wagin quite rightly said, we have to question whether the current arrangements are deliberate. I think the answer would be yes. If the Government goes out of its way to make sure that people do not own their homes by increasing interest rates, pricing land out of their reach and attacking the subcontracting system it is making it easier for the capitalists to provide them with homes. That is precisely what this socialist Government has done. This Government is philosophically bankrupt and it will be interesting to watch the contribution from the new bright eyed members on the backbench during the next four years. It will be interesting to see whether the frontbench members can hold back the wave of backbench members wanting to occupy their seats. They are members of the new left wing political party floated in Western Australia this week. I have heard some very good left wing speeches in this House this week. It is good to see a division on that side of the House. When Brian Burke was Premier the Labor Party was united.

The **SPEAKER**: Order! Can I assist the member by passing to him a copy of the amendment?

Mr TRENORDEN: Thank you, I have a copy.

The **SPEAKER**: Will you please stick to it.

Mr TRENORDEN: This is the first time I have been on my feet for a week so I thought I would warm up a little first. One of the issues in this amendment is the rising interest rate, which has now reached 17 per cent. A few minutes ago the Leader of the House castigated the member for Roleystone and said that a report on this subject had been repeated six times. That was not the case. On six different occasions the Press announced that an institution had increased interest rates. We all know what that means - the institutions line up one after the other to increase the rate. The Leader of the House read his No 4 speech in which he said that the Opposition members were dastardly and disgraceful and that the Government has wonderful policies. However, he could not detail those policies. He said the Government obviously has policies because it won the election. It was an interesting speech and I enjoy hearing it every time the Leader of the House makes it. I will have my day on the Government benches and when that time arrives I shall look forward to making my No 4 speech.

It is not necessary to pump up interest rates in order to solve the problems of this nation. The problems can be solved either by increasing interest rates or by increasing export earnings. If more produce from Australia were sold overseas we should be better off and the equation

would be balanced in a similar manner. However, the Federal Labor Government has decided to opt for high interest rates. We are told by the media that the rate will go higher than its present 17 per cent; we are also told by the majority of the media that the rate will remain that high for some time. Some commentators are predicting it will be for 12 months. That is an interesting prediction for a Prime Minister who will not say when the election will be held.

The high cost of land is a different matter and is much more closely related to the State Government. The Government has put in place the departments and policies which make it virtually impossible for land to be released within a period of less than nine months. The time taken is more like two years. The Government is responsible for that situation and it has taken no action to redress it. It is a simple matter to correct the problem and, if the Government does not know how to do so, I am happy to offer my advice in that regard. It can speed up the release of land quite easily. The Minister recently said that the supply and demand situation is more evenly balanced now. It should be noted that that says nothing about the increase in the rate of release of land; it is simply that the people of Western Australia are now in a position where they cannot afford to buy land.

For the three years I have been a member of Parliament the Labor Party has constantly attacked the subcontractor system. It would dearly love to throw the building industry to the trade union movement, in the same way that the economy of Australia is in the hands of the union movement. It would dearly love the cost of land to increase by one quarter or one third.

Mr Donovan: This is the first time I have heard you introduce anything new to the debate.

Mr TRENORDEN: It is probably the first time the member for Morley has introduced anything new to the debate. It is a very important issue and I know that the member would prefer to be sitting in this House debating it than sitting at home. I am happy to give him the opportunity to do so. It is important that the subcontractor system remain in place. Considerable pressure has been placed on members on this side of the House in the last three years. Members will recall the deals of the former Premier and the union movement, and the attempts to chip away at the subcontractor system which is at the heart of the building industry. All of a sudden the national Press is pushing the idea that it is not in the best interests of Australia for people to own their own homes, and that it would perhaps be better if 70 per cent of Australians rented their homes. That point of view is quietly being pushed in an attempt to change the Australian golden dream of home ownership. If history provides any gauge of where those sorts of attitudes emanate from, they will have come directly from the Labor Party because it does not want people to own their homes. It is part of the Labor Party's philosophy for people to live in public housing and it is trying to achieve that in the best way it can.

Mr Lewis: Why is it doing that? Does it want to control the people?

Mr TRENORDEN: Yes, I think the Labor Party wants to control people's lives. It will be interesting to see how the bright eyed socialists on the backbench deal with those dormant volcanoes who 10 years ago were the budding socialists of this State. Where have those people gone? The front bench of this Government will have the new young bloods on the backbench breathing down their necks and, judging by the content of the maiden speeches, some of which were ably delivered, the next four years will be very interesting. I am looking forward to it.

Mr Bradshaw: Their maiden speeches will probably be the only speeches they make.

Mr TRENORDEN: They probably will not be allowed to speak again. A member's maiden speech provides an opportunity for him to put his heart and soul into his comments and gives an indication of exactly where a person stands. I was overjoyed when I heard a couple of those speeches because they present great opportunities for the Opposition parties. It is true that those new members will be nailed to the floor and they will not be allowed to speak again because the dormant volcanoes of the Gladstone and Disraeli eras will be running out their No 4 speeches. It will be interesting to see how the game runs; it will probably be like the games which took place in James street some five years ago - a whistle will blow and people will get out of the place as fast as they can by any means.

This amendment is very fair in its condemnation of this Government. The speech made by the Leader of the House did not indicate what action the Government will take. It has been

clearly pointed out by members on this side of the House that some of the measures, such as Keystart, are a failure. The promises made before the last election will not come to fruition.

We can point out how to speed up the subcontracting system, and the supply of land. We will shortly see a changed attitude in Canberra where the Federal Government will move away from a negative attitude of pumping up interest rates towards a more positive attitude of increasing exports. We will hear more about this in August, because by then the high interest rates will have bitten a little harder for all those tens of thousands of small business people in the community who are trying to run a business on an overdraft rate of about 19 per cent.

Mr Lewis: Members opposite do not recognise small business.

Mr TRENORDEN: That is right. There is not even a portfolio for small business. The election has now passed, and they will re-establish that portfolio six months before the next election.

Mr Gordon Hill: The Minister for Economic Development and Trade has responsibility for small business.

Mr TRENORDEN: There is not a portfolio for small business.

Mr Gordon Hill: Didn't you read the Press release? The Minister for Economic Development and Trade has responsibility for the Small Business Development Corporation.

Several members interjected.

The SPEAKER: Order!

Mr TRENORDEN: Mr Speaker, I am prepared to take your ruling and sit down -

Several members interjected.

Mr TRENORDEN: I do think I am out of order, although I seem to be getting a fair bit of encouragement.

The SPEAKER: Order! I will give you a trifle more. I am trying to tell these people to be quiet so you can get on with your speech and can on the odd occasion get fairly close to what we are supposed to be talking about; and if you keep accepting their interjections and answering them, we will get further and further away.

Mr TRENORDEN: Mr Speaker, you are absolutely right. I conclude my remarks by saying there will be a poll in a few months' time. Our Prime Minister said that under no circumstances is an election coming up, so we know for sure there will be, and that will be a poll that we will all watch with interest. I could speak for some time on paragraph (f) of the amendment, which deals with the effect of taxation, but I know other members wish to follow me in this debate.

The SPEAKER: The question is that the amendment be agreed to. I think the noes have it.

Mr Lewis: Divide!

The SPEAKER: Let me tell you why you should not have called for a division. The vote was, of course, very close, and everyone in the House would understand that a Speaker must be impartial when calling the vote; and of course the Speaker called, "The noes have it." If you were then to call for a division, you would have to vote with the other side, and that would place you in the dilemma that you are the person who moved the motion. You have no choice; read the Standing Orders. I am placed in an embarrassing position. I think the noes have it.

Amendment put and a division taken with the following result -

Ayes (22)

Mr Ainsworth
Mr Bradshaw
Mr Clarke
Mr Court
Mrs Edwardes
Mr Grayden

Mr Hassell
Mr House
Mr Kierath
Mr Lewis
Mr MacKinnon
Mr Mensaros

Mr Minson
Mr Nicholls
Mr Strickland
Mr Thompson
Mr Trenorden
Mr Fred Tubby

Dr Turnbull
Mr Watt
Mr Wiese
Mr Blaikie (*Teller*)

Noes (26)

Dr Alexander	Mr Graham	Mr Parker	Mr Troy
Mr Carr	Mr Grill	Mr Pearce	Mrs Watkins
Mr Catania	Mrs Henderson	Mr Read	Dr Watson
Mr Cunningham	Mr Gordon Hill	Mr Ripper	Mr Wilson
Mr Donovan	Mr Kobelke	Mr P.J. Smith	Mrs Buchanan (Teller)
Mr Peter Dowding	Mr Leahy	Mr Taylor	
Dr Gallop	Mr Marlborough	Mr Thomas	

Pairs

Ayes	Noes
Mr McNee	Dr Lawrence
Mr Shave	Mrs Beggs
Mr Omodei	Mr D.L. Smith
Mr Cowan	Mr Bridge

Amendment thus negatived.

Debate (on motion) Resumed

MR COURT (Nedlands - Deputy Leader of the Opposition) [4.48 pm]: I appreciate the opportunity in the Address-in-Reply debate to cover three issues which are of considerable importance to the State. The first concerns the State Government Insurance Commission and the fact that we heard yesterday that Spedley Securities is experiencing a few difficulties. The SGIC happens to have \$30.5 million tied up in that organisation. That would in itself be serious enough, but it comes on top of a sequence of events which occurred over the last year, where we have seen the SGIC being very heavily tied up in the web of dealings that has become known as WA Inc.

When Rothwells collapsed the State Government Insurance Commission had some \$90 million invested there and it is sweating on the outcome of the winding up, or whatever happens, of Rothwells to see how much money it will be able to recover. It was interesting to note that just before Rothwells collapsed the State Government Insurance Commission was involved in putting \$12.5 million into Rothwells, and the mechanism it used to do that was through the Spedley organisation. That just reinforces the fact that right up until the last hour this Government was pouring money into Rothwells, yet just after it collapsed the Government said everyone should have known it could not survive.

Mr Trenorden: Perhaps it did know.

Mr COURT: I think that is what is in the National Companies and Securities Commission report. I think that report might show the Government knew for the whole year that the organisation was insolvent, yet it put up this public relations facade, telling the public everything was okay and the rescue was working. That is why many members of the public quite innocently deposited their funds with the organisation.

Mr MacKinnon: And why did the SGIC keep putting money in there?

Mr COURT: That is right. The SGIC has \$30.5 million in this organisation, and now that the provisional liquidator has been called in to Spedley Holdings the question must be asked: Why did the SGIC keep \$30.5 million in a fringe financier when it should have learnt from its lessons of the last year; when it should have known not to put its money at risk as it did? Why did it continue to deal with the dark and shaky side of the business after the major embarrassment this Government has suffered, particularly with the Rothwells collapse? The taxpayers of this State have suffered enough. They have had enough of losing money.

I was listening to a radio interview this afternoon and heard a finance expert say the Government seems to be becoming blasé about losing tens of millions of dollars.

Mr Thomas: This is what you said back in January and you lost the election. Why don't you find something new?

Mr COURT: I will tell the Parliamentary Secretary of the Cabinet what is new. Yesterday it was revealed that the SGIC still had \$30.5 million in a fringe financier, and if he had listened

to what was on the radio and the television last night about what sort of financier it was, he would be asking the same question. Members opposite sit back and accept the fact that the Government continues to lose more money. The question I want answered is: Why was that money kept in Spedleys? I put it to you, Mr Speaker, that one of the reasons it could have been kept in Spedleys is that a back to back deal was done with the SGIC whereby the SGIC gave the money to Spedleys, which in turn put it into Rothwells. When Rothwells collapsed the SGIC said to Spedleys, "We want our money back", and Spedleys said, "You know what the deal is. How can we give you the money back? It has been lost in Rothwells." It is time this Government told us just how much money the SGIC now looks like losing in the combined Rothwells-Spedleys exercise. We are told it had approximately \$91 million exposure before we learnt about this money in Spedleys, and it is very important that we know the answer to that.

Mr Hassell: There has been speculation for months about the strength of Spedleys, going back to the time it was first revealed the SGIC had money in Spedleys, and it was criminally negligent in not getting it out.

Mr COURT: The member for Cottesloe is right, but I do not think the SGIC was able to get it out because perhaps Spedleys was unable to repay that money. The name of Spedleys crops up all the time. I was reading the *Hansard* of the debates we had on Rothwells, and newspaper cuttings, and Spedleys was involved on the day of the Rothwells rescue itself.

Mr MacKinnon: They were the people used for the \$15 million SEC cheque.

Mr COURT: Right. Just before the election we had that \$15 million deal, when the State Energy Commission paid Western Collieries Ltd \$15 million for coal in advance. The head of the SEC would not pay that money so he had to be directed by a Minister - the then Minister for Agriculture had to direct the head of the SEC to pay that \$15 million because he did not want to pay it; he did not think it was the right thing to do. Members opposite may say "How do you know that?" There was a Select Committee before Christmas and that sort of information became known.

Mr MacKinnon: And it is in the NCSC report.

Mr COURT: That money did not go to Western Collieries and, as the new member for Collie has quite rightly said, the dealings of the Government put at risk the jobs of hundreds of people in Collie. That money never went to Western Collieries, it went to Spedleys and then it became lost. Those members who were in Parliament last year would remember the week or so during which we asked repeated questions, and they were still looking for the cheque. Eventually it was found and sent back to the SEC. They are the sorts of dealings this organisation is involved in.

What is of concern to us is that it appears the SGIC has been used as one of the major vehicles for the dealings of WA Inc. It appears I will not get an answer as to why the SGIC kept its money in Spedleys because there is no-one on the front bench at the moment who will answer that question. We are concerned that the SGIC has been used as a vehicle for many of these deals. Members will recall the deal that was done to help Bond out with those Bell Group shares that the SGIC had purchased. They will recall that in a speech I made on 6 April I mentioned to this House that that was the day that deal was meant to finish but the deal was rolled over. For the benefit of members opposite I will briefly recap on that deal.

The SGIC had 64 million Bell Group shares. They were bought at \$2.50 and Bond promised the SGIC \$2.70. Bond had an indemnity on the losses and was going to pay interest on those losses. So we had a situation where the SGIC invested about \$164 million, and if interest rates are about 19 per cent we are looking at about a \$10 million or \$12 million loss. On top of that, also as a part of the deal, two convertible notes of \$150 million were held by the SGIC in Bell Group. The SGIC paid \$140 million for them at an interest rate of 10 or 11 per cent. There is a differential there of about eight or 10 per cent between what they are earning and what the SGIC is paying on its overdraft, so we have more big losses associated with the deal. We know about the property deals that were done, and we think the SGIC put things at risk by offering rental guarantees.

The point we are making is that in a good year the SGIC would earn about \$4 million profit on its insurance business, and yet over the past year all we have heard about are large losses that have been made on these deals such as Rothwells and Spedleys. I am glad the Deputy

Premier has now come back into the House. Perhaps he can answer this question: Why did the SGIC keep \$30.5 million in a fringe financier after the troubles it had gone through with the Rothwells embarrassment? Can he answer that?

Mr Parker: Put the question on notice and I will give an answer.

Mr COURT: The Deputy Premier knows we are not coming back until August; he has the opportunity to answer now.

Mr Parker: I will respond in writing. I do not have the answer. I am not familiar with the detailed financial arrangements of the State Government Insurance Commission. I have given information about the exposure. I have information about when the money was placed on deposit. That information is in my office, if the member wishes I will get it. Since the maturity of the deposit, which was 3 April, they have been seeking the deposit back and without success.

Mr COURT: Why can they not get it back? Is it a back-to-back deal to go into Rothwells and then the money will be lost?

Mr Parker: Absolutely not. The answer has emerged. My understanding is that Spedleys was unsuccessful but the answer has emerged over the last couple of days.

Mr COURT: The situation is that the SGIC has continued to invest in this type of fringe financier after all the embarrassment and the debacle with the Teachers Credit Society, the Swan Building Society, and Rothwells. I would have thought because it is a major issue in financial circles the Treasurer would have been a full bottle on the \$30.5 million and would be able to explain.

Mr Parker: I have been here for the last few days. When I was given notice I found the information; I have also found other information which I have given to the Deputy Leader of the Opposition as part of the brief on the situation. On specific points we are not prescient, we are not crystal ball gazers. I do not know precisely what is the question being asked.

Mr COURT: It has been said today that the problems facing the Spedley organisation will have a major effect on the financial situation of many businesses and Government investments.

Mr Parker: That is not right. Why is that? Who said that?

Mr COURT: Because it is a larger so-called merchant bank than Rothwells; many of its dealings are involved in this State and tied up with the Government.

Mr Parker: That is untrue. There is only one exposure, one involvement, and that is this one.

Mr COURT: The Deputy Premier knows there is more involved than that. The Deputy Premier knows about the \$15 million that went straight to Spedleys; they were involved in the rescue package.

Mr Parker: There is no other Government agency, Government business or enterprise involved which is likely to be affected by this event other than what I have told the Deputy Leader of the Opposition. At this stage it is not even clear whether insolvency is involved with Spedley Securities which, as I have explained, is the company to which the SGIC was exposed. When the Deputy Leader of the Opposition says there will be ramifications through Government, where is the evidence?

Mr COURT: The broader question that I have asked is: What is the current situation with SGIC? How long can it write off losses?

Mr Parker: The loss written off and the provision made with respect to Rothwells is \$27 million or \$28 million, to my recollection, out of last year's total profits in excess of \$131 million, and it looks as though, with maybe an adjustment of a couple of million dollars, that amount will be just about adequate to meet the occasion. We do not know if there are losses in this case. We know the amount will not be \$30.5 million - we do not know if it will be \$10 million, \$15 million or \$5 million. We will have to await the outcome. The SGIC has indicated it expects to post a pretty good profit figure at the end of the financial year.

Mr COURT: The Deputy Premier does not seem to be concerned about the \$30 million.

Mr Parker: Don't talk nonsense.

Mr COURT: The Premier was concerned when \$30 million was to be taken away as part of the Federal branch to the State.

Mr Parker: We are not talking about \$30 million.

Mr COURT: The Deputy Premier is not talking about the \$90 million at Rothwells - he just said there is provision for \$25 million or whatever -

Mr Parker: That is right.

Mr COURT: But we are now being told that instead of the 67¢ in the dollar, the amount might be something like 12¢ in the dollar.

Mr Parker: That is nonsense.

Mr COURT: The Deputy Premier says that is nonsense because he is tied up in another deal; that is, the \$150 million guarantee.

Mr Parker: That is nonsense too.

Mr COURT: While on that subject we should read the report by *Australian Ratings*. Has the Deputy Premier discounted that?

Mr Parker: That is wrong, in several material particulars.

Mr Lewis: Everything is wrong!

Mr COURT: For the benefit of the House, I will read the first three paragraphs as follows -

What value can we put on the guarantee of a State Government? Is the Rural & Industries Bank safe? Is the Western Australian Government different to other State Governments? How reliable are State Government support mechanisms? Can we truly rely on the spirit of any agreement entered into with State Government authorities?

These are typical of the many queries received from investors in Europe and Asia following the current attempted renegeing by the Western Australian Government on an indemnity given by it to National Australia Bank as part of the Rothwells' rescue plan. Our problem is that we are having a great deal of difficulty trying to explain the inexplicable.

In our view, irrespective of the fine legalities being pursued by the WA Government, its apparent abrogation of its responsibilities in the Rothwells undertaking is a matter of great concern. Coming after the derring-dos of WA Inc, this latest episode only serves to seriously undermine the credibility of not only the WA Government but the rest of Australia for overseas investors.

The former Labor Prime Minister, Gough Whitlam, said a similar thing two weeks ago. So that is the image which emerges with these dealings. Unfortunately, what we hear about Spedleys is a continuation of that.

Mr Trenorden: Before we leave the State Government Insurance Commission, if the situation were applied to life and general insurance, would a licence have been issued?

Mr COURT: Certainly they would not have been allowed to handle the investment portfolio in that way.

A Government member: How do you know?

Mr COURT: Because everything was put into two baskets. That is not allowed under the guidelines set out by the industry.

To move to the Petrochemical Industries Co Ltd legislation debated yesterday, the Deputy Premier said that the document the Opposition used was a forgery and so on. But at no time during debate would the Deputy Premier say whether a deal is in place where, if the project's cash flow cannot meet payments to the State Energy Commission, special treatment will be received. He did not say that anywhere during debate. However, an agreement is in place, Mr Acting Speaker. The Government did a little fine tuning and said that the document was incorrect in parts. We have been told that a deal is in place; I have been told by different people that, if the project cannot meet the payments to the SEC, gas will be provided at a reduced price and, if necessary, the gas will be free.

Mr Parker: That is nonsense; that is untrue.

Mr COURT: If it cannot pay, it gets gas for free. The Deputy Premier had every opportunity yesterday to say whether a deal is in place. It is one thing to ridicule the Opposition's proposal on this point, and to ridicule the document, but the Deputy Premier had every opportunity yesterday to provide an answer.

Mr Parker: I told you, it is not true.

Mr COURT: The Deputy Premier is saying that the part about the free gas is not true. Come on, tell us. Is there a deal in place?

Mr Parker: The Deputy Leader of the Opposition is talking about free gas. He should tell us! He is the one talking about free gas! I am telling the Deputy Leader of the Opposition that there is no free gas.

Mr COURT: We are used to the Deputy Premier's double talk. Yesterday he refused to answer a question on whether a deal is in place involving assistance with gas.

Mr Parker: There is no free gas.

Mr COURT: Today the Deputy Premier is still refusing to tell us whether a deal is in place which would give a reduced cost for gas if the payments cannot be met. At least we have got a laugh out of him today. Yesterday I asked that question three times and he became involved in an earnest conversation with the Premier. It is a serious matter because yesterday the Deputy Premier tried to give the impression that a special deal was not in place, but everyone involved with the project is saying there is a deal in place. Sooner or later the truth will come out and he will be on the record saying that a deal was not in place.

Another point is that it is all very well for the Government to say that the plant should be built at Kwinana. A number of people have contacted my office and have said that they cannot follow what this Government is doing. The Government says that it is running into an electricity shortage and will have to build new power stations. It is also saying that it is running into a gas shortage and will have to increase the capacity of the gas line, and that would cost a large sum of money. Why does the Government want to establish a petrochemical project at Kwinana if associated with it is capital works expenditure to increase the power and gas capacity? The Opposition is saying that it is all right to spend money on capital works to put the power capacity in the Pilbara, but why not establish the petrochemical project in that area? If the Government were to do that, it would not have to worry about the increased capital expenditure in increasing the gas capacity in the metropolitan area. I have studied the Government's figures which suggest that the project should not be established in the Pilbara. The Government has done a gas and electricity deal on this project and the taxpayers will be the bunnies at the end of the day and the State Energy Commission will pick up the shortfall on this deal. The SEC will lose twice: It will not be paid for some of its gas and electricity and it will have to spend large sums of money on capital works to make sure that the increased capacity is available. It does not add up.

The directors of WA Government Holdings Ltd have had the power to sign this deal with the SEC, Petrochemical Industries Co Ltd and the Bond Corporation. Theoretically, this deal could be signed up without the Government knowing anything about it. I am sure that in practice that would not be the case - someone in Government would know about it. As explained in the Burt report, under the deed of undertakings the deal could have been signed up between WA Government Holdings, the Bond Corporation, PICL and the SEC, and the Deputy Premier could have known nothing about it. Does the Minister agree?

Mr Parker: That is what the Burt report said and that is why the petrochemical Bill was brought to the Parliament. Address it.

Mr COURT: I cannot address it because it is already signed up. The Government has allowed WA Government Holdings to enter into a deal with the SEC, PICL and Bond Corporation to provide a gas contract to this project and, theoretically, under the deed of undertaking the Deputy Premier and the Government would not need to know about it. In practice I am sure the Government knows about the deal because the only thing going for the project as far as an investor is concerned is that it is a great deal for the SEC on utilities.

I feel sorry for the Deputy Premier because he finds himself in an unenviable situation and he has to make the project work because people have entered into the agreement under the very

wide powers provided by the Northern Mining legislation. I am afraid that the Premier and the Deputy Premier had good reason to be upset yesterday because they know they are locked into this deal and cannot get out of it. Members will find that they will get out of it and again it will be at a cost to the taxpayers of this State.

I refer now to an issue which was debated three years ago; that is, the Government's purchase of Fremantle Gas and Coke Co Ltd. The Deputy Premier may laugh, but it was no laughing matter. I was interested to read in the book about the former Premier's life that he said that the decisions involving Rothwells and Fremantle Gas and Coke Co Ltd were the two most difficult decisions he had to make. They were two of WA Inc's most outrageous deals. The Fremantle Gas and Coke Co Ltd was worth about \$20 million, but with a little bit of fancy paper work the Government purchased it for \$40 million and Western Continental and other people associated with it walked away with a large sum of money. At the time we were told that Mr Connell's involvement was as an intermediary; that is, bringing a rival suitor to Fremantle Gas and Coke Co Ltd and providing a valuation of that company for Western Continental. We were told that Mr Connell received \$225 000 for that. We knew that there was something fishy about the deal because it was the talk of the town that the people involved with Rothwells had a huge celebration because it had pulled off the deal. It would have had a huge celebration if it had made \$225 000, but we now know that Rothwells did, in fact, receive a \$5 million fee for that exercise and I refer to an article in the *Financial Review* dated 6 April which states -

A \$5 million debt arising from the West Australian Government's controversial purchase of the assets of Fremantle Gas & Coke Co Ltd in 1986 was transferred from Rothwells Ltd to L.R. Connell & Partners to avoid political scrutiny.

At the time, the Liberal Party was trying to find out about that deal in this Parliament. The Government knew there was a cool \$10 million profit in the deal. Since this Government did the Northern Mining deal, large fees have changed hands. The people involved in the Fremantle Gas and Coke Co Ltd deal were rolling on the ground laughing because they had made a \$10 million profit of which \$5 million went to one of the parties involved, but as far as the public was concerned a fee of only \$225 000 was involved. These things are now coming out. This Government paid too much for a gas utility and, as a result, the people in Fremantle have had large increases in the price of gas - it is in the Deputy Premier's electorate, yet he allowed the sale to go through. The Liberal Party has given examples in the House of industries which had contracts with the Fremantle Gas and Coke Co Ltd and have since faced increased gas charges. As I said, all the facts about these deals are starting to come out.

MR CLARKO (Marmion) [5.19 pm]: I wish to raise a matter with the Minister for Health and it involves recent health advertisements on local television. I ask members how they feel when they watch the television advertisement which shows a toddler walking through an open door while his mother is distracted on the telephone and he falls into a backyard swimming pool and presumably drowns. The final message of the Health Department-backed television advertisement is that pool owners should enclose their pools with an isolation fence. I find that matter rather disturbing. The present perimeter fence system in operation in Western Australia at the moment is quite wrong. In January a report was produced by the committee and a three month period has been allowed for public review and reply to that report. That period will end in the next few days. On 17 March 1988 I wrote to the then Minister for Local Government who was responsible at that time for matters relating to swimming pools. In that letter I raised a number of points, including the following -

The recently amended bylaws for pools once again do not require back doors which open directly onto an otherwise totally fenced pool to be automatically self-closing and self-locking, despite this being a requirement of the Australian Standards for pools which is followed by other Australian States.

I find this incredible. I therefore request you to provide me with the reason why this dangerous situation prevails in Western Australia.

I do not seek to make a big issue of this, but I do not appear to have received an answer to that letter. I have raised the matter previously in this House and the Minister gave me some advice. I am aware that he supported the committee, which was under his influence, and was trying to update the swimming bylaws. I acknowledge that he and his committee have

worked hard in this field. A year ago three children died on consecutive days and this became a major issue at the time. The present system is totally wrong and is at odds with the national standards approach to this matter. They agree that the arrangement whereby the three back fences are part of the perimeter of the house and the other perimeter, excluding the side gates, is the front door is unsatisfactory. I have spoken to building inspectors on this matter and am advised that they make no attempt to examine the back doors of houses with swimming pools. The situation to which I referred earlier is portrayed in the television advertisement, and it is a prime cause of deaths in swimming pools.

I congratulate the Minister on the report which has been issued under his auspices. I shall be interested to learn of the response it receives. The proposition to modify the perimeter fence arrangement which I have suggested is not included in that report, which recommends isolation fences. I do not want to measure the life of a child against the cost of installing isolation fences, but the first step that should be taken - I ask the Minister to give consideration to this request during the recess - is to alter the bylaws. I understand this can be done while Parliament is in recess. This should be tried before we face the problem of installing expensive isolation fences. It is an alternative solution and I urge the Government and the Minister for Health to give consideration to it.

Mr Wilson: Have you made a submission in response to that report?

Mr CLARKO: No, but I did write to the Minister for Local Government on 17 March 1988, and I have raised the matter in Parliament several times.

Mr Wilson: We have called for public submissions in response to the report and that will close at the end of this month.

Mr CLARKO: I assume that if I raise the matter in Parliament, the Minister will give consideration to this serious matter. I regret that we shall not have sufficient time to deal with the Address-in-Reply debate. In the next couple of minutes, when the Speaker guides me, I intend to seek leave to continue my remarks at a later stage. However, as Parliament will be prorogued, I assume that will be the end of the Address-in-Reply debate.

Mr Thompson: Come back after dinner and make your speech.

Mr CLARKO: I will be prepared to do so if the member for Darling Range will come also. I recommend this report, which includes an education program, to members. Not only do I consider it wrong not to require modifications to the back doors of houses with swimming pools, but also I consider that we should be careful about using that form of advertising.

I refer now to another Health Department television advertisement which shows a man standing by a window looking out to a garden coughing his lungs out. It looks as though he is about to drop dead. I think it is a very bad advertisement. I have been involved in education for many years and am not in favour of negative advertising. Some years ago in the United States, and briefly in Australia, road safety advertisements regularly showed horrific car smashes including mangled metal and dead people on the roadside with blood everywhere. Educators generally hold the view that, although sometimes there is a place for negative education, the odds are overwhelmingly in favour of our using positive education. It is better to encourage people to do the right thing rather than highlight the negative aspects of any situation. That is my judgment and it is not necessarily the view of everyone in this State. The advertisement to which I refer shows a person coughing his lungs out, his young daughter looking terrified and surreptitiously trying to hide the page of the book she is reading. The father removes her hands and sees that she has been reading about lung cancer. That is grossly negative advertising; I prefer the advertisement which shows Dr Fiona Stanley quoting the figures in connection with women smoking. We are aware that more girls are taking up smoking than in the past, and Dr Stanley points out that the number of female deaths from smoking will soon exceed those from breast cancer. She urges girls to give up smoking before it is too late. That is a much more suitable advertisement as part of the Quit program.

I refer now to advertisements on AIDS education. An article appeared in *The West Australian* on 11 April which reports that a leading AIDS specialist, Dr Julian Gold, said that the present advertising schemes being used are failing and that we should put more money into research and treatment. I strongly agree with that statement. I may be the only person in the world to have this belief, but I find those advertisements which show heterosexuals in

bed disgraceful and unsuitable. More importantly, it is bad education with regard to AIDS. The article also states that the chief Commonwealth AIDS education and services adviser, Professor Ron Penny, agrees that the advertising campaign is failing. They are disgraceful advertisements but, more importantly, they are not good education because they are not tackling the problem appropriately. The program is failing because the advertisements do not present the problem in the proper way.

There are many other matters about which I would like to speak, and I regret sincerely that we have not been given time to finish the Address-in-Reply debate. The eight day program which we have had was far too short to handle the Address-in-Reply debate and the other business that the Government sought to deal with.

[Leave granted for speech to be continued.]

Debate thus adjourned.

BILLS (3) - RETURNED

1. Treasurer's Advance Authorization Bill
 2. Stamp Amendment Bill (No 2)
 3. Acts Amendment (Dental Prosthetics Students) Bill
- Bills returned from the Council without amendment.

[Questions without notice taken.]

ADJOURNMENT OF THE HOUSE - SPECIAL

On motion by Mr Pearce (Leader of the House), resolved -

That the House at its rising adjourn until a date to be fixed by Mr Speaker.

House adjourned at 6.00 pm

QUESTIONS ON NOTICE

POLICE - RANDOM BREATH TESTS

Road Fatalities - Statistics

155. Mr CLARKO to the Minister for Police and Emergency Services:

- (1) How many road fatalities have occurred in Western Australia since random breath testing was introduced?
- (2) What are the road fatality statistics for the same period for each of the previous 10 years?
- (3) (a) How many vehicles have been staffed for an RBT test since its introduction; and
(b) how many drivers have been subsequently charged and convicted of a drink driving offence following an RBT test?
- (4) What concrete evidence exists, if any, that supports the continued use of the current RBT system?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

EDUCATION DEPARTMENT - BUDGET

Government Schools Policy - Promotions Expenditure

232. Mr COURT to the Minister for Education:

How much of the Education Department's budget was used on promoting the Government's schools in Western Australia policy in the six months prior to the recent State election?

Dr LAWRENCE replied:

\$1 850.60.

GOLD CORPORATION - COINS

Sales - Gross Profit

241. Mr COURT to the Premier:

What margin of gross profit does the Gold Corporation make on selling its coins?

Mr PETER DOWDING replied:

The wholesale prices of Gold Corporation's main product lines, the Australian Nugget gold bullion coins and the Australian Koala platinum bullion coins, are set in accordance with standard international practice for precious metals investment coins, namely the value of the metal content at the time of sale plus a premium of three per cent on one ounce coins, five per cent on half ounce coins, seven per cent on quarter ounce coins and nine per cent on one-tenth ounce coins. Obviously, as the selling price is based on the fluctuating metal price, the profit margin varies from day to day.

POLICE - MEDINA POLICE STATION

Manpower - Recorded Offences

258. Mr MacKINNON to the Minister for Police and Emergency Services:

- (1) How many police officers are located at the Medina Police Station?
- (2) How many police officers were located at the Medina Police Station on -
 - (a) 30 June 1988;
 - (b) 30 June 1987;
 - (c) 30 June 1986;
 - (d) 30 June 1985;

- (e) 30 June 1984;
- (f) 30 June 1983?
- (3) What are the levels of recorded offences at the Medina Police Station for the years ending -
 - (a) 5 June 1983;
 - (b) 5 June 1984;
 - (c) 5 June 1985;
 - (d) 5 June 1986;
 - (e) 5 June 1987;
 - (f) 5 June 1988?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

FREMANTLE GAS AND COKE CO LTD - ASSETS
State Energy Commission Purchase - Current Value

294. Mr COWAN to the Minister for Fuel and Energy:

What is the current value of the assets that were formerly owned by the Fremantle Gas and Coke Co Ltd and purchased by the State Energy Commission for \$39.75 million in 1986?

Mr CARR replied:

The book value was \$39.75 million in 1986. In accordance with the required accounting practices, the value is being depreciated over time and as at 31 March 1989 the figure was \$36.553 million. The actual value to the commission and/or the replacement cost, given the revenues - which are higher than were expected at the time of purchase - and the strategic importance of the asset, would be considerably higher, but the asset is now fully integrated into the SECWA system.

BUNBURY TOWER - GOVERNMENT RENTAL
Subleasing

323. Mr BRADSHAW to the Minister for South-West:

- (1) Has the Government subleased office space in the Bunbury tower?
- (2) If so, to whom?
- (3) If yes to (1), what rent is being charged per square metre?

Mr D.L. SMITH replied:

- (1) Yes.
- (2) Australian Electoral Commission.
- (3) \$150.82 per square metre per annum plus outgoings.

ALCOHOL CONSUMPTION - WILUNA
Port Hedland - Reports

325. Mr HASSELL to the Minister for Health:

- (1) Has the report on alcohol consumption at Wiluna been released yet?
- (2) If so, when was it released?
- (3) If not, why has it not been released yet?
- (4) When will the report be released?
- (5) Has the report on alcohol consumption in Port Hedland written several years ago been released yet?
- (6) If so, when was it released?

(7) If not, why has it not been released?

(8) When will it be released?

Mr WILSON replied:

(1)-(2)

A copy was made available in October 1988 to the Ngangganawilli Aboriginal Council in Wiluna.

(3) The study was undertaken by the Aboriginal Development Authority in conjunction with the Ngangganawilli Aboriginal Council for its use, so that local initiatives could be developed.

(4) Not applicable.

(5) Copies of the Hedland report have been made available to selected persons and health and welfare agencies.

(6) February 1987.

(7) The report is available to relevant key local persons and agencies to deal with the issues identified and appropriate relevant initiatives at a local level.

(8) Not applicable.

COMMUNITY SERVICES - CHILD CARE CENTRE

Leeming - Establishment Consideration

327. Mr MacKINNON to the Minister for Community Services:

(1) Is consideration being given to establishing a child care centre in Leeming?

(2) If so, where will the centre be located?

(3) When is it likely the centre will be constructed?

Mr D.L. SMITH replied:

(1)-(3)

The Western Australian children's services planning committee, chaired by the Commonwealth Department of Community Services and Health, has commenced planning for new child care services under the recent four year Commonwealth-State child care agreement. After consulting with local communities and collecting population statistics, areas of need for service types will be determined. Leeming will be considered in the Statewide planning process.

GOLD CORPORATION - INCORPORATION

Chairman and Directors - Payments

328. Mr MacKINNON to the Premier:

What payments of any type have been made to the chairman and directors of Gold Corporation since its incorporation?

Mr PETER DOWDING replied:

Annual directors' fees of between \$18 000 and \$22 000 are paid in respect of non executive directors. Executive directors do not receive any payments in addition to their salaries for serving on the board.

FILMS - SEXUAL VIOLENCE

Child Viewing - Government Policy

332. Mr COWAN to the Minister for The Arts:

(1) Does the Government have a policy that the viewing of graphic sexual violence is not a form of entertainment that should be readily available to children and that such viewing by children may contribute towards attitudes that are detrimental to the welfare of women?

(2) Is the Minister aware that his colleague, the Attorney General, at a meeting in Darwin in June 1988 supported new guidelines that have enabled films that

contain what the censor judges consider to be "graphic sexual violence" to be classified as M and therefore readily accessible by children?

Mr PARKER replied:

- (1) Depictions of violence in films and videos are subject to careful scrutiny and reserved, where appropriate, for mature and/or adult audiences.
- (2) The recent assignment of an M classification and censorship warning to a film which "contained scenes of graphic sexual violence" was the result of a direction issue by the Commonwealth Films Board of Review following an appeal against a decision of the Commonwealth Film Censorship Board.

MINERAL SANDS PROJECT, COOLJARLOO - MUCHEA

Emission Level Monitoring - Company Responsibility

335. Mr COWAN to the Minister for Environment:

- (1) With respect to the Cooljarloo mineral sands project at Muchea, is the company itself responsible for monitoring emission levels?
- (2) If yes, whose responsibility is it to ensure that such monitoring is accurate?
- (3) Which emission levels will be monitored into -
 - (a) the atmosphere; and
 - (b) the underground water supply?
- (4) What are -
 - (a) the anticipated levels; and
 - (b) the maximum allowable levels of these emissions?
- (5) Will the Minister ensure that the Muchea Progress Association has ongoing access to the information gathered in monitoring emission levels?
- (6) (a) If yes, how; and
 - (b) if no, why not?

Mr PEARCE replied:

- (1) Yes.
- (2) The company is required by the Environmental Protection Act to ensure that all monitoring results are accurate. The Environmental Protection Authority will conduct audit tests to ensure that the company's results are accurate.
- (3) (a) The company is required, as a condition of approval, to submit an environmental management plan describing the monitoring program it intends for the site. This report will be reviewed by the EPA and modified if necessary to ensure that it is adequate; and
 - (b) there are no routine emissions to ground water. The company will monitor general ground water quality to check for leaks as well as monitoring surface water quality.
- (4) (a) The emissions or potential emissions to the atmosphere which are of concern are -
 - (i) dust and particulates;
 - (ii) sulphur dioxide;
 - (iii) hydrogen sulphide and reduced sulphur compounds; and
 - (iv) H_2SO_4

The EPA does not generally set emission limits during the assessment process. Instead the concentrations of the various pollutants in the ambient environment are calculated and compared with accepted standards. Tables 3 and 4 from the EPA report are attached to indicate that air pollutant levels are within accepted guidelines.

Emission limits which ensure compliance with the levels in table 3 will be set as conditions of licence when the licence is issued; and

- (b) there are no routine emissions to ground water.
- (5) All environmental monitoring data will be available to the public.
- (6) Summaries of monitoring data will be published in routine monitoring reports published by the EPA. Raw data would be available to the public on request.

TABLE 3: DISTANCES AT WHICH MAXIMUM GROUND LEVEL CONCENTRATIONS OF AIR EMISSIONS OCCUR

STACK 1	Kiln Exhaust	
Particulates		25.5 vg/m^3 at 1111 m from the stack
SO ₂		20.4 vg/m^3 at 1111 m from the stack
STACK 2	Separation unit exhaust	
Particulates		231 vg/m^3 at 1111 m from the stack
STACK 3	Product Drying Unit	
H ₂ SO ₄		74 vg/m^3 at 270 m from the stack

TABLE 4: GUIDELINES FOR AIR EMISSIONS

Particulates	330 vg/m^3 for 3 min average
Sulphur Dioxide	450 vg/m^3 for 1 hour average
H ₂ SO ₄	33 vg/m^3 for 3 min average
Reduced Sulphur compounds eg H ₂ S	no noticeable odour outside the plant boundary at any time.

These modelling results in table 3 indicate that the maximum ground level concentrations for all pollutants, except H₂SO₄ are below the EPA guidelines. The maximum level of H₂SO₄ occurs inside the plant boundary and falls off so that outside the plant boundary the ground level concentration is below the EPA guideline.

POWER STATION, PINJAR - EMISSIONS

Atmospheric Pollutants - Environmental Protection Authority Identification

336. Mr COWAN to the Minister for Environment:

- (1) With respect to the Pinjar power station, near Wanneroo, what are the atmospheric pollutants that have been identified by the Environmental Protection Authority as being likely emissions?
- (2) What are -
 - (a) the projected emission levels; and
 - (b) the maximum allowable emission levels of each of these pollutants?
- (3) To what extent will the Environmental Protection Authority be involved in monitoring the emissions, and will the information gained from that monitoring be publicly available?

Mr PEARCE replied:

- (1) The environmental assessment for the Pinjar gas turbine station as reviewed by the Environmental Protection Authority identified oxides of nitrogen as the only significant atmospheric emission.
- (2) The projected mass emission rate for eight turbines in operation is 321 grams a second. The predicted maximum hourly ground level concentration caused

by this emission is much less than 50 per cent of the Victorian standard for acceptable levels - 308 micrograms per cubic metre. The emissions were considered to be acceptable on this basis.

- (3) The State Energy Commission will monitor their emissions under EPA supervision and results will be available.

O'CONNOR, MR JOHN - COURT CASE
Nolle Prosequi - Attorney General, Appearance

339. Mr HASSELL to the Minister representing the Attorney General:

- (1) When the *nolle prosequi* was entered in the case against John O'Connor, did the Attorney General appear in court personally to enter it?
- (2) If not, who did appear on behalf of the State?
- (3) Was that person a Crown Law officer or engaged by the State?
- (4) Who instructed that person to appear?

Mr D.L. SMITH replied:

- (1) No.
- (2) Mr G.T.W. Tannin.
- (3) Crown Law Department Officer.
- (4) The Crown Prosecutor.

R & I BANK - SETTLEMENT AGENCY

340. Mr MacKINNON to the Premier :

- (1) Is it correct that the Rural and Industries Bank of Western Australia operates a settlement agency?
- (2) Is it also correct that the bank is not registered under the Settlement Agents Act?
- (3) Why is this so?

Mr PETER DOWDING replied:

- (1)-(2) Yes.
- (3) The bank is not required to be licensed as it acts as the Crown in the right of the State of Western Australia. The Settlement and Business Agents Act does not, by its terms, purport to bind the Crown.

STRATA TITLES COMMISSIONER - REPORT, 12 OCTOBER 1987
Government's Decision

344. Mr MacKINNON to the Minister representing the Minister for Lands:

When is it likely that the Government will be making a decision as a consequence of the report provided to it by the Strata Titles Commissioner, Mr Nankivell, on 12 October 1987?

Mr D.L. SMITH replied:

May 1989.

TRAFFIC NOISE - SUBURBAN STREETS
Government Survey

346. Mr MacKINNON to the Minister for Environment:

- (1) Is the Government currently undertaking a study into traffic noise in suburban streets?
- (2) If so, who is conducting the survey?
- (3) When is the survey likely to be completed?

Mr PEARCE replied:

(1)-(3)

The Environmental Protection Authority is not undertaking a specific study into traffic noise in suburban streets. However, monitoring of traffic noise in suburban streets is being carried out on an ad hoc basis in response to complaints, or in association with evaluation of proposals and inspection of prescribed premises. This work is being conducted by officers of the EPA and is being done in such a way that the information can be utilised in any traffic noise survey that may be undertaken in the future.

PEACEFUL BAY - LEASEHOLD PROPERTIES

Current Status

348. Mr OMODEI to the Minister representing the Minister for Lands:

- (1) What is the current status of leasehold properties at Peaceful Bay?
- (2) Is the Minister aware of the conflict between leaseholders and the Denmark Shire Council?
- (3) Does the Minister agree with the leasehold fee being imposed by the Denmark Shire Council on Peaceful Bay leaseholders?
- (4) What course of action is the Minister taking on this issue?

Mr D.L. SMITH replied:

- (1) The leasehold properties are located within Reserve 24510 set aside for the purpose of camping and recreation vested in the Shire of Denmark with power to lease for terms up to 21 years.

(2) Yes.

(3)-(4)

On 6 April 1989 I met a deputation comprising representatives from the Peaceful Bay Progress Association, the member and the member for Stirling. I am currently awaiting a report from the Departments of Local Government and Lands so that an appropriate course of action can be determined.

EDUCATION - AUGUSTA PRIMARY SCHOOL

Administration and Resource Room

352. Mr OMODEI to the Minister for Education:

- (1) Is the Minister aware of the need for an administration room and resource room at the Augusta Primary School?
- (2) If yes, when will the necessary building construction take place?
- (3) If no, will the Minister give a commitment to make contact with the Augusta Primary School to certify needs in that area?

Dr LAWRENCE replied:

(1) Yes.

(2) Consideration will be given to the provision of these facilities in a future building program.

(3) An officer of the ministry's buildings branch visited the school recently to ascertain the needs of the school.

EDUCATION - NANNUP SCHOOL

Single Men's Quarters Hut - Classroom Space

353. Mr OMODEI to the Minister for Education:

- (1) Is the Minister aware that children at the Nannup Primary School are being taught in an old single men's quarters hut on the school site?
- (2) Does the Minister intend to provide necessary classroom space for this school?

(3) If yes, when will a timetable of works be put in place?

(4) If no, when will construction be given to this project?

Dr LAWRENCE replied:

(1) Yes.

(2)-(3)

The matter of classroom accommodation at the school will be reviewed later this year when additional temporary classrooms become available. It should be noted, however, that the school is operating one more class than that recommended for the years 8 to 10 enrolment.

(4) Not applicable.

EDUCATION - WALPOLE PRIMARY SCHOOL
Walpole Parents and Citizens' Association - Classroom Space
Concern

354. Mr OMODEI to the Minister for Education:

(1) Has the Minister responded to the concerns of Walpole Parents and Citizens' Association in relation to problems with classroom space?

(2) Has the Minister given an undertaking to provide further classrooms, administration area and sickroom at the Walpole Primary School?

(3) If yes, what will the timetable of events be?

(4) Will the Minister give an undertaking to visit the school and assess its problems first hand?

(5) If no, when is it anticipated these works will commence?

Dr LAWRENCE replied:

(1) No. Correspondence to the Parents and Citizens' Association should be forwarded today.

(2) No.

(3) Not applicable.

(4) A visit has already been planned for 5 May 1989.

(5) Not applicable.

FAMILY TRUST - RESIDENCE
Land Tax

357. Mr GRAYDEN to the Minister representing the Minister for Budget Management:

(1) When a residence is the subject of the family trust and -

(a) is the sole asset of the family trust;

(b) there is no other activity whatsoever in the trust;

(c) the residence is occupied all the time by the beneficiaries of the trust;

(d) the residence never has or will be rented to any other party;

(e) municipal and other rates are paid by the occupiers; and

(f) during the 12 years the trust has existed land tax has not been levied on the property -

is it now intended to levy land tax in such circumstances?

(2) If so, what is the rationale for such a departure from past practice?

Mr PARKER replied:

See answer to question 69.

**QUEEN ELIZABETH II CORONATION GIFT FUND - KING EDWARD
MEMORIAL HOSPITAL FOR WOMEN BOARD**

Transfer

360. Mr MENSAROS to the Minister for Health:

- (1) Is it a fact that the Queen Elizabeth II coronation gift fund - providing for research into the health of mothers and children - has been taken over by the Board of King Edward Memorial Hospital for Women subject to the board's carrying on the research program and meeting all of the costs associated with it and naming the new laboratory at the hospital the Queen Elizabeth II Gift Fund Laboratory?
- (2) Is it a fact that the work carried out by the laboratory has been very successful, received worldwide recognition and has been of great practical medical value of the King Edward Memorial Hospital?
- (3) Is it a fact that the board undertook to honour the essential spirit of the original trust deed in that some form of research be carried out perpetually for the benefit of the mothers and children of Western Australia and to accept the obligation to find annual amounts necessary to conduct the foregoing research and that the scientific advisory committee was appointed by the board to administer the obligation?
- (4) Is it a fact that, despite all these firmly undertaken obligations, the board resolved to discontinue its obligation for the fund and its Queen Elizabeth II Gift Fund Laboratory?
- (5) Will the Minister do anything to either reverse this decision or see that the public charity organised fund and laboratory continue to operate for the benefit of the State?

Mr WILSON replied:

- (1) The Board of Management of King Edward Memorial Hospital took over the Queen Elizabeth II coronation gift fund trust in 1965 and named the hospital laboratories, which were partially funded by moneys from the trust, the Queen Elizabeth II gift fund trust laboratories.
- (2) Several years ago the research carried out by the laboratory was providing results that were considered to benefit the mothers and children of Western Australia. The board of management has reviewed the activities of the present unit and sought independent review by experts in the field. Arising from the recommendation of this expert committee, the board of management believes that the funding currently allocated to this research could be better utilised to the benefit of the mothers and children of Western Australia on other research projects.
- (3) The board of management has reaffirmed its undertaking to continue funding research for the benefit of the mothers and children of Western Australia.
- (4) No.
- (5) Not applicable.

CORRUPTION ACT - PROCLAMATION

Selection Committee

365. Mr HASSELL to the Minister representing the Attorney General:

Further to question 82 of 1989, relating to the proclamation of the Official Corruption Act of 1988 -

- (a) when was the selection committee established;
- (b) when did it first meet;
- (c) how many times has it met;
- (d) when did it last meet;

- (e) what is the progress of the work of the committee; and
- (f) when will its work be completed?

Mr D.L. SMITH replied:

- (a) The Premier requested the Chief Justice to initiate the selection process in a letter dated 15 December 1988;
- (b) 8 March 1989;
- (c) once;
- (d) 8 March 1989; and
- (e)-(f)

by letter dated 16 December 1988 the Chief Justice sought additional information from the Premier and this was provided by a letter dated 20 January 1989. The Chief Judge of the District Court was absent from the State until the beginning of March 1989 and the Commissioner of Police was on leave until 12 February 1989. In the meantime, the Chief Justice initiated certain inquiries, the results of which were considered by the committee on 8 March 1989. Members of the committee have since consulted informally concerning the progress of further inquiries. Upon receipt of some outstanding information the committee will be in a position to make its recommendations.

MOTOR VEHICLES - IMPORTED USED CARS *Safety Tests*

367. Mr HASSELL to the Minister for Police and Emergency Services:

- (1) What safety tests are applied to imported second hand vehicles as a condition of licensing them?
- (2) Are changes to be made in this respect?
- (3) If so, what are these changes?
- (4) Are the changes designed to -
 - (a) restrict importation of second hand vehicles; and/or
 - (b) improve safety?
- (5) Will individual importations of single family vehicles on a one-off basis be affected?
- (6) What testing of maximum allowable road speeds is undertaken in Western Australia of -
 - (a) new vehicles sold here;
 - (b) local second hand vehicles;
 - (c) interstate second hand vehicles; and
 - (d) overseas second hand vehicles?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

ROTHWELLS LTD - NATIONAL COMPANIES AND SECURITIES COMMISSION

Report Tabling - McCusker, Mr, Discussions

369. Mr HASSELL to the Minister representing the Attorney General:

In connection with the National Companies and Securities Commission report on Rothwells, has Mr McCusker QC had discussions with any Ministers of the Crown?

Mr D.L. SMITH replied:

Mr McCusker has had discussions with the Attorney General relating to Mr McCusker's views on the question of tabling the report in Parliament.

MOSMAN BAY TEAROOMS - OPENING HOURS

Complaints

370. Mr HASSELL to the Minister for Transport:

- (1) Has the Minister received complaints about the operations of the Mosman Bay Tearooms outside regular permitted hours?
- (2) What is the response of the Minister to the situation?

Mr PEARCE replied:

- (1) Yes.
- (2) I am endeavouring to establish the particulars pertaining to the specific complaints which, in the main, have been denied by the management of the tearooms. Investigations are incomplete at this stage.

HEALTH - HOSPITALS, SUBURBAN

Casualty Departments - Budget Allocation, Election Promise

372. Mr HASSELL to the Minister for Health:

- (1) Is it a fact that the Government promised during the election period it would introduce measures as part of this year's Budget to expand the capacity of casualty departments at five suburban hospitals?
- (2) Has any of the \$2 million been allocated so far for any of the following hospitals and, if so, how much to the respective hospitals -
 - (a) Armadale-Kelmscott Hospital;
 - (b) Rockingham-Kwinana Hospital;
 - (c) Swan District Hospital; and
 - (d) Wanneroo Hospital?
- (3) If not, will any of the promised moneys be allocated before the end of this financial year?
- (4) If not, why not?
- (5) When can the hospitals expect to receive the promised moneys, some of which is needed for vital new emergency equipment?

Mr WILSON replied:

- (1) Yes.
- (2) An amount of \$120 000 has been allocated in 1988-89, distributed as follows -

	\$
Wanneroo Hospital	48 500
Rockingham/Kwinana Hospital	15 000
Armadale/Kelmscott Hospital	16 000
Swan District Hospital	20 500
Kalamunda Hospital	20 000
	120 000

These funds will be allocated to hospitals over the next few weeks in accordance with the approved timetable. The balance of the \$2 million will be considered as part of the budgeting program for 1989-90.

- (3)-(4) Not applicable.
- (5) The moneys referred to in (2) above are for equipment.

HEALTH INSURANCE - PRIVATE FUNDS
Federal Legislative Proposals - State Support

374. Mr HASSELL to the Minister for Health:

- (1) What input has been made by the Western Australian Government to the Federal Government in relation to private health insurance funds?
- (2) Does the Government support Federal legislative proposals?
- (3) Has the Minister been advised that those proposals will result in an increase in premiums for persons privately insured?
- (4) Does the State Government support the private insurance system?
- (5) What representations have been made to the Government?

Mr WILSON replied:

- (1) It is assumed that the question relates to problems being experienced by some of the private health insurance funds resulting from the higher cost of coverage of persons over the age of 65 years. The Federal Government is aware that the State Government supports community rating of private health insurance which would ensure an equitable spread of liability across the private health insurance sector.
- (2) Yes.
- (3) The Commonwealth Government's plans with regard to the national reinsurance pool is expected to result in only a very small increase in health insurance premiums in Western Australia. The situation will be different for some funds in the Eastern States which currently have a relatively young membership. These funds may need to increase their premiums significantly.
- (4) Yes.
- (5) No direct representation has been made to the State Government; however, it is aware of representations which have been made by major Western Australian funds directly to the Federal Government to enforce the community rating principle on all health funds.

HEALTH - BACK CARE DAY
Minister for Health - Advertisements

375. Mr HASSELL to the Minister for Health:

- (1) Why did the Minister appear in advertisements for national back care day?
- (2) Is the Minister aware that the advertisement seeks to promote a particular form of remedial treatment?
- (3) Should the Minister lend the Minister's name and position to the promotion of one form of back treatment?

Mr WILSON replied:

- (1)-(3) The concept of a national back care day is a worthwhile initiative I am happy to support publicly. I appeared in the advertisement to indicate my support for the day which also had the support of a particular back treatment group. I believe it is totally appropriate to support a public health initiative of this kind and would have been willing to join in this way with other health care professions, which operate under the sanction of legislation of this Parliament, had I been invited to do so.

STRIKES - HOSPITALS
Industrial Commission - Union Representatives and Government Agreement

376. Mr HASSELL to the Minister for Health:

- (1) What agreement was reached between unions "representing" strikers at hospitals and the Government which was put to the Industrial Relations Commission last Saturday and rejected?

- (2) What agreement was finally reached to settle the strike and approved by the Industrial Relations Commission?

Mr WILSON replied:

- (1) No agreement was put to the Western Australian Industrial Relations Commission last Saturday.
- (2) The parties to the dispute have agreed to accelerate the implementation of structural efficiency improvements strictly in accordance with the State wage fixing principles. The discussions that will of necessity occur in the development of the structural efficiency improvements will be carried out under the guidance of the Western Australian Industrial Relations Commission.

HEALTH - ELECTIVE SURGERY

Waiting Lists - Money Allocation

378. Mr HASSELL to the Minister for Health:

- (1) Is it correct as reported in *The West Australian* on Monday, 10 April 1989 that "money allocated to help cut waiting lists for elective surgery was being eaten away because hospitals were being forced to employ extra staff to work during the strike"?
- (2) If so, in what hospitals has this occurred?
- (3) What sum of money allocated to help cut waiting lists has been used for this or any other purpose?
- (4) What total sum of money was allocated to help cut waiting lists for elective surgery?
- (5) What is the progress in the expenditure of that money?
- (6) To what extent have waiting lists been cut?

Mr WILSON replied:

- (1) No.
- (2) Not applicable.
- (3) All moneys allocated to help cut waiting lists are used for the specific purpose of reducing waiting lists. The activity of moneys expended is monitored closely.
- (4) Government approved moneys for 1988-89 specifically for waiting list reduction total \$7.675 million comprising \$3.925 million in operational costs and \$3.75 million in the Capital Works Program at Royal Perth Rehabilitation Hospital for the orthopaedic list.
- (5) The progress in the expenditure of that money is on target.
- (6) The ophthalmology waiting list has been reduced by over 40 per cent from 1 246 to 739 from September 1987 to March 1989. Other waiting lists have been stabilised with reductions in some areas. Further reductions are anticipated as programs which could be fully implemented only in 1989 start to have an effect. Delays in commencement of programs have been occasioned by the time needed to recruit staff.

HEALTH - GRAYLANDS HOSPITAL

Criminally Insane - Housing Facility Proposal

379. Mr HASSELL to the Minister for Health:

- (1) Is there a proposal under consideration to construct a facility or modify existing facilities at Graylands to house the criminally insane?
- (2) If so, why is such a proposal necessary?
- (3) How much would such a facility cost?
- (4) How many people is it proposed will be housed there?

- (5) Where are the people currently housed who would be moved to such a complex?

Mr WILSON replied:

- (1) There is a proposal currently being developed within the Health Department to modify Wembley ward at Graylands to improve conditions and security for civilly committed patients and mentally disordered offenders.
- (2) To improve conditions for all patients being managed in secure facilities at Graylands Hospital and to improve security for those patients who require it.
- (3) Costing is unavailable at this stage.
- (4) The total number of patients to be housed in the modified secure ward complex would be similar to the number housed in the existing ward.
- (5) In Graylands Hospital.

FOOTBALL DEVELOPMENT TRUST FUND - RURAL AREAS
Funding Allocation - Guidelines

380. Mr HOUSE to the Minister representing the Minister for Sport and Recreation:

- (1) Would the Minister advise -
 - (a) what guidelines have been put in place in order to disperse funds to country areas from the Football Development Trust fund;
 - (b) what funds are available from -
 - (i) the metropolitan region; and
 - (ii) the country region;
 - (c) how much has already been allocated to -
 - (i) the metropolitan region; and
 - (ii) the country region; and
 - (d) when the funding commenced?
- (2) In the event that funding has not already commenced, would the Minister advise when the project will commence?

Mrs BEGGS replied:

The Minister for Sport and Recreation has no jurisdiction over the disbursement of this fund. This information may be obtained from the Football Development Trust.

SOUTH WEST DEVELOPMENT AUTHORITY - AUDITOR GENERAL
Audit Incompletion

381. Mr BRADSHAW to the Minister for South-West:

Why is the Auditor General unable to complete the audit of the South West Development Authority for the period 1 July 1987 to 30 June 1988?

Mr D.L. SMITH replied:

The Auditor General has completed the audit of the South West Development Authority and his opinion was included in the authority's annual report tabled yesterday.

HEALTH - NURSES, MENTAL HEALTH
Training - Government Policy

382. Mr HASSELL to the Minister for Health:

- (1) What is the policy of the Government in relation to the training of mental health nurses?
- (2) In particular, is it the policy of the Government that the training of mental health nurses should be treated separately from the training of general nurses?

- (3) Is the Government to provide for the conversion of training of mental health nurses from hospital based qualifications to tertiary qualifications?
- (4) If so, what timetable applies to that arrangement?

Mr WILSON replied:

- (1) The department's current policy is under review. I have convened a committee to report on the transfer of mental health nurse education to the tertiary sector. This committee met for the first time on 22 March 1989 and is due to report its findings in September 1989.
- (2)-(4) Not applicable. See (1).

HELEN BAILEY SCHOLARSHIP - NURSING EDUCATION *Award Granting*

383. Mr HASSELL to the Minister for Health:

- (1) Is the Helen Bailey scholarship which was created in 1971 as an annual award in recognition of Miss Bailey's outstanding contribution to nursing education still awarded?
- (2) If so, when was the last award made?
- (3) If the award is not presently being granted, why not?
- (4) If not being granted at present, will the Minister consider reinstating the scholarship?
- (5) If so, when will the next scholarship be awarded?
- (6) If not, why not?

Mr WILSON replied:

- (1) No.
- (2) 1986.
- (3) All nursing scholarships are being reviewed.
- (4) Yes.
- (5) When the review has been completed.
- (6) Not applicable.

MOTOR VEHICLES - IMPORTED USED CARS *Vehicle Licensing Branch - Licensing Centres/Depots*

386. Mr MENSAROS to the Minister for Police and Emergency Services:

With regard to the strength and capacity of the vehicle licensing branch of the Police Department licensing imported secondhand vehicles -

- (a) how many licensing centres/depots are there -
 - (i) in the metropolitan area; and
 - (ii) in the country;
- (b) is each centre solely occupied with examining and licensing imported used vehicles, or does it have to perform other duties as well;
- (c) if answer to (b) is yes, what are these other duties;
- (d) what is the machinery, equipment and number of personnel employed at these centres;
- (e) what is the weekly capacity in terms of number of imported used vehicles to be licensed at each of these centres;
- (f) do vehicles have to be booked in for the examination and licensing;
- (g) if so, are applicants requested to prove with documents that the individual vehicles booked in to be examined and licensed have already been purchased and transport has been arranged for them;

- (h) what is the present backlog in time between receiving an application and the time the vehicle can be physically examined; and
- (i) what is the charge for such examination and licence per type of used imported vehicle?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

DAWESVILLE CUT - MANAGEMENT STRUCTURE
Establishment - Members of Parliament, Involvement

387. Mr BRADSHAW to the Minister for Waterways:

- (1) Adverting to question 192 of 1989 concerning the establishment of a management structure relating to the Dawesville Cut, are any members of Parliament to be included?
- (2) If yes, which member or members are included?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

LAND - LEDA
Rare Flora and Fauna - Destruction Prevention

389. Mr WATT to the Minister for Conservation and Land Management:

- (1) Is the Minister aware that the Leda area contains some rare flora and fauna including a new genus of spider, and one of only two known stands of tuart in the State?
- (2) Does the Minister intend to use the Wildlife Protection Act to prevent the destruction of this rare flora and fauna at Leda?
- (3) Is the Minister satisfied with the LandCorp proposals for the Leda development?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

LAND - LEDA
Development Proposal - Public, Non Availability

390. Mr WATT to the Minister for Environment:

- (1) Why has the proposed Leda development not been made available to the public for environmental review?
- (2) Is the Western Australian Development Corporation receiving preferential treatment by the Environmental Protection Authority?
- (3) Will the Minister please provide a copy of the WADC plan for the Leda subdivision and the EPA assessment of it?
- (4) Does the proposed development intrude into the System 6 area M104?
- (5) If so, why has the Minister permitted this?
- (6) Will the Minister please provide details of the sewerage and drainage plans for the proposed Leda development?
- (7) Is the Minister prepared to use section 43 of the Environmental Protection Act to ensure that the public's views on this development are considered in full?
- (8) Is the Minister aware that LandCorp has commenced clearing and earthworks in the Leda area?
- (9) Who has authorised this work?
- (10) Will the Minister take action to halt this damage to the Leda area until the development proposal has been approved and the rezoning has been completed?

- (11) If the rezoning is not approved, will LandCorp be required to repair any damages that have been caused?
- (12) Is there a management plan for the Leda wetlands chain currently being developed?
- (13) Why was development allowed to proceed before this plan was produced?

Mr PEARCE replied:

As it will take some time to collect all the information sought by the member, I undertake to provide a detailed written response to him within 10 working days.

JUDICIAL REVIEW - LAW REFORM COMMISSION PAPER

Attorney General - Support

392. Mr KIERATH to the Minister representing the Attorney General:

- (1) Has the Attorney General previously supported the general thrust of the Law Reform Commission paper *Judicial Review*?
- (2) If so, when does the Attorney General propose to introduce its recommendations?

Mr D.L. SMITH replied:

- (1) Yes.
- (2) Drafting of legislation is proceeding.

ROTHWELLS LTD - McCUSKER, MR MALCOLM

Report

401. Mr HASSELL to the Minister representing the Attorney General:

On what date is Mr Malcolm McCusker QC due to deliver his first report on Rothwells?

Mr D.L. SMITH replied:

See answer to question 91.

CRIME - BROOME TRIAL

Relocation - Crown Application

402. Mr HASSELL to the Minister representing the Attorney General:

- (1) In the trial at Broome relating to the killing of Mr Sampi, did the Crown apply for the trial to be held elsewhere?
- (2) If not, was the matter considered and by whom was it considered?
- (3) What was the decision and why?

Mr D.L. SMITH replied:

(1)-(2)

No.

(3) Not applicable.

LAND - JANDAKOT MOUND

Rezoning Proposal - Environmental Protection Authority, Consideration

408. Mr KIERATH to the Minister for Environment:

- (1) Is the Environmental Protection Authority considering a proposal from the State Planning Commission to rezone and drain a large area of land - South Jandakot - overlying the Jandakot Mound?
- (2) If so, at what stage are these considerations?
- (3) Why has the Minister not used his powers under section 43 of the Environmental Protection Act to require the EPA to subject these proposals to a full public environmental review?

- (4) Has a technical advisory group of the Environmental Protection Authority recommended that the proposal should be rejected?
- (5) If so, will the Minister support this recommendation and why?
- (6) Will the Minister give an undertaking that the land will not be approved before the environmental protection policy for the Jandakot Mound has been completed?
- (7) If not, why not?

Mr PEARCE replied:

- (1)-(2) The Environmental Protection Authority has considered the proposal and reported to my predecessor on 21 May 1987.
- (3) The proposal which the EPA assessed had been made available to the public by the proponent. As well, the EPA's report was subject to a two week public appeal period.
- (4) No, the technical advisory group reported on specific aspects of environmental conditions set on the proposal.
- (5) I am awaiting advice from the EPA before making any further decisions.
- (6)-(7) The land has been approved in principle for rezoning and environmental conditions set on 27 October 1988. The advice I am awaiting from the EPA relates to the implementation of those conditions. The environmental conditions are publicly available.

BEELIAR NATIONAL PARK - COCKBURN WETLANDS

Establishment Proposal

409. Mr KIERATH to the Minister for Conservation and Land Management:

- (1) Did the Minister's predecessor, in July 1986, propose to establish a Beelihar regional park in the Cockburn wetlands by February 1987?
- (2) If so, why has this park not been established yet?
- (3) Is the Beelihar regional park being delayed because of Government plans to dump waste water from the proposed Jandakot development into Lake Yangebup?
- (4) Are the residents of Yangebup and the Water Authority very concerned about the pollution of Lake Yangebup and, if so, what does the Minister propose to do about it?
- (5) Will the Minister give an assurance that the Beelihar regional park will not be degraded as a result of any urban development in the Jandakot area?

Mr TAYLOR replied:

The member will be replied to in writing in due course.

WATERFRONT - CONVENOR OF COMBINED UNIONS

Reappointment - Guarantee

410. Mr KIERATH to the Minister for Transport:

- (1) Did the Minister give a guarantee to reappoint, in a full time paid capacity, a convenor of combined unions on the waterfront for a further three years from 1 January 1989?
- (2) Is this convenor a full time employee of the Fremantle Port Authority?
- (3) Will the Minister provide details of such guarantee?
- (4) Will the Minister supply a copy of the 1985 agreement with the combined unions?
- (5) Was this agreement renegotiated on 19 January 1989 and will the Minister provide details of such agreement?

- (6) In relation to the Sea Freight 2000 project, will the Minister -
- (a) confirm that crane drivers were rostered on duty up to five weekends, when the contractor did not require them and, if so, why;
 - (b) confirm the number of employees on the reclamation area;
 - (c) advise if it is possible to perform these duties with only four staff and, if so, why;
 - (d) confirm that the Fremantle Port Authority has hired equipment - in particular graders or cranes - complete with drivers, only to have Fremantle Port Authority staff allocated for the same task and, if so, why;
 - (e) advise whether the sheet piling contract crane drivers were stood by on a "one for one" basis when contractors are employed and, if so, why;
 - (f) advise whether drivers introduced overtime bans on the sheet piling contract and, if so, why;
 - (g) advise whether the Fremantle Port Authority provides a ferry service to the dredge and, if so, how many days per week the service is provided;
 - (h) advise whether the dredging contractor provides a similar service;
 - (i) confirm that the sheet piling contract has been suspended and, if so, why;
 - (j) detail the original estimate of cost of this contract and also the revised cost;
 - (k) in relation to the sheet piling contract, provide details of the number of sheets piled on a week by week basis until the project was suspended;
 - (l) advise whether the main gate is manned 24 hours per day, when the contractor works 12 hours per day;
 - (m) advise whether the main gate is now rarely used by the contractor and, if not, whether the contractor now mainly uses the entrance near the weighbridge;
 - (n) detail the number of staff and their total wage costs that are required to man this main gate;
 - (o) confirm that a cleaner is employed six days per week and, if so, at what cost;
 - (p) detail the areas this cleaner is responsible for in his cleaning duties;
 - (q) advise whether welders have demanded that all welding work be done within the Fremantle Port Authority and thereby prevent the dredge contractor from taking work outside the port?

Mr PEARCE replied:

The member will be responded to in writing.

STATE ENERGY COMMISSION - TRUCK DRIVERS *Contractor Replacements*

411. Mr MacKINNON to the Minister for Fuel and Energy:

- (1) Will the Minister advise if there is any plan to replace State Energy Commission truck drivers with contractors?
- (2) If so, when will this take place?
- (3) Will those employees affected be offered alternative employment within the commission?
- (4) If no, how much notice will those employees affected be given?

Mr CARR replied:

(1) There are no plans to replace SECWA truck drivers with contractors.

(2)-(4)

Not applicable.

ROTHWELLS LTD - GOVERNMENT INDEMNITY
National Australia Bank - Letter Guarantee and Indemnity, Tabling

412. Mr MacKINNON to the Treasurer:

(1) Will the Minister table a copy of the letter guarantee and indemnity signed by the then Premier Brian Burke on Sunday, 25 October 1987, in which the then Premier purported to commit the Government of Western Australia to indemnify the National Australia Bank to the amount of \$150 million?

(2) If not, why not?

Mr PARKER replied:

(1) No.

(2) The National Australia Bank has advised us that it would prefer that the indemnity not be tabled.

QUESTIONS WITHOUT NOTICE

ROTHWELLS LTD - GOVERNMENT INDEMNITY
National Australia Bank - Treasurer's Discussions

64. Mr MacKINNON to the Treasurer:

(1) Has the Treasurer had any discussions with the National Australia Bank in the last three weeks in an effort to resolve the Government's dispute with the bank in respect of the \$150 million Rothwells indemnity, and so assist with the liquidator's scheme to return funds to small depositors, and salvage some of the State's now badly tarnished reputation, as referred to in the report released by the credit agency Australian Ratings Pty Ltd?

(2) If not, why not?

(3) If yes, what has been the outcome of those discussions?

Mr PARKER replied:

(1)-(3)

I thought I had answered a question on the Notice Paper from the Leader of the Opposition which was in similar terms, although there may be some time gap between answering a question on the Notice Paper and the asking of this question.

Mr MacKinnon: The answer has not come to me.

Mr PARKER: What I said in that answer is what I will now say: Negotiations between ourselves and the National Australia Bank, and the progress and nature of them, must obviously be both sensitive and confidential, and I do not propose to answer this question for very good commercial reasons.

CROCODILES - KIMBERLEY
Tourists - Warnings

65. Mrs BUCHANAN to the Minister for Conservation and Land Management:

What warnings do tourists receive regarding the danger of crocodiles in remote areas of the Kimberley?

Mr TAYLOR replied:

I thank the member for that question because it is an important issue: People do not like being eaten by crocodiles. Due to concern about public safety in crocodile areas, the Department of Conservation and Land Management

commenced a campaign in 1988 to increase public awareness of crocodile danger, and signs were put up in all areas where there was a likelihood of visitors coming into contact with crocodiles. The design of the sign in fact was based on a similar sign produced by the Conservation Commission of the Northern Territory. One of the problems that CALM encountered was that the signs were so visible and unique that they proved to be perfect souvenirs for people travelling through the outback of Western Australia and the Kimberley, and many of the signs were removed. It got to the stage where the signs were put onto large poles, which were buried in concrete, but it seems that people with four wheel drive vehicles and winches were able to take down the posts on which the signs were erected.

The Department of Conservation and Land Management decided that the only way around this problem was to provide signs which people could purchase, so in fact it moved down the path of WA Inc, and sold signs to tourists, which they could take home and put near their swimming pool, or wherever they chose to put this type of sign. These signs are now available through CALM, and I have here two signs for those members who may wish to see them. I thought that in the spirit of generosity which has pervaded this place over the last couple of weeks, the Leader of the Opposition might like a sign for his swimming pool, and I know that the Premier does not have a swimming pool, but his children might also like a sign.

ROTHWELLS LTD - RESCUE

Wardley Australia NCAS Ltd - Incorrect Advice

66. Mr COURT to the Treasurer:

On 5 April this year the Treasurer said that Wardley Australia had given extraordinarily bad advice to the Government on the Rothwells rescue package. I ask -

- (1) Who engaged Wardley Australia to give advice to the WA Government on the position of Rothwells?
- (2) What was the form of the engagement, and the fee payable?
- (3) Who provided the advice, and in what form?
- (4) When was the advice provided?
- (5) To whom was the advice provided?

Mr PARKER replied:

(1)-(5)

Following the publication in *The Australian Financial Review* of some reporting of the interchange between the Leader of the Opposition or the Deputy Leader of the Opposition - I cannot remember whom now - and myself in the House, Mr Kerry Roxburgh, who is a senior executive in Wardley Australia, telephoned me and discussed the matter with me. In the course of that discussion I gave him some information of which he said he was not previously aware, and as a result of the information which I gave him he asked if he could come and talk to me about the matter. As a result, I do not propose to add any further information to that.

ELECTORAL COMMISSION - INTERNAL ELECTIONS CONDUCT

Liberal Party Approach

67. Mr GRAHAM to the Minister for Parliamentary and Electoral Reform:

Has the Liberal Party approached the Electoral Commission to conduct its internal elections?

Mr PEARCE replied:

I thank the member for that question. It is well known that the Electoral Commission, as part of its responsibility, conducts ballots for a range of bodies, including, as I recall it, the State School Teachers Union and a number

of other union organisations, to ensure that ballots are fairly and squarely run. The Electoral Commission is available to conduct ballots for bodies which seek its advice or, indeed, its administration of ballots. The Liberal Party has not yet, to my knowledge, made an approach to the Electoral Commission along those lines, but if I can give the Liberal Party some advice in this matter, it should, because I have been watching, with very considerable alarm and disquiet, the way in which ballots in the Liberal Party have been conducted over recent times. I believe it is very apposite for the Liberal Party to consider approaching the Electoral Commission at this time to run the battle - I mean ballot, but "battle" is what they call ballots in the Liberal Party - which is about to be held in the Liberal Party for Senate positions, because if the run-in which the Liberal Party had for the ballot for preselection for the Federal seat of Moore was any indication, something needs to be done about the way in which ballots are carried out. One of the candidates for preselection for that seat - who declined to be named - said in *The Daily News* that the contest was "riddled with unfairness and irregularities"; and that is not something which occurs in ballots which are conducted by the Electoral Commission; neither are Electoral Commission ballots "pretty nasty and unhealthy," which was also said by that candidate. There were some pretty vicious things going on, this unnamed person said. It is alleged that there were irregularities, and that the rules were broken.

Dr Turnbull: Why do they not do that for unions?

Mr PEARCE: They do; that is the point. Those bodies which have a problem in running a fair ballot because of, for example, factional problems inside the organisation, where they can never be sure about which faction is actually conducting the ballot, can ask the Electoral Commission to organise the ballot. That is precisely the position in the Liberal Party at this time. I read in the newspaper just yesterday that the Leader of the Opposition said he thought Mr Jones - the new leader of the Liberal Party, and a former luminary in the party - was fighting factional battles in the Liberal Party, helping to undermine the Leader of the Opposition. If I were the Leader of the Opposition I would go around straightaway to the Electoral Commission to make sure that even caucus ballots in the Liberal Party were run by the Electoral Commission because I would be fearful of the impact of Mr Jones in these matters.

Important ballots are coming up in the Liberal Party, both in the lay party and, so rumour has it, in the parliamentary party. It is important to democracy in this State that these ballots are fairly conducted so that people can have some confidence in the integrity of the outcome. It is a bit worrying that the Young Liberals appear to have their own electoral roll for these ballots -

Mr Peter Dowding: That is burning the car!

Mr PEARCE: That is right, and there are people on those rolls who do not even know it. But do not members opposite think it is worse that a proper system for courts of disputed returns in the Liberal Party does not exist? Not only does the Liberal Party require the assistance of the Electoral Commission, but also it appears to require its own court of disputed returns; because according to the *Daily News* - and I have no reason to doubt that estimable publication - three of the candidates for the Federal seat of Moore tried to take a court of disputed returns poll. I think that is the reason so many courts of disputed returns were lodged yesterday - unsuccessful candidates are trying to get practice in for their next Liberal Party preselection ballot. But at least courts of disputed returns are fought out in the open where one can see what is going on. That is not the case with the Liberal Party.

I noticed today that the Leader of the Opposition did not pay any attention to my call yesterday for him to discipline his errant, would-be Stirling City councillor. I must admit that someone rang me up today to point out that perhaps Mr Davies was not so serious about contesting the seat; I understand that in the local newspaper he has endorsed his opponent.

I call on the Leader of the Opposition in this case, in the name of fair ballots in the Liberal Party, so that justice is not only done but is seen to be done, to have the Liberal Party approach the Electoral Commission to run future Liberal Party ballots.

STRIKES - HOSPITAL

Strikers' Payments

68. Mr HASSELL to the Minister for Health:

In connection with the settlement of the hospital dispute, has the Government paid or agreed to pay any of the people who were on strike during the time they were on strike, or does part of the settlement include some arrangement for compensation for those people in respect of the time they were on strike?

Mr WILSON replied:

It was made quite clear to the managements of the hospitals that during the course of the dispute any members who turned up for work and signed on would be paid. That was the position that applied. No other commitments have been entered into.

WORKSKILL AUSTRALIA FOUNDATION - NATIONAL WORKSKILL COMPETITIONS

Government Involvement

69. Mr READ to the Minister for Employment and Training:

I understand that the Workskill Australia Foundation is conducting the national Workskill competitions in Perth in May 1989. Is the Government involved in these competitions and does it support the Workskill Australia Foundation?

Mr TROY replied:

Yes, the Government is involved, and it certainly supports the Workskill Australia Foundation. I cannot express strongly enough the benefits of this competition to Western Australia. Perhaps it is appropriate that I inform the House of some of the background to the competitions.

The Workskill Australia Foundation was formed in 1982 and Western Australia has supported it since that date. Australia first entered the competition in 1983 and came seventeenth on that occasion. In 1988 we had moved to third position behind South Korea and Taiwan, and currently in Western Australia 42 different skill categories are being pursued under this foundation competition, and 42 young Western Australians are competing in that scene.

In 1988 Western Australia took the opportunity of presenting a very strong case to host the national finals in 1989 and, I think in due recognition of Western Australia's commitment to skills development, we have won that right and will be staging the 1989 finals in Perth from 11 to 13 May inclusive. This event will provide the State with a tremendous opportunity to raise awareness in industry and the community of the importance of skills development in the current economic climate.

HEALTH - PINGELLY AND BROOKTON HOSPITALS

Albany Hospital Region - Placement Complaints

70. Mr TRENORDEN to the Minister for Health:

- (1) Is the Minister aware that the boards and staff of the Pingelly and Brookton hospitals are unhappy to be placed in the Albany hospital region?
- (2) Is the Minister aware that these hospitals relate more to Northam in terms of distance, Government officers, seminars and the like?
- (3) Is the Minister prepared to ensure that these two hospitals are placed in the Northam hospital region?

Mr WILSON replied:

I thank the member for some short notice of this question.

- (1) No.
- (2) The information the member supplies obviously needs some scrutiny and I cannot answer yes or no to it, but the question broaches matters that should receive further attention.
- (3) While I cannot promise to ensure that, I will ensure that the information the member has supplied is thoroughly scrutinised before any final decision is made.

**WA GOVERNMENT HOLDINGS LTD - PETROCHEMICAL
PROJECT AGREEMENT**
Directors

71. Mr COURT to the Minister for Resources Development:

- (1) Who were the directors of WA Government Holdings Ltd at the time of the signing of the deed of undertaking in relation to the petrochemical project?
- (2) Which Ministers were aware of this signing by the directors?
- (3) Who are the shareholders and directors of Petrochemical Holdings Ltd?
- (4) Who are the shareholders and directors of Petrochemical Investments Pty Ltd?
- (5) Who are the shareholders and directors of Petrochemical Industries Co Ltd?

Mr PARKER replied:

- (1) From 19 August to 10 October 1988 the directors were K.J. Edwards, W.C. Heron and J. McKee.

From 10 October 1988 to 6 April 1989 the directors were R.G. Bowe, W.C. Heron and J. McKee.

Since 6 April the directors have been W.C. Heron, J. McKee and J.P. Morhall.

- (2) The Treasurer.
- (3) Shareholders:

Bond Petrochemicals No 1 Pty Ltd
Bond Petrochemicals No 2 Pty Ltd
W.C. Heron (held for the benefit of WA Government Holdings Ltd)
P. Mitchell
WA Government Holdings Ltd.

Directors:

W.C. Heron
K.P. Judge
J. McKee
Z. Merszei
P. Mitchell
J.P. Morhall

- (4) Shareholder: Petrochemical Holdings Ltd.
Directors: As for Petrochemical Holdings Ltd.
- (5) Shareholder: Petrochemical Investments Pty Ltd.
Directors: As for Petrochemical Holdings Ltd.

TAXATION - "CHOICE" MAGAZINE
Significant Findings

72. Mr LEAHY to the Minister for Economic Development and Trade:

I draw the Minister's attention to an article in the April 1989 edition of *Choice* magazine entitled "Taxation in Australia". Were there any significant findings and what do they imply for the future direction of taxation in Western Australia?

Mr GRILL replied:

I thank the member for the question. It is fairly unusual for an authoritative and impartial body to come forward with any deliberations in respect of taxation, either international or between States, so it is really rather welcome that a prestigious magazine like *Choice* should come forward with such deliberations.

I am pleased to be able to tell the House that *Choice*, in its April article, has comprehensively looked at taxes and charges, at both State and Federal level, in a six page article. It has come to the conclusion that Australia as a Commonwealth is amongst the lowest taxed nations in the world.

Mr Hassell: Is that what you have noticed?

Mr GRILL: I think there is some objective evidence to support this, and I will come to that in a minute. What *Choice* has found from its analysis of taxes and charges overseas is that about 32 per cent of gross domestic product is applied in Australia to taxation, whereas in Organisation for Economic Cooperation and Development countries the average is about 37 per cent; that is, about five per cent higher than the situation presently applying in Australia. That will be improved, of course, by the tax package brought down by the Federal Treasurer in Parliament last night. At the State level, of course, there is a whole range of bodies, organisations and individuals that prognosticate and present themselves as authoritative and impartial in bringing down deliberations in respect of comparisons of State taxes and charges. Among them, of course, we have the former Treasurer of Western Australia, Les McCarrey -

Mr Parker: The Under Treasurer; he thought he was the Treasurer.

Mr GRILL: Yes, Under Treasurer. He was a colleague of John Hyde. Les McCarrey presented himself from time to time as being both impartial and authoritative but I am sorry to say that is not the view held by most Western Australians today. Certainly, his prognostications are not in line with those of *Choice* magazine which gives the view - strongly researched - that Western Australia rates the second lowest on the scale of tax charged in the whole of Australia. Western Australia is surpassed only by Queensland, which as we all know has other ways of raising State taxes and charges, namely through penal freight rates. No wonder Queensland is so frenetic about the prospect of railways being deregulated in that State; that State does not need high taxes and charges because it presents a dearth of services to the constituents. It is clear that Western Australia is favourably placed, according to *Choice* magazine, in relation to the level of State taxes and charges. In theory this is all right. The member for Cottesloe was asking whether other evidence exists to support these views. It does.

Mr Hassell: I asked whether you thought we ought to pay more taxes.

Mr GRILL: I am not saying that at all. I am saying we are in a very lucky position. The objective evidence to support that is that people are flocking over our borders to live here, set up business, and bring up their children.

SUPREME COURT - WORKLOAD Accommodation - Government Action

73. Mr CATANIA to the Minister for Justice:

Would the Minister advise the House of the Government's most recent measure to accommodate the additional workload in the Supreme Court?

Mr D.L. SMITH replied:

I thank the member for the question. The Labor Government has an unprecedented record of working to streamline court processes and reduce backlogs and delays which were in place under previous administrations.

Since 1983 the Government has, to name a few initiatives, refurbished or opened new courts, increased the size of the Supreme Court, introduced

pretrial conferences, embarked on a massive computerisation program, and financially supported alternative dispute resolution methods. We have doubled the size of the District Court and extended its civil jurisdiction, removed bankruptcy work from the Supreme Court and introduced the small debts jurisdiction. Last year we appointed two commissioners and a master to the Supreme Court, and introduced legislation to increase the size of the Bench in that jurisdiction. At the beginning of this month, the Attorney General announced that the Crown Counsel, Mr Michael Murray QC, had been appointed a commissioner of the Supreme Court for a period of two months. Mr Murray was appointed Crown Counsel in 1980 and was made a Queen's Counsel in 1984. He also carried out the highly regarded and extensive review of the Criminal Code.

I am now informed by the Attorney General that, following discussions between the Chief Justice, the Solicitor General and the Bar Association, a number of Queen's Counsel are to be appointed as commissioners of the Supreme Court for periods of a month or more. These temporary commissioners will deal with cases especially allocated to them by the Chief Justice. This is a most innovative scheme, unique in Australia, which should go a long way towards accommodating a marked increase in the court's work over recent months. This scheme has been made possible by the support of the Bar Association, and the cooperation of senior practitioners in spite of their busy practice at the bar.

The workload of the Supreme Court has been closely monitored, and it is planned to add to the number of judges as soon as appropriate appointments can be made.

EDUCATION - GERALDTON REGIONAL COLLEGE OF TAFE

Associate Diploma of Health Science Course - Cancellation

74. Mrs EDWARDES to the Minister assisting the Minister for Education with TAFE:

I refer the Minister to an announcement made by the member for Geraldton, Mr Carr, on 13 January 1989 in the *The Geraldton Guardian* as follows -

Ten places will be offered for the Associate Diploma of Health Science (Enrolled Nursing) at the Geraldton Regional College of TAFE in the first course, starting before June.

- (1) Has the course been cancelled?
- (2) If so, why?
- (3) Was the reason for the announcement prior to the election simply a move to help the electoral chances of the member for Geraldton?

Mr TROY replied:

(1)-(3)

I thank the member for the question. The Government has been reviewing a number of initiatives in this area since my involvement with TAFE. Members would be aware of the announcement made by the member for Geraldton this afternoon which indicated some delay will occur with the introduction of the course. I remind members that the course is being dovetailed with a number of other initiatives across the area, and which will have Statewide implications.

MIGRANTS - WORK SKILLS

Assessment - National Strategy

75. Mr THOMAS to the Minister for Employment and Training:

The Federal Government has announced a national strategy to assess migrant skills. What is the Minister's response to this initiative?

Mr TROY replied:

I thank the member for some notice of this question. The Government's performance in this area really grates on the Opposition; there is no question

about that. When a comparison is made between any number of years, compared with the Government's performance the Opposition falls short by a long margin.

I am very pleased that the Federal Government has acknowledged the vital importance of this initiative in the labour market, because we need to make full use of the skills available particularly in the areas where, because of economic development and growth, some stress is evidenced.

Within Australia, we have the highest proportion of workers who were born overseas, out of the developed countries, apart from Israel. The latest figures show that in Western Australia, 34 per cent of the labour force were born overseas compared with the national average of 26 per cent. Further, the available evidence suggests only 40 per cent to 50 per cent of non English speaking migrants were successful in having their qualifications recognised, compared with over 90 per cent of English speaking migrants. We have far too many migrants working below their levels of qualification and skill through no fault of their own.

In response to that, the State Government took the initiative some time ago - and we are pleased that the Federal Government is following that model - and developed a State-overseas qualification unit in the Department of Employment and Training. This is the outcome of a commitment by the Government to eliminate the under employment of migrants. Since August last year over 150 overseas trained persons have been assisted with referral accreditation and employment, or further training. The State Government will be adapting the scheme to enter the Federal scene so that full advantage can be taken of the recent provisions by that Government.

FUEL - BICENTENNIAL ROAD LEVY

Westrail - Removal

76. Mr AINSWORTH to the Minister for Transport:

- (1) Has the bicentennial road tax surcharge of 2¢ per litre on diesel fuel used by Westrail been removed?
- (2) If yes, has the price of fuel to Westrail dropped by 2¢ per litre?

Mr PEARCE replied:

(1)-(2)

My understanding is that the bicentennial levy has been removed for everybody so in that sense the price of fuel for everyone has been dropped by 2¢. At the same time, my understanding is that the Commonwealth Government has replaced the 2¢ levy with one of the same magnitude but under a different name.

Mr Clarko: Another initiative!

Mr PEARCE: That is to be used to pay for a 10 year program for roads.

Westrail is in no different a position from anyone else. My understanding is that the member has telephoned Westrail and sought the same information as he seeks from me. I have asked Westrail to give him that information. He will find that Westrail pays the same Commonwealth levies on fuel as anyone else does. Its understanding is the same as mine; that is, that the bicentennial tax has disappeared and been replaced by a new program of taxation.
