

The Hon. D. J. WORDSWORTH replied:

- (1) (a) Yes.
- (b) Yes.
- (2) Legislation is presently being drafted for presentation to Parliament.

## **Legislative Assembly**

Tuesday, the 2nd August, 1977

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

### **CHAIRMAN OF COMMITTEES**

#### *Appointment*

**SIR CHARLES COURT** (Nedlands—Premier) [4.31 p.m.]: I move—

That the member for Karrinyup (Mr Clarko) be appointed Chairman of Committees.

**MR O'NEIL**: (East Melville—Deputy Premier) [4.32 p.m.]: I second the motion.

Question put and passed.

### **DEPUTY CHAIRMEN OF COMMITTEES**

#### *Appointment*

**THE SPEAKER** (Mr Thompson): I desire to announce that I have appointed the member for Vasse (Mr Blaikie), the member for Bunbury (Mr Sibson), the member for Albany (Mr Watt), the member for Moore (Mr Crane), and the member for Canning (Mr Bateman) to be Deputy Chairmen of Committees during the present session.

### **QUESTIONS ON NOTICE**

#### *Numbering*

**THE SPEAKER** (Mr Thompson): I desire to inform members that following discussions between myself, the officers of the House, and the Government Printer, arrangements have been made for the consecutive numbering of questions on notice throughout the session.

This means that a question will bear the same number, irrespective of whether it is answered, postponed, withdrawn, or disallowed. It is anticipated that questions which are postponed until the next day of sitting will appear at the beginning of that day's notice paper. Questions postponed for a longer period will be shown, as in the past, at the foot of all other business on the notice paper.

### **SITTINGS OF THE HOUSE**

#### *Days and Hours*

**SIR CHARLES COURT** (Nedlands—Premier) [5.07 p.m.]: I move—

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays and Wednesdays at 4.30 p.m., and on Thursdays at 2.15 p.m., and shall sit until 6.15 p.m., if necessary, and, if requisite, from 7.30 p.m. onwards.

As members will know, this is a motion which is moved at this stage of the session. The hours which are set out in the motion are those which have been adhered to fairly traditionally at the commencement of a session, but are subject to variation by negotiation from time to time.

The Government felt that at the commencement of the session there was no need to change the sitting days and times.

Mr Davies: Have you had a look at it at all?

**Sir CHARLES COURT**: Yes. I think the honourable member will realise, from his own ministerial experience, that the more one looks at the matter the more difficult it becomes to find an alternative if the Government of the day is to complete its business in a rational way and meet the many commitments made on it not only by the public, but also by members themselves.

I should mention that, as previously announced, it is not intended that we sit during Show Week, and I give that notice to members now.

The Leader of the Opposition has discussed with me another matter concerning sitting days and times, which I have not yet had an opportunity to discuss with him following the studies I have made of it; but if he so desires I can give him the answer now, unless he would like me to discuss the matter privately. I can indicate that we are favourably disposed to his proposal subject to one or two matters of detail which I would like to discuss with him. If he would like me to enlarge on the matter now, I will do so.

Mr Jamieson: I would prefer you to do so now.

**Sir CHARLES COURT**: The suggestion has been made that after the first four sitting weeks—that is, the weeks commencing the 2nd, 9th, 16th, and 23rd August—the House should adjourn for a week. We would then reassemble for three weeks, if my reckoning is correct, because we would then adjourn for Show Week. The proposition was suggested because we will not now be sitting during the week set aside for the Constitutional Convention in October.

The Government has studied the proposal and

has no objection to it and will adopt it provided, of course, we have an assurance that the Address-in-Reply debate will be out of the way. Also there are about three Bills, the names of which I will give to the Leader of the Opposition, which must be passed about that time in order to permit them to operate within the time stipulated in the respective Statutes. However, I can discuss those matters with the Leader of the Opposition.

The Government is quite prepared, subject to those conditions, to confirm that we will sit for four consecutive weeks, have a week off, and then sit until we adjourn for Show Week. Hopefully from that point on we would get on to the Estimates and so proceed to the end of the session.

**MR JAMIESON** (Welshpool—Leader of the Opposition) [5.10 p.m.]: I am indebted to the Premier for the explanation he has just given. It is true that we have not had the opportunity to discuss the matter I submitted to him. One of the reasons we suggested a week off after the first four weeks was that that week will coincide with the first week of the school holidays, and although I am not affected so much because my children are now teenagers, some other members here will be glad to spend at least one week with their children while they are on holidays. Because of the hours we sit, I think it is vital that we provide for a little family life for members with children.

Another reason for the suggestion is that it has been my experience that after we sit for four weeks straight and then continue to sit for longer periods, members are inclined to get more bitchy and their tempers fray and thus problems arise. The Federal House has long since realised this and only under exceptional circumstances does it sit for longer than three-weekly periods. I think this aspect should be kept in mind when the sittings of the House are planned.

I cannot give any assurance regarding the co-operation of the Opposition until I know what legislation will come before us, and I can give no guarantee that the Address-in-Reply will be completed. However, these matters are in the hands of the Government because it could complete the Address-in-Reply in a week if it so decided.

**Sir Charles Court:** Don't tempt me!

**Mr JAMIESON:** I am not encouraging this policy, but the Government has the power and right to do so if it desires. However, I am sure the conditions can be met if we sit for reasonable hours. I am sure most members would enjoy the week off and would come back fresh again to face the legislative programme. Following the Show

Week break we would then be dealing with the Estimates and with any other necessary legislation.

I see no way of avoiding the present sitting hours, but eventually we must devise some system whereby we can work reasonable hours and thus obviate the necessity for the staff—to say nothing of ourselves—being here all night.

Question put and passed.

## GOVERNMENT BUSINESS

### *Precedence on Tuesdays and Thursdays*

**SIR CHARLES COURT** (Nedlands—Premier) [5.14 p.m.]: I move—

That on Tuesdays and Thursdays, Government business shall take precedence of all Motions and Orders of the Day.

Again, this is a motion normally moved at this time of the session and newer members will appreciate that this means that Wednesday becomes, in local parlance, private members' day. No doubt it will be necessary later in the session to confer with the Opposition about a change in the procedure so that, as in previous years, the time between, say, 2.15 p.m. until the afternoon tea break on Wednesdays, is devoted to private members' business, and Government business then takes over from that point. However, that is a matter to be decided at the time and in consultation with the Opposition.

Question put and passed.

## COMMITTEES FOR THE SESSION

### *Appointment*

**SIR CHARLES COURT** (Nedlands—Premier) [5.15 p.m.]: I move—

That for the present session—

- (1) The Library Committee shall consist of Mr Speaker, Dr Dadour, and Mr Pearce.
- (2) The Standing Orders Committee shall consist of Mr Speaker, the Chairman of Committees, Mr Sibson, Mr Bateman, and Mr Tonkin.
- (3) The House Committee shall consist of Mr Speaker, Mr O'Connor, Mr McPharlin, Mr Bateman, and Mr Carr.
- (4) The Printing Committee shall consist of Mr Speaker, Mr Stephens, and Mr Skidmore.

- (5) The Public Accounts Committee shall consist of Mr Young, Mr MacKinnon, Mr Cowan, Mr Hodge, and Mr Skidmore.

**MR HARMAN** (Maylands) [5.16 p.m.]: It is customary for me to make some remarks at this time of the session when the question comes forward with regard to the appointment of the Public Accounts Committee.

Members will recall that the first time I spoke to this motion was in 1974. On that occasion I opposed the appointment to the committee of Mr R. L. Young, who is now the member for Scarborough. I took action on that occasion because of the despicable move he made on the 7th March, 1974, when he claimed that the then Treasurer (the Hon. J. T. Tonkin) had turned the Treasury into an empty barrel. He further claimed that the Treasurer was sending the Treasury bankrupt.

**Mr H. D. Evans**: What happened to the inquiry?

**MR HARMAN**: The present Premier entered into the debate and said that the Liberal Party would hold an official inquiry into the conduct of the State's financial management if it won the election.

I was able to point out to the House that the figures supplied by the Treasury for its trading account to the end of March, 1974—and it has to be remembered that the member for Scarborough had said that the Treasury was an empty barrel—showed that the Treasury had a surplus of \$7 million. I also pointed out that in the Treasurer's rainy day account—also known officially as the departmental receipts and expense account—there was a surplus of \$12 million.

My objection at the time was to the need for the member for Scarborough to give credence to his statement by referring to his profession as an accountant, and he also referred to the fact that he was a member of the Public Accounts Committee.

History reveals that since the election in 1974 we have not heard any more about any official inquiry into the state of public finances. Quite obviously, the present Treasurer had an opportunity to check the position before the election, but he did not take advantage of that opportunity. After the election he found the suggestion was a concoction, so he took no further action.

**Mr H. D. Evans**: A bit like the petrol inquiry.

**MR HARMAN**: Members are aware that on

this occasion the member for Scarborough has already learnt his lesson.

**Mr Grayden**: He has let you off the hook.

**MR HARMAN**: On this occasion I will not oppose the appointment of the member for Scarborough to the Public Accounts Committee.

However, there are two other matters I would like to mention. One refers to an undertaking given by the Premier two years ago when he said he would look into this problem we have with the Public Accounts Committee when Parliament is prorogued. Members are aware that once Parliament is prorogued the sessional committees cease to operate. On one occasion the present Deputy Premier interjected and said that the position was covered by Standing Orders, and that a committee could still function after Parliament was prorogued.

I have looked into this matter, and on the advice I have received my understanding is that it would be illegal for sessional committees to meet after Parliament was prorogued, and if they did meet and were challenged it could be shown that they were acting contrary to Standing Orders.

Two years ago the Premier said he would look into this matter and endeavour to do something about it. One year after he gave me the undertaking he told me he had looked at the matter but could not find a solution to it.

I want to suggest to the Premier a possible solution. My proposal is that the Public Accounts Committee should not be a sessional committee of this House set up under Standing Orders, but a committee set up under an Act of Parliament. I suggest a Bill should be introduced to appoint the Public Accounts Committee so that the committee would be able to operate during the whole of the three-year period of Parliament. Instead of electing a committee on the first day of sitting of this House—on this occasion in August—the committee could be appointed on the day the Speaker is elected, which is during May. That would mean the committee would have a longer period of time during which to operate, and it would function legally instead of in doubt, as would be the situation at present.

I hope my suggestion will prompt the Premier to have his officers examine the proposition in order to overcome the problem which has persisted in this House since the Public Accounts Committee was formed.

**SIR CHARLES COURT** (Nedlands—Premier) [5.21 p.m.]: I thank the honourable member for his comments. I would have been quite surprised had he not stood up and said his little piece! Perhaps now he has said it that will be enough for

this sitting of Parliament. That is up to him; he has the right to speak if he wants to.

Mr Davies: That sounds petulant.

Mr Bryce: Who said democracy was dead?

Mr Grayden: The member for Maylands will ask for the next job.

The SPEAKER: Order!

Sir CHARLES COURT: The member for Maylands raised the question of the activities of the Public Accounts Committee once Parliament is prorogued. Quite frankly, we have not found any easy way to overcome the problem. As to whether or not his suggestion to appoint the committee for the life of the Parliament is workable, I would be prepared to look at it—not with any great enthusiasm because I think there was a very clear understanding at the time the then Premier (Sir David Brand) agreed on behalf of the Government to the establishment of this particular committee that there was some reluctance. There was a strong advocacy for the appointment of the committee by the then member for Pilbara (Mr Bickerton) and it was agreed eventually that the committee would be established.

Admittedly, it is unfortunate and rather frustrating that the Public Accounts Committee is not able to function from the time Parliament is prorogued until such time as it is reconvened—as it is today. The honourable member has my undertaking to have another look at the position and report back to Parliament. I cannot go any further than that at the moment. There are some practical problems associated with a committee such as this.

Question put and passed.

## PARLIAMENTARY SUPERANNUATION FUND

### *Appointment of Trustees*

On motion by Sir Charles Court (Premier), resolved:

That pursuant to the provisions of the Parliamentary Superannuation Act, 1970-1975, the Legislative Assembly hereby appoints the Member for Moore (Mr Crane) and the Member for Collic (Mr T. H. Jones) to be Trustees of the Parliamentary Superannuation Fund as from this day.

## SUPPLY BILL

### *Standing Orders Suspension*

SIR CHARLES COURT (Nedlands—Treasurer) [5.24 p.m.]: I move—

That so much of the Standing Orders be suspended as is necessary to enable a Supply Bill to be introduced without notice and passed through all its stages in one sitting, and to enable this business to be entered upon and dealt with before the Address-in-Reply is adopted.

Again, this is a motion which is moved at this time of the session. Members will appreciate that the appropriation by the previous Parliament was for the year 1976-77; that is, to the 30th June, 1977. It has been customary for the Government to operate on warrants during the intervening period on the clear understanding, of course, that as soon as Parliament is convened the first item of business of this kind embarked upon will be to pass the Supply Bill. It is for this reason that the motion is necessary in order to allow the Supply Bill to be introduced and passed through all stages during the one sitting, and ahead of the debate on the Address-in-Reply; otherwise, we would have a hiatus so far as the supply provisions are concerned. I commend the motion to the House.

Question put and passed.

### *Message: Appropriations*

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

### *Introduction and First Reading*

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

### *Second Reading*

SIR CHARLES COURT (Nedlands—Treasurer) [5.29 p.m.]: I move—

That the Bill be now read a second time.

This measure seeks the grant of supply to Her Majesty of \$630 million for the works and services of the year ending 30th June, 1978, pending the passage of Appropriation Bills later in the current session of Parliament.

Before I move on to the actual provisions of the Bill I would, as usual, like to comment briefly on the results of the last financial year.

Members, of course, know already that the Consolidated Revenue Fund Budget resulted in a surplus for the second successive year, the

outcome for the financial year just past being a surplus of \$3 429 000.

A balanced budget was presented to Parliament last October which provided for expenditure to equal an anticipated revenue of \$1 132 792 000.

The modest surplus that was achieved is a most satisfactory result. It again highlights the Government's responsible approach to the management of the State's financial affairs. It is also satisfying when one recalls the uncertainties there were at the time the Budget was framed, such as, for example, an incipient drought, and also when one considers the magnitude of the figures with which we are now dealing, so that small percentage variations in forecast can result in rather substantial variations in sums of money.

There have been movements in both directions in items within the estimates. Overall, however, actual total revenue was \$11.7 million higher than estimate and total expenditure \$8.3 million higher than estimate.

On the revenue side, State taxation receipts exceeded the estimate by \$13.7 million. The main elements of the increase were—stamp duty collections \$5.2 million; pay-roll tax \$3.2 million; and probate duty \$2.9 million. There were some small decreases in betting tax collections and tobacco licences.

The increased yield from probate duty resulted from a rise in property values and an increase in the number of estates processed. I have already announced that legislation to abolish spouse-to-spouse probate duty will be introduced this year and made retrospective to the 1st July, 1977.

Territorial revenue was up \$3 million, due mainly to mining royalties being \$2.3 million above the estimate.

The State received \$2.8 million more from Commonwealth specific purpose grants than was expected. Receipts under the hospitals agreement and technical and further education grants were \$2.3 million and \$500 000 higher than the Budget estimate. Of course, these increases are reflected in higher expenditure in the respective departmental votes.

Total departmental revenue collections were \$5.4 million below estimate. Receipts under most heads were better than Budget estimate but the overall result was affected by actions taken to assist Government business undertakings which had the effect of reducing Treasury revenue.

Interest totalling \$4.5 million due from the State Energy Commission has been deferred until 1978-79 to assist in maintaining the commission's cash resources during a difficult trading period

and to provide short-term loan funds during the peak requirements of the Muja project.

The Western Australian Meat Commission incurred a substantial trading loss in 1976-77 and faces further problems in the months ahead. To assist the commission the Government agreed to defer payment of debt charges totalling \$600 000 for six months to December, 1977, when the situation will be reviewed.

It was also expected that to achieve a balanced Budget in 1976-77 it would be necessary to bring into the Consolidated Revenue Fund an amount of \$4.9 million from moneys earned by the investment of the State's cash resources under the terms of the Public Moneys Investment Act. The improvement in our Budget situation as the year progressed removed the need to draw on that reserve during the year which means that it will be available for services and works during the coming year.

1976-77 was the first year of the new tax sharing arrangements and total receipts during the year from this source amounted to \$440.8 million which was \$3.2 million less than originally anticipated. The reduction was due to a slow-down in wage increases during the year resulting in personal income tax collections falling short of the original Commonwealth estimate.

Latest indications are that when final Medibank collection figures are known and appropriate adjustments made to the figures, Western Australia's entitlement for 1976-77 could be \$3.3 million less than the amount actually received during the year.

Under the tax sharing arrangements, this adjustment will be deducted from our entitlement in the present financial year.

I have already mentioned that the expenditure votes were overspent by a total of \$8.3 million.

Most votes were within Budget estimates due mainly to the tight rein which the Government held on employment in the public sector during the year and savings which were made in the provision for wage increases.

The total number of Government employees at the 30th June, 1977, was significantly less than the limit set by the Government last year.

A staff growth ceiling of 3.04 per cent was imposed for the year but the actual increase amounted to only 2.46 per cent.

An overall provision of \$29.1 million was made in the Budget to meet salary and wage increases. In the event, these cost \$26.2 million—a saving of \$2.9 million.

Other savings were \$7.4 million in the vote for

the Education Department, principally because of an over-estimate by the department of the provision for salary payments, and \$1.4 million in the vote for the Department of Industrial Development.

When the Budget was framed, it was expected that the Government would be required to meet its obligations under the guarantee of the Yunderup Canals project with any subsequent proceeds from the realisation of the asset being credited to revenue as they arose. In the event, arrangements were made with the Rural and Industries Bank to continue financing the project supported by Government guarantee with only the net loss after sale of the blocks being a charge against the item "Assistance to Industries" in due course.

As a result of these favourable movements in Consolidated Revenue Fund transactions during the year, the Government was able to undertake a number of desirable moves which could not be accommodated at the time the Budget was framed.

These included the completion of the purchase of Her Majesty's Theatre (\$1.9 million); the acquisition of land for public open space and other public uses in the Beechboro area (\$1.4 million); the acquisition of Padbury Building in Forrest Place (\$500 000); acceleration of the work to provide an expanded water supply in the Carnarvon area to relieve drought conditions (\$400 000); and assistance to the City of Perth to replace the Perry Lakes athletics track (\$300 000).

The Government was also able to give immediate effect to election promises relating to increased textbook subsidies, abolition of pre-school levies, and the increased subsidies for school amenities, such as canteens, swimming pools, and ground improvements. It was appropriate that the concessions were introduced as early as practicable to ensure that parents and students enjoyed the benefits during the current school year.

Some further advances were able to be made to Government accounting procedures to improve accountability and uniformity in our practices. The moves will ensure also better utilisation of funds in our changing financial requirements.

The limit of \$6 000 for minor works which are charged to the Consolidated Revenue Fund was set in 1970. Since that time there has been considerable escalation in costs and so it was decided to lift the limit to \$15 000—a figure more in line with the real value of the work which was envisaged originally.

For many years administration costs associated with loan works have been recouped to the Consolidated Revenue Fund. This is a practice common to other States, but over the years the method of assessing the cost in this State has varied and the transfers have included part of the indirect costs of administration and of other service branches of the department not directly concerned with loan works.

The Public Works Department is a service as well as a professional department and the cost of its general operations is a proper charge against the Consolidated Revenue Fund. The charge to the General Loan Fund should be confined to the direct expenses of planning, design, and construction or supervision of works and buildings. Therefore, the surcharge against the General Loan Fund for 1976-77 was calculated on this new basis.

These changes in Public Works Department accounting resulted in an additional charge against the Consolidated Revenue Fund in 1976-77 of \$1.87 million with, of course, a corresponding amount being available for capital works in the General Loan Fund.

Accounting changes were also made in the treatment of depreciation of assets of the Western Australian Government Railways and the country water supplies, sewerage and drainage schemes.

Members will acknowledge that depreciation is a proper charge against the operating revenues of a business concern as it represents that portion of the assets consumed in producing the income of the year.

Depreciation has always been charged against railways revenue but it has been confined to assets provided by money from the General Loan Fund. From 1976-77 depreciation will be charged also on assets funded from other sources, for example from special Commonwealth moneys or contributions from the private sector. This will bring the railways depreciation in the Consolidated Revenue Fund into line with the amounts charged in the railways commercial accounts.

In the past, depreciation was charged on the assets of the country areas water supplies, sewerage and drainage schemes. However, the Government had no choice but to discontinue the practice after 1970-71 because to continue to charge depreciation would have had the effect of increasing the deficit on the Consolidated Revenue Fund. The practice of providing for depreciation of country areas water supplies was reinstated in 1976-77 and will continue in future while we have the financial capacity to do so.

Members will appreciate that the provision for depreciation will be available for asset replacement thereby providing additional funds for capital works.

This matter, of course, is of considerable importance to both the railways and to the country areas water supplies, sewerage and drainage schemes.

Looking back, 1976-77 was a year of sound progress for the State from a financial point of view.

As I said at the beginning, we ended the year with the second surplus in succession on the Consolidated Revenue Fund. The previous high rate of growth of recurrent expenditure has been contained and we were able to provide for a satisfactory capital works programme in 1976-77. We therefore moved into 1977-78 in a sound financial position and in a far better position to cope with the problems facing us this year than would have been the case if we had not practised prudent financial management during the life of the previous Ministry.

On the economic scene last year we saw an encouraging slowing down in the rate of inflation. Nevertheless I believe that, although we can accept this with satisfaction, we should also do so with caution. There is still a long way to go before the Australian economy is back to the level of activity necessary to provide jobs for all our work force. We cannot afford to allow this latest trend in the fight against inflation to be jeopardised by a resurgence of demands that would set the cost-price spiral in motion again. There is too much at stake, not the least of which is the general standard of living of this country.

The year ahead will again be a year of restraint for State Government expenditure.

It is estimated that we will receive \$518.3 million under the tax sharing arrangements—an increase of 17.6 per cent. However, our share of the loan programme is \$132.7 million—an increase of only 5 per cent—which, in effect, means that we will receive less, in real terms, than we received last financial year.

In addition the Commonwealth has already announced reductions in several specific purpose programmes.

The Government has a challenging task before it, therefore, in formulating this year's Budget. It will be our aim, however, to present to Parliament a balanced Budget while, at the same time, providing some essential support for the capital works programme.

Full details of the Budget will, of course, be

given to Parliament when the Appropriation Bills are introduced.

I turn now to the provisions of the Supply Bill presently before the House.

An issue of \$550 million is sought from the Consolidated Revenue Fund and \$65 million from moneys to the credit of the General Loan Fund. Provision also is made in the Bill for an issue of \$15 million to enable the Treasurer to make such temporary advances as may be necessary.

The amounts have been based on needs for the existing level of services and no provision has been made for new policy decisions which must await the introduction of the Budget.

As members know, this Bill is one that is very necessary under our constitutional procedure; it is the means by which supply is granted to the Government of the day to carry on the business of government. For this reason it is imperative that it be dealt with ahead of the Address-in-Reply, during which debate members will have ample opportunity to address themselves to any subject matter they desire. I commend the Bill to members.

**MR JAMIESON** (Welshpool—Leader of the Opposition) [5.45 p.m.]: When the last Budget was before the Parliament I suggested there was more hidden in it than there was apparent, and this has manifested itself both in answers provided to questions asked today by members and in the speech just delivered by the Premier.

One might wonder how a department like the Education Department could be \$7.4 million out in its estimates relating to salaries. This amount is one of the savings revealed in the Supply Bill. If State Government departments are as prudent as the Premier claims them to be, they should be a little more accurate in their estimations. However, throughout the estimates, gross inaccuracies are revealed.

Territorial revenue increased by \$3 million, due mainly to mining royalties being \$2.3 million above the estimate. The Premier might have been embarrassed indeed if industrial relations in this field had been a little more harmonious in certain areas of the State, because even with the troubled state they were in, mining royalties increased by \$2.3 million over the estimate.

One must wonder exactly where the financial policies adopted by the Western Australian Liberal Government and the Federal Liberal Government are leading us. We are resuming Parliament with the business community somewhat demoralised because it is not getting on top of the problems which are arising. The Australian people are confused and divided, and

the Federal Government's economic strategy is in tatters. The Government seems to be going all over the place, and not heading in any one direction. The Federal Government must adopt policies aimed at overcoming the present economic problems and the deepening recession which seems to be upon us.

Unemployment in Australia is at its highest level since the great depression, and is deteriorating. Just the other day, the Premier was talking about being positive. I do not know how positive he wants to be, but the comparative figures from before the present Premier took office to the present day are available for study.

Inflation continues unchecked, despite the apparent instant cures of the Premier and the Federal Treasurer which at various stages it has been suggested they possess. The Premier mentioned inflation in his speech to the Parliament, and we will deal with that subject in detail later.

The Premier and the Prime Minister seem to believe they are born economic managers, but both have been abject failures when it comes to controlling what appears in their Budgets and what is going on in the various Government departments; this I have proved by the two examples at the commencement of my remarks which were taken from the Premier's own speech.

Let us look at some of the situations which have arisen under the State and Federal Liberal Governments. In the 12 months from March, 1976, to March, 1977, average weekly earnings increased by less than 13 per cent. However, in the same period prices increased by over 15 per cent. In real terms, a worker on average weekly earnings has made no wage advances in the past year. To the contrary, he has actually taken an effective cut of about 2 per cent, or about \$4 a week in the past year.

Mr H. D. Evans: Plus his loss to Medibank.

Mr JAMIESON: I am reminded by the member for Warren that the worker was also required to pay a levy to Medibank.

Mr Sibson: Whose fault was that?

MR JAMIESON: The honourable member asks whose fault it was. Mr Speaker, what would have happened in Australia had the wrangling between the McMahon Government and the private health funds continued? The private funds would have gone broke. They were headed that way, and could not have hoped to salvage the situation. Some action had to be taken, no matter which Government was in office. Nevertheless, the way it was handled was rather deplorable.

Mr Davies: Disgusting!

Mr JAMIESON: Because Western Australia has the highest rate of inflation in Australia, workers in this State suffer more than their Eastern States counterparts in loss of purchasing power, and this is reflected to the great disadvantage of this wonderful State of ours.

Let us consider now our national production. The trend of output in Australia is downwards. Amongst the key industrialised economies, the United States, West Germany, France, Italy and Canada were all at record production levels during the first quarter of this year. Japan has almost recovered to its 1973 peak. The latest available month's production figures show the following percentage gains—Italy, 10 per cent, Japan, 6.8 per cent, France, 6.1 per cent, United States of America, 6 per cent, United Kingdom, 3.7 per cent, West Germany, 3.1 per cent, Canada 2.4 per cent, Sweden, 0.8 per cent, Australia, nil. Where are these great financial policies leading us? In actuality, they are not coping with the situation.

The Premier always looks to the Commonwealth's new policy of federalism to solve some of these economic problems. However, since the present Government first came to office, the value of the dollar in Western Australia in terms of purchasing power has been reduced to 39c. In other words, the housewife now needs \$1.61 to buy the same goods she could buy with \$1 when the Tonkin Government left office. The bulk of this time, of course, saw Liberal State and Federal Governments in office as joint managers of the economy.

As well, Western Australia's inflation rate continues to be substantially the highest of any State in Australia. Prices have risen by 61 per cent since the present Government took office—on a promise of providing economic security—compared to a national average of 55 per cent. Figures for the next quarter look ominous, because they will reflect massive increases in Government charges for electricity, water, and motor vehicle licences. With these increases taken into consideration, Western Australia again will be the leader in this field.

Let me turn now to food prices. If ever there were proof of the massive decline in living standards for Western Australians compared with their counterparts in other States, it is in the way that food prices have soared uncontrollably under the present Government. This State Government has the dubious distinction of overseeing the greatest jump in food prices last month since the Australian Bureau of Statistics began publishing monthly food price indexes six years ago.



The June rise for Western Australia was nearly double the national average rise for the month, and was 2 per cent higher than the previous month. The price of food has risen by 16.3 per cent in Western Australia in the past 12 months, which is 2.7 per cent above the national average, and easily the highest in Australia. It is these good economic managers sitting opposite who are causing us to get into this rut.

At this stage, I am generally reminded by the Deputy Premier that I made a statement that when inflation first started to gather momentum, one must run along with it. I said that we cannot be like King Canute and attempt to stop the tide. However, I did not mean—and nor did I say—that we should “let it rip”. Nor did I say that we should get out in front, and lead it. But that is what this State Government is doing by its actions and its inability to control the economic situation in this State.

Mr Sodeman: That does not get you off the hook. You said, “Let it run”.

Mr JAMIESON: I said, “Let it run”; I did not say, “Get out in front and lead it”!

Mr Sodeman: You said “Walk along with it”.

Mr Harman: The hurricane lamp has been lit again.

Mr JAMIESON: That is an appropriate description of the member for Pilbara; the hurricane lamp has been lit again, and we are receiving the benefit of the honourable member's wisdom.

Mr Sodeman: I hope the hurricane lamp has enlightened you again.

Mr JAMIESON: In the field of building material prices, again Western Australia reflects the very worst of a bad situation. In June, the cost of home building materials continued to rise faster in Perth than in any other Australian capital. In the 12 months to the end of last month, the cost of building materials increased by 11.5 per cent in Perth, making it the only capital to record an increase in double figures. The national average for the year was 9.3 per cent. So, members will see that in every field one examines we are paying the price and look like continuing to pay for the great economic management we have seen in this State over the past years.

I should like to refer members to an article which appeared in *The West Australian* of the 22nd July, 1977. Under the heading, “Building material costs up” the following appears—

The cost of home building materials continued to rise faster in Perth than in any other Australian capital last month.

The Perth increase for the month was 1.4 per cent compared with an all-capitals average of 1 per cent.

In the 12 months to the end of last month, building materials went up 11.5 per cent in Perth, making it the only capital to record an increase in double figures.

The all-capitals average rise for the year was 9.3 per cent.

So, in every field one finds that the increase in Western Australia is in excess of the national average and very often is well in front of all other States. The chances of young couples in this State owning their own homes are rapidly slipping as home prices escalate. Despite this Government's election commitment to provide Western Australian families with the chance of a home of their own, it is passively watching Western Australia plunge into a housing crisis. I would suggest that unless the Government is prepared to do something very quickly to relieve the situation it will get very serious.

I turn now to the field of unemployment. The Premier always claims the Opposition considers this matter in a negative fashion. He quotes numbers of people employed without relating them to the population, which is a dangerous practice. When considering a matter such as this, some form of comparison is required. At present, 25 573 Western Australians are out of work. This represents 4.75 per cent of the working population. The Premier likes to deal with positive figures, so let us compare that number with the 7 527 unemployed or 1.62 per cent of the work force when the Tonkin Government went out of office. We were very concerned with that number, let alone 4.75 per cent of the work force.

Despite the claim by the Minister for Labour and Industry at Carine Glades High School prior to the last election that 100 000 jobs would be created within the next 18 months, there are more people out of work now than when he made his statement. So, if he is to honour his undertaking, he had better get a move on.

Between May and June this year, the unemployment figures jumped by over 2 000, and 1 421 of those unemployed were juniors. At the same time, unfilled vacancies for juniors fell by nearly 50 per cent, from 402 in May to 277 in June.

Last Saturday in the Press, Mr Speaker, seemed to be the first apparent move that the Government was getting off its bottom to try to do something about employment for young people by approaching the Commonwealth to help pay for training schemes. It is about time something

was done. The position is becoming deplorable and there will be a great many problems if we are unable to put young people to work when they come onto the employment market. There are now 15 people under 21, excluding school leavers, for every available job. Including school leavers, nearly 10 000 young people are out of work. This Government idly stands by and ignores the social and human disasters.

What have they done, Mr Speaker, I ask you, in a tangible way to try to reduce unemployment? They always keep on throwing it back as the responsibility of the private sector and we will examine that a little later.

Month by month, the unemployment situation is worsening, not improving. Unemployment is 4 000 worse today than it was a year ago. It is nearly  $3\frac{1}{2}$  times higher than the figure when the Tonkin Government left office, as I indicated a while ago, when it was only 1.62 per cent of the work force.

Between the end of 1972 and the end of 1973, the Whitlam Government's period in office, in every OECD country unemployment increased, but within the last measured 12-month period unemployment in Australia has become steadily worse, while in other western countries it has steadily improved.

Australia's unemployment record under the present Federal Government was worse than any other OECD country, save Canada. In the United States the figure fell from 8.1 per cent to 7.9 per cent. In New Zealand it fell from 5.2 per cent to 4.6 per cent; in Germany from 5.2 per cent to 4.8 per cent; in Japan from 2.4 per cent to 2.2 per cent. In Australia it increased from 4.6 per cent to 5.4 per cent—and this is the great new federalism, one of the principle architects of which is the Premier of this State.

Liberal Governments offer a brutal and simplistic justification for a high unemployment policy. They seek to persuade the Australian people that by throwing men and women out of work all our economic problems will be cured. There is no evidence that this is happening.

The Premier said a while ago in his speech that we have not reached the stage where we can get everybody employed again. His whole policy will not allow that, because as soon as they are employed again under his system, the sooner we get further problems with the economy running haywire again in the form of inflation and everything that goes with it. By following his line of action we just cannot get down to a stage where we can improve.

The Government also peddles the line that

wage increases are causing unemployment. If this were true unemployment would be well and truly cured because real wages have fallen and living standards have been reduced, as indicated by the figures I quoted just recently.

Looking at economic recovery, this State and the nation have been promised "investment-led recovery". The Premier's economic myopia in these matters is matched only by that of the Federal Treasurer. The Premier has an "Alice in Wonderland" plan for a huge wave of economic development. His new programme is dominated by increased investment. We are told that Western Australia is leading Australia back to recovery. We would hope this proves to be correct.

The truth is that on most economic indicators, for example, prices, Western Australia leads the downward trend. We are leading in the recession, not in the recovery, and we should bear this in mind.

Mr Blaikie: Are you reading your speech from your notes?

Mr JAMIESON: They are copious notes as they have to be, as the honourable member would appreciate, when we are dealing with financial matters and every second one is quoting a figure. If I were not to quote it correctly, he would be the first to want to jump on me.

Mr Tonkin: The Premier read every word of his speech.

The SPEAKER: Order! The Leader of the Opposition.

Mr JAMIESON: The Premier promised new investment in major projects in 1974. That never materialised, Mr Speaker. Every possibility exists that some projects which have been under negotiation for many years, such as the Alwest proposal, and the North-West Shelf gas proposal will get off the ground. I well remember that when I was in Cabinet, at one time we had a briefing from Bocal, which was then the managing group for the North-West Shelf gas, and its representatives talked to us for a long time after showing a number of films and telling us all about the project in the north, and the estimated date for the commencement of the project was 1983, as will be backed up by my then ministerial colleagues. The latest figure I have heard for the shelf gas to be brought ashore is still 1983.

The Alwest project will be proceeded with eventually, but I know, and the Premier who knows the financial problems of the Reynolds group and others closely associated with Alwest, will not permit them to go into these new developments at this stage of their history. At a

later stage, no doubt they will be in a better position to be able to do something more about it. No-one, of course, will be more delighted than the Opposition if and when this development happens.

These projects cannot be seen in the context of providing any form of investment-led recovery for Western Australia in the next few years. Neither does the Federal Government proposal for an investment-led recovery offer any answer to the Australian economy's present sluggishness.

In 1975 Mr Fraser promised a "comprehensive strategy to restore prosperity". He predicted a 6 to 7 per cent growth rate by cutting back on public expenditure and encouraging private investment through a 40 per cent investment allowance. Now this would be as good an allowance as one could get in any circumstances, but it has not done very much about encouraging investment.

In reality, private capital investment has fallen to the lowest level since early 1973, despite the operation of the most generous investment policy ever extended by an Australian Government. Gross national expenditure is declining. It has contracted in real terms in four out of the past six quarters.

Even those who believed in an investment-led recovery might not have expected an immediate move forward and upward to take advantage of the economic slack caused by public sector spending cut-backs but by now they would have expected some positive movement, and this, as I have indicated, has not occurred.

What has happened is that investment activity has been shown to be a function of economic activity—not the reverse. In fact, private investment in Australia peaked during the Whitlam Government's term in September, 1975, at nearly 15 per cent. After 18 months of the Fraser Government, and two Lynch Budgets, it is well below 10 per cent. From December, 1976, to March, 1977, it fell by 4 per cent—from approximately \$1 433 million to \$1 392 million, and this is the Australian Bureau of Statistics information, so it should be accurate.

In real terms, Mr Speaker, private investment in Australia is now 13 per cent lower than when the Whitlam Government left office—the great economic recovery that is being engineered by the architects, the Liberal-wise State and Federal Governments.

Since then, devaluation has been used by Malcolm Fraser as a stimulus. Despite a Federal Treasury request not to devalue, and a commitment from the Treasurer to maintain the dollar because devaluation would cause higher

unemployment, the next minute Australia had its greatest devaluation for 40 years, and, of course, in the eight days after that eight more revaluations. Now what sort of fiscal policy is that, when one is not sure what one is doing? One just plucks a figure out of the air, devalues, and then readjusts day after day.

Australia is rapidly becoming the laughing stock of the industrialised economies, as the "responsible Liberal managers" lurch from one failed ploy to the next, without seeming to achieve the goal that they set out to obtain, or suggested that they could obtain.

If the never-ending promises of economic recovery followed by ever-worsening results were not enough, the mindless and bewildering switches of direction in economic policy of the party which thinks it is born to rule are appalling, and it certainly thinks it is born to rule. These people do not think they should ever be out of office. They take every action possible, whether it is ethical, legal, or no matter what it is, to stay in office.

Mr Young: There is another section of the Australian community which believes it is born to rule also, regardless of which Government is in office.

Mr JAMIESON: I am not sure to which section the honourable member is referring but maybe we can argue it at some later date when they are in a position to rule.

Mr Speaker, the Liberals talk of reducing interest rates—subsequently interest rates rise further. In *The West Australian* of the 4th July, 1977, the following report appeared—

The Premier, Sir Charles Court, yesterday welcomed the statement made by the Federal Treasurer, Mr Lynch, that the Federal Government hoped to reduce interest rates soon.

He said he had consistently pressed for lower interest rates and had asked for them again at the Premiers' conference on Friday.

Sir Charles was speaking after his return from the conference and Loan Council meeting.

They pledged to reduce the deficit at the national level. Subsequently it soars to horizons which make the Whitlam Government's deficits look tame by comparison, and how much criticism do we get in this House, and other Houses throughout the Commonwealth about that excessive deficit, and now they have to face up to those deficits that they are unable to control. The Liberal Government of this State—

Sir Charles Court: Are you talking about deficits in their own era or the deficits they inherited?

Mr JAMIESON: Now everything is inherited. We will get to that in a minute. When everything else fails we blame the unions and when the Labor Government was in office, whether it be two years or 20 years ago.

Sir Charles Court: I just want to find out which Governments you are talking about.

Mr JAMIESON: I am talking about the current financial situation which the Government is finding itself in.

Mr Sodeman: The answer is not in the notes.

Mr JAMIESON: The Liberal Government of this State talks of the need for restraint and stringency in Government spending, and callously wipes off valuable programmes such as the Australian Assistance Plan. I am sure the member for Pilbara would be very happy that the Australian Assistance Plan has been wiped off, although through it a lot was done in various areas in this State. However it was callously wiped out and discarded. It was something that was practical and was improving the lifestyle of people in this State—but that part is not in my notes either.

Mr Sodeman: We would be happier if you stopped pontificating.

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

Mr JAMIESON: Prior to the tea suspension I was mentioning a matter which was callously wiped off by the State Government to fit in with its ideas of economic adjustment. I refer to the Australian Assistance Plan, or a local plan modelled on it, which had been of great advantage to this State. Despite that sort of goings-on the Government seems to have no compunction in donating \$50 000 to allow one of Western Australia's wealthiest men to indulge in his fantasy of yachting. The excuse for that donation was that it would be good for tourism. That may or may not be so. I do not know that there will be a great influx of people from America or from Rhode Island, just because we contest the America's Cup.

That donation was made at a time when a citizen of this State had done very well at a national level and was able to achieve the position of representing this country in England. However, he was forced to raise his own finances in order to go to England. We, as a State, should have been a little more generous. He did not ask for the whole of the sum of \$1 500 or \$2 000 to enable him to get there; he needed only part of it. He was finally

able to make suitable arrangements, but it appears he will have to sell his boat and leave it in England—to his great disadvantage. That will happen despite the fact that he was able to go to England without any Government assistance, and he has become a good ambassador for this country. He won a number of races during the heats for the world championship, and he also won invitation races and regatta races while in England.

I do not know whether the syndicate which has received support from the Government will win the America's Cup; it may or it may not. I refer to the \$50 000 as being some sort of all-up bet. If the Premier went to the races with \$50 000 of the taxpayers' money and put it on a series of horses in an all-up bet all hell would be let loose. However, the donation seems to be all right under those circumstances. It is an expensive gamble with no guarantee that it will pay off. If the gamble does pay off it is doubtful whether we will have a great rush of tourists as has been proposed.

The Treasurer and his Federal colleagues must bear the odium for the malaise which they have created in the community. They have engaged in a public relations exercise of unprecedented deception designed to divert the attention of the people away from the economic decline. The Federal Treasurer goes even further, and he used his last Budget speech to sow havoc and confusion by spouting monumental untruths. The Federal Treasurer said that the private sector was growing. As I said earlier, that is quite the opposite to what the record shows. He said that recovery was under way, confidence was returning, and that inflation—and therefore unemployment—will be steadily reduced.

Nothing could be less accurate than that statement. Not only is inflation getting worse, but unemployment is at the level of the great depression. This is not a happy state of affairs and, of course, because of that the Federal Treasurer stands condemned by his own words in exactly the same way as the Premier stands condemned as a result of his commitment to solve the problems of inflation and unemployment—a promise made so often at various stages of his career.

It is understandable that the Premier's 1977 policy speech did not contain the same imaginary cures for inflation as did the 1974 policy speech. I refer to all that garbage about inflation being cured substantially State by State. Any person with an ounce of economic knowledge would not have indulged in that sort of statement because, in the first place, such a person would know that we are in the throes of an international economic

situation. When problems arise in such a situation, all trading nations are involved lock, stock, and barrel.

What I had to say made up a good pamphlet; I think the Premier was short of a few words to say in support of the member for Scarborough and others during the course of his campaign, so he was able to quote what I had said. There has been more than an ounce of truth in my statement; it is very clear that there was a lot of truth in it and more honesty and intention in the way I was looking at these problems than the Liberal Party was prepared to adopt at that time.

The fact that the Premier has dropped his former idea seems to be a tacit admission that he has lost his inflation-solving capabilities during the past three years. In other words, he has learnt the lesson which King Canute learnt a long time ago. However, some people are inclined to be slow learners in this regard and will not be told of the true situation which exists.

The whole misguided concept of the Premier and the Prime Minister rests on the premise that our problems will be solved as long as the public sector is diminished. However, by world standards the Australian public sector is small, and in Western Australia the ratio of the public sector to the private sector is smaller than in the other States.

In Australia, the current public expenditure on goods and services as a proportion of the gross domestic product is 15.4 per cent. That compares with the United States of America with 18.8 per cent; Canada with 19.2 per cent; West Germany with 19.7 per cent; Britain with 20.5 per cent; and Sweden with 23.6 per cent. It is obviously a fallacy that public spending is the cause of inflation because the other countries are reaching the stage where they are able to handle inflation far better than it is handled in Australia.

Mr Young: They usually do that by increased productivity.

Mr JAMIESON: This is a problem which has to be solved, and it will not be solved by the way the Liberal Party is going about it. At a time when the economy needs a modest stimulant through increased expenditure, the Fraser Government is the only Federal Government among all the western nations which is sharply reducing Federal expenditure. It is elementary that that is the wrong line of action. The Federal Government is also taking ruthless action to deal with our economic problems. Australia is the only nation amongst the free-trade nations where the recession is getting worse. The strategy should be to increase Government expenditure to stimulate

productivity. That type of action would produce more jobs.

At present the private sector is operating considerably below its full capacity. Because of that, it is absurd to suggest that private enterprise should invest in new plant and new operations when it is not able to operate at capacity. Who would be prepared to invest in something which was not operating at full capacity?

We are not making anywhere near full use of the present capacity of industry so there is no point in suggesting we should take advantage of new plant and unused skill.

It is also interesting to look at retail sales in Western Australia. Allowing for an inflation rate of 13 per cent, the amount financed for household and personal goods, on the latest available figures, is over 3 per cent down on the figures for the corresponding period in 1976. The national situation is no better. After allowing for the erosion of purchasing power, or inflation, Australia spent \$42 million less in April this year than during the same period last year. So, there is a considerable drop in that area.

An accepted indicator of levels of economic activity is motor vehicle registrations, and this has been the case for a number of years. Figures show that in Western Australia—and nationally—there has been a steady but rapid decline over the past six months. For instance, in November, 1976, 6 192 new vehicles were registered in Western Australia. During April of this year—the most recent figures available—only 4 527 new vehicles were registered which gives an indication of the drop. The figure for April is the lowest figure for registrations over the past four years. Those figures reflect the same results, and they apply particularly to Western Australia.

Another measure of the western economy is interest rates, which are falling in other countries but in Australia they are allowed to rise. The question is: In the circumstances why are they allowed to rise? There appears to be no end to the incompetence of Liberal economic managers at State and Federal levels. The only thing which perhaps outshines the economic gymnastics of Federal Ministers is the attitude of the Premier towards the national economic policy. The Premier swings like a weathercock—from one line to another.

When the Federal Government savagely cuts education funds to the States, the silence of the Premier is ominous. For that reason, we do not know how sincere he is with regard to the new federalism.

Sir Charles Court: I have made comments on that point.

Mr JAMIESON: Very little comment.

Sir Charles Court: I have made very strong comments. I gave a paper at one of the tertiary institutions on the necessity to get value for money for a change.

Mr JAMIESON: That is always a problem with tertiary institutions; they are a bit like hospitals. They spend and spend. I realise there has to be some limitation, but that is not the type of education funding I was referring to.

In the anti-Federal Government climate which existed prior to the last State election, and which still exists, a letter was conveniently leaked to the press which implied that the Premier regarded Federal Ministers as incompetent centralists, and Federal public servants as disloyal. Quite a lot was said about that. We are never quite sure; the Federal people seem to think the Premier—or the Premier's Department—deliberately leaked the information, and the Premier alleges that the information was leaked in Canberra. It was a good political gimmick. It seems that at various times the Liberal Party is divided as between State and Federal with regard to the outlook on finance. The greatest problem arises when one examines how finance hits the public at large. A disturbing aspect of the philosophy of the Liberal-Country Parties is that it is a conscious and deliberate assault on the living standards of average wage earners by the two Governments.

It is a planned attempt to uplift the living standards of the more wealthy at the expense of the less wealthy. I do not think that is what government is all about these days. Nothing could prove that more than the decision to transfer funds from the poorer private and Government schools to the wealthier schools in Australia. This is wilful contempt of the students who are most in need. We have seen quite a number of Press releases about this matter which indicate there is an unnecessary allocation of funds to the wealthier schools, which is quite undesirable in the present state of financial stringency.

The Liberal Party has a philosophy which represents almost a blind hatred of anything which aims to increase equality of opportunity in this country. It is cynical about the needs of the ordinary people and determined to inflict growing hardships upon them in order to preserve and enhance the privileged position of the minority in the community. This seems to be a philosophical dictum which the Liberal Party has thrived on for a number of years now. It has been evidenced in attacks on essential community services such as

the hospital development programme, which has been halved. The Premier equivocates about this matter, but the actual figure he gave for this State at the last Premiers' Conference might be not quite half or near enough to half.

Sir Charles Court: One particular amount has been halved. But that is not the programme; it is only part of it.

Mr JAMIESON: It is a rather big programme and it means a considerable amount in the financing and development of hospitals.

Probably the most sickening aspect of the Government's incompetence and hypocrisy which surrounds us is the search for scapegoats, and they are the unemployed and the trade unionists who are always good whipping boys for a Liberal Government. Never in the history of the nation have two groups of people been subjected to a more vicious campaign of abuse and vilification. It is ironic and cruel that the Liberal Governments, both State and Federal, who are destroying jobs by their very activities in the field of finance and wrecking the opportunities for young school leavers, then subject the victims to harassment and humiliation.

At every opportunity the Liberal Governments refer to those people as dole bludgers, dropouts, and so on. They have attempted to shame many of these people into refusing unemployment benefits. I have found quite often among people looking for work that when one asks, "Are you registered?", or "Are you receiving an allowance?", they will say, "No, I am not keen to do that because I might be regarded as a dole-bludger." In this day and age, if they are unable to be provided with employment, it is their undoubted right to be provided with some sustenance on which to live. It is wrong and extremely doubtful ethically that attempts of this kind should be made by political parties to set these people up to bear the responsibility for situations which have been created in effect by the Liberal Party.

The other tactic is to blame all the economic ills of the nation on the trade union movement and the wage earners. Western Australia leads the nation in mindless plots aimed at dividing community opinion on trade unions. I should not imagine it is far in front of Queensland but it might be a little in front because of some of these absolutely stupid statements about the origin of strikes and so on in the Pilbara which have been made by the Premier and which have not been backed up even by the strongest industrialist in the Pilbara. As a matter of fact, daily we see comments about this matter—one recently from the Hamersley Iron representative who tried to

excuse the Premier by saying, "He really did not know what he was doing." We come back to the old Christian dictum, "Forgive him for he knows not what he does." Certainly a great deal of that has to be done to excuse the Premier for his actions in regard to trade unions and in trying to divide the people of this country.

The disgraceful method used is deliberately to orchestrate and foster industrial strife through a campaign of provocation and recrimination. The real losers of these artificial battles are the average Australian wage earners who want to go about earning their income without having their jobs jeopardised by State Ministers charging into matters like modern Don Quixotes wielding big sticks, as they are too apt to do. We have seen this in all kinds of industrial affairs in recent times. Many of the industrial problems could very easily be solved and would simmer down in a day or so if they were not being poked at with sticks which should not be used.

The third red herring designed to divert attention from the Liberal Government's mess is blaming everything on former Labor Governments. This is tedious nonsense which will not wash any longer. Lies and evasion will not work for ever. Federal and State Governments which are dominated by the Liberal Party must face up to their responsibilities and bring forward all the policies which would solve the problems of the people of Australia. It is this Government's claim to fame to be the Government of the big lie. The people will not be fooled for ever. The Liberal Party's greatest weapon is to tell a lie often enough and big enough so that the people will believe it.

#### *Point of Order*

Sir CHARLES COURT: Mr Speaker, we have been fairly tolerant with the Leader of the Opposition but I do ask for the withdrawal of the reference to lies.

The SPEAKER: I ask the Leader of the Opposition to withdraw his reference to lies.

Mr JAMIESON: I withdraw the particular reference to the Liberal Party.

#### *Debate Resumed*

Mr JAMIESON: It was Goebells' principle to persist with propaganda and more kinds of propaganda—it did not matter how good or how bad it was—because if it is often repeated and reported the public will grow to believe that is what is in fact happening. This is the very matter I complain of. The endless promises and stale propaganda cannot satisfy people for ever and

they will wake up whether or not the Premier requests withdrawal of remarks made in this House. They will appreciate that he cannot get away for ever with the nonsense he goes on with.

It will not continue to satisfy the pensioners and others on fixed incomes. They patiently wait for some hope as daily they see their life's savings eroded away to nothing while unavoidable bills for water, electricity, and other essentials continue to soar. When there is a bit of a howl from them, some part of the burden is reduced, and the pensioner has to put up with the increases even though he still cannot afford to pay them.

The endless promises and stale propaganda will not satisfy families who are struggling to send their children to school while funds are redirected to the children of the wealthy. They will not satisfy investors who see the chances of economic recovery ruined by a combination of incompetence and ignorance. I do not think I am being radical in making that statement, Mr Speaker. I need only read the first paragraph of the Bank of New South Wales Review in March, 1977, to indicate its comments on the Australian economy—

Fifteen months after it was so resoundingly endorsed in office, and hopes were high that it would be able to restore economic stability, the Commonwealth Government seems to have achieved little perceptible headway in controlling inflation and reviving business confidence.

That is not a bad comment as it does not come from a very radical source. If it is said I am overstating my case, one might be inclined to believe what is said by the Bank of New South Wales.

Let us now look to the future to see what it holds. The latest round of massive increases in electricity charges, water rates, and motor vehicle registration fees indicates that the next quarter will see another sudden jump in the CPI. It will be explained away by some fatuous excuse but the increased prices will remain, despite the disclosures the Premier has made tonight, both in answers to questions and in his own statements when introducing the Bill to which we are now addressing ourselves, which indicated on the surface that the actual surplus this year was in excess of \$20 million.

To add to this, the next Federal Budget has all the earmarks of being an unprecedented horror Budget. The cut-backs already announced are enough to cause concern. Education funds to the States have been slashed and there will be

considerable dislocation in education planning as a result.

Surely this is one sphere where the old Chinese proverb applies—that when planning for the future we should educate the population. I think it is vital to give education as much finance as the country will stand, and it will certainly stand a lot more than is proposed by the present Federal Government.

The hospital development programme has been halved. It is vital in a community such as ours to ensure we know where we are going in the future so that we are able to do something about hospital development. This year Western Australia will receive in this field only \$6 million compared with \$12 million last year. That is very clear, of course, from the item in *The West Australian* on the 2nd July this year which very clearly indicated the allocation of the finances and the cuts in the various fields of financing.

The Fraser Government has cut its funding of the school dental programme from 90 per cent to 75 per cent of the total costs and has made similar cut-backs in the grants to dental training schools. We in this country were just getting on top of the dental problems of the children, and we now find these dramatic cut-backs. Is the Premier prepared to make up this leeway from some of the excess finance he has, or is he going to let it slip and are we returning to the state we were in previously? I hope that will not be the case, and that we will hear more from the Premier on that matter.

Western Australia's sewerage programme received \$9.3 million last year. It has been cut back to nothing this year. If the Whitlam Government did nothing else for this State, it certainly sent it ahead with its sewerage programme, which needed a lift. We may need our underground water supplies before many years have passed, and with all the septic systems which have been draining into it we need to minimise the pollution of this very valuable source of underground water and provide for the future. But no: we find this area has been slashed right out of consideration and there is no further funding for it.

I am reminded by the member for Warren that this is very labour-intensive work and could have been used to take up a great deal of the unemployment problem. However, it seems that the Federal Government is hell-bent on maintaining the number of unemployed people on sustenance rather than employing them in a programme of works for the good of the people of this country.

As well as the other things I have mentioned,

Western Australia was offered a ridiculously inadequate allocation of funds for roads. The allocations were well below the recommendations of the Commonwealth Bureau of Roads. One wonders what will be the answer of the Premier at the end of his present three-year term. Before his last three-year term of office he promised that he would black-top the roads to the Pilbara towns. When I was in that area I was told they had not been sealed, and was asked when the work would be carried out. I could not promise that the roads would be sealed. Now we will have to wait and see how much development will occur, in view of the cut-back in road funds.

Of course, the Premier has not made much fuss because he has run into a lot of trouble of his own.

Mr Bryce: His former Minister for Transport did.

Mr JAMIESON: Yes, he made a bit of a fuss. Lest one may be accused of overstating the case, let us see what the Premier had to say about the last Premiers' Conference when he returned to work. This is what he had to say in the *Weekend News*—

Cutbacks in Government departments to counteract diminishing funds from the Federal Government for capital works programmes were forecast today by the Premier, Sir Charles Court.

He went on to make a number of other statements; and then in *The Sunday Times* on the next day the following is stated—

Western Australia had come out of the Premiers' Conference "with a minus," the Premier, Sir Charles Court said on his return from Canberra yesterday. Sir Charles said a 5 per cent allocation increase by the Commonwealth would result in WA receiving only \$14.2 million for certain requirements.

However, with the halving of the hospital development program and abandonment of the national sewerage program, the state stood to lose \$15.3 million.

In answer to a question today, the Premier said he did not make reference to halving the hospital programme. However, that clearly shows he was concerned with the situation when he returned from that Premiers' Conference. There is no question that he understated the extent to which the last Premiers' Conference was a fiasco from the point of view of the States.

Perhaps the greatest absurdity and the most ironic feature of that conference was the way the



Premier was hopelessly tricked by the Prime Minister on the matter of State Budgets. The Premier went to Canberra boasting that the State had kept its house in order by budgeting for and achieving a surplus of \$3.4 million in the Consolidated Revenue Fund. It is just as well he did not have the Federal auditors check the situation, because they might have found that the situation was a little more healthy than that.

After that, of course, he released one of his sausage-machine discourses. I refer to one of those efforts in which a great deal of meat is fed into a machine at the Premier's Department and a veneer or skin from the various Ministers is wrapped around it, and then it is issued to the public as a news release.

Mr Skidmore: A very apt description.

Mr JAMIESON: On this occasion the situation was no different. The news release attributed all sorts of things to the Federal people and their cut-backs. The Premier on that occasion foolishly attributed his achievement to good economic management by his Government; he did not attribute it to the real reason, which was that his Government had raised taxes and charges heavily to ensure it would not have a deficit. Of course, everybody knows that this has been done for several years now and that in effect Budget time is just a formality because the taxes and charges have been raised to provide extra money. This reminds me of the Premier's built-in escalation of revenue; he has a 3 per cent loading on the income of the State Energy Commission, the Water Board, and the Fremantle Port Authority. The Fremantle Port Authority probably has had a better year than the Water Board, but the SEC is consistent and provides a good return to the Government every year.

It is interesting to note that at the last election in Tasmania the present State Government there cut out the levy on the Hydroelectric Commission which produces electricity for that State. I believe that should be done in this State in an effort to avoid unnecessary inflation. There are some areas in which a levy can be applied which does not result in further inflation; but electricity supplies is not one of those areas.

The Prime Minister evidently was so impressed that the State had kept its house in order that he pointed out how healthy State finances were and used that as an excuse for not contributing greater amounts to the coffers of the State. If ever the Premier was left with egg on his face, he certainly was on that occasion as a result of his admission to the Prime Minister. The people who have least cause to laugh at the Prime Minister's

fancy footwork are the taxpayers of Western Australia, who now must find an extra \$61 million in charges this financial year as a sequel to the Premier's financial juggling.

It seems to me that the rule of thumb the Premier uses is that while a new car park is being built at the Ascot racecourse, while TAB investments continue to increase, and while Telethon and Appealathon donations climb to record heights, this indicates there is plenty of money about; so he can just sock the public with more taxes. His attitude seems to be, "Don't worry; they will pay up; there is money there because they still have money to give away." If that is his criterion, then it is a rather poor one; and it seems to me it must be his criterion because I know of no other he could use.

If the State Government had used the \$3.4 million surplus to which it admitted, to prune the increases in taxes and charges or to create jobs for young out-of-work Western Australians—those people in respect of whom the Premier is now looking to the Federal Government to provide assistance for training—Mr Fraser would not have been able to point to the healthy financial surplus in this State; and, therefore, Mr Fraser would not have been able to cut back our finances. The Premier would then have been in a stronger position to argue for more funds for Western Australia. However, Mr Fraser got away scot free with a rather shady deal.

The Premier's latest proposal is for an all-States economic conference. The idea is worthy of support, but the Premier's attitude to conferences bears closer examination. For instance, in December of last year I proposed a national conference, including all State Premiers and Leaders of the Opposition, and the Prime Minister and Federal Leader of the Opposition, which was aimed at achieving a bi-partisan approach in order to achieve national political consensus on economic matters. The Premier rejected the proposal; he was not prepared to go along with anything on that occasion—I suppose the reason was that it was not his idea.

To the credit of several of his colleagues in the Eastern States, they did reply to me and said that if I got it off the ground they would go along with it because they thought it had some merit.

Last March when a meeting similar to that proposed by the Premier of this State was proposed by the Premier of South Australia, our Premier labelled the plan as self-defeating and confrontationalist. Now he finds those words are evidently not applicable to his suggestion. Now he

is prepared to go along with something because it is his idea.

Sir Charles Court: That was a different proposition altogether.

Mr JAMIESON: Of course, it is always different when he wants to make it different.

Sir Charles Court: That was to deal with the specifics of a formula.

Mr JAMIESON: The fact is that he was not prepared to confer on any terms at all. He just wanted to get out of it because it did not suit him.

Of course, the result of this will be that the Premier will lose all credibility if he takes part, in concert with other Premiers, in an unplanned instant policy initiative like the abortive wage-price freeze. What a beauty that was! After they had a luncheon at Parliament House in Canberra—no doubt with a few bottles of the best Hunter Valley wine—they went back to the conference room and Dick Hamer pulled out a bit of paper and said, "I know what; we will do this."

Without any prior consultation or consideration—they were desperate for something to do—they raced in and grabbed the bait like a shoal of barracuda chasing a piece of rag, and away they went. Then, of course, away went Dick Hamer on his six weeks' annual leave, leaving Acting Premier Thompson to try to implement the scheme in Victoria while Mr Hamer was on his annual overseas junket. I do not deny him his leave; he is surely entitled to it. However, I do blame him for leaving someone else to carry the baby.

It was obvious that the freeze would not work in Australia. Three salient events occurred in this State as a result of that freeze. Firstly, in May of this year, which was the month when the so-called wage and price freeze had supposedly been in operation for the first 24 days, the price of food rose by 1.7 per cent. Lamb jumped by 11.6 per cent, and fresh fruit and vegetables increased by 5.3 per cent. This amounted to the highest increase in Australia, and was double the national average. This is what the people who were asked to forgo wage increases were subjected to.

It is all very well for the Premiers and others who have incomes on incomes and who can afford to meet increased costs; but it is not all very well for the people who are on fixed incomes. As the Premier and the Minister for Labour and Industry were convinced that prices were being frozen, why did we have such a massive hike in food prices in the last month of the so-called price freeze?

Secondly, if the State Government was genuine

in urging restraint in respect of increases in prices, why did it announce increases in the price of milk and cream on the very day the freeze was called off? That was surely the finest example that could be set by any Government! A couple of basic commodities had their prices increased on the very day the price freeze was lifted.

Finally, a little over a week after the freeze was called off, *The West Australian* reported that a 1.9 per cent increase in wage earnings granted the week before was swallowed up by increased prices. In other words, the capacity of people in the community to live was being gobbled up by price rises.

It is obvious that prices which were frozen when the freeze commenced would rise just as much when the freeze was over as they would have risen had the freeze not been started. That is an obvious feature of that type of price fixing. I remember some few years ago there was a move to get some sort of economic hold on prices and wages, and on that occasion I do not think the Premier was up on the battlements advocating in favour of the referendum to do that. I think he was advocating the opposite approach; the way of free enterprise, in which one gets every dollar one can no matter where it comes from. In my opinion it is high time the community started to wake up that this is the philosophy of the Premier in respect of finance: if he can get a dollar from somebody, or the Liberal Party can get a dollar from somebody, they will grab it.

They do not care where the dollar comes from as long as it comes their way. I think it is time we recognised that there are people in the community who need looking after, and the only way they can be looked after is by political action in the Parliaments of Australia, be they State Parliaments or the Federal Parliament. The people to whom I referred earlier, pensioners and others who were receiving benefits from the Australian Assistance Plan, are the people who should be looked after by members of Parliament.

The people whom the Liberals usually look after—the Nedlands and Dalkeith identities—are able to look after themselves and do not need assistance. But there are plenty of other people in the community who do. I suggest that the people in the country, even though they religiously vote for and support one or other of the coalition parties, should not be very happy at their lot because of prices which will again hike as a result of certain increases which are almost upon us with regard to motor vehicle licences, and so on.

Mr Speaker, as we have traditionally supported Supply Bills and do not believe in opposing them,

we support the Bill; we have no alternative but to support it. However, we have the capacity and the ability to complain and to advocate other actions that should be taken. It is in an endeavour to do this that we are debating this Bill tonight.

We suggest it is high time the Premier got back to zero in some of his thinking with regard to providing more employment in this State. He refers constantly to what he calls positive employment, which I referred to earlier as citing the number of people employed without referring to the percentage of employable people. This is how he dodges and dives on all occasions.

Without getting tied up in the statement which I was forced to withdraw earlier, there is an old saying about figures lying and liars figuring. In other words, it has always been suggested that by manipulating figures one can prove anything. Whether one proves anything to one's own satisfaction, the fact remains that the people who are least able to afford to look after themselves in the community of Western Australia are continually being hit hard by the Premier and his Government, who do not seem to care one iota about the situation. They do not care about the various concessions that once applied to pensioners. I do not know how the National Country Party section of the coalition thinks because its members gave an assurance at the polls that they would support the free transportation of pensioners on metropolitan transport. Of course we have often heard these things said at the polls but when we test them out with a vote in this Chamber we always find them lacking. I imagine that if and when they are tested later this year we will find them lacking again.

This is hardly fair to the public. It is neither sincere nor honest. It is being deceptive in the worst way. If the Government wishes to exist with this sort of deception, I suppose it must exist until such time as the public of Western Australia wake up to the attitude that it is adopting. Because of what I have said and because traditionally we do not believe in opposing Supply Bills, I support the Bill.

**MR BRYCE** (Ascot—Deputy Leader of the Opposition) [8.19 p.m.]: In view of the role that this Government has played in helping both to create and to develop the policy of so-called new federalism, I believe now is the appropriate time and this is the appropriate place—when the Government comes to Parliament to ask for supply—for members on this side of the House to expose the so-called new federalism policy for the fraud that it really is. It is in the simplest possible terms one of the most devious frauds and

probably the most expensive fraud of the century as far as Western Australians are concerned.

I intend this evening to expose it as a fraud and I should like to start with the use of the very term "new federalism". If the concept is the ultimate in fraud, the ultimate in misnomer is the term "new federalism" because the concept was dreamed up and conceived by the old-fashioned men of Australian politics who were desperately keen to see Australia return to the halycon days of the 1920s and the 1930s and were very keen indeed to turn back the hands of time to a point before 1943, which of course marked the introduction of uniform taxation throughout this country.

Probably the worst aspect of what I suggest is a devious scheme is that the real intention of new federalism is very different from the stated intention. It will be a most expensive fraud as far as Western Australians are concerned because as the forthcoming months unfold we in this State will face the prospect of being the first and possibly the only State in the Commonwealth whose citizens will be required to pay a second tax on their income. We could well be the one and only State in which the double-barrelled system of income tax applies. At the same time, because of the sheer determination that the Federal Government has shown in withdrawing from so many areas of Government expenditure, we could be paying more on the one hand and receiving less on the other. It could well be the most expensive fraud of this century.

At this stage of my comments I ought to suggest what I believe to be the real purpose of new federalism contrary to the publicly expressed purpose announced by our Premier. There is a very broadly based philosophical objection on the part of members opposite, particularly on the part of the Premier, to the social and economic progress experienced by many thousands of wage and salary earning people and their families between 1972 and 1975. The people who masterminded the new federalism were annoyed and angered at the redistribution of wealth and opportunity in this country between 1972 and 1975.

One of the principal purposes of this concept is to place what they hope will be an insurmountable obstacle in the path of any future reform Governments that would hope to continue the work of the Whitlam Government between 1972 and 1975. The present Prime Minister is regarded as the doyen of the wealthy and the privileged element of our community. There is no doubt in anybody's mind that this concept is designed, and in practice will enable that wealthy element and that privileged section of our community to

accumulate more wealth and to add to their privileges whilst the thousands of wage and salary earning citizens of this country and their families will day by day pay the price. They will foot the bill in terms of worse schools and overcrowded and inadequate hospitals, because these are the first things that will suffer from the financial deprivation that will inevitably follow and will inevitably be the lot of State Treasurers under new federalism.

I intend to present to the House this evening ample evidence to demonstrate that this is already happening. Those people I have mentioned will also be the people who will be added to the queues which will grow outside the offices which deal with unemployment. The list of people who are waiting for State Housing Commission homes will grow. These are the people who will pay the price. These are not the people with whom Mr Fraser identifies but they are the people whom Mr Fraser frequently reminds that life was not meant to be easy. One thing of which he can be certain is that under this so-called new federalism—I hope you will forgive me, Mr Speaker, if I refer to it as Fraser's federalism—these are the people who will pay the price.

The theory of new federalism was quaintly explained by our Premier and by the Prime Minister at the time the concept was floated as a means by which the States would be placed in a better financial position. That was the great misconception that was spread abroad, that under this so-called new federalism the States would get a better financial deal and would have greater freedom in actually manipulating their own financial resources and establishing their own priorities because, it was argued, they would have access to more untied grants at the expense of tied grants to which some of them seemed so staunchly to object during the period of the Whitlam Government.

We cannot believe a couple of the most memorable statements that have been made by our own Premier in respect of this matter. I should have thought that by July or August, 1977, he would have learnt his lesson, but this afternoon in this place, in reply to a question posed by the Leader of the Opposition, he indicated that it was still his Government's policy to support the concept of new federalism despite the fact that he has been deserted by all of the other five State Premiers throughout the Commonwealth. He stands alone with the Prime Minister in supporting this concept. One wonders whether he is a slow learner or whether he is so deeply committed to this concept in ideological

terms that he does not dare admit that the whole thing has gone off the rails.

In *The West Australian* of the 12th April, in a statement on the new federalism agreement, the Premier was quoted as having said—

The agreement was one of the greatest breakthroughs in Commonwealth-State relations.

Of course that is a typical use of superlatives. In the same newspaper of the 10th April, the Premier said on the same subject—

The big improvement over the existing scheme was that it would give the States control over their own finances. This would give the State Governments greater responsibility and more scope for administration in tune with local needs.

Of course, the facts are that in 1977, as we now know after the last round of Premiers' Conferences, the State Governments are more firmly tied to the chariot wheels of the Commonwealth than Alfred Deakin ever forecast. We heard often and very vocally from the Premier when the Whitlam Government was in office about States' rights.

Never before have State Governments been verbally bludgeoned into implementing the social and economic policies of a national Government as they have been today. What Mr Fraser is doing, what he is forcing the State Governments to do, makes the efforts of Whitlam's Government to develop a national attitude to social welfare policies, education, health, etc. pale into insignificance.

Most of us who are concerned about, and very interested in, the economy of this country have come to appreciate already that there is a tripod on which the Fraser Government is resting its economic strategy. Mr Lynch ably articulates this case at Premiers' Conferences and through the medium of his own Press statements. They stand four square behind the objective of reducing real wages, despite the fact that the Prime Minister gave one of the most solemn undertakings in December, 1975, that his Government would introduce indexation and would guarantee those thousands and thousands of wage and salary earners in this country, whose votes he desperately wanted in December, 1975, that he would give them this protection against any form of erosion of their real purchasing power and their wages.

Yet we have seen Mr Lynch stand up at Premiers' Conferences and declare that real wages in this country are too high and claim that they have to be reduced. The actions of the

Federal Government and the State Government, of course, in the various Arbitration Commissions with regard to their respective submissions in wage cases bears this out.

The second leg of the tripod is the Government's acceptance of an unreasonably and intolerably high level of unemployment. There is no question in anybody's mind now that the Fraser Government and the Court Government are out to institutionalise an unacceptable level of unemployment.

In the 1960s no Government could have remained in office under any circumstances if it was prepared to admit to the people, if it was prepared to suggest to the people that it was necessary to accept a level of unemployment which approached 6 per cent of the work force, which is the prospect we are facing at this very moment.

The third leg of the tripod, Mr Speaker, is a very clear cut determination in the mind of the Federal Cabinet to starve the State Governments of the necessary funds to provide all of those important, in fact essential, community services. With their determination to depress real wages and create unemployment they follow a string of Liberal Prime Ministers who have always felt economically secure, if not politically secure, when there happened to be a large pool of unemployed people.

Menzies certainly did not hide his light behind a bushel when it came to advocating that particular course of action. So with unemployment and the attack on real wages, and this austerity campaign, as far as the State Governments are concerned we have a situation where unemployment must grow; it has grown to a point where people in this State Parliament, or any other Parliament throughout the country, would never previously have tolerated it.

Mr Young: What specific steps do you claim that the Fraser Government has taken to create unemployment?

Mr BRYCE: Might I suggest, Mr Speaker, for the benefit of the member for Scarborough, that when the Federal Government announces that it abolishes forthwith hundreds of millions of dollars worth of expenditure on a national sewerage campaign, together with all of the other urban programmes—

Mr Davies: The RED scheme.

Mr Young: Don't you recognise that the RED scheme was implemented by Whitlam to hide the unemployment that was actually there?

Mr BRYCE: The facts are available for any

member of Parliament who cares to do his homework. Of course, all of the facts indicate quite clearly the hundreds of millions of dollars that the Fraser Government has pruned off specific purpose payments, specific purpose grants for capital expenditure, and a whole range of State Government services. Ask the Premier: has not the pruning which he has had to do on some of his State Government construction works affected the level of unemployment in this State?

Sir Charles Court: Are you advocating bigger deficits? Are you advocating bigger Federal deficits, more inflation, and more printed paper money?

Mr BRYCE: Mr Speaker I am very interested in the question. I want to indicate that I am delighted to be close enough to the front table, where *Hansard* records the proceedings of Parliament, to be able to hear the Premier's interjections. Previously my speeches were dotted with interjections that were mumbled and I picked them up in the transcript and wondered why they were not answered at the time.

If the Premier is prepared to give me, by way of a procedural motion, the time I need to answer the question, I will be quite prepared to stand here and answer it all day.

Sir Charles Court: Do you want bigger deficits?

Mr Davies: You want greater unemployment.

Mr BRYCE: I do not think any member of the Opposition has ever received from the Premier an answer to a question on notice, or a question without notice, on that vitally important question of unemployment in the specific terms he is now looking for.

Sir Charles Court: Do you want bigger deficits? Why not answer a simple question?

Mr H. D. Evans: Do you want greater unemployment?

Mr BRYCE: One of the interesting facts of life that the Premier has to face is that on the March figures—and they are the latest to which I have had access—the current Federal deficit is running at a level vastly in excess of that of the Whitlam Government or the last Hayden Budget—vastly in excess.

Sir Charles Court: Do not talk rot.

Mr BRYCE: In fact, the March figure, Mr Speaker—

Sir Charles Court: The March figure is not the figure you go on; it is the June figure you go on.

Mr BRYCE: Well, I simply indicate to the Premier that the latest economic indicator to

which I have had access, was the March figure and at that particular time the deficit was running at a rate of about \$5 000 million.

Sir Charles Court: Do not show your ignorance of Government finance in quoting a March figure.

Mr Young: You have still dodged the question. You are talking about spending more Commonwealth money. The question is: Do you want a bigger deficit?

Sir Charles Court: A bigger deficit means more inflation and more unemployment.

Mr BRYCE: I would be quite happy to accept a bigger deficit—I cannot confirm it because I do not know exactly what the figure is—than the one the Commonwealth Government looks like having at this particular point in time, if it means that human beings are going to be employed and will have the opportunity to avoid the degradation that they go through by being unemployed.

I would be prepared to do that if it meant that human beings did not have to suffer in the way in which they do, and in a manner which I suggest the Premier is totally unaware of. I suggest the Premier go to some of the institutions and night shelters in this city where unemployed people spend their sleeping hours—under trees, on benches and under bridges—and if he saw some of these people he might look at himself in the mirror next morning and wonder whether he should revise some of those old-fashioned, accountant-like economic concepts that he has, with a fixation that the expenditure column must simply match the revenue column, otherwise we are in for all sorts of diabolical consequences. The Premier is not the slightest bit concerned with the social consequences.

Mr Laurance: Let inflation run. Is that what you are saying?

Mr BRYCE: The member for Gascoyne is not going to put words into my mouth. I would be very interested to see him stand up and make a speech. We very rarely see him do that. Now that he has reached the office of Parliamentary Secretary of the Cabinet perhaps he will give us the benefit of some of the very broad economic background he has.

Mr Sodeman: Does that mean you disagree with the comments of the Leader of the Opposition? You do not endorse them.

Mr BRYCE: What I suggest is we now have a look at what has transpired in practice with this great concept of federalism. The Prime Minister promised co-operation; he was going to introduce a new era of friendly, co-operative relationships between States and the Commonwealth

Government. The Prime Minister promised co-operation and for the last 18 months all of the State Governments have experienced nothing short of coercion. The Prime Minister promised flexibility and yet over the last 18 months all of the State Governments have experienced nothing short of instructions and threats, even to the point where Mr Fraser has turned to State Governments and suggested that they ought to retrench civil servants because the level of employment in the Civil Service for each respective State Government did not in fact measure up to his standard. Mr Fraser also promised better financial deals for the States.

Mr Davies: Is it true they are trying to keep him out of Australia now?

Mr BRYCE: It seems that the Prime Minister gets more publicity when he is out of Australia than when he is at home. Mr Fraser was the man who gave the people of Australia a solemn undertaking. First of all there was the criticism that Australia did not want a Prime Minister who was a tourist and then, of course, when Mr Fraser became Prime Minister he would guard the home fires and do the right thing by Australians.

In his first 18 months in office he and his retinue spent more time overseas than the previous Prime Minister. If anyone cares to document the days to see how long Mr Fraser spent out of the country he will find that is so.

Contrary to the suggestion that there would be a new era of friendship and co-operation in Commonwealth-State relationships, one *fait accompli* has followed the other as far as financial relationships are concerned. Without any sort of consultation the Fraser Government proceeded to indicate to the public and to the Premiers that it would index personal income tax. It has not proceeded to do so and it has decided not to do so, apparently without any sort of consultation.

Without any sort of consultation, the Fraser Government decided to introduce a levy on Medibank. It was a levy on people's personal incomes, and after the new tax sharing arrangements had been drawn up—they were of vital concern to the State Premiers and Treasurers—there was no consultation whatsoever. There was no consultation on the long list of the specific purpose payments and the specific purpose grants that were slashed. These also, of course, were of great interest and a matter of great concern to all State Treasurers. There was no consultation, of course, with anybody, as I have indicated to the member for Scarborough, about the unilateral decision to wipe out, or to

abandon the national sewerage scheme which involved some hundreds of millions of dollars.

The new revenue sharing concept which is the first phase of this so-called new federalism has been a dismal failure when we measure it against its fundamental undertaking to provide the States with a better financial deal.

At this stage three principal economic decisions have been made and they were announced at the last Premiers' Conference by the Federal Treasurer (Mr Lynch). There will be cuts in loan funds for the 1977-78 financial year. There are going to be serious reductions in specific purpose payments and specific purpose grants, and Mr Lynch also clearly indicated to the Premiers that there will be no Federal money available for State Government sponsored employment schemes and programmes. The Prime Minister may well be forced into changing his mind, and I sincerely hope that he does, but where the impact of this concept of new federalism is felt most disastrously by the States, is in the field of specific purpose payments.

Most of the Premiers were conned originally. Five of them now admit that they were conned and they are attempting to do something about it, although not, however, the Premier of Western Australia.

Up till the last decade or so, that form of Commonwealth payment to the States—specific purpose payments and specific purpose capital grants—had comprised up to 50 per cent of all the money we received from the national Government every year. So the national Government decided that there would be various alterations to the formulas involved and slashes in the specific purpose payments. It would be one thing if these specific purpose payments and grants were to be slashed and the Government intended to step into the breach in another respect, but in fact what is happening and what is causing this State Government—along with all other State Governments—so much embarrassment is the fact that the Federal Government intends to give the States less money and at the same time it intends to withdraw from certain fundamental service-providing responsibilities. It now expects the States to pick up the tab for these services as well.

I venture to suggest that all the Premiers were conned, when the original scheme was outlined, into thinking that they would receive the same amount of money as in the past, plus the opportunity to levy income tax. They believed that Mr Fraser would be generous and uphold his end of the bargain and continue to fund these

important community services. In fact, that has not happened, and all the other Premiers, except the Premier of Western Australia, realise that they now have egg on their faces and that they will have to battle like crazy to make ends meet.

In regard to the specific purpose payments and grants, Western Australia has encountered the most horrific cut-backs in the area of road funds. I would like to present this picture to the House in quite explicit terms.

For the financial year, 1977-78, Western Australia is to receive \$60.9 million for road funds. This is a 15 per cent increase on the 1974-75 allocation. However, since 1974-75, the cost of building roads and all the associated works has escalated by 60 per cent. It is now quite apparent that this miserable—in money terms—3 per cent increase on last year's allocation will put Western Australia well and truly behind the eight-ball in its road-building programmes. The Fraser Government is determined to put Western Australia and all the other States in straightjackets in regard to their road-building programmes. Not only does the Fraser Government sit back dictating and determining how much money will come to the States, but at the same time—despite this grand concept of new federalism under which the States were to have a greater say and greater freedom to determine their own destiny—the Federal Government is dictating the type of roads to be built and the type of programme on which the money is to be used.

Some of the most colourful language to be used in Western Australia in recent times was attributed to our former Minister for Transport when he came reeling back to Western Australia from the National Conference of Ministers for Transport. Despite the fact that there was to be a new era of co-operation and understanding between the national Government and the States, at the very moment when the State Ministers and the Federal Minister were sitting around the table to discuss the allocation of funds for road works throughout the nation, a Press release from the Federal Minister announced to the nation how much the Federal Government was determined to allocate for road funding. Obviously the Federal Government had no intention whatever of negotiating with the States or of discussing with them what they needed or wanted. The Federal Minister went to the meeting with a very fixed view and the meeting concluded with everyone in a state of confusion. The former Minister for Transport returned to Western Australia and we find his description of that meeting and his brush with new federalism in *The West Australian* of the 26th February. He said—

It's a bloody disaster. I don't know whether Mr Nixon is trying to rape the West or lead us to the slaughter, but it is certainly one of the two. If we accept this we are gone for all time on Road Funds. We will never pull them back up again. I am still simmering.

At the same time the Victorian Minister for Transport (Mr Rafferty) said of the same meeting—

It throws federalism out of the door.

The people who will suffer as a result of that decision will be the residents of the Pilbara, the Kimberley, Murchison-Eyre, and Gascoyne—those who live in the most remote parts of this State.

There is at this moment I believe a misconception or a very serious untruth abroad—I do not want to say it is a lie—which I would like to lay at rest. That misconception, or that very significant untruth, was repeated recently by the Premier in a radio programme when he said that the trouble with the road funds started under the Whitlam Government.

Sir Charles Court: I'll say it did.

Mr BRYCE: Members heard the Premier say, "I'll say it did".

Sir Charles Court: You ask Mr Dunstan—don't ask me.

Mr BRYCE: I regret very much that our Standing Orders do not allow me to seek incorporation of statistics as such a course would save time and perhaps alleviate members' boredom in having to listen to a whole series of figures. However, I particularly wish this list of figures to be recorded in *Hansard* because *The West Australian* would not reproduce them when a colleague of mine sought to reply to the Premier in regard to this argument.

An Australian Bureau of Roads was established in approximately 1964, and I say lightheartedly that it was established principally because of the bleating of the Victorian Premier at the time. Mr Bolte was so disgusted with the Western Australian share of the road funds that he said our famous Narrows Bridge had been paid for by the taxpayers of Victoria. He performed so much that a number of other Liberal Premiers agreed with him, and at a Premiers' Conference it was decided that the whole method of providing road funds to the States ought to be revised. It was revised and a Bureau of Roads was established.

The Bureau of Roads now recommends to the national Government the allocation of funds State by State, and the way in which the funds will be

expended. I have undertaken some research into this subject along with a number of my colleagues through the Commonwealth Parliamentary Library Research Group. The figures I will give represent the percentage of all Australian road funds on an annual basis that have come to Western Australia since 1965.

In 1965-66, Western Australia received 17.7 per cent of all road funds. In 1966-67 it was 17.8 per cent; in 1967-68 it was 17.9 per cent; and in 1968-69 it was 18 per cent. That figure marks the recent high point and I interpolate to point out that from 1968-69 there has been a gradual and steady decline in the percentage of the nation's resources devoted to road funds coming to this State. The figures for the ensuing years are as follows—

|              | per cent |
|--------------|----------|
| 1968-69..... | 18       |
| 1969-70..... | 17.1     |
| 1970-71..... | 16.6     |
| 1971-72..... | 16       |
| 1972-73..... | 15.7     |
| 1973-74..... | 15.2     |
| 1974-75..... | 13.7     |
| 1975-76..... | 14.1     |
| 1976-77..... | 12.7     |

I want to emphasise that the last figure is an estimate only.

I would like to recapitulate on the significance of these figures for the benefit of the Premier who is now engaged in a discussion with his deputy.

Sir Charles Court: No we are not.

Mr BRYCE: The facts of life are that the funds allocated to Western Australia for building roads have been on an almost permanent incremental and steady decline since 1968-69. In the simplest possible terms that means that the Whitlam Government cannot be blamed for depriving the people of the Pilbara of their black-top roads between inland mining towns. In fact, the McMahon and the Gorton Governments, as well as the Fraser Government, are responsible for this state of affairs.

I hope that the Liberal back-bench member for Pilbara is prepared to stand up to his constituents to say, "I support new federalism and I realise that that new federalism is standing like a permanent obstacle in the way of the extension of roads in the Pilbara and in the other remote areas of the State."

Sir Charles Court: That is not true. It was Whitlam who said that Western Australia and South Australia were getting too much of the road money.



**Mr BRYCE:** I have presented the facts and figures.

**Sir Charles Court:** South Australia joined with me in protesting.

**Mr BRYCE:** I have presented the figures, and the Premier is now presenting empty assertions.

**Sir Charles Court:** That is not so—have a talk to Dunstan.

**Mr BRYCE:** Another area of expenditure which is of concern to so many people and which has been affected by the new federalism is education. I must say here that health and housing are standing in line for their turn! When the five-year Commonwealth-State financial agreement for housing is reviewed next year, pity help Western Australia and every State concerned with the building and provision of State Housing Commission homes.

**Mr Sodeman:** You are off the Pilbara now? What about all the drilling and exploration which Whitlam chased out of the Pilbara?

**Mr BRYCE:** If the member for Pilbara wishes to give me an extension of time, I will talk about anything he wants to name. If he is not prepared to be so reasonable, I am afraid I will be unreasonable and ignore him—so easing your lot somewhat, Mr Speaker.

**Mr Sodeman:** Does that mean that you will not interject when I am speaking?

**Mr BRYCE:** Education is the other area where we have seen duplicity on the part of the Prime Minister surface in very significant terms. Mr Fraser went to the people in 1975 with the pledge that there would be no cut-backs in education spending. In 1977-78 we were promised a 2 per cent real increase in education spending, but in fact a few weeks ago Senator Carrick indicated through a Press release that for the first time since the war there were to be cut-backs in university funding. Not even the Menzies Government cut back any previous level of expenditure on tertiary education on an annual basis.

We now find that the senator has announced already that this cut-back will take effect. He suggested that his excuse would be that somehow or other there would be a \$250 million national windfall for all the State Governments as a result of tax-sharing arrangements as soon as the income tax provisions were implemented, but of course this never eventuated. The States were not expecting this money, and therefore, it would take up the slack in education funding. In fact, that mythical \$250 million has not materialised because, like many of the calculations made by

some State Government departments in their estimates, there were some inaccuracies. The amount of money that will come into the Federal Treasury from income tax will not be as much as estimated, and as a result of that, education funding in this country in the next financial year will receive a setback, and particularly at a tertiary level. Now that leaves a number of options open to the universities and to the State Governments.

**Mr Davies:** The Country Party has told them what to do.

**Mr BRYCE:** Some Country Party members have clearly indicated they favour the reintroduction of fees at the tertiary level. In actual fact, by virtue of legislation placed on the Statute book of this Parliament last session, this Government is committed if necessary to the reintroduction of fees for tertiary education. If extra money does not come from the Commonwealth, it will have to be found somewhere. If student quotas are not going to be imposed or if services provided by the universities are not to deteriorate, extra money will have to be found from fees or from some other source.

We will be anxiously waiting to see how committed this Government is in regard to education, given the softening up process to which we have already been subjected, and we will be very interested to discover the magnitude of the fees which will be reintroduced.

**The SPEAKER:** The honourable member has five minutes remaining.

**Mr BRYCE:** Apart from the reduced specific purpose grants and payments, the other principal economic decision has been to reduce loan funds for the 1977-78 year. When the Premiers met in Canberra, they all urged the national Government to provide an increase of 15 per cent over last year's loan fund allocation. Last year, Western Australia was authorised to borrow \$126.3 million; this year, that has been increased to \$132.7 million, an increase of only 5 per cent. So, in real terms once again Western Australia is going to be worse off.

This is the essence of the fraud, because the people of this State were sold a pup—as were the Premiers of the Commonwealth of Australia—with this new federalism. It was argued that in almost every respect the States were going to be better off financially and that they were going to have greater freedom to manipulate their own resources according to their own sets of priorities. But of course, we have seen that simply has not happened.

In July-August, 1977, Western Australia

stands at the forefront; we know we face the prospect of being the first State and perhaps the only State in Australia where the citizens will be forced to pay income tax to a State Treasury as well as to a Commonwealth Treasury, even though it may be provided for on the one piece of paper.

Because of Fraser's federalism, there can be no doubt that lurking on the horizon are those horrible prospects, some of them reminiscent of the 1950s and the 1960s of overcrowded schools, overcrowded and inadequate hospitals, roadworks left unfinished and undone, increasing waiting lists for State Housing Commission accommodation—all areas where State Governments provide services.

This could all well happen, and many of these prospects are just sitting there because Mr Malcolm Fraser, and Sir Charles Court, as the Premier of this State and one of the principal architects of this scheme promised the States a better deal under new federalism. Five of the six Premiers were conned, but now have woken up; we are waiting to see how long it will be before our Premier sees the writing on the wall.

There can be no doubt in anyone's mind that the real purpose of Fraser's new federalism is to frustrate the ability of any future Government to implement a national programme of reform in the field of social welfare. Its real purpose is to reduce effective Government control of the economy. The advocates of Milton Friedman in the Federal Cabinet and, presumably, the State Cabinet argue that what this country needs is to return to the good old days of unhampered free enterprise.

One of the real purposes of new federalism is to transfer the dirty work of collecting taxes to the State Governments. There is no question that Malcolm Fraser is trying to get out from under. He would surely like to transfer to the States wherever he can the task of providing services to the people so that when those services are found to be grossly inadequate, the blame cannot be placed at his feet.

If new federalism does get off the ground and becomes a reality it is my view that it will turn Australia into six different and separate units. Instead of a unified country, we will become six competing, squabbling and brawling groups within the nation at the very time when if we are to solve our national economic problems, it is essential that we be unified and work together with a great sense of co-operation.

**MR H. D. EVANS (Warren)** [9.05 p.m.]: The opportunity which is afforded by the Supply Bill to examine the economic problems of the State,

and in particular those of the rural sector, should not be disregarded, although I note they do seem to have been disregarded by the Premier in his second reading speech to the Supply Bill. The Premier did not seem at all anxious to refer to the rural industries of Western Australia, and for very good reason, as I will demonstrate by reference to certain reports which have appeared in the Press recently. The Premier's only reference to the rural sector was quite peripheral, and related to the Meat Industry Authority.

Sir Charles Court: It was not a Budget speech; it was the second reading of the Supply Bill.

**Mr H. D. EVANS:** Yes, but the Premier did not make reference to any of these matters.

**Mr Davies:** The Premier spoke about the Education Department and other departments quite specifically.

**Mr H. D. EVANS:** The opportunity to speak about those matters will arise during the Address-in-Reply debate. There are many aspects of the rural industry to which the Premier should have referred, but did not. It would seem, either by design or accident, that the Government is sublimely oblivious to these problems.

It should be remembered when we talk of rural communities that it is not just rural industries to which we are making reference. Agricultural matters and farming do not comprise the whole. Questions such as health, education, local government, roads and recreation cannot be ignored. As a matter of fact, as the Acting Speaker, the member for Moore would appreciate, they probably have more bearing and significance in rural areas than the same problems in the metropolitan area. I believe it is pertinent to refer to some of these problems in the debate tonight.

The value of primary production to this State is very great; it provides a direct export income of considerable magnitude. Despite the tendency these days to stress the importance of minerals, it is the primary industries which are providing economic stability for local communities throughout this nation. Primary industry retains population in country areas, and generates the provision of machinery, transport facilities, the establishment of farms and light industries of many kinds, the provision of hardware, groceries and other commodities, and such services as schools and tertiary institutions, local governing bodies, hospitals and railways. All these services have the common aim of maintaining country communities.

Let me give just one illustration to make my point. Over the past five years, the gross value of

agricultural produce in this State went from \$461.6 million to \$574.7 million, to \$1 016.9 million, to \$835.9 million to a figure of \$995.9 million. When looking at the totals, it will be seen that the actual increase in rural production in terms of export earnings has not been very great, having regard to the trends in prices.

At the same time that production must be reflected against the number of farm holdings, and we see that in the last five years these have declined from 21 997 to 18 871; so 3 000 farm holdings have ceased to operate or have been amalgamated—probably the latter would be the answer—in the ensuing five years. When a farm holding is amalgamated the tragedy is that the number of farmers is decreased and this, of course, has serious if not dire consequences upon rural communities.

It is distressing to note the increasingly more depressing trends that have appeared in rural communities, and these are being exacerbated firstly by the policies of the present Governments both State and Federal, and secondly by the approach to taxes and charges of all kinds and the increases which, coming at the time they did, have had a most unfortunate consequence which is reflected in a number of journals, some of which are quite analytical and most of which are critical. *The Australian Financial Review* makes the point that the rural economy is expected to worsen in this financial year. That newspaper is talking in terms of a decrease in farm incomes of something like 14 per cent. Any farmer in this House would know precisely what a decrease in income to that extent means. When we talk in terms of average incomes—and unfortunately we have to do that when we have an economic situation of the present magnitude facing rural industries because it is difficult to do otherwise; and this must be the way that Governments, Government departments, and bureaus of various kinds consider the matter—that decrease amounts to something like \$1.766 million, which represents a very considerable and very real blow to the primary producers of the nation and the industries which are dependent upon them for their very existence.

Whereas exports rose by \$817 million in the previous year, we find they are expected to fall by \$413.5 million in the coming year. As a consequence the point is made that primary industries will not make a continued and significant increase in Australian foreign reserves in other countries. This is rather regrettable.

Rural exports last financial year were down to 43.9 per cent of total exports. If my memory serves me correctly, it was in 1969 that rural

exports fell below 50 per cent of the nation's total for the first time. That is indicative of the change that is going on apace. The value, of course, would have increased, but the percentage has declined to 43.9. This, of course, brings with it the problems of a declining segment of the industry; and this is the reason that problems arising from the expansion of mining have had a deleterious effect upon the operations of farmers in Australia, especially as far as farming inputs are concerned, and upon the increase in costs that farmers are called upon to face.

I make the point—and it is a very relevant one—that between the 1953-54 and the 1975-76 financial years, the real value of farm income declined on an average of 1 per cent per annum, or by 26 per cent over that 26-year period. The rate varied with different industries, but once again we find the only way of assessing this is by using averages. As a matter of fact, in the current year farm incomes are approaching the level to which fixed wage earnings are shrinking and have been shrinking under the Fraser and Court Governments.

So at this stage farmers and wage earners have one very real thing in common; that is, the erosion of their real wages under the policies of the present State and Federal Governments. However, it does not stop there; we have not yet started to consider the average charges imposed during the term of the Court Government. The magnitude of those charges is rather staggering, and it belies the reason given for inflation—that is, increased wages. That is elementary and obvious when one considers the matter.

At that same level, and reducing it to a comparable analogy, the real average farm wage has fallen to \$199 a week, compared with the average male wage of \$190 a week. So the farmer receives an extra \$9 a week to cover his investment of anything up to \$100 000. If that is the average, there must be some farmers who are very much on the breadline. Indeed, earlier this year there appeared in the *Farmers' Weekly* a headline which stated that farm widows are on the breadline. When we talk in terms of this trend in the rural economy, it is no wonder that situation pertains at the moment.

There is an irony in that situation, but it is one that, regrettably, is a fact of life. As members will know, the shrinkage of real farm income will cause a chain reaction right down the line. Its most serious consequences will be felt in the smaller rural towns, and it will affect not only the incomes of people who are farming there, but also the employment opportunities in the districts concerned; because with the curtailment of the

purchasing power of those actively engaged in farming there will also be a reduction in the number employed in attendant industries such as garages and other business houses of all kinds. It will also have a further detrimental effect on school leavers seeking employment in country areas.

As though that situation is not desperate enough, it can only get worse in the light of economic predictions in rural communities. With this decrease of finance and rural incomes there will also be, as night follows day, a decrease in population in those areas. Where there is a declining population, there is also a shrinkage in amenities and facilities. The various sporting clubs lose members and, as a consequence, they do not function as effectively and do not provide the contribution to the quality of life that is talked about so much these days but disregarded so frequently.

The effect of the downturn will be felt in the sporting and social opportunities and facilities in country areas, in the same way as it has been felt in the past. However, in this case the rate of acceleration is quite alarming.

As though the economic trends for rural dwellers are not bad enough the imposts and charges which have been levied almost belie description. It would be just as well to look at what has happened during the last three years against the background of a statement in 1972 by the Premier that he would minimise the burden of taxes and charges. Also attributed to him is the statement that the new federalism would ultimately reduce taxes and charges.

Let us consider what happened during the first three years of tenancy of the Court Government. Excess water rates rose by 111 per cent; sewerage rates by 95 per cent; drivers' licence fees by 67 per cent; electricity charges by 66 per cent; and hospital charges by 100 per cent. During this time wages increased by 62 per cent. This situation highlights the lameness of the excuse that has been put forward by this Government in defence of the severe charges that it has levied.

In his speech tonight the Premier said—

The Government has a challenging task before it, therefore, in formulating this year's Budget. It will be our aim, however, to present to Parliament a balanced Budget while, at the same time, providing some essential support for the capital works programme.

Because of the way this Government has shown a propensity to increase charges it will have no

trouble balancing its Budget; it will finish up with another surplus.

The 1977 increases, the most recent of which are increases in electricity charges, water supply charges, and rail freights, are especially hurtful in country areas. If we look at the reaction of those people who are directly affected we find that we come fairly close to the truth of the situation. The increase in electricity charges prompted a comment from a Rosa Brook dairy farmer, a man who is well known and respected in the industry and whose judgment would scarcely be denied. He said that electricity is the biggest single expense on the farm and that the new charges will add more than \$150 per annum to his power bill. That is a significant amount when one has regard to the level of return available to farmers at this time.

The situation does not apply only to dairy farmers. Every dairy farmer will be caught out with the increased electricity charges but one must have regard to the irrigation of potatoes and horticultural crops of all kinds, including vegetables. This must have a significant impact on each and every one of those industries. A Munglinup farmer, when confronted with the prospect of increased power charges, remarked that it caused him to doubt the wisdom of having SEC power connected to his property. That is the extent to which the charge has affected that Munglinup farmer.

The situation does not stop there. An editorial of the *Farmers Weekly* stated that—

... the vicious price hikes announced by the State Government will have a serious and damaging effect on Western Australia's rural economy and on the rural population at large.

That is exactly what I have been saying. The editorial refers to the 17.5 per cent hike in rail freights as staggering. This is a double-edged impost. It will affect every farm input, including fuel, and will increase the cost of produce including wheat. I understand the Merredin Zone Council of the Farmers' Union has called for a rescission of that 17.5 per cent rail freight increase on wheat because of the effect it will have on the coming harvest. The charges for domestic water supplies have risen by up to 30 per cent, and the significant thing is that they have risen by 92 per cent since this Government came to office.

This situation makes a mockery out of the much vaunted enunciation by the Premier before the last election which he tried to introduce and impregnate into the Rural and Allied Conference

about which there was certain publicity. The juxtaposition of the action of the Government and the statement it made in this regard, its crocodile tears for the farming community and then its decision to do what it has done is and, I hope, will be unforgivable to those rural dwellers who supported this Government in the last election.

If they have not learnt a lesson now there must be something wrong with the communication system or their appreciation of just what is happening in Western Australia.

As though that is not sufficient, reference has been made to what has transpired with regard to the new federalism and the proposed Federal-State financial relations. The situation is not quite clear at present, but one thing is clear—Western Australia will not benefit very much from it. Before we get down to identifying the general revenue, specific grants, and loan fund aspects of State finances and looking at how we have fared, I think it is necessary to say that if the new formula proposed to the States by the Commonwealth involves basically a *per capita* payment, Western Australia is due for a very torrid time. It will fare far worse than the more populous Eastern States.

Payments for the States per head of population for the years 1969-70 to 1976-77 show that while the amounts paid to Western Australia have increased this State has not retained the position it enjoyed some years earlier. This question was raised by *The West Australian's* staff writer in Canberra on the 6th July of this year. He pointed out that the figures tell the story. In the year 1966-67 the Loan Council allocated to Western Australia \$82.47 per head for capital works. In 1976-77 the allocation was \$147.27. The increase of 78.6 per cent was by far the smallest granted to any State. In the same period the New South Wales *per capita* allotment rose by 137.6 per cent.

If this is to be the outcome and the change in emphasis and tenor of the future allocations, I do not know how Western Australia, Tasmania, and the ACT will get on. The situation in the Northern Territory will be even worse when it obtains self-government. Heaven help it then.

On the 12th April, 1976, in a statement attributed to the Premier, he said that the Federal Government's State sharing plan, when fully implemented, could be the key to abating Western Australia's rocketing increases in rates and other charges which were inflationary. If the proposed Federal-State financial relations are to resolve the increases in charges as they have been levied—that is, if these increases are to depend on those relations—then this State will be

desperately positioned within the next financial year. I cannot reconcile the Premier's reasoning in that statement when road funding has been cut back so drastically because this will mean that local authorities will have to raise their own funds if they are to maintain their existing roads, let alone embark on new construction work of any magnitude. Already I know of several shire councils which, because of the funding situation, have cut back on staff. This was the only way they could continue to exist. The lack of generosity extended to them in the past can be expected to continue in the future and it is almost impossible to follow the rationale of the Premier in statements of that kind.

In essence it can be said that rural industries are in a declining position. They have been experiencing very difficult times in the Australian economy in recent years. I notice that the interjections from the other side are decreasing and the blame which has been attributed to the Whitlam Government has started to abate somewhat. Even those on the other side realise how thin and banal that excuse is at this time. It has just about worn out its usage. Of course to those on the other side of the House it has served a political point. The reason members opposite have turned to provoking and blaming the unions for everything is purely to divert the attention of the community from the mismanagement of the Australian economy and, in particular, the Western Australian economy.

It is probably worth while bearing in mind that in the last 27 years there has been a Labor Government for only two years in the Federal sphere; and in the State for only three of the last 18 years has there been a Labor Government in office. To try to blame every economic ill on the Labor Governments in those respective spheres becomes very difficult indeed. Even members opposite are realising the prospects in that respect have dried up and that therefore they must turn to other areas of criticism, even if they have to be generated and provoked.

The deterioration of the rural situation has been exacerbated, and exacerbated badly because of the imposts in excess of 90 per cent in the past three years. Metropolitan water rates have increased by 60.3 per cent; excess water rates by 143 per cent; country water rates in towns south of the 26th parallel by 92 per cent; sewerage rates by 83 per cent; and electricity rates by 85 per cent. On a future occasion I will dwell on the question of abattoir rates and treat them as a separate entity.

Westrail freights have increased by 62 per cent; and Public Health Department meat inspection

fees by 270 per cent. Although the amount is not great, the percentage is rather staggering. This is the unfortunate position of the rural industries and they have been placed in a worse predicament than they were in during the drought and excess wheat storage situation of 1968-69. The problem has been increased manyfold despite the crocodile tears shed on behalf of the rural communities prior to the election earlier this year.

The new Federal-State financial arrangements can do nothing but make the position deteriorate still further not only for rural dwellers, but also for every single person in Western Australia. The details have not been spelt out clearly yet, but the policies as they have started to take effect right up till this time are becoming increasingly painfully clear. So it is readily understandable why the Premier tonight specifically refrained from commenting on the rural industries and communities. The effects of the policies of his Government and the Federal Government and the impact of the proposed new federalism are readily foreseeable.

I have sundry other points with which I would like to deal, but I will have the opportunity during the Address-in-Reply debate when maybe members on the Government side of the House will also make a contribution.

**MR TONKIN (Morley)** [9.38 p.m.]: It is important that there should be a debate on general matters during the progress of the Supply Bill as provided for under Standing Order 130.

It is unfortunate that the Parliament of Western Australia is, in itself, an imperfect instrument for such a debate because of the way in which the Parliament is elected. It is a pity the Government is not game to go to the people under a system that gives everyone a fair chance.

One of the overwhelming impressions one gains from overseas is that the Parliaments elsewhere take their duties very seriously. They insist upon their historic rights. In this House the Opposition, on more than one occasion, has moved for the establishment of a system of committees, but these proposals have been killed by the Premier because the people on his side have been very obedient—not only members of the Cabinet, but also every back-bencher. His back-benchers apparently are quite happy to continue in their impotent role—a role of powerlessness—because they have not been game to question the Premier on this aspect and have been prepared to vote “No” for a committee system even though every Parliament in the world which takes its duties seriously, does have a system of committees.

I want to stress that when I refer to members

taking their duties seriously, I am not questioning the attitude of members of the Opposition because on all occasions the Opposition to a man has voted in favour of a committee system for the Parliament.

It is quite clear that other Parliaments by and large discharge their duties and responsibilities properly. So seriously do I see this situation that I believe a work-value study should be made of the Parliament of this State. If the people were to see the work being undertaken by their members of Parliament, and by the Parliament as a whole, they would begin to ask questions. I would be very happy to submit myself—and I hope other members would also—to the judgment of the people. The people are those for whom we make the laws, and the people are those who pay our salaries. A work-value study would indicate that this Parliament is largely a rubber stamp for the Executive. The Executive has enormous powers because of the great array of public servants, and so this Parliament merely agrees to anything which is brought to the House by the Premier.

I believe the national Parliament does take its duties far more seriously as we can see from the reports which are produced from time to time by its committees. We are able to see that those reports are a source of information which is of great use to members. There is no doubt that the people in Australia are better able to make judgments on all kinds of matters from the preservation of wildlife to air pollution, to water pollution, and to the industry securities and exchange because of the deliberations and because of the serious committee work being undertaken by the national Parliament.

I am proud that we decided to adopt the British system of Parliament because I believe it is an excellent system. I regret that the Premier seems to think so little of the British system that he will not allow the State Parliament to follow the lead set by the British Parliament when it introduced the committee system in 1889—almost 100 years ago. The premier—just one man—will still not allow us to follow the example set by the British Parliament and enter the 20th century. That is cause for regret. So, while I am proud to belong to this Parliament—and I think we should all be proud to represent the people—unfortunately I think it is most undesirable that we do not discharge our duties as proper legislators, but rather act as rubber stamps under an all-powerful Executive.

I now turn to a matter which is exercising my mind, and the minds of many people in this State. I would like very briefly to talk about the present water shortage in Western Australia. The water

shortage has been the result of two dry winters. At this stage the Opposition in this Parliament is very tolerant, and does not intend to blame the Government for the two dry winters. However, as the session progresses we may be able to pin the blame for the shortage onto the Premier or the Minister for Water Supplies. However, it seems at the moment that the Government is not responsible for the two dry winters.

I suggest that we can learn something which is obvious to far-seeing people; that is the fact that if our present metropolitan area doubles towards the end of this century, as is confidently anticipated, the present shortage of water will be the normal and usual state of affairs in Perth. This should cause us concern.

We believe there should be an inquiry into the optimum population of the metropolitan area so that these matters can be publicly and openly canvassed in order that the people of Western Australia will be made aware of some of the problems which occur as a result of continuing the unchecked expansion of our Perth metropolitan population. Water is not the only problem that will occur. I will not canvass the other costs at the moment, but they include the increased rate of criminality, increased problems of transport, and the filling in of the river in order to provide freeways.

It is fatuous to emphasise that we have a higher rate of water usage than the other States. I believe *The West Australian*, in a recent editorial, mentioned that we use more water than do the other States. That is to be expected; we do not have rain for a period of six months of the year. No other capital city, with the possible exception of Adelaide, is in that situation. Secondly, our sandy soil allows water to leach through and evaporate very rapidly. So there is no point in comparing Perth with the other capital cities which are so dissimilar.

In Western Australia we have a unique climate and a unique soil composition, so we will continue to use more water than do the other capital cities. If we want to protect the standard of Perth we will continue to use more water than the other cities.

I am not saying that economies cannot be effected by means of conservation. I am not saying we have to use the same quantity of water as we are using at the present time. However, it is dangerous to compare Perth with other cities with respect to the daily use of water, for the reasons I have indicated.

Some people would claim that an admission that Perth should not grow to a population of two

million is an admission of failure. Some would say that was a condemnation and a setback to the development of Perth. I do not say that at all. I do not believe we should aim at quantity, but at quality. We have to get away from the fatuous idea based on our development-orientated philosophy that to be bigger is to be better. Certainly, that is not necessarily the case.

We have to see to it that progress does not necessarily mean becoming larger. To admit that Perth should not grow to a population of two million is not to say that Perth will become a second-class city, because it is the quality of life that counts. That is what makes a city a great city.

From time to time we have had comments from people who do not take the matter seriously, and who ask facetiously what is to be done to restrict the population growth. Are we to place a barbed-wire fence around Perth to stop people coming in? I have heard it stated by an academic from another State, and also by a member of the Government, that we would not be able to stop the growth of Perth.

Since Perth was founded, 148 years ago, we have attempted to increase its population by means of the obvious method of attracting migrants. If we have been able to increase the population of Perth by a variety of strategies, it follows that conversely we can slow down the rate of growth by taking different decisions. One obvious example—and this seems to have been in the mind of the Premier—was that if a jumbo steel mill were to be constructed near the Moore River that would channel a population of 100 000 people to that area. Quite obviously, a decision not to have a jumbo steel mill within 200 kilometres of Perth would have the effect of not increasing the population of Perth to that degree.

I am not talking about stopping the population growth of Perth itself. Quite obviously, the internal population will grow from natural causes and from an increase in migration; I am speaking about slowing down the rate of increase.

If we make the right kind of decision, once we have seen and examined the types of problems that may occur with the continued growth of Perth, we can slow down the rate. Certainly Perth will continue to grow but not at the alarming rate that would otherwise occur which would lead to various deleterious effects. The Opposition believes that all these factors should be canvassed openly in a public inquiry. We believe that Perth is Australia's loveliest city and we would like to see it stay that way. We do not believe Perth will be a better place to live in if it becomes two or

three times larger; in fact, the quality of life may be lessened. Therefore we ask that there should be such an inquiry, so that the people of Western Australia will see quite clearly some of the costs to be borne if Perth continues to grow at an unchecked rate.

The expression *caveat emptor*, let the buyer beware, is one which has been used many times by people who want to do nothing. It is used as a screen behind which to hide. I would suggest that *caveat emptor* is essentially an immoral expression. Do we say, "Let the householder beware"? No, we introduce laws against burglary. Do we say, "Let the women of the nation beware"? No, we introduce laws against rape. Do we say, "Let those who are physically weak beware"? No, we introduce laws against assault. Do we say, "Let the children beware"? No, we pass laws against the exploitation and neglect of children.

Indeed, I heard an excellent summary of the capitalist ethic the other day. When speaking of the game of cricket which he is setting out to destroy, Mr Kerry Packer said, "It is every man for himself and let the devil take the hindmost." What a beautiful definition of capitalism—the law of the jungle. I suggest that as we do not allow the law of the jungle to operate in the other cases I have enumerated, neither should we allow it to operate in consumer affairs.

Quite clearly, consumers are in a weaker position than other people in the market. They are not in a position to take on the superior expertise and resources of the large corporations, nor should they be expected to. As we have laws to protect the weak in various other areas so we should have a law to protect the weak in consumer affairs. There has been some progress in Western Australia. It was a Labor Government that introduced the first consumer protection code in this State. The time has come for us to move on from that starting point. Packaged food should show a date by which the food should be used, and the contents of that package should be clearly shown. Much more information should be available generally, as to the performance and composition of articles available to the general public. Many articles are just not safe. Legislation is needed to cover this because at the moment there is nothing to prevent certain unsafe articles from being sold. There is, in particular, a need to investigate complaints made by those who are involved in our vital rural industries. Surely to goodness the man on the land has enough to worry about—the drought, the availability of markets, and cost pressures—without being taken down because of the goods he purchases. In

particular, the residents of rural areas should not be expected to bear the excessive prices from which they suffer.

The member for Geraldton has done a great deal to focus attention on this problem. It is a blight upon this State that his pleas and those of the Opposition have been ignored.

One aspect of consumerism which has been ignored by this Government is the representation of consumers on all statutory boards. The Australian Labor Party believes it is essential for our laws to ensure fair and accurate advertising, many of which need to be upgraded. This is agreed with by the WA Institute of Advertising.

Much of the packaging of goods is useless, costly and wasteful. A great deal of packaging adds to the cost of the goods, adds to the problem of rubbish disposal, and leads to the wasting of resources such as our forests. This matter needs investigation and remedial action.

These problems are complex and require detailed examination. It is our responsibility as members of the Western Australian Parliament to see that we investigate these matters. The Opposition believes in a democratic and active Parliament. We trust that members sitting on the Government benches, both those in the Cabinet and those on the backbenches, also take their duties seriously. The Opposition comes to this 29th Parliament in the hope, in the trust, and the belief that it will be a modern Parliament; that it will be a hard-working Parliament; a Parliament which discharges its responsibilities seriously; and that it will be a Parliament in which the committee system, in accordance with modern needs and complexities of modern life, will be allowed to operate.

The Opposition is not prepared for this Parliament merely to be a rubber stamp for the Executive. We ask for the Government's co-operation in making this Parliament what it should be. It should be the will and the voice of the people.

**MR CARR** (Geraldton) [9.57 p.m.]: I would like to speak in this debate and raise a couple of matters. One of these follows on very much from matters discussed by the member for Morley and that is in regard to the failure of the Government to identify the problem of the continued growth of Perth. I will pursue this subject a little further to look at the failure of the State Government to take any action to implement a viable growth centre policy to do something about effecting decentralisation in Western Australia and to do something to relieve the continuing rapid growth of the urban area of Perth.



In looking at this subject of growth centre problems, I want to make some remarks about the Federal Government and its recent abandonment—and there is no other word to describe its actions—of the programme initiated by the Whitlam Government. I raise this issue early in this Parliament because I believe it has a sense of urgency on many fronts, but most particularly because of the water supply problem.

We have a situation in Western Australia where we have a capital city with three-quarters of a million people—a capital growing rapidly. We have had two dry winters and we find ourselves with next to no water. This is something that has caused tremendous concern to many people. I am not—just as the member for Morley said—directing criticism at the past actions of the water supply department or any other body. I also do not criticise those proposals put forward towards the possible solution of these problems. Efforts have been made to find further supplies of water and also to arrange schemes to cut down on the consumption of water. They are only two steps.

In 20 or 50 years' time when Perth has a population of perhaps two million people and we get another two dry winters, what sort of situation are we going to be in? We have to learn by the present problems. We have to be prepared. There will be dry years in the future; times when we get two dry years. What do we do then? I suggest that there is probably nothing of more value that can be done than limiting the growth of Perth.

If we could cut down the growth of Perth so that it does not reach that figure of two million at all, perhaps, or certainly does not reach it until the latest possible time, we would give ourselves more room in which to play in terms of water supplies. It seems to me the Government has not accorded the question of the size of Perth any degree of urgency at all. The Minister for Urban Development and Town Planning, who is responsible for this type of matter, is on record as saying he sees the continued rapid growth of Perth as inevitable and that nothing can be done about it.

I am not saying we could stop the growth of Perth and not let it go beyond a certain figure. The growth of Perth will continue but methods are available which can be used to reduce and restrict the rate of growth. I suggest it should be one of the highest priorities of this Government or any Government of this State to do all it can to restrict the growth rate of Perth.

The Minister for Industrial Development is another Minister who does not seem to be at all

concerned about this problem. He has made statements in regard to looking at Perth with a population of 1.5 million—twice its present population—and he seems to be quite unconcerned about that situation. I suggest it is a situation about which everyone in this State should be very much concerned.

Considerable evidence has been documented in various places throughout the world concerning problems associated with large urban centres—problems such as increasing crime. There is evidence that crime rates increase as the degree of urbanisation increases. Other problems relate to transport, pollution, water supplies, and sewerage. Health is another problem which increases in heavily urbanised areas, and in particular illnesses of mental stress and the like. Housing is a problem which continues to increase in large cities. Perth is already encountering considerable problems in each of these fields.

Can anyone say Perth is not encountering traffic and transport problems at the present time and that they will not get much worse if we allow *ad hoc* development of Perth in all directions? Another problem is pollution, and I think perhaps it is worth referring briefly to the report entitled "Transport Policies for Central Perth" a summary of which was issued to all members a while ago and in which we read this—

It is evident that there are already locations in the Central Area where pedestrians are exposed to emission levels well in excess of those recommended by the World Health Organisation and adopted as a long-term goal by our Public Health Authorities.

Surely this is a matter of concern.

There is already evidence of increasing crime rates in Perth, and in particular an increasing incidence of what could be described as organised crime. Rising housing costs and difficulties are evident in Perth. The cost of a block is much higher in an outer suburb of Perth than in some of the alternative regional centres and people have to travel a greater distance to work.

I have already mentioned water supplies, and I cannot emphasise this matter too greatly in the present context. It is very important that we learn from the present situation and look towards the future. I believe good comes from every set of tragic circumstances with which we are confronted and the present dry situation should be treated as a warning for us to act upon by slowing the growth rate of Perth. The Government has failed in this field.

The Government has failed to inquire into the

optimum size of Perth. I believe an inquiry should be implemented by the Government to determine what is actually the optimum desirable population for Perth. I could suggest what I think is the optimum population for Perth, and I would probably suggest the population it has at present or less than that, but that is a top-of-the-head type of suggestion.

People who are competent in the field of town planning should make a study of what population the various resources of the Perth metropolitan area can stand in the future and the Government of the day should take whatever action it can to aim at a figure less than that because continuing growth will take place whatever happens and if we aim for less perhaps we will prolong the day when we reach a situation which is totally unmanageable.

I believe the Government has failed to implement a growth centre policy. I am convinced this is the obvious practical alternative policy which can do something towards attracting people to centres other than Perth. We have in Western Australia a situation where people can live in a city with a population of 750 000 or in a country town with a population of 20 000. There is nothing in between. The results of polls conducted in several places show that many people prefer to live in a small city. They prefer to live in a place which has a population considerably bigger than 20 000 because they want a larger range of services than can be made available in a town of 20 000 people; but many do not want to live in a city with a population of 750 000.

I believe one of the highest priorities of this Government should be to work towards establishing at least one growth centre and possibly two growth centres—cities with a population of 50 000 which will attract those who want to live in a small city. It will be a centre which has self-sustaining growth and will go on from there. There is plenty of evidence that this can work in Australia.

The experiment at Albury-Wodonga was working successfully, from all accounts, until the recent cut-back in funds; and I believe it will continue successfully in spite of that cut-back. It is worth referring members to *The Bulletin* of the 18th June this year, which contained a special pull-out supplement on the Albury-Wodonga project and suggested it was going very well.

Just as individuals will be attracted to a city of 50 000 people, there is evidence that industries are also being attracted to Albury-Wodonga. The Chairman of the Albury-Wodonga Development Corporation pointed out with some satisfaction—

More than 100 new firms are today seriously discussing establishing at Albury-Wodonga.

Even allowing for the possibility of parochial exaggeration, and allowing that any growth centre in Western Australia—be it Bunbury, Albany, Geraldton, Kalgoorlie, or any other town—will not have the advantage of being located near Sydney and Melbourne as Albury-Wodonga is, I am convinced a city of 50 000 people would attract industry to the centre. Industry would be attracted by the fact that the cost of land and services would be cheaper, and a Government committed to decentralisation could provide considerable advantages in pay-roll tax exemptions and the provision of Government services. All the State Government has done in the field of decentralisation is to make this statement—

A task force will be set up to provide a new deal for rural towns.

I am not quite sure what that means and whether or not it has been set up; but that is not the answer. We will not attract people back to every small rural country town. Much as we would like to do so, that simply will not happen because people will go where there is employment and a large centre with a wide range of services.

I believe the Federal Government has also failed in this particular area. The decision of the Federal Government to cut back the funds for Albury-Wodonga and to cut back the growth centres programme, generally, is an ominous sign for Western Australia. If we are to get a growth centre policy to work in this State to take the burden away from Perth, it will cost a mighty amount of money, and that money should be largely supplemented by the Federal Government. One would hope funds would be made available by the Federal Government to assist the State Government to provide the necessary services. However, there are obvious complications with the attitude of the present Federal Government and certainly action of some sort is needed to convince that Government that the growth centres programme is worth while.

I could perhaps ask a question: What did the Premier have to say about this particular matter at the Premiers' Conference? I wonder whether he raised it with the Prime Minister; I wonder whether he pointed out the problems of urbanisation in a place like Perth. I wonder whether he put pressure on the Prime Minister or attempted to persuade the Prime Minister of the need to provide funds for a growth centre programme in Western Australia.

I believe the Government should do three things, and it should do them urgently. It should inquire into an optimum size for Perth so we know where we are going, we know how much time we have left, and we know the optimum level we wish to achieve. We can then commence to plan to do something about it.

The Government, of its own volition, should establish a growth centre programme even though there is no Federal finance for such a venture at this stage. The State Government should be prepared to say, "We will support the concept of establishing an alternate city in Western Australia to attract people away from Perth." The Government should be prepared to say also, "We will do this even though we know that there are no Federal funds available at this time. We hope there may be funds available at a later time."

If the Premier is concerned because he feels that the cost of decentralisation and a growth centre policy is just too great, I will repeat something I said in this House last year. If the Premier thinks such a policy will cost a great deal today, just imagine how much it will cost in 30 years' time when Perth has a population approaching 2 million people and we are then attempting to do something to attract people away from Perth!

The third thing that the Government should do—and I cannot emphasise this too much—is to pressure the Federal Government in an endeavour to make it realise that a growth centre programme is a viable proposition, and not only that, but also such a programme could help solve some of our unemployment problems.

We have a ludicrous situation now in Albury-Wodonga where the project has been substantially cut back. The rationale behind this move is that it is part of our free-enterprise Government's concern about the development of the Government sector. However, the people who are suffering the most from the cut back are the private enterprise contractors who would have been receiving most of the benefits had the project proceeded at full pace.

Mr Rushton: Do you realise that the previous Whitlam Government was already cutting down the Dunstan effort just outside Adelaide—whatever that was called?

Mr CARR: That was the Monarto project. I certainly concede that not every growth centre programme will inevitably succeed, and obviously any programme must be well planned. However, I believe that the Albury-Wodonga project has succeeded sufficiently to encourage us seriously to

consider the situation in Western Australia to see what we can do.

The second subject I would like to talk about in this debate is that of road funds. There are a number of areas here of considerable concern. The first one has been mentioned already by the Deputy Leader of the Opposition; that is, the question of a 3.26 per cent increase in Commonwealth road funds to Western Australia this year. This came on top of last year's situation of a nil increase, so that the total increase for two years was 3.26 per cent. During this two-year period, the Consumer Price Index indicated that annual inflation was running at 12 per cent and 13 per cent respectively.

Mr Rushton: Once again I think we had three years in Whitlam's time without any growth.

Mr CARR: I think that if the Minister would like to cast his mind back honestly and sincerely to that period he will agree that very considerable sums of money were allocated for roads at that time.

Mr Rushton: Not as a matter of choice.

Sir Charles Court: He was the man who said we were getting too much.

Mr CARR: If the Premier thinks he was getting too much—

Sir Charles Court: No, Mr Whitlam was the man who said that South Australia and Western Australia were getting too much.

Mr CARR: That was not Mr Whitlam—it was the Bureau of Roads.

Sir Charles Court: No, it was Mr Whitlam.

Mr CARR: It was the Bureau of Roads, as I am sure the Premier is well aware. The total increase this year is 8.8 per cent to all States. Of this increase, Western Australia received but 3.26 per cent. The problem of course is not only that very low increase but also the manner in which the money is to be allocated within Western Australia.

The Federal Government allocation to rural local roads in Western Australia was increased 19 per cent. The Federal Government's allocation for urban local roads in Western Australia was up 73 per cent. So we saw a reasonably good increase in the funding for local roads in Western Australia, and a very good increase in the case of urban local roads. However, there was a big decrease in the funds allocated for urban arterial roads—and that means, of course, freeways. The decrease in this allocation was a substantial 43 per cent.

The decrease arose because of very serious questioning in the Eastern States about the role of freeways. I believe that it is quite legitimate that

the role of freeways has been questioned because, after all, they have not been very successful. All that has been proved is that if we build one freeway we have to build two more—one to get commuters onto it and one to get them off it. It has become obvious that once a freeway is built we create a bank-up of cars waiting to get onto it and a bank-up of cars waiting to get off it. So it is reasonable that the role of freeways has been questioned and it is reasonable for the national Government to say, "You should not go mad building freeways in Perth—great monuments to the State Government."

What has the State Government done with its matching funds? Has it allocated funds in line with the percentages recommended by the Federal Government? No, the great bulk of the State's money has gone into urban arterial roads—freeways. So the shire councils in the country, which expected to receive a 19 per cent increase in road funds, and the shire councils in the metropolitan area, which expected to receive a 73 per cent increase, will in fact receive on average a 4.85 per cent increase in road funds.

That is a clear example of this Government's attitude. This Government, which claims to be interested in decentralisation, is taking money allocated to country shire councils and giving it to the Main Roads Department to build concrete monuments in the metropolitan areas of this State.

**Sir Charles Court:** Don't talk rot!

**Mr CARR:** To my mind that is a most unacceptable attitude from a Government that claims—and I do not know how it gets away with it—that it is concerned with decentralisation.

**Mr Rushton:** You were proved to be inaccurate today.

**Mr CARR:** I was not proved to be inaccurate. The Minister for Local Government is referring to the fact that today I had an opportunity to attend the annual conference of the Country Shire Councils' Association. At this conference a number of councillors expressed concern about road funds. I said that I was very concerned about the situation, and a senior public servant—

**Mr Rushton:** The Commissioner of Main Roads attended and I was given to understand that your philosophies of doom were not accepted.

**Mr CARR:** Quite to the contrary. I thought the Commissioner of Main Roads was put in a most invidious position because he was there to speak on behalf of the Government and to express the policy of the Government in regard to road funds. His position was extremely difficult and probably more honestly the expression of policy should

have been made by a member of the Government. The commissioner showed considerable loyalty to the Government, but nevertheless, in his explanations, it became rather apparent that the substantial bulk of what I said in my remarks was correct. In fact, we have a situation where State Government funds have been put mainly into urban arterial roads, and this decision was justified in terms of a balanced road programme. I believe the Federal Government's funding intentions have been circumvented. The Federal Government said that the allocation to rural local roads was to be increased by 19 per cent and the allocation for urban local roads was to be increased by 73 per cent. However, the State Government said, "We are going to have our own balanced programme in Western Australia. We do not care what particular categories the Federal Government has set out for the money, this is the way we intend to allocate it."

Basically, that is the gist of what came through at the conference. No matter what loyalty the commissioner had to the State Government, he could not hide that basic fact. I say that if the State Government intends to disregard the categories set out by the Federal Government, why should these categories be stipulated anyway? I say why are we not given the money in one lump sum?

**Sir Charles Court:** And that is what you should be advocating, and then we can put the money to the best possible use.

**Mr CARR:** The Premier is saying that now, but funds that should have gone to local government have been allocated to urban arterial roads.

**Mr Rushton:** This was agreed by the local government representatives and I was told that they had the best opportunity of negotiating with Mr Wordsworth and Mr Aitken.

**Mr CARR:** That is getting away from the point. I was discussing the amount of funds which the local authorities will receive, and I will come to the next part in a moment if the Minister will let me come to it in my own time.

**Mr Rushton:** That is what they told me—they had a great opportunity to negotiate the formula for this year.

**Mr CARR:** At the meeting today the shire councils also expressed concern about vehicle licence fees. These fees used to be a source of income for local authorities to use on roads. However, of course, they are no longer available to them as a source of income, and the councils are not getting that money returned to them. A number of councils were able to point out that

their funds for roads had not increased over the last four years. In spite of inflation those councils were able to say that at least they used to have the vehicle licence fees to provide them with an income for roads, but they have lost that income and now they are getting nothing. In addition they were able to say that the vehicle licence fees have increased by something like 90 per cent over the last three or four years. So not only has a source of funds which was once available to shire councils been taken from them, but that source has increased in size and it is going to the Government and the shires get nothing back.

Sir Charles Court: It goes into road funds. Get your facts straight.

Mr CARR: The Commissioner of Main Roads let the information slip—and I am not sure whether or not he meant to do so—that the recent increase of 30 per cent in licence fees is not needed to cater for road funds for this year. It may be necessary to provide road funds in the next year or the year after, but in terms of the actual funds required for roads this year that 30 per cent increase is not necessary. It seems the Premier is so keen not to increase charges in the year before an election that he wants to increase them all straight after the election just held, and he has imposed this increase even though he does not need the money for this year.

I turn now to the question raised by the Minister in respect of how the funds are allocated within and between local authorities. It is true that the executive of the Country Shire Councils' Association participated in a scheme to arrive at the formula concerning mileages and population and downgrading needs.

The point I want to make is this: It is my opinion, it is the opinion of the Opposition, and I believe it is the opinion of most people in this State, that the needs criterion has been downgraded, and it should not have been downgraded. I will maintain, and the Labor Party will maintain, that the needs of the shire councils for road funds in the various categories in various areas should be the principal criterion in determining which shires receive what amount of money. It need not be the only criterion; I can see the relevance of including in the quota information concerning mileages of roads and also population; but I maintain the principal criterion should be needs. I am sure a future Labor Government would be committed to returning the quota to a situation in which needs become the most important criterion.

Mr Speaker, that is all the contribution I wish to make to the debate this evening. However, I

will have a lot more to say in this House on the subject of decentralisation and in defence of country people of this State if the present Government continues to talk about decentralisation and do nothing about it apart from hitting country people to leg all the time.

MR HARMAN (Maylands) [10.24 p.m.]: On the 12th December, 1975, the present Prime Minister (Mr Malcolm Fraser) was reported as having said that his Government would lead Australia to prosperity by creating jobs and opportunities. He said his Government would protect those in need of help, and he also said that Medibank, pensions, education and social welfare would all be strengthened by honest, responsible government.

That was almost two years ago. I want to ask you, Sir: What is the situation in which we find ourselves today? The Australian economy is in the midst of a very deep recession. We have something in excess of 300 000 people unemployed; we have more people unemployed now than we have had for at least the last 25 years since the war. Our inflation rate is galloping; it is not in the lowly percentages of 1.2, 1.6, or even 6.6, which was the experience at one stage in the last 25 years; we now have a rate of inflation running at above 10 per cent.

I would suggest to members tonight that if they really want to come to grips with what is happening to the Australian economy today, they should read through the material presented by the Leader of the Opposition tonight, because in his speech he was able factually and without bias to point out exactly what is happening to the Australian economy.

What is happening to the Australian economy? As I have said, we are in the midst of a deep recession. The present Liberal-National Country Party Government seems obsessed with the idea of bringing down inflation. It does not consider some of the other problems that are growing in the community to have any value at all. The problem of unemployment and the grief and tragedy which results when people are unable to obtain employment, and when school leavers are unable to fulfil the requirements of their youth and obtain jobs as soon as they leave school or within some months of their leaving school, are not of importance to the Government.

All those aspects seem to be divorced from the thinking of the Australian Government. All it is concerned about is the matter of inflation; it seems to be preoccupied with the need to reduce the growth of money. This seems to be the question that is exercising the minds of those

people who are endeavouring to do something about the economy in Australia. So far they have relied upon fiscal policies to reduce the rate of inflation. Even the Premier tonight stressed the point that if the Government created a situation in which there is an increased demand for goods and services, prices would increase and inflation would grow once more.

I understand the Premier is leaving tomorrow or Thursday to attend some sort of summit meeting on the economy, and I would like him to take to that conference a third proposition. My proposition is not a panacea for the control of inflation. However, it is a tool in the workshop of economic policies whereby we can do something about inflation. I refer to the matter of the control of prices and wages. I know the Premier is not an advocate of the control of prices and wages by statutory means, although for some reason or other he agreed to a price restraint policy some months ago. That was an ill-conceived policy that never got off the ground. It had no chance of getting off the ground because it was badly planned. As a matter of fact, I am convinced it was planned over a bottle of wine at a luncheon attended by—

Sir Charles Court: That is not a fair comment and it ill becomes you to say it, just like it ill became your leader to say it.

Mr HARMAN: It certainly was not brought up at that conference in the morning; it was brought up in the afternoon, so something must have happened in between.

Sir Charles Court: It is common information, and it was known overnight because it was in the morning Press.

Mr HARMAN: What surprises me is that the Premier was conned. When he came back he said big meetings were to be held here and there, but that is not the way to go about achieving prices and wages control.

It was just like reading about something that happened in a kindergarten, and that is exactly the impression gained not only by myself but by other people also. I felt a little sorry for the Premier because I think he was conned by what happened over there and he brought back to Western Australia a scheme by which we were to have some sort of price restraint.

The control of prices and wages is one of the tools in the fight against inflation, and the Premier knows this only too well. I do not have to tell the Premier that this is the situation; he knows very well that in an economy which is not one of perfect competition but which is one where prices in some areas are administered by large

corporations and in others by the so-called militant trade unions, prices and wages are not determined by the forces of the market. In that situation, which is one of private control of wages and prices, why cannot we have public control of wages and prices so that everybody concerned has an opportunity to put his case and see the results of his arguments?

For some reason, the Premier insists on casting his mind back to the days of the war when he said that blackmarket activities took place. I do not deny that they may have done, but it is no argument to take a case which happened more than 30 years ago and apply it to wages and prices control today.

As a matter of fact, in the last few years we have imposed a number of statutory obligations upon people in business. We have told them they cannot do certain things in regard to advertising, that they must obey certain requirements in respect of company law, that there are a number of unethical business practices in which from here ever after they must not indulge and by and large, the business people have agreed to those restrictions, and only the odd prosecution takes place. So, I believe it is fair to say the Government could introduce legislation controlling prices and it would not receive very much reaction from business people.

The same applies to the trade unions. Of course, there will be problems with some unions; they may say they do not want to be controlled because they feel it may represent an inhibition upon their bargaining power. But what the Government must decide is whether or not it is in charge of the Australian economy. A question which is being asked quite freely these days is, "Who is running the country, Bob Hawke or Malcolm Fraser?" I think it is about time the Government showed it is running the economy of Australia and that it is prepared to do something about it.

If the Premier wishes to take a suggestion across to the summit conference, he should reconsider the question of the control of prices and wages, because that is the third weapon in the armory in the fight against inflation and it has been used successfully in other countries.

Recently a handout produced by the Canadian Government was distributed to members of this Parliament, and if members took the trouble to read it they would know that for at least 18 months and possibly two years a system of prices-wages control has been in operation in Canada. They have had their problems but, according to the handout—having regard for the fact that it

was produced by the Canadian Government—basically the scheme has been a success and something is being done about inflation.

What worries me is that in the next few weeks we will hear the Federal Budget announced by the Australian Government. The predictions are that it will be quite a severe Budget. Yet next year, possibly in about May, there is to be a Federal election. I will guarantee members that before the next Federal election takes place a mini Budget will be introduced whereby the Federal Government will do something about reducing taxation, providing for additional Government spending and putting a bomb underneath the economy simply in order to attract the attention of voters when the right time comes.

Mr Sodeman: Are you reading from *The West Australian*?

Mr HARMAN: They have done it before; this practice has been adopted not only in Australia but also in other countries. But how convincing is such a tactic? Mr Speaker, does it not make you sick to read a statement such as that made by Malcolm Fraser on the 12th December, 1975, when he said, "We will lead Australia to prosperity, creating jobs and opportunities"? Well, Mr Speaker, it may not make you sick but it certainly has that effect on me because I feel it is absolute nonsense.

Why would a man in that position make such a statement? Is it that he honestly believed it to be the case, or was it simply for the purpose of attracting the attention of voters? I believe the answer is patently obvious.

Finally, I believe the Minister for Labour and Industry has been neglected a little tonight. I should like to refer a few matters to him so that he can think about them in the next few days. In fact, the Premier also may be interested to hear what I have to say. In a recent issue of *The West Australian* an article appeared under the heading, "Government studies plan to cut compensation". In part, the article stated—

The WA Government is studying proposals to reduce weekly workers' compensation payments to 85 per cent of normal earnings.

That did not surprise me in the least because I believe the Government for some time has been trying to find some device whereby it can achieve this end. The Government does not believe that because a worker is injured at work he should receive 100 per cent compensation. It does not recognise that when he is off work for two, three or even five weeks he still must pay the rent on his house, hire purchase on his car and television set

and make himself available for all the other commitments which occur in the life of a married man with a young family.

The Government has been trying to find a device to restrict compensation payments to injured workers. That was not the policy of the Labor Party. It has never been proved to me in all the studies I have read that the payment of 100 per cent compensation has in any way brought about an increase in the number of people who abuse the system. Initially, it does, and it happened in Western Australia. But my studies have shown that while there was an upward movement in the graph shortly after we introduced 100 per cent compensation, later the number started to fall and today is equal to the number which applied before the payment of 100 per cent compensation.

But that is not the only point to be noted. Under the proposals which are being considered, employers would be responsible for at least the first week's compensation payment. I should like to know from the Minister from where he got that idea. It certainly did not emanate from the employers, the insurance companies or the unions. Who is this person who is proposing to assist the Government in this manner? If the Minister would like to interject and nominate that person, I should like to hear from him. However, the Minister is silent. This is where the Premier might be interested. An employer likes to know what his input costs are per week or per month, and one of those input costs affecting his business is workers' compensation insurance premiums.

Under the present system he knows the sum with which he will be faced per week, month, or year, if he employs 40 people. But under the system that the Government is proposing the employer will not know the sum with which he will be faced for workers' compensation because he will not be able to tell for the whole of the year how many people will be absent for one week or for a few days of that week. It could happen that in one week 20 people are off with injured backs out of a work force of 40. That would send the employer broke overnight. That is what this Government is considering.

I hope that when the Minister has really thought about this matter he will say categorically that that proposal has been dumped by the Government, because that is the only sensible course one could take after considering that sort of advice. I do not know the source from which he has obtained it and apparently he is not willing to let the House know what the source is. Perhaps it is embarrassing for him.

The final matter to which I wish to refer concerns the statement made recently by the Premier that there is to be a scheme to subsidise employment. Is that not putting the cart before the horse? In a situation in which the Government has reduced its own spending and in which there is no demand for goods because of lack of consumer confidence this Government is going to subsidise people to work. What I want to know is who will buy the goods produced under this scheme because the real wages those workers are receiving, as was pointed out tonight by the Leader of the Opposition, have decreased and are continuing to decrease. They have been reduced by about \$4 a week. That is reducing their spending power and their demand for goods.

The Government has come up with a scheme to subsidise employment, but what are these employees going to do and who is going to employ them? The Government has not answered that question. The Premier might like to indicate tonight what this scheme is all about or whether it is a pipe dream like the many other pipe dreams which have emanated from this Government over the years. Is it a camouflage like a lot of other camouflages we have seen? I could continue for hours illustrating to the House a number of statements by this Premier of things he was going to do but has never done. The statements have been made for one purpose. This is a particular brand of politics which I like to call "Courtism" whereby people are told that things are going to happen and are given a sense of security but nothing is done about it. That is exactly what has been happening in this State during the last three years.

I hope that on another occasion I shall be able to point out a number of these glaring instances of "Courtism" where the Premier makes a statement and gets everybody interested but on analysis it turns out to be camouflage and nothing ever happens. It has happened to me. Several times the Premier has given me an undertaking that he is going to do something but he always comes up with an excuse that it was not possible to do it because of this or that. But the impression is gained by the people at large that something will happen.

I hope that the Minister for Labour and Industry will take regard of the remarks I have made about the two aspects of workers' compensation. I think there should be a review of workers' compensation but I am not happy about the two proposals which the Government is considering at the moment.

**SIR CHARLES COURT** (Nedlands—Treasurer) [10.45 p.m.]: The Opposition has

laboured tonight and has brought to mind the old saying that the mountain has laboured and brought forth a mouse. It has been a most extraordinary series of utterances which emphasises the point that the Opposition just does not seem to understand why it is in Opposition. Members opposite keep repeating the old worn-out theories that brought about the demise of the Labor Party at the Federal level in December, 1975, and returned us strongly to office again in February, 1977. I wish to remind members opposite that the series of utterances they have made has been a patchwork of statistics, socialist philosophy, and political jaundice. I have never heard so many worn-out theories paraded by the Opposition in one night.

I would have thought that the Opposition tonight would have been wanting to perform a little better than it has performed. It has been the performance of a very unhappy and dispirited Opposition. It does not seem to understand what the economy and the Budget are all about. I remind those opposite that we have heard today no pertinent comments about the real matters that were under consideration. We would expect at least somebody from the Opposition to get to grips with the real question of supply and the real budget performance of the Government. But we have heard not a word of this. It has been all red herrings and worn-out, tired, old theories and philosophies. It is about time somebody had a talk to members opposite and said, "Look, we have been on the wrong track so long it is about time we understood why we are in Opposition."

**Mr Jamieson:** You great big pedestal man!

**Sir CHARLES COURT:** I remind the Leader of the Opposition, who has a habit of getting very nasty when he cannot—

**Mr Jamieson:** When are you going to let somebody take their coats off and do a bit of work?

**Sir CHARLES COURT:** The Leader of the Opposition has a bad habit, when he has performed badly and is in a bad situation, of becoming very offensive and abusive.

**Mr Jamieson:** Not like you, who tries to bring people's character down to the gutter where you are.

**Sir CHARLES COURT:** I remind the Leader of the Opposition—

**Mr Jamieson:** We will deal with you tomorrow.

**Sir CHARLES COURT:** —that this economy will not be revived or stimulated until we get an investment-led recovery. I know it is part of Labor Party philosophy that the economy will recover



only when we have a so-called consumer recovery. Every time one asks those opposite about this consumer-led recovery, it takes two forms. One is to do such things as reducing sales tax to stimulate the sales of motorcars and such goods. It may be that sales would be stimulated for six weeks or 12 weeks but what happens after that when everyone has rushed in and made their purchases? We do not hear people who understand the anatomy of the retail trade advocating such a course. They want something more substantial. They want an investment-led recovery so that there will be the sustained consumer growth that comes out of an investment-led recovery.

I remind members opposite that the other weakness in their argument tonight about a consumer-led recovery concerns deficit financing. Most of the speakers opposite put forward arguments tonight which would involve the Federal Government and the State Government recklessly spending in the hope of stimulating the economy by all sorts of programmes. The cold hard facts are that if we run into a further deficit situation in Canberra of the like that the Whitlam Government headed this country into, this country would go stone motherless broke and there would not be any people employed.

I remind the gentlemen opposite that it was a Federal Labor Minister who, after he saw the debacle that he had been a party to, came out and quite frankly said to the work force of Australia, "The pay rise of one man costs the job of another".

Mr Bryce: Who was that?

Sir CHARLES COURT: I am not sure whether it was Cameron or Crean, but it was one of the two—one or the other. I just remind members opposite that what that man said, when they got for the first time some realisation of the debacle that they had caused, hit the nail right on the head.

Now I just want to move on very quickly and briefly to this question of the new federalism that has been given a bit of an airing tonight, as was to be expected, and as was heralded by the Opposition. The cold hard facts are that the Fraser Government has attempted to try to get back some responsibility to the States, and I support it. For too long Premiers have gone along to Canberra and have been prepared to sell their souls; they have been prepared to sell the States' rights and responsibilities to get some dollars at the time. It has been going on for a long, long time and it is time that somebody took a stand on

it and was prepared to stand up to these responsibilities.

The Deputy Leader of the Opposition claimed that it was our objective, and the Federal Government's objective, to destroy the social standards, and to destroy the value of wages. What we are trying to do, unpopular as it might be, is to try to preserve the wages of the people, preserve the jobs of the people, and preserve this very country.

Mr Jamieson: With the worst inflation in the Commonwealth.

Sir CHARLES COURT: So, Mr Speaker, we have to go through a certain amount of trauma to bring under control a situation which was inherited by the Fraser Government, and anyone who denies it is being quite unrealistic.

Mr Jamieson: You didn't inherit it in this State.

Sir CHARLES COURT: In December, 1975, the people saw the horrors of what was being done from 1972 to 1975 by the Whitlam Government, and they made a change and a very definite change. And again in 1977, when we came up for re-election we were kept in office with an increased majority.

Mr Bryce: They were sold a pup and you were party to that as well.

Sir CHARLES COURT: We have an increased majority, without our making any extravagant promises whatever, because they wanted a sense of responsibility, and I would have thought that the Opposition would have had the good sense to realise that the public today are looking for a sense of responsibility. They do understand that one just cannot get money growing on trees and they understand that if we are going to get back some sanity in this place and get some stability as far as the work force is concerned, we have first of all to get on top of Government extravagance which was marked in Canberra; get on top of this inflationary question; and get the nation back to work. To do this, we must not only have less industrial strife, but also more productivity.

I just want to refer to the fact that when one listened on this side to the statements that were being made, particularly to those of the Leader of the Opposition, one was not quite sure whether we were just bulging with money that we were hiding, to do some things within the next year, or whether we were being starved to death. We oscillated from one side to the other. We were supposed to be bulging with money; we were supposed to have a surplus of \$20 million although we disclosed only \$3.5 million, but on

the other hand we were supposed to be starving to death. We did not have any money to do this or that.

I think this Government has administered its finances very well; has managed to be frugal with the taxpayers' money; has managed to keep finances virile so that when we come down with our works programme this year, as we did last year, we will have some money to maintain employment.

Mr Skidmore: You would be joking.

Sir CHARLES COURT: If one had a deficit at a State Government level there is only one way this can be covered—and that is either taking it out of loan funds or increasing taxation next year to cover it and getting a balance back again. We cannot print money in the States, thank goodness; so the fact is we have been careful. We did come up with a very strong works programme last year. We will come up with a very good one this year.

We have said time after time that we have no joy in having only a 5 per cent increase in the loan funds, but again we have been careful; we have been sensible with the administration of the State's funds, and we will be able to generate employment through our works programme.

Mr H. D. Evans: You have been ruthless.

Sir CHARLES COURT: Having a good works programme certainly is not ruthless.

Mr H. D. Evans: You used it as a taxing device.

Sir CHARLES COURT: The honourable member should make up his mind which way he wants it. If he wants people to be sacked from the roads programme and the works programme he should come out and say so now.

Several members interjected.

Mr B. T. Burke: I would like to know where these 100 000 jobs are.

Sir CHARLES COURT: I would like now to refer to the roads funds programme because, Mr Speaker, there has been confusion tonight on the part of the Opposition between tax sharing, between road funds, and between loan funds, and they are three separate compartments. The debacle with road funds started during the time of the Whitlam Government—

Mr Bryce: Absolutely false and absolutely wrong. You simply will not listen to the facts. It started in 1968 to 1969 when the bureau reduced the allocations.

Sir CHARLES COURT: Mr Speaker, the Deputy Leader of the Opposition was not present at the Premiers' Conference, but had he been

there when Mr Whitlam said that both South Australia and Western Australia had been getting too big a share of the road moneys, he would have seen the reaction of the two Premiers against a Labor Prime Minister—bearing in mind one was a Labor Premier and the other was a Liberal Premier—because we just believed that the attitude being adopted by the then Prime Minister was quite unrealistic and without knowledge of the true facts.

Mr Bryce: How did it differ from the attitude of McMahon and Gorton?

Mr Jamieson: If you want to know where it started, I can tell you it started when Mr Nixon failed to turn up at the conference of Ministers held in Darwin.

Sir CHARLES COURT: Mr Speaker, I will give you some more information that happens to be of interest. The Deputy Leader of the Opposition has raised this question of when it all started. The Bureau of Roads was a disaster to our mind, and I agree with the honourable member that when it was started it was intended by some of the Eastern States Premiers to be a means of getting away from the old roads programme, whereby we got some of our money on area, and some on population. We won handsomely in the first field and lost badly in the other, but the balance was excellent from our point of view and we were able to get on with good programmes until the bureau was created.

It is to the credit of Sir John Gorton that when he as Prime Minister saw the figures at the Premiers' Conference he saw the disaster of the bureau's proposals which would have completely destroyed our road programme, and he made a political decision to increase very considerably the amount coming to Western Australia. So it is important we remember that it was the bureau that started the programme, but Gorton, to his credit at that time made a political decision to adjust, not completely, but to a substantial extent, the amount of money that the State of Western Australia was to get.

From that point onwards it has been a tug of war between the bureau and the Government of the day. I do not excuse the present Government at all for the allocation we have had from the road funds. If I have said it publicly once, I have said it a dozen times, and I have made my representations because I believe we have an unrealistic allocation, particularly as the overall national increase is about 8.8 per cent and we are at about 3.2 per cent, but it is part of this programme that was started during the Whitlam era when he said quite categorically—

Mr Bryce: It was not in the Whitlam era, and you know it.

Sir CHARLES COURT: Wait a minute; the honourable member was not there.

Mr Bryce: You just read some of the figures. Take some time out to have a look at the figures; they are as plain as the nose on your face. The steady decline started in 1968-69.

Sir CHARLES COURT: The Deputy Leader of the Opposition, of course, speaks from a lot of statistics without knowing the back-up facts that go with them.

Mr Bryce: Let us not concern ourselves with facts.

Sir CHARLES COURT: The real debacle started at that time when the instruction was given that South Australia and Western Australia had to be cut back and if the honourable member does not agree with what I say he can go back to Mr Dunstan who happened to be present at the time. He was not very amused at all. In fact, he could talk to Mr Whitlam in stronger terms than I could.

I do not want to labour the matter because this is a Supply Bill and the Government is seeking from the Parliament its supply for this period until the Appropriation Bills are passed. I must say that the response from the Opposition has been rather disappointing when it could have—

Mr Jamieson: I have never heard you say anything else.

Sir CHARLES COURT: —been much more constructive, even if critical. All we have heard is a tirade of worn-out theories. I thought that members of the older brigade in the Labor Party would have indicated that they have had their day and that they must get a brand new batch of theories. It would not hurt them if they followed the Liberal Party's philosophy for a while.

Other members referred to a couple of matters with which I will not deal at great length. I refer to the member for Morley and the member for Geraldton. These growth centres are all very lovely to talk about, but they must be carefully conceived—not only well planned. If we try to have an artificial growth it will always end in disaster. I think South Australia would dearly like to forget the statutory commission it set up in connection with Monarto because that is a case where there was a blare of trumpets and forced artificial-type growths which did not catch on.

My warning is that while growth centres have their place for goodness sake make sure they have something from which to grow. The basis must be natural and not artificial as in areas such as the

Pilbara and other parts of the State where there can be a strong growth of a community—somewhere in size between a great city and a small country town—in which I believe many people want to live. The Government will seek to identify such opportunities and from there, hopefully, they will be able to grow in a sensible way.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

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

*House adjourned at 11.06 p.m.*

## QUESTIONS ON NOTICE

### LAND TAX

#### *Deferment*

1. Mr BATEMAN, to the Treasurer:

If he has the power to do so, would he defer State taxation on undeveloped properties where the owner has been refused a permit to build because of the water table criteria imposed by the local authority?

Sir CHARLES COURT replied:

Yes, provided the circumstances warrant deferment, and subject to reasonable cause being proved in any individual application.

### HOUSING

#### *Land in Maddington*

2. Mr BATEMAN, to the Minister for Housing:

- (1) Does the State Housing Commission own land in the Maddington area?
- (2) If "Yes" what are the street locations?
- (3) If answer to (1) and (2) is "Yes" what criteria are required of the tenants who will be occupying these homes?

Mr O'CONNOR replied:

- (1) Yes.
- (2) Gosnells Road, 8 lots.  
Meander Road, 1 lot.  
Clover Street, 13 lots.

Watsonia Street, 1 lot.  
Coachwood Street, 2 lots.  
Lot 138 Meander Street, unsubdivided land.

- (3) All houses will be available for sale. However, if placed in the rental pool the usual criteria of income eligibility and acceptable standards, property care, personal hygiene, and social behaviour will apply.

### POWER STATION

#### Cost of Production

3. Mr T. H. JONES, to the Minister for Fuel and Energy:

Will he set out the cost of production of a unit of power at each power station in Western Australia on a monthly basis for the year ended 30th June, 1977?

Mr MENSAROS replied:

Average monthly costs for each generating station in the interconnected system for the six-month period ended 31/12/76 and 30/6/77, and for the full year ended 30/6/77, were as follows:

Average Generation Costs per kwh

|                 | 6 months ended<br>31/12/76 | 6 months ended<br>30/6/77 | Average<br>12 months<br>30/6/77 |
|-----------------|----------------------------|---------------------------|---------------------------------|
| East Perth      | 2 962                      | 2 867                     | 2 914                           |
| South Fremantle | 1 757                      | 1 977                     | 1 871                           |
| Bunbury         | 1 403                      | 1 406                     | 1 405                           |
| Muja            | 976                        | 1 001                     | 994                             |
| Kwinana         | 3 163                      | 3 382                     | 3 275                           |

### STATE ENERGY COMMISSION

#### Fuel Oil: Cost

4. Mr T. H. JONES, to the Minister for Fuel and Energy:

What is the State Energy Commission paying for fuel oil, per tonne, for power generation?

Mr MENSAROS replied:

It is not the policy of the Government to release prices which are the subject of commercial agreements between the State Energy Commission and its suppliers. However, because the State Energy Commission is unable to qualify for allocation of indigenous Australian crude oil, it is common knowledge that the price paid for fuel oil is derived directly from the posted prices in the Middle East together with published freight rates. Over the past 12 months the price was in the range \$70-\$80 per tonne.

### POLICE FORCE

#### Overtime

5. Mr T. H. JONES, to the Minister for Police and Traffic:

Will he set out the amount of overtime paid to members of the Police Force for the year ended 30th June, 1977?

Mr O'NEIL replied:

Overtime paid by the Police Department to the 1 834 members of the Police Force employed by it amounted to \$914 565 for the financial year 1976-77.

### ROAD TRAFFIC AUTHORITY

#### Overtime

6. Mr T. H. JONES, to the Minister for Police and Traffic:

Will he set out the costs of overtime paid to the Road Traffic Authority in—

- (a) the metropolitan area;  
(b) the country districts,

on a monthly basis for the year ended 30th June, 1977?

Mr O'NEIL replied:

Overtime payments related to Road Traffic Authority activities are as under. It is not possible to break up the payments on a city-country basis to those general duties policemen who carry out duties for the Road Traffic Authority.

|                | Patrol     |            | Public Servants |         | General Police |  |
|----------------|------------|------------|-----------------|---------|----------------|--|
|                | Metro      | Country    | Metro           | Country |                |  |
|                | \$ c       | \$ c       | \$              | \$      | \$ c           |  |
| July.....      | 40 898.31  | 7 045.19   | 1 098           |         | 3 735.56       |  |
| August.....    | 34 546.10  | 6 383.65   | 1 738           |         | 3 236.55       |  |
| September..... | 68 611.34  | 17 636.08  | 3 080           | 187     | 2 949.03       |  |
| October.....   | 33 410.65  | 11 337.86  | 737             |         | 2 548.91       |  |
| November.....  | 51 444.61  | 15 805.02  | 1 873           | 227     | 6 573.82       |  |
| December.....  | 49 098.19  | 26 968.14  | 681             | 209     | 3 796.40       |  |
| 1977—          |            |            |                 |         |                |  |
| January.....   | 44 581.95  | 15 958.00  | 456             |         | 9 664.29       |  |
| February.....  | 47 845.96  | 23 776.24  | 2 315           |         | 11 721.00      |  |
| March.....     | 72 400.18  | 36 031.93  | 2 057           |         | 23 826.43      |  |
| April.....     | 43 209.72  | 24 294.42  | 1 030           |         | 4 056.85       |  |
| May.....       | 69 646.25  | 41 959.12  | 2 906           |         | 21 387.52      |  |
| June.....      | 41 472.00  | 27 124.60  | 302             |         | 23 774.76      |  |
| Total.....     | 597 165.26 | 254 320.25 | 18 273          | 739     | 117 271.12     |  |

### TOTALISATOR AGENCY BOARD

#### Turnover and Unclaimed Dividends

7. Mr BATEMAN, to the Treasurer:

- (1) Will he advise the amount of Totalisator Agency Board turnover for the years 1975, 1976, 1977, ending 30th June each year?

- (2) Will he further advise the amount of unclaimed Totalisator dividend received by the State Treasury from the Totalisator Agency Board for the same periods?

Sir CHARLES COURT replied:

(1) Turnover—

|               | \$          |
|---------------|-------------|
| 1974-75 ..... | 122 801 681 |
| 1975-76 ..... | 146 228 643 |

(2) Unclaimed Dividends and Refunds—

|               |         |
|---------------|---------|
| 1974-75 ..... | 471 355 |
| 1975-76 ..... | 582 305 |

The board's financial year ends 31st July, 1977, consequently, figures for 1976-77 have not as yet been finalised.

In past years the board has not been permitted to release turnover figures until its annual report has been tabled in Parliament.

### TRAFFIC LIGHTS

#### *Welshpool Road*

8. Mr BATEMAN, to the Minister for Works:

- (1) Is he aware of the possibly dangerous traffic situation at the intersections of Hale/Welshpool Roads and William Street/Welshpool Road?
- (2) (a) If "Yes" will he act immediately to have traffic lights installed at these two intersections before a major accident occurs;
- (b) if not, why not?

Mr O'CONNOR replied:

- (1) The Minister is aware that these junctions in common with many other sites throughout the metropolitan area are subject to a degree of congestion at peak periods.
- (2) (a) and (b) Traffic control signals are installed in order of priority having due regard to the claims of other intersections in the metropolitan area.
- In the normal course of events the junction of William Street-Welshpool Road could be expected to be treated next financial year subject to completion of pre-requisite road works by Town of Canning, and subject to completion of other higher priority sites.

The junction of Hale Road and Welshpool Road requires preliminary road works (for which the Shire of Kalamunda would be responsible), following which priority for signals would be assessed.

### GAS: NORTH-WEST SHELF

#### *Piping to Eastern States*

9. Mr JAMIESON, to the Premier:

- (1) Is he aware of a report in *The Australian Financial Review* of 4th July, that a lobby proposing that north-west shelf gas be piped to the Eastern States has begun to enlist the support of influential members of the Liberal Party in New South Wales?
- (2) Is this report correct?
- (3) If so, will he approach his colleagues in New South Wales in an attempt to stop them from becoming involved in a manner which possibly harms Western Australia's interests?

Sir CHARLES COURT replied:

- (1) and (2) Yes.
- (3) The proposal to transport North West Shelf gas to the Eastern States and thereby delay the development of the gas fields, is of considerable concern to the Government—as were similar proposals by the Whitlam Government. I have already made my own and the State Government's position clear through some strongly worded statements issued in the Eastern States. Likewise, the Commonwealth Government has been informed.

### COMMONWEALTH'S NEW FEDERALISM POLICY

#### *Government's Support*

10. Mr JAMIESON, to the Premier:

- (1) Was he correctly reported in *The Sunday Times* of 3rd July, 1977, that with halving of the hospital development programme and abandonment of the national sewerage programme, the State stood to lose \$15.3 million?
- (2) Does his Government still wholeheartedly support the Fraser Government's policy on new federalism?

Sir CHARLES COURT replied:

- (1) and (2) Yes (except that I did not mention "halving" of the hospital development programme).

## GOVERNMENT DEPARTMENTS

*Expenditure Cut-backs*

11. Mr JAMIESON, to the Premier:

- (1) Was he correctly reported in the *Weekend News* of 2nd July, as having forecast after the Premiers' Conference, that there would be cut-backs in Government departments to counteract diminishing funds from the Federal Government for capital works programmes?
- (2) Did he and the Under Treasurer make an assessment as to where and to what extent the cut-back would be made?
- (3) If so, will he advise the House of the results of that assessment?
- (4) If not, why not?

Sir CHARLES COURT replied:

- (1) My statement was to the effect that departments must be prepared to accept restraints on the growth of recurrent expenditure to enable a reasonable capital works programme to be maintained in the interests of providing work for the private sector and maintaining employment. I am sure the Leader of the Opposition would endorse this aim.
- (2) This is a continuing process as work proceeds on framing the Consolidated Revenue Fund and the capital works budgets.
- (3) and (4) As is customary, Parliament will be given a full account of the Government's financial strategy for the current year when the Appropriation Bills are introduced.

## WATER SUPPLIES

*Dam on the Fitzroy River*

12. Mr JAMIESON, to the Premier:

- (1) Was it correctly reported in *The Sunday Times* of 23rd March, 1977 that the State Government was giving consideration to a dam project on the Fitzroy River which would be larger than the Ord project?
- (2) If so, has the Government yet made a decision on the matter?
- (3) If "No" to (2), when is it expected that a decision will be made?

(4) Whilst addressing the annual dinner of W.A. Jaycees at Cunderdin on 20th March, 1977, did he infer that the Fitzroy project could open up more than half the State for irrigation projects and supply Perth?

(5) Have feasibility studies into—

- (a) damming the Fitzroy River; and
- (b) building a pipeline from the Fitzroy River to Perth been held?

(6) If "No" to (5), is it the Government's intention to hold feasibility studies into both these projects?

Sir CHARLES COURT replied:

(1) to (3) I assume the member refers to *The Sunday Times* of 27th March, 1977.

As I have stated on a number of occasions, I believe the bringing of the waters of the Ord to areas in Pilbara and south of there is not practicable.

But I have referred to the greater possibility of harnessing and using the waters of the Fitzroy River because of its geographic location and the topography in the Fitzroy River area.

Also, I have referred to other waters in the north—including underground water—which will no doubt be harnessed ahead of Fitzroy.

With the establishment of the Water Resources Council, I am expecting more definitive studies to be made of the several alternatives for meeting the on-going water needs of Pilbara, Murchison, Eastern Goldfields, wheatbelt, metropolitan and other parts of the State.

(4) Reference was made to the roles of the Fitzroy River and other northern sources of water, but I cannot recall references to "more than half the State for irrigation projects".

If the member has reliable information to the contrary on this point, I would be interested to have it in its full context.

My view—subject to the result of more detailed studies—has always been that major sources of supplies from northern areas will not necessarily finish up in Perth, but rather supply inland areas, and thus take the pressure off current sources of supply which would be released for use in logical locations.

- (5) (a) and (b) Preliminary studies for building dams on the Fitzroy River and its tributaries have been undertaken in the past, but no feasibility study has been effected for building a pipeline from the Fitzroy River.
- (6) This will be determined when the newly formed Water Resources Council has made progress with its work.  
It is part of the overall question of which waters, and in what way they are to be developed.

### RAILWAYS

#### *Electrification of Perth System*

13. Mr McIVER, to the Treasurer:

- (1) Have representations been made to the Federal Government seeking funds for electrification of the Perth rail system?
- (2) If so, when were the representations made?
- (3) If "Yes" to (1):
  - (a) how much in funds was sought; and
  - (b) what was the result?

Sir CHARLES COURT replied:

- (1) to (3) The project has been discussed with the Commonwealth Government but no formal application for financial assistance has been made for the reason that it would be impossible for the State, for the time being, to fund its share of the expenditure which in total might well exceed \$100 million.

### COMMONWEALTH REFERENDUMS

#### *Advertising*

14. Mr JAMIESON, to the Premier:

Will he list how the Government spent \$5 100 on advertising for the "no" case for the referendums held last May?

Sir CHARLES COURT replied:

The figure of \$5 100 was an estimate provided by the Government when the advertisements were first placed.

In fact the actual cost was less—\$4 901.50—being wholly for newspaper advertisements.

The expenditure was miniscule compared with the importance of conveying a message to the people of Western Australia from the State Government.

The rejection by the people of Western Australia of the most important question—that on simultaneous

elections—justified the small expense by the State Government, especially in view of this Government's well understood commitment to opposing any measures which seek to interfere with the rights and responsibilities of the States.

### EDUCATION

#### *Orange Grove School*

15. Mr BATEMAN, to the Minister for Works:

- (1) Will he advise when the upgrading of the Orange Grove Primary School oval will be carried out by the Public Works Department?
- (2) If not, why not?

Mr O'CONNOR replied:

- (1) and (2) Top-dressing of the oval at the Orange Grove Primary School has been approved by the Education Department and a financial authority has been issued.

The work will commence in the near future.

### ELECTRICITY SUPPLIES

#### *Pensioners*

16. Mr DAVIES, to the Minister for Fuel and Energy:

What criteria were used for assessing the number of units of electricity used by pensioners to enable them to obtain a rebate?

Mr MENSAROS replied:

The aim of the low consumption pensioner rebate was the limitation of the percentage increase to pensioners resulting from the increase in the fixed charge for electricity.

Without this rebate pensioners, using small amounts of electricity, would have incurred a disproportionately high percentage increase in their accounts.

### PENSIONERS' ACTION GROUP

#### *Representation to Premier*

17. Mr DAVIES, to the Premier:

- (1) Has he refused in the past few months to meet representatives of the Pensioners' Action Group?
- (2) If, so, for what reason?
- (3) Has he suggested they see any other Minister?

Sir CHARLES COURT replied:

- (1) to (3) The Deputy Premier on 3rd June, 1977, on my behalf, gave a comprehensive reply to the Pensioners' Action Group regarding the items raised in the group's letter of 22nd May, 1977. With regard to the request for an interview, the group was advised—

"Your request for an interview is appreciated, but it is felt that any discussion on the subject matters at this time would serve little purpose, and the Premier therefore declines your request."

## EDUCATION

### *East Victoria Park School*

18. Mr DAVIES, to the Minister for Works:

- (1) Was it necessary to invoke resumption procedures to obtain the site for the new East Victoria Park Primary School?
- (2) If so, have formalities been completed?
- (3) what was the—
  - (a) cost;
  - (b) area;
 of the land resumed?
- (4) Was it all used for the school site?
- (5) If not, what area was allocated to the school?
- (6) To what use will the balance be put?
- (7) If resumption procedures were unnecessary, what price was paid for what area of land for the school?

Mr O'CONNOR replied:

- (1) and (2) Yes.
- (3) (a) \$322 532.84 inclusive of interest  
(b) 25 109 hectares.
- (4) to (6) Yes.
- (7) Answered by (1) and (3) (a) above.

## MOTOR VEHICLE LICENCE FEE

### *Holden Kingswood*

19. Mr McIVER, to the Minister for Police and Traffic:

Will he list the cost of a licence fee for 12 months for a latest model Holden Kingswood in each of the Australian States and the Australian Capital Territory?

Mr O'NEIL replied:

The present licence fees for a Holden Kingswood are—

A.C.T.—\$45.36

New South Wales—\$47.35

Victoria—\$90.00.

Queensland—\$78.00.

South Australia—\$83.00.

Western Australia—\$47.31.

Tasmania—\$63.18.

## ENVIRONMENTAL PROTECTION

### *Government Policy on Responsibility*

20. Mr BARNETT, to the Minister representing the Minister for Conservation and the Environment:

Is it Government policy that the formal agreement reached between the State Government and the Commonwealth on management of environmental assessment procedures gives the State prime responsibility for management of its environment?

Mr P. V. JONES replied:

Yes.

## NATURE RESERVES

### *Commonwealth Financial Assistance*

21. Mr BARNETT, to the Premier:

Will he make representations to the Commonwealth Government to contribute financially towards nature reserves management in the States, as suggested in the report of a working group of the standing committee of the Council of Nature Conservation Ministers?

Sir CHARLES COURT replied:

No.

## WAGES AND COST OF LIVING

### *Increases*

22. Mr H. D. EVANS, to the Minister for Labour and Industry:

- (1) By what percentage has—

- (a) the State minimum wage;
  - (b) the State average male wage,
- risen since January 1976?

- (2) By what percentage has the cost of living risen in the period since January 1976?

Mr GRAYDEN replied:

- (1) and (2) This information is contained in the Australian Bureau of Statistic's publication "Wage Rates and Earnings" (Reference No. 61.16).



## NATIONAL PRODUCTIVITY

### *Percentage Change*

23. Mr H. D. EVANS, to the Minister for Labor and Industry:

What has been the percentage change in the national productivity, defined as output a person employed over the economy as a whole, for the following periods—

- (a) January 1967-December 1969;
- (b) January 1970-December 1972;
- (c) January 1973-June 1974;
- (d) June 1974-December 1975;
- (e) January 1976-June 1977?

Mr GRAYDEN replied:

Statistics in relation to percentage changes in gross national product per head of population are not kept, as far as can be determined, on a calendar year basis.

Percentage changes in productivity in Australia overall, on a financial year basis, are published by the Australian Bureau of Statistics in their publication No. 7.12.

## UNEMPLOYMENT

### *Percentage and Number*

24. Mr H. D. EVANS, to the Minister for Labour and Industry:

- (1) What has been the percentage of the workforce unemployed in each financial year since June 1966?
- (2) What was the actual number unemployed in each of the past five financial years?

Mr GRAYDEN replied:

- (1) and (2) Percentages of work force unemployed and actual numbers unemployed are published by the Commonwealth Department of Employment and Industrial Relations in their publication entitled *Monthly Review of Employment Statistics*.

## FARM HOLDINGS AND PRODUCE

### *Number and Value*

25. Mr H. D. EVANS, to the Minister for Agriculture:

- (1) What was the number of farm holdings being operated in each of the past five years in Western Australia?

- (2) How many farmers earning over half their income from farming activities were there in Western Australia in each of the past five years?

- (3) What has been the value of farming produce to Western Australia in each of the past five years?

Mr Mensaros (for Mr OLD) replied:

- (1) The number of active rural holdings was:—

| Year    | Number |
|---------|--------|
| 1971-72 | 21 997 |
| 1972-73 | 21 128 |
| 1973-74 | 20 608 |
| 1974-75 | 20 500 |
| 1975-76 | 18 871 |

- (2) This information is not known to my department.

- (3) The gross value of agricultural production was:—

| Year    | \$ million |
|---------|------------|
| 1971-72 | 461 6      |
| 1972-73 | 574 7      |
| 1973-74 | 1 016 9    |
| 1974-75 | 835 9      |
| 1975-76 | 995 9      |

Source: Australian Bureau of Statistics.

## ELECTRICITY SUPPLIES

### *Dairy Farms*

26. Mr H.D. EVANS, to the Minister for Agriculture

- (1) Is he aware that electricity costs are possibly the biggest single expense on a dairy farm?
- (2) Is he also aware that increased charges for electricity will add an estimated \$150 to the annual power bill of dairy farmers, according to some dairymen?
- (3) Does the Government propose to give any further concessions on electricity to dairy farmers in the south-west of Western Australia?

Mr Mensaros (for Mr OLD) replied:

- (1) The increase in the price of electricity in all areas of primary production where electricity is a significant factor is recognised.
- (2) Yes.
- (3) No. However tariffs are continually under review but concessions given to one class can only be achieved by increasing the price to other customers.

## SWAN RIVER

### *Reservation on River Edge*

27. Mr BRYCE, to the Minister for Urban Development and Town Planning:

- (1) With respect to privately owned land with titles extending to or beyond water levels along the Swan River between and including Fremantle and Swan/Guildford Shire boundaries, has provision been made for a reservation to be placed on the river's edge involving all such land in all Shires?
- (2) If not, will he indicate the shires in which such a total reservation does not exist?

Mr RUSHTON replied:

- (1) In relation to the reserve for parks and recreation as depicted on the Metropolitan Region Scheme—no.
- (2) The Cities of Perth, Fremantle and Stirling; Town of Bassendean; Shires of Bayswater, Belmont and Swan.

## TRANSPORT

### *Second Airport for Metropolitan Area*

28. Mr BRYCE, to the Minister representing the Minister for Transport:

- (1) What plans does the Western Australian Government have for—
  - (a) the establishment of a second airport for the Perth metropolitan area;
  - (b) does the Government intend to introduce a curfew at Perth airport in line with all other Australian cities?
- (2) If not, why not?

Mr O'CONNOR replied:

- (1) (a) The standing Commonwealth-State Committee has been reviewing the long term need for aerodromes to service the Perth region. This work is still in progress.
- (b) The Government does not intend to ask the Commonwealth to introduce a curfew at Perth Airport because if it did, a number of international services would omit Perth. It is likely that there would also be some effect on domestic services.

(2) Answered by (1) (b).

## INDUSTRIAL DEVELOPMENT

### *Manufacturing Processes*

29. Mr BRYCE, to the Minister for Industrial Development:

Will he indicate the number and names of—

- (a) Western Australian companies;
- (b) Australian owned companies based in Western Australia,

which have transferred all or part of their manufacturing processes to locations outside Australia?

Mr MENSAROS replied:

- (a) and (b) The State Government does not compile statistics on the information sought by the member.

## PRE-PRIMARY CENTRES

### *Establishment*

30. Mr BRYCE, to the Minister for Education:

- (1) How many pre-primary centres were established at—
  - (a) metropolitan;
  - (b) non-metropolitan,
 primary schools since their inception?
- (2) How many—
  - class IA;
  - class I;
  - class II,
 primary schools in Western Australia have yet to acquire a pre-primary centre?
- (3) How many pre-primary centres does the Education Department propose to provide in the 1977/78 financial year?
- (4) Has the Education Department assessed the need for a pre-primary centre at Ashfield School?
- (5) When will the pre-primary centre at Ashfield School be established?

Mr P. V. JONES replied:

- (1) (a) 40.
- (b) 32 plus 57 in small country schools' integration programme.

- (2) The provision of pre-primary centres depends on the demand for places for children one year below school age. Where community centres close to schools already provide fully for those children, a new pre-primary centre is not required. Many schools may not acquire a pre-primary centre because a local committee may not elect to transfer its centre to the Education Department. As the intention of many local committees is not yet known, there are at this stage no statistics which would provide the information sought.
- (3) Thirty, if funds are available.
- (4) Yes.
- (5) 1978, if funds are available.

### DENTAL THERAPY CENTRES

#### *Establishment at Schools*

31. Mr BRYCE, to the Minister for Health:

- (1) How many dental therapy centres have been established at—
  - (a) metropolitan;
  - (b) non-metropolitan primary schools?
- (2) How many dental therapy centres does the Education Department intend to establish in the financial year 1977/78?
- (3) Has his department assessed the need for a dental therapy centre at Ashfield Primary School?
- (4) Does the Education Department propose to establish a dental therapy centre at Ashfield Primary School?

Mr RIDGE replied:

- (1) (a) 40;
- (b) 25.
- (2) 19 fixed centres plus 6 mobiles.
- (3) Yes.
- (4) This is under consideration.

### QUESTIONS WITHOUT NOTICE

#### URANIUM

#### *Mining and Export*

1. Mr JAMIESON, to the Premier:

Has the Deputy Prime Minister (Mr Anthony), or any other Federal Government Minister, given him an assurance that the Federal Government will agree to the mining and export of uranium?

Sir CHARLES COURT replied:

I have received no such assurance from the Prime Minister or the Deputy Prime

Minister about the Commonwealth decision in respect of the mining and export of uranium. My knowledge of the matter is very much in line with what is in the Press from time to time, excluding what is in tonight's newspaper, and also the various discussions I have had with Federal Ministers, including the Prime Minister and the Deputy Prime Minister. But I say quite categorically that at no stage have they indicated to me publicly, officially, secretly, or in any other way, that the Commonwealth has made a decision for the mining and export of uranium.

### RAILWAYS

#### *Meekatharra-Mullewa Line: Closure*

2. Mr McIVER, to the Premier:

- (1) Has the Cabinet decided to close the Meekatharra-Mullewa railway line?
- (2) If so, when was the decision made?

Sir CHARLES COURT replied;

- (1) No.
- (2) See answer to (1).

### WESTERN AUSTRALIAN PROJECTS

#### *Australian Ownership*

3. Mr BRYCE, to the Premier:

I direct the following question to the Premier, of which some notice has been given—

In the light of his undertaking before the 1974 State election that his Government's objective would be majority Australian ownership of all major Western Australian projects by 1980, will he explain to the Parliament—

- (a) what actions his Government has taken to give effect to this commitment;
- (b) what proportion of the Western Australian economy is currently owned by Australian interests?

Sir CHARLES COURT replied:

It is true that the member for Ascot gave me some notice of this question, but he will appreciate that I have been at Parliament House all afternoon and in fact since the time the question was passed to my office. I point out with respect to the honourable member that

his question conveniently leaves out some very important words from the Government's policy in 1974. I notice that in his Press comments from time to time he also conveniently leaves out these words. However, I shall look at his question as soon as I get an opportunity later in the evening and shall answer it in more detail tomorrow.

### WATER SUPPLIES

#### *Kambalda*

4. Mr McIVER, to the Minister for Water Supplies:

- (1) What is the minimum daily water requirement of the town of Kambalda?
- (2) Will Kambalda continue to receive this requirement in view of present water restrictions?
- (3) Is it a fact that if this requirement for Kambalda is met towns and farming properties in the eastern and central wheatbelt will be forced to accept further water restrictions?
- (4) If "yes" to (3), what level of water restrictions will be forced on farms in the central and eastern wheatbelt and will adequate water be made available for stock purposes?

Mr O'CONNOR replied:

- (1) The minimum normally allowed under the agreement is—

|                           | kilolitres |
|---------------------------|------------|
| Kambalda domestic         | 1 326      |
| Kambalda mining           | 4 971      |
| Kalgoorlie nickel smelter | 1 200      |
|                           | 7 497      |

Under conditions of restriction, this amount is not expected to be used.

- (2) No, as domestic usage will fall because of restrictions which have been imposed on the watering of lawns and gardens. Furthermore, Western Mining Company is investigating alternative arrangements for the greater use of saline water in the present emergency.
- (3) No. Stricter restrictions, which will apply to Kambalda as well as other areas supplied from the scheme, will be considered only if no further inflow occurs in Mundaring Weir, in order to conserve some carryover storage for next year.
- (4) Further restrictions have not been considered but adequate water will be available for stock purposes.

### DEPARTMENT OF LABOUR AND INDUSTRY

#### *Administration*

5. Mr H. D. EVANS, to the Minister for Labour and Industry:

In view of the Minister's replies to questions earlier today, does he intend to allow his department to fob him off with the type of replies which he gave to questions 22 to 24—

Mr O'Neil: You should read Erskine May as to the type of questions you may ask.

Mr H. D. EVANS: —which make him look a little silly, or does he intend to upgrade the administration of the department of which he has control? I think that question is all right according to Erskine May.

Mr GRAYDEN replied:

It is not a question of anyone being fobbed off by officers of the department. The information which is requested is contained in bulletins which have nothing at all to do with the Department of Labour and Industry. A Commonwealth department is involved and in those circumstances I refer the honourable member to the publications from which the information is readily available.

### HER MAJESTY'S HOTEL

#### *Cessation of Operation*

6. Mr HODGE, to the Minister for Cultural Affairs:

- (1) Does the Government's Plan for the redevelopment of Her Majesty's Theatre require the hotel on that site to cease operation?
- (2) If the answer to the above question is "Yes"—
  - (a) in what manner and on what date was the hotel proprietor notified of this fact;
  - (b) what is the Government's intention in regard to the staff currently employed in the hotel;
  - (c) will the Government assist the hotel workers to find alternative employment or offer them compensation for the loss of their jobs; and
  - (d) is the hotel lessee to receive any compensation from the Government?

Mr P. V. JONES replied:

I thank the honourable member for some notice of the question. I have not been able to obtain accurately all the information, but the answer is as follows—

- (1) Yes.
- (2) (a) Yesterday, following discussions between the Chairman of the State's Theatre Advisory Committee and the lessees, written notice was given to the effect that the tenancies would terminate on the 30th November.
- (b) and (c) The Government will do what it can to provide employment for the persons currently working there, but they are primarily the responsibility of the tenants.
- (d) The original lease terminated on the 31st August, 1976, and since that time the occupants have been on a weekly tenancy basis. Consequently the question of compensation does not arise.

#### STUDENT GUILDS

##### *Petition*

7. Mr PEARCE, to the Minister for Education:

Does he intend to present to the House the petition given to him by representatives of student guilds during last Thursday's student rally?

Mr P. V. JONES replied:

Yes.

#### SUSPENSE ACCOUNT

##### *Accrued Salaries and Funds*

8. Mr JAMIESON, to the Treasurer:

- (1) Were salaries accrued due but not paid as at the 30th June, 1977, placed in the suspense account to be paid in July of this year?
- (2) If so, how much?
- (3) Were funds used on the short-term money market this year placed in the suspense account?
- (4) How much in funds for the short-term money market was in the suspense account at the 30th June this year?

Sir CHARLES COURT replied:

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

- (1) Yes, consistent with the new procedure introduced last year and explained to Parliament.
- (2) \$3 333 517.60
- (3) Interest earnings on short-term investments are paid to Treasury receipts in suspense until allocated to other accounts.
- (4) Interest earned on the investment of cash balances in the Public Account and held in Treasury receipts in suspense at the 30th June, 1977, amounted to \$24 504 686.71 of which \$13 042 077 relates to 1976-77 financial year awaiting allocation for 1977-78 year.

NOTE: In answering the above questions, it is assumed that the reference to "funds" in parts (3) and (4) is meant to refer to interest earnings and not the funds used in such interest earnings.

#### PRE-SCHOOL EDUCATION

##### *Salaries*

9. Mr WILSON, to the Minister for Education:

Is the Minister concerned about the announcement by the Federal Minister for Social Security last week indicating that Federal funds for pre-school salaries will be frozen at last year's level; and how will it affect the maintenance and extension of the State Government's programme for pre-school education in the coming year?

Mr P. V. JONES replied:

Yes. We are still trying to identify exactly what is involved in the announcement made by the Federal Minister. Members are probably aware that a system of block grants prevails, as was the case in the preceding financial year, and the question of what exactly is involved in it, especially in regard to independent kindergartens, has been of concern to Treasurers. As far as salaries are concerned we are not so worried, primarily because the moves which are being made to identify salaries, and, in fact, general funding for five-year-old children as distinct from those up to four

years of age, are by two separate offices of the Commonwealth Government. However, in regard to funding arrangements in general we are asking the Federal Minister to be more precise in connection with the block grants made available.

#### AMERICA'S CUP

##### *Promotion Rights*

10. Mr HARMAN, to the Premier:

Last Thursday the Premier undertook to make some inquiries following a request I made to him to table any document or agreement existing between the Government and a yachting syndicate to

which \$50 000 of taxpayers' money was paid. Could he now table those documents?

Sir CHARLES COURT replied:

I recall that I did undertake to follow this matter up to ascertain whether there were any documents which should be tabled. I referred the matter to the Minister and the department concerned, but I must apologise for not having the answer for the honourable member today. Due to pressures today I did not follow the matter up as I should have done, but I will give him the information tomorrow.