

Legislative Assembly

Thursday, 7 November 1985

THE SPEAKER (Mr Harman) took the Chair at 2.15 p.m., and read prayers.

RURAL ADJUSTMENT AND FINANCE CORPORATION AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr Evans (Minister for Agriculture), and read a first time.

Second Reading

MR EVANS (Warren—Minister for Agriculture) [2.20 p.m.]: I move—

That the Bill be now read a second time.

It is well known that agricultural industries in Australia are facing serious difficulties as costs continue to rise faster than commodity prices. In Western Australia, the grain-based industries are especially vulnerable, particularly in areas which, with the exception of 1984, have experienced dry seasons in recent years.

The rural adjustment scheme funded by the Commonwealth has played an important role as lender of last resort in assisting with the inevitable adjustment and restructuring in the industry and in enabling farmers to stay in the industry who would otherwise have been forced out.

In July 1985 the Rural Adjustment and Finance Corporation Act 1971, as amended, was enacted. This Act provided for the formation and operation of the Rural Adjustment and Finance Corporation to assist with the financial problems faced by the rural industry in Western Australia. This Act empowered the corporation to administer existing rural reconstruction and rural adjustment scheme funds, emergency relief, drought loans, special carry-on loans, and other Government-sponsored rural financial measures.

Prior to July 1985, the Commonwealth provided funds for rural reconstruction and rural adjustment schemes on an annual basis for the States to on-lend to farmers at sub-commercial interest rates with a scheduled agreement for the States to repay the funds to the Commonwealth.

In 1982-83 the rural adjustment scheme provided \$4.3 million to assist 95 farmers; in 1983-84, \$10 million to assist 170 farmers; and in 1984-85, \$5.4 million to assist 91 farmers.

In July 1985 the Commonwealth introduced a new rural adjustment scheme which provides an interest subsidy for the State so that it can borrow funds from commercial sources and so lend funds to farmers in need at sub-commercial rates. The basis of this arrangement is contained in a new Commonwealth-State agreement. Under the new agreement the Commonwealth has formally agreed to provide to Western Australia an interest subsidy of approximately \$430 000 which will enable the corporation to borrow approximately \$4.7 million to on-lend to farmers in 1985-86. Although the demand cannot yet be assessed and will not become clear until after harvest when farmers undertake their financial reviews, it is certain that the demand will exceed \$4.7 million. The Federal Minister for Primary Industry indicated on his recent visit to Western Australia that the allocation will be increased to enable a further \$1 million to be borrowed under the scheme.

The agreement also makes provision for the State to approach the Commonwealth for additional funding if circumstances warrant.

The agreement also includes aquaculture as a rural industry, which is not covered in the existing Act.

The purpose of this amendment is to provide for inclusion of the new, or fifth, agreement in the Rural Adjustment and Finance Corporation Act 1971, as amended. It was not possible to simply include the fifth agreement as a schedule to the Act as the agreement is not an amendment to or part of existing Commonwealth-State agreements. Provision for the amendment therefore mentions the new, or fifth, agreement in addition to other agreements or schemes covered by the Act.

The amendment allows for the Rural Adjustment and Finance Corporation to administer the agreement on behalf of the State. It allows for a fund, known as the 1985 Fund, to be set up to receive and pay out moneys associated with the agreement. Funds can also be transferred into and out of the 1985 Fund from other funds such as the rural adjustment fund where this is considered necessary and prudent. The provision for fund transferability allows for continuity of funding when there is a temporary fund shortfall.

Also included in the amendment are a few minor changes which correct technical aspects of the 1985 Act.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Old.

ACTS AMENDMENT (WATER AUTHORITIES) BILL

Second Reading

Debate resumed from 29 October.

MR TONKIN (Morley-Swan—Minister for Water Resources) [2.26 p.m.]: I thank the members for Dale and Floreat for their contributions to the debate, and I will make some brief comments on those contributions.

The member for Dale's speech quite clearly indicated his attitude to politics—the art of government—which is to step carefully on the various stepping stones of popularity and as a result end up by being thoroughly inconsistent. For example, early in his speech the member for Dale commented, "We do not want so much change. There is too much legislation." He went on only one or two breaths later to talk about the various anomalies in the rating system. Of course, those anomalies were well and truly alive and flourishing when the member for Dale was a Minister of the Court and O'Connor Governments. For nine years there were anomalies in the rating system and the then Governments did very little about them.

How can we change the anomalies in the rating system—which we are committed to and are working on—if we do not have legislative changes? That is typical of the member for Dale's attitude, which leads him to be very inconsistent.

An example of the impossibility of governing in that way—of appeasing everyone—is his comment about Stinton Creek. The member for Dale commented that if the Liberal Party became the Government after the next State election, the gazettal of Stinton Creek as a water supply area would be withdrawn. In other words, the need for water for the people of Perth would be sacrificed to political expediency because some people have become upset about Stinton Creek. We have demonstrated a need. The member knows very well it is very unlikely that he will be Minister for Water Resources. He also knows that if the Opposition won Government after a year or two the new Minister for Water Resources would go ahead because he would be acting on the same kind of advice that I am acting on. The member for Dale says there is no need, but he was the Minister who laughed at our efforts in Opposition to talk about restricting the size of Perth. The member asked, "Are you going to build barbed wire fences around Perth and stop it getting bigger?" The member for Dale subscribes to the view that Perth will grow, and if

that is to happen we must find ways of providing water, and Stinton Creek is part of that overall armoury. If the member says Stinton Creek is to be excluded, what justification is there for putting into the programme in place of Stinton Creek other areas which are more costly? Who is going to have to pay for that? It will be the ratepayers and taxpayers of Western Australia.

So the Opposition would go to the more expensive alternatives. One cannot govern in that way. When the people from Stinton Creek came to see me they said they were concerned that they would not be able to carry on agriculture in the way they had. It is a pity they did not tell me what was on their minds from the start, although I guessed. They said to me, "We will not be able to carry on agriculture, and you are going to put regulations in our way, controlling the use of pesticides and so on which will make it impossible for us to carry on as orchardists."

I took technical advice because I am certainly not an expert, and I was informed over and over again by officers of the Water Authority that the guidelines we were talking about were the kind of guidelines that were essential for good orcharding, because if those people were putting so much pesticide on their orchards that it would damage a public water supply system, they were poisoning the people through their fruit. I did not believe that was happening, so clearly the amount of pesticides they were using for their fruit was at a level consistent with safe water supplies.

I was able to assure them after many meetings that their livelihood as orchardists would not be interfered with. In order for them to have an input into the matter I appointed an advisory committee to advise me and the Water Authority as to the guidelines. So the local orchardists were represented on the committee. I was not required by Statute to do that; I did it as evidence of good faith. When the guidelines were taken to a public meeting they were thrown out. The people said they would not accept them; they said they would not accept anything except de-gazettal, if that is the right word, as a water supply area.

The remarkable thing is that at that meeting they then started to talk about rezoning and cutting up the orchards for residential purposes. That was never said to me at my meetings with them. I said to them time and time again, "You have nothing to fear. You can carry on your present practice as orchardists in

the same way. You will never have to alter that. Are you concerned about being able to split up your lots into smaller areas for residential purposes?" They said, "No, we want to carry on as orchardists." They should have been more honest with me in the first place and said, "We really want to be able to cut up our lots; we are not really interested in carrying on as orchardists." They did not say that.

Mr Rushton: They say you should take the water and compensate them; buy their properties.

Mr TONKIN: There is no need for that.

Mr Rushton: You will gradually take what they have.

Mr TONKIN: We will not take anything. We will take the water which is surplus to their needs.

Mr Rushton: If you took the water and pumped it into the Canning River and did not put all these restrictions on, you would not have any fuss.

Mr TONKIN: The restrictions are those that apply at the moment.

Mr Rushton: You are going to apply controls over them. Take the water and compensate them; that is an honourable approach. Or, if you take the water, dam it and treat it and do not interfere with their production of a vital food.

Mr TONKIN: We are not interfering.

Mr Rushton: They think you are, and they are the specialists in food production.

Mr TONKIN: The guidelines drawn up by the committee were drawn up with grower representatives.

Mr Rushton: That is your way of putting it over them.

Mr TONKIN: It is not putting anything over them if one consults the local people and says, "Work out the guidelines and make recommendations." That is what they have done.

Mr Rushton: They are saying if you take the water you should compensate them.

Mr TONKIN: For what?

Mr Rushton: For the loss of production.

Mr TONKIN: There will be no loss of production whatever.

Mr Rushton: That is the non-farmer talking.

Mr TONKIN: There is no loss of production at all. They have been told they can carry on as they have been doing. The level of pesticide use

which is required for public water supply systems is the same as that required for production of a good and edible quality of fruit.

Mr Rushton: You are not fooling them.

Mr TONKIN: If the member is saying the officers of the Water Authority are trying to fool those people I do not agree with him.

Mr Williams: You would not know. You have to take advice.

Mr TONKIN: Of course.

Mr Rushton: If you collected the water and treated it and put it into Canning Dam you would not need to go through this rigmarole of gazettal and controls. You could have all the water that is to spare.

Mr TONKIN: That is all we are taking at the moment—the water that is spare. We are leaving them with everything else. It is quite clear that members opposite were in Government for nine years—

Mr Rushton: We did not gazette Stinton Creek; I can tell you that. That is the difference between us.

Mr TONKIN: The previous Government did not gazette it because it had not got to that stage. It is just a question of the stage reached in history, nothing more or less.

It is clear that if the Opposition became Government it would have to do as it did in its nine years in office and make preparation for the growth of Perth. That would be done by taking advice from the Water Authority and by developing the cheaper sources of water. If members opposite did not do that they would cause increases in rates. That would disadvantage all ratepayers in Western Australia.

The member for Dale referred to the Westfield sewerage scheme 6A which is another area where he would not have gone ahead because he is irresponsible. The Minister for Health through the Public Health Department has advised me there is a public health risk, but because some people got upset and the member for Dale wants a few votes he would jeopardise the health of the people of Perth.

Mr Mensaros: What nonsense!

Mr TONKIN: It is not nonsense.

Mr Mensaros: Half of Perth is not sewered.

Mr TONKIN: This is a particular problem; these are different soils.

Mr Mensaros: You are the reason we cannot work in this House; you can only attack people.

Mr TONKIN: The member for Floreat is attacking the Health Department when he says these remarks are nonsense. The Public Health Department has said that there is a threat to the health of the people in the area and that is why the system has to go ahead. It is all very well for the member for Floreat to say that half of Perth is unsewered. Most of Perth is on sandy soils and conducive to septic tanks. The soils in the Kelmscott area are not conducive to the proper functioning of septic systems. The health of Perth is being jeopardised by the failure to develop sewerage in that area.

Mr Rushton: It was put to you by the people that you should have regard to their wishes and you said you would. When they said they did not want this system you imposed it on them. This is an area of low density. If deep sewerage goes in high-rise buildings will be developed. Already one of your members has proposed an Aboriginal medical centre in the middle of the residential area because of the proposal to put in deep sewerage.

Mr TONKIN: An epidemic, which is the advice of the Public Health Department, would change their lifestyle in a hurry.

Mr Rushton: Vast areas of land will have to be sewered in due course.

Mr TONKIN: This area is not conducive to septic tanks; the soils are not suitable. They are not the sands on which most of Perth is built. The member for Floreat said that half of Perth has septic systems; of course it has. It depends on the soil type. The septic tanks are failing in the Kelmscott area.

Mr Mensaros: There is no soil that is not conducive to septic tanks. There are soils that are not conducive to soaks or trench drains. However, septic tanks are not affected by soils. That is how much you know about it.

Mr TONKIN: The septic tanks in that area are failing. The advice of Water Authority officers—the same officers who advised the member for Floreat and made him a better Minister than he would have been—and the advice of the Public Health Department is that there is a threat to public health if that area is not sewered. That is why we are acting in this respect.

It is clear to the Government that action has to be taken now. Whether we like it or not Perth is growing. It is our policy to retard the growth of Perth. When we said that in Opposition, the former Government laughed and talked about barbed-wire fences. However, although we may retard its growth we will not

prevent it from growing altogether. We therefore have to address ourselves to providing water for people and to saving the people from health problems as a result of septic tank failures. They are failing in the hills area and Stinton Creek is needed.

We know the Opposition will promise anything while in Opposition. However, we are well aware that, when it is returned to Government, the advice from the Water Authority and from the Public Health Department will conflict with its election promises and the result will be that it will agree that the Westfield sewerage system must go ahead because of risks to public health. It will also agree that the harvesting of water at places like Stinton Creek will have to go ahead because of the growth of Perth. We do not have a great deal of respect for those kinds of irresponsible policies in which, in Opposition, members opposite say one thing knowing very well that, in Government, they will take a different line altogether and knowing that, when they become the Government again, they will have to follow the kind of policy that this Government is following.

Mr Evans: If it becomes Government, not when.

Mr TONKIN: I am assuming that one day the Opposition will be returned to the Government benches. The fact is that when that happens it will have to take the advice of the Water Authority and the Public Health Department on these two matters. There is no doubt that, when in Government, the member for Dale and the member for Floreat took advice from Government departments and did not have a mind of their own. For them to suggest that things will be somehow different is nonsense. They are many years older. Maybe they think they will become like young lions and ignore departmental advice and act in a way that is quite laughable.

There is no doubt that the Government has to be concerned over these matters but we cannot just run away from these issues because some people have other views. I believe that the Opposition is speaking with tongue in cheek when it says that it will not harvest water from Stinton Creek or that it will not proceed with sewerage schemes like Westfield 6A.

I support the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr Barnett) in the Chair; Mr Tonkin (Minister for Water Resources) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Commencement—

Mr RUSHTON: I appreciate the detailed explanations provided to me by the Minister on the amendments. It is therefore my intention to speak on four clauses only. I have not appreciated the sting of the Minister's tongue today. I did not feel it was appropriate in these circumstances. Maybe a day off sick has stirred him up. Certainly, it is not conducive to having his Bill passed in an expedient way.

This is an important issue. Already numerous amendments have been put forward. That is not conducive to a feeling of confidence that all is well in the administration of the Water Authority. That has been the case not only with this Minister. The matter was tackled very forcefully and with great ability by the previous Minister, the member for Floreat. He tackled some very difficult matters relating to the finance of the authority and to the works programme. There is certainly a great need to tackle costs if we are to make the authority more efficient and less costly.

I indicate to the Minister that it is worrying that so many amendments have had to be introduced so soon.

Clause put and passed.

Clauses 3 and 4 put and passed.

Clause 5: Section 8 amended—

Mr RUSHTON: Clause 5 amends section 8 of the principal Act to allow for dealings in land the title for which is in the name of the Crown. This provision is necessary because local authorities are experiencing difficulties. One such problem has been put to me by the Shire of Serpentine-Jarrahdale. The Minister will no doubt receive a letter from me and the shire. Opportunities for property development should not be missed while the Minister makes priorities of such schemes as the 6A scheme in Westfield Park.

Mr Tonkin: You say you will write to me about that?

Mr RUSHTON: I will write to the Minister on the subject.

Clause put and passed.

Clauses 6 to 82 put and passed.

Clause 83: Section 58 further amended—

Mr TONKIN: I was rather angry when officers of the Water Authority came to me and indicated that they had some amendments to put on the Notice Paper when the Bill had been introduced only a week or two previously. I made my views plain to them.

Mr Peter Jones: I agree with you on that. We had the same problem. They have enough time to get a Bill ready without that sort of business.

Mr TONKIN: Yes. However, the amendments are minor. In any case, I apologise to the Committee for having to introduce them to our own Bill.

I repeat that the changes are minor and are easily overlooked in such a large Bill. Although I expressed my concern to the officers that I should have had to bring forward these amendments to the Chamber, I am very impressed by the service generally given by officers of the Water Authority, particularly by Mr Bill Wilkin, who has been the officer mainly concerned with the very large amendments that have had to come forward, partly as a result of the merger of the public works supply section of the Public Works Department and the Metropolitan Water Authority, and partly for other reasons such as the need to remove rating anomalies and the like. I am impressed with the great amount that has been done in that way. I do not want my comments that I was concerned about these amendments to be taken as saying that I was dissatisfied, except in that minor way, with the work of the officers because I have found that their support for me as Minister and their service to the people of Western Australia has been of very high standard indeed. I move an amendment—

Page 33, lines 23 to 25—To delete paragraph (b) and substitute the following paragraph (b)—

(b) in subsection (2)—

(i) by deleting "amend a" and substituting the following—
" amend the "; and

(ii) by deleting "rate books" and substituting the following—
rating records.

The reason I move this amendment is that it is grammatically correct to say that one can amend "a rate book," but it is not correct to say that one can amend "a rating records". Members will be able to see that the amendments are minor and are brought forward largely for reasons of grammar.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 84 to 92 put and passed.

Clause 93: Section 80 amended—

Mr TONKIN: I move an amendment—

Page 36, line 2—To delete “book duly” and substitute the following—
book.

Page 36, line 5—To delete “books” and substitute the following—
book.

Deletion of the expression “book duly” is necessary because the word “duly” does not appear in the Act. If something does not appear, as a rule it cannot be debated. That seems fairly reasonable. Therefore, it has been necessary to make an amendment so that what is deleted is what does appear in the Act.

Amendments put and passed.

Clause, as amended, put and passed.

Clauses 94 to 105 put and passed.

Clause 106: Section 92 amended—

Mr TONKIN: One of the reasons for bringing this Bill to the House is to enable payment options to be offered to country people. Such options are already offered to metropolitan people. The Land Drainage Act provides at present that there should be no action for recovery of unpaid moneys until one month after serving of the notice. This provision is not compatible with a two-month option or a four-month payment option.

For that reason, I move an amendment—

Page 38—To delete clause 106 and substitute the following clause—

106. Section 92 of the principal Act is amended—

- (a) in subsection (1), by deleting “by entering, on a vacant page of the rate-book to be left blank for the purpose, a memorandum of the order”; and
- (b) in subsection (2)—
 - (i) by inserting after “notice shall” the following—
“, subject to any by-law as to the time and mode of payment,”; and
 - (ii) by deleting “from the date of service of the notice of assessment pursuant to section 93” and substituting the following—

“ after demand therefor in writing by the Authority ”

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 107 to 122 put and passed.

Clause 123: “a rate book” amended to “the rating records” in Part VII—

Mr TONKIN: I move an amendment—

Page 43, line 5—To insert after “Sections” the following—

39D,

Section 39D was omitted from the list of sections.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 124 to 158 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

MR TONKIN (Morley-Swan—Minister for Water Resources) [3.04 p.m.]: I move—

That the Bill be now read a third time.

In doing so I would like to thank the members for Dale and Floreat in particular, and the House generally, for the expeditious passage of this Bill through the Committee stage.

MR MENSAROS (Floreat) [3.05 p.m.]: I take this opportunity to respond to the Minister who, in his second reading speech, attacked in a personal manner the member for Dale. I do not think the member for Dale needs any defence, but having had a little experience I shall point out where I think the Minister was wrong and not justified.

In connection with the Stinton Creek gazettal provisions, the Minister said the member for Dale would be irresponsible if he did not adhere to the advice of the department or the authority and considered withdrawing the gazetting. According to all this legislation which has been amended in this Bill, there is a procedure for having certain areas declared catchment areas. During this procedure various advertisements are placed, we listen to local residents and submissions are made to the authorities and to the Minister. Time is allowed for a decision to be made.

Does the Minister mean that, because the advice of the department or the authority is such, all these local steps are virtually eyewash and that the submissions of local people have no merit?

According to all these Statutes, the Minister can ignore all these procedures and not listen even to the people who submit various objections. He can go on the advice of the authority, or go ahead anyhow, no matter what submissions are made. That is what the Minister meant when he attacked the member for Dale.

Let us talk about the advice, particularly in connection with this Bill, because the Minister himself and some members might recall how he proudly said to this House that the authority changed its advice. This advice was given to him as a Minister, and it was changed because they knew what his feelings were. That was in connection with collecting bad debts.

My advice in connection with the bad debts was that if a second notice was sent out, I think over \$1 million dollars cost was involved. Business people know the value of money and they will wait till the second notice comes out, which says that the rates and charges must be paid within so many days. Any delay in paying water rates will deprive the Water Authority of a certain amount of interest. In the case of a large number of consumers, this comes to a considerable amount of money which could be added to the actual cost of sending out all the notices.

Except where there are exceptional cases, and the officers of the authority personally ascertained this, disconnecting the water to discipline consumers to pay in time would secure the cash flow to the Water Authority, which is in the interests of all consumers, because that governs what rates must be set next year.

The other point is that no Minister is bound to stick to advice. If he were, the Minister's existence would not be justified. I am using the argument, pointing out that it cannot be said that unless the Minister goes according to the advice he receives he is irresponsible to say he would not.

Mr Tonkin: I am not saying that. I am saying he need not accept the advice. It is irresponsible to say he would not.

Mr MENSAROS: Not only is the Minister not bound to be advised, the legislation we are dealing with also specifically empowers the Minister to direct the Water Authority. He can upset anything it decides; not only advice but

also what the board of the authority decides; he is the master of the situation. I am not criticising that. Many Governments try to shed the responsibility to the public when it comes to increases in rates and charges.

I fully appreciate that this power might be necessary, but it is just another argument. The Minister called a colleague, albeit he sits on the Opposition benches, who had more aggregate experience than myself and was a very conscientious Minister who investigated even the smallest detail and talked to the people involved on many subjects such as railways, transport, local government, town planning, etc., irresponsible. It is wrong simply to label him irresponsible, but that sort of behaviour seems to be the order of the day. I was called by the Minister for Fuel and Energy irresponsible and incapable. This Minister who had about one-tenth of the experience I have had, had the hindsight to know what should have been done 10 years ago when he was scarcely into long trousers.

Another point regarding advice very much connected with this Bill is the State's next major dam. This is a matter we could argue about at length, but from the point of view of the 550 million cubic metre capacity of the existing dams servicing the metropolitan area, excluding Mundaring, of course, it is something of little importance quantitatively, but what will be the advice of the department or the Water Authority regarding the next major dam? The Minister knows he would probably be advised to build another dam on the Dandalup river. Will the Minister simply take that advice blindly because preparations have been made, or will he take note of his priorities, as the member for Dale has suggested? I submit that whichever party is in Government at the time should not exclude what the member for Dale pointed out regarding priorities. The Minister knows that the Serpentine river does not flow any more. This point should be of great interest to members. When this dam is being built the Murray will not flow either. It will affect the whole recreation area of the metropolitan population and Mundaring. The Government will have to take its decision over the next five or six years because that is about the time when the authority will be ready to put the final advice to the Minister to go ahead with the Dandalup dam. That matter will have to be decided and the priorities will have to be taken into consideration.

The water supply for the metropolitan area is not in dire straits. There is plenty of water available. It is only a question of how much it costs and which source is used. There is plenty of underground water to cater for double our population; it is only a matter of exploiting it. Obviously the cheapest sources were exploited first and the more expensive sources will be exploited in the future. The very sound argument from the point of view of the water utility is that a dam will eventually have to be built because that is the next cheapest water source. The consequence was—disregarding the Environmental Protection Authority; one has only to ask people who know the area of Peel Inlet to know what happened to that area when the Serpentine Dam was built—an algae problem resulted. Most of the algae problem is the responsibility of these two dams because if flushing were undertaken the problem would not exist. We would not have to talk about the Dawesville cut. The problem was nonexistent before the Serpentine and Dandalup Dams were built. I remember the situation very well. The farmers—who are now blamed—were already there, or their fathers and grandfathers were there.

I remind the Minister that he should be a little more cautious when using words such as “irresponsibility” and questioning the dedication of a colleague whom I respect and who does not deserve this criticism.

Question put and passed.

Bill read a third time and transmitted to the Council.

BARROW ISLAND ROYALTY AGREEMENT BILL

Second Reading

MR PARKER (Fremantle—Minister for Minerals and Energy) [3.16 p.m.]: I move—

That the Bill be now read a second time.

The Bill ratifies an agreement between the State of Western Australia and West Australian Petroleum Pty Limited, or WAPET to introduce a resource rent royalty to replace the *ad valorem* royalty provisions presently applying to the Barrow Island oil field under the petroleum lease. The Bill also makes enabling amendments to the royalty provisions of relevant petroleum legislation. Other legislative and lease provisions relating to Barrow Island are left intact.

A complementary agreement has been reached with the Commonwealth which secures an exemption from the Commonwealth crude oil excise for petroleum produced on Barrow Island.

The resource rent royalty will thus replace both the Commonwealth excise and State royalty for the Barrow Island petroleum lease. Revenues and administration costs will be shared between the two Governments in the manner prescribed in the complementary agreement.

This arrangement represents a significant milestone in intergovernmental fiscal relations. It is the first time that a State, the Commonwealth and industry have willingly collaborated on a major reform of taxation or royalties. More importantly, it represents a unique instance of a Commonwealth levy being withdrawn in favour of a State royalty, thereby returning to a State effective royalty power over a major resource project. It demonstrates what can be achieved through the constructive approach to Federal relations adopted by this Government.

The initial impetus for this reform was the decision by this Government to rectify a misjudgment made under previous Governments, which allowed the Commonwealth crude oil excise to be deducted when calculating payments under the existing *ad valorem* royalty regime. This error allowed the Commonwealth to expand its rate of excise, reducing the State's royalty receipts in absolute as well as relative terms.

The most obvious option open to the State was to withdraw the deductibility of excise payments. This action, however, would have had a disastrous effect on the operation of the field, forcing WAPET to shut in about 30 per cent of its production and abandon some new investments and exploration activity.

Rather than following such a short-sighted policy, the State and the other parties agreed in principle to alternative arrangements that would provide gains to all parties.

The source of mutual gain and the driving force of the new arrangement is the elimination of economic waste arising from the excise and *ad valorem* royalty and the implementation of a resource rent royalty regime that avoids further economic waste by not distorting exploration, investment and operating decisions. This resource rent royalty system is defined by the Barrow Island royalty agreement.

The existing royalty and excise duty to be replaced by the resource rent royalty are based on gross value of production. Therefore, they are insensitive to the high costs of incremental production and thereby bring about premature termination of production from existing wells and discourage costly investments to recover further oil.

The resource rent royalty, because it is based on realised profit in cash terms and provides for a satisfactory rate of return on investment before any royalty is payable, does not have these serious side effects. The resource rent royalty will, in stark contrast to the existing arrangement, result in more investment, greater annual production and an extension of the life of the field. Accordingly, increased benefits will be available to all parties.

As well as benefiting from the additional economic activity associated with Barrow Island, the State will benefit greatly in financial terms. It will collect additional royalties from Barrow Island of around \$9 million in 1985-86; in the following years the exact level will depend on oil prices and field performance. In addition, as part of the agreement with the Commonwealth, the State has already received very substantial compensation from the Commonwealth for royalties lost since our discovery of our predecessors' misjudgment in allowing excise payments as a deduction in the royalty calculation.

The benefits to WAPET are significant. The marginal rate of excise tax plus royalty on oil production from Barrow Island under the old arrangement was over 90 per cent of gross value at the well head compared with the marginal resource rent royalty rate of only 40 per cent of net value after all costs. WAPET will now receive 60 per cent of the gains from incremental production which should assist the commercial viability of tertiary recovery and deep drilling activity.

The Commonwealth, along with the other parties, will share in the economic efficiency gains flowing from the new arrangement, but these will be long-term gains. In the short-term, some Commonwealth revenues have been redistributed to the State in the interests of promoting sensible tax reform. A central part of the Hawke Government's resource policy has been the reform of resource taxation arrangements along rational economic lines. The Barrow Island resource rent royalty will be the first such reform implemented. Accordingly, the Commonwealth has been most cooperative.

The resource rent royalty is simple in concept and structure and provides WAPET with certain, stable rules of the game upon which to base future investment decisions. It eliminates the need under the previous regime to make frequent, *ad hoc*, arbitrary, complex adjustments in an attempt to ensure that the excise tax and *ad valorem* royalty do not knock out production and new investments as circumstances facing the oilfield change.

The resource rent royalty has been based on the principles of the Commonwealth resource rent tax applicable to offshore Greenfields petroleum projects. However, it improves on that regime in a number of respects and establishes points of detail that will guide the Commonwealth in drafting its resource rent tax legislation. The fairness and efficiency of the Barrow Island resource rent royalty system is illustrated by the fact that the principles and details have been scrutinised and agreed in total by WAPET and its participants, which include three of the largest oil companies in the world, and two Governments.

The main features of the resource rent royalty are as follows—

It will apply from 1 July 1985;

resource rent royalty will replace the Commonwealth crude oil levy and the State *ad valorem* royalty on petroleum from Barrow Island;

the rate of resource rent royalty will be 40 per cent;

all bona fide costs after 1 July 1985 will be written off immediately in the year in which they are paid, with any excess of receipts over expenditures being subject to royalty and any excess of costs over receipts at the end of the year being compounded forward at the accumulation rate to be deductible in the next year;

the only pre-1 July 1985 costs allowed as a deduction relate to the 1984-85 drilling programme to locate more oil. This was allowed because the revenues from oil discovered by this programme will be produced almost entirely under this new royalty regime;

the accumulation rate is an allowance designed to allow an appropriate rate of return on all capital, including equity as well as debt capital, invested in exploration and recovery of petroleum on Barrow Island; and,

strong checks and balances are provided to prevent royalty avoidance and to ensure that WAPET is fairly treated when royalty is assessed.

In summary, the new royalty arrangements enabled by the Bill represent a major achievement of this Government. The State's revenue has been significantly increased in a manner which substantially improves rather than diminishes incentives to explore, invest and recover petroleum. At the same time, State control over its resources has been enhanced in contrast to the persistent erosion of State powers in respect of resources which occurred under our predecessors. The new arrangements demonstrate that the State, the industry and the Commonwealth can all benefit from a co-operative approach to rational reform of royalty and taxation of resources.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Peter Jones.

BARROW ISLAND ROYALTY TRUST ACCOUNT BILL

Second Reading

MR PARKER (Fremantle—Minister for Minerals and Energy) [3.23 p.m.]: I move—

That the Bill be now read a second time.

This Bill provides for the establishment of a trust fund into which all royalty revenue received by the State from the new resource rent royalty to be levied on Barrow Island is to be paid. The new resource rent royalty will replace the existing State *ad valorem* royalty and the Commonwealth excise, with revenue from the new royalty to be shared between the Commonwealth and the State on a 75 per cent:25 per cent basis.

This Bill should be read in conjunction with the Barrow Island Royalty Agreement Bill 1985 which details the new royalty arrangements.

Under the new arrangements there will be substantial financial benefits to the State, both immediately and over the remaining life of the field. For example, in 1985-86 the State expects to receive an additional \$9 million over and above what is estimated to be received if the previous arrangements continued. This is in addition to the \$20.3 million received in 1984-85 as compensation for royalties foregone in the past.

In terms of the State's share of total Government mineral revenues collected from Barrow Island, the 25 per cent share of the resource rent royalty to be retained by the State com-

pares very favourably with the State's share of total Government revenues—that is, Commonwealth excise plus State royalties—derived from the field in the past. This share has not exceeded 10 per cent in any year since the Commonwealth excise was introduced in 1975.

While revenues from existing mineral and petroleum royalties are paid directly into the State's Consolidated Revenue Fund, the nature of the new royalty arrangements for Barrow Island and the requirement for payment to the Commonwealth of its agreed share of the revenue necessitate special arrangements. Because the new royalty is imposed as a consequence of an agreement with the Commonwealth with the major part of the revenue collections to be on-passed to the Commonwealth, a trust fund is to be established to allow payment to the Commonwealth without requiring annual appropriations.

The Bill proposes that all royalty receipts received by the State from the new royalty be paid into the trust fund and, within 21 days, be distributed 75 per cent to the Commonwealth and 25 per cent to the State's Consolidated Revenue Fund.

The Bill also enables refunds to be paid from the trust fund, if appropriate, in the event that refunds are required because of an overpayment of royalty by the lessee. Consistent with the agreed revenue sharing arrangements, the Commonwealth will be responsible for meeting 75 per cent of any refunds payable by the State.

A Deed of Agreement to be signed by the Commonwealth and the State relating to the revenue-sharing arrangements will detail the specific administrative and revenue sharing details agreed between the Commonwealth and the State.

The new royalty arrangements to apply to Barrow Island represent a prime example of what can be achieved with the Commonwealth and State Governments working together rather than in competition with one another. The new resource royalty represents a reasonable balance between satisfying the community interest in sharing in the benefits of a profitable petroleum project and at the same time providing private companies with adequate rewards and incentives. Increased production from Barrow Island, encouraged by the new arrangements, is expected to increase revenues to all parties and in this respect the State Govern-

ment's share of revenues from the project has been considerably enhanced by the arrangements.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Peter Jones.

WESTERN MINING CORPORATION LIMITED (THROSSELL RANGE) AGREEMENT BILL

Second Reading

Debate resumed from 30 October.

MR PETER JONES (Narrogin) [3.27 p.m.]: This Bill seeks the approval of the Parliament to ratify the agreement made between the State Government and Western Mining Corporation Limited in regard to an ore deposit some 200 kilometres south-east of Marble Bar, and is supported by the Opposition.

It relates to a deposit which enjoys the enticing title of "Nifty". I notice that the Minister, in his second reading speech, said it was given the name after his colleague in another place, Hon. Mark Neville.

A Government member: "Nifty Nevill", as in Neville Wran.

Mr PETER JONES: I am only referring to the Minister's speech. However, there are very few points I wish to make about this agreement except to support what has been achieved in securing tenure for the company to continue its activities regardless of the effects of the Mining Act, which would require it to relinquish and indeed vacate the area were it not for some special arrangement which this Parliament will undoubtedly approve.

It is also worthy of note that this deposit is currently unviable. Indeed, I understand from the company that no ore body has yet been proven, although there are statistics relating to certain tonnages, qualities, and so on. There is still a long way to go and there needs to be some considerable expenditure, which this agreement will allow the company to make without any impediments that otherwise might apply should the Mining Act provisions be enforced.

The deposit has some characteristics similar to Mt Isa. It contains silver, lead and zinc in the host body and there needs to be very considerable assessment of the ore body before anything further can be undertaken.

My comments on this Bill are in two categories. Firstly, there are some significant differences between this and other agreement Acts relative to resource projects.

The first matter to which I refer is that it is different from other agreements because it is not titled in quite the same way, in terms of nominating the actual resource at its commencement. This resource agreement Act, and in particular the matter which I have discussed and been kept informed about, relates to the number of times which are still left to the discretion of the State and which exceed, in quite a significant way, some of the matters which normally would be addressed, had a project been proven, or a resource in fact been established and development occurred.

I admit development has taken place, which is not exactly the normal situation, because there are far more agreements which relate to projects and ore bodies and deposits which have not been developed—indeed, the iron ore industry is littered with them. In this case, a much shorter period than normal will apply.

The agreement Act provides for an extension of one year should the Minister determine and I have not the slightest doubt that if the situation does so decree, that extension would be granted. However, there are a significant number of matters that are still left to the discretion of the State.

I can accept that the very nature of agreements dictate that this sort of arrangement should prevail; notwithstanding that, I draw this to the attention of the Parliament so that at least members are aware that situations do vary and that these are not matters which are resting at ease where the company is concerned.

While I can understand why this is so, it is at least worthwhile placing it on the record. It concerns royalties. A company which is embarking upon an exploration programme to prove-up a resource and to determine whether it has potential is given an agreement which provides it with the security of tenure to enable the company to carry out its developments. This one comes under the Mining Act and schedules.

In other words, in relation to that there is a whole range of matters within the agreement for which the Government is already occupying the high ground.

Another matter to which I refer relates to the prior approval of the Minister relative to an assignment, which is again different from other agreements. The Government in this particular agreement Act is embarking upon new ground. I would like to emphasise again that I understand that this type of agreement has not been embarked upon before in terms of tenure, the length of the agreement and the reasons for it being brought here. There may never be a project in the terms that the Minister and I talked about yesterday, and I doubt that there ever could be one. Certainly the proposals in the Act and schedule in relation to the townsites and so on cause me such scepticism that I am going to totally ignore them because I do not think they will have any value.

However, there are other matters of concern to both the company and the Government. The company has agreed to what has been asked of it for a simple reason: There is no proven ore body. The company's advice to me, and the reports that I have read, indicate that there is no proven ore body in terms of a resource which would justify a project, certainly not in the current economic climate and probably not within the life of this agreement.

I am aware that in the first instance this could be extended with the stroke of a pen, with the Minister's agreement, and it can certainly be extended for a set period with the approval of the Parliament, which may well be the case in time to come.

The point that I want to place on the record is this: Should a resource be proven and a particular project be seen to be viable in the light of the international commodity market and the conditions prevailing at that time, whenever that time might be, the details of this agreement, and its requirements and matters which are contained presently in the agreement, will be renegotiated. I have discussed in some detail with the company what the reality of this position might be, and whether it has been agreed that that will be so in the light of the circumstances prevailing then. I hasten to add that that might well be what is currently in the mind of the Minister; I do not know but the Parliament is not being asked to discuss what is in the mind of the Minister. We are being asked to discuss what is contained within an existing agreement. It is not an acceptable basis upon which to base a project should the ore body be proven in such quantity, value and quality and the international commodity market and marketing agreements be such that a project like this could be contemplated. I would like to

make it quite clear—and this only makes public arrangements that I have already entered into—that there is a need for a reassessment of some of those matters relative to this particular situation.

I have nothing more to add except to say that the Opposition supports the agreement, and that we trust the company is rewarded in its endeavours to determine what it seeks to do. I think it is a very satisfactory arrangement in order to provide for the exploration activities that will follow the passage of this agreement.

MR PARKER (Fremantle—Minister for Minerals and Energy) [3.37 p.m.]: I thank the member for Narrogin and the Opposition generally for its support of the Bill. The member for Narrogin is quite right in saying that this Bill is quite substantially different from previous resource development agreements in this State. As I said in my second reading speech, it is the first of its type. Under normal circumstances, with resource development agreements, a company or a consortium of companies would approach the Government with a resource that they had already identified, discovered, bought, or whatever, which they wanted to develop in a particular way. They probably discovered it using the provisions of normal legislation in the State—the Petroleum Act or the Mining Act—and they have identified a particular resource and decided to develop it in a certain way. Consequently they have approached the State with proposals as to how the existing resources should be developed.

In this case we are not quite in that position. We do have a resource which has been discovered—the Nifty copper deposit—and I understand that that resource, in terms of copper alone, in the appropriate economic circumstances—which, as the member for Narrogin is aware, do not exist at present—could be developed to provide 60 000 tonnes of copper concentrate a year. However, the price of copper being what it is and the location of the mine being where it is, it is highly unlikely that that alone would be sufficient for the development of a project.

The company, however, is very confident. I have visited the site and seen some of the drilling cores which have been taken by the company. I do not know whether the member for Narrogin had the opportunity to view some of these cores when he was discussing the matter with the company. The company has cores in one area of the deposit one of which, from memory, is a 10-metre section at 15 per cent

copper, and while the other is a 15-metre section at 10 per cent copper. It is extraordinary that when one looks at a core it looks like a brass rod. The copper concentrate is very high but unfortunately it is not quite as homogenous as one would like. Certainly if it had been at those levels throughout the ore body the company would be out mining at the moment. However it is not in that position, so the company is hoping to develop areas for more copper and other base metals. The company is confident—as are the geologists to whom I spoke on site and the people from the company's corporate headquarters—that it has in fact what will be a major base metal province in this region.

Indeed, that is not only Western Mining's view but also other tenements are held by companies like CRA, Duval, Newmont Holdings Pty Ltd and others; they too obviously have great confidence in the potential of this region.

Under the existing Mining Act in the case of minerals, the company would prove up its deposit and then come to the Government with its development agreement. In this case, the Mining Act does not envisage the intensity of the exploration programme which will be undertaken by Western Mining and that is the reason for this agreement. It does not envisage the logistical difficulties about exploring in this area. The logistical difficulties are created partly by the size of the exploration region and partly by the nature of the ground surface which sometimes has a considerable amount of overburden. The normal way in which one would make assessments about which part of the exploration licences were to be dropped are not available and it has become difficult for the company to know how to pursue the regional geology.

One of the important things about this project, as I am sure the member for Narrogin would agree, is that there is probably no better company in Australia or in the world to undertake these exploration activities than Western Mining Corporation Ltd. My officers in Geological Survey were confident that Western Mining meant what it said when it indicated that it would go ahead to explore this region in such a comprehensive way.

It is true there will be a need for further negotiations and the Bill sets out the areas in which there will be further negotiation if the company finds a resource that it wants to develop, or even if it finds a resource it wants to hold for a period until the economic circum-

stances allow for development. It makes it a substantially different kind of resource development agreement than those which have previously been passed.

Although the Government is very confident in the bona fides of Western Mining Corporation it does not want to set a precedent. As a result, the assignment question was one which was introduced because, under normal circumstances as the member for Narrogin would know, the Mining Act states that for the first 12 months there is no ability to assign without the permission of the Minister, but after that there is a *prima facie* ability to assign. The Government did not want to create a precedent where a security of tenure over a particular area was given to a company for the purpose of creating an asset that could then be traded. I am not talking about the creation of an asset which can be traded, but I am talking about the creation of the ability of a company to explore a particular region. There is a difference; that is, that the assignment must have the prior consent of the Minister which is different from the position under the Mining Act.

The Government believes that given the special circumstances that it is creating, and in view of the fact that undoubtedly other companies will look at the agreement and at some time in the future come to the Government with a request for a similar agreement, it did not want there to be any doubt that it was creating these circumstances generally or in such a way that would simply allow capital raising or other forms of trading.

The Government believes that this is a unique agreement. It contains many differences and it has departed in substantial ways from those things which were envisaged under the Mining Act. For that reason, it is a sensitive agreement because all the mining companies watch like hawks the treatment that other companies are given by the Government.

The Government has established distinct circumstances regarding this agreement and, of course, it has ensured in its wording that unfortunate precedents are not set in the agreement should the Government decide at a future stage that other enterprises of this type are to be treated in the same way. The Bill represents a new direction, but it is one which deserves the support of the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr Parker (Minister for Minerals and Energy), and transmitted to the Council.

LOCAL GOVERNMENT AMENDMENT BILL (No.2)

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr Barnett) in the Chair; Mr Carr (Minister for Local Government) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 25.

Page 19, lines 10 to 13—To delete subparagraph (ii).

No. 2.

Clause 25.

Page 19, lines 24 and 25—To delete proposed paragraph (e).

Mr CARR: I move—

That amendments Nos. 1 and 2 made by the Council be not agreed to.

I consider the amendments proposed by the Legislative Council to be very disappointing. It is regrettable, at a time when it is in the interests of local government for there to be seen to be a consensus at State Government level towards initiatives being taken in local government, that the decision of the Legislative Council, particularly the Liberal members in that place, is to delete certain subclauses of the Bill. It indicates that the Liberal Party in this place is out of step with the wishes and aspirations of local government and this applies not only at a State level, but also at a national level.

At a national level and in almost all States there is substantial participation by local government community welfare services and facilities for their respective communities. In Western Australia there is a significant participation by local government in similar services

and it is also the widespread view of local government that it is a broad field of endeavour in which to be involved.

By rejecting this proposal, the Liberal Party is indicating that it is out of step with the aspirations of local government. It is no secret around the political scene that Liberal Party members have been asking prominent people in local government for advice on how to get back into local government, how to recapture favour with it. It wants to recapture that situation which existed a number of years ago when the Liberal Party was substantially in step with local government. It is also no secret that advice has been given to prominent people in the Liberal Party by local government people as to the issues that are important to local government. The rejection of this proposal is a clear indication that the Liberal Party is not prepared to take the advice that is being given. That is very disappointing.

I make it clear that the Government and I take this amendment very seriously. The proposal that it is sought to delete—the proposal to allow local governments to engage in community welfare services—was a major part of the Bill. We still see it as being a major part of the Bill. It is true that the Bill contains a large number of separate items, but those separate items come together with a consistency that runs right through the Bill. The tenor and the theme of that consistency is to upgrade the responsibility of local government and give it greater autonomy and greater opportunity to make the decisions that it believes are best in the interests of the people who live in each of those 139 communities around the State.

This proposal is an integral part of that wish to give local government greater autonomy. It is not prescriptive in any way. It is merely an extension of the powers of local government to make more decisions locally concerning local people. I cannot think of a more important area of concern to local people than the provision of community welfare facilities. I make it very clear to the Committee that we do not see this amendment as minor. We see it as a major amendment which impinges very much on the integrity of the Bill.

A few points need to be made in defence of our Bill and in opposition to this amendment. First, a great deal of activity is already being undertaken by local governments in providing community welfare services which are of very doubtful legality. Many of the councils in this State—in particular, most of the major metropolitan councils—are engaged in a range of ser-

vices which take on great importance to the people in their communities. It is most unfortunate that this amendment says clearly that the Parliament does not accept the legality of the activities undertaken by those councils.

The Government is setting out to say that it believes that what these councils are doing is appropriate and correct; it wants to formalise those activities and give them legal standing. If the amendment as proposed is agreed to we will be clearly saying, in effect, that we believe the activities undertaken by those councils are not legal. Today I had an officer in my office phone three of the major councils in this State to get a summary of the activities they engage in what could be called community welfare services. The list is a very long one, even from only three councils.

The first council listed its services under aged services, youth services and general services. With respect to aged services it indicated that it has a welfare officer; it runs a frail aged lodge; it provides meals on wheels; it has a social centre; and it runs 12 low income units. It also has other aged persons' units which are resident funded. With respect to youth services, it has a youth housing officer and an accommodation officer and is in the process of purchasing a youth lodging house. Under the general services heading, it has a one parent centre as a joint venture with the State Government and it runs a women's refuge. It has a financial advice service with two advisers. It has a community housing officer, an Aboriginal worker and two lodging houses. That whole range of activities that can be grouped as community welfare services is undertaken by that one metropolitan council.

Mr Clarko: Would you care to name the council?

Mr CARR: I do not suppose there is anything wrong with naming the council. That was the Fremantle City Council.

Mr Clarko: That does not surprise me. I thought it would have to be.

Mr CARR: It will be of interest to the member for Karrinyup that I now turn to the second council that was phoned. I am sure he would not say that it was similar in its political complexion to the Fremantle council.

I refer to the Stirling City Council, the largest council in the State. The Stirling City Council also provides a women's refuge. It runs a kitchen for the Meals on Wheels service. It has two social workers who deal mainly with aged people. It makes a donation to a community

bus and it has paid supervisors for autumn centres. It runs a podiatry service. It also has a coordinator of those services through a contact desk.

The third council contacted was the Canning City Council. The first thing this council indicated was that it has an annual social welfare budget of \$163 000, clearly indicating that welfare services are a major part of an urban metropolitan council. The Canning City Council employs a full-time social welfare officer, has two part-time welfare officers plus an administrative officer. It advises that it is mainly involved with the welfare needs of aged persons. It also deals with local social problems. It provides a community bus with a voluntary driver scheme. It also provides meals on wheels and cooperates with the community Youth Support Scheme. It runs frail aged centres and has two resident aged persons' homes which are run by the city.

Those three metropolitan councils are fairly typical of those in metropolitan Perth. Quite obviously, many smaller councils in the country would not have that range of welfare services, but I believe the point is clearly made that a large range of welfare services is already being provided by local governments in this State. We want to encourage the provision of those services as an appropriate field of action for local government. We want to remove any legal doubts as to the undertaking of those activities by local government. It is disappointing to find that the Opposition opposes that objective.

I make one last point about the services being provided at present. As can be seen from the list of services being provided by local governments, most of them relate to elderly people.

I refer also to important inquiries that have been undertaken in the last few years which support the initiative being proposed by the Government. I refer, first, to the O'Meara report. This inquiry was established in 1981 by the then Court Government. It was instructed to report into the provision of welfare services by local government in Western Australia. It was not a Labor committee; it was appointed by the Court Liberal Government. It recommended—

That the enabling clauses in legislation for local government involvement in welfare be consolidated in the Local Government Act (Western Australia) and the adoption of a general clause similar to:

"The council of any municipality may apply out of the municipal revenue a sum of money for the provision of any social services for the benefit of the people of the municipality".

Those are not the words we have inserted in the Bill. The clause in the Bill under dispute at the moment in effect achieves exactly what was recommended by the O'Meara committee appointed by the previous Liberal Government. In the text of the O'Meara committee's report it quoted the Liberal Party policy in Western Australia as supporting the extension of welfare services. The Liberal Party has changed its position substantially since 1981. I quote from the O'Meara report in which reference is made to the document entitled "Liberal Policy for the Eighties"—

The Liberal Party in Western Australia expresses great confidence in the role of Local Government authorities in the social welfare area in their policy document, 'Liberal Policy for the Eighties', "We believe the time may well have come when the pioneer work of the State, (in community welfare) co-ordinated from Perth, can be progressively replaced at Local Government level. Our major concern is to ensure that local initiative is not lost... We will undertake an immediate reassessment of the appropriate future direction of localised community welfare services. We will investigate the potential for local authorities to take over the work on an individual or co-ordinated regional basis aided by State Funds."

That policy actually goes further than the Bill does. The Liberal Party policy states that local government should take over more of the previously State-controlled welfare services. The Government is not going that far. We are saying that we want to formalise an option for local government to decide to be involved in providing welfare services if it so chooses. We obviously expect that to be closely coordinated with the State Government, but we do not say that local government should take it over from the State Government. The Liberal Party policy document stated that local government should take over more of the previously State-controlled welfare services and to follow that we have the Opposition in this Parliament voting against what is clearly its own policy. I find that most peculiar.

That is not the only inquiry carried out into welfare services in Western Australia in recent years. In addition to the O'Meara committee

report appointed by the previous Liberal Government, the present Government appointed a committee headed by Ms Carter to inquire into welfare services. That report was brought down in 1984 under the title "The Wellbeing of the People". Similarly, that report recommended, and I quote—

That the Local Government Act be amended to provide local authorities with a general competence and the option to engage in the provision of welfare services funded from municipal and other sources.

I emphasise the point; the proposal being argued is not some wild and woolly Labor Party dogma, it is a very widely-accepted view which has been agreed to by successive committees of inquiry appointed by successive Governments.

It makes it clear that two things can happen: Local government can choose to spend its own revenue resources in welfare matters or it can be involved in coordinated arrangements with departments or sources other than those such as State Government departments, to provide a service. In addition to the two reports undertaken in Western Australia, I refer to the report of the national inquiry into local government finance known as the Self committee report which has been released in the last two weeks or so. This committee report stresses the need for local government involvement in decision-making affecting residents. It makes the point that, over a period, local governments have had less say in the provision of services to their community because State and Federal bodies in many cases have simply imposed a structure which local government has had to fit in underneath. The Self committee report strongly makes the point that local government should have greater involvement in deciding what should be the means of provision of services at the local level.

I make the point that the Government believes that local governments are the level of government closest to the people. That cliché has been around for a long time and it has been used by different people to mean different things or to suit different purposes. There is no doubt that in local communities—which vary perhaps from a few hundred residents to 160 000—albeit there are some large councils, local governments have greater proximity to the problems and a greater opportunity to assess the problems at the point of the problem. I cannot stress too strongly that local government is the sphere of government which is best able to assess exactly the needs of the community.

I also stress, as I did earlier, the autonomy aspect. We are talking about local decision making and that is the whole purpose behind the Bill. This aspect is a particularly relevant part of the Bill in that argument for greater autonomy and more local decision-making.

I stress to the Committee that the proposal is purely an optional one; there is nothing in the Bill that says local governments must spend money in any particular way whatsoever. Local governments are accountable to their electors to a greater extent than they have ever been because of the electoral reform introduced in the last couple of years. Therefore, they should have the option to choose to spend money in this way if they wish, or to choose not to.

The proposal is supported by the associations of local government. When I last met with the local government liaison committee, which is made up of senior persons in each of the associations of local government, we had copies of the Bill before us for discussion. The liaison committee raised only three points of query with the whole Bill. We were able to satisfactorily deal with those three points at the time and none of those points in any way related to the measure before us. One related to the consolidation of rolls, one to the possible anomaly of sections 514A and 514B, and the third to the time for an electors' meeting. At no point in the meeting was any suggestion made of concern about this measure.

I am aware that at least one of the associations of local government has responded to the Legislative Council decision the other night by expressing its strong disappointment about the measure taken in that place. The strong view was expressed that the measure under dispute at the moment is a measure that should be retained in the legislation.

Of course, the liaison committee and the associations of local government are very impressed at the range of other measures in the Bill, and I know there would be considerable sorrow and annoyance in local government if the outcome of the deliberations were to be that other measures would be lost because of an argument over this provision of the Bill.

I have heard only two arguments raised against the proposal. One is the argument that says it is difficult to define exactly what we mean by community welfare services, and that clearly is an accepted fact. We could make up a list of items that we might say were to be agreed to as part of a community welfare expansion, but that would not get us anywhere

because that list which was appropriate today would not be appropriate in a couple of weeks. It would not be any good as a list because we have many different communities in WA. Services that are appropriate in one council may be totally inappropriate in another council. For example, the major urban councils have very different demands from some of the rural councils. It is totally impractical to try to define what are community welfare services.

I support the concept of a general head of power, stressing the optional nature of that and the accountability of the local authority making the decision. Welfare services cover a wide field and involve State and Federal Governments as well. Welfare services involve major items of expenditure such as pensions and unemployment benefits right down to the humblest local service such as meals on wheels.

That leads me to the second argument made against this legislation and that is the fear of duplication and the possibility that three spheres of government will all do the same thing. I do not think that is at all likely because funding will rule that out. What is happening in practice and what will continue to happen is that local authorities will make decisions to fill gaps they see in their local communities. We will not see local authorities paying pensions and unemployment benefits or any major expenditure which is clearly within the province of the national or State Governments. They will move in to fill up what they perceive to be gaps in their regions. They will not be able to emulate the other two spheres of government and we will not see a problem of duplication.

This is a very important issue and I hope the Opposition here firstly will reconsider its position and be prepared to accept that there are valid arguments in support of the legislation and be prepared to withdraw any opposition to the measure. I hope also that when the Bill is returned to the Legislative Council, the Opposition members there will be responsive to the arguments that have been put forward and will recognise this as being a measure in the long-term interests of local government.

I see this measure as being a test for the Liberal Party in terms of its relations with local government. As I said at the beginning of my remarks, the Liberal Party has got itself out of step with local government and is trying to get back in touch with it so that they can move in unison; but if it wants to be highly regarded by local government it must be prepared to respond to the wishes and aspirations of local government.

I am opposed to the amendments moved by the Legislative Council.

Mr CLARKO: At the outset I indicate my support for these amendments moved by the Legislative Council, and it is quite natural I should say that because I moved in this direction when the Bill was first before the Chamber. This measure is specifically related to the question of what powers local authorities should have. How should the Local Government Act be constructed? If local government is to be given general competence powers in the field of community welfare the whole issue is raised as to whether local authorities should be given complete autonomy in specific areas in contrast to what now applies. I point out to the Committee that when the legislation first went through the Chamber, the Minister did not describe this as being an example of general competence. We get ourselves into something of a dilemma if we decide to provide local authorities with general competence in the field of welfare but not elsewhere. I will expand on this point later.

For those who are not aware of the existing situation in local government, the present situation is that a council may do what is specified in the Local Government Act. It cannot legally go beyond what is specified in the Act; if it does it is *ultra vires* the Act and is therefore automatically acting illegally. Some people in WA are pressing for a Bill based on general competence, and I take it these idealists want general competence in the whole of the Local Government Act.

What we have before us is a proposition that councils should have unlimited power to introduce and operate any type of community welfare service they wish to provide. The Bill fails to define community welfare services and I find unacceptable the argument of the Minister in another place who said that this is not defined in New South Wales. So what? We could change the whole face of legislation in WA if we decided to do away with that clause which is generally No. 2 or 3 in any Bill and is headed "Definitions" and which sets down, as is quite the logical thing to do, the meaning of words and phrases. That is not done here.

I pointed out in the general debate on the Bill a week or two ago that this failure to define community welfare services was either accidental, in which case it was to be condemned, or it was deliberate, in which case it was so as to hide certain things. The Opposition makes special play of the fact that the Government has not defined the meaning of community

welfare services and because it has not defined them it makes its position more difficult to defend.

It is unfortunate that the Minister has now left the Chamber, although he has no doubt done so for good reason. I say in passing that it is also unfortunate that I have just 15 minutes in which to speak while the Minister had unlimited time. It is unfortunate that our Standing Orders mean that this is the case.

Mr Tonkin: Will you move to change this in the next Parliament?

Mr CLARKO: I take that as a quick political response and I accept it as such. What I am saying is that with other parliamentary debating issues the Minister quite properly has unlimited time as lead speaker as does the lead speaker for the Opposition. Unfortunately in this situation I have just 15 minutes. In addition, the Minister has all his officers assisting him in the preparation of his speech and also knows when this legislation is to come on.

The CHAIRMAN: Order! I remind the member that he gave leave for the two amendments to be debated together. Had he not done that he would have had half an hour.

Mr CLARKO: I knew I was making a concession; even so it would be much fairer if the Opposition lead speaker also had unlimited time.

Community welfare services are not defined and we have a situation where we cannot distinguish between a service which we can treat as some form of assistance in kind, and support in the form of money.

It seems to me that if this Bill becomes law there is nothing to stop a council giving a welfare recipient—say, a person in Fremantle who is destitute—\$20 out of the city council's cash. Once one accepts the fact that the Fremantle City Council, or any other council, can give a destitute person \$20 in cash one opens the way to a system of topping up all the welfare programmes of Western Australia. If the Fremantle City Council felt the aged and invalid pension was not high enough there would be nothing to stop it giving recipients of that pension an extra \$50 a week.

The same would apply to unemployment benefits. It could also be done with all existing Commonwealth and State welfare programmes. A council which had the mind and financial resources and was prepared to bleed its long-suffering ratepayers could introduce a new battery of welfare services. We could get the whole Scandinavian package if we wanted to. I

went through the telephone book and looked up the welfare services provided by the Department of Social Security, which is a Commonwealth body, and the State Department for Community Services. Councils could decide to give additional money and assistance in relation to unemployment, rehabilitation, veterans, and community aid programmes—I have mentioned the topping up of age and invalid pensions. A council could give additional help in relation to child services, health services, and sickness benefits. A council could provide a hospital if it wished to. It could also provide disability services, domiciliary nursing care, home and community care, nursing homes, and council housing.

A council could have a housing programme under which it gave people assistance with a deposit for a home. It could also give an interest subsidy or rent support. Councils could add to the family allowance, give family income supplements and provide additional funds for supporting parents or widows. Alternatively, a council could extend that list in an unlimited way to provide welfare to the people of its district. I understand that because Fremantle has a relatively extended welfare programme people come from adjacent areas and claim on that council's welfare programme. I believe that is something of a problem for the Fremantle City Council, and it does not surprise me.

Mr Carr: If that is true it extends to every service and facility provided by a regional centre such as Fremantle.

Mr CLARKO: I think it is a weakness of the system.

We are amending section 446 of the Local Government Act which contains a list of things which can be done. The Liberal Party is not opposed to all forms of welfare in local government. We support the concept, but we say it should be done when there is a demonstrated need and a proven case. It should be minimal, and the situation should not arise where local government could move into all areas of welfare. If we are going to give general competence in the field of welfare this Government should say whether it is prepared to bring in a Bill to do that in all fields. Will the Government create a situation which will enable councils to develop all sorts of operations? It could take us back to the dark days of the early part of this century when the State Government had hotels and butcher shops and the like. Local govern-

ment could have service stations, delicatessens, supermarkets and shopping centres. They could all be operated by our kindly local government.

If the Government proposes that councils should have general competence to do those things would it let councils have general competence to decide who should vote? A council may decide that only ratepayers should vote. That would be a general competence power. A council could decide who should be eligible to vote; it may decide that one could only be a councillor if one was a property owner. If the Government wishes it could give local government general competence powers in fund-raising and allow councils to put tolls on the local roads they have built, so that if anyone drives through a local authority he has to stop at the tollgate and pay because he is not a ratepayer. Council could even make residents pay the toll, too.

That is the logical extension of a complete general competence power in local government in Western Australia. Unlimited welfare powers for local authorities would mean duplication or triplication of existing programmes. Those three words, "community welfare services" in no way inhibit local authorities from duplicating or triplicating welfare services. It would bear very unfairly on ratepayers because they pay about half the cost of running local authorities. They also pay Federal and State taxes. The cost of the welfare programmes will fall unevenly and unfairly on ratepayers.

When this matter was debated previously I asked the Minister to state the local councils who had written to him and said, "We cannot carry out these welfare matters, and we want to." I have been speaking to some people in local authorities in the brief time I have had to take up this matter, and I have asked people in key authorities whether they have a welfare problem. Those people who represent a very significant part of the population of the metropolitan area said, "No".

In his speech the Minister seemed to hint that if this matter was not agreed to by the Legislative Council it could jeopardise the whole Bill. He should say to the Committee whether he will allow the whole Bill to lapse if the Legislative Council insists on its amendment. He should say whether he is prepared to go to those lengths. It can only be described as blackmail and bullying of the worst kind. I would respect him if he came out and said, "I want this community welfare service matter in the Bill and if it is not passed I will not proceed with the Bill." He will fly completely in the face

of the reputation he has built up if he ducks the issue and is not prepared to say that or alternatively if he is prepared to bully the Opposition. Then councils would need to re-address their judgment of the Minister. They hold him in high respect for what he has done, but this is where the buck stops.

In regard to where the Liberal Party stands on welfare in local government, I have indicated that an opportunity exists in section 446 of the Act to add other areas. That section has been added to over a number of years, and the Bill itself adds certain matters to that list. It does not mean to say that desirable welfare matters cannot be attended to by local government.

I believe that we are dealing with Labor Party policy. The Labor Party is very keen for local government to expand because it believes in big government. Labor wants to take matters out of an individual's hands; it wants to take the decision-making power away from ordinary citizens and private enterprise. It is Labor's philosophy to allow government to get bigger and do more things. Naturally that would suit the Labor Party because it is in its policy.

Mr Carr: Didn't you hear me quote from the Liberal Party's policy?

Mr CLARKO: Yes, but the bits the Minister referred to said there should be an opportunity for some matters to be taken over from the State by local government. That is quite different. There would not be duplication if services passed from the State to local authorities. That is a specific case that can be looked at, and we did that in relation to doctors. We agreed that local authorities in the country should be able to buy houses so that doctors could go there who otherwise could not afford to do so financially.

Mr CASH: I oppose the motion moved by the Minister which seeks to disallow the amendments proposed by the Legislative Council. I think it has to be agreed by the Chamber that, when the Minister introduced the Bill into the House some weeks ago, it was generally considered to be a Bill that would advantage local government. There were some areas in which the Opposition expressed concern. However, in general terms the Opposition worked very closely with the Government and with the Minister in particular in such areas as the delegation of authority, the impounding of goods, and the authority to provide for additional eating areas in public places. Those provisions were passed by the Chamber with

amendments proposed by the Opposition. I do believe, therefore, that it could be argued by the Government that the Opposition has been obstructive in its dealing with the Bill.

When this clause was discussed some two or three weeks ago, the shadow Minister, the member for Karrinyup, made it clear that there was a problem in the lack of definition of welfare services. That problem has not been redressed. All we can do is go back to the Minister's comments when he spoke in the Committee stage to see what he considered were welfare services. It is fair to say that it was generally agreed that welfare services could be almost anything that a council wanted to deem welfare services to be. So, it was a pretty broad area with which we were dealing. The mere fact that we have not adequately defined welfare services causes some stress to the Opposition.

I am interested in finding out which local authorities asked the Minister for Local Government to introduce the amendment. I have spoken to councillors representing the City of Stirling, the City of Wanneroo, and the City of Perth. They have told me that under the present provisions of the Act they have no problem in their dealings in this area. I am surprised that the Minister has said in this House that he believes that local authorities in Western Australia may be in breach of the law when they provide services such as Meals on Wheels, podiatry services, senior citizens buildings or other facilities which are generally considered to be welfare services. If we are trying to redress a situation that is clearly illegal, I think it is up to the Minister to tell us.

If that is the case, it is also necessary for us to define clearly where we are going in respect of community welfare services because the Minister is wrong when he tries to intimate that the Liberal Party is opposed to the provision of welfare services. That is untrue. The Liberal Party has a very proud record of recognising the need for welfare services in this State and throughout the Commonwealth and will continue to see that those services are provided. The question that the Opposition asks is who will provide these services.

At the moment, three areas of government are trying to provide what, at times, are the same services—the Federal and State Governments and now local government. If that is the case—there are clear examples of that occurring—public funds are being misused. That is not something which the Opposition is prepared to support. I put the argument that, if local government is to continue to work in the

area of welfare, it should act as a facilitator rather than as a provider of the services. By that I mean that local government should act as the agent for either the State or Commonwealth Governments and the finance for the services that it will facilitate will be provided by either the State or the Federal Governments. In that way, there will be a better coordination for the moneys spent. I think it would be possible to argue that there would also be less wastage of public funds. The duplication or triplication, therefore, of existing welfare services is something that certainly concerns me and I know concerns other members of the Opposition.

I draw the Minister's attention to section 529(e) of the principal Act. That section states—

A council is authorized to expend money out of its municipal fund—

(e) in any other manner authorized for the time being by the Minister.

It seems to me that that provision in the Local Government Act is enough to overcome some of the problems which the Minister suggested might occur if one were to take the literal meaning of the law in respect of the provision of welfare services.

Mr Troy: Do you want to leave local government under the thumb?

Mr CASH: The member for Mundaring's interpretation is wrong. While he claims some experience in local government, it is probably not sufficient. No-one wants local government to be under the Minister's thumb. What I am arguing is that there is a need for accountability and, unless there is some form of accountability, there is a very real opportunity for the misuse and wastage of ratepayers' funds. I do not think even the member for Mundaring would support that.

Mr Carr: Who should local government be accountable to—the electors or the Minister? You are saying, by relying on that section of the Act, that it should be accountable to the Minister. That is where the two parties differ. We believe local government should be accountable to the electors.

Mr CASH: I believe local government should be accountable to the ratepayers. That is judged on an annual basis at the municipal elections in May of each year. Secondly, I believe it should be accountable to the Minister for other actions through the year, and, through the Minister, to

this Parliament. I am not suggesting that local government should run to the Minister every time it wants a decision made. That is the reason that I spoke in favour of the delegation of authority clauses contained in the Bill that is now under discussion.

I was pleased to see that greater autonomy was given to local government. However, I say to the Minister that encouraging local government to get into the general area of welfare is likely to cause a duplication or a triplication of services and a wastage of public funds. I am not prepared to accept that as a reasonable proposition. I am not arguing that local government should not be involved in welfare. However, I am suggesting that there is a need to facilitate welfare services but not necessarily to provide them. The problem that the Minister has is identifying for local government who will pay for the services that it may wish to provide. It is easy for the Minister to say that if a council makes a mistake in the provision of welfare services, the ratepayers will be able to vote that council out at the next annual election. However, I suggest that that accountability is not good enough. What we need is responsibility. It would be quite wrong to allow local government or to encourage local government to move into that area without adequate accountability.

I make the point once again to the Minister that I am not opposed to the provision of welfare services. I do not believe that many members of the Opposition would say that they were opposed to the provision of welfare services *per se*. However, many would say that there is a need to co-ordinate welfare services and a need to work out where funds will come from to finance those services so that we do not find ourselves wasting public money.

I have said before, and I will continue to say it, that local government is a very good distributor of welfare, recognising the local needs of a particular community; but the provision and financing of those services really belongs to both the State and Federal Governments. Accordingly, I oppose the motion moved by the Minister for Local Government.

Mr MENSAROS: I have listened with interest to the more philosophical principles espoused by the Minister, the member for Karrinyup, and the member for Mt Lawley.

In principle, I would not be opposed at all to community services or any other necessary power of government being executed by local government. In itself it could be questioned

whether there is a need for community services to be executed by Governments instead of by independent voluntary organisations which, I think, could execute them much better and in a much more human and less costly way.

Putting this aside, I would not be opposed to local government doing any justified function of government. My philosophy is that if one has multi tiers of government as we have in Australia generally, the lowest tier should do everything a Government has to do and leave to the higher tier only those things it cannot do under reasonable terms. That is democracy. The nearer the governed are to the governors or the Government of the day the better and there is more chance that the Government will govern in the interests of the people—the governed.

There is one proviso to my philosophy. Whatever local government, or any other Government does, it should pay for it and levy the cost itself. I will not go into detail as to how it should be levied; that could possibly be the subject of an entirely different study. If it does not levy the cost of governing, it is not the authority—to use the Minister's words—of local government which is being enhanced or broadened because it is only a delegated power which is being given to the local government. Then the local government might look like a French prefecture. In France, of course, every power is centralised but there is a widespread decentralisation in delegating power. There is no authority whatsoever, but there is delegated power.

This will be the case if this amendment is not accepted, because it only delegates a power which otherwise should, to my mind, really belong to the Commonwealth Government because it is the one which collects the money. The income tax is collected by the Commonwealth Government.

It is a sad situation that half of the revenue of the State Government derives from the Commonwealth Government. An increasing amount of local government revenue—it is not yet half—derives from the Commonwealth and to some extent from the State. That is an unhealthy situation. I am all for decentralisation, and I am all for giving more authority to the lower tiers of government but it should not be delegated authority where the funds are collected from a higher tier of government. Whether they do it formally or not, it is implied that strings are attached because that is where the money comes from. I wanted to

simply express this philosophy and give it as my reason for supporting the Council's amendment.

Mr STEPHENS: I indicate support for the motion before the Chair. This support is based on my party's belief of autonomy for local government.

We are all aware that when it comes to local government elections a very small percentage of the people vote. One of the reasons for this is that the ratepayers have a perception that the councillors can do very little without the approval of Big Brother or the Minister in Perth. The more that concept can be reduced, the greater will be the turnout at voting. For this reason, we strongly support more autonomy for local government. The councillors are accountable to the ratepayers, or electors now with the broadening of the roll, and if they use their powers in a way that upsets the electorate there is no question that the people would flock to the polls and try to take corrective action. This has happened in one or two areas within my electorate. Where a controversy has existed, there has been a tremendous turnout at the polls. I do not think we have to worry about councillors being irresponsible or using the ratepayers' money irresponsibly.

I believe that the community services are more the province of State and Federal Governments, but there may be a circumstance in which a council finds it desirable to be involved in that field. Unfortunately, my memory is not good enough to go back about three years, but I was made aware of a situation where a man was prepared to leave some of his property to a local office, with strings attached, that it was to be used for specific purposes outside the Act. I am sorry I cannot be more specific but it was three years ago. I have tried to contact the local authority for more details but have been unable to raise it on the phone. That was one situation where the local authority could have benefited if it had not been circumscribed by the Act.

I know members could argue that section 529 allows the council to refer to the Minister for authority to expend moneys out of the municipal fund in any other manner authorised for the time being by the Minister, but that is referring it back to the Minister. Surely, councillors elected by the ratepayers should be given the responsibility of making those decisions. If they make the wrong decisions, the ratepayers, the electors, can take corrective action at a subsequent stage. After all, that is the basis of our

involvement in this Parliament, and I cannot see why we cannot pursue the same principle with regard to local government.

I support the motion moved by the Minister.

Mr BRADSHAW: I oppose this amendment. I believe it is certainly not the prerogative of shire councils to expand into the social welfare agency system. It will bring more cost to the taxpayers without necessarily being of great benefit to them. If one ever offers something to someone, in general they will say, "Yes, it is a good idea", and they will generally go along with it. They tend to forget to relate it back to who is actually paying for these benefits. If it is put in the form, "It will cost you in your rates in one form or another, or in your taxes to have these extra benefits", a lot more people will think a little harder about this.

When rate notices come out most people usually scream about them, and one always hears people screaming about their taxes. One of the main reasons that we are getting taxed at a higher level is because of the situation where more and more social welfare is being provided. I am not totally opposed to welfare agencies and welfare for the people of Western Australia or Australia, but it has to be a situation where the benefit of the cost is apparent.

By allowing these councils to expand, once the powers are given to them over a number of years they will start going into social welfare. Obviously, if councillors decide to go to the councils with proposals that are a good thing, then one by one the councils will expand their activities more and more. Then there will be a bigger burden on the ratepayers in Western Australia, which I certainly do not think is a good thing.

The member for Stirling referred to a ratepayer in his electorate who some years ago wanted to donate a property. Again, the situation could arise in which that property became a burden on the ratepayers of that shire. Many such donations which are free at the beginning, finally cost the shire money. Other circumstances exist of course and I can think of two examples in my electorate: In Waroona a farmer died a few years ago and left his farm to the Waroona shire with the proviso that a dwelling was built on the property. That has recently been done. Similarly, in the Harvey shire a woman left her home and four or five acres of land to the shire. It is not that the local authorities do not have the opportunity to take up these offers if they so wish.

In the past welfare services have been supplied by various organisations such as churches and service clubs. Also the families of the people who needed welfare have assisted. In this day and age there is more and more Government intervention in this area. If we could put the onus back on to the people, as it was in the past, we would provide better welfare services at a much lower cost.

I oppose the amendment.

Mr CARR: I should briefly respond to a couple of the comments raised during the debate. I am disappointed with the attitude shown by members opposite, with the exception of the member for Stirling and I thank him for his support.

It is humbug when people stand in the Chamber one after another and say that they support local government providing welfare services but that they will vote against the amendment which enables local government to provide welfare services. They simply cannot have it both ways. Members will not get away with standing in this place and opposing Government legislation because they do not trust local government and have a paternalistic attitude to it, and then going into the electorate and saying that they supported the idea of local government having powers to be involved in welfare services. Whatever might be the outcome of this Bill, one thing is certain: I will make it very widely known throughout local government that the Government introduced this proposal to extend the authority of local government, to give it an opportunity to be engaged in welfare services, and to formalise and legalise the activities in which it is presently engaged, and the Opposition would not have a bar of it and went to great pains to oppose it.

Mr Thompson: Why are you turning nasty?

Mr CARR: The member for Kalamunda must expect that reaction when his colleagues stand in this place and do something so illogical and contrary to the wishes of local government. The Opposition would expect me to go to local government and make it aware of the actions the Opposition has taken.

The most worrying part of the Opposition's action is the risk it poses for existing services. Let there be no doubt that the action of the Legislative Council in attempting to knock out this proposal casts a dark cloud over a number of existing services. It is all very well for the member for Mt Lawley to say that not a great

number of councils have asked for this legislation. It is all very well for him to say that councils have had no trouble in this area.

The reason is that local authorities have not worried too much about the details of the Act and they have proceeded to get involved in this area. Nothing has been done to stop them from doing so and perhaps the Opposition sees that as an answer.

On the other hand, a Minister, whether it is me or any other Minister, has a responsibility to ensure that the legislation under his or her administration is adhered to. That is one of the main reasons the Bill is before the Parliament. I have identified that breaches of the Act are occurring and I am attempting to redress that situation. I do not want to take action against local authorities for undertaking reasonable and worthwhile welfare services. It is a better solution to bring legislation before the Parliament with regard to these activities and the Government wants to remove any doubt as to the possibility of those activities being illegal. If this Parliament, through the actions of the Legislative Council, overturns that legislation, we shall have brought to the attention of the Parliament and the public that local authorities are undertaking community welfare services *ultra vires* the Act, but that we shall not do anything about it in this place. It will put the responsible Minister and successive Ministers into a difficult position with regard to enforcing the Act. I do not wish to be a Minister who is heavy-handed with the local authorities; it is contrary to my whole approach to local government. However, I have sworn an oath that I will uphold the legislation and I shall be in a situation of not wanting to pretend that what is happening is beyond legal doubt when clearly there is some reasonable doubt.

Mr Cash interjected.

Mr CARR: That is very considerably overstated. The point is that at present legal doubt exists although no-one is stopping the local authorities from doing what they are doing. I am raising the matter in this Chamber and bringing it to public attention in an attempt to correct that legal doubt.

Having raised that matter and drawn that doubt to the Parliament's attention, the Parliament notwithstanding has said that it will not agree to these amendments. It will be much harder to turn a blind eye to these activities than it was previously, whether that involves me or some other Minister. It will be a difficult situation for a Minister to address further

down the track. I am concerned that this dark cloud is cast over some of the services supplied by local authorities. I will not argue that all the services I listed are involved. The Act is a large, convoluted Act and no doubt some lawyers might well say that the councils have heads of power to do certain things. However, there is considerable doubt about a number of them.

I do not think the Opposition is being very responsible if it lets that situation go ahead. A suggestion was made that a solution is provided in the Act where it is stated that a council can spend money on anything with the Minister's approval. In one sense it is a solution, but it is not a total solution. It is a solution to a paternalistically-minded person who does not trust local authorities to be their own masters and to be accountable to their electorates. It is contrary to the beliefs I hold as Minister for Local Government to be required to consider individual requests for approval from councils to formalise their decisions. I would far rather have a situation in which we establish a head of power that enables councils to make their decisions free of interference from me.

In reply to the member for Karrinyup, I stress that we are not talking about general competence of all matters.

Mr Clarko: Why not? You say that you trust local government and it should follow from that.

Mr CARR: General competence is a desirable or at least a possible eventuality with merit and I would like to explore at greater length and over a period of time the move towards general competence power. I would not rule out the possibility that in 10 years' time we shall give local government a far wider and more comprehensive general competence power.

I would not want to rush into that, because it is a very complicated issue. At the moment we are dealing with just one section of activity and that relates only to community welfare matters.

Finally, I respond now to comments made by the member for Karrinyup about the course likely to be followed during the negotiations in which we are involved at present. We have a disagreement between the Legislative Council and the Government as to the content of the legislation and we are now attempting to negotiate out of this conflict. When anyone intelligent is engaged in an exercise of negotiation he wants to look for the best possible result and does not want to predetermine the result of those negotiations. I am looking to a successful conclusion of these negotiations in the sense

that I would like to see the Opposition recognise that there is more merit to this proposal than the Opposition saw when it originally came before the Parliament. I will not make any threat to the member for Karrinyup, such as that if the Opposition does not agree to this we will take home the whole Bill.

By the same token, I regard this amendment as very serious, and if it is to be persisted with by the Legislative Council I would consider that a matter of great seriousness and I would then have to consider all the options available to me and the Government. I would probably want to discuss it with other members of Cabinet, because I would regard that situation very seriously. I will not rule out the possibility of saying that if the Opposition is to tear out this much of the Bill, we will withdraw it and come back in the autumn session with another Bill containing this provision. By the same token, while we are in the middle of the process of negotiation I am not going to issue threats or declare what my position will be. I hope that is understood.

Mr CLARKO: I believe the Minister should enumerate the specific welfare powers that are currently sought by local authorities in this State. He should name the councils and the welfare services they seek to provide. He owes it to us to say that there is a need for welfare services in this State which specific councils now seek to provide, and he should indicate why he believes these particular welfare services should be handled by local authorities. He should come out and say what he thinks about duplicated welfare services.

I went through a long list of welfare services provided in Australia by the Federal and State Governments. I talked about how a local authority might take an existing service and increase it, something which very possibly could be quite unjust and unfair to its ratepayers and Australians as a whole. The wealthiest form of government—the Federal Government—might delete a certain welfare programme and a local authority might say that it would fill the gap, take up that programme and provide the same or increased services in its region. The welfare programmes of Australia could end up in the hands of the smallest local authority in the nation; a handful of people, in effect, could provide a welfare programme that might be described as "gold taps and Rolls Royce transport".

It is essential that the Minister, in order to defend his position on this clause, show that there is a demonstrated need in WA for this

provision, and show that some welfare services need to be provided and that they should be in the hands of local authorities. He needs to answer this question: If we have two local authorities side by side, one with a generous welfare programme and the other with an inferior programme or none, what would that do to government in Western Australia? Does he think this is a good example of providing good government in this State? If this amendment were to be rejected, as the Minister seeks to have done, we could have one local authority providing gold taps and the other providing water from wells.

In addition, we could have a mad rush to provide welfare services, and this could have a significant effect not only on local government but also on the Federal and State Governments. We could find local authorities struggling to provide an ever-increasing burden of welfare programmes, some of which were not necessary or deserved and just adding to the dominance of big government over ordinary, weak citizens.

The Minister should know better than most that a particular council can be wealthy for a variety of reasons, some of them quite fortuitous. An example would be Boddington, where the local authority suddenly found that a goldmine, the second most productive in Australia, was located within its boundaries. The welfare services the Boddington Shire might possibly provide, because of that fortuitous find, could produce in WA some gross inequities. It could lead to Governments suddenly wanting to put their fingers into that pie and stripping a bit more money from the Boddington project to make that local authority equal by taking away from it and down-levelling it to the level of other local authorities.

Greater rating potential is one of the factors that make some local authorities greater than others. If a local authority happens to be located at the mouth of a river or on some very important nodal position around which industry and commerce congregates, that would make that local authority much wealthier perhaps than its neighbour.

In this State we have local authorities ranging in size from the smallest which covers 130 people to the largest which covers 170 000 people. How do we get any sort of equality in community welfare programmes when we have this sort of disparity? For instance, the City of Perth has a rating income of some \$40 million; certainly, its overall take approaches \$50

million. At the same time, the smallest local authority handles about \$300 000. In those circumstances we would get no justice with the sorts of welfare programmes that might be provided. Already complaints are being made by people in the Fremantle area that people from other local authorities go to Fremantle and take advantage of its welfare services. I do not think this is a good system. With the huge disparity among our 139 local authorities, with some wealthy and others not and with some capable of providing gold-plated welfare programmes and others not, people will be disadvantaged.

Let us consider age pensions, a benefit in which Australia led the world. It is much more logical and much fairer if the State has the right to decide whether we provide age pensions in WA rather than leaving it up to individual local authorities, where some might be able to provide it and others obviously would not be able to do so. We could have a ridiculous situation in WA where one authority, Sandstone, provided no age pensions but a local authority such as the Melville local authority did.

It is far better to have, say, an age pensions scheme for all people in Western Australia, with all people treated fairly. They should all get a pension regardless of the financial position of the local authority. The other system is a very bad second—it would be one where some people in Western Australia had age pensions, some did not, and others were in between. In any field of welfare, not just age pensions, some local authorities would be in a position to provide a gold-plated arrangement and others would not provide anything.

Yet the Minister tries to argue that this is a good system. It is a rotten, stinking, smelly system and a government which advocates that system cannot logically say, "That is what we want for Western Australia." If someone lived on the goldfields and received an age pension but because of ill-health had to move to the coast and went to Mandurah, that town might not have an age pension scheme. That is absolute stupidity. It is far better for the State of Western Australia to control that welfare programme and issue pensions on a completely equitable basis.

Western Australia's population is a mere drop in the ocean. A few years ago in England I went to the Kent Greater Council, which has 4.5 million people in that local government authority. The biggest in Western Australia has

170 000. The Kent Greater Council controls all sorts of matters including schools, water, power, and so on.

Mr Bertram: Do you believe the same in respect of the company law?

Mr CLARKO: The member for Balcatta is more qualified to speak on company law, being a legal man. I will listen with interest when he speaks on it later in the debate.

In my opinion this Government is dishonestly suggesting that local government authorities are after the welfare services. I put it to the Government that it is in its platform that local authorities have welfare, and that is what it is going about doing. The Government has not provided a list of local authorities which states, "We want to carry out these welfare programmes." The Government has not done that and it is incumbent on it to do so. I believe the proposed system will cause duplication or triplication, and the unevenness demonstrated by my example of age pensions. If the Government brought in legislation which led to that unevenness throughout the State, I believe the legislation would ultimately have to be changed.

Mr BRADSHAW: I still do not go along with the Minister's view that this amendment should be changed. I would like the Minister to find out which shires have asked for a change in the Local Government Act to give them these roles to play. I am sure no council has come to the Minister and said it is in a situation to provide more welfare to its ratepayers.

If councils are given an opportunity to extend their roles, they will certainly take it up, with the direct result of increasing rates to the ratepayer. As the member for Karrinyup pointed out, there would be a variation in the facilities and amenities provided.

Mr Tonkin: That is an argument against local government. Doesn't it happen in other areas?

Mr BRADSHAW: It does to some extent, but that situation will be exacerbated.

Another very important thing is that the Minister keeps talking about the autonomy of local government—

Several members interjected.

Mr BRADSHAW: The Government is doing something about it, all right. What is it doing? It is jumping on the City of Stirling—it won't let that council run itself. The Government tried to force the council to rezone an area for a Chinese restaurant; and now we have a situation where the council has allowed the

Spindrift to go ahead, and what does the Government do? It says the City of Stirling is not allowed to do it. Then the Government comes here with its Big Brother attitude—

Several members interjected.

Mr BRADSHAW: —its socialistic attitude, and now tries to put into the Local Government Act provisions allowing it to get into the welfare agencies.

Leave granted to continue speech at a later stage of the sitting.

Progress

Progress reported and leave given to sit again, on motion by Mr Carr (Minister for Local Government).

[Questions taken.]

Sitting suspended from 6.00 to 7.15 p.m.

PARLIAMENTARY PRIVILEGE

Breaches: Statement by Speaker

THE SPEAKER (Mr Harman): It has come to my notice that there could be people in our community who are possibly unaware of the nature of parliamentary privilege.

Before I make reference to two particular incidents which have been brought to my notice in recent days, I remind the House that this Parliament as long ago as 1891 passed legislation which, to a large degree, specifically enumerated the privileges claimed by the Parliament for its proper operation.

The Parliamentary Privileges Act 1891 has been held to define the privileges, immunities and powers of both Houses but, at the same time, implies a claim for the privileges of the Commons House of Parliament in Britain. Section 8 of the Parliamentary Privileges Act empowers each to punish in a summary manner in the case where certain offences are committed. Among these—and members will find the references on pages 168 and 169 of their volume of *Acts and Other Information Relating to Parliament*—are “The sending to a member any threatening letter on account of his behaviour in Parliament.” and “The sending a challenge to fight a member.”

It has been brought to my attention that in recent days there may well have been incidents which could be regarded by the House as infringements of each of these principles.

A newspaper published last week contained an article suggesting that a radio personality, Mr Bob Maumill, had offered to fight the Leader of the Opposition. Taken on its face value this offer, if it indeed occurred, may well constitute an offence under the Parliamentary Privileges Act. I note that in this case neither the Leader of the Opposition nor any other member has chosen to take the matter any further. This, as is always the case, is a matter for members themselves to contemplate and make their own decision upon.

In a more serious incident I have sighted letters written on behalf of Mr M. R. H. Holmes a Court which appear to threaten the Premier that certain action will be taken against him should he repeat, even in answering questions in this House, statements made outside the House. The writer of these letters is possibly completely unaware of the seriousness of implying a threat toward a member of Parliament concerning his actions as a member in the House. I would like to think that this is the case. However, as we are all aware, ignorance is not regarded as an excuse for breaking any law.

I take this opportunity to refresh the awareness of all concerned as to the fact of parliamentary privilege. I do so with no desire to create the impression that Parliament is a perfect or sacrosanct institution whose members can do no wrong. Indeed, parliamentarians have a duty to respect the rights of all Western Australians, irrespective of their status or position. However, parliamentary privilege has been fought for and hard-gained over many, many years. It exists to protect the interests of all Western Australians. Aspects of it are expressed in our Parliamentary Privileges Act and certain parts of our Criminal Code.

I publicly urge any who would contemplate making rash statements impinging upon parliamentary privilege to think very carefully before they do so.

LOCAL GOVERNMENT AMENDMENT BILL (No. 2)

Council's Amendments

Amendments made by the Council further considered from an earlier stage of the sitting.

In Committee

The Chairman of Committees (Mr Barnett) in the Chair; Mr Carr (Minister for Local Government) in charge of the Bill.

Progress was reported after the Minister for Local Government had moved that amendments Nos. 1 and 2 made by the Council be not agreed to.

Mr BRADSHAW: The main thing I can say about this part of the Bill is that it will certainly lead to increased taxation at a time when the community is screaming out for lower taxes and rates. It is certainly a sad state of affairs when more and more Bills are introduced which have the effect of increasing taxation in the community. Some people might call them shire rates, but it is still a form of taxation, and this is something that is crippling Australia at present. It adds to the burden already borne by the taxpayers.

Mr Hodge: Do you think welfare measures will become compulsory under this Bill?

Mr BRADSHAW: I am not saying they will become compulsory. A fellow will think he is doing the right thing by saying this is good for the community. In his wisdom or in his own right he feels it is the right thing for the community, but a lot of councillors do these things in good faith without realising they will add to the burden of taxation.

Mr Hodge: He cannot do it on his own. He will have to convince his fellow councillors.

Mr BRADSHAW: Agreed. The end result is that it is an addition to the already heavy burden of taxation. When they sit around and discuss the matter it might sound like a great idea; perhaps it will help the elderly or some disadvantaged persons in the community. However, it is just another debt and over the years the burden will become greater.

We have reached the stage now where the taxation burden in Australia is quite horrific. The people scream out for lower taxes, yet we continue to introduce Bills which effectively increase the taxation burden. This is a little like the tax summit. The Prime Minister should be blamed because the people of Australia got the impression that by having a tax summit we would have reduced taxes, but in no way was that the Prime Minister's intention. Rather, the taxation summit was designed to decide whether the money would be taken out of the right pocket, the left pocket, out of the guy next door's pocket, or even out of all pockets.

Mr Read: Do you think local government does not have the ability to foresee dangers in relation to this clause?

Mr Carr: He says he does not trust these elected councillors to make decisions.

Mr BRADSHAW: If some people are given powers they will definitely use them in due course.

Mr Read: Are you saying we should reduce the powers of this Parliament too?

Mr BRADSHAW: I agree. Our policy is small government. I certainly disagree with the idea that we should increase welfare in the way we are currently doing.

Mr Read: Who would you give power to?

Mr BRADSHAW: Over the last 50 years we have become more socialistic and, in some cases, rightly so; but in other cases these measures have only added to the burden of the taxes we are paying. This part of the Bill certainly in the long term, and perhaps even in the short term, will increase the burden of the taxpayers of Western Australia.

I certainly oppose the motion moved by the Minister for Local Government.

Mr SPRIGGS: I enter this debate only because of some of the remarks of the Minister in response to the member for Karrinyup. Of course he said that at the present time local government was doing things it was not allowed to do under the Act. I feel that if the Minister is to make that statement, at least it is reasonable for him to tell us what local government is doing which is not provided under the Act.

Mr Carr: George, we made up a list here this afternoon. Were you asleep again?

Mr SPRIGGS: I probably was not listening because it was not very interesting. Let me assure the Chamber that I am not convinced that the Minister can tell me of anything that local government today is doing in the welfare area which is in conflict with the Act. The Act quite clearly states that if local government wants to do something for welfare it may need to get permission from the Minister to do certain things. I have been involved in local government for some time and I can assure members that local government has done a tremendous amount for welfare and I certainly hope it will continue to do so. If the Minister can tell me where the present Act stipulates that something that local government is currently doing is unlawful, and it is so prevented from doing it, I will be amazed.

Mr Carr: The things that are unlawful are not in the Act. That is why they are unlawful, for goodness sake. I went through it twice this afternoon.

Mr SPRIGGS: I doubt whether there are very many facets of welfare that they are not handling at present. Some councils are handling most welfare areas.

Mr Read: What does the Act entitle you to do?

Mr SPRIGGS: The Act entitles them to do almost anything.

The CHAIRMAN: Order! Can I just point out two things, please? Firstly, *Hansard* cannot pick up a thing when we can only see the back of the member's head and, secondly, after two minutes I am now finding it very difficult to establish how the member is relating his remarks to the matter before the Chair which is that the Council's amendments be disagreed to.

Mr SPRIGGS: If I am not relating my remarks to the matter before the Chair, I would like to know what would be related to it.

The CHAIRMAN: It is not for me to tell the member that.

Mr SPRIGGS: The Minister has made quite clear statements which in my book are not factual. I am quite sure that nobody is against local government doing certain things. But what has been expressed by the Opposition, and I would have hoped had been expressed by some members on the other side of the House if they had some interest in local government, is that it is a continuing concern, not of local government but of the citizens of Australia, that there should not be a duplication or a triplication of services provided by Federal and State Governments and local government. If the Minister brought forward a provision in this legislation which clearly passed responsibility onto local government or permitted local government to take over certain responsibilities of the State or Federal Governments, there would be some sense in it.

What he is doing is widening the field for the councillor who has only one thing on his plate. I am not knocking councillors who join councils because they have a welfare objective in view. Some join because they do not like the potholes in the road. In this Bill the Minister is attempting to provide open slather for the duplication and triplication of services far beyond a level that is desirable.

I ask the Minister to explain exactly which councils have broken the Act and have brought about the need to legalise their actions.

Mr Carr: You will have to read *Hansard*. I went through it twice this afternoon and I am not going to go through it a third time now.

Mr SPRIGGS: I do not mind if the Minister does not tell me. I listened to what he said this afternoon and I did not hear one fact relating to the Act's being broken. I oppose this clause; I believe it is unnecessary. This clause will not do anything to change the Act in its present form; it will give the impression to the public at large and to one or two councillors that they can safely do things they could not do before.

Mr CLARKO: It is essential that the Committee appreciate that the fundamental question before us is whether every local authority in Western Australia should be given the power to enter into each and every type of community welfare service that exists anywhere in the world, now or in the future. This particular provision will create a situation where there are no limits to the welfare programmes that can be set up.

Mr Tonkin: We believe in autonomy for local government.

Mr CLARKO: The Minister does not believe in it at all. He has made an unequivocal statement. Is he prepared to support an amendment to the Local Government Act which will allow individual local authorities to choose who votes in their elections? That is the question; I challenge the Minister to answer it if he is game.

Mr Tonkin: That is taking autonomy away from the citizens of the State.

Mr CLARKO: Rubbish! The Minister has failed to answer the question. He has proved to be absolutely insincere because he has foisted on the people of Western Australia the peculiar situation where councillors in local government who pay no rates can set the level of rates.

Mr P. J. Smith: Everybody pays rates.

Mr CLARKO: They do not. That is nonsense! My adult daughter lives at my house and does not pay rates.

Mr P. J. Smith: You do not take any board?

Mr CLARKO: No I do not.

Mr P. J. Smith: Then she is sponging.

Mr CLARKO: That is an insult. The member may well have an adult living in his house one day and not take a payment off that person. It is quite improper to say my daughter is sponging off me. He has no right to say it. It is a rude thing to say, and he should apologise. If one has an adult son or daughter living at home, one does not require him or her to pay their way fully. If the member for Bunbury does that he is a Shylock. He has again been proven, like his leader, to go to water. He made a statement

and I disproved it, and the member tried to insult my daughter by way of response. Having given him an example, I find he chose to insult her. That is disgraceful and I think it is improper. There are people who do not pay rates. There are many people who pay rent, but as even the member knows rents are geared so that people do not pay their full economic share of the cost of running a house. They do not pay their full share of the rate commitment on the house.

The Minister apparently sees no problem in the fact that this proposal could mean that 139 different schemes could be operating in a single welfare sector in this State. Apparently that does not worry him. A welfare recipient in the local authority which had a scheme which provided a low level of remuneration would feel badly done by if he became aware that the adjacent local authority had a much better scheme.

If there is a demonstrated need for a single welfare service throughout Western Australia, would it not be better and fairer for it to be operated by the Department for Community Services? In that way one would get a uniform scheme for every Western Australian. I referred earlier to the age pension; would it not be better if there was one age pension and that the State provided it so that everybody was eligible for the same amount under the same conditions? For different local authorities to have different levels of welfare services, or for one authority to have a service which another authority did not would create gross inequities in the standard of living in Western Australia.

The Liberal Party believes community welfare services are basically the responsibility of the State and/or the Federal Government. That gives uniformity of services throughout the State. It also means the services are funded more fairly because under this ridiculous situation people who pay no rates or a proportion of the rates compared with others are allowed to sit at the council table and vote on what level of rates people will be paying. There will be an unevenness because ratepayers will be paying for an expansion of welfare services and ratepayers will pay a different amount depending on the local authority area. Welfare should principally be the province of the State and Federal Governments. It is the only way to achieve uniformity. I do not know whether the member for Mitchell has been in local government, but I have been in a local government authority which had 170 000 people. I was the chairman of the staff, finance, and general pur-

poses committee, and I believe that experience would be much better than whatever local government responsibility the member for Mitchell has had.

The situation at present is that quite a number of things are done which can be described as welfare services. Section 446 of the Local Government Act was established so that as we moved through time, varying elements of programmes for the community, whether one called them welfare services or anything else, have been progressively added to the list. This Bill does that in one or two places, so we are not opposed to the provision of all welfare services by local authorities. We believe welfare services should principally be carried out by the State or Federal Governments. That is the only way to get a fair system. Different local authorities have different capacities to support welfare services. It would be quite unreasonable if two authorities side by side provided a different level of services. If people want a first-class welfare system it must be provided by the State or Federal Government.

We are not saying that there is not a need for some form of welfare. We support minimal welfare services. For instance, the City of Stirling employs a nurse and a welfare officer who are able to deal with emergencies and special cases. Obviously a smaller local authority could provide such services but there would be a greater financial burden on those authorities.

We challenge the Minister—I have done this repeatedly throughout this debate—to tell us which welfare services councils want and which they are prevented from carrying out. We have asked him to name councils which have requested welfare services but which they have not been able to establish because of the Act. We reject the suggestion that there should be "general competence" for welfare. I think it is unbalanced for the Government to say that there should be general competence in welfare and not general competence in voting systems or rating systems. The Government is not doing one thing or the other. It is saying that what it is imposing suits it because it is socialistic and it would like to see an expanded welfare. It is saying that it suits it to give general competence on welfare. The Minister did not use that term in debate; it has been used by others.

We oppose the proposition to provide an unrestricted system of community welfare services. It would be unfair, discriminatory, and unnecessary because there are other ways of providing the necessary welfare services.

Mr BRADSHAW: I was asked earlier whether I have faith in local government. I certainly do.

Mr Troy: So long as it does not have any power.

Mr BRADSHAW: That is a complete load of rubbish. Shire councils were set up as roads boards which Government members may or may not know.

Mr Troy: And that is where you would like them to stay.

Mr BRADSHAW: The member is quite right, and I will tell him why: Since councils' duties have been expanded, people have had imposed on them higher rates and taxes to pay for these expanded duties when all Australians are screaming for lower taxes and smaller Government. The Government is trying to impose its socialistic and communistic ideas.

Mr Carr: How do you reduce taxes if you are screaming for handouts?

Mr BRADSHAW: We do not want handouts. It is time we began reducing some of the services and got back to the system where people do not depend on government to provide services. This Government wants to hold their hands in its socialistic way.

I certainly have confidence in the shire councils that I know about. They operate within the guidelines set down for them, as do the State and Federal Governments. However, State and Federal Governments can alter their roles by enacting legislation.

Mr Carr: Do you support the extension of local government powers?

Mr BRADSHAW: I do not support the extension of local government powers. The Minister should tell me of one person he knows who does not feel he is paying too many taxes and charges. All this legislation will mean will be an increase in rates and taxes in Western Australia.

I believe that shire councils' powers are wide enough at present. This legislation will not give them more autonomy.

Mr Clarko: It will be a burden.

Mr BRADSHAW: Yes, it will be a burden on the ratepayers.

Mr Evans: The percentage of revenue raised by local government is not very much now—less than 30 per cent.

Mr BRADSHAW: That does not matter. If their powers are expanded they will have to have more money.

I believe we should return to the old days when social welfare was provided by one's immediate family, church, service club, and other agencies.

Mr Bridge: The difficulty with local government is that their horizons have broadened over the years. When I entered local government it concentrated on roadworks. Now it has to deal with all sorts of issues including social welfare issues.

Mr BRADSHAW: Because it has been given that power. If it is to be given that power then we should cut out some of the State Government's powers to prevent duplication. Many of the services being performed by State Governments are being duplicated by local government. The thing about Governments providing these services is that people do not ask how much money they cost. I can remember at the last mayoral election in Bunbury people saying that they could not vote for Jeff Prosser because they could not afford what he wanted for Bunbury. He had promised all sorts of things to become mayor of Bunbury. It did not work because the people of Bunbury felt they could not afford it.

Mr Carr: So the people were the final judge. They imposed accountability on the council.

Mr BRADSHAW: That is so, in those days. However, once promises have been fulfilled it is very hard to take them back.

I oppose the motion to not agree to the Council's amendment because it would lead to a rise in the cost of taxes and charges on the people of this State.

Mr RUSHTON: It is the Government's intention by this legislation to destroy local government, not to advance it. The first thing it should ask itself is: What do the ratepayers want? It is all right for the Minister for Water Resources to laugh and joke. When he asked the people what they wanted he took no notice of them.

The Leader of the House tries to ride over people, and that is what he is doing now. He does what he wants to do, not what the people want. The so-called autonomy for local government—

Mr Tonkin: You do not believe in it.

Mr RUSHTON: I certainly do.

Mr Tonkin: You did not do a thing for it when you were the Minister.

Mr RUSHTON: I happened to create the liaison committee which worked with local government in order that it could get the autonomy that it asked for.

Mr Tonkin: That is not what local government says about you.

Mr RUSHTON: The Leader of the House is not speaking the truth.

One thing about which local government is aware is the cost of running it. The ratepayers are aware of this also. We should be mindful of the cost of State Government and the Federal members of Parliament should be aware of the cost of the Federal Government. Without recognising the cost of running the different levels of government, we will not be in a position to reduce the cost of running local government if we duplicate the services.

The object of this Government is to regionalise local government. It wants to build local government up to the stage where it will take over the State Government's responsibilities.

The CHAIRMAN: Order! I will advise the member for Dale what I have advised a couple of members. This is not a second reading debate and the question before the Chair is that we disagree with the amendments moved by the Legislative Council. The member for Dale must relate his remarks to that.

Mr RUSHTON: The Opposition is seeking to be consistent with the views expressed by the Legislative Council in this regard, and that is the reason I am emphasising that this Government is endeavouring to change its mind and to lead us away from the views expressed by the Legislative Council.

As far as I am concerned it is evident that this Government wants to take a certain direction relating to local government and it will not be to the benefit of local government in the long term. The Government is seeking to regionalise and centralise all levels of government, with control being based in Canberra. Until the Government has a different philosophy it is obvious that this is its objective. It is something which must be stopped.

Question put and a division taken with the following result—

Ayes 24	
Mr Bateman	Mr Hughes
Mr Bertram	Mr Jamieson
Mr Bridge	Mr MacIver
Mrs Buchanan	Mr Parker
Mr Brian Burke	Mr Read
Mr Terry Burke	Mr D. L. Smith
Mr Burkett	Mr P. J. Smith
Mr Carr	Mr Taylor
Mr Davies	Mr Tonkin
Mr Evans	Mr Troy
Mrs Henderson	Mrs Watkins
Mr Hodge	Mr Gordon Hill

(Teller)

Noes 14	
Mr Bradshaw	Mr Rushton
Mr Clarko	Mr Spriggs
Mr Court	Mr Thompson
Mr Grayden	Mr Trethowan
Mr MacKinnon	Mr Tubby
Mr Mensaros	Mr Watt
Mr Old	Mr Williams

(Teller)

Pairs	
Ayes	
Mr Bryce	Mr Hassell
Mr Pearce	Mr Coyne
Mr Grill	Mr Laurance
Mrs Beggs	Mr McNee
Mr Tom Jones	Mr Blaikie
Mr Wilson	Dr Dadour

Noes

Question thus passed; the Council's amendments not agreed to.

Report, etc.

Resolution reported and the report adopted.

A committee consisting of Mr Troy, Mr Clarko, and Mr Carr (Minister for Local Government) drew up reasons for not agreeing to amendments Nos. 1 and 2 made by the Council.

Reasons adopted and a message accordingly returned to the Council.

APPROPRIATION (GENERAL LOAN FUND) BILL

In Committee

Resumed from 6 November. The Chairman of Committees (Mr Barnett) in the Chair; Mr Brian Burke (Treasurer) in charge of the Bill.

Division—Public Works—Buildings and Associated Works Including Furniture and Equipment, \$8 828 000—

Progress was reported after the Division had been partly considered.

Mr CLARKO: I make some comments regarding the allocation for prisons.

Mr Tonkin: Are you in favour of them.

Mr CLARKO: I remember a fellow once saying to me that our policy should be, "Don't get caught", but some would say that once offenders are caught and incarcerated they should be kept in reasonable comfort without being allowed to wander away or in any way be able to tyrannise the ordinary citizen.

This Budget provides for a replacement for Fremantle Prison. That is a major step forward and the Government should be complimented on the decision to provide initial funds for an alternative prison to Fremantle. The total cost of this new prison is estimated by the Government to be \$56.4 million. It is proposed that the building be completed by 1990, some five years away. I may be wrong, but if my memory serves me correctly, the Fremantle Prison was built in the 1850s.

Mr Parker: Yes.

Mr CLARKO: One of the first things that true British colonialists did was build prisons and hospitals for the insane.

Mr Jamieson: Before the turn of the century, a Royal Commission said that it was not fit for human habitation.

Mr CLARKO: Yes, so it has taken us a long time, about 80 or 90 years, as indicated by the member for Welshpool, to bite the bullet.

Successive Governments since the end of last century felt that there were matters they had to give priority to in preference to outlaying a huge sum of money on a new prison to replace that at Fremantle. There are very few buildings that would stand for a period of 130 years. Fremantle Prison, by various means, has managed to achieve that. Clearly, what was suitable as a place of incarceration all those years ago is not an appropriate place today for the people who are unfortunate enough to be confined in the prison.

Mr Davies: Have you had a look over it?

Mr CLARKO: I have not been through the Fremantle Prison, but as a very keen follower of football, I have walked past its entrance and side walls on many occasions. I have always stepped past that prison gate at about 2 o'clock with a feeling of elation. If Claremont happens subsequently to lose, I have later walked past hanging my head, but I have never had the feeling that I would like to go inside.

Fremantle Prison is a remarkable building from the outside, but I understand that it is not all that marvellous inside.

This evening I asked the Treasurer a question with regard to the site of the replacement prison. I asked—

If he will not specify the site now, when will he do so?

I also asked the Treasurer why the Government proposes to spend \$700 000 in this Budget for a new prison site when suitable land has been set aside adjacent to the existing Canning Vale Prison, for a prison of this nature. The Treasurer asked me to put the question on the Notice Paper.

The people of Western Australia need to know now where the prison will be located. It has been put to me that the Government is weak with regard to indicating where it proposes to site the prison. It is afraid that the electorate in which it is proposed to site the prison might become shaky at election time. The Government may feel it is entitled to conceal its plans for electoral purposes, but I regard it as a weak and insipid Government if it does so.

Someone has suggested that the prison will be sited south of Perth in the electorate of Cockburn. I have also recently heard that it will be located in an area at or near Gngangara, which is fairly close to the seat of Joondalup. If there is a possibility that it will be sited in that area, I can understand why the Government is coy about announcing the fact.

Mrs Watkins: What about siting it in Karrinyup.

Mr CLARKO: There is not sufficient vacant land in Karrinyup.

Mr Parker: It could be put in Star Swamp.

Mr Burkett: Over my dead body.

Mr CLARKO: If the Government did that, it would need to hold a by-election in Scarborough. It would not help the member for Joondalup if a prison were to be sited in or near her electorate.

Mr Parker: Every site has some problems associated with it, whether they be health, conservation strategies, or a whole range of other things. It is a complex procedure.

Mr CLARKO: It is complex in one sense but only as are the problems associated with any significant building, and this is a special type of building.

Mr Parker: There are a number of good reasons and, to take one example, a site which was thought to be a good site was finally rejected because it was recognised that it could not be evacuated quickly, and evacuation might be needed in the area for various reasons. People would be in the area for 24 hours a day, and as this will be a maximum security prison, evacuation could present problems.

Mr CLARKO: I would not have thought that the rate of evacuation would have made any difference to the site chosen.

Mr Parker: You cannot evacuate a maximum security prison quickly.

Mr CLARKO: That will be the same wherever it is located.

Mr Parker: The need for evacuation will depend on the location of the prison.

Mr CLARKO: I think that is far too vague. If the Government wants to make that point, for example, it could say that it cannot build the prison on uneven ground because that would result in multi-level buildings which could facilitate escapes, therefore, the Government needs flat land on which to build the prison. I could accept such an argument and understand the reason for it. However, I think the real reason for the Government's secrecy in this matter is that it does not have the gumption to say where it will be sited because it is afraid of the electoral repercussions.

If by some miracle the Labor Party wins the election next February or March, I think the Government will find it easy to say where the prison will be located because the election will be behind it. I will bet a lottery ticket on that.

A Government member: Will you bet a lottery ticket on who wins the next election?

Mr CLARKO: I am not allowed to bet on elections and therefore I am handicapped in that sense.

I put it to the Chamber that the Government should come clean and say where the prison will be located. The reasons it is not doing so are not those given by the Minister. The expenditure of \$700 000 is a waste of money. There is land at Canning Vale on which to build the replacement prison for Fremantle, and in my view it is incumbent on the Government if, for some reason or another it believes that is not an appropriate site, to quickly announce that the prison will not be located at Canning Vale

for specified reasons. It has not done so and I believe the people of Western Australia are entitled to be informed about this matter.

My colleague, Hon P. G. Pental, asked a series of questions on this matter in another place. He asked the Minister for Prisons the following question—

Why is the Government proposing that the maximum security prison be constructed at a place other than Canning Vale where adequate land is available and central services have been provided at considerable cost?

Hon J. M. Berinson replied—

There is a whole range of factors which go to the selection of an appropriate site for this prison, and they are not all necessarily met by the availability of space at Canning Vale.

That answer is pathetic in the extreme. It avoids the question and does not say, for example, that the Government has found the land at Canning Vale is too small, that the terrain is unsuitable, or give some other reason. It ignores the advantages of locating the various elements of the prison service in one place. I do not know whether the Government feels it will be electorally damaged by expanding the prison complex at Canning Vale.

Mr MacKinnon: It is in my electorate.

Mr CLARKO: I thought it might be in the electorate of Canning. The member for Canning would not be too worried about that because he will not be throwing his hat into the ring at election time.

Hon P. G. Pental asked the Minister for Prisons a further question in two parts—

- (1) Is it correct that the Government contemplated the construction of the new maximum security prison on land at a place named Leda, a new residential subdivision near Kwinana?
- (2) Is it further correct that Leda was ruled out as a place for the new maximum security prison because of advice from the Health Department of the likely effect of industrial airborne pollution on prison officers and prisoners?

Hon. Joe Berinson relied in a way which belies his normal loquacious style, and said—

- (1) and (2) I have previously indicated to the House that a number of sites have been and remain under consideration, and that pending a final decision on

the site of this prison I would not be proposing to enter into discussions which would encourage speculation.

The third question asked by Hon. Phil Pendal was—

Is the Minister satisfied that the problem of security recently reported at Canning Vale Prison when prisoners were found after hours in workshop areas with duplicate keys has been resolved?

Hon. Joe Berinson's reply was the single word "Yes."

This helps us not at all where a Minister of the Crown avoids what are quite reasonable questions.

Hon. Phillip Pendal asked whether the Minister was satisfied that the security was in order and there was no imminent likelihood of escape, to which Hon. Joe Berinson said—

The first Minister for Prisons to guarantee that there will not be an escape or an attempted escape from any prison will be heading towards the end of his career. There is no possibility of providing the sort of implied guarantee for which the honourable member is asking. I can say I am satisfied that the security at Canning Vale is at a very high level and that it is appropriate for the class of prisoners in that institution.

I do not agree with Hon. Joe Berinson on that matter. I went to that prison one day at the invitation of Mr Berinson and while there we discussed how secure Canning Vale prison was. It was at a time when the Government had already announced it was removing armed guards. That followed an incident where an escaping prisoner was killed by a rifle shot which unfortunately entered his head. The Government announced it would place cowling on the walls of this prison which raised the height of the wall. I see the cost was \$36 000.

I asked representatives of the prison officers there what was the security rating of this prison, in terms of keeping people inside. One of them mumbled a bit and looked at his superior. Finally he said the prison warders indulged in a competition to see how quickly the wall could be scaled. On the basis that they had a piece of rope and did not have to construct it, they timed themselves going over the wall, and from memory it took perhaps a minute or so.

I remarked that that was a tremendously fast time. One of them interjected that it was not as fast as it could be. I asked, "What is the fastest way?" The reply was, "You back a motor car to the outside wall, take a piece of rope, tie it to the trailer hitch, and toss it over the wall and you can pull a person over in a couple of seconds."

Mr MacKinnon: There are towers out there which are not manned.

Mr CLARKO: The towers are not manned. They were built as part of the architectural plan. They were manned initially.

This is a farcical situation. I said, "Because you have tested it out yourselves, do you make a periodic tour of the area immediately outside the prison walls in order to prevent this happening?" The prison officer said, "No, we do not."

I was in a questioning mood, so I asked, "Why do you not do something to make sure the prison is completely escape-proof?" I said, "I am not advocating this, but you could put a low electrical charge through the wall or adjacent to it. It would stun a person attempting to escape." I was not suggesting harming a person, but temporarily stunning him so that he could be apprehended.

It was put to me that that was not very humane. I suggested many people with arthritis continually give themselves electrical charges to overcome their bodily aches and pains. I said, "What is another answer? Could we dig a big moat."

Mr Tonkin: We could put piranhas in it.

Mr CLARKO: I suggested putting a crocodile in there. I would not mind if the teeth had been extracted from the crocodile, because I thought that would have a considerable effect.

Then I received a most remarkable comment from one of the most senior prison officers. He said, "You do not understand, it is quite wrong psychologically to establish in the minds of prisoners that their prison is escape-proof. That is considered to be psychologically bad."

Mr Tonkin: Very damaging.

Mr CLARKO: It is supposed to be psychologically bad for prisoners to feel they are in a prison from which nobody can escape. This is a man of senior rank in the prison service, and he said it in all seriousness. I have read it since in opinions from other experts, mainly psychologists, who have said something similar.

I am appalled. It is amazing that anybody should come up with that sort of comment—that we should have prisons which should not psychologically make the prisoners feel that they cannot escape.

I wonder what sort of world we are living in? It seems to me to be an Alice in Wonderland kind of world. They call them "lessens" because they "lessen" from time to time. This is for schoolteachers such as the Leader of the House.

I do not believe we should have prisons which do not provide adequate living accommodation. I have been through the Canning Vale prison. Apart from the intrusion of a toilet pedestal in the cell, the rooms are very nice. I cannot see why the rooms should not be nice either. But it is incumbent on the prison service to try to provide an escape-proof prison. Anybody who tries to suggest otherwise does not understand what the community seeks.

While it was always difficult to get one of my erudite comments on education in the Press, since I have had some area of responsibility as shadow Minister for Prisons I have found that whenever anyone has hopped out of a prison, the newspapers and radio stations continually ring me up asking me what I think about these people terrorised by the escapees. That is really great news. One could remain on the front pages all the time as shadow Minister for Prisons if one could persuade a prisoner to get away every day.

Mr Tonkin: Leave a few ladders lying around.

Mr CLARKO: All one needs to do is to find a fellow with a hitch and a bit of rope to fling over the wall and away they go.

I have tried to inject a little humour into my comments because of the lateness of the hour and the fact that we have been in this place into the early morning for the past couple of days. But this is a very serious matter. The people of Western Australia, and no doubt everywhere else in the world, do not want to have prisons from which the occupants can move out very easily.

I wonder if anybody will reply to the comments we are going to make on the Loan Bill. If not I will ask in a general, open way whether somebody in the Government might be prepared to explain why at Canning Vale, under the heading "Multi-functional prison," there is an amount for design fees of \$1 585 000. It appears that this is part of continuing work. I presume this large sum of money is part of a

great expansion of what is happening there. It is interesting that no such amount for design is set down with the amount under the new prison which will replace the Fremantle Prison.

I think we have decided it will be sited either in Joondalup or perhaps—as the member for Mundaring has entered the Chamber—Mandurah would be a good place to put the prison.

Mr Troy: I already have two!

Mr CLARKO: It will be a big prison which will house the worst characters! If we had a continuation of the rating fiasco and a huge prison was built in the member's area the Government would have to give the wine growers another \$10 million. Perhaps the electors could be kept in some sort of soporific state until the next election!

Mr MacKinnon: I am surprised the Government does not come clean on this matter because I had no problems with my electors in regard to the prison. I wonder why it will not come clean.

Mr Parker: A decision has not been made about it.

Mr CLARKO: I could ask the member for Perth, "Do you have a mirror?" It would be advantageous to everybody who was trying to identify the General Loan Fund estimates of expenditure if we received an explanation for the design fees in relation to the multifunctional prison at Canning Vale.

I notice also that \$750 000 is set aside for upgrading the Greenough Prison. This question is very interesting because I think that prison was completed only about a year ago. I remember going through the prison when it was partly completed. It is a pity we do not have somebody to tell us precisely what that upgrading entails.

The other major area of expenditure is the new work release centre at West Perth on which an amount of \$1.65 million will be spent. This is a very large sum of money. This year nearly \$9 million will be spent on prison buildings and the like.

Mr MacKinnon: Is anybody going to respond to your questions?

Mr CLARKO: It appears not. Last year the total amount spent on prison buildings was \$1.9 million, and I am talking about an amount of \$1.7 million being spent on the new work release centre alone. I do commend the Government for this project. It is important that we provide adequate facilities for people

who are involved in the prison and the incarceration process. In this case people will go to the centre on work release. It is important that we provide adequate facilities for them. Nobody would suggest, as I have said previously, that we are trying to provide accommodation of the Parmelia Hilton standard, but they do need adequate facilities. Here is an opportunity for this important aspect of the prison process to be better cared for. That is important. I do not know whether it is in the member for Perth's electorate but, if so, I wonder whether he hands them how-to-vote cards or whether the electors are more of the Liberal persuasion.

Mr Parker: They are probably more Liberal. One of them is a very close friend of the former Premier, as I recall.

Mr CLARKO: One has to be careful about this situation because I well remember a man who was released from prison on the evening that the Labor Party won the 1971 election. I am sure the member for Perth will be able to help members with the name of that gentleman if they cannot remember. I will not comment on whether he should or should not have been released.

Mr Terry Burke: He should not have been there.

Mr CLARKO: There has been a significant increase in the amount of money that has been spent on prisons this year; it has gone from \$1.9 million to nearly \$9 million. It is interesting that when my party was last in Government it spent approximately \$4.8 million on prisons during the year 1981-82. The real task is facing up to the need and finding the money to provide extra buildings and so on in this area when so many other areas, people might argue, have greater priority.

Mr WILLIAMS: I rise to take issue on the figures for the replacement of the Hospital Laundry and Linen Service which is estimated to be \$3.162 million.

The CHAIRMAN: Order! Would the member for Clontarf resume his seat? I suggest, while I pause for a moment, that the member for Vasse resume his seat also. Would the member for Vasse resume his seat? I want him to please resume his seat. In the past few days in this Parliament a number of members have seen fit to show gross discourtesy and disrespect to this Chair by passing between the member on his feet and myself. On a number of occasions I have passed messages to those

members who have taken that action and have suggested that they do not do it again. I have now reached the end of my tolerance. I think it is probably the rudest act that anybody could perform in this place and I take great exception to the member for Vasse performing it only a moment ago. I expect the member for Vasse, when I have finished my remarks, to apologise for his disrespectful action. I hope he will never do it again.

Mr Blaikie: I apologise, Mr Chairman.

The CHAIRMAN: Thank you. The member for Clontarf.

Mr WILLIAMS: It appears that the Swanbourne Hospital laundry is to be closed, and that money is to be spent on the essential linen services, to extend the plant, buildings, and machinery to centralise that laundry. I know and other members know—the shadow Minister for Health also knows—that the worst thing that can be done in this situation is to centralise it. If it was suggested that that service be transferred perhaps to Mandurah, I could understand it, because Mandurah seems to be copping the lot this financial year.

Mr Read: It has been neglected for years.

Several members interjected.

Mr WILLIAMS: I just wonder why everything is going Mandurah's way. There must be some ulterior motive. However, that is the situation. I am rather surprised that it has not gone that way, but I must say I am concerned that it is to be centralised in the present linen service. The Opposition believes that in the future linen services to hospitals in particular must be provided by private enterprise. I say that with every justification. I think it is damning that this year this Government which suggests it is short of money and cannot find a few thousand dollars for SPELD can spend \$3.162 million to carry on this socialistic enterprise, particularly when this enterprise will cost a great deal more than it would if it were put out to private enterprise tender.

I say that because today the laundries supply to hospitals, and there is virtually a monopoly in this State—only one hospital, Wanneroo Hospital, is supplied by private enterprise—and the average price per kilogram in this State is \$1.24. If members understand the laundry set-up they will realise that everything that is required in a hospital in the way of linen is supplied from the Central Linen Service. The only things that are not supplied are nurses' uniforms and mattresses and pillows. The CLS is supplying the service on a re-clean basis of

\$1.24 a kilogram. The same situation applies in Victoria, but there the system is based on half private enterprise and half Government enterprise. That system provides exactly the same service for 84c a kilogram. It is reasonable to assume that given the same opportunity in this State, private enterprise could provide the service at approximately the same price.

When one considers that the Central Linen Service is handling 175 000 kg of linen for hospitals per week, and one applies that to the Victorian private enterprise system, one sees the saving would be 40c per kilogram. The total saving for one week would be \$70 000, and over 12 months the saving would be \$3.64 million. It is a scandal that the Central Linen Service is allowed to carry on in that way. This Government could save not only \$3.1 million in capital expenditure, but also \$3.64 million per annum on the linen cleaning operation.

What the heck is the Central Linen Service doing in business? It is operating at a great loss, and it is a scandal. It is spending \$3.1 million on a new building and is losing \$3.6 million a year compared with private enterprise operations. So there is \$6.7 million which would be saved this year if the CLS went out of business.

However, there is more to it than that because that is only the direct saving. I understand the Central Linen Service here has \$5 million-worth of linen on its books. Imagine the saving to the State if the CLS did not have to spend that sort of money buying linen and were able to sell it to private enterprise. The replacement cost over a period would be at least \$1 million a year. The service's machinery costs are in excess of \$5 million, and we know that the replacement cost of keeping machinery up to date is 20 per cent per annum. Apart from that there are other costs which can be saved.

Firstly, there is income from sales tax because Governments do not pay sales tax. Not many people realise that private enterprise linen services pay a linen rental tax. I was not aware of that. It amounts to thousands of dollars per annum, and that is tax income which the Government does not get at the moment. The Central Linen Service obviously is not paying the water rates, so the Government would collect that income. The Government would also gain from the water purchased and the discharge costs because it costs laundries money to discharge their excess water. That charge has not been made against the Central

Linen Service, so the Government is not getting that tax as it would from a private linen service.

It can be seen that the operation of the Central Linen Service in Western Australia is an absolute scandal. If the service were to close tomorrow the initial saving in this financial year would be more than \$6 million. Why the Government is not endeavouring to put the service out to private enterprise is beyond me. I say without hesitation that when we are returned to Government after the next election this will be one of the first enterprises we offer to private enterprise.

It is interesting to note that since the English linen service was privatised, the saving in less than 12 months has been \$90 million. It is incredible but true, but this Government is ignoring that fact.

Another factor I want to mention is that nursing staff shortages are aggravated by the fact that trained theatre sisters have to do the laundry as well. Under the private enterprise laundry system, laundry which is returned for theatre work is prepacked. The service here in Western Australia does not do that so the nurses have to spend some time sorting their own linen.

The laundry industry in this State believes that that expenditure of \$3.6 million is but the start. It is anticipated that by the time the new building is completed and new machinery installed, the total cost will be nearer \$7 million. So instead of the cost being \$3.16 million, it will be nearer \$7 million, an underestimation by the Government of \$4 million. It is an absolute scandal when one considers that the Government could save another \$3.6 million. It is time the Central Linen Service was closed down and private enterprise took over its operations so that the Government and the taxpayers have a chance of recouping some money. I suggest and recommend that the Government attend to this matter as soon as possible.

Mr COURT: I support the comments made by the member for Clontarf. It is disturbing to see that some \$3 million is being spent, supposedly for the relocation of the Swanbourne laundry to the other operations. The Government has an ideal opportunity here to start putting some of its services out to private enterprise. The former Liberal Government can be criticised for not doing that.

Mr Brian Burke: Why didn't it do that?

Mr COURT: I have read all the different reports about why it should or should not be done. It should have been done, but it was not, and that was a few years ago.

We are now in 1985 and I think it is an ideal opportunity for the Government to transfer those services to the private sector.

Mr Brian Burke: Why wasn't it done? This is a serious question.

Mr COURT: Not being in Government at the time, I would not know. I was not privy to what took place.

Mr Brian Burke: I can tell you why. It did not make sense economically. It would have cost the taxpayers more.

Mr COURT: I would not accept that explanation. I think it is quite challenging for a Government—no matter what Government is in office, whether it be Liberal or Labor—to put that sort of enterprise into the hands of the private sector. I am very opposed to the huge buildup that is occurring in public hospitals and I would very much like to see the private hospital sector providing more of those services. We now have public hospitals which are huge and which are using these services. It is not only the Hospital Laundry and Linen Service which needs a little private sector competitiveness, but also many other things that are being provided to those areas. I am concerned that \$3 million is involved. I shudder to think what the public sector would do if it were given \$3 million to get into that industry.

The member for Clontarf obviously has had a lot of experience in this field. He cited an example of what happened in another country in which they had done just that. I would have thought the Government would grab the opportunity to at least start shifting some of those operations back to the private sector. That is certainly a commitment which the Liberal Party in this State gives. It is exactly the type of thing that we want to start achieving: That is, the transfer of functions that are carried out currently by the public sector to the private sector in order to create a better service at a lower price for the general public. I think we could readily prove the taxpayer would receive a better service and a better deal. I am disappointed that this huge amount of money is being spent for this purpose and that the opportunity is being missed by this Government.

Mr TUBBY: I would speak about three items which are of concern to me, two of which concern my own electorate and one of which is in the electorate of the member for Geraldton.

The most important item is the absence from the list of projects in the coming year of an allocation for a new kitchen to be built at the Mullewa District Hospital. I have brought this matter to the notice of the Chamber on many occasions because there is an urgent need for a new kitchen at the hospital in Mullewa. A programme for the redevelopment of that hospital has been in existence for some 10 years, and it was agreed that this redevelopment could be done in three separate stages. With the agreement of the medical department, it was decided that the priorities in order would be firstly, a new kitchen; secondly, additional wards and, thirdly, an office and reception area. However, after consideration and before the funds were actually allocated, it was decided by the hospital board, in conjunction with the medical department, that additional wards were more urgently required than a new kitchen. Consequently, it was agreed that the first two priorities would be reversed, while the third remained the same.

The new wards were constructed, and filled a great need at that hospital. Before the wards were added, it was considered that the kitchen was totally inadequate to cater for the needs of the wards that were then available; so one can imagine what the situation is like now with these new wards in use. It has virtually doubled the load on that very inadequate kitchen set-up. I know that the hospital board has been pressuring members of Parliament and in fact I have brought this matter to the attention of the Chamber on many occasions. Last year or the year before, the present Minister for Health did indicate to the hospital board that he realised the urgency of the situation and that the project would be given a very high priority in the Budget allocation.

I stressed last year that I was very disappointed that this had not been included in last year's Budget and I lodge a very strong protest that it has not been included in this year's Budget either.

Our shadow Minister for Health, Mr Thompson, was in Mullewa recently and I showed him the situation which, as the person responsible in the Opposition, he ought to know about. Mr Thompson took some photographs. When one looks at the hospital in Mullewa, the kitchen is like a pimple on a pumpkin or an attachment on a matchbox, sit-

ting there waiting to fall off. The hospital at Mullewa is a substantial brick building but the kitchen is of weatherboard construction which has well and truly served its purpose. Some four or five years ago the kitchen was considerably renovated but this renovation was done over the old frame and it was quite obvious that it would be able to service the hospital for only a limited time. I believe the situation has reached the stage where the kitchen will have to be renovated again or some urgency given to its reconstruction.

Mullewa has a high percentage of Aboriginal people among its population. Something like 65 per cent of the town's population comprises Aborigines and, consequently, a lot of the patients of the hospital are Aborigines. Although the living conditions of these people have improved considerably in recent years Aborigines still form a large percentage of the patients at the Mullewa District Hospital. The need for hygiene is, I believe, very urgent indeed. The hospital board and the hospital staff do a marvellous job with the existing facilities, but I believe that their job has been made much harder because of the very poor conditions that exist with the kitchen at the Mullewa Hospital. I am sorry that the Minister for Health is not present in the Chamber but I hope, if the Liberal Party is not successful in gaining Government next year, he will give consideration to indicating to the Mullewa hospital that rather than giving the kitchen a high priority, he will make it a matter of urgency that a new kitchen be constructed, because the Mullewa District Hospital deserves that consideration.

I am glad the member for Geraldton has returned to the Chamber. When we on this side were in Government, he pressed very strongly the need for the construction of a hostel at the Geraldton TAFE college. I do not know whether he has forgotten about it, but I have not heard a peep out of him in this respect since his party came to office and he has been in a position to influence the Government.

Mr Carr: I am still pressing it but pressing it in a different forum. I understand from the Minister for Education that this hostel was on the priority list and came very close but it did not quite get up this time.

Mr Blaikie: I thought the Government would have given you a pair tonight so that you could be back in your own electorate.

Mr Carr: Does the member for Vasse think I am terrified?

Mr TUBBY: I can assure the member for Geraldton that there is no need to be terrified and that he should feel quite safe to at least return to his own electorate, although I would not say that he should be feeling safe that he will represent it next year.

However, I suggest the Minister give this matter serious consideration. The situation has been exacerbated since the addition of the rural and hospital courses offered by the college. With the considerable promotion of tourism to the area currently taking place, a lot of young people, in particular, would like to take advantage of the courses offered at the college. However, they are unable to do so because of their inability to obtain suitable hostel accommodation. A wonderful facility has been constructed which is not being used by people in the area which the college was constructed to serve. I hope the member for Geraldton will be able to influence the Minister for Education to give this matter high priority.

I noted in the Budget a figure of \$750 000 for the upgrading of the prison in my electorate. I mentioned the other evening that I thought there might be a mistake in the figure allocated to meet the repayments for the loan. The Minister representing the Minister for Prisons made some comment.

Mr Carr: I do not represent the Minister for Prisons. I suggest you ask him a question on notice about this matter.

Mr TUBBY: Would the Minister have any idea whether there has been any provision in the Budget for repayment of the loan raised for the construction of the prison by the shires? It may be that there may not be a payment in the financial year. My understanding was that the shires were to raise the loan and the loan was to be repaid by the Government.

Mr Carr: I do not know the answer to that.

Mr TUBBY: I am concerned that we have to bring these matters to the Government's attention tonight. I have covered the responsibilities of several Ministers. At the moment the Treasurer is the only Minister sitting in the Chamber. I know that he is capable of handling a wide range of responsibilities, but it would be gratifying if a few more Ministers were in the Chamber to take note of the matters that I raise.

Mr Brian Burke: At the risk of inflaming everybody, this is the debate on the Appropriation (General Loan Fund) Bill. I cannot remember another occasion—that is not to say that there has not been one—on which there

has been a debate of this sort. Such debates are usually reserved for the CRF Bill and the Estimates. All of these matters go to the Consolidated Revenue Fund and Budget Estimates.

Mr TUBBY: It is discouraging to be here generally representing our constituents and finding that we are more or less talking only to the *Hansard* reporters who, I must say, do a tremendous job.

Mr MacKinnon: What about the Minister for Agriculture?

Mr TUBBY: I would not take advantage of the Minister, as the Treasurer took advantage of one of our members the other night. The Minister is a little older than I am. If he can sleep, good luck to him. Because of the number of people who have slept in the Chamber this week, I think it was poor of the Treasurer to make an example of one of our very good members who spends much time in the House and who makes valuable contributions to debates. The publicity given to the matter was an insult to the member concerned, and I do not think it did the Treasurer any good either. I will not say any more because I know the Minister is not able to defend himself, and therefore I would not like to insult him.

Mr Brian Burke: Without trying to be obstructive, the impression we get from you is that you are deliberately stonewalling because it is not normal to debate this issue at such length.

Mr TUBBY: I am not stonewalling. The matters that I have brought forward are genuine and sincere items of concern to people in my electorate. I hope I can feel that I am able to take every opportunity to bring matters that concern me and my electorate to the attention of the Government.

Mr Brian Burke: Have you ever asked me anything that I have not taken up and treated with courtesy and efficiency for you?

Mr TUBBY: No, not that I can remember. I am not criticising the Treasurer; I am only criticising him for the unfair advantage he took of a member who was asleep the other night.

Mr MacKinnon: In opening, I point out to the Treasurer that if he had followed the normal example of what happens in this Parliament, perhaps we would not be having such a lengthy debate this evening. When Sir Charles Court was Treasurer of this State he sat and listened to the debate. At the end of the second reading debate on the Appropriation (General Loan Fund) Bill and the Appropriation

(Consolidated Revenue Fund) Bill he assiduously went through and, to the best of his ability, answered all of the questions raised during the debate. He also undertook, if he did not have the answers, to pursue those questions on behalf of the members. To my knowledge, very rarely, if ever, was Sir Charles Court queried, questioned, or criticised for not following up those matters.

On the other hand, in the second reading debate of this Bill we have seen the Treasurer absent for long periods and, when he is in here, concentrating on his favourite hobby. I do not think that is reasonable and I think the member for Greenough made a good point. Members of Parliament expect to be able to raise issues on the Estimates and the General Loan Fund and have them answered. I believe that the Committee stage of this debate is important. It is a time when we can raise issues of concern to our electorates which cannot be raised in the Committee stage of the Consolidated Revenue Fund debate. During the Consolidated Revenue Fund debate I wanted to raise an issue relating to schools in my electorate, but I would have been brought to order if I raised the question of the construction of the Leeming High School.

Mr Brian Burke: You could have raised matters relating to the construction of the high school under the general item of education.

Mr MacKinnon: I am not talking specifically about education because this allocation is under the General Loan Fund.

I share the disappointment voiced by the member for Greenough that the majority of Ministers are not in the Chamber tonight.

My first point relates to the Minister for Education's portfolio.

Mr Brian Burke: He is interstate.

Mr MacKinnon: I am aware of that, but it would have been far better had someone been appointed to represent him tonight.

Mr Brian Burke: I give an undertaking that I will ensure that Treasury goes through all the speeches on this Bill and that it will reply in writing to those points requiring an answer.

Mr MacKinnon: I would like to do what the Treasurer has been wont to do on several occasions in this Parliament; that is, to give advice. I have been in this Parliament for nine years and if the Treasurer dealt with Parliament in the proper manner and gave it the respect it deserved, gave the members the respect they deserved, and treated this debate seriously it would have been completed hours

ago. The only reason members on this side are testy—they have been given no instructions from me as the acting Leader of the Opposition tonight on this matter—is that they are free to raise any issues they like during the debate. That is the way it should be. I repeat that if the Treasurer had treated this debate properly it would have been completed more quickly.

I will give an example: My colleague, the member for Karrinyup, raised a question about prisons. His question could have been answered in a flash. Instead of his taking five minutes to put across his point he was forced to make a 30-minute speech.

Mr Brian Burke interjected.

Mr MacKINNON: If the Treasurer wants to answer the question raised by the member for Karrinyup he can do it in his own time and not in mine.

I refer to the Leeming High School and in doing so congratulate the Government for making an allocation for the completion of the first stage. However, I criticise the Government for what it did this academic year. The students from the Leeming High School have had to attend the Melville Senior High School which is nine kilometres from the new high school site. This occurred because the Government did not see the priority of the construction of the Leeming High School as being very high. The students have been transported by bus or by their parents from the site to the Melville Senior High School. It is not acceptable and I said that at the beginning of the school year, and I say it again. I hope that the Government does not repeat this exercise in other areas.

I congratulate the Government for making a commitment to build a primary school at Bibra Lake. This has been long overdue as have the provision of other services to this area, be they provided by the Government or the private sector.

The parents in the Bibra Lake area have been very active this year and have put their point of view to the Government. On their behalf I extend thanks to the Government for its decision.

Mr Chairman, your electorate is similar to mine because it is growing very quickly and in such electorates the provision of schools is a concern shared by the local member of Parliament.

The third point I raise is in criticism of the Government. I refer to the Rostrata Primary School. This year it was granted a partial allocation of \$200 000. I say "partial" because it is only part of the amount required for the pro-

vision of facilities at that school.

In a responsible manner, the parents of the school approached the Government and myself this year about the second stage. They could see that more facilities would be required at the site for the 1986 school year. In fact, in three days they collected over 300 signatures to a petition which I presented to this Parliament. They also wrote to the Minister. The allocation, although welcome, will mean that facilities will not be completed until well into the 1986 academic year. As a consequence, we will have a primary school of 550 students with nine transportable classrooms on the site. While I have no objection to transportable classrooms I think it is crazy economics that four of them will be brought on to the site at the beginning of next year and will be removed when the school is completed. For a small amount of money the Government could ensure that the Willetton children attending the Rostrata school will have proper facilities.

[Quorum formed.]

Mr MacKINNON: I refer now to the amount of \$986 000 allocated this year for halls-gymnasias. I commend the Government for the action it has taken, together with the local authority, in providing a community hall-gymnasium at the Leeming High School. It will be a sensible use of resources and that type of activity should have been undertaken a long time ago.

I am disappointed that at the Woodvale High School, which is an outstanding facility, the hall, gymnasium and library will not be used for extensive periods during the year. It is not a joint Government-community orientated project and that is a tragedy. The time has well passed when we could build expensive facilities for the exclusive use of schools.

I understand that you, Mr Chairman, have such a facility in your electorate. The Rockingham Technical College has a joint school-community library which is enjoyed by the general public. It has worked well and it is a sensible use of resources.

I give a commitment that as part of the Liberal Party's education policy it will ensure, as far as possible, that new facilities, particularly senior high schools, will involve a community orientated facility.

The Treasurer indicated earlier that the questions we raise will be answered by correspondence.

Mr Clarko: I hope he doesn't send it through Australia Post.

Mr MacKINNON: Yes. That is really an empty promise.

The next item I wanted to raise is that with respect to "Contingencies" under the "Miscellaneous" heading. The proposed allocation for 1985-86 is \$1 377 000, as opposed to last year's expenditure of \$591 497. I would have thought that had the Treasurer been doing his job, which he clearly is not, and had he treated this Parliament properly, which he clearly does not, it would have been quite a simple matter for him to clear up the detail of that particular concern in the Parliament tonight. That will not be the case. I will have to put a question on the Notice Paper to get the answer; alternatively, I will have to wait to see whether the Treasurer's promise of answering questions by correspondence is honoured. As members on this side of the Chamber said, let us hope that such correspondence does not have to go through the Australia Post system, but is couriered to the House so that we get the answers prior to the next election.

Mr Read: You are rubbishing a lot of people out there in the community, aren't you, by rubbishing Australia Post?

Mr MacKINNON: Australia Post and the unions involved with Australia Post deserve to have condemnation heaped upon them. The unions involved with the black ban on mail going to South Africa deserve twice as big a bucket.

Another area of concern to people in the community and me is the significant reduction in the amount that has been allocated for transportable classrooms in this year's Budget. Last year, \$602 195 was allocated; this year the amount is only \$500 000. That is a tragedy. There are schools in this State that are in need of resources. Such schools would gladly welcome such resources, even in the form of a transportable classroom.

I spoke this evening to a person from Kununurra who was concerned because two transportable classrooms had been removed from the school there. The person involved believed that those classrooms were very necessary for the ongoing quality of the education programme being delivered at that school. However, those classrooms have been removed and given to other communities which must be in more desperate need of those resources than the school in Kununurra. It can be seen that the removal of the classrooms was necessary because of the insufficient funds going into that area.

I make one brief comment with respect to the allocation for police. Last night I raised the matter of the lack of police services, with respect to police officers and buildings, in my electorate. Since that time, I have made a calculation that shows how much the Government is pork-barrelling its electorates in relation to police services. In the 1984-85 year, 79 per cent of the police vote under the General Loan Fund was spent in Labor electorates; 21 per cent was spent in Liberal electorates. To be fair, a part of that expenditure was in Perth and Maylands where there are central facilities, so I excluded figures relating to them from the calculations. In 1984-85, the amount spent in Labor electorates still represented 42 per cent of the allocation, while the amount spent in non-Labor electorates represented 21 per cent. The amount spent in electorates held by Labor members was twice that spent in electorates held by non-Labor members.

Mr Carr: Can I make a point there?

Mr MacKINNON: Perhaps the Minister can make a point if he is not going to be disrespectful to the Chair by making it from a point other than his own seat.

Mr Carr: I vacated my seat so that the Treasurer could be in contact with his adviser. It could indicate a distortion if you were to take only one year's figures. If you were to look back at the corresponding figures for last year, you would see that all of the new police stations which were built last year were built in Liberal electorates. We built them at Cranbrook, Perenjori and Denmark.

Mr MacKINNON: The Minister for Police and Emergency Services could not have heard me properly. I was referring to the 1984-85 expenditure, and the amounts that were spent in Labor electorates on police buildings was 42 per cent of that total expenditure. That excludes both Maylands and Perth. The comparable figure for this year, excluding Maylands and Perth, is 47½ per cent of the total for Labor electorates, and 7½ per cent for Liberal or non-Labor held seats. It is only 7½ per cent in an election year. So much for an even-handed approach! I do not think that there has been an even-handed approach. As I said in this Chamber last evening, the electors of Murdoch know exactly how poorly they have been dealt with and I intend to remind them on a regular basis during the lead-up to the next election.

I reinforce the comments made by the member for Karrinyup in relation to prisons. It seems remarkable to me that the Government can make an allocation in the Budget of \$700 000 for acquisition of land for a new prison site, yet according to Ministers opposite the Government does not yet know where it will buy that land. In answer to questions raised in both this Chamber and the other House of the Parliament, the Government indicated that nobody is to know until after the election. That seems very strange to me and I wonder why that is the case. The Government obviously fears an electoral backlash, but I cannot understand why it should do so. I represent the area that contains the Canning Vale Prison. We, as a Government, constructed that prison and my vote did not suffer significantly as a consequence of the decision to build that prison. I believe that the Government has lost support in the area because of the lack of attention paid to security at that prison. It has removed armed guards from the towers and those towers are not manned at all times.

Mr Bradshaw: It's a wonder they don't give keys to all the prisoners.

Mr MacKINNON: I think one of the prisoners was endeavouring to do that just recently, until they found out that he was making keys in the prison workshop.

If the Government is honest and up front it will come out and let the community know exactly where that prison site will be prior to the next election. If it does not do that it will fail in its responsibility and it will deserve the condemnation of the electors of this State. That condemnation will undoubtedly be heaped on the Government when the electors get the chance at the polls next year.

The CHAIRMAN: Before I call the member for Murray-Wellington, I advise members that I have authorised an adviser to sit in the Chamber next to the seat which is normally occupied by the Minister for Police and Emergency Services. I advised the Treasurer that I intend to recognise him from the seat normally occupied by the Minister for Police and Emergency Services. In view of that I intend also to recognise that Minister from the seat he now occupies.

Mr BRADSHAW: I would like to point out some of the Budget's gross deficiencies with respect to my electorate. I refer to the pre-primary education that has been promised by the Government for all five-year-olds. In Harvey, for example, young children have been refused admission to pre-primary school, and

similarly in Pinjarra, because there is just not enough accommodation for those students. The Minister has pointed out that there is some accommodation available at the pre-school in Harvey. I have not checked up on that yet, but I will certainly do so tomorrow.

The problem is that fees for pre-schools are in the vicinity of \$50 a quarter, whereas there is not such a charge for pre-primary schools. There is probably some charge, but it would be minimal compared with the amount paid to the pre-school. At Pinjarra, 16 students have been denied admission to the pre-primary school. The Minister has said that accommodation is available at Carcoola but Carcoola is some kilometres away. There is an additional problem in that any five-year-olds from Pinjarra attending Carcoola pre-primary school would then go on to the Pinjarra Primary School and would not be able to mix with the same people they attended pre-primary school with. It would mean that those children would again have to become familiar with the new surroundings and with the other children who attended the Pinjarra pre-primary school the previous year. It is wrong that the Minister has not seen fit to provide that accommodation although the Government made a pre-election promise that all five-year-old children would be accommodated.

Another interesting fact that has come to my attention is that the figure under "additions and accommodation" has increased from \$632 522 to \$3.768 million. In answer to a question on 17 October, the Treasurer pointed out that the additional \$2.43 million was for fitting out the Austmark building in Bunbury. Basically, this building is a facade erected by the Government to create the impression it is doing something in the Bunbury region. The Government has been quoting figures of 400 Government employees who will be working from Bunbury, most of whom will be transferred from the metropolitan area.

Earlier this year a steering committee was set up to work out how to effect the transfer of Government employees from the metropolitan area to the Bunbury region to fill the Austmark building. That steering committee immediately formed a subcommittee, which was called the incentive subcommittee, to work out incentives for the workers who were to be transferred. It obviously became a hot potato because the recommendations were sent directly to Cabinet without going through the steering committee. I understand that the steering committee has met on only one occasion.

Cabinet has rejected the incentives recommended by the subcommittee to be given to employees transferred by the Government to Bunbury. One of the reasons that the Government has dropped this scheme like a hot potato is that it has created much ill-will between other Government employees, particularly those in the Bunbury area.

The Government has decided to push this matter under the carpet until the election has been held, and it will then resurrect it and twist people's arms to go to Bunbury. It is obvious that the Government has convinced only 74 employees to transfer. Of that figure, 22 are employed by the Water Authority and 43 by the Education Department. That is an interesting fact because the south-west regional office of the Education Department has approximately 28 bureaucrats working for it, who are not involved in the teaching area but in administration. Of course, these people are necessary to the department but an increase of 43 staff members certainly represents an expanding bureaucracy which will not necessarily provide any benefit to the education system.

Mr D. L. Smith: It does not involve expansion but transfer of functions from Perth to Bunbury.

Mr BRADSHAW: I would like to hear more of that. I do not want to criticise the Government if this move will be of benefit to the south-west region. I would like the Minister to reply, but he is probably home in bed now as the Treasurer usually is at this time of night.

In addition to the transfers I have mentioned, five employees from the Department of Conservation and Land Management, two from the Occupational Health, Safety and Welfare Commission, and two public servants have been transferred. That makes a total of 74 employees. Employees from various departments in Bunbury will transfer to the Austmark tower; 40 from the Water Authority, 24 from the Department of Conservation and Land Management, and 28 from the Education Department. That makes a total of 92 employees.

Mr D. L. Smith: Where is the authority for those figures?

Mr BRADSHAW: Would the member believe the Civil Service Association?

Mr D. L. Smith: It has provided those figures to you?

Mr BRADSHAW: No, they were not provided to me but to someone else who passed them to me.

Mr P. J. Smith: Did you get them honestly or dishonestly?

Mr BRADSHAW: Honestly.

Mr Parker: How up-to-date are they?

Mr BRADSHAW: To the present day.

Mr Parker: And you got those figures from the Civil Service Association? How did they get them?

Mr BRADSHAW: I think that it has an input into the committee.

In reply to questions asked earlier this year and some asked last year, the Government indicated that approximately 400 public servants would be transferred to the Austmark tower. The current figure is 166 employees who will probably just about fill three floors of the building.

Quorum

Mr BLAIKIE: I draw your attention, Mr Chairman, to the state of the Chamber.

The CHAIRMAN: I find that more than 15 minutes have passed since the last drawing of my attention to the state of the Chamber and I also find that there is not a quorum.

Bells rung.

Point of Order

Mr BLAIKIE: Mr Chairman, is it a requirement that members be sitting in their seats while you are counting the House?

Mr Tonkin: You cannot raise a point of order now. There is not a quorum present and the Chamber is not properly constituted.

The CHAIRMAN: When quorums are called I have the right to count members anywhere within the precincts of the Chamber. Members behind the chair or in the Speaker's Gallery can be counted for the quorum.

[Quorum formed.]

Committee Resumed

Mr BRADSHAW: It looks as though late nights are making Government members sluggish as far as maintaining a quorum is concerned. I can remember one occasion early this year when we sat on a Friday and the Government had great trouble keeping this Chamber in order. It was decided finally to call the business off, and the Government will probably do the same tonight.

I was referring to the number of people who have so far been rounded up to fill the Austmark building in Bunbury—which has

been referred to as the Taj Mahal. It seems that the building has become a white elephant. Earlier this year I asked whether the Government had contemplated subleasing some of the floor space in that building. The Government tried to say that it was not its intention to do so but that it would consider any offers made. In other words, the Government is having difficulty filling the offices in this building.

The Government has taken a 25-year lease on the office space in the building at twice the going rate for such accommodation in Bunbury—comparable floor space is available at \$70-80 a square metre. In its wisdom, at some early stage the Government pointed out that it was getting great value when it leased this accommodation at \$150 a square metre. To add insult to injury it now cannot fill the building and it is contemplating subleasing some of the floor space.

At this stage the Government has achieved what it set out to do; that is, to create the impression that it is doing something in Bunbury. It has plenty of taxpayers' money to use and can increase the taxes and charges if necessary, to finance such schemes.

An amount of \$2.43 million has been set aside for fitting out the Austmark building, which is a considerable amount for three floors of accommodation. It will be interesting to see whether the Government resurrects the steering committee or the incentive sub-committee after the election and introduces more incentives to induce public servants to transfer to Bunbury. I thought at the time when the Government said it would transfer these public servants that it might have some difficulty because these employees will probably have families, and children at school in Perth, and they will not wish to disrupt their families. They may also have some difficulties if they own a house in Perth. I guess some incentives are required, but the suggested incentives stirred up the other public servants working in the Bunbury region. It is a political hot potato. It will not go away after the election and the problem will remain if the Government intends to give incentives to the people who move to Bunbury.

Mr BLAIKIE: I compliment you, Madam Deputy Chairman (Mrs Henderson), on the role you play in that office. You certainly lift the standard of the office of Chairman. It is an important role you play, and it is important to see a lady in that position. You do great credit to the position you hold.

The matters I want to raise relate to schools. I indicate at the outset that I am most appreciative of the finance the Government has provided to the schools at Busselton. Busselton Central School was opened by the Minister last week. An administration centre and schoolroom were added to the school. Those additions were long overdue and very important for the community. I acknowledge my appreciation of the Government's work in that area. That project cost \$234 000 last year. The Minister opened it only a couple of weeks ago.

In the last financial year the Margaret River Primary School received \$130 000, and again in this financial year a further \$6 000. This year \$136 000 will be spent at the Margaret River Primary School. I indicate my appreciation of the Government's involvement in expenditure at that school.

While the Minister was performing the opening ceremony in Busselton, he said he had agreed that day to funding to provide an extra area at the Busselton Central School.

I note that this financial year a sum of \$708 000 is provided for covered areas under the heading "Other School Facilities." Again I indicate my support for and appreciation of the Government's role. The Busselton Central School will receive an important facility as a result of that funding.

The opening at Busselton was an important one. The Minister visited the school, and on that day there was quite an amount of rain in the district. No doubt that assisted the Minister to see the need for this covered area.

Some matters relating to education in my area have given me some concern. While I have acknowledged the work the Government has done, I indicate my concern that the Government has not seen the priorities correctly. The Margaret River Primary School should be completely refurbished. The cost is \$350 000, yet nothing has been included in the works programme. I indicate my concern to the Government that it did not include an allocation for refurbishing that school.

Busselton High School was originally built to cater for some 500 students. The current student population is 800. It is long overdue for a further extension of the school buildings. What is needed is a number of additional classrooms. There is a hotchpotch of demountables in the school grounds. My understanding was that the school expected to receive priority in the works programme during this financial

year. That work looked like costing some \$800 000, yet an allocation was not made, so we have an overcrowded school. This is causing the staff and the student population some concern.

It is a worry to parents because it is an important region and it is a growing school. Bear in mind that the Busselton High School takes year 11 and 12 students from both the Nannup and Margaret River regions.

In the comments in the supplement to the Loan Estimates speech under the heading on page 3 of "Education" an amount of \$88.7 million is proposed in 1985-86 on education buildings and related activities. It then says—

Primary and Secondary

The Education Department will undertake a capital works programme of \$49.2 million.

An amount of \$36.7 million has been provided for the continuation or completion of work in progress and the following is a summary of significant works:—

It then goes on to say—

provision of secondary education facilities at a number of remote schools including Fitzroy Crossing, La Grange, Looma, One Arm Point, Wiluna and Warburton Ranges;

I have searched the vote in relation to secondary school buildings, be they additions or additions and improvements, and I can find no vote whatsoever in relation to that matter. A number of schools are mentioned in that vote. For the edification of the Treasurer's assistant, it is in that paper. A number of schools have been mentioned but those which have been specifically singled out in the supplement to Loan Estimates speech are not included in regard to secondary or high school buildings. They are certainly not included in district high schools.

My second point in regard to additions and improvements to primary schools is that the Fitzroy Crossing Primary School was allocated some \$604 000. The La Grange School was allocated some \$384 000, the Looma School \$316 000, the One Arm Point School \$396 000, the Wiluna School \$444 000 and the Warburton School \$591 000. My question to the Minister handling the Bill is: Has this in fact been a typographical error and does it mean that secondary school facilities will not be extended to the remote schools as I have

indicated, or does it mean that there has been an error in the drawing up of the General Loan Fund Estimates of Expenditure?

Mr Brian Burke: I think it very unlikely that Treasury would make an error.

Mr Clarko: It is nice of you to come back, Mr Treasurer.

Mr Brian Burke: I am pleased to be here. Thank you very much.

Mr BLAIKIE: I would concur with the comment made by the Treasurer that it would be most unlikely for Treasury to in fact make an error. But I point out to the Treasurer that there is this discrepancy between the Loan Estimates speech and what is proposed to be expended because it certainly does not show up in the Estimates of Expenditure under the General Loan Fund. Perhaps the Treasurer could indicate by way of interjection whether there is any reason for that to be the case.

Mr Brian Burke: For what to be the case?

Mr BLAIKIE: For this difference to occur between the two documents.

Mr Brian Burke: I am not sure what difference there is. I will obtain a list of your points and, rather than your going back over it again, I will make sure you are informed.

Mr BLAIKIE: It is either a difference in wording or a difference in the allocation of where this funding will go. Based on the assumption of what is contained in the Loan Estimates speech, secondary education facilities will be located at those remote schools. I do not question the Government's determination in that area. If it can fund those facilities it will be to the advantage of those remote or isolated areas. It is a very important project.

I submit to the Government that further favourable consideration should have been given to the Margaret River High School for the provision of secondary education facilities at that school. It will cost many millions of dollars for the upgrading of these other schools to take place. A very simple upgrade could have been done to the Margaret River High School within the existing structure without any increase in costs to the structure which already exists. I have already said that the school is in need of upgrading and refurbishment, but the existing school buildings are adequate at this stage in order to upgrade the school to a suitable education facility.

The member for Murdoch expressed his concern over the amount of money that has been spent in Labor electorates in this pre-election

year. I draw the Treasurer's attention to one area I have checked out. It relates to page 14 in relation to additions and improvements to primary schools. Total expenditure in that area amounts to some \$5.8 million, yet of that \$5.8 million about \$5 million, according to the Estimates of Expenditure, is being spent in Labor electorates. This is clearly indicative of the Government's attitude and its expenditure in a pre-election year.

Mr Brian Burke: Rubbish!

Mr BLAIKIE: The Treasurer may well say it is rubbish, but the fact of the matter is that the figures are contained in the Budget papers. The Budget papers tell the story and the people will make their own judgment. This General Loan Fund debate gives members the opportunity to draw the weaknesses and the favouritisms of the Government when it is in fact assisting Labor electorates—

Mr Brian Burke: Do you mean "draw out" in terms of detail or in terms of time?

Mr BLAIKIE: I mean in terms of presenting the argument to the Treasurer that I am concerned the Government is pork-barrelling its electorates in a pre-election year.

I want to refer now to police stations. I have some concern for the electorate I represent. I would have anticipated that Augusta would be given priority for a fully-manned and operated police station in the town. It is a very important area, and one that is growing significantly. It has a resident population of about 500 people, but during holiday periods it swells to 2 000 to 3 000 people. In the absence of any permanent police station the town has to be serviced from Margaret River. That puts further strain on the Margaret River police, and in turn on the Busselton police, and it upsets the balance of police movement in the area.

Mr Read: How far is it from Augusta to Margaret River?

Mr BLAIKIE: It would be 35 to 38 miles.

The matter is certainly of concern to the residents of that community. They should be provided with a manned police station. I will certainly be continuing my representations on this matter.

I want to remind the Government that in its policy speeches prior to the 1983 election, it indicated to the people of the south-west, and of the Mitchell electorate in particular, that it was going to build fully-manned police stations at Capel and Dardanup. However, I note there

is no police station planned for either of those towns in this Bill. I want to make a plea for that area. The proposal the Government put forward prior to the election was very valid, and it should carry out its promise. The Government may say there is a shortage of funds, but I do not believe the Government has been fair and honest in this regard. It should have met the requirements of an area which is growing very rapidly. In relation to both Capel and Augusta the Government has erred and failed to meet its full responsibilities.

A further matter I wanted to raise relates to technical colleges and the catering schools at Albany, Bentley, and Bunbury. The catering schools in those areas are very important and have done a tremendous service for Western Australia. I can certainly say with some personal knowledge that those schools give their students a standard of education which is probably equal to anything in Australia. I want to compliment the staff in the catering studies field for the high quality of education they provide. Western Australia is very fortunate indeed in having lecturers who provide such a high standard of education and who are themselves held in high regard in the catering industry in Australia and overseas.

Those schools are turning out students for the tourist industry, but it is a matter of concern to me that while the State turns out students of high quality a dramatic downturn is occurring in job opportunities in the catering industry as a result of the recent tax on fringe benefits by the Commonwealth Government. That tax is a cause of concern to the catering industry. People are being put off, and their complaints have foundation. Any member of this Chamber would be able to go to restaurants and catering establishments within his or her electorate and be told of the real difficulties those people are facing as a result of the fringe benefits tax. One finds that staff are being retrenched throughout the State.

Mr Brian Burke: The unemployment rate is falling satisfactorily.

Mr BLAIKIE: Is the Treasurer saying there is no concern in the restaurant trade?

Mr Brian Burke: I said the unemployment rate is falling satisfactorily. I do not know how the member can translate that into an expression of no concern in the restaurant industry.

Mr BLAIKIE: I am saying there is concern in the restaurant industry.

Mr Brian Burke: I didn't say there wasn't.

Mr BLAIKIE: What the Treasurer ought to do is ensure that the Federal Government is aware of what it has created by introducing this legislation and the fact that this imposition is causing widespread concern.

The *South Western Times* last week carried a headline "Restaurant Trade Crises". The article indicated that restaurant staff have been retrenched. That is happening in the metropolitan area, the Albany region, and members will find it is happening around the State in general. It is not going to end simply with the restaurant and hotel industry; it will extend to the service industry. It is a matter of concern and I believe the Government ought to act and certainly make representations to the Federal Government to at least bring to its attention the consequences of this matter. In my view the tourism industry is probably the only industry that has the opportunity to boom in Western Australia, and an imposition such as we are now seeing will have dire consequences for that industry.

Mr MENSAROS: Am I permitted to ask a question on an item appearing on page 10, which has no item number? It has a dash against it.

The DEPUTY CHAIRMAN (Mrs Henderson): No, I am informed that you cannot.

Division put and passed.

Division—Treasury, \$17 294 000—

Item: Advances to Sundry Bodies—

Mr MacKINNON: The Opposition has indicated that under this item we wish to move to delete the expenditure relating to the Western Australian Development Corporation and Western Australian Government Holdings Ltd. Madam Deputy Chairman, could I seek your advice on how I should do this?

The DEPUTY CHAIRMAN (Mrs Henderson): The Deputy Leader of the Opposition may move that motion. It is not an amendment. It is a motion to delete the item and he may speak to that.

Points of Order

Mr BRIAN BURKE: Madam Deputy Chairman I do not question your ruling but I would ask for clarification. Are you saying that the amendment is to be moved and not that the Opposition should simply vote against that item?

The DEPUTY CHAIRMAN: I refer the Treasurer to Standing Order 304(5), which is as follows—

(5) Unless otherwise ordered by Sessional Order, the following rules shall be observed in Committee:—

(a) when a motion is made in Committee to omit or reduce any item of a Vote, a question shall be proposed from the Chair for omitting or reducing such item accordingly; and Members shall speak to such question only, until it has been disposed of;

I take that to mean that a motion may be moved to both omit or reduce any item of a Vote.

Mr MacKINNON: Could you advise the Chamber, Madam Deputy Chairman, what the speaking arrangements for items are?

The DEPUTY CHAIRMAN: It is the same with speaking arrangements as to the item. That is, the first speaker may speak firstly for 15 minutes and secondly for 10 minutes.

Committee Resumed

Mr MacKINNON: I move an amendment—

To reduce this item by \$10 000 000.

The Opposition is introducing this motion because we do not believe that we should, as a Parliament, approve funds which are being allocated to bodies which are not accountable in any way to the Parliament. A Press statement issued on 5 November by the Leader of the Opposition reads as follows—

We cannot give our approval to the expenditure of taxpayers' money for organisations which have no accountability to the public.

I would add that these organisations do not have any accountability to the Parliament, as we debated recently under the amendment to the audit legislation. There is not any accountability to the Auditor General either. This is despite the fact that the people own Western Australian Government Holdings and the Western Australian Development Corporation—not the Treasurer of Western Australia, not the Opposition, and not the Parliament. The people of Western Australia own those corporations and all the assets therein. Despite the fact that the Treasurer promised very loudly when the WADC was first proposed that Western Australians would be able to take shares in it, that has not been the case. Had it been the case, we would probably not be here tonight

debating this particular motion because the shareholders would then have had rights under the legislation or under the Companies Act to question what is happening in respect of that company. In other words there ought to have been accountability to the shareholders, which is not the case at the moment. Despite the fact that the treasurer states, and I understand, that the accounts of WADC in particular comply with the Corporate Affairs Office regulations—

Mr Bateman: Subject to audit.

Mr MacKINNON: That is correct, it makes the corporation subject to auditing; but making it comply with the Corporate Affairs Office regulations has nothing to do with the accountability of that corporation or its accountability to the people who own it. There are no shareholders' rights whatsoever. The shareholders do not have a say at any time in the outcome of that company's activities except at election time. The shareholders do not have any rights directly through the Parliament either because there is no need and no regulation for those accounts to be tabled in the Parliament, and there is no accountability to the Parliament.

Mr Brian Burke: The Opposition ensured that it was accountable to the Parliament.

Mr MacKINNON: Despite the fact that the Treasurer says that the Opposition apparently made the corporation accountable to the Commissioner for Corporate Affairs as far as those reports are concerned—

Several members interjected.

Mr MacKINNON: That has nothing to do with it. Whether or not it reports on the basis of Corporate Affairs requirements makes no difference whatsoever.

Mr Brian Burke: You did not raise the point when it was passed.

Mr MacKINNON: Again, that has nothing to do with it.

As I have indicated previously, the Treasurer should go and work for Mick Kailis, because he would do well in the red herring business. He trots them across the floor of this Parliament with monotonous regularity. Everything he has indicated tonight has nothing to do with the point we are making. The point being made by the Opposition is that we are being asked in the Budget to allocate \$10 million to two corporations which have no accountability whatsoever to the Parliament or to anyone else, for that matter, other than to the Treasurer. I ask members to compare that with any other

Government organisation. Is the Western Australian Tourism Commission accountable to Parliament? Are we able to ask questions about it? Is it responsible to Parliament for its actions and does it report responsibly? The answers, of course, are "Yes". We are able to get the information we want from its report.

The State Energy Commission is the biggest corporation run by the Government. It is accountable to the Parliament. Its published accounts are tabled in Parliament and it has to disclose a quite a lot of information so the general public have an idea of what is happening to the organisation. The same applies to Homeswest and to any other Government organisation.

The people of Western Australia own the WADC and it should be accountable to the people of Western Australia. It has not been held to be accountable to this Parliament to date.

Let us consider some of the questions to which we have endeavoured to obtain answers from the Government. My colleague, the member for Nedlands, has asked repeated questions about money-market operations. I need only to refer to one which was asked on 21 August this year. The member for Nedlands asked—

How many financial institutions have closed or reduced their money-market operations in Western Australia over the past year?

He obviously asked that because of the increased activities of the WADC. The Treasurer replied—

This information is not readily accessible to the Government.

He was not prepared to move one inch to obtain any information for the member. In question 3077 the Leader of the Opposition asked a question relating to the Argyle diamond mine negotiations carried out by the people's corporation, the Western Australian Development Corporation. In reply the Treasurer said—

As the member will appreciate, diversion of considerable resources will be necessary to reply to this question.

We have asked questions about the employees of the corporation. The employees are on the public payroll and not on the payroll of some company that is accountable to private shareholders. They are employed by the public of Western Australia through the Government of Western Australia and include such people as Keith Gale, Brian Easton, and others.

We asked a question about the level of Mr Gale's remuneration and were told that Mr Gale's remuneration is a matter confidential to him. One could ask the same question about the director or any other employee of the Tourism Commission, Homeswest, the State Energy Commission, or any other Government body, and be provided with an answer. Almost everybody in the Public Service knows everybody else's salary. That is the nature of the Public Service. It is publicly accountable, and so it should be.

In what way is the WADC publicly accountable? It is accountable only to the Treasurer, and we are not privy to any information. We do not want to know how much Keith Gale earns. I do not mind how much he is paid. However, the public of Western Australia are entitled to know. The public are entitled to this information through the Parliament of Western Australia.

Because the Treasurer wants to drag red herrings across the trail in all of these debates, I hasten to add that we do not hold any malice against anyone working in those corporations. It is the Government of Western Australia which is accountable for these corporations. It is asking for \$10 million for which it will not be accountable to the Parliament.

I could go on with the questions for some time. The member for Clontarf asked question 1529 about travelling arrangements, and no answer was given. The Treasurer might say that he has tabled the annual report for all to see. He will say that surely that is accountable enough. It is not good enough. The public shareholders have no right to go to the annual general meetings and pose questions to the director. If it were a private corporation, its shareholders would be entitled to vote on who the directors would be, and they could pass a series of motions at that annual general meeting. But this is a public corporation owned by the people of Western Australia who do not have any right whatsoever.

I turn to the annual report of the corporation for 1984-85 to explain exactly what is not available in that report. The report, on page 32, shows the operating profit for statutory dividends and gives a résumé of some income and expenditure. What expenses have been excluded? I wonder why nothing has been included for wages. I would have thought that wages were one of the prime outgoings that anybody would be interested in. Why were they not included and why are we not entitled to know? Why were travelling expenses not included also? The member for Clontarf has

displayed interest in this matter. He says that if they had been listed they would be in excess of \$1 million. The people of Western Australia are entitled to know.

The report elsewhere refers to consulting fees paid to some of the directors. Those amounts are not included in the expenditure list. The public of Western Australia own the WADC; not the Treasurer, not the staff, but the taxpayers of this State. However, they are entitled to know nothing. What rent does the WADC pay? All of these basic bits of information that are available for just about every other organisation in this State are not available for the WADC. It is not a statutory corporation; it is a creature of the Government which is not accountable to Parliament. It is not accountable for the \$10 million that we are being asked to allocate to it.

We do not tonight object to the Government wanting to have a development corporation. If that is its wont, it can have it. We will oppose it and criticise it because we do not believe in it. If we are to have that sort of corporation, though, it must be accountable to the Parliament so that its actions can be properly questioned.

I again ask why it is not held accountable. What is the Government afraid of? What has it to hide? Is it worried that someone else may gain a commercial advantage over it? That would be impossible. The Government has all of the advantages.

We are entitled to know what information should be made available to the Parliament and to the people, and we will continue to oppose the allocation of funds to these groups until they are made properly accountable to the Parliament and the public of this State.

Mr COURT: I support the amendment moved by the Deputy Leader of the Opposition. The Opposition has always made its position clear in relation to Government operations being heavily involved in business activities. It has debated and asked the Government a number of questions about Western Australian Development Corporation and WA Government Holdings Pty Ltd.

As I understand it this is the only opportunity the Opposition has in the GLF and CRF debates to debate this matter.

In this case we have two amounts each of \$5 million being allocated to these two bodies. The Opposition is opposed to taxpayer's funds being used in order that these bodies can operate. This applies particularly in the case of WA Government Holdings because it acts

outside the control of Parliament and is not accountable to it. As far as the Opposition is concerned that creates a very dangerous situation. The Opposition is appalled at the contempt this Government has shown towards the taxpayers of this State.

On Wednesday 6 November I asked a question about the operations of WA Government Holdings and I received the usual reply; that is, "It remains commercially confidential to that corporation".

Mr Read: That is right.

Mr COURT: The body to which I am referring is using hundreds of millions of dollars of taxpayers' funds and the Government is saying that we should not be asking questions about what is happening with those funds. The Government is missing the point and I suggest to the member for Mandurah that he makes a speech after me to make his point.

The Deputy Leader of the Opposition has already said the Opposition has asked a number of questions, but has not received the answers. In some cases we have been told that the figures will be made available in the annual report. However, the Opposition is unable to obtain the information it requires.

We had an absurd situation recently when the member for Vasse kept asking questions of the Treasurer about the dealings of Exim in properties in the Kimberley. Eventually, the Treasurer said that he would give the information if Exim agreed that it should be given. After continual questions the Treasurer received a letter from Exim which said, "We do not want to let out that information." Perhaps the member for Vasse will expand on that further. It is a crazy situation when the Treasurer says he can supply the information only if the organisation concerned says that the information can be released. We are talking about taxpayer's funds and it could very well be that those funds are at risk. All sorts of things could happen and the Treasurer is leaving himself wide open. He will rue the day that these bodies were given taxpayer's funds without being accountable to the Parliament. The Treasurer is lucky that the people running these organisations are trustworthy and capable. However, this could change and because of the wide powers that have been granted the people running the organisations could run amuck with taxpayers' funds.

Members opposite should understand the point we are making. We are not talking about \$1 million but, in fact, hundreds of millions. The taxpayers of this State have the right to know what is happening to these funds.

It appears that anyone—including members of the Opposition—who criticises the operations of this Government is, in the eyes of the Government, a villain. We are always asked, "Why do you keep on persisting with the questions?" I advise this Chamber that I have dozens of constituents who come to me because they are concerned about the different activities of these bodies.

Recently the Government started talking about the flower business and not only a dozen people, but also the entire industry became involved.

On a weekly basis Opposition members have representations made to them by people who are concerned about many things. As a result, we ask questions in this House, but we do not receive answers because the Government keeps saying, "It is commercially confidential and we do not have to give an answer."

Mr Bridge: The reason we are critical of you is that you continue to attack those bodies.

Mr COURT: What can we be accused of? We ask questions and we do not receive the answers.

An amount of \$6 million of Federal funds was channelled into Exim to help it purchase the Emanuel leases. That is a lot of money.

Mr McIver: It was not for the purchase of leases, but for the reconstruction of them.

Mr COURT: The Minister for Lands and Surveys should understand that once these bodies get control of funds it is not a question of what the Government wants them to do, but what they want to do. As much as the Government thinks it can direct them I am sure it will be to the contrary. WA Government Holdings and its subsidiaries, including Exim, are of concern to the Opposition because they do not have Parliamentary authority or regulatory legislation and, therefore, are not controlled by an Act of Parliament. The Treasurer misled the Opposition when we were debating the Northern Mining Corporation (Acquisition) Bill in this Chamber.

Mr Gordon Hill: Nonsense.

Mr COURT: It is not nonsense. If the member for Helena were to read the speech it would take him only two minutes because it fills only half a page. Northern Mining Corporation NL

was purchased because the Government wanted an interest in diamond mining. There was no mention that it would be used as an investment body with different subsidiaries to start taking an interest in unlimited business. The Government now has a tool through which it can have unlimited guaranteed dealings. There was a change in name from Northern Mining Corporation NL to WA Government Holdings Pty Ltd and no reason was given about what it would do. It will prove a major problem to this State.

Another point I wish to make is in connection with a matter which I believe to be very serious. On many occasions the Opposition has expressed its concern about the fact that the Treasury has allowed the bulk of its short-term money surplus to go virtually unsecured to the WADC for investment. Under the Act once it receives those funds it can invest them as it sees fit.

The Opposition has raised these concerns and as a result of the Acts Amendment (Financial Administration and Audit) Bill the WADC can now become involved in bonds and bank bills. In its annual report I noticed that its staff handles fixed securities. It is all very well to be trading in this area, but it is an activity in which Treasury cannot become involved. An organisation can make large profits trading in this way but it can also make a loss.

That was the point I was making last week when I mentioned that the Municipal Authorities Victoria Investment Service was caught out by raising the level of interest rates.

It is reported that that body was the victim of high interest rates and errors of judgment by its money market dealers. That also highlights the often dangerous risk taken on by the cowboy element of the financial market in the gung-ho approach to trading securities. So it is possible, particularly in the market as it is today, to make quite big trading losses. It is also reported that that body was buying bonds at less than 14 per cent and selling at near 15 per cent. The rate today is 15¼ per cent for 10-year bonds. The WADC itself could be in a position of buying bank bonds at 16 per cent and selling them at 18 per cent.

We have tried to find out the current position by way of questions. Do Exim and WA Government Holdings have book losses in trading? The answer we got back yesterday was that the position of the WA Development Corporation's money market portfolio remains commercially confidential to the corporation.

As of 15 November the Treasury will have funds in excess of \$500 million. I will put some questions on the Notice Paper to see just how much of that \$500 million is in fact being invested by the WADC. Very large sums of money are at stake and I think that we have every right to know that those funds are not being put at risk.

The Financial Administration and Audit Bill does not cover the activities of WADC and WA Government Holdings. I think that clause 38 deals with what securities and the like can be invested in. During debate on the Financial Administration and Audit Bill the point was made that more controls should have been put in place by the Treasury with respect to how the funds would be invested, that limits should have been put on the amounts that could go to certain institutions and that there should have been a ranking of such institutions. Such controls and a tightening up of the credit risk should be considered normal, good practice when investing such large sums of money. All the eggs should not be put in one basket, but should be spread out. In this case, the Treasury has put everything into the one basket, namely the WADC. However, this House has no control over how the WADC handles those funds. As I said earlier, it can invest as it thinks fit.

This is the only opportunity we have to debate the funds that go to the WADC and WA Government Holdings. We have to take the type of action we have in order to get the opportunity to make it clear that we are very concerned about what is taking place.

I raise also the issue of the profitability of WADC. It is very easy for the Government to ensure that this corporation makes huge profits. For example, it supposedly pays the Treasury a market rate of interest for its funds. I would very much like to know at what rate it is paying the Treasury this week, because if it is paying the Treasury a market rate of interest for funds it would be paying about 17 per cent. It might have its money invested in bank bills out at 90 days at 16 per cent. If it was paying a market rate of interest at present, it could well be losing one per cent. We do not seem to get answers to these types of questions.

I have asked questions about the Perth Technical College site. I would like to know the answers to such questions as when it will be sold, for how much and that type of thing. Huge book or real profits could be made by selling the site to the WADC for X number of dollars—it could be well below market value—

and then passing it on to whatever body is going to develop the site. The corporation can then show up very large profits.

We make it very clear to the Chamber that we are concerned about what is taking place with WADC and WA Government Holdings. With WA Government Holdings, in particular, the Treasurer is putting himself in a very risky position.

Mr MENSAROS: The amendment by the Deputy Leader of the Opposition, according to the Westminster system we operate under, amounts to a no confidence motion. The motion is about the accountability of the Government. Before coming to power, this Government said many things about open government and made many accusations about the previous Government hiding matters. With only normal parliamentary scrutiny, those matters could have been found out about. This Government indulges in more and more cover-ups, especially with respect to the Western Australian Development Corporation, the Exim Corporation and WA Government Holdings. The Government is deliberately transferring activities away from the scrutiny of this Parliament. However, the same taxpayers' money is being used with respect to these organisations as is being used with respect to bodies that do come under the scrutiny of Parliament.

When we consider the seriousness of the motion, we find it strange that not only is the Treasurer not in the Chamber, but also he has shown no indication of trying to defend this no confidence motion.

Mr Gordon Hill: There is nothing to answer anyway.

Mr MENSAROS: There is nothing to answer only because the Government does not take the matter seriously. It either does not understand the motion, or it does not take it seriously.

It could be said that there are and always have been Government instrumentalities which are not entirely accountable to the Parliament. Without having the faintest hope of ever receiving a reply, I emphasised several times during the Budget debate that these semi-governmental bodies to some extent have always escaped parliamentary scrutiny. I refer, for example, to the State Electricity Commission, the Water Authority and Westrail. Once, some or all of the borrowings for these authorities were made through the General Loan Fund. Now, looking at the very glossy publications outlining the estimates for the capital works programme, we find that most of

the capital works are done on money borrowed outside the General Loan Fund, on the free market. Again, Parliament is not able to scrutinise those borrowings.

Out of the total \$1 200 million capital works programme, only 13.75 per cent, \$166 million, is subject to the scrutiny of Parliament because that is the amount for which there is an appropriation and it is printed in bold figures in this booklet. The rest of the money cannot even be talked about in detail. I have proved that despite the fact that when I first said so the Deputy Premier and the Leader of the House, in their usual patronising manner, said that I was wrong and should have studied my Standing Orders. They said that it could be talked about. I proved today that it could not be talked about, through the Deputy Chairman, who did not permit me to rise on the matter. The \$254 million for the public building programme has not had even one dollar allocated to it as part of the vote.

There is a rebate under the General Loan Fund to the Consolidated Revenue Fund for the salaries and wages paid for organising these capital works. However, that is only a small item of \$8 million plus. The rest of it, presumably, has been borrowed by the WA Building Authority which was constituted about a year ago. Very few people know anything at all about that authority. I asked the Minister for Works a question about that authority. I asked whether he had borrowed any money. He is that authority, no-one else. There is no board or chairman, not even a clerk. The Minister for Works equals the building authority. The borrowing of such money would be for the simple purpose of cheating the Loan Council. I say, "Good on the Treasury; that is a good move."

With regard to the \$254 million, the Minister has said that he has no clue as to who borrowed it or for what purpose. That is the way the funds of the State of Western Australia are being handled. Is this not a serious matter? Is it a laughing matter? Does it warrant the no confidence motion because the WADC and others are heading the list?

We were able to move this motion because for some inexplicable reason it has been decided by the hierarchy of the Treasury that they should receive this money from the General Loan Fund instead of from other borrowings, under whatever name.

This is a no confidence motion, it is serious and it at least deserves a Treasurer who cares—even if it is only on the surface—about Parliament and democracy, to defend the motion and to be present during the debate.

Amendment put and a division taken with the following result—

	Ayes 16
Mr Blaikie	Mr Old
Mr Bradshaw	Mr Rushton
Mr Clarko	Mr Spriggs
Mr Court	Mr Thompson
Mr Grayden	Mr Trethowan
Mr MacKinnon	Mr Tubby
Mr McNee	Mr Watt
Mr Mensaros	Mr Williams

(Teller)

	Nocs 22
Mr Barnett	Mr Hughes
Mr Bateman	Mr Jamieson
Mr Bertram	Mr McIver
Mr Bridge	Mr Parker
Mrs Buchanan	Mr Read
Mr Brian Burke	Mr D. L. Smith
Mr Terry Burke	Mr P. J. Smith
Mr Carr	Mr Tonkin
Mr Davies	Mr Troy
Mr Evans	Mrs Watkins
Mr Hodge	Mr Gordon Hill

(Teller)

	Pairs	Nocs
Ayes		
Mr Hassell	Mr Brycc	
Mr Coyne	Mr Pearce	
Mr Laurance	Mr Grill	
Mr Cash	Mrs Beggs	
Dr Dadour	Mr Taylor	
Mr Peter Jones	Mr Tom Jones	
Mr Stephens	Mr Wilson	

Amendment thus negated.

Mr MacKINNON: I am absolutely astounded that the Treasurer did not have the courtesy to come into this Chamber during the debate on, as the member for Floreat said, a censure motion against him and his Government. During the time we debated that motion the Treasurer was with the Press and did not have the courtesy to come to the Chamber to listen to the debate. I cannot understand why the Treasurer comes to Parliament at all; he has spent the whole evening looking at his stamp collection and if he has not been looking at the stamp collection, he has been making sure that he gets the front page headline in tomorrow's newspaper.

Point of Order

Mr DAVIES: Is the honourable member able to debate this item again? According to the Standing Orders once this matter has been debated, it is clear that it cannot be debated again.

Several members interjected.

The DEPUTY CHAIRMAN (Mrs Henderson): Order! Order!

Mr DAVIES: I thank members for helping with that advice. It is good to see that members opposite are awake and alert at this time of night. I congratulate them. I do not see the member for Albany in this Chamber very often, I think he sleeps in his office. It is nice that he is in this Chamber occasionally.

To return to this point of order, it seems to me that once the item has been dealt with and a vote taken it cannot then be redebated. The only item which could be debated under this item, if it can be debated at all, is Western Australian Government Holdings Ltd.

The DEPUTY CHAIRMAN: The point of order refers to Standing Order No. 304 on page 104. I refer members to sub section (5) (c), which reads—

(c) after a question for omitting or reducing any item has been disposed of, no motion shall be made or debate allowed upon any preceding item;

The whole of Item 7 relates to advances to sundry bodies. My interpretation of the Standing Order is that following debate on the motion moved by the Deputy Leader of the Opposition, we cannot return to any previous item, but at the moment he is seeking to speak on Item 7.

We have dealt with the proposed amendment to Item 7. Should other members wish to speak to that item, I do not think anything in the Standing Orders would preclude them from doing so because we have dealt with that item.

I want to warn the Deputy Leader of the Opposition that when I call for order I expect him to come to order.

Mr MacKINNON: Thank you, Madam Deputy Chairman. I apologise.

Committee Resumed

Mr MacKINNON: It is astounding to me that we have just had a debate—a rather unusual one—of a type which I cannot recall having heard before in almost nine years in Parliament. The vote was, as the member for Floreat has indicated, in effect a censure on the Treasurer. As I said before, the Treasurer did not even have the courtesy to pay the Parliament or the Opposition the respect of coming in to answer that particular debate.

This is unprecedented. It beats me why he even bothered to come in here this evening. An even more interesting question, with no disrespect to the officer concerned, is why we have in the Parliament a departmental officer who, it seems to me, has offered not one word of advice to the Treasurer during all that time?

As we have tried to point out in the debate already, without going over the same ground again, the Western Australian Development Corporation and Western Australian Government Holdings are not accountable to the Parliament. It seems, from the activities of the Treasurer this evening, that he is not interested in the Parliament of Western Australia; he is prepared to ride roughshod over it to ensure he gets his way, because he has the numbers.

Let me assure you, Madam Deputy Chairman, the election is not far away and he will not have the numbers after the election. We will make sure all the statutory authorities at present under the control of the Government are properly accountable. We will be paying members of Parliament the respect they deserve. I can assure you, Madam Deputy Chairman, the institution of Parliament will be paid the respect it deserves by the Government of that day, which will be a Government of our political colour.

Mr COURT: I support the comments by the Deputy Leader of the Opposition. We seem to have been talking into thin air when we have raised our points of concern in relation to these two bodies and the \$10 million involved.

Mr Parker interjected.

Mr COURT: It is all right for the Minister to make that comment. This is the only opportunity we have to discuss this particular matter. It might be the end of the week and he might be getting tired and grumpy, but this is the opportunity for us to make our points on this subject.

Mr Parker interjected.

Mr COURT: It might be repetitive. It is certainly repetitive as we do not receive any answers to the questions we are trying to ask in relation to these bodies. That is certainly repetitive.

Mr MacKinnon: The Treasurer is rarely here, and when he is he might as well not be.

Mr COURT: The personnel working in those bodies, the WADC and WA Government Holdings and its subsidiaries, have a problem. No matter what one may call them, they are Government bodies using taxpayers' funds. These people are put in a difficult position.

There will always be problems when taxpayers' funds are used in this way. They have very wide powers as to what they do with those funds, but the taxpayers themselves cannot ask questions. As a result they are put in a difficult position.

Take the head of a department; let us say the Treasury, for example. Through this Parliament, we are able to ask questions and find out what is taking place. That is the object of questions on notice and questions without notice.

Mr MacKinnon: In other words they are accountable.

Mr COURT: Yes, they are accountable. In this case I can understand the pressures put on the staff working in these operations.

The other point I want to make is in connection with question 1515 which I asked on notice on Wednesday. In part (2) I asked—

What is the current market value of the Treasury's money market portfolio and what is its book value?

The answer was—

Treasury is not in the business of trading securities. By the nature of its operations it will therefore not incur a loss of principal on its investments. As at 5 November 1985, Treasury had the amount of \$528 348 170 invested and this amount will be received in full on the maturity of those investments.

I want to make a comment that this amount might not necessarily be received in full. It is possible for something to happen within the WADC. There may be a loss of funds or something so that money cannot be repaid in full.

That is exactly what happened last Friday, as I said, when a similar body in Victoria could not repay in full. In fact it will repay 97c in the dollar. So it is not like the Treasury itself which might invest, or which used to invest, in the short-term money market. It used to invest in bank secured bills and the like, so it was at no risk. In this case, with the bulk of the funds going to the WADC, there is no guarantee they will be received in full on the maturity of those investments.

The other comment I made was in connection with WA Government Holdings. The Treasurer was not in the House when I raised the point a number of times. The member for Vasse asked for particular information on the Emanuel properties, and the Treasurer said

that he would see whether the information could be released, provided Exim agreed to that release.

Eventually, after persistent questioning, the answer came back. The Treasurer received a letter from the Managing Director of Exim. It is only two paragraphs and is addressed to the Premier, re Emanuel Properties.

It said that the Exim Corporation was not willing to release documents held by Exim or its subsidiaries relating to the conditions of sale of the properties, as this would be a breach of commercial confidentiality. It was assumed that the member for Vasse would not wish to establish the undesirable practice of Exim divulging the essential private dealings of respectable people in the business sector of the community. It was signed by B. Easton, Managing Director.

The member for Vasse had been asking questions for weeks trying to obtain this information, because we were concerned about how those dealings had taken place. We saw that \$6 million of Federal funds was given to the body to carry out a project it had in hand. After much questioning we received the answer that we could not have the information.

People wonder why we say there could be a cover-up. There could well be a cover-up; we would not know as this Chamber is not given the details. We have bodies with millions of dollars of taxpayers' funds and we do not seem to be able to find out what is taking place.

It concerns me that the Treasurer did not see fit during debate on the motion on the funding of these two bodies to defend the requirement for those funds to be given to those bodies and answer our concerns about them. Members opposite might say this is repetitive; they have heard it all before. I am afraid they will hear a lot more because it is of great significance to this Parliament. It might be two or three years down the track, but if things continue as they are, this is what will happen. Hopefully it will change in a few months.

The CHAIRMAN: Order! It is not appropriate to talk at length about an amendment which has already been discussed. It is not appropriate for me to stop you talking about the items or the sections of the item. I hesitate to allow you to continue to speak in respect of the matter as if there was an amendment still before the Committee.

Mr COURT: Thank you, Mr Chairman. You will be pleased to know that I have finished my comments.

Mr BRIAN BURKE: I do not want to lend undue dignity—or any dignity—to this so-called unprecedented move mentioned by the Opposition. I would like to point out gently that it is so important and so unprecedented that the Leader of the Opposition did not stay for the debate.

Mr MacKinnon: You know full well he had to go to the Eastern States. You know he would have preferred this debate were put off till next week.

Mr BRIAN BURKE: I know full well that he would rather be on this side of the House. None of that makes much sense. The truth is that the Leader of the Opposition is in the Eastern States attending a Liberal Party leaders meeting. I do not argue with that. Good luck to him. I think the clutch of them need all the help and advice they can give each other, but he is still not here for this earth-shattering, unprecedented, unique and absolutely disappointing development.

Mr Thompson: You haven't been here for half the debate on your Budget.

Mr BRIAN BURKE: I do not understand that to be any challenge to my statements about the Leader of the Opposition ducking out on this unprecedented, enormous, exciting, enthralling challenge. That is the first thing, but that is not an important matter.

Several members interjected.

The CHAIRMAN: Order!

Mr MacKinnon interjected.

The CHAIRMAN: Do not go on incessantly after I call order.

Mr BRIAN BURKE: The Western Australian Development Corporation and Western Australian Exim Corporation represent two of the most exciting and innovative policy initiatives ever undertaken in the history of this State. In years to come, in the same way as the R&I Bank is a jewel in the crown of this State's financial and economic image, the Western Australian Development Corporation and the Western Australian Exim Corporation, too, will glitter and be prized. Before too much longer both of those bodies will, through their assets in the public sector, the expansion of the economy which they provoke and the management of this State's public assets, be making profits of millions of dollars that will go towards relieving the pressure on Government as it is expressed in terms of taxes and charges imposed on the public. That is what annoys the Opposition about the Western Australian De-

velopment Corporation and the Western Australian Exim Corporation. They are private enterprise-model bodies operating on strictly commercial lines and representing the public interest which have already been able to make very handsome profits. I can understand the chagrin of the Opposition when confronted with that reality because it means that so much of the rhetoric of the Opposition, so much of the bell that the Opposition was able to ring in the past—

Point of Order

Mr MacKINNON: Is it correct that the Treasurer has unlimited time when we are actually on the concluding part of the item under debate? It is not general debate; the items are under debate.

The CHAIRMAN: Order! I refer the Deputy Leader of the Opposition to page 61 of the Standing Orders which says "Ministers in charge, periods unspecified."

Committee Resumed

Mr BRIAN BURKE: It is quaint that before I rose to speak I was denigrated for not having contributed to the debate and now when I want to speak members of the Opposition want to sit me down.

Mr Rushton interjected.

Mr BRIAN BURKE: The member for Dale is in trouble because his mate's good story is not in the first edition of the newspaper and the second edition does not go to his electorate so they will think he is still sleeping.

Mr Rushton: That is how crude you are.

Mr Clarko: It doesn't become you.

Mr Old: It does become him. He is back to normal.

Mr BRIAN BURKE: It amazes me that members of the Opposition think they can carry on denigrating other people yet when they are served up a bit of their own medicine it is somehow or other unholy.

Mr Rushton: Now stop being rude and crude.

Mr BRIAN BURKE: As far as I am concerned, the member for Dale's contributions to the debate last evening warranted the sort of rebuke or reprimand that mildly has been delivered—

Mr Clarko: You have been talking in a smarmy fashion all week. You have been talking in a rude, oily and greasy fashion and it does not become you. You don't need to do that.

Mr BRIAN BURKE: Anyway, I was saying that the Western Australian Development Corporation and the Western Australian Exim Corporation, directed and managed by private enterprise people, modelled on private enterprise or strictly commercial lines, and already successful in the commercial sense, will become, as the pages of the history books turn, among the most prized authorities or agencies of this State. Already it is clear that within a few short years, probably in as soon a time as anticipated even by the most optimistic supporters of the two corporations, each will be earning millions of dollars of profit by assisting the private sector, by facilitating and expanding efforts to encourage economic growth, by managing public assets and by generally taking advantage of the opportunities presented which Governments ignored in the past.

I will tell members what happened in the past. In the past Liberal Governments were regarded as milch cows. The Government was fair game for anyone who wanted to saunter along with a bright idea and take advantage of the fact that the Government had no commercial expertise or that under a Liberal Government the public was not entitled to demand a share of anything except a full share of taxes and charges.

That has changed. The Government is no longer the milch cow which the previous Government allowed to feed off the public without any remittance of the misery of taxes and charges escalating out of control being imposed on the public. Now, confronted by the spectre of a number of private enterprise people, successful business people who have chosen to step out of their leading positions within the private sector to assist in the Government's efforts to improve the lot of people in this State, the Opposition is squirming. I will give the Chamber an example—

Mr MacKinnon: No, we are not. We are saying they should be accountable.

Mr BRIAN BURKE: Compare this with what happened previously. Take the Perth Technical College site. The Valuer General valued that site at around \$16.5 million. What did the previous Government do? It sold the sites at the value the Valuer General put on them.

Mr MacKinnon: Which sites?

Mr Clarko: It didn't sell the Technical College site.

Mr Court: Hang on, what value did it put on the Technical College site?

Mr BRIAN BURKE: This Government obtained the Valuer General's valuation and then obtained a commercial or private valuation which was some \$4 million higher. It charged the WADC the Valuer General's valuation plus \$4 million extra, knowing the previous Government would have soldiered on with the Valuer General's valuation; and do members know what happened then? With the commercial expertise of the WADC the price fetched for the Perth Technical College site was \$33.5 million.

That is the sort of thing that can happen. Let us look at the issue of the new bank that will be established in Perth. We heard members opposite talk for years arrant nonsense about the establishment of Perth as a financial centre. Most of them could not find their way to the Post Office, and it was up to the WADC to go into the marketplace and assemble a joint venture and successfully apply for an international banking licence conditional upon the licensee headquartering the new bank in Perth. That is the first time it has ever happened. What did we get from the Opposition? A lot of hot air about a financial centre as though it is some sort of floating crap game that one can rhetorically superimpose on Perth. It took the WADC to roll up its sleeves and get out into the marketplace and grab the bank for Perth.

Why is it that the Opposition is so critical of the WADC? I will tell the Chamber. There are droves of the Liberal Party's traditional supporters who say, "We believe in the philosophy; we believe in making sure that the public is rightfully represented and is protected", and the Opposition objects to the fact that those people should be so outrageous in their view as to want to assist in the WADC's activities.

Let us look at the question of accountability. It was the Opposition who insisted on inserting into the legislation that the WADC should operate without any direction from Government. It was the Opposition who insisted the WADC should be accountable through the Companies Code. It was the Opposition which then rejected the regulations that would have made the WADC accountable to the Companies Code. So the Opposition insisted on the form of accountability and then rejected the regulations which would have given—

Mr Court: You do not talk about WA Government Holdings; we know the dangers involved there. How much did WADC pay?

Mr BRIAN BURKE: I have already told the member four times; it was \$20.5 million.

Mr Court: So you got them \$13 million book profit just like that. You could have put the site to auction and got the \$33 million.

Mr BRIAN BURKE: That shows the member's naivety; he does not even understand the commercial aspects involved.

Mr Court: You could put it on in the marketplace and sell it for \$33 million. Instead you have just told us you have put \$13 million profit into WADC.

Mr BRIAN BURKE: I have tried to tell the Opposition that the Valuer General valued the site at \$16.5 million, and a commercial valuer said the maximum the site was worth was \$20.5 million. We said we wanted not the Valuer General's price but the maximum commercial value. We said to the WADC, "You have the skills and experience to maximise this value for us, and you can do that in a way the Government cannot." I am sure no-one would expect that a traditional Government department, and the Under Treasurer, with the assistance of the Treasurer, who is myself, would be able to extract in the commercial marketplace the sort of price the WADC was able to get.

I have tried to say that as far as the WADC is concerned there is once again this almost traitorous paranoia the Opposition seems to feel about those people who choose to work with the Government of the day as members of the WADC or WA Exim Corporation.

Let me underline—because I do not anticipate taking a great part in this debate—that this is an absolutely preposterous situation to provoke on the Loan Bill. If the Opposition is dinkum, it should vote against this item in the Legislative Council. If the Opposition members mean what they say and are not simply politicking, I point out they have the majority in the Legislative Council. If they mean all the things they have said, and they have said some awful things tonight, and if they are true and members opposite believe them, they should vote against this part of the Bill in the Legislative Council and we will have an election.

Division put and passed.

Division—Housing Authorities, \$95 282 000—put and passed.

Division—Port Authorities, \$420 000—

Several members interjected.

The CHAIRMAN: Order! All members will come to order.

Mr MacKinnon interjected.

The CHAIRMAN: Order! The Deputy Leader of the Opposition has a tendency to continue to interject no matter what I say from this Chair. I give him a warning now that if he does it again I will take appropriate action without further warning.

Point of Order

Mr MacKINNON: Can I explain to you, Mr Chairman, I was answering an interjection from the Treasurer.

The CHAIRMAN: There is no point of order, and my warning persists.

Committee Resumed.

Mr RUSHTON: I wish to comment on the item relating to the Fremantle Port Authority. I am interested in an explanation of the programme being introduced at Fremantle. It is a most important port—our major port—and I would like an explanation of the increased expenditure and the strategy relating to the works there. Is the wharf being upgraded? What is the thrust of the increased expenditure for the Fremantle Port Authority? The Port of Geraldton is receiving \$2 million for a container crane and equipment. That is not a very large crane, but I would like an explanation regarding that item. Is the container crane being built in Western Australia by one of our local engineering firms?

Division put and passed.

Division—Post Secondary Education, \$11 338 000—put and passed.

Division—Other Authorities, \$1 573 000—

Item: Urban Lands Council—

Mr RUSHTON: There are a couple of matters for which I would like an answer to go onto the record—the Urban Lands Council and the development of land that is taking place at Canning Vale.

The major item I want to address is the Urban Lands Council's activity. I have received information recently that the Urban Lands Council and Homeswest have been competing for land within the wedges between the corridors. It appears that there has been a premature move by these organisations—no doubt directed by this Government—to acquire urban land in the wedges in anticipation that the corridor plan will be removed. In this event these rural lands will be developed and the whole planning concept reflecting our living standards and lifestyle in the Perth metropoli-

tan area will be destroyed. The development of the south-eastern corridor, with its regional centre at Armadale, will be jeopardised, so that areas like Mundijong and Byford will not fulfil the expectations they have at present.

It is not good enough that this Chamber is not receiving an explanation of the thrust of the Urban Lands Council's programmes because its proposed expenditure is increasing from \$2.2 million to \$7.6 million in its internal development programme. That is a lot of land and development, and it could put out of balance the private development of land. As far as I am concerned, the Urban Lands Council has a part to play only when it is needed—when there is a shortage of land and it has some mechanism to influence the price of land. However, through this agency the Government is forcing up the price of land by as much as, I understand, 20 per cent.

The home buyer under these circumstances will be disadvantaged because of this competition between those two Government agencies. Some details of the Government's land development programme should be explained because it would appear that the Government is selling off the farm while having no regard for the strategic reserves that have been held by Governments in past years. This Government is cashing in on this land and is obviously using it politically.

Parliament has not even had an explanation of the Government's strategy relating to this very large development of urban land and the acquisition of rural land for the purpose of turning it into urban land. I would just sound a warning because the land market is being put in jeopardy by an over-heating process caused by this Government. The private sector will be jeopardised and eventually the normal forces of land development will dry up. Home owners will suffer. For a short period there will be Government intrusion into that area and it will appear to be buoyant, but it will not be long before that is put out of balance and the public sector will not be able to cope with the costs, as we have seen happen in South Australia. Home buyers will be forced into rentals and leasing, a situation which seems to be sought by this Government.

I would like some explanation of the Urban Lands Council's strategy programme for this year, and I would like an explanation of the very large increase in the cost of the programme and how it will affect the private sector in the coming year.

Item: Rural Adjustment and Finance Corporation—

Mr OLD: It is notable that listed under this item is a loan of \$500 000 to grape growers. This is probably one of the most blatant political moves that has been seen in this State for some time inasmuch as the \$500 000 which has been allocated to assist grape growers is restricted to the Swan Valley. This is omitted from the list.

When the Treasurer went up to the Swan Valley with great pomp and ceremony to prop up the ailing chances of the local member in the next election, he had to pull something out of the hat so he decided that he would make this money available to assist the grape growers of that area. It was a very fine gesture and one which was, according to the Treasurer, received with great acclaim. However, I wonder what will happen to grape growers in the Mt Barker area, the Margaret River district and on the Peel Estate. Are they entitled to have a cash special assistance made to them?

Mr Davies: Are they in the same trouble as the Swan Valley growers?

Mr OLD: I do not know what sort of trouble the Swan Valley grape growers are in.

Mr Evans: This money is for a specific purpose: to upgrade the quality and capacity and the ability to develop an export grape industry. It involves assistance in water supply, planting, the provision of materials, for shortage and post-harvest handling. That is the reason.

Mr OLD: I am delighted that we now know exactly what this \$500 000 is for.

Mr Evans: A Press release was put out recently. Why don't you keep up with your reading?

Mr OLD: I hope the Minister for Agriculture is not getting stropky. His colleague asked whether the people I enumerated were in trouble.

Mr Davies: I would venture to say that they are.

Mr OLD: I asked a question: How many loans will be applied for under this magnificent scheme for these people in great need in the Swan Valley? How many loans have been approved and how many have been rejected? The answer is no-one is no-one is no-one. These people who are supposedly in such great trouble, and to whom the member for Mundaring wrote and said, "Bill, hop in for your chop and get some money from this great scheme," could not be bothered to apply.

Mr Parker: It has only been in the Parliament since the Budget—10 October.

Mr OLD: When did the Treasurer go to the Swan Valley? Was it on 10 October? I do not care when the Budget came out, the announcement was made prior to that by the Treasurer. I reiterate that this is a blatant political move and there will be no applications because, for a start, as my friend, the member for Moore, would say "It is as useless as tits on a bull."

The CHAIRMAN: I am not sure whether that is parliamentary language.

Mr OLD: I am quite sure that it is. Tits on a cow are useful and therefore the same must apply with a bull.

I repeat that this is blatant political chicanery. I will be interested to see exactly how many of those loans are applied for. I have no doubt that the member for Mundaring will tomorrow send some more letters out, as he has done already, requesting people in the Swan Valley to apply for some of the loans to get the Government out of trouble.

Division put and passed.

Schedules 1 and 2 put and passed.

Clauses 1 to 3 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

MR BRIAN BURKE (Balga—Treasurer) [11.42 p.m.]: I move—

That the Bill be now read a third time.

I thank the members for their contribution to the General Loan Fund debate. While members may think that many of the matters raised relate more properly to the Estimates debate on the Consolidated Revenue Fund, Government officers will check on all of the matters which have been raised and will ensure that they are dealt with and that members will be notified of the answers to the queries they have raised.

I wish to raise a number of other points in conclusion, but in deference to the hour I will seek leave to continue my remarks at a later day's sitting.

Leave granted.

Debate adjourned, on motion by Mr Davies (Minister for Conservation and Land Management).

BILLS (6): RETURNED

1. Collie Coal (Western Collieries) Agreement Amendment Bill.
2. Coal Mine Workers (Pensions) Amendment Bill.
3. Superannuation and Family Benefits Amendment Bill.
4. Acts Amendment (Educational Institutions Superannuation) Bill.

Bills returned from the Council without amendment.

5. Financial Administration and Audit Bill.
6. Acts Amendment (Financial Administration and Audit) Bill.

Bills returned from the Council with amendments.

House adjourned at 11.47 p.m.

QUESTIONS ON NOTICE

1358. *Postponed.*

ABATTOIRS

WA Meat Marketing Corporation: Financial Survey

1411. Mr PETER JONES, to the Minister for Agriculture:

- (1) With regard to the proposed Western Australian Meat Marketing Corporation, why has no financial survey been undertaken of the alleged benefits from the proposed corporation?
- (2) If there has been no financial survey, on what basis has it been assumed by the Government's advisers that there will be operational efficiencies which will benefit producers?
- (3) Will he please quantify his statement in the second reading speech regarding the financial benefits to producers?

Mr EVANS replied:

- (1) to (3) There are currently two Government meat marketing organisations in Western Australia operating on the domestic and export market. It is obvious that efficiencies can be achieved by amalgamating these organisations.

I refer the member to the conclusions of the recent inquiry into Government involvement in the meat industry, section 3.8.

GOVERNMENT EMPLOYEES

Health Department

1421. Mr BRADSHAW, to the Minister for Health:

- (1) How many people are currently employed by the Health Department other than statutory boards and authorities?
- (2) How many people were employed by the Health Department as in (1) in—
 - (a) 1982-83; and
 - (b) 1983-84?

Mr HODGE replied:

- (1) The number of Public Service Act staff employed in the Health Department at 30 June 1985 was 2 130.47 in full-time equivalent terms.
- (2) The Health Department was not established until 1 July 1984. The composite figures for the former Departments of Hospital and Allied Services, Mental Health Services, and Public Health were—
 - (a) 2 114.80 at 30 June 1984;
 - (b) 2 058.65 at 30 June 1983.

1490. *Postponed.*

TOURISM COMMISSION

Administrative Officers

1494. Mr STEPHENS, to the Minister representing the Minister for Tourism:

- (1) In the year 1984-85 how many different people were employed in the positions of chairman and managing director?
- (2) In each case—
 - (a) what was the period of employment;
 - (b) salary paid;
 - (c) travelling expenses;
 - (d) were consultancy fees also paid and if so what amount?
- (3) What is the reason for the projected 50 per cent reduction in the chairman's salary for 1985-86?
- (4) (a) What was the total number of employees employed by the commission in 1984-85;
- (b) of the total number how many worked for the full period of 12 months?
- (5) (a) Does the commission plan to establish an information centre at Norseman or at some other place on the Eyre Highway;
- (b) if "Yes", what is the estimated cost of establishing the centre;
- (c) what is the estimated cost to run the establishment on an annual basis?

(6) What are the estimated expenses of the America's Cup unit for the following for 1985-86 against the actual for 1984-85—

- (a) air travel;
- (b) accommodation expenses;
- (c) entertainment expenses;
- (d) motor vehicle expenses?

Mr BRIAN BURKE replied:

(1) One chairman, one acting chairman, and one managing director.

(2)	Chairman	Acting chairman	Managing director
(a)	1/7/84-8/3/85	12/3/85-30/6/85	1/1/85-30/6/85
(b)	\$54 883	\$9 186	\$28 060
(c)	\$4 685	\$699	\$3 056
(d)	Nil	\$7 989	Nil

(3) The position is being filled on an acting basis.

(4) (a) 237;

(b) 124.

(5) (a) Yes;

(b) \$300 000;

(c) Yet to be determined.

(6) As this information is not readily available and will require considerable research, the member will be advised in writing in due course.

1497, 1505, 1514, and 1516. *Postponed.*

DRAINAGE

Compensating Basin: Ron Stone Reserve

1519. Mr CASH, to the Minister for Water Resources:

- (1) Is the Ron Stone reserve which is situated on the corner of Bradford, Learoyd, and Ferrar Streets, Mt Lawley, used as a compensating basin by the Western Australian Water Authority?
- (2) If "Yes", what is the holding capacity required for this compensating basin?
- (3) Is he aware residents living in the vicinity of the compensating basin are keen to have part of the bottom of the lake sealed to enable water to be retained throughout the year in the lake area?

(4) Will he authorise funds to have the compensating basin recontoured and partially sealed to enable water to be held throughout the year and to encourage birdlife to return to the area?

Mr TONKIN replied:

(1) Yes.

(2) The ultimate holding capacity is approximately 14 000 cubic metres.

(3) The Water Authority is not directly aware of local residents' current wishes but discussions have been held recently with the City of Stirling which is keen to investigate the two possible alternatives of deepening this basin to make a permanent lake, or recontouring the basin in order that it could be used as dry grassed parkland for much of the year. A proposal is awaited from the City of Stirling.

(4) Not applicable at present.

1523. *Postponed.*

GOVERNMENT BUILDINGS

Incinerators: Complaints

1525. Mr RUSHTON, to the Minister for Works:

- (1) Has he received complaints from Miss G. Dodd regarding the condition of public buildings' incinerators?
- (2) If "Yes", what has he done to satisfy the claims by Miss Dodd?

Mr McIVER replied:

- (1) and (2) Over a period of time I have received several letters from Miss G. E. M. Dodd of the Kernerator-Dole Incinerator Co. I believe many of my parliamentary colleagues have also been recipients of correspondence from Miss Dodd.

In an attempt to assist Miss Dodd I arranged earlier this year for one of the senior officers of the Building Management Authority to interview her. As a consequence of this interview I wrote to Miss Dodd on 23 April 1985, and I have forwarded a copy of this reply under separate cover to the member for his information.

MINERALS: GOLD

Armway Mining Pty Ltd: Potential

1526. Dr DADOUR, to the Minister for Minerals and Energy:

- (1) In relation to the Armway goldmining project in Hamersley Range National Park, has the company completed exploration to define the potential of the goldmining prospect?
- (2) If so, when?
- (3) What are the results of the exploration and assessment programme?
- (4) When did the results become known?

Mr PARKER replied:

- (1) to (4) No. In fact, exploration has not yet commenced. The proposal is still being considered.

LAND RELEASE:

Warren Electorate

1527. Dr DADOUR, to the Minister for Agriculture:

In relation to blocks proposed to be released for agriculture in the Warren electorate, are any of the blocks located in the middle of State forest?

Mr EVANS replied:

Of the six areas being assessed for suitability for agricultural release in the Shire of Manjimup, four are in State forest. Three of these areas adjoin existing farmland and one is surrounded by State forest.

HEALTH: HOSPITALS

Elective Surgery: Waiting Times

1528. Mr HASSELL, to the Minister for Health:

- (1) What are the waiting times for elective surgery at—
 - (a) Royal Perth Hospital;
 - (b) Queen Elizabeth II Medical Centre?
- (2) What number of people are waiting for elective surgery at—
 - (a) Royal Perth Hospital;
 - (b) Queen Elizabeth II Medical Centre?

Mr HODGE replied:

- (1) and (2) The number of patients and waiting times for elective surgery vary vastly with respect to the different procedures and, to a lesser extent, the particular hospital. The assessment would also need to take account of the fact that patients who are considered clinically time-critical would also be included in such figures; these patients could not be considered elective. Waiting lists are regularly reviewed by clinicians and patients' positions on these lists are altered depending on their clinical priority. A meaningful response cannot be given to the question in its present form, given the number of variables.

Some time ago I asked the Health Department, in conjunction with the major teaching hospitals, to review the current reporting methods for waiting times and waiting lists, with the objective of establishing a common system across all hospitals to allow meaningful information to be reported on a routine basis.

The variables affecting overall waiting lists are referred to in answer to question 1027. The member is also referred to question 1406 for further amplification of this issue.

GOVERNMENT CORPORATIONS

Staff: Overseas Trips

1529. Mr WILLIAMS, to the Premier:

- (1) Regarding the Western Australian Development Corporation and Exim Corporation, how many overseas trips have been undertaken by the staff or advisers of these corporations in the last 12 months?
- (2) How many interstate trips have been undertaken by the staff or advisers of these corporations in the last 12 months?
- (3) How many staff or advisers were involved in these trips?
- (4) What countries and States were involved in these trips?
- (5) How many trips were made to each of these countries or States?
- (6) What costs were involved in these overseas trips, i.e.—

- (a) air fares;
 - (b) daily allowances;
 - (c) other expenses?
- (7) What costs were involved in these interstate trips, ie.—
- (a) fares;
 - (b) daily allowances;
 - (c) other expenses?

Mr BRIAN BURKE replied:

- (1) to (7) The business activities of WADC are the commercial prerogative of that corporation.

LOCAL GOVERNMENT: ALBANY TOWN COUNCIL

Rating: Valuations

1530. Mr STEPHENS, to the Minister for Local Government:

- (1) Is he aware that 1978 UV valuations were used by the Albany Town Council for year 1985-86 rating assessments in lieu of 1985 UV valuations as substantially completed and subsequently gazetted by the Valuer General?
- (2) If "Yes", does he accept that—
 - (a) this is in order;
 - (b) such action is to the financial disadvantage of the ratepayers?
- (3) Does he intend to have enacted retrospective legislation to correct any breach that may have occurred?

Mr CARR replied:

- (1) I am informed that the council used 1979 unimproved values for the purpose of phasing-in the change to the gross rental value system of valuation.
- (2) (a) This is in keeping with the intended principle of the phasing-in rating option that rates are assessed using both the previously used unimproved values and the new gross rental values in the first two years of the change in valuation system;
- (b) any change in valuation system can be expected to change the relativities in rate burden between ratepayers. The purpose of this particular rating option is to lessen the impact of that relativity

change which would otherwise result from the change to gross rental values.

- (3) In the event that any local government rates were found to be defective, consideration would be given to the appropriate means to remedy that situation.

1531. *Postponed.*

AMERICA'S CUP FESTIVAL OF SPORT

Government Commitment

1532. Mr MacKINNON, to the Premier:

- (1) Is he aware that on 28 August 1985, in answer to question 302, when he was asked whether the Government had given any commitment to the America's Cup Festival of Sport he answered, "None"?
- (2) Is he aware of the report in the *Daily News* of 5 November which states: "Former Liberal Premier Ray O'Connor today denied his Government contract to organise sporting events during the America's Cup period was in jeopardy"?
- (3) Is such a contract in existence?
- (4) If so, is it under review?
- (5) Why is it under review?
- (6) Why did he indicate in August that the Government had no commitment to the America's Cup Festival of Sport?

Mr BRIAN BURKE replied:

- (1) This question was directed to the Minister representing the Minister for Tourism and answered by him. The Minister advised there was no commitment.
- (2) Yes.
- (3) An arrangement with Ray O'Connor Consultancy is being negotiated.
- (4) to (6) See (3).

ARGENTINE ANTS

Control Programme

1533. Mr OLD, to the Minister for Agriculture:

- (1) What aggregate area is programmed for Argentine ant control treatment in the current financial year?

- (2) What individual areas are to be treated and what is the approximate size of each area?
- (3) What aggregate area was treated during the past financial year?

Mr EVANS replied:

- (1) 60 hectares.
- (2) Burswood Island Casino site, 50 hectares;
Wanneroo Shire, 10 hectares.
- (3) 353.4 hectares.

1534. *Postponed.*

GOVERNMENT BUILDINGS: PERTH TECHNICAL COLLEGE SITE

Sale: Income

1535. Mr MacKINNON, to the Treasurer:

- (1) Has the income to the Government from the sale of the Perth Technical College site referred to in question 1483 of 5 November 1985 been included in the Consolidated Revenue Fund Budget Estimates for the year ending 30 June 1986?
- (2) If so, where has it been included?

Mr BRIAN BURKE replied:

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

FINANCIAL INSTITUTIONS

Rural and Industries Bank: Profits

1536. Mr MacKINNON, to the Premier:

Referring to questions 1121 and 1487 of 1985, will he explain where the balance of the profit returned in the 1984-85 year by the Rural and Industries Bank was earned from—that is, other than the \$10 006 588 returned from purely banking operations?

Mr BRIAN BURKE replied:

The balance of \$1 667 792 represents one-half share of the R & I homes and land profits for the year ended 31 March 1985.

TOURISM

Accredited Agents System: Discontinuance

1537. Mr MacKINNON, to the Minister representing the Minister for Tourism:

- (1) When was the accredited agents system discontinued by the Western Australian Tourism Commission?
- (2) At that time, how many travel agents were accredited with the commission?

Mr BRIAN BURKE replied:

- (1) The accredited agents system, as such, lapsed when the Tourism Commission was the then Department of Tourism. However, the Tourism Commission continued to pay full commissions to agents booking with the Holiday WA Centres, in a manner similar to the accredited agents system. This procedure officially ceased on 1 August 1985. Operators and agents alike were advised accordingly.
- (2) From the time at which the accredited agents system commenced in June 1972, in excess of 2 200 agents throughout Australia booked with the Holiday WA Centres.

TOURISM COMMISSION

Commissioners: Appointments

1538. Mr MacKINNON, to the Minister representing the Minister for Tourism:

- (1) Who are the current commissioners of the Western Australian Tourism Commission?
- (2) What are the terms of their appointment?

Mr BRIAN BURKE replied:

- | | |
|----------------|------------------|
| (1) | (2) |
| Basil Atkinson | 4 years |
| Bill Gill | 4 years |
| Warren Tucker | 3 years |
| Stephen Hales | 2 years |
| John Osborn | 2 years 4 months |

1539 and 1540. *Postponed.*

GOVERNMENT CONTRACTS

Electrical Services: Esperance High School

1541. Mr MENSAROS, to the Premier:

- (1) Has he received an inquiry from Esperance Electrical Service in regard to a tender awarded for electrical services in the upgrading and additions of the Esperance Senior High School?
- (2) Would he please give information about the Government's policy regarding requiring and taking into consideration the employment of apprentices by tenderers as applying to this contract?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) I am informed by the Minister for Works that the apprentice requirement for this particular electrical contract was specified as two. However, the lowest tender received was from an Esperance contractor which, under the existing policy, exempted it from the apprentice requirement. Therefore as the lowest tender received was considered to be a conforming tender, it was accepted accordingly.

HOUSING: HOMESWEST

Repairs Contract: Letter

1542. Mr MENSAROS, to the Minister for Housing:

Is the Homeswest letter determining repair contracts with contractors and containing the passage "... charges have been raised for work that has not been done ...", a standard letter form or an individually drafted letter commensurate with the individual case?

Mr WILSON replied:

Any such letters would be drafted according to the circumstances that pertain.

GOVERNMENT BUILDINGS: PERTH TECHNICAL COLLEGE SITE

Development: Parliamentary Secretary of the Cabinet

1543. Mr PETER JONES, to the Premier:

- (1) Is it a fact that the Parliamentary Secretary of the Cabinet had discussions with at least one of the persons interested in the development of the Perth Technical College site, prior to the final decision being made?
- (2) In such discussions, was the member for Perth acting on behalf of the Premier or the Government, or on his own behalf?
- (3) If he is not aware of any discussions, will he take the necessary action to become aware of the details?

Mr BRIAN BURKE replied:

- (1) to (3) I am informed that the Parliamentary Secretary of the Cabinet was approached on this matter, but he advised that he had no involvement in the project, and took no further action.

SIR LENOX HEWITT

Relationship: Mr Khalid R. Al Zayani

1544. Mr PETER JONES, to the Premier:

- (1) With regard to the reply given to question 1436 of 1985, does this mean that he will continue to keep secret the relationship between Sir Lenox Hewitt, Mr Al Zayani, and the Western Australian Government, about which he expressed concern on 10 May 1985?
- (2) If so, in view of his then expressed concern, and as Sir Lenox Hewitt is in receipt of public funds as a consultant and adviser to the Government, for what reason is he refusing to clarify his relationship with Sir Lenox Hewitt?

Mr BRIAN BURKE replied:

- (1) I did not express concern about the matter.
- (2) Not applicable.

SIR LENOX HEWITT*Investment Opportunities: Development*

1545. Mr PETER JONES, to the Premier:

- (1) Adverting to the reply given to question 99 on 21 August 1985, what investment opportunities has Sir Lenox Hewitt ever developed for Western Australia?
- (2) What reports has Sir Lenox Hewitt ever made to the Government regarding his activities as a consultant and for which he is receiving public funding?

Mr BRIAN BURKE replied:

- (1) and (2) For details of activities and duties of Sir Lenox Hewitt, see reply to question 2738 of 20 March 1985.

SIR LENOX HEWITT*Employment: Consultant*

1546. Mr PETER JONES, to the Premier:

- (1) When is the Government intending to review, or cancel, its employment of Sir Lenox Hewitt as a consultant and adviser?
- (2) If no consideration is being given to such an action, for what reason and benefit is the Government continuing to retain his services?

Mr BRIAN BURKE replied:

- (1) See reply to question 3385 of 1 May 1985 and question 98 of 21 August 1985.
- (2) See reply to question 2738 of 20 March 1985.

1547 and 1548. *Postponed.***MINERALS: PHOSPHATE***Mt Weld: Feasibility Studies*

1549. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) With regard to the phosphate deposits at Mt Weld, what feasibility studies are currently being undertaken regarding the possibility of developing this deposit?
- (2) By whom are the studies being done?
- (3) Has the Government discussed the possible need to develop the deposits earlier than originally thought?

- (4) When is it anticipated that a decision regarding the development will be made?

Mr PARKER replied:

- (1) Broad ranging studies are currently being undertaken on the feasibility of exploiting the phosphate deposits at Mt Weld. This includes the applicability of modern technological advances to the concentration of the ore and the production of superphosphate and phosphoric acid. The study also includes product transportation options and marketing considerations.
- (2) CSBP & Farmers, in conjunction with the joint owners of the deposit, Union Oil Development Corporation and BHP Minerals Ltd. Some testwork has been assigned to the State Government Chemical Laboratories, CSIRO, and AMDEL.
- (3) No.
- (4) A minimum of four years further study are required.

1550. *Postponed.***QUESTIONS WITHOUT NOTICE****RAY O'CONNOR CONSULTANCY PTY LTD***Contract*

420. Mr MacKINNON, to the Premier:

I refer him to question 1532 of today's date, which refers to the reported contract between the Government and Ray O'Connor Consultancy Pty Ltd and ask if it is correct, as the answer implies, that there is no such agreement or contract?

Mr BRIAN BURKE replied:

I should start by saying that the member was quite wrong in saying that he had asked me a question. Initially I did not recall this matter because the question was asked of me as the Minister representing the Minister for Tourism, and I provided the information on that basis. I think that is correct, is it not?

Mr MacKinnon: Yes.

Mr BRIAN BURKE: That is one of the reasons why.

Mr Bradshaw: It is a little bit pedantic.

Mr BRIAN BURKE: That is one of the reasons why I did not remember the details of the matter.

I understand an answer was given to the question on notice today. I am still not fully familiar with the matter and if the member puts the question on the Notice Paper he will get a detailed answer.

EMPLOYMENT AND TRAINING

Unemployment Statistics

421. Mr BURKETT, to the Premier:

(1) Has the Premier seen the latest unemployment figures released by the Australian Bureau of Statistics this morning?

(2) If so, how does Western Australia compare with the rest of Australia?

Mr BRIAN BURKE replied:

(1) and (2) Yes, I have seen those figures.

Mr Old: How unusual.

Mr Thompson: I just yawned.

Mr BRIAN BURKE: There appears to me to be a malaise that has wafted across the Opposition, I would agree, and whether that is reflected in the yawns of the member for Kalamunda, I do not know.

Mr Thompson: It is the ridiculous hours you are making us work.

Mr BRIAN BURKE: The member for Dale has found the solution.

Several members interjected.

Mr BRIAN BURKE: Why do members all shout at me so much? There are other people in this place who would ask questions of members when they are not here. I know members in this place who deliberately look for the absence of a Minister, for example, to say things, but I did not. I waited until the member for Dale was here. I directed questions to the member for Dale when he was here and I might say that I got a more sensible answer from him than I do when he is awake.

Several members interjected.

Mr BRIAN BURKE: Yes, I have seen the figures, and I am sure they will delight the Opposition as they delight us, because the unemployment rate in West-

ern Australia fell from 7.4 per cent in September to 6.9 per cent this month. This compares with 8.5 per cent in October 1983. When the Liberal Party left office in 1983 it was 10.5 per cent.

The Opposition is so desperate that the member for Greenough is trying to find a job for his wife in an unusual manner. I saw the headline tonight—"Tubby's hubby". It is absurd. I know we all acknowledge the importance of the family unit, but do we have to have them all in here?

Western Australia's unemployment rate is the second lowest among the States, and is much lower than the national rate of 7.3 per cent. The number of people unemployed decreased by 3 500 over the month and now stands at 47 100 compared with 55 300 at the same time last year. That is a fall of 14.8 per cent. There are now 632 000 Western Australians employed, a rise of 34 800 over the year representing a 5.8 per cent annual growth rate in employment. There are now about 63 000 more people in work than in February 1983. I do not expect the Opposition is going to jump up and congratulate us, but a sort of corridor concession would be sufficient—a gentle acknowledgement.

Mr MacKinnon: Will you give the same acknowledgement on interest rates?

Mr BRIAN BURKE: We do not mind the barbs on interest rates. If we cannot demonstrate our performance in respect of interest rates, the Opposition may insult and abuse us. But why do it on the question of employment?

Mr Bradshaw: Don't you think high interest rates will create more unemployment in the long term?

Mr BRIAN BURKE: They may do. There may be serious problems associated with the weakening dollar and increasing interest rates.

I am talking about unemployment. If members opposite walk past me or one of the Ministers on the way to the dining room they might say, "Good job on employment."

RAY O'CONNOR CONSULTANCY PTY LTD

Contract

422. Mr MacKINNON, to the Premier:

I refer to the answer he gave previously in which he indicated he would answer the question of whether there is a contract with Ray O'Connor Consultancy if I put it on the Notice Paper. Is he aware the question I referred to this evening asked, "Is there such a contract in existence?" Is the Premier aware that the answer he provided, not representing any other Minister, was that an arrangement with Ray O'Connor Consultancy was being negotiated? I repeat: Is there a contract with Ray O'Connor Consultancy or not, and if he is not prepared to indicate that to the Parliament, why not?

Mr BRIAN BURKE replied:

I tried to point out to the Deputy Leader of the Opposition that while I was aware of the reply that an arrangement is being negotiated, I do not know whether there is a contract. I would presume that an arrangement being negotiated—

Mr MacKinnon: You said if I put it on the Notice Paper—and I did—you would answer it, and you have not.

Mr BRIAN BURKE: I gave the Deputy Leader of the Opposition an answer which said that an arrangement was being negotiated.

Mr MacKinnon: Is there a contract or not?

Mr BRIAN BURKE: That is the question the member is asking in the light of my answer this evening.

Mr MacKinnon: The question said, "Is there such a contract in existence?" It is a simple question, yes or no?

Mr BRIAN BURKE: I am not saying it is a difficult question. It may be for the Deputy Leader of the Opposition to say I am surprisingly dull, but what I am saying is I do not know whether there is a contract. In answer to the question he asked, I said an arrangement was being negotiated. The question he then asked me may well have been, "Is there a contract?" The answer I have supplied, as provided to me, is the one he has received. I pre-

sume he means that he thinks there is a contract and that that answer is wrong. I do not know the answer.

Mr MacKinnon: That is why I put the question on the Notice Paper, as you advised on Tuesday.

Mr BRIAN BURKE: I will answer the question because the Deputy Leader of the Opposition does not appear to understand that I do not know the answer and that is why I am not giving the answer. The question is, "Is there or is there not a contract with Ray O'Connor Consultancy?"

Mr MacKinnon: That is what question 1532 of today's date says.

Mr BRIAN BURKE: Let me repeat it: "Is there or is there not a contract with Ray O'Connor Consultancy?" Is that the question?

Mr MacKinnon: That is correct.

Mr BRIAN BURKE: The answer is "yes".

BUILDING INDUSTRY

Employment: Report

423. Mr TROY, to the Minister for Housing:

I preface my question by saying, "Good job on housing".

Has the Minister sighted the recent reviews in the Master Builders Association's annual report on the Western Australian building industry? Can he summarise the substantive issues contained in the report and how they will affect employment in the building industry?

Mr WILSON replied:

Yes, I have certainly had made available to me the reviews put out by the Master Builders Association and they augur well for the Western Australian building industry in 1986. The Master Builders Association predicts the building industry will consolidate its current construction boom. The boom has made Perth the fastest growing city—in terms of building activity—in Australia.

For example, 1985 saw a record for commercial developments, with contracts valued at \$830 million under way. The report anticipates next year's approvals will be in the same vicinity.

Housing approvals continue to remain at a satisfactory level and it is predicted that a total of 16 000 houses will be approved in this financial year.

The implications for employment born of this increasing activity are enormous. Construction is a labour-intensive industry. Already it has seen employment growth of 9.6 per cent for this quarter. Consequently the unemployment rate for the sectorial workforce is down almost two per cent from last year. The obvious conclusion is that employment opportunities will strengthen in 1986.

This conclusion is reinforced by the arguments of the MBA which point to America's Cup activity and the revival of the private sector in WA as the major contributors to recent growth.

Our policies to encourage the private sector—like payroll tax, and land tax and water charges concessions—will help to sustain private sector spending, and of course America's Cup activity will carry on through 1986.

RAY O'CONNOR CONSULTANCY PTY LTD

Contract

424. Mr MacKINNON, to the Premier:

Bearing in mind the Premier's most recent answer to my question, *if there is in existence a contract with Ray O'Connor Consultancy*, why did he as Minister representing the Minister for Tourism, tell me in this House on 28 August, in answer to the question about what commitment the Government had given to the America's Cup Festival of Sport, that the answer was none? If that is the case, for what then is the contract with Ray O'Connor Consultancy if it is not in relation to the arrangements affecting the America's Cup Festival of Sport?

Mr BRIAN BURKE replied:

This is an absurdity. The member began his question by saying, "If there is a contract", and then continued to develop an argument which concluded by asking, "Why did you say you had not given money relating to the

America's Cup Festival of Sport if there is a contract which presumably has caused money to be given?"

Mr MacKinnon: I am saying if it is not for the festival of sport, what is it for?

Mr BRIAN BURKE: The member started his question by saying, "If there is a contract."

Mr MacKinnon: So my English is wrong; I am not perfect.

Mr BRIAN BURKE: It is not the member's English that is wrong.

Mr MacKinnon: You said in answer to the previous question, "There is a contract."

Mr BRIAN BURKE: No, I did not.

Mr MacKinnon: I asked four members here and we all thought you said yes.

Mr BRIAN BURKE: Did the member for Narrogin think that?

Mr Peter Jones: You are answering the question.

Mr BRIAN BURKE: I will tell members opposite again. I said the question is, "Is there or is there not a contract with Ray O'Connor Consultancy?" The Deputy Leader of the Opposition said, "Yes, that is my question." My answer to that is "Yes". There is or there is not one. I have tried to tell the Deputy Leader of the Opposition 10 times before that I do not know.

Mr MacKinnon: How many times do I have to put it on the Notice Paper before you answer the question?

Mr BRIAN BURKE: The Deputy Leader of the Opposition should not get angry with me. I am trying to take him along—

Mr MacKinnon: You said, "Put it on the Notice Paper" on Tuesday and I did, and you will not give me an answer.

Mr BRIAN BURKE: In the absence of the Leader of the Opposition I am trying to take the Deputy Leader of the Opposition along. I have told him in answer to the first question that I do not know the answer.

Mr MacKinnon: What is the point of putting questions on the Notice Paper?

Mr BRIAN BURKE: It gives Ministers a chance to answer them.

Mr MacKinnon: We put them on the Notice Paper and you cannot answer them.

Mr BRIAN BURKE: Opposition members want the Government to answer their questions in their terms.

Mr MacKinnon: You had a Press conference announcing all the Government's arrangements with O'Connor.

Mr BRIAN BURKE: This is taking too long.

The Deputy Leader of the Opposition's question said, "If there is a contract" because he misunderstood the answer to the previous question. It makes a nonsense of the second part of his question.

Mr MacKinnon: It makes the question wrong.

Mr BRIAN BURKE: It makes it wrong and I cannot answer it.

Mr MacKinnon: You are not game to answer it.

HEALTH: HOSPITAL

Royal Perth: North Block

425. Mr BERTRAM, to the Minister for Health:

Given the Opposition's recent criticism of this Government's decision to recommence work on the long-stalled RPH north block, can the Minister reaffirm the Government's commitment to this project's completion without interruption?

Mr HODGE replied:

I was certainly amazed to hear the Opposition spokesman for health, the member for Kalamunda, say in this House the other day that he did not think the Government should have recommenced work on the north block. In fact, he criticised the Government for going ahead with it and he also questioned the concept of building the north block in the first place.

His attitude was that in some way the building of the north block would make life difficult for private hospital operators.

I guess he assumes there will be extra beds in the new north block building.

I would like to give this House, the public, and all the employees of the Royal Perth Hospital an assurance that this Government is committed to proceeding with the north block and ensuring that it continues without further interruption until it is completed and fully operational.

The project was started 10 years ago and, as we are all aware, the building of it stalled for many years under the previous Liberal Administration. It now seems that, in the unlikely event that the Liberal Party became the Government again, the project would be in some danger of being delayed again.

Mr MacKinnon: Who said that?

Mr HODGE: It was the Opposition's spokesman on health. I will read what he said to this House—

I question the wisdom of starting it in the first place and of continuing it. I accept that the facilities there are less than perfect and that something needs to be done to redress that.

But building a brand new block will not overcome the problems that prevail with respect to the old building.

Further on he said—

... private hospitals are battling to keep their numbers up.

I want to make it clear to the House that there will be no additional beds in the north block—certainly there will be new beds but they will replace the old beds, some of which are on the enclosed verandahs of the Royal Perth Hospital. The north block will not have any effect on the viability of private hospitals. However, what it will do is make the hospital more efficient and effective, and will provide a greater standard of service for members of the public.

The old facilities in RPH were designed decades ago and are not up to coping with modern technology and procedures which are required these days. The north block will relieve the pressure on the very cramped conditions in the existing hospital. There will be a better layout and this will

result in more efficient work premises. As an example the recovery ward in the intensive care unit will be closer to the operating theatres in the new north block. There will be better lighting in the building generally because planning has been such as to take advantage of natural light rather than relying on artificial light.

I will run through some of the new facilities which will be included in the north block, which now appears to be under threat by the Liberal Party. The new facilities will include—

- New X-ray laboratory
- New outpatient clinics
- New paramedical services
- Very sophisticated new diagnostic laboratories
- New biomedical engineering
- New central sterilising unit
- Large recovery unit
- New operating theatres with new ICUs nearby
- Two floors of new wards.

The new wards will replace the old substandard wards, some of which are on enclosed verandahs and were built before the turn of the century. We are talking about making the RPH a more efficient place for patients to have highly sophisticated surgery.

It amazed me to hear the Opposition spokesman cast some doubt over whether this project will go ahead under a Liberal Government. I reiterate that the Burke Government is strongly committed to ensuring that the project goes ahead without further interruption and that there will be no five-year stalling periods under this Government. The people of Western Australia can be assured that the Government will keep the project going at full speed until it is completed.

PRISON

Maximum Security: Site

426. Mr CLARKO, to the Premier:

- (1) Would he inform the House where the proposed new gaol that is to replace the Fremantle Prison is to be located?

(2) If he will not specify the site now, when will he do so?

- (3) An amount of \$700 000 has been allocated in the General Loan Fund to purchase a new site, even though suitable land already exists at Canning Vale. Why is a new site being purchased for the proposed prison?

Mr BRIAN BURKE replied:

- (1) to (3) If the member puts the question on the Notice Paper he will get a considered answer.

EMPLOYMENT AND TRAINING

Unemployment: Older People

427. Mrs HENDERSON, to the Premier:

Could the Premier please outline the initiatives the Government is taking to assist the older unemployed?

Mr BRIAN BURKE replied:

The Government—

Several members interjected.

Mr BRIAN BURKE: I simply do not know the answer to the question asked by the member for Karrinyup. It was a little specialised. I did not know the answer so I asked that it be put on the Notice Paper.

Mr Clarko: It is in the Budget and that is why I asked you.

Mr BRIAN BURKE: I know that it is in the Budget and I know one or two things about it, but I do not know enough about it to answer the member's question.

Mr Clarko: A large amount of money has been allocated to the project and I thought you would know something about it.

Mr BRIAN BURKE: I do not know enough to answer the question sensibly. I will now answer the question raised by the member for Gosnells.

The Government, through the Department of Employment and Training, has undertaken a number of initiatives directly aimed at assisting older unemployed people. The following is a summary of some of the major initiatives—

Job link: Three major community projects have been funded which will deal exclusively with the

older unemployed and at least a dozen other job link projects relate to the older as well as the younger unemployed.

Job placement and training: The Government has agreed to extend in 1986 the job placement and training programme initiated under the Skills West '85 programme.

Because of the Government's concern for the older unemployed, the job placement and training programme will be devoted exclusively to the adult unemployed in 1986. An allocation of approximately \$2 million has been made in the 1985-86 Budget for this programme.

And there is \$1.5 million for the continuation of job bank to which I referred previously.

There is also the new enterprise programme. A requirement of this programme is that applicants be over the age of 18 years, and on the experience to date it is expected that the majority will be between the ages of 25 and 45.

The community employment programme will continue, and other programmes include 17 community-based employment programmes operating in Western Australia that are funded and supported by the Department of Employment and Training's community employment initiatives unit.

I am sure that members will appreciate from this brief description that the State is making significant attempts to address the problems of the older unemployed.

PETROLEUM EXPLORATION

Cash Bonus Bidding: Action

428. Mr PETER JONES, to the Minister for Minerals and Energy:

In relation to the cash bonus bidding legislation that has been re-introduced to the Federal Parliament, what action is the Minister proposing to take to ensure that the legislation, if passed, will not apply in Western Australian waters—not just in two years' time or in the foreseeable future, but for

ever—in view of the Government's stated opposition to the system which we strongly support?

Mr PARKER replied:

The Minister for Resources and Energy in the Federal Government, Senator Evans, has, as the member implied, reintroduced to the Senate cash bonus bidding legislation. I stress that the arrangement between the Commonwealth and the State is not formalised yet, as it was in relation to the earlier legislation that was before the Senate. My understanding is that the Minister for Resources and Energy is prepared to make available to us and to the other States the arrangement that was negotiated between him and me in respect of this matter earlier this year, namely, that there would not be an application of the cash bonus bidding legislation to Western Australia or adjacent waters for at least two years, during which time both parties would evaluate the operation of the legislation. At the conclusion of that two-year period there would not be an automatic introduction of the legislation into Western Australia. Rather, we would have the opportunity of saying what we felt about it and of examining it. We could see whether it had attributes that Senator Evans and some sections of the oil industry believe that it has. We could then decide whether to introduce it in Western Australia.

Mr Peter Jones: But you said you didn't like it.

Mr PARKER: So far as Western Australian adjacent waters are concerned, it will not apply now or in two years' time according to the arrangement I made on the last occasion with Senator Evans. It will not apply until such time as we have evaluated its application in the Commonwealth-administered territories. That means that the Commonwealth will not be able to introduce it into Western Australia without our agreement.

Mr Peter Jones: Senator Evans has been told that industry disputes that.

Mr PARKER: As I understand the position, the only area of disagreement about which there has been

some publicity is that in relation to signature bonuses. Senator Evans has told the industry that he does not believe signature bonuses would definitely be deferred in relation to Western Australia. That is a difference in interpretation. But I do not think there is any difference in interpretation between what Senator Evans has told industry and what I have told industry about this particular matter, which is as I have stated.

ELECTORAL LAWS

Referendum

429. Mr GORDON HILL, to the Minister for Parliamentary and Electoral Reform:

Will the Government support a proposition to hold a referendum on electoral laws in WA in conjunction with next year's State election?

Mr TONKIN replied:

If the Leader of the Opposition is genuine in his desire to ensure that control of the State's laws remains in local hands, rather than having it determined through the proposed Bill of Rights, he will join the State Government in moves to facilitate a referendum.

The Government is prepared to keep the Parliament sitting to enable the reintroduction of its fair representation Bill, provided the Opposition will guarantee it a prompt passage. The passage of the Bill would enable a referendum to be held in conjunction with the State election. This would allow all Western Australians to determine their own electoral laws, rather than have the laws determined for them by the 18 Liberal Party members of the Legislative Council.

Over the past two days, the Leader of the Opposition has been very vocal in opposition to the proposal of a Senate Select Committee to apply equal representation provisions of the Bill of Rights to the States. His repeated theme on radio and in print has been that Western Australians should be left to determine their own laws. Does he mean the 18 Liberal Party members in the Legislative Council? The Government believes that Western Australians as a whole should be

consulted. We believe that Western Australians should determine our electoral laws, but Western Australians are not only those 18 Liberal members of the Legislative Council.

Thus the Government calls on the Opposition to give practical effect to the principle that the Leader of the Opposition espouses by allowing Western Australians to determine their own electoral laws at a referendum. They have never been given the opportunity to do so in the past because the Liberal Party has always used its permanent majority in the Legislative Council to block measures that would have led to a referendum.

I believe it is preferable that reform be achieved through the State Parliament. If the Leader of the Opposition also genuinely believes that, instead of being interested in preserving his party's permanent political power through the Council, he will have no hesitation in agreeing to this proposal.

If he will not agree, it suggests that his comments of the last two days are nothing more than a smokescreen designed to conceal concern about a threat to his party's power.

I make that offer to the Opposition on behalf of the Government. We are happy to sit here and re-introduce reform legislation to this Parliament so that the people can have a vote at a referendum and make a decision.

WORKS: BUILDING MANAGEMENT AUTHORITY

Borrowings

430. Mr MENSAROS, to the Minister for Works:

I deviate from the practice of Government members by asking a non-propaganda budgetary question. I expect only a very approximate answer from the Minister for Works, hence I trust he will answer and not ask me to put the question on the Notice Paper.

- (1) How much of the projected total \$254 million to be used for public buildings by the Building Management Authority will be, or has been, borrowed by the Minister through the WA Building Authority?

- (2) If the total amount has not been borrowed, or is not going to be borrowed, what is the source of the balance?

Mr McIVER replied:

- (1) and (2) In all honesty, off the cuff I do not have the faintest idea, but tomorrow I will obtain the information for the member and advise him of it. I do not think anybody else would have that sort of information off the cuff.

HEALTH: HOSPITAL

Rockingham Kwinana District: Day Ward

431. Mr BARNETT, to the Minister for Health:

I also ask a non-propaganda budgetary question. The Minister will recall that I have made representations to him on a number of occasions about my wish to see a new day ward constructed at the Rockingham Kwinana District Hospital.

I notice a provision of \$50 000 in the Budget for Rockingham Kwinana District Hospital. Does this mean that the Minister for Health has accepted my representations and that this project is to proceed?

Mr HODGE replied:

I am pleased to give the member for Rockingham a non-propaganda budgetary answer.

I do recall the numerous representations from the member for Rockingham. As a result of those representations, I had the matter investigated and I am pleased to advise that the investigation revealed a new day ward at Rockingham Kwinana District Hospital was certainly warranted. The total cost of the project will be in the vicinity of \$250 000 of which \$50 000 was allocated in this year's Budget. This amount will cover planning costs and cash flow for the initial construction phase. Planning is well advanced and discussions are being held with the hospital administrator and the nursing director to resolve the details of the project.

Tenders should be called in February-March next year and, given the construction time for this type of project, it is anticipated it will be completed in 1986.

Day wards are an economic and efficient way of easing the pressure on bed occupancy as they enable some surgery to be undertaken without overnight stay. It is anticipated that this will reduce the requirement for surgical beds at Kwinana Rockingham allowing some of these to be used for medical admissions.

Given this Government's commitment to decentralise health services away from the large central hospitals, I was very pleased to give this project a high priority which resulted in the allocation of funds in the 1985-86 Budget.

ENVIRONMENTAL PROTECTION AUTHORITY

Responsibility

432. Mr RUSHTON, to the Minister for the Environment:

I refer the Minister to my question 1451 regarding installation of lights on the WACA ground.

- (1) Does the Minister not have responsibility for the Environmental Protection Authority?
- (2) Does the EPA not have the responsibility to vet the environmental impact of extensive developments which could affect the surrounding environment?

Mr DAVIES replied:

- (1) and (2) Under the Environmental Protection Act I am required to refer to the EPA for consideration any project that is likely to affect the environment. That is not only my responsibility. Any member, indeed any person, can ask the EPA to investigate any single project.

I do not know whether the lights on the WACA ground will affect the environment, but I have asked the EPA to consider the matter. I do not think the lights will cause any great upset.

We will get the EPA to see, after initial inquiries, whether any further action is necessary. May I repeat that not

only I have the power to do this. Any single person in the whole of Western Australia can do exactly what I am doing. If the member feels he would like to do so himself I will not be upset.

AGRICULTURE: RURAL SECTOR HARDSHIP

Government Initiatives

433. Mr D. L. SMITH, to the Minister for Agriculture:

Given the State-wide concern at the worsening prospects of the rural sector this season, can the Minister for Agriculture outline Government initiatives to alleviate the burden of struggling rural producers?

Mr EVANS replied:

The plight of this State's drought-affected rural producers is a matter of real concern to the Government. As members will be aware, there are now eight declared drought affected shires in the wheatbelt, these being Kondinin, Bruce Rock, Corrigin, Kulin, Lake Grace, Quairading, and Narembene, and part of the Kellerberrin Shire south of the Great Eastern Highway, and the Hollander Rock ward of the Kent Shire. These shires were declared drought affected following a Drought Consultative Committee meeting held in October 1985.

Aid measures already made available to rural producers in these areas include loans of up to \$70 000 at 4 per cent interest per annum, plus transport subsidies for livestock and fodder up to a maximum of \$10 000 per farmer.

As well as direct financial aid, the Department of Agriculture and the Primary Industry Association have circulated over 2 000 questionnaires to wheatbelt farmers. The survey was initiated at the request of the Primary Industry Association which indicated a need to gauge the demand for credit at the beginning of the 1986 farm year and the likely debt servicing difficulties.

In addition to this the State Government has set up a special counselling service in conjunction with private agricultural consultants specifically for those farmers who had experienced a poor run of seasons. This scheme gives farmers access to the expertise of the Australian Association of Agricultural Consultants with the Government meeting two-thirds of the farmer's cost and the farmer paying the balance. The farmer receives the consultant's report, including professional opinion on individual situations, as well as suggestions for positive steps which could be taken to counter difficulties currently being experienced.

This month, following representations from farmers, this Government launched a scheme to alleviate rural hardship caused by mortgagee sales. A seven-member Rural Land Sales Liaison Committee will be set up to oversee farm mortgage sales. The committee will work to ensure that those farmers forced into sales are not put at a disadvantage. It will also help to stabilise proceeds to the farmer received from such sales. The committee has the support of the financial institutions, the Pastoralists and Graziers Association, and the Primary Industry Association.

The Government's attention has also been drawn to the plight of small businesses operating in drought-affected areas. Financial difficulties now face the small businesses based in drought-affected rural areas where crop forecasts are gloomy and where, as a result, farmers are unwilling to spend or borrow money. Small business proprietors who are able to demonstrate grounds for financial assistance can apply for loans of up to \$70 000 over a maximum period of seven years, at an interest rate of 4 per cent. This relief package will be administered by the State Treasury until legislation can be prepared giving authority to the Rural Adjustment and Finance Corporation. The funds have been made available through new Commonwealth-State natural disaster relief arrangements.

We have introduced fuel concessions, deregulated transport and cut transport costs—measures that will provide benefits to all those engaged in agriculture.

The State Government has worked closely with rural representatives to ensure that rural communities most feeling the harsh effects of drought will be given all the assistance possible to help them overcome this difficult period. We are continually canvassing the Federal Government to provide supplementary assistance in the areas of reduced tariffs and interest rates to producers because, try as we can to solve problems facing rural communities, we simply do not have the legal and financial ability alone to make everything rosy.

We sympathise with rural communities experiencing hardship and I think our actions demonstrate this. We will continue to assist such communities as part of our election commitment to govern for all Western Australians.

SOUTH AFRICA

Economic Sanctions

434. Mr COURT, to the Premier:

- (1) When will the State Government spell out the economic sanctions the Government will take against companies trading with South Africa?
- (2) Is the Premier aware of the approximate number of Western Australian companies exporting to South Africa and to southern African countries through South Africa?
- (3) Will those companies be informed by the Government before the sanctions are introduced?

Mr BRIAN BURKE replied:

- (1) to (3) May I ask the member for Nedlands—perhaps I have missed something—when did I say we were going to impose any sanctions?

Mr COURT: The report is in the Press that you were supporting the Prime Minister's approach to South Africa, which included the introduction of sanctions.

Mr BRIAN BURKE: I was quoted as saying I support sanctions?

Mr Peter Jones: You were quoted as supporting the Prime Minister's approach to sanctions; the Prime Minister's approach to South Africa included the imposition of sanctions.

Mr BRIAN BURKE: Are you sure of that?

Mr Peter Jones: That is what I read.

Mr BRIAN BURKE: I am interested because the member may be misrepresenting the position.

Mr Peter Jones: That is what I read.

Mr BRIAN BURKE: Can the member undertake to give the reference for that quote? It is relevant to the question because I never said it. What I said was—

Several members interjected.

Mr BRIAN BURKE: The question is trying to impose a situation which is not true. I said I supported the general policy position that the national Government had adopted, but that the Cabinet had done nothing more than express its immediate support for that general position.

As far as the practical application of that general position was concerned, it had not been considered by Cabinet and would not be considered until next Monday, or the Cabinet meeting the Monday after. That is why I was particularly interested to find out.

The member for Nedlands and the member for Narrogin say they have seen a quote which says I supported the policy of sanctions. I have said I supported the general position adopted by the national Government in its foreign policy towards South Africa.

Mr Hassell: Which includes sanctions.

Mr BRIAN BURKE: It may include sanctions. I am not sure whether one can equate that.

I am just interested because members say they have seen a definite quote where I said I supported sanctions. I do not recall ever saying that.

Mr Peter Jones: You said you supported the general position of the Federal Government.

Mr BRIAN BURKE: I would be interested to know the member's reference. He will front up with it, I am sure. The

answer is that we have supported the general position which the Federal Government announced in support of the general application of that position, which I presume includes sanctions and other things. We have not given it detailed consideration. I did not want to be seen to be agreeing with what the member said about supporting sanctions. We will consider the detailed application of the general position of the national Government.

Mr MacKinnon: You are not sure?

Mr BRIAN BURKE: I am not sure whether we do.

Mr MacKinnon: You support sanctions at the Federal level but not at the State level because of the political kickback. Is that right?

Mr BRIAN BURKE: We have not considered it in Cabinet.

At the Press conference I said what I have told the House now, but it was difficult for the State Government, for

a number of reasons. First, the constitutionality; second, trying to find out what is a South African country; third, addressing compassionate circumstances where people, for example—and I think I gave this example—who had left South Africa because they did not like the political regime there, had loved ones there and were unable to get mail from those people.

Mr MacKinnon: How is it different at a Federal level and a State level?

Mr BRIAN BURKE: It just happens to be an elementary constitutional fact that the authority over foreign policy, and that includes trade, is a Commonwealth authority.

But I ask the member for Narrogin again whether he will let me have the quote. He will not!
