

Legislative Assembly

Wednesday, 20 March 1991

THE SPEAKER (Mr Michael Barnett) took the Chair at 10.00 am, and read prayers.

PETITION – DUCK SHOOTING

Prohibition Legislation Support

MRS WATKINS (Wanneroo) [10.04 am]: I have a petition couched in the following terms –

To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned petitioners of Western Australia and residents, urge you not to declare Duck Shooting Seasons and to legislate for the prohibition of any future Duck Shooting in this State because of the cruelty inflicted on our wildlife; the loss of significant water bird breeding habitat; the pollution of the wetlands from lead pellets, cartridges and other rubbish, and community disapproval of recreational shooting of wildlife.

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

The petition bears 12 330 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 11.]

PETITION – RETAIL MOTOR INDUSTRY

Used Vehicle Contracts – Opposition to "Cooling off Period"

MR FRED TUBBY (Roleystone) [10.06 am]: I have a petition which reads as follows –

To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned members of the Retail Motor Industry, indicate total opposition to a "Cooling Off Period" for used vehicle contracts. Such an imposition will create uncertainty in our Industry, lower the morale of staff and adversely affect the profitability of companies.

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

The petition bears 1 008 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 13.]

PETITION – ABORTION

Opposition to Decriminalisation

MR COURT (Nedlands) [10.08 am]: I have a petition couched in the following terms –

To: The Honourable the Speaker and members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, are strongly opposed to:

- (a) the decriminalisation of abortion;
- (b) the removal of abortion from the Criminal Code, and its inclusion in the Health Act;
- (c) the funding of an abortion facility by the West Australian Government.

We, the undersigned, believe that it is the duty of government to protect human life. We believe that any government which aids in the destruction of unborn human life, has lost sight of one of the fundamental reasons why governments exist.

We, the undersigned, urge the government to enforce the Criminal Code for the protection of unborn children, as was its original intention.

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

The petition bears 319 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 12.]

BILLS (5) – INTRODUCTION AND FIRST READING

1. Public Works Amendment Bill

2. Valuation of Land Amendment Bill

Bills introduced, on motions by Dr Lawrence (Treasurer), and read a first time.

3. Royal Commissions Amendment Bill

Bill introduced, on motion by Dr Lawrence (Premier), and read a first time.

4. Western Australian Coastal Shipping Commission Amendment Bill

Bill introduced, on motion by Mrs Beggs (Minister for Transport), and read a first time.

5. Wheat Marketing Amendment Bill

Bill introduced, on motion by Mr House, and read a first time.

LEGAL CONTRIBUTION TRUST AMENDMENT BILL

Second Reading

MR D.L. SMITH (Mitchell – Minister for Justice) [10.10 am]: I move –

That the Bill be now read a second time.

The purpose of this Bill is to clarify the meaning of the words "lowest balance in his trust account" in section 11 of the Legal Contribution Trust Act 1967. The Act requires legal practitioners to deposit with the trust 65 per cent of the lowest balance of their trust account occurring during the current or preceding financial year.

Section 11(1) of the Act, which relates to the initial depositing of funds, requires that a practitioner shall deposit "to the credit of the trust an amount being not less than the prescribed percentage of the lowest balance in his trust account". Section 11(2) relates to the ongoing need for a practitioner to maintain a deposit in the trust. It again refers to the "lowest balance in his trust account".

The trustees of the trust are concerned about the existence of doubt as to the proper interpretation of the phrase "lowest balance in his trust account". The present interpretation generally adopted is that the lowest unreconciled balance is to apply. In other words, no credit is to be given to cheques already written but not presented. While the present practice appears to rely on a correct interpretation of the phrase, in the interests of clarity and certainty an amendment to put the matter beyond doubt is desirable. The Bill simply clarifies the meaning of the relevant phrase in accordance with the generally accepted interpretation.

In addition to that amendment, the Bill contains the standard accountability provisions approved by Cabinet in January 1990 regarding powers in the Minister to issue directions to the trust with respect to its performance and ministerial access to information.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Blaikie.

STATE ENERGY COMMISSION AMENDMENT BILL*Second Reading*

DR GALLOP (Victoria Park – Minister for Fuel and Energy) [10.15 am]: I move –

That the Bill be now read a second time.

This amendment seeks to give the State Energy Commission of Western Australia the power to charge interest on overdue accounts

Members will no doubt be familiar with various department store credit cards, bank cards, and so on, that charge interest if accounts are not paid within the due time. Other public sector bodies such as water authorities and local councils in this State also have power to charge interest on overdue accounts. Interstate energy authorities, for example the Hydro Electricity Commission of Tasmania, charge interest on unpaid quarterly accounts over \$1 000.

Some of SECWA's customers, usually its larger customers, are supplied with gas or electricity under special contract arrangements under which interest is already charged on overdue accounts. The vast majority of SECWA's customers are, however, supplied under standard tariff arrangements set out in the SEC Electricity and Gas Charges By-laws 1978 – the tariff by-laws. There is currently no provision in the tariff by-laws for interest on overdue accounts. The State Energy Commission Act 1979 needs amendment to give power to make such a provision.

SECWA has found that most overdue accounts are for small sums and these are usually paid within a fortnight of the due date. However, some of the larger customers supplied under the tariff by-laws delay payments for more than a month. In effect they are taking undue advantage of free credit. This is affecting SECWA's cash flow and in turn its borrowing requirements. It is also unfair on other customers, especially those with large accounts, that do pay promptly. Late paying customers could of course be disconnected or sued for non-payment and interest, but in nearly all cases these are not commercially realistic options.

Power to charge interest under the tariff by-laws for overdue accounts would be a valuable additional mechanism to ensure prompt payment of energy accounts. It is intended that interest be charged on overdue energy accounts in excess of \$1 000 with the interest calculated from the due date. An account of \$1 000 overdue for a month would incur an interest charge of approximately \$12 at current commercial rates. The amount of interest applicable to smaller overdue account would be unlikely to recover the administrative costs associated with collection, complaints and inquiries.

SECWA has estimated that the financing costs associated with overdue accounts in excess of \$1 000 represent \$1.268 million per annum. The ability to charge interest on overdue accounts would ensure that these costs are not borne by the customers who pay by the due date.

I commend this Bill to the House.

Mr Fred Tubby: It is a great pity you could not do the same thing for small businesses which cannot get accounts paid by Government departments.

The SPEAKER: Order! The member should not be yelling.

Mr Pearce: Christmas holidays didn't do him any good.

The SPEAKER: Order! The same ruling applies on both sides of the Chamber.

Debate adjourned, on motion by Mr Blaikie.

ADDRESS-IN-REPLY – THIRD DAY*Motion*

Debate resumed from 19 March.

MR COWAN (Merredin – Leader of the National Party) [10.19 am]: It has been my practice when debating the Address-in-Reply motion to examine the Governor's Speech and to deal with the policies the Government is outlining for the future. My intention is no different this year. If I am able I will concentrate my remarks on two areas of the Governor's

Speech. The first concerns the Government's claims which relate specifically to agriculture and to the impact of the economic recession in this country on rural people. The other aspect of the Government's policy as espoused in the Governor's Speech is its energy policy – or perhaps, I should say, its lack of policy.

It is somewhat remarkable that eight very short paragraphs in the Governor's Speech deal with the rural crisis. Agriculture is a forgotten industry, although I must confess that a number of actions were taken by various people involved in agriculture which heightened people's awareness of it and reminded them that it exists in many different forms in this State; they showed that farmers are not backwards in bringing home to other people that they have difficulties and that they want people to help solve those difficulties. However, agriculture employs over 45 000 people; it produces wealth amounting to approximately \$3 billion. Given that level of employment, production, and wealth, one would have thought that more than eight short paragraphs in the Governor's Speech would have addressed the rural economy. I am reminded by the member for Floreat that the figures I have quoted are directly related to employment of persons in agriculture and do not result from the multiplier effect. They reflect direct income or wealth created by that industry and do not relate to other industries allied to agriculture and the employment they generate or the wealth they create. In those eight short paragraphs, the Governor's Address dealt with the rural economy. To quote from his speech –

The drop in demands in prices for primary produce and resultant rural downturn, are important components of this problem.

The Government recognises that its first priority must be to address the current economic difficulties and to help create more employment, to the extent that State, as opposed to Commonwealth action follows.

The strength of the Western Australian economy is built upon the State's wealth and diversity of resources, its competitive industry and its agriculture.

The rural economy has suffered considerably as a result of the worldwide downturn in commodity prices.

The focus of Government efforts will be to assist the rural sector to weather the downturn and best take advantage of any recovery in international commodity prices.

The Government established and recently adopted all the priority recommendations of the special rural taskforce.

These measures include reductions in Government levies and charges, increased flexibility in the operations of the Rural Adjustment and Finance Corporation and the lowering of its interest rates.

That is all the Speech says about an industry which creates in excess of \$3.5 billion and which employs 45 000 people.

I turn to the recommendations of the special Rural Task Force to see which of them have been adopted by the Government. The report contains 68 recommendations. However, I suggest at least three quarters of them are airy fairy, pie in the sky ideas which establish another committee or ask the Commonwealth, which is totally deaf and cannot hear any statement, cry or request we make, for assistance. Even if they were reasonable requests, none of them is likely to be acted on because they require the approval or the cooperation of the Commonwealth. Furthermore, they may be worthwhile and provide a long term solution, but they do not immediately alleviate the hardship of people who live east of the Darling scarp. I wonder whether any of the Ministers present – the Minister for Transport is here – could tell me the estimated cost of the task force's recommendations which the State Government can implement. Last year the Government attempted to apply an additional 1¢ per tonne/kilometre on transport charges. That tariff should never have been applied; nevertheless the Government decided it would take that action and now it has recommended that it be abolished. Perhaps we can find out from the Minister for Transport the estimated saving to people in the country if that tax were abolished. How could the Minister have the conscience – if she has one – to say that removing a tax which should never have been applied is wonderful and the Government is doing all it possibly can to help the agricultural community?

How many people have been able to take advantage of the rebate to be given to those who have restructured their finance and consequently have been required to rewrite their mortgage documents? How many people have received a refund of stamp duty payable on those mortgage transfers? How much has been paid out by the State Taxation Department in the form of rebates? I do not think we should wait for answers.

Mrs Beggs: I do not think there would be too many. It is not my area of responsibility. The facility is there.

Mr COWAN: Would the Minister like to hazard a guess?

Mrs Beggs: I do not know how many people have applied.

Mr COWAN: The point is that the majority of the recommendations contained in this report require the cooperation of the Commonwealth, which is not forthcoming. They require the establishment of bodies, groups or policies which offer no immediate alleviation of the cash crisis people are facing in the country. Finally, the recommended Government contributions are minimal.

Mrs Beggs: What else do you think the State should do?

Mr COWAN: I thank the Minister for that invitation. I will now explain in my limited way exactly what I think the Government should do. There are some steps the Government can take immediately: It can give its full support to the concept of the State guaranteeing a minimum price for wheat produced in this coming cropping year. That may not sound like much, and it may well be that any guarantee will not be exercised. Spot prices for wheat at present in *The Australian Financial Review* are already in excess of \$150 a tonne; it is therefore likely that the guarantee of \$150 for which we are asking will not need to be implemented. However, if it were needed, we should imagine what difference it will make to farmers now.

Mrs Beggs: The Farmers Federation put that proposal to the Premier.

Mr COWAN: I know it did. We have been encouraged by the Premier's response to a question last night but we want to cement the matter and ensure we do not hear more words and see no action. I want the Government to know exactly what effect a guarantee will have now, irrespective of whether it is exercised. At present most financial institutions are budgeting on \$120 a tonne for wheat. That gives an average net return to growers of \$80 a tonne. If we guarantee \$150 per tonne it means that the average net return to producers will jump to \$110 per tonne; that is a difference of \$30. Only 40 per cent of Western Australian wheat and woolgrowers have received budgetary approval for their farming programs this year. If the remaining 60 per cent of farmers can rework their budget figures on new prices under a guarantee, another 30 per cent of growers would probably have their budgets approved by financial institutions and would be able to secure funds for this year's cropping program. If the Government does not do that it will reduce the average crop of five million tonnes normally produced in Western Australia to about three million tonnes.

Farmers are prepared to gamble with the weather, but they are not prepared to gamble with prices. For almost 50 years the wheat industry has had a built-in mechanism which has given a guaranteed price. For some inexplicable reason the National Farmers Federation – supported by the Federal Government and the Federal Opposition – thought that it would be a good idea to remove the guaranteed price. My colleagues in the Federal National Party wanted to make sure that that mechanism remained, but when it came to the final question of solidarity with the coalition or implementing policy and breaking with the coalition, they chose solidarity. The end result was that all parties pursued the proposals espoused by the NFF – deregulation of an industry which had built into its pricing structure a mechanism offering a guaranteed price.

Mrs Beggs: Why did the National Farmers Federation think it was a good idea?

Mr COWAN: It believed that it was setting an example for implementing deregulation in other areas that were hurting the farming community.

Mr Minson: That has not happened.

Mr COWAN: No, it has not. We have not witnessed any change in award restructuring or an emphasis on productivity. Senator Walsh said the accord would fail to deliver

productivity. That issue needs to be addressed. The car and manufacturing industries have not been deregulated yet they have received thousands of dollars for restructuring. Perhaps the worst thing to happen was the allocation of Federal money to Du Pont (Australia) Ltd to establish a synthetic yarn factory in Australia. That was a crazy move but that is what happened. A guarantee needs to be established because farmers will not gamble with both seasonal conditions and prices. That is what farmers have been asked to do. The State has a moral responsibility to step in and offer a guaranteed price and re-establish what has been taken away by the Commonwealth Parliament.

The State Government – with the blessing of the Opposition, in principle, on a number of policies – has spent huge amounts of money trying to correct situations which arise in the housing and construction industry as a consequence of Federal Government policies. One of the Government's claims to fame was the allocation of \$210 million to build low cost housing, with another \$85 million for guarantees. A substantial amount of money has been invested in the housing industry in order to counter the consequences of Federal Government policies, high interest rates and other matters which have affected that industry. The Government has no qualms in allocating that amount of money to the building industry. The housing industry does not create wealth; it only creates employment.

Mrs Beggs: And security.

Mr COWAN: Yes, but it does not create wealth. Agriculture creates in excess of \$3.5 billion for Western Australia.

Mrs Beggs: The building industry creates flow-on effects.

Mr COWAN: Of course, but the Government is prepared to invest \$200 million in the housing industry in return for no wealth creation; simply to create employment.

Mrs Beggs: I am not arguing with you. You have made a valid point and I agree with what you are saying.

Mr COWAN: The Government needs to get its priorities right. It would not be difficult and the risks would not be that dangerous. It is an 80 per cent probability that the guarantee would not be utilised. The State Government should be telling the Commonwealth that it should be prepared to maintain a guaranteed minimum price for wheat. The State Government should be asking the Federal Government to give it the opportunity to include a guarantee in its borrowings. The State Government should be exercising its ability to give a guarantee to the wheat industry.

A guaranteed price does not necessarily mean that the farming community will have money for this year. Banking institutions may still not provide finance to some farmers. Clearly that means the capacity of the Rural Adjustment and Finance Corporation must be expanded so it can deal with people who need money to finance this year's cropping program. Part B of the rural adjustment scheme needs to be recommenced. That is the part which allows the corporation to offer to carry-on finance to growers. Under the provisions of the rural adjustment scheme farmers are allowed financial interest rate subsidies. They are given finance for restructuring and farm build-up; however, the corporation cannot finance farmers so they can carry on their operations. That situation could change immediately if they were offered carry-on finance under Part B.

I was encouraged by the Minister for Agriculture's performance when arguing a case with the Federal Minister for Primary Industries and Energy, John Kerin, to change the assistance which can be provided through the rural adjustment scheme. He said that that must include the recommencement of Part B of the rural adjustment scheme. In addition, it also requires the variation of the Commonwealth-State agreement which allows funds to be distributed through the Rural Adjustment and Finance Corporation so it can extend its services and assistance to rural small business, because without one the other is lost. If the allied services industries are not supported they will be lost and expertise will be lost from the country. The social impact of that will be great. About 45 000 people are employed in agriculture in Western Australia. If we lose 20 per cent of those people from the country – rural councillors and social workers have claimed that the attrition rate at the moment could run as high as 20 per cent – the social cost of relocating those people will be an enormous burden on both the Commonwealth and State Governments. Where will 12 000 to 16 000 people be located? What is the Government doing about that?

Mrs Beggs: It has enormous implications for country towns.

Mr COWAN: It has critical social implications and relocating those people will cost the Government an enormous amount of money, much more than any guarantee or support the Government might offer through the Rural Adjustment and Finance Corporation or a guarantee for the wheat industry.

In the short time left to me let us consider what we can do to assist small businesses. I admit that my suggestion will cost the State revenue. Again, let me make a comparison. A person involved in private business who has had a 60 per cent cut in his income has to adjust his budget by that amount. This Government likes to have a balanced budget and I commend it for that. However, in my 17 years in this place, I have never witnessed a time when income and revenue have not grown at a steady rate, because the Government makes sure that it does. It makes sure that its revenue is maintained by adjusting its taxes and charges. Let us for once adjust them downwards. Let us do something for those people who have to try to live, work and eke out an existence in the bush.

For a start, the Government should do something about the State Energy Commission's charges. Why does it charge a domestic tariff and a commercial tariff? Why do so many people who live in country areas automatically qualify for the commercial tariff because their premises are regarded as businesses, and thus have to pay a charge 50 per cent higher if the premises use more than nine units a day? Why can we not overnight abolish the commercial tariff and give some businesses a real and immediate saving? We should also consider the security charge. Small businesses throughout this State – the charge is not exclusive to country areas – are required to submit a bond or a security payment equivalent to the cost of two months' electricity supply to the State Energy Commission. Surely we can adjust that in hard times or abandon it. The SEC could also reconsider its insurance policies and insure against nonpayment of accounts rather than apply those charges against people involved in commercial enterprises.

The Government should lift the ceiling on payroll tax exemptions; it should lower the rate. Why should it place an impost on people in the country who are still able to employ labour? No difficulties would be involved in raising the ceiling on exemptions. There may be difficulties involved in the Government adjusting its budget, but it has to do that.

Mrs Beggs: Your lot never did it. I am not disagreeing with you.

Mr COWAN: I am one of the few who is in a position to say that my lot never had the opportunity. However, my lot will have the opportunity whenever the Premier wants to call an election. I guarantee the Minister we will do it. We will not be able to do it over the life of one Parliament, but we will do it. We will remove payroll tax.

Mrs Beggs: We have made massive reductions to payroll tax.

Mr COWAN: Every time I come in here I hear people make the claim that very significant adjustments have been made to payroll tax. The fact is that revenue from payroll tax has increased. I acknowledge that this Government has lifted the ceiling on exemptions. I acknowledge also that it has varied the rate at which payroll tax is paid according to salaries. However, members opposite must acknowledge that the Government has increased the rate in the dollar paid on payroll tax. First, the Burke Government brought the figure down, but then put it back up to the highest level it has ever been. Government members should not forget that. The Government should lift the ceiling on exemptions on payroll tax. That can be done immediately and it will alleviate many of the costs faced by people involved in business, and I include agriculture as a business. That can be done now.

Mr P.J. Smith: What size business are you talking about? It would not affect farmers, for a start.

Mr COWAN: Payroll tax would not affect farmers directly. However, the industries with which they deal, if they are still there – a hell of a lot are not – pay payroll tax and pass the cost on to the person requiring the service. I am not referring only to farmers. I am speaking for all people who live outside the metropolitan area. In fact, in this instance I am speaking for many businesses in the metropolitan area.

Other things could be done. Why can we not give people some hope in relation to social services, public services, education and health? Why can we not give an unconditional

guarantee that we will take affirmative action that offers, as best as can be offered, a health service that provides some equity between people living in the country and people living in the metropolitan area? Education is extremely important to parents. It is so important that education costs for their children are the last item that parents write off in their budgets. Yet, many of these children attend schools at which – I regret saying this – the quality of education is nothing like the quality of education that they could receive in other places in Western Australia. Why can we not take affirmative action to ensure that curriculum choice in smaller country schools is as good as the curriculum choice at schools such as Hollywood, Churchlands or Applecross High Schools?

Amendment to Motion

Mr COWAN: Having spent all this time on the first subject, you, Mr Speaker may have gathered by now that I disagree with the Governor's address. As a consequence, I move –

That the following words be added to the motion –

and

- (1) notes the concern expressed by Your Excellency about the impact of the economic recession on the rural community;
- (2) draws your attention to the inadequacy of the Government's policies to alleviate hardship in rural Western Australia;
- (3) calls on the Government to
 - (a) make an urgent announcement that it will support a guaranteed minimum price for wheat of \$150 per tonne out of State moneys;
 - (b) secure funds through the Commonwealth/State agreement for the implementation of part B of the Rural Adjustment Scheme and to expand and ease the eligibility criteria to include small businesses and a greater number of farmers;
 - (c) make an announcement that if necessary, there will be State financial assistance to woolgrowers after 1 July 1991;
 - (d) remove SECWA's commercial tariff and apply the same lower tariff to domestic and business consumers, and abolish the security charge applied to businesses;
 - (e) increase the threshold for exemptions from payroll tax;
 - (f) commence a policy of affirmative action to provide the same range of education curriculum opportunities for country students as their city counterparts;
 - (g) increase the level of assistance for isolated children who have to board away from home to attend school;
 - (h) commence a policy of affirmative action to provide a standard of health care service to country people that is more equitable with the standard of service for city people;
 - (i) return all revenue from the State fuel tax to road construction and maintenance;
 - (j) withdraw support from the recommendations of the Interstate Transport Commission until, at least, there is a written guarantee from the Commonwealth that long distance road haulage will not be disadvantaged;
- (4) recognises that the State must, as a matter of priority, establish a comprehensive and fast-track industry development policy to broaden the economic bases of the State's wheat growing and woolgrowing areas;
- (5) calls on the Government to direct resources away from all non-essential public projects and services in the metropolitan area and

towards measures to assist the rural community survive the current crisis; and

- (6) advises Your Excellency that the failure to make the appropriate policy decisions at the State level will result in the most disastrous social collapse this State has ever experienced.

MR HOUSE (Stirling) [10.50 am]: I have pleasure in formally seconding the amendment moved by the Leader of the National Party and I congratulate him for bringing to the attention of this House some of the problems being experienced in the rural areas. I will expand on some of the points he raised, but at the outset I advise members that there is a tendency for people to think that this crisis is affecting only those people who live in rural areas; that is not the case. This crisis which is affecting rural Western Australia is, in fact, a crisis for the whole of this State and I guess one could say it is a crisis for the whole of Australia. The loss of income normally generated by farmers and by small businessmen operating in the rural areas will greatly affect people living in the city. City dwellers are starting to feel the effects of the rural crisis and it is the first time in many years that a recession in the rural areas is having a dramatic and real effect on the metropolitan area.

People who live in the country are real wealth makers and they truly generate an add-on value income for the rest of Western Australia. They create wealth and employment and, as a consequence, they create a positive financial atmosphere for this country. I refer not only to farmers, but also to the many small businessmen and their employees in the country who work hard to generate that sort of wealth for Australia. The wives of those employees, businessmen and farmers play their part also and they often work in an unpaid capacity.

I will demonstrate to the House, to put it into its right perspective, the sort of wealth generated by rural Western Australia by referring to two or three local authorities in the true wheatbelt of this State. Last year the gross agricultural production in the Mukinbudin Shire Council area was \$41 888 000 – an enormous amount of wealth generated by that shire. Officially there are 810 people living in that shire and on a per capita basis they more than pull their weight in generating wealth for this country. Similarly, the Shire of Trayning, with a population of a mere 900 people, had a gross agricultural production of \$55 million. I use those figures to indicate to the House that when we talk about assistance for rural people we are talking about people who, under normal circumstances given normal world trade, generate real wealth for this country. The Shire of Mt Marshall generates \$55 million in wealth for this country and a lot of that money finds its way to the city and to the ports. As a result it generates wealth for people who transport the crops, supply the chemicals and fertilisers, who work in the shipping industry and for businesses generally which have an input into agriculture.

Yesterday I introduced a Bill into this House to guarantee wheat growers a minimum price for the crop they produce this year and it has received some criticism. The main thrust of the criticism is that the Bill provides a subsidy for agriculture. Let us concentrate for a moment on subsidies. If a person who lives in the city loses his job he can, having paid taxes for many years which have gone towards creating a pool of wealth, seek unemployment benefits from the Department of Social Security. Similarly, if a person who resides in the city receives a low income or unemployment benefits and he requires health care, he can go to a hospital and be treated as a public patient at no cost to him. Quite rightly, they are benefits that the Government supplies to people in need. I could give many examples to demonstrate that people can, in times of need, draw on the public purse. We do not call that a subsidy, but it is a funny thing that when we talk about providing assistance to people in the agricultural areas it is called a subsidy and the general consensus is it should not be provided on principle. All the rural community is asking is for some sort of return for the enormous wealth farmers have generated for this country over the years and which they will do again. In this short period they need some guarantee of assistance to get them over the hump while they go through these troubled times. I am tired of people calling any assistance to the rural industry a subsidy.

Should the Parliament see fit to pass the legislation to guarantee a minimum price for wheat for Western Australian producers this year, there is every chance indeed that it will not need to be exercised. In reality, it would give growers the confidence to spend the dollars to put in this year's crop in April or May knowing full well that in November or December when they

harvest their crop they will have a bottom line guarantee. The wealth the guarantee will create for this State will be enormous.

It is important that I point out that people like Mr Kerin, the Federal Minister for Primary Industries, have been arguing strongly against the Federal Government's backing that guarantee because they are of the opinion it will destroy the credibility of Australia at the General Agreement of Trade Tariffs round of talks. Any nation which produces 15 million tonnes of wheat annually and which thinks it will influence the European Economic Community or America, which produces 220 million tonnes of wheat per annum, would be kidding itself. On the basis of principle we would not win that argument. We might win the argument if we take to the negotiating table some of the things we have to trade with and one of those would be the American bases in Australia. There is no justification for us not saying to the Americans that if they do not stop dumping wheat at a subsidised price on the world market they can take their bases out of Australia. We need to take that sort of action. The Leader of the Federal National Party, Mr Tim Fischer, is in the gallery today and I ask him, on his return to Canberra, to tell Mr Kerin that the Federal Government should lay it all on the table. We cannot go half heartedly to the GATT talks. If we continue to do that Australia will go broke and we need stronger action from the Opposition in Canberra as well as from the Federal Minister for Primary Industries.

Mr Blaikie: Agriculture in Western Australia needs a level playing field and we do not have it.

Mr HOUSE: The member's interjection is well made and it brings me to another point: There is not one country in this world which has a level playing field for imports and exports. I have challenged this Parliament previously to demonstrate to me a country which has a level playing field, but not one member has been able to give me an example. We are living in fairyland if we believe we will influence the rest of the world to play on a level playing field when they have no idea how it is structured. The Japanese think a level playing field is like playing football, kicking downhill on Mt Fuji when the wind is behind them. We do not have any chance of influencing them and we have to become hard bargainers. One of the ways we can do that is to lay on the line the American bases which are located around Australia.

Agriculture in Western Australia is facing a crisis that will spread throughout Western Australia. Last year, per work year of family labour on a broad acre farm, the farm income in Australia was \$5 500. On wheat and other agricultural cropping land broad acre farmers earn \$16 300 a year. I do not think many employees in this State would work for that level of income. Any person offered a job with a salary of \$5 500 a year would not take it. We have reached a desperate stage in agriculture, and desperate times call for desperate measures. I applaud the responsible attitude shown by the Premier of this State in stating very clearly that she will examine in minute detail the Bill I introduced in this Parliament relating to a guaranteed minimum price for wheat. I thank her for that commitment, and I hope she will recognise the good commonsense of that Bill. The Government has adopted a responsible attitude in recognising that the add on value of that guarantee will be of benefit to the whole community of Western Australia and not just to woolgrowers.

Last October I moved an urgency motion in this Parliament which contained a list of measures I believed should be put in place immediately to help solve some of the problems facing people in rural areas. That list of suggestions was rejected by the Government at the time. It was described by some members of Parliament as a wish list and it was rejected by some members on the basis that it could not be implemented. It is interesting to note that some of the recommendations I made have now been implemented, and I compliment the Minister for Agriculture for putting pressure on his Cabinet colleagues to ensure that some of those measures were adopted. Although he voted against my motion at the time, he has obviously had a second look at the proposals.

Mr Bridge: You will recall that although I opposed the motion I said I would refer those matters to the Rural Task Force and, in fact, that has happened.

Mr HOUSE: I acknowledge that, and I refer now to that Rural Task Force, which is of such importance. I acknowledge that the Minister for Agriculture has said he will do certain things. However, many of the things the Minister has said he will do must be put into action. We are now in the latter part of March and the major decisions in agriculture must be made

in the next four or five weeks. The Minister must push harder with his Federal colleagues and his Cabinet colleagues in order to implement the other recommendations of the task force review. Some need to be put in place quickly. The Minister is aware from the discussions I had with him yesterday of the measures to which I refer. I commend him for the action he has taken to date.

Mr Bridge: I have used my 12.5 stone weight so far, and I do not have any more poundage to use at the moment!

Mr HOUSE: I have probably done the wrong thing during the break by exercising too much and losing a stone in weight. I am no match for the Minister!

Last year, with the cooperation of all parties in this Parliament, we convened a banking summit in this Chamber at which the problems being faced by small business and the agricultural sector were discussed. That summit was a very worthwhile exercise. It allowed members of Parliament and senior banking figures in this State to put forward their points of view and to discuss in some detail the issues worrying people in rural areas. The attitude of the banks to that summit was very responsible and the suggestions put forward were very positive. The vast majority of banks with which I have had contact on behalf of my constituents have acted in a responsible manner to the problems being faced. They did everything they could to accommodate their clients, to provide extra carry-on finance this year, and to make sure loans were available on an interest only basis. They have not demanded capital repayments and they have tried to make margins as low as possible. That is true of many, and probably the majority of, banks. In the minority are some bank managers who have tried to force onto their clients excessive margins on overdraft rates. Some have been unreasonable in their demands of clients and have not done the right thing.

I am very sad to bring to the attention of this Parliament one example of such a bank. I refer to the Commonwealth Development Bank which I publicly applauded at that banking summit – as indicated in the transcript. Alan Pitman, who was the Commonwealth Development Bank manager, made some very responsible statements indicating that the bank would remain at the forefront of those types of reforms in banking. One of my constituents made a responsible decision to sell a portion of his farm because he knew if he did not do so he would get into financial difficulties. When he received the cash from the sale he made an early repayment to the Commonwealth Development Bank and was charged an early repayment fee of \$2 600.20. I find that incomprehensible. I reluctantly bring it to the attention of this Parliament, but only after a written appeal was made to the State manager to overturn the decision, two telephone calls were made along the same lines, and he was given the courtesy of being told that this matter would be raised on the floor of the Parliament. It is a very irresponsible action. The farmer who took that course to make sure he did not get himself into financial difficulties has been further penalised by the irresponsible action of the bank. I have had a great deal of respect and time for that bank and its history of lending to the rural community, and I am most disappointed at this action. I hope that in future it will not impose the same charges on other clients, and that it may even see fit to overturn the decision it made relating to my constituent.

During the next few weeks of this Parliament further opportunities will arise for me and for other members to expand on the problems being faced in rural Western Australia. I make a final plea to the State Cabinet, the Premier and the Minister for Agriculture to listen carefully to the comments of members representing rural area. We are not flying kites or exaggerating the situation. Those woolgrowers who produce the average type 82/83 wool will bank \$1.60 to \$1.70 greasy per kilo next year. That will not even cover the cost of production. The only way they can survive is by eating into their equity. I hope we hear no more talk of subsidies. I hope that this matter will be put in the right perspective. People in the agricultural areas are seeking short term assistance to help them during a period of great difficulty and to enable them to stay on their farms. I hope that recognition will be given to the part played by their families, their wives and their children, some of whom may suffer educational difficulties during this time. We should do everything we can to overcome those problems. I have a great deal of pleasure in supporting the amendment moved by the Leader of the National Party, and I hope the Government will recognise the points he has made and take action on the positive suggestions made.

DR LAWRENCE (Glendalough – Premier) [11.09 am]: I am pleased to be able to

contribute to this debate although, as will emerge, I have problems with the specific amendment. I guess that is no surprise to members opposite. I endorse the sentiments expressed by the National Party and the various peak industry bodies around the State in trying to ensure that the whole community of Western Australia understands the very serious plight in which our rural producers find themselves.

We should be clear that some sections in the south west community are not suffering the same difficulties as the wheat and wool farmers. It would be a distortion of the situation to suggest that the whole of the rural sector is in crisis. Nonetheless, those farmers in the broad acre wheat areas, pastoralists who are principally reliant on wool, and those who are unfortunately reliant on both are facing their worst time since the great Depression. The National Party has not exaggerated what it has put before the Parliament and no-one should doubt that. This is a matter of concern to the Government, and not simply because those producers are facing difficult financial times and therefore in some cases will either not plant a crop this season or will go out of business because of the high costs they are unable to meet. That is, in itself, a great tragedy. Those people have a relationship with the land which in many cases goes back over generations. Even if it does not go back over generations, it is certainly a relationship they have embraced as a matter of commitment. I think that is what city people sometimes do not understand about farmers, that one is not simply talking about a way of earning money but of a deep attachment to the land. Farmers have shown that and their flexibility in approaching that issue in recent times by being prepared to get involved in programs to rehabilitate the land. They understand it is a resource that was depleted and abused by their forefathers in ignorance and a resource that they have to protect for the benefit of the whole community. Therefore, that group of people is directly affected, both in terms of their immediate financial prospects and the emotional disaster that occurs for many of them if they are forced off the land or even forced to contemplate that.

As has been pointed out, things do not stop there, because for every dollar lost in production in the rural community a whole range of economic flow on effects result. In good times one can call those multiplier effects; small business in the rural sector, and larger agricultural businesses in the city, all go up with the benefits that accrue to the rural sector in good times. That obviously includes the Government which then benefits by way of taxation – principally to the Federal Government but also at the State Government level – which enables it to pay for the goods and services we have all come to expect. In addition, in the good times the Government can expect to benefit from its trading enterprises such as Westrail and the ports by way of increased trade and revenue. Equally, when times are bad and the rural sector is suffering the sort of downturn it is now a responsible Government will look not just at those people directly affected but also at the multiplier effect. In this case that multiplier effect is obviously downwards. For every dollar lost to the rural sector there is a loss in the whole community – to rural small business and to business in the metropolitan area, and a loss of export earnings, which is a loss therefore to the whole community in the capacity to provide the goods and services that a Government is expected to provide. There is also a direct loss to organisations such as Westrail, for example, and the port authorities and in that sense a direct requirement on the Government, probably, to provide additional funding for those organisations.

I hope that members opposite understand that we do appreciate the difficulties faced by the rural sector and have moved through the Rural Task Force and the announcements flowing from that to do what we can to support rural industry. I know that the Leader of the National Party believes that that is not sufficient. I, for one, am astounded that our colleagues in other States, including those in political parties on the Opposition side, have been slow to recognise the potential impact of this downturn on the whole economy. I have been disappointed that other State Premiers have been virtually silent on this matter and where they have been encouraged by their own growers, particularly wheat growers, to put pressure on the Federal Government they have either not done so or done so in muted tones. I think that is a tragedy for the whole community. I do not know what happens to people when they go to Canberra.

Mr Cowan: They have an unfounded faith in the ability of the National Farmers Federation to put their case – but it is an abject failure. I think we will now see that pressure being applied.

Dr LAWRENCE: That aside, responsible politicians in this country should want to undertake an analysis of a significant effect such as this and ask themselves what effect it will have. Although it does not make up a large proportion of their total economy, I understand that the volume of wheat produced in New South Wales is roughly equivalent to that produced here, but is a different type involving a higher cost structure. Therefore, the wheat growing sector in New South Wales is likely to suffer more than our growers, although that is hard to imagine. One of the things I have agreed with the National Farmers Federation we should do as a matter of urgency is try to get that national approach, especially by the Premiers, to the Federal Government, to both the Prime Minister and the Minister for Agriculture to get them to reverse their decision on the guaranteed minimum price and accelerate proposed measures the Leader of the National Party talked about in relation to the Rural Assistance Scheme.

This State has consistently argued that part B does have merit and in the current climate should be reintroduced. The idea of carry on finance in current circumstances, as long as it is properly assessed and does not add to the woes of the individual producer in the long term, has a lot to offer. As I indicated last night, support for rural small business is in principle supported by this Government but we have difficulty with its implementation. The second part of that was my agreement with the federation to ensure that our own members were properly informed about the urgency of the matter and its potential damage, particularly to the Western Australian economy and, as we are an export orientated State, to the whole nation. We cannot purport to be concerned about the balance of payments and trade if we stand by as a nation and watch one of the most significant parts of our economy rapidly flowing down the plug hole. All of us would know, if we thought about this issue for longer than five minutes, that it is not simply a case of weathering the storm of the trade wars in the northern hemisphere but rather a potential long term loss of markets.

We have seen the Gulf war cost us markets. An understanding existed in the rural community, and I think in the whole community, that there would be some recompense for that loss of markets and revenue. One of the things that disappoints me most about the Federal Government's response is that it has not yet seen fit to honour that commitment, or the implied commitment perhaps it is fair to say. I look forward to the statement, which we want accelerated, that Mr Kerin has said will be made in about April but should occur much sooner, giving some consideration to that issue, as well. As a nation we cannot afford to stand by and watch the farmers go down the tube. I know there are people in this community who get pretty excited from time to time about the issue raised by the deputy leader of the National Party; that is, the so-called rural socialists – the subsidy argument. One can travel around the metropolitan area – unfortunately a bit more frequently after Friday's effort from some of my compatriots from the Morawa region that excited a bit of comment from city dwellers – and hear comment, a lot of which is not pleasant, as people were annoyed about having to sit on the freeway in their cars for two hours.

Mr Cowan: What annoys us is that we see \$20 or \$30 million allocated – and I am quoting the member for Avon here – to the Joondalup railway –

Dr LAWRENCE: I wish it were as cheap as that.

Mr Cowan: That is seen as a service to urban dwellers of Perth. However, anything associated with Westrail is considered to be a cost. That interpretation or attitude is what really irritates those people. That is why sheep were outside this place and wheat outside the tax office and why the genuine people – not the hangers on – protested yesterday.

Dr LAWRENCE: I understand the psychology. I am saying that sometimes the sorts of actions we saw, particularly that of jamming the freeways on Friday, can have a rebound effect and then that sort of attitude arises about the "whingeing country cousins".

Mr Cowan: We are saying that you and people in urban Perth should change your attitude.

Dr LAWRENCE: I think the Government has a positive attitude to the rural sector. I see my job in the present climate to not only persuade the Federal Government to take another course of action and other State Premiers and Ministers for Agriculture that they should be more alarmed about the current situation, but also the community as a whole that this is a responsibility we all face. For instance, if the tourism industry were to fail tomorrow and was in the difficulties we saw during the airline pilots' strike that would be seen as a

community wide problem and should not be seen as a sectional problem. I regard that as part of my responsibility and I hope members opposite see it as theirs to educate the wider community about its effects.

Mr Cowan: How can we when Governments justify huge expenses, such as the one I have just mentioned, as services to urban commuters and associate anything linked with Westrail with a cost upon society? It cannot be done in that way.

Dr LAWRENCE: I undertake to look at our rhetoric but –

Mr Cowan: It is not just rhetoric. It is down here.

Dr LAWRENCE: – it is a way of thinking about what Government provides, which should, I agree, be described dispassionately and not in terms which seem to give one side a benefit and the other not. I understand what the member is saying, but one has a slightly different attitude to areas such as education, health and public transport than one does to services which are provided to support business and industry. However, we can have that argument at another time.

The important thing from my point of view is that we have a national debate and that we all put pressure on the Federal Government. However, having pressed the Federal Government for a guaranteed minimum price for wheat, having looked at the argument from the point of view of a national scheme, and having impressed upon the Federal Government – obviously to this stage unsuccessfully – the desirability of a one off reversion to a scheme, we cannot now stand back and say if it was good enough for the Federal Government it is good enough for us. That is why I undertook yesterday in talks with the Farmers Federation – and I have discussed this with the Minister for Agriculture – that we would carefully and conscientiously assess what it would cost the State in the best and worst case scenarios, what sorts of limits we might have to place on such a scheme were it to operate, and how it could operate, because there are some obvious difficulties in administering a scheme such as this in one State, given that we have a national grain pool rather than a local one. There are some practical impediments which need to be assessed. There is no point our holding out to people the prospect of a course of action if it turns out in the end to be incapable of delivery.

On both the financial side and the practical implementation side I am seriously considering whether the State can and should do that. The two questions are whether we can and whether we should. The "whether we should" is somewhat easier to answer. We need to prevent a reduction in plantings this season, and keep our share of world markets. There is no suggestion that there will be a glut of production. The sort of minimum price that is being talked about will barely keep people operating at the margin. It is not as if they will rush out and transfer all their resources into wheat. In fact, in many cases they would be better advised to plant other grains in areas where that is possible. Other grains are not looking too healthy either but they are not as bad as wheat. That will have the effect of keeping them in business.

Mr Trenorden: If you underpin the price it will give you another 12 months to try to get back the money from the Federal Government. You can still continue the argument.

Dr LAWRENCE: I have to be politically realistic. The moment we put in a dollar we will never get it back from the Federal Government. There is no doubt about that. I am not talking about political parties or about Labor versus Liberal. The moment the State spends a dollar of its own vote on anything, whether it be health, education, transport or the rural sector, it will never be recompensed.

Mr Minson: Were we to go down that track, do you think other States would be pressured to fall into line?

Dr LAWRENCE: I do not think so. What worries me is that the other States are apparently not concerned about it. New South Wales surprises me most, for two reasons: New South Wales has a large number of wheat growers and comprises a significant part of our economy, and it also has an election coming up.

Mr Minson: Have you received a reaction from South Australia?

Dr LAWRENCE: No. Today I am approaching them officially. That process is already under way.

What I am saying and what I have said to the wheat growers of the State and to the Farmers Federation is that as well as the other measures which we have indicated we will undertake – and there are some others in the pipeline – we are as a matter of urgency, and Treasury officials are doing this right now, examining the prospect for a guaranteed minimum price and the financial mechanisms that might apply. My understanding is that the demand would not necessarily fall upon the State's coffers immediately. In fact, it would be staged over three or four years, the likely impact being the greatest in the first financial year if a guarantee were triggered. There is some optimism in wheat marketing circles that the guarantee may not be triggered because of the possibility of higher prices being realised than those currently forecast. The Leader of the National Party indicated that that is the view. Unfortunately, that view is not feeding into the financial decisions made by banks and farmers, who are – I think rightly – being very conservative about their punting on an increase in price. We will examine that, and I have told the Farmers Federation that we will do it as a matter of urgency because we appreciate that decisions about planting and budgets are being made right now. In the meantime, we will continue to urge upon our Federal colleagues that this is a national and not a State responsibility, but if they fail to deliver we should be in a position to know whether we can substitute our own action.

The most likely mechanism – and from my point of view this is speculative at the moment – would be an increase in our borrowing limits so that were we required to draw on them at some future stage we would at least have that limit available to us. However, we must do that prudently. Our sympathy is not sufficient. We must ensure that our action will not impose a burden on the future taxpayers of this State, although I believe, as I have said to the Leader of the National Party, that we should not think of it in those terms. We should think of it in terms of what we would be required to pay if we failed to support the industry at this time. We would be required to subsidise Westrail and the port authority, and would have to put more money into rural finance assistance and counselling. All those things would cost us money, not to mention the cost to the Commonwealth.

Mr Cowan: What about the cost of relocation? You have put \$200 million into housing, and most of that will go into the metropolitan area. You will end up wanting to put in another \$50 million.

Dr LAWRENCE: We could build up a ledger and it would not take long before we get over \$100 million or \$150 million, which is the amount of money which the Farmers Federation indicates is likely to be triggered were the worst case scenario to emerge. That sort of sensible analysis needs to be undertaken and is being undertaken, and I hope to come back to this Parliament fairly soon to indicate the Government's response because it is a matter of great urgency. I cannot at the moment, for a range of reasons – not the least of which is that we have not made a decision on the guaranteed minimum price – support the amendment moved by the Leader of the National Party, but I indicate in the strongest possible terms that the Government recognises and is concerned about the problem. It is not a wheat growers' or a rural problem but a community problem. It is not a State problem either but a national problem, and the sooner everyone recognises that, the better.

I was horrified yesterday at a suggestion made to me at a meeting with a gentleman whose name I will not and cannot reveal, but who is a United States Government representative, that until the European Community stopped subsidising or reduced its level of subsidy to its growers, the United States would not either. So we are faced with a longer term problem than that.

Mr Cowan interjected.

Dr LAWRENCE: That is a possibility, but there really should be a rationalisation. I do not believe the European Community can continue ad infinitum to provide that level of subsidy to its growers because it is creating for itself a huge debt, which will become an international problem for the European Economic Community. If the current political problems in Eastern Europe, particularly in Germany and East Germany, continue, severe economic instability will follow, not just a trade war between the United States and the EEC. The image that was used with me was that the European Community had lit the fire and the United States Congress was now quite deliberately pouring fuel onto it and it would not stop doing that until the EEC attempted to put out the fire. That is not a very encouraging image for the wheat growers of Australia who are, as we all know, perhaps the most efficient broad acre

farmers in the world. Western Australian wheat growers can certainly take pride in perhaps being the most efficient within Australia. So why should we – and this is a reasonable question for the whole community to ask – suffer for the benefit of farmers in the European Community and in the United States, who not only are not efficient to anything like the same degree but who appear also to be unconcerned about the global economic effects of continued subsidies?

MR BRIDGE (Kimberley – Minister for Agriculture) [11.28 am]: I commence by reminding the House that during the past few days, for many reasons, the situation in the country has been highlighted significantly by the media and by actions undertaken by individuals and groups. We have responded to the concerns which have been expressed by continuously putting forward ideas in discussions. We have not taken exception to those expressions of concern or said that the concerns are misplaced. We recognise only too well that the concerns are being appropriately spelt out by people. The greatest forum for ensuring a recovery is made is to seek to put in place achievable goals and measures, rather than our saying this is the ideal course of events which should flow, and getting a great deal of mileage out of pursuing those avenues, knowing that we will not quite get there.

I have a few very important facts to put before the House. As far back as October last year we in this Parliament all took the view that something very significant had to be done on behalf of the rural industry. There has never really been any dispute about that. Essentially this Parliament has been concerned at looking at the most effective ways of mobilising our economy to assist the rural sector, and indeed the economy of this State generally. One of the best ways which I as Minister for Agriculture saw to achieve that process was to draw on the resources around the State to assist this Parliament and in turn the Government to carry out those measures. That is why I chose to set up the special Rural Task Force. I was not satisfied that it was sufficient for us as parliamentarians to be in charge of that process; we needed assistance from those with a capacity to give guidance in areas where guidance was required so that the Government would have an understanding and a capacity to take a very positive course of action. The Rural Task Force came into operation in October last year. Many members of this House from all political parties had access to the recommendations of that task force. In particular the Leader of the National Party will understand quite clearly the basis of its recommendations, and as a result he will understand the action which we are continuously seeking to put in place.

The motion before the House today is consistent with that general approach. Unfortunately I shall not be able to support it, for the technicalities of this Parliament mean that as a result of certain things which seemingly occur in this place, we are required to change our emphasis and our point of view in respect of very important and fundamental issues. Having said that, I feel that the motion is consistent with what is required by Government, and it reflects a proper responsibility which this Parliament should discharge. I have no difficulty with the Leader of the National Party in that context. In particular the first three or four points of the motion are consistent with measures we have talked about at length and which the Leader of the National Party has advocated very positively should occur as part of the Government's responsibility, and I have given an undertaking to him that I will see that result brought about. I do not want the Leader of the National Party to go away today thinking there are major deficiencies in what he is putting to the House. I have often said that I regret that this place creates a situation where we cannot all support certain measures. That is unfortunate. Perhaps we should spend less of our valuable time debating these issues in this place. We should rather get out and coordinate those resources in a place where we can say these things. We can say that it does not matter where Mr Cowan comes from, it does not matter where Mr Bridge comes from; we are united on this point and we will go in to bat very positively and very aggressively.

Mr Omodei: You have an opportunity to do that.

MR BRIDGE: I am being positive. I am explaining where I am because I want to be more constructive. It is my personal view that there is a place beyond here which offers us greater scope to be more constructive. We have to mobilise the national scene if we are to get the responses that we seek from the Commonwealth. Western Australia will not achieve that end in isolation. I say that with the knowledge that a well concerted and well disciplined approach has already been made to the Commonwealth by a variety of agencies. The farming organisations, the Premier and I have taken on board all the concerns of the rural

sector. We have put these arguments forward in a very detailed way to the Federal Government. Despite those attempts, we have not received the answers we have sought from the Commonwealth. At the end of the day we must get the other States to come in behind us much more strongly. I have recently been to the Eastern States, and prior to that I was in New Zealand at an agricultural conference. I sought deliberately to establish to what extent those other States had pursued these measures in support of their sectors which were in difficulties. I have not seen much evidence to suggest that those States are moving in the way in which I believe they should. We could not compare their efforts with the extent to which we have been mobilising our efforts in Western Australia.

I overheard the deputy leader of the National Party refer to the President of the National Farmers Federation who was in attendance during the course of that address. I hope, if he is still in the building and he can hear this address, he will take on board my view that we must combine our forces and present a totally united approach from the States if we are ever to get anywhere near the degree of response we seek. I appeal to him to listen to me and hear what I am saying.

Mr Cowan: I shall send him a copy of your response.

Mr BRIDGE: The Rural Task Force put forward a number of recommendations. Many have been adopted by the Government, and others are continuously being addressed. It is important for us to know that while we are highlighting the situation today, as we have done since the commencement of this Parliament, some very serious circumstances exist in our economy. These problems flow over many sectors of our economy. Nonetheless, a blueprint for action is in place to guide and assist us as a result of the efforts of the Rural Task Force. We should bear that in mind as we continue to debate these issues. We have a set of suggestions and an implementation strategy which will assist to minimise and ultimately overcome the major problems being experienced by industry at the moment. I urge the Parliament to consider that approach as significant. We are fortunate to have the services of some very significant people who make up that task force. There is no doubt about their capacity and ability to represent to the Western Australian Government and the community generally views and ideas which will improve and assist to address this issue.

The minimum price of wheat has been the basis of considerable debate between the relevant agencies in Western Australia. I can only repeat what I have stated in the past in answer to questions by the Leader of the National Party. The Government has made a vigorous attempt to support the wheat growers of this State, and we will maintain our absolute commitment to that sector of the industry. To date, the response by the Federal Government has not been favourable, but nonetheless we will continue to highlight the problem and argue strongly in support of that arrangement. We will do that as often and as strongly as we can.

I emphasise the need for the Commonwealth Government to bring forward its April statement. That is absolutely critical. The time frame is as vital as any issue.

Mr Cowan: In conjunction with that, the Rural Adjustment and Finance Corporation must accelerate the processing time. It cannot continue to take 38 days to do this; RAFCOR must fast track that process.

Mr BRIDGE: Absolutely. One would expect that requirement would be considered as part of the acceleration of that announcement. There is no point in bringing forward the announcement to accommodate that request, only to leave the mechanisms in their normal form. Nothing would be achieved in that case, so it would be a fundamental requirement that the Commonwealth Government ensure that is part of the package.

Mr Cowan: The Minister will go to the Commonwealth for a package, and I support that, but the State has a responsibility to ensure that RAFCOR accelerates the processing in this State. We cannot demand that the Commonwealth bring forward its announcement two weeks when at the same time the 38 day time frame is retained for applications. That time should be halved at least. It could almost be brought back to one-third of the time.

Mr BRIDGE: Is the member referring to the State's administration time?

Mr Cowan: Yes. The office has 38 personnel and it takes the same number of days on average to process an application. Under part B it could be a little easier, but nevertheless the time frame should be reduced to an absolute maximum of 14 days.

Mr BRIDGE: I agree with the Leader of the National Party. The Premier has canvassed as strongly as anyone the Government's current position on a guaranteed price for wheat. The Premier has revealed that currently we are examining our approach in an exhaustive manner to see whether we have the capacity to introduce a guarantee, rather than continuing with the uncertainty about assistance offered to the industry. The question is whether the mechanics and logistics can be accommodated. We will continue to urge our officers to work as quickly as possible. I hope that the Premier and I will be able to make an assessment quickly on this matter.

In summary, we should keep a very cool head when considering ways to assist the industry. When I say "we" I refer to those of us who are charged with decision making responsibilities. It is understandable when people say that it is all right for us, we are not in a predicament, and that it is not possible for them to keep as calm as we can. Circumstances differ markedly; we acknowledge that. We should work through the situation in a sensible and constructive way because at the end of the day the most important thing is our capacity to deliver. If we do not deliver, the problem will manifest itself to a much greater extent. We should work towards achievable goals, and parliamentarians should continue to take a combined approach to ensure that at the end of the day the rural sector and other sectors of the State are accommodated by decisions that ensure a delivery at the end of the line.

MR OMODEI (Warren) [11.45 am]: Once again the Government's response to the amendment to the Address-in-Reply indicates that, while it speaks for the motion, ultimately the Government will vote against it. I overheard the Premier indicating to the Leader of the National Party that had the amendment been slightly broader the Government could have supported it. What will happen to the 15 recommendations contained in the amendment? Last year when we moved a similar amendment, which the Government opposed, the Minister for Agriculture stated that he would refer it to a task force. What will be done with this year's 15 points in the amendment to the Address-in-Reply? Will another committee or task force be formed, or will we all hope that the problem will go away? The response by the Government demonstrates a dearth of agricultural experience on that side of the House.

Mrs Beggs: That is rubbish. There is more country representation on this side than there is over there.

Mr OMODEI: No-one on the Government side can discuss agricultural issues. It is a disgrace, and the people of Western Australia should consider that situation when next they vote at an election. Today in Western Australia many people face a crisis. Last year the Minister for Agriculture set up a task force to address the problems facing rural industries at that time. However, currently we have a number of crises in country areas. Will we now ask the task force to again address the situation?

Mr Bridge: Was the task force a good idea or a bad idea?

Mr OMODEI: Most of the 18 points made by us last year make up the recommendations of the task force report. What will the Government do with the 15 points raised today? The indications are that the Government will vote against them. The Government voted against the points made last year, yet the points are now part of the task force report. What is the Government's rationale when voting on these issues?

Mr Bridge: Does the member support the recommendations of the task force?

Mr OMODEI: I support many of them but I would bet my bottom dollar that not even half of them will be implemented.

Pastoralists in the Gascoyne at the moment are in crisis. Financial assistance has been withdrawn by a pastoral house and nothing within the Rural Adjustment and Finance Corporation guidelines can assist these people to keep their farms. They can receive household support through RAFCOR but that is the extent of assistance by this Government to the pastoralists of Western Australia. These people are hurting badly. As an example, I refer to a 250 000 acre station with commitments of \$140 000 – that is, \$70 000 to a pastoral house and \$70 000 to RAFCOR – being told it can have access only to household support when last year the station's wool clip was worth \$90 000, this year \$36 000. The State Government is doing absolutely nothing to assist people in pastoral areas. Within the next few days the Minister for Agriculture should implement the recommendations contained in the report of the task force. If he does not, these pastoralists will be forced off their properties.

Mr Bridge: Many of the recommendations are already in place; they have been running for ages. You do not check the facts. That is your problem.

Mr OMODEI: I do not think the Minister is telling the truth. The head of one of the major pastoral houses will raise this very issue with the Minister this afternoon.

The Premier obviously does not know a great deal about the current situation regarding the Rural Adjustment and Finance Corporation and the south west. She says that the south west is going very well. However, the vegetable growers in the south west are having their payments for crops deferred for six, seven or eight months. If that is not a crisis, I want to know what is! What will the Government do about the importation of frozen products into the country from New Zealand and Canada? Has the Minister spoken to the Federal Government about that?

Mr Bridge: I sure have.

Mr OMODEI: This crisis has not just occurred in the run up to the opening of this session of Parliament; it has been ongoing for 12 to 18 months. It has been a progression of events, yet what has the Government done? The Minister can skip over to Canberra with his guitar, but he may as well have sent Bing Crosby. Unless the leader of the Government, the Leader of the National Party and the Leader of the Liberal Party are sent to Canberra, the Federal Government will not listen.

Mr Bridge: My guitar picking certainly strikes a chord with you!

Mr OMODEI: While the Minister goes around this country talking about his great Australian dream, many people are facing a nightmare. The Minister should make a hard disc on the great Australian nightmare. Many industries are facing a real decline in this State, including the vegetable processors in the south west and their suppliers. Also, the cash flow problems facing those companies are having a serious effect on the horticultural industry. That is an area on which this Government must take action, yet it has done nothing about it to date. The apple scab disease is affecting the apple industry in the south west. I am aware that the Minister played a part in arranging the assistance package provided to that industry, which, once again, the industry is funding. However, the State Government has done little or nothing to assist the WA Fruit Growers Association in controlling that disease. The south west produces 73 per cent of this State's apple production and 80 per cent of our apple export income. At least \$1 million is expended on casual wages alone each year in that industry. I realise that I refer to an industry affecting my electorate, but the Leader of the National Party covered wheat and grain, and this will also be covered by the member for Greenough. The problems facing the apple industry in areas such as Manjimup and Pemberton are very serious. As a Parliament we must support action to assist the industry, because if we do not a massive decline in that industry will occur. At the moment the apple industry is disease free, but the situation will arise where \$2 000 a hectare will have to be spent for ever and a day to control the disease if disease control measures are not maintained.

Mr Bridge: Are you saying that nothing positive has been done in that eradication program?

Mr OMODEI: I did not say that at all. The fact is that the State Government provided \$525 000 in an interest free loan, and subsequent to that another \$160 000 was provided. However, the interest free loan must be repaid by the WA Fruit Growers Association. I agree that the action taken by the Government regarding the Queensland fruit fly has been positive, yet extensive industry assistance was involved in putting that scheme together for presentation to Cabinet. However, not enough has been done with the apple scab eradication program. I am aware that the industry has a meeting with the Minister this week and I hope he will take on board the seriousness of the situation. The industry group has put together an extensive and important submission.

Mr Bridge: We have always responded to them; the member knows that. Over the past 12 months the industry has offered ideas and we have responded to them.

Mr OMODEI: What tangible assistance has the Government given to the apple industry regarding the apple scab program? An interest free loan has been provided which must be paid back.

Several members interjected.

Mr OMODEI: The reverse multiplier effect will be massive if nothing is done to assist. We

are talking about \$500 000—odd, yet we are told that the interest free component has been a large injection to the industry! I am almost speechless.

The Government must look closely at its contribution to the agricultural crisis. It has said more in a day and a half than it has said in the previous year and a half.

Mr Taylor: That is absolute nonsense. This Minister has been right in front of you blokes right down the line. That is why he is so respected in the agricultural community.

Mr OMODEI: Apart from the Queensland fruit fly program, the Government has done little or nothing to help the agricultural industry in this State. That is a fact, Mr Deputy Premier.

Agreements have been made by the Federal Government to allow imports from New Zealand and Canada, but the close economic relations are an absolute disaster for the agricultural and horticultural industries of this State. If a delegation is to be sent to Canberra, and if a Premiers' Conference is to be held, as the Premier indicated, these are the main issues which should be addressed. The Premier indicated that she will be approaching other Premiers around the nation to support her in a delegation to the Federal Government. Our markets are being undermined in a devastating way. I do not know whether the Minister realises how close these industries are to collapse. The State Government needs to make a concerted effort to remedy the situation. If that means that the Minister for Agriculture or the Premier have to head to Canberra every fortnight, that action should be taken.

It appears that until people march in the street and block major arterial routes into the city, no action will be taken by the Government. I was caught up in the traffic jam the other day, and if I had been on the farmers' side of the jam I would have dropped five semitrailer loads on the Narrows Bridge! I would do so next week if it would add to the impact of the protest in Western Australia.

Mr Taylor: That will make you a local hero for the day.

Several members interjected.

Mr OMODEI: We hear a lot of noise from the other side of the House, but it is not matched by action.

The motion before the House seeks to put in place measures which will assist the agricultural sector. The Liberal Party supports the motion.

MR McNEE (Moore) [11.58 am]: Regardless of the platitudes of the Premier and the Minister for Agriculture, this Government has done absolutely nothing to assist agriculture. If the Minister wants us to believe that the removal of a tax, which should never have been imposed, will do something constructive for the agricultural industry in this situation, he must believe in the tooth fairy — that is the level the Government is at. People are going broke at a rate never before recorded. This is the Government which continues to destroy jobs; that is what it stands for. It will not do a damned thing to help the rural situation. It will not blow its nose unless its union mates tell it to do so. That is what they would do.

Mr Gordon Hill interjected.

Mr McNEE: The Minister for Fisheries and I might have a talk about his portfolio one day. At the moment I am concerned with agriculture, but the other portfolios are just as bad.

What is this Government doing? The Minister for Transport says that she will not be rushed or pushed into a decision, and for five years she has been considering the results of an inquiry into minor bulk transport; she still has not delivered its report. It is even worse than that because she is forcing the railways — because of her undying faith in her union mates — to transport commodities that are inefficient for rail transport. The end result when part of an industry is inefficient is that somebody must pick up the tab. The wheat grower who pays on average \$16 a tonne for freight picks up the tab. The Minister should not kid herself about that.

Mrs Beggs interjected.

Mr McNEE: When I am finished the Minister for Transport will have a chance to speak. The Minister would be far better off asking her department about the report on minor bulk freight. The Minister should not waste her time trying to interrupt me, she should listen. The Minister's Government has failed to listen. The Premier said this morning that some wheat

growers might go out of business – and well they might. The Premier might go out of business too. The Government is like a case of rotten apples. The rot has set in, and it is only a matter of time until the Opposition throws out the Government.

Let us look at what is happening in the bush. The Interstate Transport Commission must not interfere with transport in this State. It is important that we maintain control. This Government is doing nothing. Gypsum can be imported from Mexico for \$23 a tonne. It is a low priced commodity when it is dealt with in an efficient way; that is, from the pit to the point of delivery. In my electorate a farming family, whose farm will not support them, have a gypsum deposit on their property– they are the sort of people in whom the Government pretends to have an interest.

Mr Bridge interjected.

Mr McNEE: The Minister for Agriculture utters platitudes about what he is doing. This family's property will no longer support them and although their district has a large gypsum deposit which could be efficiently transported to Perth by road, the Minister for Transport insists that it should be transported by rail. Anyone could advise the Minister that rail transport is not an efficient way to freight a low volume commodity. The end result is that the Minister has taken away from that family a method of earning money to make the farm viable. The Minister is insisting –

Mrs Beggs: I am not insisting at all.

Mr McNEE: If the Minister is not insisting, who is? However, she is probably right, because the Minister does not make a lot of decisions. Whoever is making decisions for her has decided that gypsum cannot be transported by road.

Mr Pearce: How long has that mine been operating?

Mr McNEE: The mine has been operating for a little while. The Leader of the House can enter the argument because he did a similar thing. He also refused to help people. Don't worry about that! The Leader of the House wants to look backwards at what the Court and O'Connor Governments did, but why stop there; why not look at what Sir David Brand and even Sir Ross McLarty did? The Government is looking backward when it should be looking forward. The fact is that this Government is making the decisions now. Mr Pearce should not worry about what happened in the past. Mr Pearce refused to help an industry to conduct itself in an economic fashion. The farming family in my electorate are hounded by this Government through the Department of Transport; they are charged because they dare to shift gypsum by road. The department has sent the authorities into their home with search warrants looking for evidence on which they could be charged.

Mrs Beggs: When did that happen?

Mr McNEE: It happens regularly. I guarantee to provide the Minister with the dates. The Minister might shift her hoods from the delivery point where they wait for the gypsum to arrive. The Minister should have a sensible look at that law. I am not suggesting that people should break the law; that is the last thing I would suggest. The Minister does not consider those 1 million unemployed people, 800 000 of whom the Government acknowledges; it does not mention those people it has moved out of the unemployment figure on to pensions, although they are still unemployed. The Government is fudging the figures and has been for years – it is notorious at it. The Government is hopeless and the quicker it departs the scene, the better for the State. The Minister is refusing this family in my electorate the opportunity to conduct their business in a proper economic fashion. What is worse, it is condemning Westrail to conducting an inefficient operation because she is insisting that this product be transported by rail. It is a nonsense for the Minister and her Government to pretend an interest in helping the rural sector, because if by some stroke of luck the Minister for Agriculture has achieved something, the Minister for Transport is negating it.

Mrs Beggs: The Government is committed to making a decision covering all the issues raised about deregulation, but it cannot be made in isolation. The member for Moore knows as well as I do that in terms of deregulating fertiliser and grain transport the people the member purports to represent want not only deregulation, but also a guaranteed rail services as an alternative.

Mr McNEE: I have never heard so much rubbish in all my life. An example of the

Minister's idea of deregulation is the Westrail coach that leaves Geraldton at 8.30 am. If we have deregulation why must the opposition coach service leave two hours before or two hours after the Westrail coach? In a truly deregulated system it should be able to leave at the same time. If Westrail cannot stand the heat it should get out of the kitchen! If the Minister for Transport wants to give the people of Western Australia a service at a price they can afford to pay she should deregulate the system. I will talk to the Minister about that any time she likes. That is her idea of deregulation and she should not try to stop me.

Mrs Beggs: Does that deregulation coach stop at every point along the way?

Mr McNEE: That coach stops as regularly as any other coach. The Minister's view of deregulation will not work.

Mrs Beggs: It's my view of allowing –

The ACTING SPEAKER (Mr Donovan): Order! The member for Moore can be speechless for 30 seconds. It will help Hansard and the House generally if the speaker on his feet addressed the Chair and the Minister listened more and interjected less.

Mr McNEE: I apologise. I feel for the people I represent. Hundreds of people in the bush do not know what is happening to them. How would we feel if we were told our bank account was frozen? Can members imagine that? What would be the first thought to enter their minds? As a member of Parliament am I expected to act like a wimp in dealing with the Government which stands between countryfolk and their getting a fair go? I am talking about people who can transport a commodity which is exportable. One exporter can carry 150 thousand tonnes of produce and the beauty of the situation is that he brings in clinker and exports gypsum in the same ship; it does not have to be cleaned. Jobs are created for people whom the Government claims to represent. However, the Government is destroying their jobs because the companies which use gypsum are importing it from Mexico. Every import increases the national debt. Is it still at \$130 billion?

Mr Trenorden: It is \$150 billion.

Mr McNEE: Any advance on \$150 billion? The Government seems to want to add to it. Every time someone buys goods offshore it costs Australia money. I do not think the Government understands that; it is in fantasy land. We must look more closely at those issues. The Premier was approached at a Housing Industry Association function and the position was explained to her and she agreed the situation was a nonsense and said she would fix it. It is not fixed; what hypocrisy.

Mrs Beggs: What?

Mr McNEE: Never mind about what. The Minister knows what.

Mrs Beggs: I cannot hear you because you are speaking too loudly. It is difficult to hear properly when someone shouts.

Mr McNEE: If Government policies were reasonable the situation would be different. However, I wonder about them. Our method of transporting goods in this State is ridiculous. The Government should change the law to at least allow for an inquiry into minor bulks. That issue is very important and the fact that the Minister is looking at the matter is important, but she should not take five years to do that; that is a stupid situation. The Minister for Agriculture should be pursuing the Minister for Transport because transport can have more effect on his portfolio than he believes. That section may well be preventing his department from achieving anything. I believe the Minister is sincere about helping the farmers, but he is being tripped up at every turn by his colleagues. People are being pushed and shoved to the brink of bankruptcy and that is not fair. Some crazy policies apply to the transportation of goods. I realise that transporting cyanide is a very difficult task, but why do we transport cyanide to Kalannie, for example, by rail – perhaps it is the best system – then send a truck from Perth to Kalannie to the mine and back, empty? That does not make sense.

Mr Trenorden: That is because city people are too important to kill with cyanide, but country people don't matter.

Mr McNEE: That does not surprise me. The Minister for Transport must bring forward her inquiry concerning the transport of minor bulks and place more emphasis on the matter. She has been playing with it; she is not very serious, nor is the Government.

Mrs Beggs: The review of minor bulks has finished.

Mr McNEE: I will be asking a series of questions to which I will want sensible answers and I will provide the dates for which the Minister has asked me. I would also like the Minister to give me assurance that she will take a hard look at the transport of minor bulks in an economic light.

Mrs Beggs: I have already done that.

Mr McNEE: If that is the case, the Minister has not told anybody yet.

Mrs Beggs: If you shut up for five seconds I will tell you about it.

Mr McNEE: The Minister will have her chance to speak later. The transport of minor bulks must be looked at, as must export items such as gypsum. I know that is an isolated case, but it can create employment and help to ensure the continued viability of farming. The Government is ignoring those matters; it needs to create jobs, not destroy them.

DR ALEXANDER (Perth) [12.18 pm]: When I was speaking about matters pertaining to the Perth electorate, I think, last year, as I like to in this place, the Leader of the National Party suggested I cast my eyes beyond the Darling Range and asked whether I could not speak about anything but the city. I am sorry he is not here this morning because I can talk about other matters. Even though I may not be an expert on rural matters I have some passing knowledge of the problems referred to this morning. In a previous incarnation I taught and researched problems connected with rural and regional development. I do not wish to bore members with that matter, but wish to contribute to the debate positively to try to overcome this absurd situation of conservative parties accusing the Government of not caring about rural problems. That is clearly not the case. In return the Government implies, by opposing this motion, that conservative parties have no solutions to the rural problem. We are witnessing a typically entrenched party debate. The Opposition takes the attitude that the Government does not care about the bush; it is obsessed with other problems. The Government says that is not right; the conservatives do not care about the city or understand what it is doing for the State.

Mr Omodei: The member was not listening to the debate. We moved an amendment in respect of the Rural Task Force report.

Dr ALEXANDER: I have read it.

Mr Omodei: It was voted against by members, including you.

Dr ALEXANDER: I was in a different position at that time and the member for Warren overlooks a couple of factors.

Mr Graham: You realise of course there is more country representation in the Australian Labor Party than there is in other parties.

Dr ALEXANDER: That is a point I wanted to make. It is not correct for people in the country to think that National Party members are the only ones who represent their interests in Parliament because the Labor Party has many members who represent rural areas.

Mr Clarko: Who are you kidding!

Dr ALEXANDER: Just look around the ranks of the Labor Party. Seated behind me are the members for Pilbara and Ashburton. The member for Bunbury also represents the country.

Mr Fred Tubby: What would they know about farming?

Dr ALEXANDER: I suspect they would know more about farming and agriculture than the member for Roleystone. Perhaps I am doing the member for Roleystone a disservice by saying that. The member for Kalgoorlie is also a country representative.

Mr Fred Tubby: You cannot call Bunbury a rural area.

Dr ALEXANDER: Bunbury is a rural service centre. The member for Mitchell represents a large rural area.

Mr Clarko: Perth is a rural service centre too.

Mr ACTING SPEAKER (Mr Donovan): Order! The debate is starting to sound similar to the Australian pastime of who claims to be Irish and who does not. We should allow the member for Perth to make his speech while other members listen.

Dr ALEXANDER: I should not have been drawn into answering those interjections; however, it is difficult to resist those barbs. Perhaps there is a little truth in the arguments coming from both sides of the House. I will make some suggestions about the motion.

Mr Omodei: It sounds like you are going to vote for it.

Dr ALEXANDER: No, I will not vote for the motion, but if it had been phrased differently I may have voted for it.

Mr Fred Tubby: We will have to get you to write our motions.

Dr ALEXANDER: If the member is offering me a job I may consider the offer. Perhaps I will need a job soon. No, I do not think so, I would have to be desperate to do that.

The second paragraph of the motion draws His Excellency's attention to the inadequacy of the Government's policies. That is a subjective view. Even the Government is moving to review Government policy relating to the rural crisis. Despite my representing a city based electorate, I am aware that rural areas are facing crises. I have contacts in rural areas and they keep me up to date with what is happening. One does not have to be a genius to recognise that rural areas are facing severe problems. Rural income is down and the populations of rural towns are declining. They have been declining not only in the past few years but for a long time. Economic growth in rural centres is also decreasing.

The drift from the bush to the city, which has been occurring for 60 to 70 years, seems to have accelerated in recent years. No doubt the current downturn in commodity prices has exacerbated the problems facing farmers and the people living in rural service centres. The Government appears to have recognised those problems. I heard the Premier saying on the radio this morning – it was also in the newspaper this morning – that the Government is considering the idea of providing, through State assistance, a guaranteed minimum price for wheat.

Mr Omodei: They are considering a lot of things.

Dr ALEXANDER: That is not something on which the Government can make up its mind overnight, and nor should it. Perhaps that has been a plank of the Opposition's policy for years. I doubt that is true. It is only in recent years that the Federal Government has dismantled its price support mechanism for wheat and that basically seems to be the cause of the problems in the rural areas. The State Government of the day, as I remember, was not in favour of the Federal Government's decision; in fact, it protested and contested the decision strongly. Now, when the Government has been requested to look at this matter, as it was yesterday by a delegation of farmers, it has said that it will consider it. Why then do we have a motion that pre-empt's the issue and requests that the Government make a decision tomorrow? It seems to me that the Opposition is jumping the gun.

Mr Omodei: In actual fact you introduced mirror legislation to the Federal legislation.

Dr ALEXANDER: That legislation related to transport and did not concern the price deregulation aspect. Other parts of the motion do make sense. The threshold for exemptions on payroll tax should be increased; however, that would affect both country and metropolitan businesses. It is true that children in isolated country areas are experiencing problems, but a few years ago the Government doubled the level of assistance available to isolated children required to live away from home, from \$250 to \$500. The special rural task force has called on the Government to double that again to \$1 000. I hope the Government will consider that request favourably because that would assist in the current situation.

The member for Moore discussed the question of transport and it seems appropriate that he should be called the member for Moore because we always get more of a performance from him than from most other people in the Chamber.

Mr Bradshaw: He is a very good member.

Dr ALEXANDER: I am sure he is an effective member in representing the interests of his constituents. However, what he has overlooked in this transport debate is that rail in this State is facing great difficulties also. Ironically, that is one of the reasons that populations in rural towns have declined. The number of people in the rail work force has been cut severely in the past seven to eight years and that is one issue where I have often been at odds with the Government, and so have many other traditional Labor constituents, particularly in the Avon

Valley. It is also one of the reasons the Labor Party lost the seat of Northam in the 1986 election. The railway work force had been slashed severely. When a regional study in that area was conducted in the mid 1980s it showed much disillusionment about that decision and the adverse effects that the cut in the railway work force, based in Northam and other rural centres, had on those towns.

Some members are calling for the total deregulation of transport so that all commodities, apart from wheat, can be transported by road rather than by rail. The impact of that would be twofold: Firstly, despite some people claiming that it would create extra employment in the road transport sector - that is debateable in itself because of the economies of scale - it would cause further losses of employment and revenue for Westrail. Secondly, it would have a severe impact on rural towns.

Rail transport can be efficient only if it is dealing with a wide range of commodities and has a guaranteed market. At the moment every effort is being made to deregulate the rail system to such an extent that it will not be viable. In a few years' time we may be confronted with the need to compile a report similar to the one released in the United Kingdom 20 or so years ago by a fellow called Beeching, which recommended the closure of all branch lines outside the main trunk system. Is that what the Opposition wants? Does it want all the railway branch lines through the wheatbelt, the great southern and the goldfields to be closed? That would be the ultimate impact of deregulation if it is pushed through in the way some people in this House appear to want it. At the moment those wheatbelt lines carry little traffic except during the wheat season, but at least the wheat crop and other traffic, such as fertiliser and gypsum - which the member for Moore was waxing lyrical about - help supplement the traffic that those rail lines carry.

If transport is deregulated those lines will definitely close down. So will the wheat bins in small towns because they will need to be centralised in larger towns which are more suited to bulk road transport. That process has already happened in areas where rail lines have been closed. I know enough about the bush to know that a lot of lines have been closed in the past 20 years, under both conservative and Labour administrations. One of the reasons for that is the continual push for deregulation. We should be opening up new rail lines and guaranteeing the transport of commodities such as mineral sands and other new mineral ventures by rail. We should not be saying that we need more deregulation to remove traffic from rail and onto roads to make the transport of commodities more efficient. Often it turns out to be less efficient because it involves higher maintenance costs and the average motorist - who already complains about the lack of maintenance on the roads - complains because trucks are chewing up the roads even more. There will not be sufficient revenue to put that right. Perhaps if road transport operators paid their proper user charges, as was advocated last year before the rural recession really started to bite, more revenue might be available to correct those problems.

There is some confused thinking among deregulators in the transport area. Those deregulators are not necessarily confined to the conservative side of the House. I have heard many a bureaucrat advising the Government in recent years that deregulation is the answer. Many reports have been produced that have assisted in this deregulation process. In my opinion, that has been to the disadvantage of the rail system, the employees who work for the rail system and the rural towns which depend on that employment for their economic livelihood, because once we remove rail workers, we start removing other support workers in the banking area, service and retail sectors and those towns go further into a downward spiral. I understand that the Ministry for State Development is writing a report on that topic at the moment. I happen to know one of the people working on that aspect. He has been visiting towns in the wheat-belt and discovering, perhaps not surprisingly but it is something that has been overlooked in this debate, that there is a lot of anger in rural towns at the thrust of the deregulation policy because those towns see it as leading to further losses of employment and further difficulties in rural areas. Surely we should be addressing those difficulties and not exacerbating them. Anything that aids the transfer of goods from rail to road will disadvantage rural areas even further.

Paragraph (5) of the amendment calls on the Government "to direct resources away from all non-essential public projects and services in the metropolitan area". Why in the metropolitan area? Why not just say "non-essential projects and services"? Is the Opposition implying that all projects undertaken by the public sector in non-metropolitan areas are absolutely

essential? Is it implying that if we abandon the brewery project, which I think should be abandoned, it should be shifted to the rural areas? I thought the Opposition was against that project altogether.

Mr Omodei: We don't want the brewery.

Dr ALEXANDER: Exactly. Why are the words "metropolitan area" included in the amendment?

Mr Omodei: Tell me which projects are nonessential?

Dr ALEXANDER: No, members opposite are the experts on rural areas. They should tell me about the nonessential expenditure in rural areas.

Mr Fred Tubby: You are making the assertion –

Dr ALEXANDER: I agree that there are some nonessential projects, including the brewery and the East Perth project. I happen to know about those because they are in my electorate. I do not know what is going on in the rural areas to such a great extent. However, I am sure that I would find that some of those projects may also fall under the Opposition's label of "nonessential". All I am saying is that, in this case, the Opposition is unfairly discriminating against the metropolitan area and I do not believe that is on.

Mr Omodei: That would be the first time.

Dr ALEXANDER: I do not know about that.

Paragraph (3)(d) calls for a different electricity tariff structure. There is a uniform tariff structure over the SEC grid, but there has been an indirect subsidy to rural areas whether the Opposition likes that or not. That has been on for years. I have also discovered that the subsidised extension scheme which previously existed in this State was removed by a Country Party Minister in this Parliament 20 years ago.

Mr Omodei: Don't you think it would be a good initiative to introduce off peak power tariffs?

Dr ALEXANDER: Yes, but that is not mentioned in the amendment. The amendment refers to lowering tariffs and abolishing security charges applied to business. If that is to be considered, it should cut both into rural and urban areas. I do not understand why rural areas, which to some extent are subsidised on the uniform grid already, should be further subsidised. If those matters were removed from this amendment, if the Opposition referred to the need for a review of Government policy, if it altered the wording of some of the other paragraphs and if it took out paragraphs (3)(i) and (3)(j) and paragraph (6), I would not have any problem supporting the amendment. As it stands, it puts only one side of the case.

While I am not here to put the Government's case – it can do that for itself – the amendment tends to overlook some measures that have been taken to assist rural areas and some commitments which the Premier has made to review the current situation. Once that review is complete, if the measures proposed are not adequate to the task, I will be the first on my feet criticising the Government for that inadequacy. However, as the amendment stands, it goes too far in criticising the Government and ignores some of the measures that have been undertaken already. That is not to say that there is not some good sense in much of the amendment. I have a great deal of sympathy for the idea of a guaranteed minimum price for wheat and further assistance to wool growers. However, I am sure those matters will be debated again in this House in the coming weeks.

MR AINSWORTH (Roe) [12.35 pm]: In addressing the amendment, I want to touch on two or three of the points already made. Of particular importance to rural areas at the moment is the need for a guaranteed minimum price for wheat. It is probably worth looking at the history of the wheat industry to see why it has been a very stable industry until recently. Over the years, the wheat industry has included various stabilisation measures, including the more recent minimum price scheme, all of which have brought a degree of stability to an industry which has probably been unmatched by any other agricultural commodity in this State. For that reason, the industry has had a history of fairly steady production, although there have been some seasonal fluctuations. By and large the industry has prospered and has produced a huge amount of export income for Western Australia and for the nation. However, the most recent Commonwealth wheat marketing legislation

removed the guaranteed minimum price. That, together with the subsequent downturn in the world price for wheat, has brought about the problems we see today.

It is also worth outlining why we lost the guaranteed minimum price in that legislation. Members of both sides of the House will recall that, during the debate on that legislation, the Federal Minister for Primary Industries and Energy, Mr Kerin, put forward a fairly strong case for deregulation of the industry across the board. He went so far as to suggest, in his initial statement at least, that the Wheat Board should lose some of its monopoly powers on the export market. He subsequently backed away from that and retained the Wheat Board's monopoly. He did several other things. He changed the board's monopoly on the domestic human consumption market. He also did away with grower representation from the States on the Wheat Board. However, more important, and certainly more significant at the moment, is the change he made to the underwriting arrangements for wheat by taking away the three-year rolling average for the formula for establishing the guaranteed minimum price.

The entire wheat marketing legislation that he put before Federal Parliament was supported by all political parties. It is a matter of some regret to me and to members of my party that the Opposition parties supported that legislation. Only three or four members of the National Party crossed the floor when the vote was taken and voted against the Bill. While the industry fought very hard for the retention of the measures contained in the old legislation — measures which were of great benefit, not only to the industry but also to the nation — it is a matter of public record and of great regret to me that the Opposition was not prepared to stand up and be counted but buckled under to the threats that the Minister made at the time. He said that if the legislation was not passed, no wheat marketing legislation would be in place for the coming harvest and therefore no money would be available to guarantee the board's borrowings to pay the guaranteed minimum price or the harvest portion of that GMP. I do not believe any Government of whatever political colour would have left an industry as large and as important to this nation as the wheat industry in a state of limbo so that it could not get any cash flow at harvest time. I think Kerin's bluff was just that, a bluff. Unfortunately, it was accepted by the majority of members on both sides of the Federal Parliament. However, that is history. What we need to look at now is the effect the subsidisation and the trade war which is taking place between the European Economic Community and the American market have had on the industry. We have seen a change in world wheat stocks from those which existed two or three years ago when the world was oversupplied with wheat. At that time the Americans had 50 million tonnes of wheat in stock and the world's wheat stock was sufficient for six months. Today there is only 50 days' supply of wheat on hand, therefore supply and demand is certainly not affecting the price in the way it was two or three years ago. The blatant and extreme amount of subsidisation that has taken place on the world market as a result of the entrenched trade war between America and the EEC is what has affected the price of wheat. Australia as a relatively small producer of wheat, albeit a large exporter, is caught in the firing line and does not have the capacity to pay the subsidies which its competitors are paying and it is left in a situation where it has nowhere to go. The domestic market is so small that it cannot take up the leeway. Most of the countries with which Australia competes sell their wheat on the domestic market and export only their surplus. As I explained, the situation in Australia is the reverse.

The effect of the current price of wheat on future wheat plantings and on the future of the farmers will be very serious if there is not an upturn in the price or a guaranteed minimum price. Many farmers are talking seriously about not planting a crop at all this year. This morning at the airport I was talking to one of my constituents who is in that position and he is in Perth looking for a job. He will continue to hold his farm for 12 months, but will not plant one grain of wheat this year unless something happens to improve the situation. The effect of the rural downturn on the local industries in my electorate, including the shopkeepers and the suppliers of fuel, parts and fertilizers, will be enormous and there will be a flow-on to the city and to the nation in reduced exports. The financial institutions which supply the farmers' financial needs are sitting back waiting to see what will happen. They will not commit their funds to businesses which have no prospect of producing a positive balance sheet this year. The small businessmen in country towns have either shut their doors or are at the point of shutting them because their cash flow has slowed to a trickle or dried up.

One of the areas which has been missed by many people in this debate, not by members in this House, but certainly by people outside, is the long term effect on Australia's traditional markets if farmers do not produce sufficient wheat this year. In the past fluctuations in production have been brought about more by seasonal factors than anything else. At times of severe droughts when we have not been able to service our traditional markets to the level required it has been accepted we could not supply them and those countries concerned have understood that the reason has been outside our control. If we fail to supply our traditional markets this year they will not differentiate between the Government and the growers and they will say, "As a nation you were not able to support your growers so that they could plant wheat. You are an unreliable supplier and we have no guarantee you will supply us with grain next year or the year after if this situation continues. Therefore, we will look elsewhere." They will not need to look very far because the sellers will be knocking on their doors. Those sellers will be from those countries which are subsidising the wheat market now; that is America and the EEC. If there is a downturn in our production to the extent that we cannot supply our traditional markets we will lose them and it will take a long time to regain them.

I will not dwell on the wheat crisis any further, but I will refer to two or three matters which are vitally important to the rural community. I refer to the Rural Adjustment and Finance Corporation which has been lagging behind in its task of servicing the community. Last year the National Party met the corporation on three occasions, with the first meeting being held about this time last year, followed by two other meetings the last of which was held in November. In each case the National Party was seeking to make sure that the corporation had sufficient funds and staff to meet the needs of the rural community because it could see that there would be a downturn in the industry. At each meeting we were advised that it had the funds and the scope to assess applications quickly and distribute funds. The reports I have had from my electorate and other electorates indicate that that has not been the case and the processing of applications has been abysmally slow. For example, the rural counsellors in Esperance and Ravensthorpe have helped prepare approximately 20 applications in the last few months; three have been rejected, none has been accepted, and the average waiting time for the processing of those applications has been eight weeks. That is five weeks too long for those farmers waiting to learn whether they have a future in agriculture. The money is not available from the banks and in many cases people in the north of my electorate have been subjected to drought conditions and have suffered a further downturn.

It is worth dwelling on the personal effects as a result of what is happening in the country. The farmer demonstrations we have witnessed in the past few days have been only the tip of the iceberg. The farmers are frustrated and have a sense of futility as far as their future is concerned; many of them would not have demonstrated under normal conditions. They do not know what to do and the only alternative they have is to demonstrate to try to attract the attention of those in power. A sinister side of this crisis which has not received publicity is the potential – in some cases it has happened – for suicide. People who have come to the end of their tether feel they have no future and they take the ultimate step of committing suicide. At a less dramatic level, but of importance socially, is the increase in the number of marriage break-ups and the number of people going to their medical practitioners with emotional problems and other ailments such as stomach ulcers. This is what is happening in the country.

Tragically we are witnessing young people, the future of our State and nation, having their education terminated because their parents have been forced to take them out of private schools or country high school hostels. These children are forced to attend those schools because of isolation, not because their parents are elitist and have a lot of money. They are now being forced to cease their secondary education and they are replacing farmhands whom the farmers can no longer afford to employ. One family in my electorate has two children who have returned home and will continue their education by correspondence. The correspondence course through the Ministry of Education is very good, but at secondary level there is no substitute for having access to laboratory facilities, a peer group and the ability to discuss problems with a teacher on a personal basis. The education of those children will suffer. Children are being taken out of private schools in Perth. I have no argument with that if parents cannot afford to send them to those institutions provided the children have access to comparable education, but that is not happening. At a time when

parents cannot afford private education for their children one would have expected more students to return to country high schools and to enrol in country high school hostels, but the number of enrolments has increased at only one hostel in this State. The number of enrolments at all other hostels has declined, even though many parents are forced to cut back their budgets and can no longer afford to send their children to private schools. The parents have either boarded their children with relatives in Perth or in other major centres or, worse still, the children have been removed from secondary school altogether. That is a tragedy at a time when we are trying to encourage further education. The Federal Government is always making a noise about improving the educational level of country students in particular and in the nation as a whole, and I applaud it for doing so. The current poor performance by rural students is made worse by all these factors.

Of vital importance to all farming businesses are the small businesses which support them. These people are feeling the pain more than any others at the moment because they are directly feeling the effects of the recession. Their costs for transport, sales tax, State Energy Commission services and the other items referred to by previous speakers have all increased. One classic example, which is not in my electorate, is the Four Square store in Mukinbudin which is a small store by city standards in a small town. Because of its high costs, including \$1 000 a month in SEC charges, the prices it charges consumers are far higher than those charged by its city counterparts. Its rural customers, who are suffering from low incomes at the moment, are forced to pay more for their basic commodities because they cannot afford to shop elsewhere. At the same time the store cannot afford to reduce its prices because its costs are too high. Many country small businesses have cash flow problems and are closing, and the banks are putting a lot a pressure on them. When small businesses close it not only cuts a service to rural producers but also creates problems in the community. It results in fewer people living in the town and fewer children attending the school, and the problems compound.

The most vital of all the issues raised in this House today in this amendment to the motion, and in the Bill introduced by the deputy leader of the National Party, is a proposal for a guaranteed minimum price for wheat to be paid by the State Government. If this measure, or something similar from the Commonwealth, were implemented it would solve many of the problems facing the rural community. It would restore the confidence of financial institutions and of wheat growers. They could go ahead and plant a crop knowing that for every tonne produced – no-one knows what that quantity will be – they will receive a minimum \$150 gross. At the moment they do not know whether they will get as much for their crop as they did this year, let alone a higher amount. Such a scheme would not attract more people to the wheat industry because the capital cost of growing wheat is astronomical and nobody in his right mind would consider entering the industry. It would not create false expectations or give the market false signals. It would provide a realistic price for the wheat, and would be of benefit to the State as a whole. The cost of not taking this action, both socially and on a straight cash basis, will be at least as great, but it will be faced before the cost of providing a guaranteed minimum price. The cost of providing a guaranteed minimum price for wheat may be triggered only after harvest early next year. If no commitment is given, from one source or another, some farmers will not plant a crop and some will leave their farms. That will have a compounding effect and the cost to the State and the nation will begin tomorrow rather than next year.

I make an appeal to this Government and to its Federal counterparts to look closely at their actions and to support the call for a guaranteed minimum price for wheat of at least \$150 a tonne. Many other points were raised during debate on the amendment to the motion, all of which I support. I do not have time to speak about them, but they will all benefit the rural community and, of course, the people in the city. The two are intertwined and cannot be separated. If a guaranteed minimum price were set for wheat that would, at least temporarily, deal with most of the problems. I ask the Government to give this problem serious consideration.

Sitting suspended from 12.55 to 2.00 pm

MR THOMPSON (Darling Range) [2.00 pm]: I congratulate the National Party, particularly its leader, for having brought this motion before the House. It is, I think, quite timely that the matters canvassed should be raised. The rural economy in this nation is of such significance to the country as a whole that when it is going through such a bad period it

is right and proper that this House should devote some attention to the complex issues that present. Therefore I am pleased to have this opportunity to speak in this debate.

The rural economy has historically had its ups and downs, but present economic circumstances are probably as bad as they have been since the great Depression. Clearly, if the wool and wheat industries in this nation are to return to economic health they must be made viable. I can understand the gloom around the country areas as they head towards the traditional break of season and the time when farmers are preparing to plant their crops. I know from my close involvement with one of the leading farming consultants in this State that the firm of which he is principal has many clients who are looking at a negative situation for their wheat growing operations when they consider their budgets this year.

Mr Trenorden: The member for Darling Range was almost the member for Avon.

Mr THOMPSON: Yes, I was, and I am a primary producer in my own right, but not in such a large way. However, I have grown the odd tomato commercially.

The SPEAKER: I remember the oats.

Mr THOMPSON: Yes, I still hold the oat-growing prize in this House. I am still prepared to take on anyone who thinks he or she can grow better oats than I can in competition.

Mr Gordon Hill: Did you say wild oats?

Mr THOMPSON: No. A member brought some wild oats into this Chamber and the member for South Perth produced a Statute showing that a person who transported noxious weeds from one part of the State to another was in breach of the law. He suggested that the member who brought those oats into the Chamber should be cited. I have family members who are farmers and from conversations I have had with them and Peter Falconer of PLANFARM Farm Management Consultants I am aware that not just a few people in this State face difficulties but a solid number. Third and fourth generation farming family units are faced with severe difficulties.

I find difficulty supporting the proposition of a minimum price for wheat underwritten by taxpayers of this State. If there is to be an underwriting of wheat prices that must happen at the national level. It would be inappropriate to endeavour to do that within the State, although I suppose that is where we in this House can have the greatest influence. However, the problem is far deeper than can be solved by an individual State deciding to underwrite the price of wheat.

Mr Wiese: So you are prepared to let the wheat growers of this State go down the tube?

Mr THOMPSON: No, that is not the case at all. I am suggesting that more effort should be made to have the problem addressed nationally. My other problem is the minimum price being underwritten by taxpayers. I think that if an industry is to have an underwriting scheme, that industry should address it on a long term basis and during buoyant years; when there is a reasonable margin in the operation of growing wheat crops, for instance, there should be some sort of contribution to a fund from which farmers could draw during a downturn in the economy.

Mr Wiese: We had one like that with the Australian Wool Board, didn't we?

Several members interjected.

Mr THOMPSON: Frankly, I think that is the better way to go if there is to be an underwriting. Another problem I have with such schemes is that while most people in the industry are efficient and it would be of benefit to the nation generally for those people to receive subsidies, in any sort of occupation or enterprise there are people who are less efficient than others. I believe it would be a retrograde step to produce a scheme that underwrote or pinned up operators who ought not to receive that propping up. Indeed, one of the problems with tariff levels presently applied - the system of tariffs we have in this country relating to secondary industry - is that they have resulted in less profitable operations receiving a benefit when really they ought to be out of their industry altogether because they would never be viable or survive if it were not for their being propped up. Therefore, I have some difficulty with underwriting schemes. Perhaps there should be some sort of an assessment made to determine those who ought to receive an underpinning. Another matter this House should address is the prediction of how long it is likely we would need to

underwrite the wheat crop. We clearly could not do that in perpetuity. The wheat industry is of such magnitude and of such importance to the economy that we could not continue to prop it up without creating severe distortions in the economy. I would hate Australia ever to get to the situation which prevails in Europe where we hear about mountains of butter or of beef because farmers are paid to produce crops which simply go nowhere. Because of the social impact of their being denied the opportunity to produce those products, they are allowed to continue to do so and are subsidised by the rest of the economy. I accept the seriousness of the situation in the wheat industry, but that industry is of such importance to Australia that we could not underwrite it for long periods.

The SPEAKER: Order! A number of conversations are going on around the Chamber at the moment which are making it difficult for both the Hansard reporter and me to listen to what the member is saying. I wonder if members would either converse much more quietly or conduct their conversations in another place.

Mr THOMPSON: Thank you, Mr Speaker.

I understand the motives behind this clause of the motion moved by the National Party and I hope — although it is clear from what has been said by members opposite that the amendment will not succeed — that that will not be the end of it. I am sure the Government accepts the seriousness of the situation but I hope it will redouble its efforts to find a way to give some confidence to those farmers who are staring at their budgets and wondering whether it will be profitable to plant a crop.

Clause 3(c) of the motion refers to providing financial assistance to woolgrowers after 1 July 1991. I have not heard anyone put a figure on the level of assistance which should be provided or for how long that assistance should be provided, but clearly that section of the motion is designed to bring to the attention of members of this House the serious situation faced by the wool industry. The great wool industry of this country cannot be allowed to fold or to get into such disarray that it will take a long time to recover. The clear aim of this section of the motion is to draw attention to that.

I turn now to the suggestion that the Government interfere with the current tariff structure for electricity. There are a number of problems. Electricity in this State is too expensive. The rural consumers of electricity receive a significant benefit by way of the equal tariffs which apply State wide. I will not refer to it as a subsidy because that appears to upset the member for Stirling and the Leader of the National Party, but country consumers receive a significant benefit. I find some conflict between clause 3(d) of the motion, which suggests that there should be further support for country people in respect of the price of electricity, and clause 4, which calls for a fast-track industry development policy in rural areas. One of the significant costs faced by people seeking to establish any form of industry which requires power to drive it is the cost of that power. That part of the motion is a somewhat self-defeating proposal because it would see the cost of electricity increase in certain circumstances, but it also calls for more effort to be made to establish industries in country towns.

Mr Cowan: At the moment those people who are involved in business and in some commercial enterprise on the same premise are given one meter and they pay a commercial tariff after they have used more than 90 units of electricity a day. Why is the commercial tariff 50 per cent higher than the domestic tariff?

Mr THOMPSON: I understand that, but were it equalised there would at some point have to be an injection of money to compensate for the resultant loss of revenue.

Mr Trenorden: I gave a figure of where \$35 million will go into a shire and no money will be left. A lot of that is because of Federal and State Government charges. Many consumers pay a great deal in sales tax and stamp duty.

Mr THOMPSON: I understand that, but the States have to raise revenue in the way they do because they have to provide services, and were we to relieve one section of the community of the responsibility for paying those charges, whether they be for electricity or stamp duty, we would reduce significantly the services to people; or we would have to go the other way and require other people in the community to pay more for those services. It is not as simple as our saying, "Let us get rid of that charge", because Governments do not have any money of their own. They have only the money they take from us and from other people in the

community. We would introduce significant distortions were we to adjust charges such as electricity charges in that ad hoc way. I do not underestimate the seriousness of the situation but it is not as simple as just removing those charges, because that would cause problems somewhere else. We must remember that at the present time not only is the rural community feeling the pinch, but also many people in business and in the community. We would hear significant complaints from the community were we to endeavour to increase charges.

Dr Turnbull: We have not limited it to certain areas. We agree that all small businesses are being charged too much for electricity.

Mr THOMPSON: Does the member not concede that if we were to reduce the price of electricity to either a handful of people or to everyone, somewhere or other there would have to be an injection of revenue to make up the shortfall?

Dr Turnbull: Maybe the Government should not take so much from SECWA.

Dr Gallop: Then someone else would have to provide that revenue.

Mr THOMPSON: I will not pursue that. I am obviously having difficulty in finding the right words to convince the member for Collie.

I have had experience with country education, principally as a primary school student, and in recent years through the association of my daughters with the education system. Three of my daughters are secondary school teachers. All three of them either are teaching or have taught in the country. My eldest worked for three years in Southern Cross, my second eldest taught at the Eastern Goldfields Senior High School for two years, and my third daughter is trying to knock students into shape at Gnowangerup, so I am pretty aware of the circumstances which prevail in these country schools. Indeed when my eldest went to teach at Southern Cross she was the first to leave the nest, and members can imagine how she was cared for by her doting parents. We used to visit her quite frequently. It has always been my role at home to produce breakfast. She is a home economics teacher, and as a means of giving me an interest in her operations at Southern Cross, she invited me –

Mr Taylor: I do the same. I put the Weetbix on the table and I say, "Help yourself."

Mr THOMPSON: I go a little further than that. Until the cardiologist got hold of me, we used to have a fully blown breakfast. I was invited to go to that school and teach my method of producing bacon and eggs, which is unique.

Several members interjected.

Mr THOMPSON: No, members would enjoy my breakfasts. One of the things which amazed me was that of the 12 or 14 students in year 10, not one was a farmer's offspring. They were children of truck drivers, Aboriginal children, and a few others. The farmers' children were in posh schools in Perth.

Several members interjected.

Mr THOMPSON: That is a fact. I do not deny them the right to do that, but I highlight the fact that if country people used their secondary school services there would be more opportunity to expand the curriculum in schools.

MR TAYLOR (Kalgoorlie – Deputy Premier) [2.20 pm]: That last point is well made in relation to some of the aspects of this amendment before the House. I want to take the opportunity of addressing briefly some of the issues raised by Opposition members, and in particular the issue of delivery in relation to asking a State Government what it should and should not do.

I refer firstly to the comments made by the Leader of the National Party in relation to payroll tax. He indicated, and I agree with him, that it is an iniquitous tax, and given a choice, any State Government in Australia would be pleased to do away with it. However, let me remind the Leader of the National Party that that tax raises some \$550 million a year for State revenue, which is about 10 per cent of the total revenue of the Government. If we were to do away with payroll tax, as we would all like to do, we would have to find another source of revenue to make up the \$550 million, or we would have to find ways to cut down Government services to the tune of some \$550 million. When a member makes those sorts of suggestions he should take it a step further and indicate how the Government can cope with a 10 per cent slash in its revenue, either by raising other funds or by reducing expenditure.

Mr Cowan: I shall do that now. You tell me how members of the agricultural community can cope with a 60 per cent reduction in revenue.

Mr TAYLOR: That is not the answer, and the Leader of the National Party knows that it is not the answer.

Mr Minson: It may not be the answer, but it is the issue.

Mr TAYLOR: They are both hard. I realise that one is as difficult as the other. The Leader of the National Party is the person who made the suggestion that we should do away with payroll tax. I am saying he should take it a step further and indicate where we can cut expenditure or raise additional revenue.

The Leader of the National Party and his deputy both raised the issue of farming being the area of our economy which is in the business of creating wealth. The Leader of the National Party suggested that putting money into the building of homes was not a form of wealth creation in the economy. I must disagree, because when we talk about building homes we must remember the timber which goes into those homes, the bricks and the labour which go into their construction, and the manufactured goods for those homes. In each and every way the people involved in that process in the economy are involved in wealth creation just as much as are the farmers. It does little good to say that one aspect of our economic life does not assist us or does not make jobs whereas the other is far more important.

Dr Turnbull: What about the imported content?

Mr TAYLOR: If we look at home building in Western Australia, that is not the case.

Dr Turnbull: It is.

Mr TAYLOR: Look at the bricks, the cement, and even the white goods. The overwhelming majority are made in Australia. Apart from the flashy, imported kitchen units, most of those white goods are now built in Australia. If one wanted to buy a very expensive stove or something like that, one might buy an imported one, but the ordinary household white goods are manufactured in Australia, and that is a very important point.

Mr Cowan: You have given to one section just under \$300 million worth of assistance.

Mr TAYLOR: What we are saying –

Mr Cowan: If you took the agriculture budget into account you have given them \$70 million.

Mr TAYLOR: The Leader of the National Party is wrong. We are giving them the support to build homes. I do not see how the Leader of the National Party can build a case by tearing away the bricks from other aspects of our economic growth. We must say that what we have done is good and we must build on it.

Mr Cowan: It is bad.

Mr TAYLOR: I want to come on to the issue of the effect of the recession on the rural economy. I agree with members on the Opposition benches and our own members who say agriculture is of tremendous importance to the welfare of Western Australia. I suppose we realise how important agriculture is only when it is in difficulties. That is the case with many things. Only when things are in difficulties do we realise how important they are to our personal welfare or to the welfare of the State as a whole. That is certainly the case in Western Australia.

The member for Warren raised the issue of the impact of vegetable imports on growers in the south west of the State. If we are to delude ourselves into believing that as an export orientated nation what we can do is export to the world –

Mr Clarko: We are import orientated now.

Mr TAYLOR: No, we are not.

Mr Clarko: Yes, we are. That is why we have a \$1.5 billion deficit each month.

Mr TAYLOR: Let me finish. If we believe that we can export to the world without saying to the world, "You can import into Australia," we will be the losers. It is accepted that the business of trade must be, by its very nature, a two way street. If we were to say to producers in Australia that it is fine for us to criticise the European Economic Community, the USA

and Japan for their tariffs against imports, while at the same time thinking we can protect our own home grown economy and have those people believe that they can get away with it, we are living in some fool's paradise; we are deluding ourselves.

That is the very clear message from the industry statements made by the Prime Minister, the Federal Treasurer and the Federal Minister for Industry, Technology and Commerce a couple of weeks ago. All Australians must realise, as do the vegetable growers in the south west, that a clear message has been delivered; that is, all nations, including Australia, need to recognise that some nations have very low production costs. For example, some vegetable producing nations may have the opportunity to dump their product on the Australian market at a cost which is most unrealistic. If that is the case, a submission should be made to the Federal Government; it should act quickly to ensure that the necessary anti-dumping provisions are put in place. If the member for Warren has a case regarding producers in the south west, and if he believes that vegetables are being dumped on the Australian market, he must act quickly to ensure that that cannot be done.

Mr Clarko: Would you go further? What about the citrus fruit coming from America to Australia; that is not dumped, but it is still imported. What about the strawberries from Spain?

Mr TAYLOR: The member is missing the point. Let us assume that the produce is not dumped and is imported quite properly. In that case, the citrus producers must meet the problem head on.

Mr Clarko: I disagree.

Mr TAYLOR: The member may disagree. However, the next aspect to which I refer is that of subsidies paid to agricultural producers in the United States of America, the European Economic Community and Japan. The policies adopted by these countries not only harm nations like Australia when trying to compete against the subsidies, but also the subsidised nations themselves. In 1988 – these figures are fairly old and the situation has become worse – the annual cost to taxpayers in industrialised countries throughout the world as a result of subsidies was US\$200 billion. These are the types of subsidies the member is suggesting we should be giving to citrus fruit growers. It amounts to an enormous cost. On the other hand, through the current trade negotiations it may be possible to liberalise those subsidies, particularly in relation to food, and we would see a net economic benefit throughout the world. The liberalisation of these policies would create a \$2 billion benefit each year for Australia. The net benefit to the EEC would be \$18 billion; for Japan it would be \$20 billion; and for the United States of America it would be \$3 billion a year. An enormous system is in place in the EEC, Japan and the US, and these countries have greater economic power than we can ever dream about.

Mr Clarko: They will not change.

Mr TAYLOR: They will change.

Mr Clarko: The French will not change.

Mr TAYLOR: They are changing. But, these countries will not change if, as suggested by the member, we flounder by adopting the same measures.

Mr Clarko: I said "selective control".

Mr TAYLOR: It does not matter whether it is selective. These countries have controls on food items because that is where the political influence lies. If we follow a similar course, we will certainly be the far greater loser. We must convince these nations that change will not only benefit Australia, but also themselves.

Mr Cowan: I am holding two books. One is on exports and the other is on imports. Can you guess which one is which?

Mr TAYLOR: Yes, the thick one is on imports.

Mr Cowan: That's right.

Mr TAYLOR: If we believe that Australia should adopt similar measures, as suggested by the member for Warren, of tariffs and other protection measures, we will be the great losers. The Federal industry statement made a couple of weeks ago focused directly on exports.

Australia must do this. However, members should not kid themselves because when focusing on exports we cannot ignore our ability and duty to import. If we expect China to buy our iron ore, we must be expected to import Chinese shirts.

Mr House: If you want to apply that philosophy to agriculture, would you also apply it to the labour market?

Mr TAYLOR: In what way? Our labour market prices are competitive.

Mr House: Let us free up the market and see how competitive it is.

Mr TAYLOR: Australia has one of the most competitive labour markets in the industrialised nations of the world.

Mr Clarko: Nonsense!

Mr TAYLOR: It is not a nonsense. We are now manufacturing video recorders and television sets in the Eastern States which are being exported to Japan. We are manufacturing motor vehicles and components for export to the rest of the world. We are able to do that because of the dramatic changes in the labour market in recent years.

As the member for Stirling would agree, when Australia has dealt with these issues on the international scene in the past, and when telling people what we expected from them, we have not been as tough as we could be. The United States might have said to Australia, "We are only responding to the enormous protection measures applied by the EEC and Japan; do not blame us, it is all their fault. We are trying to protect our farmers and we do not have much influence in the European community." Australia could go to the United States and play it as tough as possible. We have not done that in the past.

Mr Clarko: There would never have been an Australian manufacturing sector if not for protection.

Mr TAYLOR: The member for Marmion is talking about the history of the Australian manufacturing industry of two decades ago; he is talking about Australian manufacturing which could not compete; he is talking about a history of failure. It is time that people like the member realised that those policies were a failure. As a nation we must address the issues to make our industries competitive – this is what the Federal Government is doing. We must do what we do best. Members opposite are kidding Australians if they say that over the next decade we can set up similar protections for manufacturing. These protections, as applied in the EEC, Japan and the United States, are what we are rightly complaining about. If members opposite believe we can do that, they are living in a fool's paradise. People like Mr Blewett should be going to the United States and playing tough. We have played nearly all of our cards, but we have one last card to play; that is to say, "You have a very important base at Pine Gap in Australia, as was indicated in the war in Kuwait, which plays a critical role regarding intelligence gathering. Not only are we your friends who will stand alongside you when asked to do so – within 24 hours in the last instance – but with the friendship comes a responsibility that we will be treated well."

We should be saying to people that is our last card – the last ace in our hand – that we do not really want to play it but we are playing it now and that unless they are prepared to make the necessary changes they will have to take their bases out of Australia. Only then will those people realise that we are serious. Having said that, I do not want to deviate from the point I made earlier that people – like some Opposition members – would have Australians believe that we can live in a fool's paradise protected from the rest of the world. They are out of touch with reality. We must acknowledge that the future of this nation is related to exports and to our trading partners. We must say to them that not only do we want to export to them, but we also must find ways of ensuring we have the ability to buy what they produce, otherwise we will be doing what politicians have done for years – to kid the people that those past policies have worked. They have not worked; they will not work; they are not the way of the world in the next century.

The SPEAKER: Order! A bad practice is developing in this House where members with a point to make think it is all right to shout over the person on his feet. It is not all right and it must stop. Members ought to make a conscious effort during this session to remove that practice from the House because it is very bad.

MR MINSON (Greenough – Deputy Leader of the Opposition) [2.40 pm]: I feel a sense of

deja vu because once again I address the crisis facing the rural industry. In fact I mentioned it in my maiden speech and have probably spoken about it half a dozen times on separate motions since then. I have a funny feeling it will not be the last time.

To some extent I have a pecuniary interest in seeing this motion pass because yesterday I was placed in the invidious position of having the people who lease my property say to me they were sorry but they could not pay the lease. I then had to advise the bank that I could not make payments. Even though, to some extent, I am insulated by being a member of Parliament it can be seen that the crisis touches people who have another occupation. I would probably be among the most mildly affected people, so members can imagine the effect it is having on some people. Fortunately, I can cut my lease in half and have managed to negotiate with my creditors that I meet my debts on an interest only basis until the situation improves. However, many people are already doing that and have nowhere else to go.

Today a Morawa farmer – one of the people who was here a couple of days ago – offered me a budget from his farm which he was prepared to allow me to table so that it could be scrutinised by the House. I felt there was no point in causing him and his family the indignity of that disastrous situation being made public so I declined the offer. However, he had been an efficient farmer for a long time and had made some sensible investments and has already weathered some rather difficult times in the eastern part of my electorate. That area has had a number of droughts in the past 15 years and I think the downturn of the 1980s weeded out the bad managers. However, we are not now talking about bad managers, we are talking about people who are locked into a situation which is not their fault and from which there is no reasonable escape.

I refer to point (3) of the amendment relating to the \$150 a tonne guaranteed minimum price recommended by the National Party. It is true that we should not have been placed in a situation where the State Parliament must consider the question. It is quite rightly the province of the Federal Government. Exports are under its control. The laws governing the marketing of wheat, particularly exporting, are under its control. Primary taxation in this country and the distribution of moneys collected is constitutionally the province of the Federal Government. There is a certain risk in this House voting on, and the Government agreeing to, the \$150 guaranteed minimum price. However, I see no short term alternative. The risk of course is that the amount of money involved forms a far greater percentage of the Western Australian budget than it does of the Australian budget. Consequently, there could be problems if the arrangement becomes ongoing. As I said, I can see no alternative.

There are four main reasons for taking this extraordinary step; Firstly, it is the best way to help the associated wheat growing area businesses. Not only the farming fraternity is hurting, but also virtually every business operating in country areas is affected as are quite a number of people who operate businesses in the city, but who rely on country areas for much of their turnover. Secondly, we should examine the consequences of not taking this step: Businesses will close and I am afraid history shows that when businesses close in small towns the people concerned, having had their fingers burnt, will not return. There is a real possibility that farmers will begin to realise they can shut the gate and say to the creditors the farm is all theirs and walk away. That will rob this country of people who are best equipped to pull us out of the problems in which we find ourselves. We ought not to forget that. Furthermore the businesses which rely on those farms will close. It stands to reason that many of those farmers who walk off the land will have no training in other areas. The Government will therefore have to pick up the tab for their retraining or providing them with unemployment benefits. The number of children attending country schools will decrease resulting in a decrease in the number of teachers thus lessening the incentive for people to not only move to the country, but also to remain there. The spiralling decrease in population would be a disaster.

Probably one of the best and most substantial arguments in favour of this motion is that some months ago, the Australian people – I understand 86 per cent – made a statement through the Federal Government, which I supported, that they did not approve of Iraq's invading Kuwait. However, we must look at who has borne the cost of that stand. It is all very well for one to make these moral statements, but another thing to back them up with one's cheque book. Primary producers in agricultural regions have borne the brunt of that statement. The agricultural regions of Western Australia can quite properly turn to the Australian public and

say, "You made a statement through the Government; I believe it is incumbent upon you to help us bear the costs that you have precipitated by taking that action."

Fourthly, the world price reflects a subsidised situation. The domestic price control was removed from the Australian wheat industry a year or two ago. I suggest that the price that the domestic market is now paying reflects that subsidised price so that, not only are the Australian farmers competing on a subsidised market overseas, but so also is the rest of this society by allowing the domestic market to buy wheat at a subsidised world price. Those four reasons sum up why we can do it and why it is justifiable.

Before I move from wheat, I reiterate that this is a Federal Government obligation. There will be problems in this State if this arrangement of underwriting goes on for a long period. This House – I say "this House" quite deliberately – and not the Government should move as quickly as possible and take representatives of all parties to wait on the Prime Minister, the Minister for Primary Industries and Energy and, hopefully, the Treasurer to get them to reintroduce some form of sensible underwriting, preferably on a three year average. It would also be reasonable to ask them to underwrite the speeding up of payments from past pools to give some relief to farmers who have suffered an appalling decrease in their income from wheat this year.

Paragraph (3)(c) of the amendment refers to wool and whether the State should move to help that industry. It is inevitable as time goes by, unless something happens in the Federal scene, that the State will have to take some form of action. I confess that the question arises in my mind as to what we should do. A vexing situation confronts this industry. Firstly, there is a stockpile of mammoth proportions. That is a national problem.

Mr Cowan: It was bigger directly after the second World War. It took five years to reduce it.

Mr MINSON: I think it will probably take four or five years to clear this one.

Mr Cowan: Not if it is marketed properly. We have lost 50 per cent of our market share in apparel wear. The actual increase in wool production as a world fibre is two per cent per annum for the past 10 years. Wool has retained five per cent of its share of the fibre market, but has lost 50 per cent of the share in apparel wear which indicates we have a marketing problem, not a production problem.

Mr MINSON: I will move on to that later because the loss of the market share is important. We have a greater problem now than the post war years because of the great inroads that have been made by synthetics.

The first problem confronting us is the stockpile. Factories overseas have changed their milling and looming equipment already to handle synthetics exclusively. Apparently the change back has to be a conscious effort and will be expensive and very few of them, if any, are prepared to make that change. Secondly, the Iraq situation and the regrettable events that occurred in Tiananmen Square in China are being reflected in the wool market in Australia. Australia made a statement through its Government about the situation in Iraq, just as it made a statement about what happened in Tiananmen Square. Nevertheless, it is incumbent upon Australians to understand who has borne the brunt of the decision to make that statement – once again it was the agricultural industries and, in particular, the wool industry.

Thirdly, there is a glut of oil on the world market at the moment. It was interesting to see a week or two ago that the Organisation of Petroleum Exporting Countries moved to limit production of oil and therefore to prop up the price. I suggest that we may see the raw materials for synthetics become even cheaper as Iraq and Kuwait begin to reconstruct their countries, put out their oil fires and get back into production. The OPEC agreement will be broken and the world will, for a period, have a very cheap supply of oil and therefore a very cheap supply of raw materials for synthetic manufacture.

I do not have an answer to the wool problem. The problem is one that will take a lot of negotiation and thought to solve. I reiterate it will have to be a national response to a national problem to do something sensible with the stockpile. Perhaps the answer lies in credit sales to our customers across the board and certainly in trying to seek new customers who will be prepared to take Australian wool if we extend them credit. China and India are two of the countries that spring to mind. We certainly must streamline the passage from Australia to those markets.

The Leader of the National Party referred to the decrease in the market share that the wool industry has experienced. Perhaps the promotion of wool products has not been done in the right way in Australia and throughout the world. Marketing efforts – they are considerable – consume a significant percentage of the gross wool clip of Australia through newspaper advertising, fashion parades and that sort of thing. We should be directing that money to the coal face and the coal face is the shops. We often find in supermarkets some brand lines being pushed by the shopkeeper. He does not push those lines because he likes the brand; he pushes them because manufacturers give him incentives. The wool industry has not done that. Perhaps the promotion of wool would be better directed to getting retailers to push wool products to make sure that we retain our proper market share.

I am concerned about how we might help the wool industry. Because of the stockpile problem, the solution will be beyond the resources of this State except in a small way. For that reason, I approach this area with sympathy and with some trepidation. Certainly, the pastoral areas of this State rely entirely upon wool and if we see a recovery in the wheat market in the short term and if the meat market picks up and lupins remain fairly solid or even gain, there will not be a case to subsidise wool production in those areas that can have mixed farming. Certainly we must then look at the pastoral areas which have no alternative. That support may well have to be in forms other than direct subsidies and be directed specifically to certain areas of this State. It may have to take indirect routes, through rebates and taxation incentives. If we remove the demand driven component that puts a cap on production we shall be in danger of taking the restraints off production. As a woolgrower I desperately want to help the wool industry, but I approach with some trepidation anything that encourages production without regard for demand.

I refer now to education in rural areas. This is a subject close to my heart; firstly, because my wife Margaret and I both have the dubious benefit of being educated to university level, which certainly has done us no harm and at times throughout our farming career has put us on a very comfortable footing. Secondly, I have four children, and together with my neighbours I am confronted with the very difficult problem of what to do with our children when they reach the secondary level of education. As a general rule, primary education in this State is in pretty good shape; secondary education is patchy, especially at the upper secondary level; and the entrance cutoffs to tertiary institutions in this State are geared specifically to Tertiary Entrance Examination results. Consequently people in country areas will do almost anything to make sure their children are given the right opportunities. Until recently that has been possible. The time has come when those people can no longer afford to avail themselves of boarding institutions in country towns served by local high schools. I take issue with the member for Darling Range and his comment that many children from country areas are being sent to private boarding schools in Perth. On behalf of the Liberal Party, I support the amendment to the motion.

Amendment put and a division taken with the following result –

Ayes (24)

Mr Ainsworth	Mr Grayden	Mr Minson	Mr Trenorden
Mr Bradshaw	Mr House	Mr Nicholls	Mr Fred Tubby
Mr Clarko	Mr Kierath	Mr Omodei	Dr Turnbull
Mr Court	Mr Lewis	Mr Shave	Mr Watt
Mr Cowan	Mr MacKinnon	Mr Strickland	Mr Wiese
Mrs Edwardes	Mr Mensaros	Mr Thompson	Mr Blaikie (Teller)

Noes (27)

Dr Alexander	Dr Edwards	Dr Lawrence	Mr D.L. Smith
Mrs Beggs	Dr Gallop	Mr Leahy	Mr Taylor
Mr Bridge	Mr Graham	Mr Mariborough	Mr Thomas
Mrs Buchanan	Mr Grill	Mr McGinty	Mr Troy
Mr Catania	Mrs Henderson	Mr Pearce	Mr Wilson
Mr Cunningham	Mr Gordon Hill	Mr Read	Mrs Watkins (Teller)
Mr Donovan	Mr Kobelke	Mr Ripper	

Pairs

Mr C.J. Barnett
Mr McNee

Dr Watson
Mr P.J. Smith

Amendment thus negatived.

Debate (on motion) Resumed

MR KOBELKE (Nollamara) [3.07 pm]: When moving the Address-in-Reply motion my colleague, the member for Balcatta, referred to the importance of housing both in a social sense and an economic sense to Western Australia. I would like to take up this matter as it is certainly a very important one to the residents of the electorate of Nollamara. In many ways the electorate of Nollamara is representative of the whole metropolitan area, having suburbs which range from having very high cost housing through to Nollamara, where I live, which has some of the cheapest housing in the metropolitan area because of its large stock of old fibro homes. In my area I run across a great number of people who draw to my attention the importance of housing, some of the things that need to be done, and many of the very good things this Government has done to assist people to gain access to permanent housing and move into a home of their own.

The standard of homes in Western Australia is very high and I am sure that when members have shown visitors from other States and overseas around they have commented on the high quality of housing in Perth and other parts of Western Australia. That is due to a series of influences and I do not intend to canvass them here. The economic climate, the general affluence of our society, the very high standard of the construction industry in Western Australia, and other things are contributing factors. People of moderate to good income can afford to fend for themselves and provide a good standard of housing for themselves and their families. The Government assists those people in some ways, but they are not the matters I wish to concentrate on today. At the outset I shall say a little about why housing is so important.

Members on both sides of the House often say things in support of the family, but housing is a very clear and concrete example of how a Government can put in place policies and programs which directly contribute to the stability and welfare of our families. I am proud to be a member of a Government which since 1983 has done so much to assist families by providing both high standard and stable accommodation. That is extremely important to the quality of life of families in Western Australia. When people have to continually move to a different home, even if only a few suburbs away, it is most disruptive to young children, who must change schools or undergo difficult transport arrangements from one area to the area where they go to school. Community organisations, whether they be sporting clubs or service groups, benefit from the stability that is provided when families have secure accommodation. Those factors flow through into the cohesion of our local communities and are reflected in the crime rate and the general quality of life experienced by people in Perth. It is no wonder that when the current Labor Government came to power in 1983 it gave priority to housing, and from the time of the then Minister, Keith Wilson, through to the current Minister there has been an ongoing program to tackle the problems and to try to provide the necessary services.

The situation that we had in 1983 unfortunately reflects in many ways the situation we have today. The previous debate about the rural sector is obviously not lost on the residents of Perth. It is like many good things: It is only when we lose them or there is the threat that we will lose them that we realise how important they are. The residents of the metropolitan area are well aware of the problems being experienced in the bush, and regardless of whether they have direct personal contact with the farming community, there will be a spin off for their quality of life, even though there may be a bit of a time lag, and people in Perth will experience similar problems, although maybe not as extreme. That will affect the ability of families to maintain their standard of accommodation. In 1983 when we faced a similar problem the Government not only set about addressing the real needs of families for housing but also saw in the provision of housing a way of stimulating the economy and providing jobs. That situation is not dissimilar to the current situation. That point was raised by the member for Balcatta when he urged the Government to stimulate the building industry in order to provide more jobs. This Government has been both imaginative and creative in approaching this problem and in trying to find ways of dealing with an economic situation

which is continually changing. We were all very appreciative of the Federal Government when it introduced the first home owners' scheme. That scheme has been of great benefit to many families in Western Australia. For a number of reasons, which I do not wish to go into now, that scheme has been discontinued, and while that was a pity, the fact is that for many years a large number of people were able to benefit from that scheme.

Since 1983 the State Government has reorientated the direction taken by Homeswest. The changes that have taken place have been far greater than just the change in name from the State Housing Commission to Homeswest. Homeswest's building program has been expanded severalfold so that the number of new constructions is several times that which was undertaken by the previous Government. The Government has done more than just expand the housing program. It has moved to ensure that the quality of that housing is improved. The Government has undertaken an extensive maintenance program and an upgrading of existing Homeswest stocks, which at the present time account for about 34 000 homes or units in Western Australia. That is a major undertaking and one of which I know those people who are familiar with Homeswest properties will be aware.

In my area of Balga we have the older style of Homeswest flats. The change in policy and direction of Homeswest is reflected clearly by the fact that the present Government has not attempted to reproduce that type of low cost housing which groups into one small area a large number of people who qualify for Homeswest housing. That leads to all sorts of problems, as I know the member for Morley and members in the area that I represent are well aware. This has been a significant step forward by the present Government. In the streets where I live, there is a mixture of private residences, with private owners, and Homeswest properties which are owner occupied and rental. I am happy to live in that suburb. It has a community atmosphere, which is also being generated in many other areas. That was not achieved easily. In the early days there were a lot of prejudices against Homeswest tenants going into areas which had previously had privately owned residences. Part of the program of convincing people about the value of integrating Homeswest accommodation with private ownership involved improving the quality of that accommodation.

One example of that improved quality is the pensioner units which Homeswest is now building. Four different blocks of Homeswest pensioner units have been built within a few hundred metres of my home. They are very different from the pensioner units just a few streets the other side of my home which were built 20 to 30 years ago and which are obviously regarded as inferior to the new standard of accommodation being constructed. Not only has the standard of pensioner accommodation been improved but also there has been an increase in the number of units of pensioner accommodation. This reflects the growing need for that type of accommodation because of the general ageing of our population. That change in the demographic distribution indicates not only that a greater number of pensioners will require accommodation but also the trend is likely to continue and accelerate. In view of that need, the Government has made a significant contribution to increasing the stocks of pensioner accommodation which Homeswest can offer.

On previous occasions the Opposition stated that it was very unimpressed that Homeswest accommodation was being built in certain suburbs. I find it difficult to understand that point of view. If Homeswest accommodation were to apply only to certain people who were to be bundled up and pushed away into ghettos, I could understand why members opposite might not want Homeswest accommodation in some suburbs.

Mr Strickland: The objection was not to the suburb but to the amount of money paid for the land, which took away resources from building more homes.

Mr KOBELKE: The member for Scarborough makes a good point about the judgments which must be made about the value of the land which will be used for Homeswest accommodation. I am making the point that one must have a mix. While it is possible to gain cheap land in some suburbs, it is not possible to gain bottom of the market land in a whole range of suburbs. I am not suggesting that we pick the top two or three suburbs in terms of value and put Homeswest accommodation in there, but we are talking about a range of suburbs, and it is proper that we have Homeswest accommodation throughout those suburbs. If members could point out one or two examples of where Homeswest could have bought land a bit cheaper, they would simply be nitpicking to suggest by that Homeswest was not doing a good job. Homeswest has stocks of about 43 000 units of accommodation,

so we are dealing with a huge undertaking which on the whole is producing a high standard of accommodation in a most cost effective way. It would be nitpicking to pick on one or two and say that they missed the mark. It is surely reasonable that within a large organisation one or two areas are not as efficient as one would hope.

Mr Shave: Does the member think that we have the responsibility to highlight that, if it happens?

Mr KOBELKE: To be fair we should consider what Homeswest does. We should look at its full range of achievements. We should break away from the ghetto mentality applied to Homeswest housing when such housing is located in areas at the bottom of the market. We should attempt to find suitable properties across a range of suburbs.

Mr Shave: When have we indicated that?

Mr Leahy: The member for Applecross last year put that case.

Mr KOBELKE: The member for Melville draws my attention to the time when that statement was made. I quote from *Hansard* of 19 June 1990. The member for Applecross stated —

It comes down to the misguided belief that Homeswest should compete with the private sector and house those people who need to live in Homeswest housing at a standard comparable to the private sector . . .

Ordinary people eligible for Homeswest housing have every right to live in housing comparable to the private sector. They have not only the right to that standard of living but, as I said earlier, they should be able to expect the integration of Homeswest housing into a wide range of suburbs and to receive the considerable social benefits upon which it is difficult to place a value. It would be of considerable economic benefit to the State and to the quality of life of the residents of Homeswest properties were this so. If we integrate Homeswest housing into other suburbs people will benefit from standards comparable to the private sector. That is what Homeswest is doing, and in my opinion it is doing it very well.

The overall building industry in Western Australia is of a very high standard. While it is affected by a whole range of factors we have been able to maintain home loan affordability in Western Australia which is better than most States, if not the best. According to publications put out by the home loan affordability group — that is, sponsored by the Real Estate Institute of Western Australia — Western Australia has the lowest rate. Many factors are involved but people benefit because Western Australia does better than other States in this area.

In the Governor's recent Speech he stated —

In 1991/92 the State can expect falling inflation and interest rates and a gradual recovery in the home building and retail sectors.

Two recent Government initiatives have been designed to stimulate the home building industry as well as provide social benefits.

They are expected to generate 15 000 jobs in the housing construction and related industries.

So the Government this year continues with the process it began in 1983 when it accepted that housing is a crucial part of the needs of ordinary families in Western Australia.

Homeswest accommodation in older areas is a continuous source of problems for residents. While an improvement program has been implemented to address some of the problems it is still a matter of concern that much remains to be done. It is difficult to take existing accommodation stock and attempt to meet such a great demand; that is, to bring it up to the standard which we would like to maintain. Homeswest battles with the problem and continues to make some inroads.

I express my appreciation to a group in Balga which has worked to improve the surroundings of Homeswest flats, and to bring together the residents to develop the community and support one another. The Balga Homeswest Tenants Committee is a small group led by Bernie McCallum, and includes Len Garcia, Sandra Buswell, Earl Gulliver, Vera Dunn, Jan Tulloch and many others. These people try to improve the area in which they live. Vera

Dunn celebrated her 91st birthday a few weeks ago and a party was held by the residents of the block of flats. Vera has lived in those flats for almost 20 years and is always a cheerful soul. She has been a friend to many people and helped them develop a community spirit in the area. Many such people make a great contribution to these areas, and not only to the immediate area where they live. Bernie McCallum has been involved in assisting people in another part of Balga and more recently at North Beach. He has assisted people to establish similar Homeswest tenant committees. I publicly acknowledge the great job he and his committee have done and continue to do.

Current programs have attempted to address the desire for home ownership and have done so with a large degree of success. The Homeswest Keystart Housing Scheme is one of the latest housing initiatives released by the State Government through Homeswest. The first loan was approved in April 1989. More than 3 700 families have been assisted with approved Homeswest Keystart loans. On average, each Keystart approval amounted to approximately \$71 000. Homeswest Keystart loans are available to households earning between \$300 and \$800 per week gross income. These Keystart loans are available only to intending owner-occupiers. An amount of \$300 million is available for lending through the Homeswest Keystart Housing Scheme during the year ended 30 June 1991. Homeswest Keystart loans are available to purchase an established home or to build a new home. Presently, the maximum value of house and land package is \$110 000 and the maximum loan available is \$80 000. The Homeswest Keystart Scheme will lend up to 95 per cent of the valuation or \$80 000, whichever is less.

The second State Government scheme is the 1000 homes package, referred to in the Governor's Speech. Homeswest in consultation with the building industry has formulated a house and land package whereby Homeswest will defer a percentage of the sale price of the land, say, between \$5 500 and \$11 000, depending on the location of the block, over three years. No interest will be paid on the deferred payments to Homeswest. In addition, the scheme would involve mortgage protection insurance and will also provide borrowers with a \$1500 cash rebate payable seven days after the laying of the slab. The aim of this package is to stimulate the building industry while giving the new home purchaser a significant saving on the cost of purchasing a new house and land package in the first three years.

Another scheme is provided for in the Housing Loan Guarantee Act. For over 30 years the Government has been providing guarantees to terminating building societies to obtain housing funds from banks. The Government has also provided an indemnity to the societies to cover them against borrower default, saving each moderate income borrower approximately \$1 000 in mortgage insurance. The amount of funding raised under the Act has risen dramatically in recent years from \$10.4 million in 1984-85 to \$55.25 million in 1989-90.

A further scheme to assist people is the recoupable deposit assistance scheme. Following the Commonwealth's Budget decision to abolish the first home owners' scheme a residual program was handed to the States providing Homeswest with up to \$1.3 million for 1990-91 and up to \$2.1 million for 1991-92. The recoupable deposit will assist Homeswest customers who have inadequate deposits, but who can meet the other strict requirements for a Keystart loan. The final scheme I wish to mention is the new shared equity scheme. Homeswest is working up a proposal which will replace the current home purchase assistance schemes with a new scheme. The current schemes are no longer appropriate due to increases in property prices and the loss of concessional Commonwealth loan funding.

Those examples are clear evidence of the very keen way in which the Government has pursued the needs of families in Western Australia and is providing opportunities for home ownership and secure accommodation in Homeswest rental properties. The Government has also, through successive Ministers for Consumer Affairs, tried to give assistance to both home buyers and to tenants in various measures. In the time available to me I will briefly list some of these initiatives.

The Government has progressively extended the areas covered by the Builders Registration Board of Western Australia. This gives home buyers the security of knowing that the quality and standard of work provided will meet that required by the Builders Registration Board. The Government has continued to extend the areas which are covered. Another initiative is the provision of standard building contracts. A Bill to this effect has passed through the

Legislative Assembly, and I hope it will soon complete its passage through the other place. This will provide a minimum standard for contracts and will lay down the basic ground rules so that when people undertake to establish their family home – a major step in the lives of most people – they will have some guidance in the drawing up of contracts, something of which most people may have no previous experience.

The Minister for Consumer Affairs has pursued, with the other States, the establishment of uniform credit legislation so that in entering into very large mortgages to finance a home, a family will have a much clearer understanding of the costs involved in that mortgage. That will make it possible to do a comparison with the mortgage agreements that may be offered by various banks and other lending institutions. A difficulty at the present time is the many types of mortgage contracts which may be offered with add-on costs and various hidden costs which a person may have difficulty understanding.

Another initiative of which this Government can be very proud is its work with the retirement village industry to establish a code of practice. This has been a voluntary code and the Government will be moving this session to provide legislation so that it has a statutory framework in which to work. In my electorate, which has a large number of elderly people and new retirement villages, this is of concern to me. Only last week I had people coming to me who some years ago moved into a retirement village. They explained the very difficult situation in which they found themselves because the developer of that retirement village has not honoured the undertakings which he gave to the residents. With legislative support for the code of practice we will find that elderly people who look to spending a certain number of years in a retirement village and enjoying the lifestyle and security that offers, will have a legislative framework and code of practice which will help to ensure that stability and security. Finally, the Residential Tenancies Act, which was passed in 1989, provided a new framework for the relationship between landlords and tenants which clearly sets out their rights and obligations, and helps to provide a mechanism for resolving conflicts if they arise. It is a very great contribution to assisting those people who find that, either through choice or necessity, they are in private rental accommodation.

The points I have outlined show that this Government, in saying that it supports families, has not left the matter at the stage of rhetoric. It has followed through with very comprehensive programs to help people to obtain secure accommodation, whether it be rental or home ownership. The number of programs has continued to increase to try to meet the changing needs of the time so that as many people as possible have the opportunity to secure their own home.

The last thing I would like to mention in passing is that while the Government has a very proud record in that area, it has not overlooked the needs of those people who have not been able to establish secure accommodation. The supported accommodation assistance program and the crisis accommodation program, which are State and Federal jointly funded programs, are very effective and large programs which provide crisis accommodation for those people who find themselves without secure accommodation. While in the past it has been left to church and voluntary organisations to provide that level of assistance – and they continue to do so – Government funding through a well thought out and administered program has enabled those services to expand and become far more secure in their existence so that they can better meet the needs of people who, unfortunately, only for a short time find themselves without secure accommodation. A key objective is to help people when they do find themselves in crisis accommodation to move back into secure long term accommodation, and Homeswest in some of its new initiatives has been very helpful in providing assistance to such people.

MR MENSAROS (Floreat) [3.37 pm]: I will start with a subject which has emerged several times during the past two or three years – in a critical sense perhaps – and indeed it was mentioned only yesterday by the Leader of the Opposition and the leader by seniority of the Independents, the member for Darling Range. The subject is the increasing use of the power of the executive arm of the Government, particularly in connection with and over the Legislature. Many people have criticised the fact that most of the legislation comes into operation via proclamation, in which case the delegated authority of the Legislature to the executive arm of Government was often misused, because an Act of Parliament could have been agreed to by both Chambers of this Parliament and the Monarch's representative, yet very often the Government, the Executive, held up an Act or part of an Act from coming into

operation for entirely administrative or bureaucratic purposes. Such an excess of executive power was, of course, the untimely prorogation of Parliament which happened before this session for the second time in the history of the Western Australian Parliament; instead of proroguing the Parliament a week or so before the new Parliament was to be opened it was done soon after the old one had risen for pragmatic reasons and in the interests of the executive arm of the Government, not the community.

Yesterday the Leader of the Opposition mentioned that nobody had paid tribute to the recently retired Jeff Carr. This comment was perhaps perceived as hypocritical by the other side of the House because it was stated that he did not get much praise during the time in which he served. Jeff Carr would not have expected any tributes because it is not the custom of the Parliament to pay tribute to any retiring member, no matter how excellent they were. Sir David Brand, Hon John Tonkin and Sir Charles Court all retired during my time in this Parliament and no function was ever given to pay tribute to their services. If a servant of any department in the Parliament retires after four or five years of service a party is held in the dining room for him as an expression of appreciation for his services. That is not done for members; they do not appear to be regarded as important; or perhaps they are considered to be important only by their own parties. Be that as it may; that might be the custom.

However, I do not understand – and this has no connection with Jeff Carr or any of the other members of Parliament I have mentioned – why prominent servants of this Parliament are not commended by the Parliament for their services. An example of one person who should be congratulated for his services is the Ombudsman, Eric Freeman, who retired before Christmas. He was one of the best people to have served in that office; he was ideal for the position. Eric Freeman was always objective and uninvolved in partisan matters. He started his career as a legal officer with a major oil company and then went to work at the Crown Law Department in Western Australia. From there he was seconded to the then Department of Industrial Development and I had the honour of working with him when I was Minister. I witnessed his neutrality and objectivity in a role which did not really require it when he participated in negotiations concerning State agreements. The Liberal Government at that time introduced a large number of State agreements every year, as opposed to this Government. Instead of representing his client – the Government – in these negotiations Eric Freeman always started to explain the benefits and disadvantages to be derived for the company concerned and the benefits and disadvantages to the State. Having experienced this I always made sure that I sat next to him so I could give him a kick in the shin when he detailed such matters too objectively. That is one example of how Eric Freeman was the ideal man for the position of Ombudsman; he was always objective and neutral.

I make these comments with sincerity despite the fact that I was, and I still am, critical of the office of Ombudsman. I made a major speech against the creation of the office of the Parliamentary Commissioner when it was introduced by John Tonkin around 1969. I was not against the principle that the bureaucracy should be checked; that excesses of administration should be kept in balance thereby, allowing the interests of the people to be preserved. My opposition to the creation of the office of Parliamentary Commissioner was that it was a superfluous office. At that time there were 51 members in the lower House and 30 members in the upper House, and those 81 people should have been able to do the job for which the special office of Parliamentary Commissioner was established. The creation of that office meant that staff had to be added and it created a further expense for the taxpayer. That was the job of the parliamentarian. Now that every member receives the benefit of an electorate office and an electorate secretary it is even more obvious that the job of Ombudsman could be done by members of Parliament. However, the difference between members of Parliament doing that job and the Ombudsman doing it – and this is where this subject ties in with my original subject matter, the power of the Executive – is that as a rule, members of Parliament, particularly those on the Opposition benches, are ignored by the executive arm of the Government. If an Opposition member makes a written representation a third secretary might acknowledge it, and months could pass before that member receives any reply, and in most cases a reply is not material to the point raised. If a member of the Opposition makes a personal representation to the Executive, he might receive a verbal promise, and the matter is given to a bureaucrat who takes a tremendous amount of time to deal with it.

I contrast that with the United States, perhaps the biggest democratic country in the world. The United States has no Ombudsmen – neither in the States, nor in the Federal Congress.

When I was in the State of Washington some time ago a member of the House of Representatives took me to the secretary of the State office handling these matters and made representations involving precisely the type of case which would have been handled by our Ombudsman. The red carpet virtually was rolled out for him; he was received with the utmost respect. Not only was he listened to, he was allowed access to the files and was shown everything, and the matter was resolved in a day. That is the system we need in Western Australia. Members of the Legislature in Western Australia need sufficient standing so they do not need an Ombudsman to resolve certain problems.

The best proof of what I am saying was towards the end of last year when the Opposition — members of the Legislature — for more than a year, in conjunction with other organisations outside the Parliament, urged the Government to appoint a Royal Commission so the public would be made aware of the dealings that had taken place between the Government and business. That request was steadfastly refused by the Executive arm of the Government which alone was in a position to make such an appointment. However, only days after the Ombudsman recommended in a report of an investigation that he carried out into the Stirling City Council that the matter should be examined by a Royal Commissioner, the Premier, as head of the Executive arm of Government, appointed a Royal Commission. That was all well and good, but on the negative side it shows the little importance and little value which we as members of Parliament are being given.

Yesterday the Leader of the Opposition said that every Government falls into making this mistake. He claimed that that had happened to the Liberal Government towards the end of its term in office and said that that was the reason it lost Government, and that that was one of the reasons this Government would also lose the next election. That was an acceptable and logical argument. However, there should be some boundary indicating how far this executive power can go. We cannot go to the extreme either. I have had the benefit of being both a member of the Executive and a member of the Opposition for an equally long time. One cannot go to the extreme and say that the Executive should not have any power. Of course it must have discretionary power. The yardstick in measuring to what extent this executive power should be extended should be based on the interests of the people.

If an agency of the Government, particularly if the agency is a business or a public utility such as one supplying power or water, has commercial dealings which are in the interests of the public, I agree that we might have some "commercial confidentiality" because some business cannot be done without it. The Liberal Party received a briefing only a very short time ago from a prominent and very high standing member of the Public Service of one of the Eastern States who said very clearly and correctly that the extent to which openness in Government, particularly in business agencies, can go is paid for by business results and business efficiency. That is right. Therefore I will not be going to the extreme in saying that everything should be debarred. However, if there is no public interest in the overdoing of executive power, it should not be done. No public interest was involved in the prorogation of Parliament; there was only a selfish interest of the Executive.

I want to develop this theme a little further. By no means do I want to be critical; I want only to be factual. Even in this Chamber a tendency has arisen to develop separate executive power as opposed to the aggregate power of members. I appreciated a detailed reply to a question that I asked of you, Mr Speaker. My attention was drawn to a matter by the very able student who represented the Floreat electorate in last year's students' centenary Parliament. He pointed out some of the stationery that is issued from Parliament House had a "funny symbol" which was not the emblem of Western Australia and he asked me what it was. I could not tell him. I told him that, to the best of my recollection, Parliament had not decided to use such a symbol. I made inquiries and found that the symbol had not been authorised or registered by the College of Arms in the United Kingdom and had not been granted by Her Majesty's Royal Warrant as was the emblem of Western Australia. Because I could not find out what it was, it prompted me to ask a question whether it was a commercial logo. You, Mr Speaker, advised me that the decision to use it was made by the parliamentary historical advisory committee, whose decision I respect. I ask, however, not by way of criticism, whether it is correct for parliamentary advisory committees or anyone else to decide on these matters instead of the members of Parliament or at least a committee of this Parliament.

A couple of months ago we received a letter from the Parliamentary Librarian stating that the

library staff was under tremendous stress, that there must be a reorganisation, and that the services to members would be reduced. I inquired with the only Opposition member on the Library Committee who advised me that that committee did not deal with that issue. He told me that there had not been a meeting on the matter. I raised this matter at the party meeting, not having another organisation at which I could air it, following which the secretary of the party wrote a letter to you, Mr Speaker, to which unfortunately he did not receive a reply. In the meantime, the reorganisation has been carried out.

I remember when the librarian was the Clerk of the Legislative Assembly and only one person was employed in the library which was then in two rooms in the basement at the front of the Parliament. At that time we had a display periodical service. I could go into the library in 1968 and take out the *London Economist* or any other periodical in which I was interested and read it. That service is not available now. I went to the library a week ago and was told that it was in there somewhere. I was asked to come back which I did and was told that the last copy they had was the November 1990 copy. I do not think the decision to curtail services to members, particularly when it hits the Opposition so hard, should be made without reference to members. Almost half of the Government members are in the Ministry and most of the departments have better libraries and can afford much larger services than Parliament can afford. I am upset that that decision was made without any reference to members of Parliament.

Another matter which fits into the subject of the Executive arm emerging from the Parliament is the fact that we received Notice Paper No 58, date to be fixed, well after the prorogation of Parliament. I could be corrected on this, but I believe that once Parliament is prorogued, it is prorogued until a new Parliament begins and the business begins from that date. That Notice Paper presumed that this Parliament would reinstate all of the Bills that were on the Notice Paper in the last session. Maybe the Government said, because it has a majority, that would be so. However, I do not think it is proper to issue a Notice Paper on which these Bills are listed suggesting that they would be the subject of debate on a date to be fixed when Parliament had been prorogued. Had it been issued before the prorogation of Parliament, one could, with a bit of sympathy, assume that a meeting of Parliament could be called before the next session. These are small, but nevertheless, important examples of my concerns about executive power, even within Parliament.

This may have happened because of a proliferation of staff in this place. I have not received a response as to what extent that occurred. However, I remember when I entered Parliament 23 years ago there was not more than two handfuls of staff, including the people working in the Chamber, the attendants, the barman, the stewards and others. Today there are probably five to 10 times as many people working here, probably as many as 200, in addition to the electorate secretaries who did not exist at that time. There were only three stenographers which all backbenchers had to use; even the Deputy Leader of the Opposition had to use one of those stenographers. Herbie Graham complained bitterly about that. Two people worked for the Leader of the Opposition, a stenographer and a Press man. Honestly, I do not believe the public would have received a worse service from those people. I know that is Parkinson's Law. We were told that when computers were introduced the work force would be reduced. However, instead of that happening, almost the opposite has occurred.

I was asked to raise a matter in relation to the bureaucracy. Apparently in the last couple of decades there has been a huge demand for swimming pools. This brought into existence a special trade, the swimming pool builders. Not all of them are registered builders because they do not have to be. However, they have an association and, according to what I have been told, they worked fairly happily together until recently. The Federal Government has placed a fairly high sales tax on swimming pools which has triggered the rise of a new set of people who go to potential customers and tell them that they will build their swimming pools as owner builders thereby escaping the payment of the sales tax. That is a matter for the Commonwealth. However, the swimming pool builders complained that those people took away their livelihoods. I do not think the problem will be solved by registering them. I am a registered builder but I do not think the building trade profited from registration. A client does not have any recourse if a builder, deliberately or otherwise, does shoddy work and lets him down. In this case the Government should implement a compulsory insurance scheme to pay for the damages incurred by complainants.

I refer now to a very important subject in my estimation. The wellbeing of people in this

State could be ensured in spite of a recession and the conditions on the eastern seaboard if the Government were to adhere to three conditions. Firstly, we should give priority to our resources both in the primary and secondary development stage; secondly, we should once and for all define an environmental policy to determine whether we have conservation protection and management of the environment in the interests of the community or in the interests of the flora and fauna. Environmental protection is sound if it is in the interests of the people. That means we should maintain or increase our standard of living and also enjoy the environment. If the Government did not spend large sums of money, not in the interests of the people but in the interests of animals and vegetation, there would be no disincentive for development upon which the people of Western Australia depend.

Thirdly, this could only be achieved if we were hell bent on retaining what little sovereignty we have in this State, vis a vis the Commonwealth, in order that meaningful incentives could be given to developers – this is what happens all over the world – instead of handing over power to the Commonwealth as we did in the area of corporate affairs.

I cannot understand the Government's attitude to this important question of development. The Government would say that it is in favour of development. It has done the right thing, for which I commend it, to finally reunite the scattered bureaucracy and bringing under the control of one Minister the responsibility of State development. However, at the same time the Government continues to introduce more environmental restrictions, even reaching the ridiculous, in relation to the Nullarbor Plain, declaring it some sort of World Heritage environment. The Government uses the environment as a classic political football, leaving people ignorant of the environment instead of educating them. They should be educated and told that food, shelter and clothing are all taken from the environment whether by way of minerals or timber –

The DEPUTY SPEAKER: Order! The level of background conversation is making it difficult for Hansard to report and for me to hear.

Mr MENSAROS: Thank you, Mr Deputy Speaker. In addition, the Government has happily handed over power to the Commonwealth Government which is to our disadvantage. I want to emphasise that Western Australians have the ability to overcome the economic ills providing genuine preference is given to development and proper management of the environment instead of using it as a political football.

I am sorry the Minister for the Environment is not in the House because I would like to mention one incident which illustrates how the environment can be managed by people sitting behind a desk who do not take into consideration its natural balances and have no knowledge in situ. Everyone who knows me knows that I am very much attached to the Murray and Serpentine Rivers delta and estuarine environment. It is a beautiful place which will soon not be enjoyed because the water will be shallow and will smell and will not be able to be used by people after the vandalism of the North Dandalup Dam's construction. During the last Christmas season this area changed totally and the bird life in the area, which was the richest in Western Australia apart from the north of the State, disappeared. There are virtually no birds there now, or even pelicans, and the hundreds and thousands of water birds that used to fly up from trees when I went to a quiet part of the river in the evening have left the area. What is the reason for it? The reason is the adoration, like a sacred cow, of the dolphin. Some of the marine parks north of the metropolitan area have released some dolphins, not into the sea, but into the Peel Inlet. In schools of six or eight they go up the river and eat the fish. The river has been depleted of fish and there is nothing left for the birds, hence they either perish or change their environment. I did not hear an outcry from the environmentalists who want to keep the environment in its virgin state. I did not hear anything from the Environmental Protection Authority or from Department of Conservation and Land Management. I do not think anyone noticed it because they managed the environment from behind their desks. If members do not believe me they should check it out and they will learn that I am right.

MR DONOVAN (Morley) [4.07 pm]: In the last couple of days in this place we have heard a fair bit about the economic crisis facing Australia generally and this State in particular. The nature of the crisis is lost on no-one in politics, least of all members of this Government. It is certainly not for me to try to play down the importance of the economic crisis, either on the farm or in the towns. However, I take this opportunity to refer to a couple of things

which centre around another type of crisis which members may be surprised to learn is not the monopoly of members on this side of the House. I am referring to a crisis in politics.

Members of this place and other places like it will say immediately that the crisis I am talking about is one that has been with us for a number of years. Of course, they would be right to make that observation. However, there have been a couple of differences over the past year or two, especially in this State and in other States, which are now making that crisis somewhat more tangible, more concrete and of more concern to the men and women in the street, certainly the men and women in my electorate.

The crisis I am speaking about is one of credibility. To put it simply most ordinary men and women in the electorate, certainly in mine, simply do not believe politicians any more – politicians of the Left or politicians of the Right. Probably, more tragically, they have very little faith left in the political process as a whole. One of the other tragedies is that most of us, as politicians, have attempted to cover that in a number of ways over the years. That is the first difference between now and the past 10 or 20 years; that is, we have not been able to cover it any more. I do not think any of my colleagues on this side of the House, or any member opposite, would argue the case today that politicians and the political process have been successful in recent months in disguising, if you like, some of the difficulties we are facing. Of course, a positive side exists to this crisis. If I can borrow the Premier's words, she described "crisis" last year as, "a dangerous opportunity." I think there is much strength and wisdom in that statement. It is a dangerous opportunity to make some fairly fundamental changes in the way in which we go about the business of politics, be it on this or the other side.

Mr Clarko: We just had some changes, did we not, and should have had at least one more?

Mr DONOVAN: I thank the member for Marmion for his interjection because I am reminded of his contribution yesterday. This is no criticism of him because it was only at that point I returned to the Chamber. He asked me for a lucid explanation of my decision to remain within the parliamentary ranks of the Australian Labor Party. It was put to me 20 minutes ago by one of my colleagues that I should ask the member for Marmion to give the House a lucid explanation for his party's failure to get rid of him.

Mr Clarko: They have never tried to.

Mr DONOVAN: That is what I mean.

Mr Clarko: I have been unopposed for my seat for seven successive preselections. Someone interjected and said it was because of my pure qualities.

Mr DONOVAN: I think that makes my point about the crisis in politics. I will place a couple of matters on record that are by now well and truly on the record in the public forum. First, like some other members on this side of the House, I was elected to this place first in 1987 and re-elected in 1989. In my view that was on the platform of the Australian Labor Party. My commitment to that platform, and the principles that it represents, has certainly not wavered in that time. Indeed, in the end that probably had more to do with my decision to remain within the party than anything else. Within those principles and platforms of the Australian Labor Party are the reflected beliefs and values of many hundreds of thousands of men and women, both past and present. I suppose I see those values and beliefs as in a sense being treasured possessions, certainly ones to be cherished and honoured by my colleagues and me.

Without canvassing all the issues on the public record and simply to make the point clear to this Parliament, the basis upon which my decision was made – and the member for Applecross, given his contribution yesterday, may be interested in this – was carefully and purposefully worded in my Press statements before that decision was published. By and large, the Government, my party, its supporters, and the community have accepted in general terms the stance that I have declared in that statement. The point is that that public statement about my decision to stay in, which of course, Mr Deputy Speaker, you know about because you and I had some discussions about that statement, was made concrete because it was intended to be concrete. It says what it says and the expectations people want to draw from that will probably be accurate.

Mr Lewis: You are trying to get people to come to you and implore you to stay in; that is the whole strategy behind your prevarication and vacillation about your decision.

Mr DONOVAN: What the member for Applecross and the member for Marmion have just done is make my point better than I could make it myself. This place, and many places like it, have been turned into something of a three-ring circus. I take this opportunity to remind the House of one of those demonstrations of a three-ring circus provided by the member for Applecross yesterday in his contribution to a related debate. I said that people do not believe us any more and I will tell members why that is so.

Mr Lewis: It is because of the dishonesty of the Labor Party.

Mr DONOVAN: I will get to the member's party in a moment, do not worry about that. The people do not believe us any more. They do not know what we stand for because the platforms and principles of all major political parties in this country have been placed second to leadership images and pragmatic politics. That is okay when it is seen to work. However, it goes down like a lead balloon in the electorate when it is seen to run into trouble. The other thing is that not only do people not believe us any more, but frankly I sense that people do not feel part of our political system any more. There is no sense of ownership of that system. The people do not feel heard or listened to by leaders on either side of politics; they feel excluded and cut off from them. In a word, they feel powerless.

The question of principle about which we have heard so much over the past couple of days is one to which politicians in this and other places, of whatever political persuasion, should turn their attention. It is the question of principle that tells people what a political party stands for and what it is they are voting for at the polls. The principles of a political party are supposed to be the driving force behind the policies that it frames and, hopefully, implements. It is instructive here to look at the platform of the Western Australian branch of the Liberal Party. It was adopted in March 1982, amended in July 1982, and has not changed since. There has not been one major contribution by members of the party opposite towards bringing that platform into the 1990s. That speaks volumes for this Opposition's incapacity to bring to this place any sound, coherent policy.

Mr Clarko: Nonsense.

Mr Shave: What we should do is use your corruption as a role model!

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr Clarko: Why don't you be honest, like the Deputy Speaker?

The DEPUTY SPEAKER: I do not think it is appropriate to draw the person in the Chair into the debate. I cannot respond from this position. Let us not have cross Chamber interjections. I am speaking to both sides here. Also, let us have remarks directed through the Chair.

Mr DONOVAN: The Liberal Party's platform has been unchanged since 1982. This document proclaims itself as a guide and it is committed to upgrading and changing itself to meet changing circumstances so that the Liberal Party in this State will be better able to meet new challenges. What can Western Australians make of a policy document like that? It is an identical document, eight years into Opposition, to that which the Party used in the last year of its Government. What Western Australian can believe that? There is something else of which members should be aware in connection with the Liberal Party's platform, and that is that from cover to cover it commits none of them to anything in particular. Did members know that? It says, "We believe", "We support", and "We think". It says "We see", but there is not one "We will do" statement in this document. That is why the stocks of the Liberal Party in this State have not grown. For all its efforts over the last two or three years to try to meet what the Opposition has seen as the weaknesses and problems besetting this Government, what were members opposite able to make of it?

Even in the context of the Geraldton by-election the Liberal Party was not able to convince its own support base of its preselection wisdom. The member for Darling Range is probably right. If one can make predictions about a by-election outcome, it will probably be an Independent if not a Labor victory. In the light of that it will be interesting to look at the Liberal Party's policy in this State. It will be educational to see what members opposite will do to bring about the one-vote-one-value introduced by this Government. Will members opposite be as good as those who talk about weighting, about the rural and remote locations,

or will they say, "Hang on, fellows, the Labor Party is in a bit of a spot, we could exploit this." I shall be waiting with baited breath to see what members opposite will do.

I give one more example to test the water of members' commitment to the principle upon which they are so ready to criticise others. I wonder what they will do with the disclosure legislation. What will they do when the Members of Parliament (Financial Interests) Bill is debated in this place?

Several members interjected.

The SPEAKER: Order! This is an intimidating practice which I do not think I can accept. We are having constant interjections from one member after another when someone is trying to make a point, and I am not going to accept it.

Mr DONOVAN: Thank you, Mr Speaker. I am quoting from the Governor's Speech. What will members opposite do when a Bill to achieve greater openness and accountability in the financing of elections is introduced into this Parliament? The public out there will be waiting to see what the Opposition does when we debate those two pieces of legislation. Will members vote for it, or will they say, "Hang on, we can make a point here"? Our experience of members opposite in this place, both in Government and in Opposition, is that this goes under there and pragmatics and opportunism comes up here. With all of the talk of principles about which we hear so much in this State, we have not seen a lot of commitment, yet this is the Opposition which has taken on an offensive task. My colleagues and I are appropriate critics of Labor policies and principles when we have to be. I do not think members opposite even know what they mean. I do not see members opposite as having any God given right to attempt to take that role from us.

The crisis of credibility which besets politics in this country does not stop at the question of principle, it becomes, by events, problematical in the area of practice. Yet whether in Government or in Opposition, whether it is the Australian Labor Party, the Liberal Party or the National Party, it is that challenge that members opposite and in Government should be taking up.

Mr Clarko: You have hinted at it but you have not made it clear.

Mr DONOVAN: Let me say one thing and I shall not say it again. At the outset I reminded the House that my position in regard to the principles and platforms of the Australian Labor Party has been made clear. Members opposite know what that means, and they know what I am saying.

Mr Clarko: On television nobody could understand you.

Several members interjected.

Mr DONOVAN: It is not a matter of lack of courage, I can assure members of that; if anything it is the opposite. As the result of the practice of Government and Opposition, that crisis of credibility will extend itself into election campaigns. One of the problems that we have in this country is that elections, their campaigns and their outcomes, are reduced in the end to slogans, leadership images, pictures on television, spectacles and performance, but when was the last campaign in which the major media outlets were asked to convey substantial party policies?

Mr Court: Do you remember Peter Dowding with a sweater over his shoulders walking down the beach with the slogan "Shaping our future"?

Mr DONOVAN: The member is not hearing me. That is precisely the kind of imagery and sloganeering I am talking about. All of us have a problem with credibility in that regard. Today we must conduct these campaigns largely through the media and – this is not meant as a criticism – the media are limited to packaged stories and news of novelty and spectacle rather than substance. As politicians we are largely driven by what the computers tell us is required to win the vote; the media are largely driven by what the sales people tell them is required to improve the ratings. In that sense politicians and the media are in some kind of partnership from which the electorate in this State, and throughout the country, is by and large the loser.

It was driven home to me during the past couple of weeks that people in the electorate are looking for a little substance and a little less spectacle. They do not want to see the

flamboyant kind of performance which we saw in the Chamber yesterday; they want a little more truth and straightness.

Mr Clarko: You did not have the honesty to vote yesterday the way you have been speaking for the past month from the shadow of your home or office.

Mr DONOVAN: I do not know how far outside Standing Orders I may go in answering that interjection, Mr Speaker. However, if the member refers to the ridiculous eight point piece of misinformation moved yesterday, he will find that although I did not have an opportunity to speak, the member for Perth and many others – including the member's erstwhile colleague, the member for Darling Range – could find absolutely nothing in the worthy of support.

Mr Lewis: Was it not you who wrote the four page letter?

Mr DONOVAN: I thought it was the member for Applecross who wrote that letter because he was so familiar with it yesterday.

Several members interjected.

The SPEAKER: Order!

Mr DONOVAN: At the beginning of my remarks I coined the Premier's definition of a crisis; that is, "a dangerous opportunity". Certainly, politics is a dangerous game, and I have learnt a fair amount about that game over the past few weeks. Nevertheless, we now have the opportunity on this side of the House, and definitely on the other side of the House, to come to terms with some of the difficult elements of this crisis in politics which have become clear in recent weeks.

Mr Clarko: Have you been promoted to assistant Whip?

Mr DONOVAN: I was going to take the opportunity of pointing out to members my new location in the Chamber. It can be observed that to my right is the Ministry and to my left is the Whip. In my foreground is the front bench of the Ministry. In the army this was known as a frontal flanking movement. However, what the Leader of the House obviously forgot was that I am still no less adept at jumping over the top!

I conclude by returning to my serious starting point: I have learnt over the past few weeks that people are looking to us to let them know clearly just what the hell it is we stand for. I am proud of my party's platforms, as no doubt is each member in this place. However, no-one would know that outside this place. When did any member opposite last go into his electorate and talk to a citizen at random and ask him this simple question: Do you know what the Liberal Party stands for?

Mr Clarko: Of course we do. I do it quite often.

Mr DONOVAN: I asked whether the member's electors knew.

Admittedly, there is not much about the Liberal platform to stand for, but the point is that people in the community need to know what our parties stand for. Frankly, a large body of people among the traditional support base and membership of the Australian Labor Party do know what the party stands for. The challenge for people like me is to protect that platform, and that is a challenge that I happily take on. It is a challenge that I know all members on this side of the House have started to take on in recent times, if not before. Therefore, by the time this party goes to the next general election I am certain that we will go to the electorate reasonably confident that most people know what this party stands for and what it intends to do. I suspect that the problem members opposite will find is that yet again they will go to another election with so much on their side except policy and principles. The outcome will be that again they will snatch defeat from the jaws of victory.

MR COURT (Nedlands) [4.37 pm]: I begin my contribution to the Address-in-Reply with a few remarks about the retired member for Geraldton. I will not make any comment on the sacking of the three Ministers because that is the business of the other side of the House. I did not have a lot to do with the members for Swan Hills and Ashburton in their ministerial capacities, but I had a great deal to do with Jeff Carr. I shadowed his areas of responsibility in the portfolios of Mines, and Fuel and Energy. We often had run-ins on policy matters, but after his resignation I told him that he always offered me courtesy and cooperation in carrying out his responsibilities. It does not matter from which side of politics he came, after

giving 17 years of service to the Parliament I would like to wish him and his family all the best in the future.

Mr Watt: He was one of the few people who would give you a straight answer to a question.

Mr COURT: I will give a brief example of that. One day in Parliament we were discussing an industrial relations issue concerning a Transport Workers Union official who had been allegedly blackmailing a truck owner from the Geraldton area. I was asked to provide information and the Government members, including Jeff Carr, were calling for the facts. When I gave the story, Jeff Carr realised it was quite a serious matter and to his credit the first item of business the next morning was Jeff Carr's making a personal explanation that he might have misled the House the previous evening and that he was concerned about the allegations. The end result was a full investigation and charges were laid by the police against the official. Unfortunately the charges were withdrawn by the Attorney General. I was impressed by the way Jeff carried out his investigation instead of covering up in the way we have seen the Government cover up matters. The issue was dealt with immediately and that is the way those things should be handled. His actions were in contrast to the Premier's reaction yesterday when I asked her a perfectly legitimate question about whether she was aware of the Australian Nationalist Movement's allegation about the funding of the racial campaign against some Liberal members of Parliament. Rather than replying that she had heard of the allegations and was investigating the matter we received a tirade of abuse accusing us of downing the Government.

Mr Catania: Who made the allegations?

Mr COURT: The allegations were made from a person who publicly signed his name to them.

Mr Catania: Where is he?

Mr COURT: He is in gaol for racist activities. The member is implying that if a person is in prison what he says is wrong.

Mr Catania: I am not saying that, but you must judge the credibility of the information.

Mr COURT: I would have thought it would be a matter that could be replied to simply with the Government's acknowledging it was aware of the allegations.

Mrs Henderson: It was a scurrilous question and you know it.

Mr COURT: A letter is circulating in the community outlining how that campaign was run and if the Premier does not want to do something about the matter that is her business.

Mrs Henderson: Why don't you do something about it?

Mr COURT: I am always being asked that question. I can assure the Minister I have the proper authorities making investigations into the matter.

Several members interjected.

The SPEAKER: Order!

Mr COURT: The Liberal Party is often told its tactics are in the gutter. When we were providing this Parliament with information about donations by Mr Connell to the Labor Party we were told we were down in the gutter. When we were telling Parliament that the Fremantle Gas and Coke Company deal was crooked we were told we were down in the gutter. Who was down in the gutter? Government members listened as this material was being exposed, much of which we have uncovered in this Parliament and which the Government decided to ignore. Now we are finding out who is in the gutter. The member for Morley made a valid point when he said there is a major problem with credibility on the Government's side of the House.

The two main issues which concern me in this Address-in-Reply debate are energy and the State Government Insurance Commission. However, I also want to comment on the proposal by the Federal Labor Party to ban electronic advertising in election campaigns. That proposal must be the ultimate in hypocrisy. The Federal Government says it is concerned, particularly in the States, about corruption associated with money being given to a political party. The Labor Party has to look only at itself to know what is going on. The funny thing is, we live in a democracy and one of the most important methods of communication in this

democracy is through television. Now the Federal Government is telling us we can communicate our message through the print media but not through the electronic media because too much money is involved which could lead to corruption. This Government knows everything about that. Remember the \$50 000 cheque which was donated to the Labor Party's television campaign. Members opposite know all about it; it was used to promote Dowding's work "shaping the future". How Labor members can say they want to do something about corruption when they have been in the thick of receiving millions of dollars of funding is beyond me. Members on the Government side squirm when it is revealed that in the last two or three State election campaigns the Labor Party outspent the Liberal Party on advertising by about 4:1. The Liberal Party struggled to raise money to run very basic campaigns.

Mr Kobelke: Did you raise funds for your television advertising by running lamington drives?

Mr COURT: We do raise money in that way. The Labor Party was once flush with money; it had money coming out of its ears, but fortunately we are beginning to find out how it was able to raise such large sums. The most interested group of people at the Royal Commission, besides the media, is the Australian Taxation Office. With all the money that was floating about, it thinks it should make some investigations. It will be interesting to see the tax bills which flow from its investigations.

Mr Catania: Would not legislation providing for political disclosures be a solution to possible corruption?

Mr COURT: Regardless of the legislation in place, no matter how tight it is, if one wants to be dishonest and grab money for a favour one will do that; it is human nature. Legislation is not the answer. The basic integrity of the people involved is the answer. When political parties receive money from private donors and one of those donors wants a favour, one has no option but to give the money back and say that donor support is not required if there are strings attached to the donation. That has been the policy in the Liberal Party and I believe it was the policy in the Labor Party until recent years.

Mr Gordon Hill: The Labor Party does not accept money with strings attached.

Mr COURT: I have news for the Minister.

Mr Kierath: Who signed the cheque for \$50 000?

Mr COURT: It was collected by Darcy Farrell from Laurie Connell for the leader's account number five. Members know what deal went on when that cheque was delivered and they know what deals were done when the Fremantle Gas and Coke money was paid.

Mr MacKinnon: Who sat in the Cabinet endorsing those deals?

Mr COURT: Let us be open about disclosures. It should be up to individuals involved; fortunately eventually those who do not have integrity will be caught out.

It was very interesting in question time yesterday when the new Minister for Microeconomic Reform sat in the House chirping at us saying we should attend a briefing by him and find out about the SGIC.

Mr Gordon Hill: Will you take up his offer of a briefing?

Mr COURT: I do not mind having a briefing from him, but I suggest that the new Minister spend a day with a group of members from the Liberal Party and we will bring him up to date with what has gone on and with what is going on in the State Government Insurance Commission. The way in which that organisation has been abused by Government Ministers and political advisers is one of the biggest scandals of all time. I advise the Minister that before he starts shooting off at the mouth and criticising members of the Liberal Party about the SGIC he might take up my offer. I am glad he has come into the House. The Opposition has spent seven years investigating what has happened in that organisation. We have gone back to the time when Laurie Connell was appointed to undertake an inquiry into the Motor Vehicle Insurance Trust and the SGIC, against the wishes of the board of the MVIT.

One of the bigger deals in which the SGIC became involved, and which we examined in detail last year, was the purchase of the Bell Group shares and, at the same time, its underwriting the disposal of unlisted convertible bonds in the Bell Group. When we outlined

that exercise members will recall that we documented the false evidence given to the National Companies and Securities Commission by officers of the SGIC. The NCSC presented a case that there had been collusion between Bond and the SGIC in the purchase of shares. At the time the matter was supposedly settled we had the usual WA Inc deal with \$100 million being transferred from Bond to Rothwells and the other conditions of that settlement. That settlement was based on Bond agreeing to offer \$2.70 a share to all the other shareholders in Bell, except to the SGIC. A separate agreement was reached with the SGIC and it went into an indemnity arrangement with Bond Corporation in regard to the Bell Group shares. In return, the SGIC was excluded from Bond's takeover bid of the Bell Group. We all know that the indemnity agreement is now subject to disputation in the courts and I do not know which way that dispute will go. If it goes the wrong way more taxpayers' funds totalling a few hundred million dollars will go down the gurgler.

Another problem is that Bell Group has not been able to meet its interest payments on the convertible notes because it is teetering on collapse. It is interesting to note that the SGIC has those convertible notes valued on its books at \$57 million and members should remember that the original value of the notes was around \$150 million, yet it has been stated publicly that they are not worth anything. I will be very interested to see when and how those convertible notes will be written down.

I want to bring to the attention of the House today the fact that negotiations for the restructuring of what must be an absolute mess – the different corporations of Bond, Bell and what was formerly Bell Resources – is under way. The interesting thing is that the person handling the commercial negotiations for the SGIC is, after all the trouble we have gone through as a result of the advice that has been given, none other than Nifty Neville, Mr Wran. Mr Wran from Turnbull and Partners is personally involved in handling those negotiations.

Mr MacKinnon: I wonder how much an hour he charges.

Mr COURT: That is the point I want to make. Whitlam, Turnbull and Partners, now Turnbull and Partners, was originally retained by the Government to sort out the Petrochemical Industries Co Ltd mess, but that is another matter and the taxpayers could lose hundreds of millions of dollars in that deal. Surely after all the Government has gone through it would have replaced all the people who had advised it initially. The Premier keeps telling us that she wants a fresh start.

The senior officers of the SGIC are not involved in these very important negotiations and they are being handled by Turnbull and Partners, specifically by Mr Wran. It is about time this Parliament was told how much Mr Wran and his company are being paid. In all the years they have been advising this Government they must have pulled out literally millions of dollars in fees.

Also, I would like to know what other deals Turnbull and Partners is handling for this Government. Is it still retained to handle negotiations on the indemnity and is it still involved in the PICL deal? It is about time this Parliament knew how much has been paid to that company in fees and how many WA Inc deals it has been involved in.

In addition I would like to know whether Ministers have been providing any directions on this matter. I am not saying they should not, but I would be interested to know who is calling the shots from the Government benches. Is it the new Minister or is it another Minister? We need to know the answer to that question. The deal was a debacle from day one and I do not have any confidence knowing that the same advisers who were involved initially are still giving advice to the Government. It must have been very sensitive when negotiations were proceeding because the Premier's Press secretary, accordingly to an article in *The West Australian*, rang the editor of that paper and threatened him saying that he must not publish any confidential letters between the newspaper and the Premier. It is hard going when the Press secretary telephones the editor of a newspaper. I would have thought that in the case of there being confidential material between the two parties the last person who would be running it would be the editor of *The West Australian* and that is where the Government has got itself into a mess.

Dr Gallop: You have got it wrong. I do not think he rang up at all. You ring him and ask him.

Mr COURT: I have not spoken to the financial editor or to the editor of *The West Australian*

but according to the article Mr Willoughby rang the financial editor and got stuck into him. The financial editor said he did not know anything about it. Mr Willoughby then rang the editor and got stuck into him and he said he did not know anything about it.

Members opposite talk about their Federal colleagues wanting control over political advertising, but the reality is that the Government owns a large percentage of a newspaper and the way things are going it cannot get out of its involvement with the group involved. The person handling the negotiations to get the Government out of those transactions happens to be the former Labor Premier of New South Wales on behalf of Turnbull and Partners. Not a lot has not changed and the same people who are trying to get the Government out of the deal actually got the Government involved in it in the first place.

Dr Gallop: Which members of the SGIC board would you sack?

Mr COURT: I have extended an offer to the Minister to meet members of the Opposition for one day and they will run through the activities of the SGIC with him.

Dr Gallop: Political interference – that is what it is called.

Mr COURT: No, the Opposition believes it is about time the story of the SGIC came out. One good thing about the Royal Commission is that the facts will eventually emerge. It will take a long time. The reason I raise this matter in the House today is that these negotiations are taking place right now and we have every right to know how much people are being paid to handle them. The Government is paying thousands of dollars in salaries to the senior staff in the State Energy Commission, and surely they should be able to handle these negotiations.

Yesterday the Deputy Premier said in this House that the Opposition needs policies. Let us consider energy policies. Who has been leading the debate on energy matters in the past few years? It is the Liberal Party and the National Party. We published a very detailed energy paper last year, well before the election. It was the most detailed energy paper that any political party had published. We did that deliberately because we wanted to make it clear to the Government that if it wanted to proceed with a coal fired power station it would not be criticised by the Opposition. The Opposition spelled out how it thought it should be done. The only area of disagreement with the Government was the Opposition's insistence that it be a privately owned and operated power station. The Opposition indicated that energy costs in this State are 40 per cent higher than the average cost of energy in other States. It was not until the Opposition highlighted that fact that Government members realised it had a major problem.

Mr Kobelke: Which Government made all the decisions on our base load plant which is now producing at those high costs?

Mr COURT: The one decision the Government wants to keep criticising is that made to build the North West Shelf gas pipeline. Can members imagine what the energy situation in this State would be if we did not have that pipeline? Can members opposite imagine what would have happened to employment in the past eight years if we had not had the industry and multiplier effect of the North West Shelf development? If members opposite want to criticise that development and if they believe it has added to the debt of the State, why not sell it for double the amount it cost? If it is such a bad thing, why not sell it and make a billion dollars, and then there will be nothing to complain about? Members opposite are very shallow with regard to energy matters.

A great deal of debate has taken place in this House in the past two days on the rural crisis but not only the rural industries are feeling the crunch. Investment in new industries across the State is stagnant, and one of the main reasons for that is the high cost of electricity which does not encourage new industries to establish their operations in Western Australia. Instead of complaining, the Opposition released a policy paper outlining how electricity costs could be reduced. One key issue is the introduction of competition into the system. Not only does this State have stagnant investment, but also it cannot attract new investment. Because of the consistently high energy prices a major company, Western Mining Corporation Ltd, is now having difficulty justifying the continuing operation of its refinery at Kwinana. Not only is this State unable to attract new industry, but also it is having difficulty keeping existing industries. That is why the recession in this State is so severe.

What is the Government's response? Last year it decided to get more money for the State Energy Commission by increasing people's security deposits. The Opposition publicised the

damage that would cause and highlighted certain companies affected by the increases. One dry-cleaning company, for example, had been a customer of the SEC for between 20 and 30 years and had always paid its accounts on time, yet its security deposit was increased by a large percentage. After a lot of pressure from the Opposition the Government said that customers with a good payment history would not be affected provided they maintained their good payment record. Everything went quiet. However, in the past few weeks members on this side of the House have been feeding me with many examples of businesses which have been good payers and yet have received notices that their security deposits would be increased. The SEC has written to them stating that it requires their security deposits to be increased, in one instance from \$400 to \$7 800, in another instance from \$600 to \$7 100 – that applies to a small coffee shop, and in a third instance from \$800 to \$8 100. I could give further examples because I have a file full of them. We were told that the Government would not go ahead with that arrangement. Currently it is holding approximately \$20 million in security deposits, and if it continues in this way it will have more than \$100 million in security deposits. Whether or not the Government believes it, it is tough out there and the local coffee shop which is required to increase its security deposit from \$600 to \$7 100 must sell a lot of cappuccinos to cover the extra cost of this little exercise. This Government should be concentrating on the real issues, and formulating long term strategies to make sure this State can provide energy at a competitive price. Western Australia has abundant resources of coal, uranium, gas, oil, tidal power and wind power, but what is the Government's answer to its problems? It devises a scheme to see how many small businesses it can screw more dollars from. Today we learned that in future if an SEC account is overdue the consumer will be charged interest on the overdue amount. That indicates how much concern the Government has about small businesses in this State, most of which are battling to survive the recession.

I conclude by saying that energy will be one of the key issues in the lead up to the next election, and the National Party and the Liberal Party have been campaigning on this issue for years. We have heard nothing from members opposite, who have been unable to make a relatively simple decision on the establishment of the next power station. We want to look 20 or 30 years ahead to determine how to attract industry to this State, rather than provide a power station merely to keep up with current growth. If this Government cannot make those types of decisions it is no wonder that the State is in a recession. During the next year or so the Liberal Party will explain to members opposite the steps it will take to make sure the economy in this State again becomes strong.

DR EDWARDS (Maylands) [5.08 pm]: I am pleased to participate in the Address-in-Reply debate. I wish to elaborate on matters of concern to my electorate and, time permitting, to comment on matters that have arisen in my electorate that have wider import.

The first matter I raise is the recent development in Bayswater of a plan for an integrated catchment management program for the Bayswater main drain. Some discussion has taken place this afternoon about gutters, but I intend to talk about the Bayswater main drain. It is a very positive initiative which I am pleased to see because the issue was highlighted in my by-election campaign almost a year ago. The Bayswater main drain has a long history of pollution; it flows into the Swan River and is thought to contribute a load of pollution to the river. Community groups have been concerned about it for at least 10 years and various action groups have been formed to deal with the wetlands, the foreshore and bird life. Government departments have also been concerned and comprehensive testing programs have indicated that pollution is a problem. Since May 1990 this program has been stepped up, and 22 sites along the Bayswater main drain are now monitored at either fortnightly or monthly intervals by the City of Bayswater, the Town of Bassendean and the Swan River Trust. These sites are assessed for traces of metals, pesticides and solvents and particularly for nutrients – nitrogen and phosphate – because when they enter the river they can cause significant pollution problems. The results have been interesting and have demonstrated that by looking at the drain one can to some extent differentiate between industrial waste and household waste. There is some cause for concern because although most of the parameters are normal, some of the chemicals are found in higher concentrations than is considered healthy. At the same time, the Swan River Trust is monitoring fish, mussels and sediment at the site where the drain enters the river and both upstream and down stream. Fortunately, tests so far reveal that fishing in Bayswater is safe and that if one is lucky enough to catch a fish one can eat it.

The City of Bayswater has instituted a program of visiting particular industrial sites which are not licensed by either the Environmental Protection Authority or the Water Authority. The purpose of these visits is to ensure that industries know what happens when they, for example, empty oil into a drain in Morley, because many people in small local industries, and also householders, do not realise the significance of the drainage system and the fact that the waste ends up in the river. One group which has realised the significance of the drain is the students at John Forrest High School. For the past year those students have been actively involved in the "Ribbons of Blue" project. As a result, they have done testing in the drain, at the foreshore and even in the river to detect acid levels and levels of pollution.

It was apparent in my electorate that there was a lot of concern about both the drain and the river. A lot of information was being collected, but there was no means of coordinating that information or, therefore, of planning any sort of future outcome. As a result of that, it was recognised that there was a need to develop an integrated catchment management plan. Integrated catchment management recognises that we have a lot of land degradation in Australia. In some areas that is the result of salinity but in my area the degradation is in the river and is caused by the nutrients and sediment which flow into the river. Integrated catchment management recognises that any response to this problem has to be both a Government and a community response. There is no point in our coming up with a solution if we cannot get people in the community to accept it. The concept of integrated catchment management also acknowledges that the solution is an evolving one and that it will change over time.

The Bayswater main drain is the largest urban drain in Perth and covers an area of 27 square kilometres. This project to develop a plan for this drain is a first for the State, and I believe it will be watched closely by people in other catchment areas. The Bayswater main drain probably started in the 1920s when 25 wetlands were coalesced into one drain. Previously there was peat mining and market gardening in the wetlands, and chemicals were used for that market gardening.

The following framework has been worked out in developing the plan. A steering committee will be responsible for developing the plan. I am very pleased that the Mayors of Stirling, Bayswater and Bassendean have been elected by the three local authorities which look after this drain to be their representatives on the steering committee. Each local government authority has also nominated a community representative to ensure that the community has both input into and information about the plan. The Swan River Trust and the Water Authority are both represented, and as the local member for the area I will chair the committee. At this stage we hope that the Environmental Protection Authority and the Department of Planning and Urban Development will become actively involved because their input will be critical for the implementation of the plan. The plan will evolve through a series of task groups which have been established, comprising members of the community who are interested in a particular area, and co-opted Government departmental representatives who have expertise in the area. The role of the task group will be to identify what are the particular problems; to set objectives about their solution; to collect the data to clarify the problems; and to inform the steering committee about the problems they are facing, the solutions they have come up with, and how they can be implemented.

One of the areas on which the task group is most likely to concentrate is education. There appears to be a real need for education about pollution and also about interpreting the scientific data that informs us about pollution. We can often be confused by exactly what the scientific data means. The second role of the committee will be to look at household detergent use. We know that if we can get women – because it is usually women who do the washing up – to use a different type of detergent there may be a decreased phosphorous load in the drain. The steering committee will identify issues and oversee the whole process. The particularly important role of the steering committee will be to implement and evaluate the actual plan. To assist with this role, a technical advisory committee has been appointed, comprising representatives from the EPA, the Swan River Trust, the Chemistry Centre and the Health Department, and other departments have also indicated their willingness to be involved.

The most critical aspect of the plan is community input. Last weekend the steering committee held its first seminar, which proved to be a resounding success. The aim of the seminar was to inform people about what is meant by integrated catchment management and

how it relates to the Bayswater drain, to let them know about the steering committee, and – probably most importantly – to allow them to have input at this early stage. That input was very successful, and some of the issues raised were the levels of pesticides in both the drain and the river, the need for education not only of industry and householders but also of children so that in future the drain would be protected, and the use of septic tanks as a form of sewerage.

This initiative is extremely positive and we need many more initiatives like this where State and local governments can work together directly with the community to tackle problems. The approach we are taking with this integrated catchment management plan is one where we are inclined to think we should try to work with moderate resources. We should have an attitude that is about education rather than about punitive legislation, and also recognise that everyone who contributes has a point of view. I commend this initiative and encourage other members who have similar problems in their electorates to follow what we do and to regard it as a model.

The second issue I raise is the problem with ground water in the Ashfield–Bassendean area of my electorate. The ground water in this area is known to be quite acidic. At the moment this acidity is to some extent hindering the development of the Tonkin Business Park which is planned for the corner of Collier and Guildford Roads in Bassendean. The site on which the business park will be established is the old CSBP site. That site was established in 1910 to manufacture superphosphate, and was worked until 1970. Between 1970 and 1988 the site was left vacant, but unfortunately there were waste disposal dumps on the site, and as a result there has been contamination from the dumps into the ground water. One by-product of the manufacture of superphosphate is the production of iron pyrites which is used in the roasting process. Iron pyrites has remained on the site, and because of rainfall and other water it has oxidised to form sulphuric acid. As that sulphuric acid has moved into the ground water it has taken with it the other heavy metals used in the process. As a result, since 1977 we have had evidence of ground water pollution both beneath the site and also moving towards the Swan River. The pollution may not all come from the site; the sand around Bassendean is quite acidic so the high acidity content may be natural. Certainly some of the heavy metals found in high concentration in Bassendean and Ashfield ground water are not natural. The problem is that contaminated ground water taken in little dosages by plants harms them; in high dosages it will kill them. It is known that the plume of more acidic than normal ground water is slowly moving towards the Swan River. It is thought that the rate of movement is about 20 metres a year. In recent times, it has been thought that the rate may be faster than that.

The Chapman Street drain which runs through the area is another problem. For many years small amounts of acid water flow down the drain although that does not seem to have raised particular problems. It would appear that when the flow reaches the river the more alkaline water in the river neutralises the problem. Currently, the acid water problem manifests itself in Ashfield and Bassendean as smelly, green water from bores and people are generally unhappy to use bore water. People have complained that with the installation of public infrastructure, metal pumps seem to corrode faster than they should. Recently when the sewerage pipeline was connected between the business park development site and the main sewer, occupational health problems occurred as a result of the acid fumes.

Monitoring of the area has been carried out since 1977. Samples at June 1990 show the acid level is 2.94 compared with an Australian drinking standard level of between 6.5 and 8.5. Other elements in the ground water are up to 100 times greater than that which should occur in drinking standard water. It has been a problem then for the developers of the site when waste left on the site has contributed to the contamination of the ground water. When the site was being developed, the proposal was that all waste would be removed. Initially that seemed a sensible idea but in the past year the process has run into a significant hurdle. It is obvious that people do not want waste from one site placed on their disposal site. The site necessary to dispose of the waste would be a quarry which would be impervious. Such a site has not been found.

Treatment of waste on site – for instance, separation or neutralisation – has been attempted but this is costly to the developer and at this stage no satisfactory outcome is immediately apparent. To compound all these problems, there is lack of agreement about the significance of the problem. No-one seems to be clear about the way that the plume is moving and

whether it will be a problem when it reaches the Swan River. A suggestion has been made that as the site dates back to 1910 perhaps the waste flow has already reached the river, in which case no apparent problem exists. Of concern to me is the hiccup in a significant development in my area. No-one in particular is at fault but the hiccup has caused a delay in the whole process.

My observation is that these days everyone would totally support a safe and clean environment. At the same time we should have total support for a maximum employment rate. The irony is that in my electorate where the problem exists, unemployment is at the highest level. That is the challenge with which I am faced. The challenge for all of us is to work together in our communities to address the imbalance, to reach the best balance between recognising environmental concerns and our commitment to solving the problems raised by environmental concerns as quickly as possible so that any planned development can proceed.

I now address two issues in my electorate which are more of State concern. I refer firstly to domestic violence. In my electorate it is pleasing to note that two women's refuges have been established because as little as 15 years ago Australia had not one such refuge. Women's refuges play an important role in society but one problem faced by women in refuges is that of accommodation when they attempt to leave the refuge. These women also have concerns about their security. Sometimes that concern leads to more difficulties when seeking either private or Homeswest accommodation. I have raised these serious problems with both the Community Housing Advisory Council and the Domestic Violence Advisory Council. Through these avenues something will be done to address these concerns.

Another matter raised by the women's refuge group involves restraining orders. They have outlined the problem involved with the issuing of restraining orders, their implementation, and the cost of obtaining new orders. I am pleased that the domestic violence policy branch of the Office of The Family has recently initiated a research project in this area. I have written expressing those women's concerns and suggesting options which could be taken to improve the situation. I wish to comment on the role and involvement of men at refuges. I was pleased to visit a local refuge and notice that it employed a male child care worker. It is very important that children who go with women to refuges should see males acting in this supporting role. I commend them for that.

Finally I wish to comment on a piece of legislation for which I have lobbied for a number of years. A Bill will be introduced to establish the Health Services Conciliation Commission, as outlined in the Governor's Speech to Parliament. With my background in health, I have been aware for a long time that a need exists for an information and complaints mechanism for health problems. Both New South Wales and Victoria have such systems, with Victoria possessing the preferable model. The New South Wales model is adversarial whereas the Victorian model looks at conciliation. It is useful to note from the annual report of the Victorian centre the increased communication as a result of such services. It is reassuring to note that the people who approach the Victorian service do so because they want to ensure that what happened to them does not happen to someone else. They go to the centre with a philanthropic motive rather than to bash doctors which has been of concern in the past. I applaud the actions of the Minister for Health in addressing the real concerns doctors have about this issue. Certainly factors of the New South Wales model do lead to doctor bashing. The description of the Health Services Conciliation Commission will avoid this. It is important that the process is aimed at the resolution of public or private complaints; that it covers alternative disciplines is also very laudable.

I have outlined some of the matters I consider to be of importance in my electorate. I hope that I have concluded on a positive note with the initiatives I have seen the Government take to solve the very real problems in my electorate.

Debate adjourned, on motion by Mr Clarko.

SELECT COMMITTEES – JOINT SELECT COMMITTEE ON THE CONSTITUTION

Council Personnel

Message from the Council received and read notifying the reappointment of Hon Garry Kelly, Hon Bob Thomas and Hon Derrick Tomlinson to the committee.

Appointment of Assembly Personnel

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

That Mr Cowan, Mr Kobelke and Mr Mensaros be appointed to the Joint Select Committee on the Constitution, and that the Council be acquainted accordingly.

COMMITTEES FOR THE SESSION

Council Personnel

Message from the Council received and read notifying the personnel of committees appointed by that House.

SELECT COMMITTEES – JOINT SELECT COMMITTEE ON PAROLE

Council's Message

Message from the Council received and read notifying that it has agreed to the following motion –

- (1) That the Select Committee on Parole, as constituted in the previous session, be and is hereby reappointed
- (2) The Committee consists of Hon John Halden, Hon Barry House and Hon T.G. Butler
- (3) The time within which the committee is to report finally, be extended until Tuesday, 4 June 1991
- (4) The Council requests the Assembly to reappoint a like committee and to appoint members accordingly.

[Questions without notice taken.]

SITTINGS OF THE HOUSE

MR PEARCE (Armadale – Leader of the House) [6.00 pm]: A number of members have asked about the sitting times for this session. I indicate that the Government has worked on the basis of the sitting times of last year, so the House will rise tomorrow at approximately 4.30 pm.

House adjourned at 6.01 pm

QUESTIONS ON NOTICE

PRISONS – ESCAPE FROM PRISON VAN

Visits to Girlfriends or Relatives

7. Mr KIERATH to the Minister representing the Minister for Corrective Services:

In reference to an article in *The West Australian* of 21 February 1991 titled "Officer to Probe Prison Van Escape" wherein it was stated that a prisoner had been transferred to Fremantle Prison to visit his girlfriend, and was on his way back to Albany Regional Prison, would the Minister advise –

- (a) whether in fact the prisoner had been transferred to Fremantle in order to accommodate a visit to his girlfriend;
- (b) if so, how often has this previously occurred;
- (c) is this a standard practice for prisoners, especially those with a background of violence;
- (d)
 - (i) is it standard practice to allow people to transfer from one prison to another to visit girlfriends or relatives;
 - (ii) is it Government policy that those visits should occur at the prison where the prisoner is based;
- (e) what action does the Minister plan to take to prevent incidents such as this happening again?

Mr D.L. SMITH replied:

- (a) Yes.
- (b) Once.
- (c) Each application for a temporary transfer for visiting purposes is considered on its merits.
- (d)
 - (i) Each application from a prisoner is considered on its merits.
 - (ii) Generally, relatives of prisoners visit at the prison where the prisoner is placed but, because of distance, hardship and maintenance of cultural relationships, prisoners may apply for a temporary transfer for visiting purposes.
- (e) Assessment procedures are currently under review and security of escort vehicles has been upgraded.

BUILDING MANAGEMENT AUTHORITY – APPRENTICES

9. Mr BRADSHAW to the Minister for Construction:

- (1) In the last year, how many apprentices have completed their time with the Building Management Authority?
- (2) In which trades were they apprenticed?
- (3) How many were offered a position to continue with the BMA on the completion of their apprenticeship and in which trades?

Mr McGINTY replied:

- (1) 38.
- (2) Plumbing, carpentry, painting, plastering, refrigeration fitting, mechanical fitting, electrical installing, radio and television.
- (3) Two. One plasterer and one radio and television technician. In addition four electrical installers had two months' temporary work following completion of their apprenticeships and one had one month's temporary work.

SUPERANNUATION AND FAMILY BENEFITS ACT – AMENDMENTS
Widows Married to Pensioners Pension Payments

14. Mr MacKINNON to the Minister assisting the Treasurer:

- (1) Is the Government planning to amend the Superannuation and Family Benefits Act 1938 to give the Superannuation Board the discretion to pay a pension to a widow who entered into a bona fide marriage with a pensioner?
- (2) If so, when is it anticipated that this legislation will be presented to the Parliament?

Dr GALLOP replied:

(1)–(2)

A recent Government Employees Superannuation Board review supports amending the conditions under which widows who marry pensioners become entitled to pension under the Superannuation and Family Benefits Act. Subject to the Government receiving and agreeing to a proposal from the board for an appropriate amendment, the legislation could be presented to the Parliament during the 1991 spring session.

CANNING RIVER REGIONAL PARK – MINISTERIAL APPOINTEES
REMUNERATION

Swan River Trust Members – Remuneration

18. Mr KIERATH to the Minister for Planning:

- (1) Is any remuneration received by ministerial appointees to the Canning River Regional Park and, if so, how much does each receive?
- (2) Are members of the Swan River Trust paid any form of remuneration and, if so, how much does each receive?

Mr D.L. SMITH replied:

- (1) No.
- (2) The Minister for the Environment has advised that members are paid sitting fees of \$73 half day and \$108 full day. The chairman's fees are \$14 000 p.a.

RURAL ADJUSTMENT SCHEME – FURTHER FINANCIAL ASSISTANCE
Federal Government Negotiations – Rural Task Force Recommendation

21. Mr HOUSE to the Treasurer:

- (1) Have negotiations commenced with the Federal Government on further financial assistance being made available to the Rural Adjustment Scheme, since the Government's approval of this rural task force recommendation?
- (2) If yes, what negotiations have taken place?
- (3) If no, why has the Government delayed in implementing that recommendation of the rural task force?

Dr LAWRENCE replied:

- (1) Yes.
- (2) Through the Minister for Agriculture, the Government again put a submission to the Minister for Primary Industries and Energy, Hon J.C. Kerin, on Friday, 15 March 1991, which included not only guaranteed minimum price for wheat but also the rural adjustment scheme. This is in addition to the issues raised by the RAS Ministers' meeting with the Minister for Primary Industries and Energy which was held in December last year. Negotiations have also been occurring at an officer level throughout the review of the rural adjustment scheme being conducted by the Department of Primary Industries and Energy.
- (3) Not applicable.

**RURAL ADJUSTMENT AND FINANCE CORPORATION – ASSISTANCE
APPLICATIONS ASSESSMENTS
*Agricultural Consultants Employment***

26. Mr HOUSE to the Treasurer:

- (1) What is the extent of the use of agricultural consultants by the Rural Adjustment and Financial Corporation in the assessment of applications?
- (2) Which agricultural consultants are employed in the above capacity?
- (3) Of the proportion of applications received by RAFCOR since 1 November 1990, what number have been assessed by –
 - (a) RAFCOR;
 - (b) farm consultants?

Dr LAWRENCE replied:

- (1) Agricultural consultants are used to assist in the initial assessment of applications for assistance under the rural adjustment scheme.
- (2) Those consultants who are members of the Australian Association of Agricultural Consultants of Western Australia Incorporated and have expressed an interest in undertaking this work.
- (3) In this time period –
 - (a) 70 applications were assessed internally by corporation officers.
 - (b) 89 applications were assessed externally by qualified farm consultants.

**RURAL ADJUSTMENT AND FINANCE CORPORATION – LEVELS OF
ASSISTANCE**

27. Mr HOUSE to the Treasurer:

In regard to assistance given by the Rural Adjustment and Finance Corporation since 1 November 1990 what has been –

- (a) the total level of assistance, and
- (b) the average level of assistance given for each of the following categories –
 - (i) capital restructuring;
 - (ii) capital restructuring (interest subsidy);
 - (iii) farm management assistance grants;
 - (iv) increase capital intensity;
 - (v) increase farm size;
 - (vi) increase farm size (subsidy);
 - (vii) outplacement grant;
 - (viii) household support;
 - (ix) re-establishment;
 - (x) farm water supply;
 - (xi) farm water supply (grant);
 - (xii) farm water supply (interest subsidy)?

Dr LAWRENCE replied:

- (a) The total level of assistance, 1 November 1990 to 15 March 1991 –

Loans	\$683 352	
Subsidies	381 675	(Supporting loans of \$6 910 314)

Grants	183 051	
Farm water grants	54 884	(Supporting loans of \$332 630)
TOTAL	<u>\$1 302 962</u>	

- (b) The average level of assistance given for each category –
- (i) Two loans; \$171 000 per loan;
 - (ii) 26 interest subsidies; \$14 070 per interest subsidy;
 - (iii) 38 grants; \$2 110 per grant;
 - (iv) one loan; \$20 000;
 - (v) two loans; \$122 500 per loan;
 - (vi) two interest subsidies; \$7 187 per subsidy;
 - (vii) one outplacement grant; \$3 560;
 - (viii) eight household support clients; \$6 670 per client;
 - (ix) three re-establishment grants; \$33 097;
 - (x) one FWS loan; \$22 992;
 - (xi) 14 FWS grants; \$3 920;
 - (xii) one FWS interest subsidy; \$500.

**RURAL ADJUSTMENT AND FINANCE CORPORATION – ASSISTANCE
APPLICATIONS**
Turnaround Time

28. Mr HOUSE to the Treasurer:

- (1) What has been the average turnaround time for applications received by the Rural Adjustment and Finance Corporation since 1 November 1990?
- (2) What steps is the corporation taking to ensure that this process is as quick as possible?

Dr LAWRENCE replied:

- (1) During the period 1 November 1990 to 15 March 1991 the average turnaround time for applications received by the corporation is 40.5 working days. This includes the time needed for applicants to provide all relevant data and other information to the corporation to allow their applications to be assessed accurately, and the waiting time required for the application to go before the appropriate meeting of the board for its decision.
- (2) The applications are recorded on reception and the stages charted as they progress through the assessment stages. Loans committee meetings are held regularly to facilitate smoother passage of those applications for which their assessment is less involved. Members of the Australian Association of Agricultural Consultants who are interested in initiating the assessment process are retained to assist as the numbers of applications increase.

It is interesting to note that applications for assistance under the rural adjustment scheme for the month of February 1991 were 138, as compared to the 20 applications received in the same period in 1990. The eight year average of applications for assistance under the rural adjustment scheme for the month of February is 46. Similarly, in January 1991, 94 RAS applications were received, nine were received in January 1990, and the eight year average of applications received in the month of January is 32. The board is preparing a case for consideration by Government for more staff resources for the period ending 30 June 1993.

RURAL ADJUSTMENT AND FINANCE CORPORATION - ASSISTANCE
APPLICATIONS
Statistics

29. Mr HOUSE to the Treasurer:

- (1) How many applications were made to the Rural Adjustment and Finance Corporation for assistance in –
 - (a) November 1990;
 - (b) December 1990;
 - (c) January 1991;
 - (d) February 1991?
- (2) How many applications received by RAFCOR were accepted in the months –
 - (a) November 1990;
 - (b) December 1990;
 - (c) January 1991;
 - (d) February 1991?
- (3) How many applications received by RAFCOR were rejected in the months –
 - (a) November 1990;
 - (b) December 1990;
 - (c) January 1991;
 - (d) February 1991?
- (4) How many applications received by RAFCOR were completed in the months –
 - (a) November 1990;
 - (b) December 1990;
 - (c) January 1991;
 - (d) February 1991?

Dr LAWRENCE replied:

- (1) Total applications made to the corporation –
 - (a) 38 (November 1990)
 - (b) 50 (December 1990)
 - (c) 102 (January 1991)
 - (d) 144 (February 1991)
- (2) Applications approved by the corporation –
 - (a) 21
 - (b) 15
 - (c) 15
 - (d) 28
- (3) Applications declined by the corporation –
 - (a) 12
 - (b) 11
 - (c) 18
 - (d) 31
- (4) Applications completed by the corporation –
 - (a) 33
 - (b) 26
 - (c) 33
 - (d) 59

DIRECTORATE OF EQUAL OPPORTUNITY IN PUBLIC EMPLOYMENT –
DISTINCT FUNCTIONS

Equal Opportunity Commission Functions

35. Mr COWAN to the Premier:

What function is performed by the Directorate for Equal Opportunity in Public Employment that cannot be satisfactorily performed by the Public Service Commission or the Equal Opportunity Commission?

Dr LAWRENCE replied:

The Director for Equal Opportunity in Public Employment carries out functions under part IX of the Equal Opportunity Act 1984 quite distinct from those carried out by the Commissioner for Equal Opportunity.

PRISONS – PRISONERS

Offence Statistics – "White Collar" Criminals

36. Mr COWAN to the Minister representing the Minister for Corrective Services:

- (1) How many persons are currently in prison for –
 - (a) murder or any other offence involving the causing of death;
 - (b) the degree of sexual assault formerly known as rape;
 - (c) other crimes of physical violence;
 - (d) offences that fall within the category of "white collar" crimes;
 - (e) child abuse;
 - (f) the nonpayment of fines?
- (2) What is the total number of convicted persons currently in prison throughout Western Australia?
- (3) As a matter of general policy, are "white collar" criminals treated any differently from other prisoners in terms of facilities available, privileges granted or in any other way?

Mr D.L. SMITH replied:

- (1) (a) Murder – 87
Manslaughter – 8
Driving causing death – 1
- (b) 190
- (c)

Attempted murder –	112
Assault GBH –	20
Assault OBH –	76
Armed robbery –	102
Other robbery –	30
- (d) Fraud/forgery/false pretences – 51
Misappropriation – 8
- (e) Carnal knowledge/incest/defilement – 10
Kidnapping – 14
- (f) Fine default – 222
- (2) Sentenced prisoners – 1 729
- (3) No.

MEMBERS OF PARLIAMENT – VIETNAM TRIP

Public Sector Employees – Edwards, Mr Kevin

37. Mr COWAN to the Premier:

- (1) Did members of Parliament visit Vietnam recently?
- (2) If so, did any public sector employees go on the trip as well?

- (3) If yes to (1) or (2), what are the names of the persons who went on the trip?
- (4) What was the purpose of the trip?
- (5) Was the trip successful and, if so, what criteria were used to determine that it had succeeded?
- (6) Did any of those on the trip meet the former Government adviser, Kevin Edwards and, if so, for what purpose?
- (7) What was the overall cost of the trip, and from what sources did the funds for each of the tourists' travel and accommodation expenses come?
- (8) Did any of the tourists come back from Vietnam earlier than intended and, if so, for what purpose?
- (9) What were the dates of the trip?

Dr LAWRENCE replied:

(1)-(2)

Yes.

- (3) Hon Graham Edwards, MLC
Bill Thomas, MLA
Hon Jim Brown, MLC
Hon Tom Helm, MLC
Ross Barrett
Gordon Clipston.

- (4) The purpose of the trip was -

To make a general assessment of conditions in Vietnam and the opportunities for a closer economic relationship with Western Australia.

To meet officials of the Government of Vietnam to convey to them Western Australia's interest in participating in the development process in Vietnam - including the WA Government's interest in the proposed land titling project.

To determine the development priorities of the Government of Vietnam and to make an assessment of those likely to be suited to involvement by Western Australian interests.

To promote Western Australia's capabilities and skills, principally in infrastructure development and management, in anticipation that Western Australia could become involved in the development process in Vietnam.

- (5) A full report is currently being written and I expect to receive a copy in the near future. The report will address the objectives outlined in the answer to question (4) above and the member will be most welcome to a copy.
- (6) No.
- (7) On 30 April 1990 Cabinet adopted a code of ethics for Ministers which covered policies on pecuniary interests, ministerial expenses and gifts. The code introduced a requirement whereby as from 1 July 1990 all Ministers will have to submit a detailed report relating to overseas travel, including all known expenses - and expenses of accompanying staff - to the Premier within two months of each trip. It is also proposed that a summary of ministerial overseas travel expenses will be tabled in Parliament at the end of the financial year. Where the parliamentary imprest account was used, details will be reported in the usual manner.
- (8) One member of the delegation, Mr Thomas, returned early to attend a meeting of the State Parliamentary Labor Party.
- (9) 23 January - 8 February 1991
25 January - 8 February 1991 for Hon Jim Brown, MLC.

EDUCATION AMENDMENT ACT – PROCLAMATION DELAY
Union Groups Consultations

39. Mr COWAN to the Premier:

Further to my question 2063 of 1990 to which the Premier replied that proclamation of the Education Amendment Act 1990 was being delayed pending "settlement of further negotiations with union groups", why was the will of the Parliament, as expressed by its passage of the Act, made subject to further negotiations with union groups?

Dr LAWRENCE replied:

The Education Amendment Act (No 2) 1990 – No 74 of 1990 – which relates to school decision making groups, has not yet been proclaimed, pending the drafting of regulations required to give effect to the provisions of the Act. The drafting of the regulations is currently proceeding following consultation with interest groups. The Education Amendment Act 1990 – No 36 of 1990 – which relates to Government school funds and school bank accounts, was proclaimed on 1 February 1991 in conjunction with the publication in the *Government Gazette* of instructions prescribed pursuant to the amendments,

PREMIER – ADVISERS
Anderson, Ms – Duties Guidelines

40. Mr COWAN to the Premier:

- (1) What guidelines are followed by the Premier's closest advisers, including Ms Marcelle Anderson, to ensure that there is a distinction between their duties as public sector employees and their private pursuits as members of a political party?
- (2) Can the Premier assure the House that neither Ms Anderson nor any other person employed in the Premier's office has ever engaged in party political activities during the hours for which they are paid as public servants?

Dr LAWRENCE replied:

- (1) As chief executive of the department of the Cabinet, Ms Anderson is required to develop, assess and implement Government policy at my direction. I am not aware of any private pursuit of Ms Anderson which conflicts with the performance of these duties.
- (2) Ms Anderson is totally engaged in the duties of a public servant during working hours, as are employees of my office.

JUVENILE OFFENDERS – DETAINEES
Danger to Community Assessments – Statistics

43. Mr COWAN to the Minister for Community Services:

- (1) Where juveniles are detained at Longmore or other institutions, are they routinely assessed for the danger they may cause to the community if they were to escape?
- (2) If yes, are formal grades of danger used?
- (3) How many juveniles are currently in Longmore and other detention institutions and how many of these are considered to be dangerous?

Mr RIPPER replied:

- (1)–(2) Detainees are routinely assessed as to their psychological state and behaviour generally. Detainees in Longmore remand and training and Nyandl are formally assessed as high or low security risk, according to the department's escort policy. A child is classed as high security risk if any of the following apply –

Remanded to a higher court or remanded to appear before the Judge of the Children's Court.

Serious offences against the person – sentenced or remand.

Record of escaping legal custody or absconding.

Violence or aggressive temperament.

Suspected of planning to escape.

For the detainees the classification of high security risk entails additional supervision and restrictions of access to certain programs and areas; for example, play fields. Riverbank does not currently formally assess detainees.

- (3) There are 113 juveniles in the four secure institutions – 18 March 1991. The issue of whether they are dangerous is subjective and open to speculation. In terms of the department's security classification high security risk indicates detainees *may* be a danger to –

security of the institution
themselves
other detainees and staff
the community generally

In Longmore remand, training and Nyandi there are 18 detainees of the total population of 64 that are classified as high security risk. Detainees at Riverbank are considered a high security risk as a matter of course.

**STATE GOVERNMENT INSURANCE COMMISSION – ERNST & YOUNG,
MALLESONS STEPHEN JAKES, AND POTTER WARBURG**

Report Tabling

46. Mr TRENORDEN to the Minister assisting the Treasurer:

- (1) Will the Deputy Premier table the report on the State Government Insurance Commission by Ernst and Young, Mallesons Stephen Jakes and Potter Warburg?
- (2) If no to (1), which members of this House have seen the report and why are they the only persons allowed to see it?

Dr GALLOP replied:

(1)–(2)

The corporatisation review of the State Government Insurance Commission prepared by the consortium of Ernst and Young, Mallesons Stephen Jakes and Potter Warburg was a report to the State Government. The review includes detailed financial projections and management strategies for the SGIO and the SGIC. To release this information would be commercially unsound and would give the SGIO's competitors unfair advantage in the marketplace and further would be detrimental to all policy holders. The review will therefore not be tabled. However, I have released a public report which contains all the review's recommendations and all information apart from that which would advantage the SGIC/SGIO's competitors.

**STATE GOVERNMENT INSURANCE COMMISSION – GOVERNMENT
EMPLOYEES SUPERANNUATION BOARD**

Anderson, Mr Warren – \$55 million Interest Free Loan

53. Mr LEWIS to the Minister for Microeconomic Reform:

- (1) Did the State Government Insurance Commission or the Government Employees Superannuation Board or any of their agencies either in their own right, jointly or in part, give an interest free loan of \$55 million to Mr Warren Anderson, or any of his associated companies for a 12 month period?
- (2) If yes, what were the loan funds to be used for and against what security was the loan advanced?
- (3) Was the loan subject to a mortgage and was the mortgage registered in the Titles Office?

Dr GALLOP replied:

(1)–(3)

See reply to question 2103 of 1990.

**STATE GOVERNMENT INSURANCE COMMISSION – HOLMES A COURT, MR R.
*BHP Shares and Terrace Properties Purchase – Borrowings Approval***

54. Mr LEWIS to the Minister for Microeconomic Reform:

Referring to the State Government Insurance Commission's dealings with the Holmes a Court interests in November 1987 to purchase the \$284 million BHP share parcel and the \$206 million Terrace group of properties –

- (a) what was the total amount of money approved to be borrowed by the Premier and/or Cabinet at the time for the State Government Insurance Commission to facilitate the purchases as referred;
- (b) were any of the borrowings required to finance the State Government Insurance Commission purchases provided by Mr Holmes a Court, any of his family or any other entity controlled by him or his family trust companies; and
- (c) if so, who were the moneys borrowed from and what were the specific amounts lent by the separate entities involved?

Dr GALLOP replied:

See reply to question 1874 of 1990.

ELECTRICITY – UNIFORM TARIFFS POLICY

56. Mrs BUCHANAN to the Minister for Fuel and Energy:

- (1) Will the Government continue with its policy of uniform tariffs for electricity?
- (2) If not, what tariff changes are proposed?

Dr GALLOP replied:

(1)–(2)

The Government remains committed to a uniform tariff structure for electricity and would need to be convinced of the social and economic merits of any alternative.

LEGISLATIVE ASSEMBLY – MEMBERS' PAYROLL

Training Programs Expenditure – Employment of Unemployed Persons Expenditure

58. Mr MENSAROS to the Speaker:

What, if any, opportunities for employment of unemployed people, particularly youth, will the proposed spending of a certain percentage of the Legislative Assembly's payroll for training purposes offer?

The SPEAKER replied:

I assume the member refers to the requirement that a sum, equivalent to the one per cent of Legislative Assembly members' payroll, must be applied to employment related skills training under the Commonwealth training guarantee scheme. Expenditure under the scheme must be directly related solely or principally to eligible training programs. Expenditure on employment of unemployed persons would, of itself, not qualify as eligible expenditure under the scheme.

PARLIAMENT HOUSE – EMPLOYMENT STATISTICS

60. Mr MENSAROS to the Speaker:

- (1) What was the total number of employees (whether employed by the Joint House Committee, Presiding Officers, or any other employer) working in Parliament House as at 30 June 1965 when the new two-storey addition, presently the front of the building, was completed?

- (2) What was the total number of employees working in Parliament House as at 30 June 1990?

The SPEAKER replied:

- (1) As at 30 June 1965 there were 71 employees working in Parliament House who were employed by the five parliamentary departments. Figures are not available for other employees not employed by the parliamentary departments who may have been working in Parliament House at that time.
- (2) As at 30 June 1990 there were 123 employees working in Parliament House who were employed by the five parliamentary departments. In addition, there were approximately 10 other staff working in Parliament House who were employed by other employers; that is, staff of the Leader of the Opposition and electorate secretaries.

TRANSPERTH – LOSSES
Northern Suburbs Railway – Profit-Loss Estimate

65. Mr BRADSHAW to the Minister for Transport:

- (1) What is the overall loss incurred by Transperth in the last financial year?
- (2) Has an estimate been made on the expected profit/loss on the new northern suburbs railway?
- (3) If yes to (2), what is the profit/loss expected per year?
- (4) What is the expected cost to build the northern suburbs railway service?

Mrs BEGGS replied:

- (1) Net community expenditure
12 months ending 30 June 1990 was –

	\$ million
Bus	74.858
Train	37.546
Ferry	<u>0.186</u>
Total	<u>112.590</u>

- (2) Yes.
- (3) The net present value – that is, benefits minus cost – is \$124 million which equates to an equivalent annual value of \$3.1 million over the 40 year evaluation period.
- (4) In June 1989 \$ value the estimated cost is \$223 million.

GOVERNMENT DEPARTMENTS – POLLS

68. Mr BRADSHAW to the Premier:

Adverting to question 2010 of 1990, would the Premier inform me as to whether the various departments have had so many polls undertaken that the information is so difficult to find, or has the Government something to hide in the number of polls that have taken place in Western Australia over the last few years?

Dr LAWRENCE replied:

No.

ABORIGINAL AFFAIRS PLANNING AUTHORITY ACT – AMENDMENTS

75. Mr MacKINNON to the Minister for Aboriginal Affairs:

- (1) When are the changes to the Aboriginal Affairs Planning Authority Act which have been approved by Cabinet likely to be presented to the Parliament?
- (2) What are the changes which have been approved?

Dr WATSON replied:

(1)-(2)

Parliamentary consideration to changes to the Aboriginal Affairs Planning Authority Act has been deferred pending further consultation with Aboriginal communities and organisations. Final changes are to be submitted for Cabinet approval at a later date.

SMITH, MR ROBERT – GOVERNMENT PAYMENT

Premier's Departments, etc

78. Mr MacKINNON to the Premier; Treasurer; Minister for The Family; Women's Interests:

Has any Government department, agency or statutory authority under the control of the Minister either directly or indirectly since February 1983, made payments for services rendered by Mr Robert Smith or any firm with which he is associated, in relation to surveillance, in the broadest sense, of any member of Parliament, former member of Parliament, public servant or other employee of any Government department, agency or statutory authority?

Dr LAWRENCE replied:

The question is identical to questions asked of all Ministers in the previous session and to which I replied on Thursday, 27 December 1990 at *Hansard*, page 8938.

ASSET MANAGEMENT TASKFORCE – GERALDTON LAND DISPOSAL

98. Mr MacKINNON to the Premier:

- (1) What land is the Asset Management Taskforce currently disposing of in Geraldton?
- (2) Why is that land being disposed of?
- (3) How many people are directly affected by the disposal of the land?
- (4) What action is the Government taking to ensure the ongoing operation of the businesses affected by the sale of that land?

Dr LAWRENCE replied:

- (1) The Asset Management Taskforce is presently disposing of about 20 hectares of former railway land in Flores and Place Roads, Geraldton.
- (2) This land has not been used for railway purposes for many years, and in fact has been leased out to local businesses. Westrail declared the land surplus to its operational requirements.
- (3) 33 businesses.
- (4) The existing leaseholders have been given the first opportunity to purchase the land which they are presently occupying. They have been reassured by the AMT that, in the event they do not wish to purchase their individual lease sites, or where agreement cannot be reached on the purchase price, the sale of the land will be progressed on the open market, with a transfer of the existing lease arrangement.

The terms and conditions of these leases, together with the ongoing operations of those businesses, will therefore be preserved.

OFFICE OF THE FAMILY – ANNUAL REPORT COSTS

103. Mr COURT to the Minister for The Family:

- (1) What was the cost of preparing, printing and distributing the annual report of the Office of the Family 1989-90?
- (2) How does this compare with the costs associated with the 1988-89 annual report?

Dr LAWRENCE replied:

- | | | |
|-----|-------------------------------------|-------------|
| (1) | Office of the Family annual report; | |
| | Preparation, bromides, typesetting | \$11 007.96 |
| | Printing | 5 110.00 |
| | Distribution | 500.00 |

- (2) This is the first annual report of the Office of the Family.

WHEAT – CROP VALUE AND PROJECTIONS

109. Mr COURT to the Minister for Agriculture:

- (1) What was the estimated value of last season's wheat crop?
- (2) Has the Government been provided with any projections for the outlook towards the sales and price for wheat this year?
- (3) If so, what were these projections?

Mr BRIDGE replied:

- (1) The gross value of wheat production for Western Australia is estimated to be \$715 million for the 1990-91 season.
- (2) Yes.
- (3) (a) Australian Wheat Board: \$120/tonne
- (b) Australian Bureau of Agricultural and Resource Economics –
- Low world yields \$190/tonne
- Average world yields \$158/tonne
- High world yields \$119/tonne
- (c) Western Australian Department of Agriculture
- Average world yields \$165/tonne

All prices relate to the net pool return for mid-protein ASW wheat.

ROYALTIES – MINING AND PETROLEUM

Review Completion Date

110. Mr COURT to the Minister for Mines:

- (1) Has the Government completed its review on royalties being paid by the mining and petroleum sectors?
- (2) If so, what were the results of this review and, if not, when will the review be completed?

Mr GORDON HILL replied:

- (1) There is no formal review of royalties being undertaken at present, although the Department of Mines is examining the specific rate royalties included in the Mining Act.
With over 130 producers paying mineral and petroleum royalties, there will always be negotiations taking place over rates, assessment or collection arrangements.
- (2) Not applicable.

SHEEP – LIVE SHEEP TRADE

Port of Fremantle Shipments Statistics

115. Mr COURT to the Minister for Transport:

How many live sheep were shipped through the Port of Fremantle in the months of October, November, December 1989, January, February, March, April, May, June, July, August, September, October, November, December 1990 and January, February 1991?

Mrs BEGGS replied:

1989	
October	64 258
November	230 034
December	241 845
1990	
January	118 913
February	294 694
March	216 636
April	375 995
May	162 859
June	212 018
July	264 806
August	81 182
September	197 609
October	236 737
November	312 018
December	156 753
1991	
January	152 908
February	265 154

GOVERNMENT ADVERTISING – BUDGET CUTS

120. Mr COURT to the Treasurer:

- (1) Has the Government been successful in cutting its advertising budget by 20 per cent this year?
- (2) If so, what is the dollar value of this cut?

Dr LAWRENCE replied:

- (1) Yes.
- (2) In excess of \$1.9 million.

ASSET MANAGEMENT TASKFORCE – ASSET SALES

123. Mr COURT to the Treasurer:

- (1) What asset sales have been achieved by the State's Asset Management Taskforce in the six months to 31 December 1990?
- (2) What were the assets involved?

Dr LAWRENCE replied:

- (1) In the six months to 31 December 1990, the Asset Management Taskforce achieved 27 sales, returning \$7 577 876 to Consolidated Revenue.
- (2) The assets sold were as follows –

Devonleigh Hostel, Anstey Street, Claremont
 Vacant land, Queens Park
 Reserve 37138, Bull Creek
 Earlsferry Hostel, Guildford
 Camballin Agriculture Department
 Fremantle Hospital, surplus property
 14 Charles Street, Midland
 33 Hamersley Street, Midland
 19 Hamersley Street, Midland
 22 Hamersley Street, Midland
 23 Rhodes Crescent, Calista
 15 George Street, Midland
 22 Charles Street, Midland

10 Norman Street, Bellevue
 8 Norman Street, Bellevue
 Part Lot 2, York
 Esperance Lots 135-140
 King Location, Kununurra
 North Sorrento Primary School site
 Cockburn Sound Location 56, Bibra Lake
 Victoria Location 1110
 Former Clackline Primary School.

LAND - STATE ENGINEERING WORKS
Government Ownership

126. Mr COURT to the Premier:

- (1) Is the Government still the owner of all or any of the land formerly occupied by the State Engineering Works?
- (2) If so, how much is still owned?
- (3) Why did the initial sale fall through?
- (4) What are Government's current plans with this site?
- (5) Has the site been cleared of all contamination?

Dr LAWRENCE replied:

- (1) Yes.
- (2) 8.4292 hectares.
- (3) The initial sale fell through because the conditions pertaining to the rezoning of the site for residential use and the clearing of contaminated soils from the site were not met to the anniversary date of the contract of sale.
- (4) To offer the site for sale by public tender.
- (5) Yes.

FOXES - BAITING EFFECTIVENESS TRIALS
Results

129. Mr GRAYDEN to the Minister for Agriculture:

Have any results been achieved as yet in respect of the trials which were commenced in May 1990 on baiting effectiveness for foxes?

Mr BRIDGE replied:

Preliminary work has been undertaken and early results can be expected in July 1991.

FOXES - POPULATION INCREASE
Pelt Value Decrease

130. Mr GRAYDEN to the Minister for Agriculture:

Is the Agriculture Protection Board aware of any substantial increase in fox numbers resulting from the current low value of fox pelts and the fact that fewer foxes are being taken for fur trade purposes?

Mr BRIDGE replied:

Some increase in fox numbers is evident across the agricultural areas. This is more likely to be the result of seasonal factors rather than the low value of fox pelts.

RURAL ADJUSTMENT AND FINANCE CORPORATION - GUIDELINES
REDRAFT

Primary Producers' Children, Relocation and Training Assistance

135. Mr HOUSE to the Treasurer:

- (1) Has the Rural Adjustment and Finance Corporation considered redrafting its

guidelines to allow for relocation and retraining assistance for the sons/daughters of primary producers whose operations can no longer support these additional persons?

- (2) If so, what progress has been made towards implementing this assistance?
- (3) If not, what are the reasons for not offering this assistance?

Dr LAWRENCE replied:

(1)–(3)

The State Government and the Rural Adjustment and Finance Corporation do not have the discretion to redraft guidelines provided by the Commonwealth Government under the rural adjustment scheme. The substance of the question has been raised at a ministerial and an officer level. It is anticipated the matter will be reported in the review of the rural adjustment scheme being undertaken by the Department of Primary Industries and Energy.

AGRICULTURE DEPARTMENT – ADVISERS AND FARMERS PROPORTION *Advisory Services*

136. Mr HOUSE to the Minister for Agriculture:

- (1) What is the proportion of farmers to Department of Agriculture advisers?
- (2) In terms of the next five years, does the department intend to either –
 - (a) maintain this level of service;
 - (b) expand this level of service; or
 - (c) reduce this level of service?
- (3) Do any formal or informal relationships exist between the department and private consultants or agribusiness agencies, to coordinate the provision of advisory services to the farmers?
- (4) If so, can the Minister outline the arrangements?
- (5) If not, what are the reasons for a lack of coordination?
- (6) With the advent of the current rural crisis, has the department allocated more funds to its extension services?
- (7) If so, how much?
- (8) If not, why has additional funding not been allocated to this vital area?

Mr BRIDGE replied:

- (1) Approximately 230 farmers per agricultural adviser. Other staff are also involved in extension and technology transfer activities.
- (2) The department intends to at least maintain this level of service over the next five years, subject to budget considerations.
- (3) A strong informal relationship exists between the department and private consultants and agribusiness.

(4)–(5)

The department's officers meet regularly with staff of agribusiness and provide technical and management information for trade journals. The department has numerous joint seminars and field day programs with agribusiness and other agencies including private consultants. Clients of private consultants represent less than 20 per cent of farmers while the departmental officers must service all farmers. There are therefore limits in the coordination which is achievable.

(6) Yes.

(7) Some \$50 000 has been specifically allocated to the autumn extension programs, but there has been a larger general reallocation within the regional operations budget to cater for increased activity in extension, and a reallocation of research and technical staff resources to support the extension

effort. In January the department released a document "Strategies for the Rural Downturn" describing its approach to assisting farmers and pastoralists under the present difficult circumstances. The department's approach has been endorsed in the recommendations of the Rural Task Force. A copy of the department's document was sent to all country members of Parliament in January.

- (8) Not applicable.

AGRICULTURE DEPARTMENT – FUNDING CONTRIBUTIONS
Wheat, Barley, Beef or Meat, Wool and Coarse Grain Research Funds

138. Mr HOUSE to the Minister for Agriculture:

- (1) Has the Government contributed to the following funds over the past five years –
 - (a) wheat research fund;
 - (b) barley research fund;
 - (c) beef and/or meat research fund;
 - (d) wool research fund;
 - (e) coarse grain fund?
- (2) If so, how much has the Government contributed to each of those funds over the past five years?
- (3) Have growers also contributed to the above funds?
- (4) If so, how much have growers contributed to each of those funds over the past five years?

Mr BRIDGE replied:

(1)–(3)

The rural industry research corporations have been established under Commonwealth legislation to collect producer levies, to be matched with Commonwealth funding. State Governments are not involved in this process.

- (4) Wheat, barley, meat and wool industry research funds operate with industry contributions up to 0.5 per cent of the Gross Value of Production (GVP) matched by the Commonwealth. Levies have been set up by industry councils from 0.2 per cent to 0.35 per cent of GVP over the past five years.

Levies are paid by Western Australian growers to support the Grain Research Fund established under the Grain Marketing Act. An oat levy of \$1 per tonne has applied over the past five years.

**RURAL ADJUSTMENT AND FINANCE CORPORATION – EMPLOYMENT
 STATISTICS AND POSITIONS**

140. Mr HOUSE to the Treasurer:

What is the number and position of staff employed at the Rural Adjustment and Finance Corporation as at 13 March 1991 in each of the following categories –

- (a) executive;
- (b) rural services;
- (c) industry and business analysis;
- (d) finance;
- (e) corporate services;
- (f) information systems?

Dr LAWRENCE replied:

- (a) Executive

- Three
Chairman, executive officer, personal secretary.
- (b) Rural Services
Now Field and Extension Services
Five
Manager, three regional rural officers, publicity officer.
- (c) Industry and Business Analysis
Seven
Two business analysts, two industry analysts, application co-ordinator, security officer, word processor operator.
- (d) Finance
Now Client Account Services
Eleven
Manager, three loan account officers, four review officers, two security officers, word processor operator.
- (e) Corporate Services
Now Administration and Finance and Outplacement Services
Eleven
Manager, administrative assistant, three records officers, telephonist, three outplacement officers, two finance officers.
- (f) Information Systems
Two
Manager, analyst-programmer.

QUESTIONS WITHOUT NOTICE

ELECTORATE OFFICES – TELEPHONE COSTS

16. Mr STRICKLAND to the Premier:

- (1) Can the Premier recall my follow-up question, number 542 of 4 December 1990, on Budget matters, in which I requested information relating to the costs of telephones for electorate offices on an electorate by electorate basis?
- (2) Does the Premier recall saying at that time, 4 December 1990, that the information should be on its way and that she was happy to provide the information?
- (3) Was the Premier in possession of this information on or prior to 4 December 1990?
- (4) When will the information be supplied to me?

Dr LAWRENCE replied:

(1)–(4)

I think the member should check his letterbox because at that time, before the end of the last parliamentary sitting, I had the letter and the attachment in my hand, folded it up, and put it in the parliamentary mail system and expected that he would have received it on that day or the following day. As I said to the member at the time, it was clear that there were some members on the opposite side of the House who apparently did not have any contact with their electors, because they had not made any phone calls. And there were wide variations between country and city members which could only reflect on the energy and enthusiasm of the members. I am happy to provide that information again to the honourable member. I shall check what may have occurred at the time, but the member can rest assured that my response did go into the system, and if it has not reached him he will be sent another copy.

The SPEAKER: Order! The system that has been called into question is the parliamentary system and any questions in respect of that should be directed

to me. However, I can give you the answer now: The system is unimpeachable.

AUSTRALIAN NATIONALIST MOVEMENT – AUSTRALIAN LABOR PARTY FUNDING ALLEGATION

17. Mrs WATKINS to the Premier:

Has she taken any further action in response to allegations made by the Opposition yesterday, that the Australian Labor Party was involved in funding the Australian Nationalist Movement?

Mr Minson: Another dorothy dixer!

Dr LAWRENCE replied:

I thought it was a question that the Opposition was pursuing with some vigour yesterday. I find that an extraordinary comment. If the member for Nedlands was reported correctly, he has referred the matter – as properly he should if he has evidence – to the authorities. What I have done this afternoon, following what I still regard as the extraordinary allegations made yesterday although the Leader of the Opposition was extremely cute on radio this morning attempting to deny that he had made a specific allegation, is ask members of this House to recall not only the question that the member for Nedlands raised during his address, but also the allegation that was specifically made later in the evening. I do not think it becomes the Leader of the Opposition to deny when he has made an allegation of that seriousness. So I have taken the course of writing to the Leader of the Opposition suggesting that he should provide to me, if he is not prepared to give it to the appropriate authorities, evidence in addition to that letter that was being raised.

Mr MacKinnon interjected.

Dr LAWRENCE: I stated in my letter to the Leader of the Opposition –

You indicated to the Parliament yesterday that you believed these matters were most serious and that I should make enquiries. In view of the allegations casting a serious slur on current and former members of Parliament, representing the Australian Labor Party, as well as officials and members of the party generally, it is appropriate for you to make available to me any information –

Mr MacKinnon: To you, not to "the appropriate authorities".

Dr LAWRENCE: I said "to me" and then I would pass on information –

– which you and the Member for Nedlands based your claims in Parliament, in addition to the letter to which the Member for Nedlands referred.

It is my judgment that all the Opposition has is that letter from a person convicted of false pretences, wilful damage and receiving stolen property; one of a group who actually murdered one of their number. If that is the source of the evidence the Leader of the Opposition should apologise to all the members of this House for his extraordinary action.

LIVESTOCK – VALUATION LEGISLATION REVIEW

18. Mr HOUSE to the Premier:

Will the Premier support a request to the Federal Commissioner of Taxation and the Federal Treasurer to review the legislation relating to the valuation of livestock with a view to –

- (1) Allowing a primary producer greater flexibility in choosing which valuation basis is suitable for his stock given the prevailing economic conditions?
- (2) Reducing the cost price valuation base from \$4 per head to \$1 per head?

Dr LAWRENCE replied:

(1)-(2)

I thank the member for some notice of this question. Clearly it is a matter which is of concern in the current economic climate, and I am happy to make the appropriate representation. The question of a particular individual taxpayer exercising choice over the basis of valuations is something to which I cannot immediately agree. There has to be a fair basis that takes account of appropriate prevailing prices. It is not reasonable to ask that the taxpayer could choose the optimum level depending on what suits him in the current climate, but the valuation should be one that takes account of the financial circumstances of the taxpayer at the time. I think that is basically what the deputy leader of the National Party's request is, and I am happy to support him in that move.

POLICE – REGULATIONS REVIEW
Financial Interests Disclosure

19. Dr ALEXANDER to the Premier:

- (1) Given the report in this morning's *The West Australian* about alleged involvement of former senior police in questionable business ventures, will police regulations be reviewed to prohibit involvement of police in private business activities or at least require the regular declaration of such interests?
- (2) What measures is the Government taking to undertake further investigations into current allegations?

Dr LAWRENCE replied:

(1)-(2)

I read that story in this morning's newspaper with some disquiet. The matter is before the courts at the moment and will be the subject of further investigation as that case unfolds and others may flow from it. That is where it should be properly investigated.

My understanding is that the police are required as of now to declare financial interests of various kinds in much the same way as we are attempting to make the case for members of Parliament. Members opposite will be aware that when I became Premier I requested that all Ministers provide me with a list of their pecuniary interests. Members of the Opposition have shown considerable reluctance to expose themselves to that scrutiny. I have undertaken that in relation to members of Parliament. The police are required to do it. I have seen the form that they are required to fill out. Whether it has been breached in this case is something that should be properly adjudged and I am sure the Minister responsible will do that. However, I take this opportunity to urge members opposite, when we finally introduce our declaration of pecuniary interests Bill, to come clean on this issue also.

**FINANCE BROKERS SUPERVISORY BOARD – GOVERNMENT APPOINTED
VACANCIES**
Appointments Delay

20. Mr FRED TUBBY to the Minister for Consumer Affairs:

In view of the Minister's remarks yesterday relating to the Government's desire to speed up the processes of Government and the significant advances made in microeconomic reform, I ask –

- (1) Is the Minister aware that the Finance Brokers Supervisory Board has been waiting for the Minister to fill Government appointed vacancies since October 1990?
- (2) Is the Minister aware that on 6 March 1991 the remaining ministerial appointee refused to attend a board meeting because he considered it was no longer legally constituted?
- (3) Is the Minister aware that this board's inability to operate is causing

severe hardship in the finance broking industry because people waiting for licences are unable to operate and annual certificates are not being issued?

- (4) Why were positions not filled as soon as they became vacant and why has there been a delay of almost six months?
- (5) When does the Minister intend to make these appointments?

Mrs HENDERSON replied:

(1)–(5)

The Finance Brokers Supervisory Board comprises two members appointed by the industry who undergo an election process, a chairman, a legally qualified person appointed by the Minister and a person with experience in commercial practice appointed by the Minister. Elections are conducted by the State Electoral Commission for people in the finance brokers' industry. Those elections were conducted towards the latter part of last year. However, no advice of the outcome of that election was forwarded to me. I understand that the Finance Brokers Institute has normally forwarded to the Minister information relating to the outcome of that election and, as a result, a list of nominees has been compiled and processed in the normal way. However, that advice did not reach me formally until mid February. That advice has now been processed.

Mr MacKinnon: Was it posted in the same letterbox as the letter that went to the member for Scarborough?

Mrs HENDERSON: I do not think it was posted.

Mr Clarko: You gave an answer like this last year.

Mrs HENDERSON: No, I did not.

Mr Fred Tubby: You gave an answer like this on radio two months ago.

Mrs HENDERSON: That is right, I did, and the member knew the answer.

Mr Fred Tubby: And still nothing has been done.

Mrs HENDERSON: Something has been done because the appointments have been approved by Cabinet and have gone through the Executive Council.

Mr Fred Tubby: Six months late.

Mrs HENDERSON: It is not six months late; it is four weeks after the advice was received.

TREASURY CORPORATION – JAPANESE RATING AGENCY *Rating AA+ to AA*

21. Mr KOBELKE to the Premier:

- (1) Has a Japanese rating agency altered the WA Treasury Corporation's rating from AA+ to AA?
- (2) If so, why?

Dr LAWRENCE replied:

(1)–(2)

The decision was made by Nippon Investors Service, which is not one of the major rating agencies but, nonetheless, one which from time to time examines Western Australia's foreign currency debt rate. It has taken the rating from AA+ to AA and, in its discussion on that matter and in its Press release this evening, it made it very clear that the rating reflects its view of the status of the Commonwealth of Australia and is in no way a reflection of the State's position. It is made very clear in its announcement that it cannot have a State with a higher rating than the Commonwealth.

It is important to note that, in that change of rating, the service indicated very clearly that the Western Australian economy in its view is achieving a higher

rate of growth than any of the other States, a position that we have been trying to make public for some time and to encourage the business community to the view that there are opportunities here.

In addition, the service says that the State Government has been pursuing a very tight fiscal policy and regards our financial management of this State as very sound. That is not something that we have said about ourselves; it is something that has been said about us by a rating agency. It is worth reminding ourselves that Moody's and Standard and Poor's have a very similar view, although slightly higher ratings, particularly of the State Government's domestic borrowings. People generally can feel very confident that the State is able to raise finance in international markets at highly competitive rates because of those consistently high ratings.

SOUTH WEST DEVELOPMENT AUTHORITY – HOT LINE FOR RUMOURS

Estimated Cost

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

- (1) What is the estimated cost of the "hot line" for rumours set up by the South West Development Authority?
- (2) On a confidential basis, will he advise the House whether the service has been used and, if so, what are some of the rumours that have come forward?
- (3) Has he heard the rumour that the people of the south west, when they stop laughing, believe this service should be closed down?

Mr D.L. SMITH replied:

(1)–(3)

The idea of having a service dealing with rumours came from the Executive Director and from the board of the South West Development Authority. I understand the idea emanated from a system which has been applied successfully in France for a long period.

Several members interjected.

The SPEAKER: Order! If members listen carefully they may find the answer as intriguing as the question. I, for one, am interested to hear it.

Mr D.L. SMITH: The service is designed for rumours in relation to Government activity and Government services. For instance, if someone in Harvey heard a rumour that the Government intended to close the *Australind* service, rather than relying on the advice coming from the rumour mongers that person could ring the South West Development Authority which would arrange to ring Westrail to ascertain whether there was any truth to the rumour.

Members may find that amusing. The way in which the development authority should work is that ideas of this kind should come from advisory committees and the staff to be endorsed by the board. It does not need ministerial approval as has been suggested. Those sorts of suggestions should be given a trial even if at first sight they are as amusing as they obviously are to the Opposition.

TREE PLANTINGS – NEWSPAPER REPORT

23. Mr CATANIA to the Minister for the Environment:

- (1) Has the Minister seen the story headed "Tree planting aim in doubt" in this morning's newspaper?
- (2) Is its assertion of incipient failure correct?

Mr PEARCE replied:

- (1) I did see the article in this morning's paper to which the member refers.
- (2) It is unfortunately based on a series of misunderstandings relating to an answer I gave to a question on notice in the House yesterday. The Government made a commitment a couple of years ago to plant 100 000

hectares of cleared land with trees by the turn of the century to give a proper plantation base to the timber industry in this State, and to rectify some of the degradation that had accompanied this clearing. The information I gave in that question, which was specifically based on plantings by the Department of Conservation and Land Management, referred to plantings by CALM only, and also contained the proposition that Tree Fund Ltd which the Government had set up was to be discontinued. The reporter made the assumption that the only private funding to go into tree planting would be done by the Tree Trust, but that is a complete misunderstanding because the reason it has been discontinued is that most private funding is going into private organisations, such as Bunnings Treefarms. As a result the mix of Government and private planting is much greater than the CALM plantings referred to in the question.

Mr Omodei: What is the mix?

Mr PEARCE: At the moment it is about 50:50. I stated in the answer I provided yesterday that CALM expected to plant 3 000 hectares of land this year. Bunnings Treefarms and others will plant another 3 000 hectares, which means that by the end of this year in total 18 000 hectares will have been planted. That is almost 20 per cent of the target the Government has set itself by the end of the century. Clearly, if we are able to continue to plant trees at the same rate as in the first three years of the program we shall meet the expectation of having planted 100 000 hectares. The missing element in the newspaper article is that a substantial amount of investment is still being made in tree planting but it is being done through purely private sources. The Tree Fund was originally set up because there was no proper avenue for putting substantial private capital into tree planting and CALM, together with Bunnings Ltd and Wesfi, set up the basis on which it might be done. Private money is now being used in considerable quantities by private organisations.

Mr Omodei: So the Tree Fund was not necessary?

Mr PEARCE: It was necessary as a way of kick-starting the arrangement. Bunnings has put a fair amount of time and money into the Tree Fund, but it is now finding it more suitable for its long term control of its resource to put its money into Bunnings Treefarms. That is perfectly reasonable and the Government supports it. The Tree Trust has been a catalyst to bringing that about. We are well on track to producing 100 000 hectares of plantation trees, both Government and private, by the turn of the century. It is totally erroneous for *The West Australian* to suggest that that is not the case. It did not understand that three elements are involved in tree planting in this State at present: The first is CALM plantings, which have been boosted by the fact that the Government took a proportion of the royalty increases and put it directly into tree plantings. The Tree Trust is another element, which is a combination of Government and private plantings. The third element, which was not asked about nor referred to in my answer, is purely private planting. That is a good mix. I would have thought the member for Warren would be pleased ideologically that once the Government was able to get this started with private people putting private money into the operation it should pull out of it and let them get on with the job. That is the proper way.

Several members interjected.

Mr PEARCE: Why does the member always knock CALM when it plays such an important role in his electorate? The plantation tree program in operation in Western Australia is well in advance of anything else happening in this nation. It is well on target, with 20 per cent already achieved, to achieve the 100 000 hectares of plantation by the turn of the century.

POWER STATIONS – COAL FIRED POWER STATION, COLLIE *Consortia Proposals – Government Decision, Announcement*

24. Dr TURNBULL to the Minister for Fuel and Energy:

A rumour has been circulating in the Collie electorate since 1984 that a new

coal fired power station would be built in the Collie area. Instead of going to the South West Development Authority, I ask the Minister the following question.

The Minister will be aware that two consortia, Mitsubishi Transfield and Asea-Brown Boveri, have registered proposals with the State Energy Commission for a privately built and operated 400 megawatt base load coal fired power station in Collie.

- (1) When will the Minister announce the Government's decision on which of the consortia has been chosen to await the Government's decision on whether a base load power station will ever be built in Collie?
- (2) When will the Government finally make a decision that a coal fired base load power station will be built in Collie?

Dr GALLOP replied:

- (1) The board of the State Energy Commission of Western Australia is currently considering the bids and is yet to provide me with advice on that matter. I do not know the precise date on which the announcement will be made.
- (2) The member is aware that last December the Government outlined its position; that is, a financial gap existed between the gas option and the coal option, but should the coal industry and the State Energy Commission workers agree to certain changes the Government would go ahead with the coal option. The coal industry would have to indicate its commitment to a reduction in the price of coal and in the tonnages produced. It would be necessary for the SEC workers to agree to a 15 per cent improvement in productivity. That agreement must be quantifiable to the Government before it would be willing to go ahead with construction of the coal fired power station. The Government wanted that position put before the coal companies on the one side, and the SECWA unions and management on the other so that an assessment could be made on whether they had reached the target set. It was hoped that by the end of April the Government would be in a position to announce whether it would remain with the gas fired option or go ahead for the coal fired option.

The Government is trying to bring about improvements in the productivity of the SEC on the one hand, and reductions in the price of coal to the SEC on the other hand in an effort to reduce energy prices in this State. These are concrete steps in the current environment to try to achieve those objectives. The Government should be congratulated for its hard work in both the coal arena and the electricity arena in trying to bring about cheaper prices not only for the people of this State but, more importantly, for the potential investors in this State. A final decision will be made at the end of April.

REGIONAL DEVELOPMENT AUTHORITIES – ROLE REDUCTION

25. Mr READ to the Minister assisting the Minister for State Development:

Does the State Government intend to reduce the role of regional development authorities?

Mr GORDON HILL replied:

From the Government's point of view the answer to that question is a categorical no. The Opposition's view on this matter is quite clear and it has recently been described by a shadow spokesman who visited Albany and was reported in the *Albany Advertiser* as foreshadowing "a leaner budget" for the Great Southern Development Authority.

A Government member: Does that mean less money?

Mr GORDON HILL: It obviously means less money and is the first step in winding up that authority. That member is at odds with local members on both sides of the House. I understand the local National Party and Liberal Party members have a good relationship with the Great Southern Development

Authority. The member's views are consistent with the views expressed by the Opposition with regard to the Geraldton Mid-West Development Authority. Only last year when the Leader of the Opposition was in Geraldton he explained that it was his intention to look more closely at development authorities in Western Australia, and at a Press conference he charged the Deputy Leader of the Opposition with the responsibility of developing an Opposition plan for the development authorities. He is reported in the *The Geraldton Guardian* at the time as saying that part of the Deputy Leader of the Opposition's brief would involve development of a plan to rationalise the growing number of development authorities throughout the State. In that context "rationalise" is a euphemism for axing. The people of Geraldton support the Geraldton Mid-West Development Authority, and recognise the role it has played and the fact that it is an important facilitator for economic development in the region. They will reject the Opposition's policy on this matter and have done so previously.
