

Legislative Council

Wednesday, 11 July 1990

THE PRESIDENT (Hon Clive Griffiths) took the Chair at 2.30 pm, and read prayers.

MINISTERIAL STATEMENT - BY THE ATTORNEY GENERAL

Companies and Securities Legislation - Draft Heads of Agreement Document Tabling

HON J.M. BERINSON (North Metropolitan - Attorney General) [2.32 pm] - by leave: I have previously made a number of ministerial statements to the House with a view to keeping members informed of developments on the future of companies and securities regulation.

As members will be aware, the Commonwealth, the States and the Northern Territory have now reached broad agreement on this matter. This agreement was reached at a meeting held in Alice Springs on 28-29 June 1990 where Western Australia was represented by the Minister for Justice, Hon David Smith.

I table a copy of the draft heads of agreement settled at that meeting.

[See paper No 384.]

The document sets out in broad terms the nature of the arrangements proposed to be entered into between the Commonwealth, the States and the Northern Territory.

The Western Australian Government indicated its general agreement with the matters set out in the heads of agreement document at the Alice Springs meeting. However, the Government has made it clear that it requires to be satisfied in detail that the Commonwealth's Australian Securities Commission will provide an acceptable level of service to business in this State. In response to this concern the Commonwealth Minister indicated at the Alice Springs meeting that Commonwealth officials would work with relevant State officials with a view to satisfying the State that the ASC's structural and staffing proposals for its Perth regional offices would be sufficient to meet the Commonwealth's commitment to provide a level of local service no less than that now provided by the Corporate Affairs Department. This commitment by the Commonwealth is outlined in clauses 3.3 and 3.5 of the draft heads of agreement document. I have now written to the Commonwealth Minister requesting that relevant discussions on these matters commence as soon as possible.

Although the principles outlined in the draft heads of agreement document have been agreed, the final form of the document has yet to be settled. In particular, there may be some redrafting of paragraph 1.3, which relates to the exclusion of State and Territory bodies corporate, and paragraph 24, which deals with the sharing of companies and securities revenues.

The agreement foreshadows a new system of companies and securities regulation for Australia which gives the Commonwealth an exclusive role in respect of the substance of laws to regulate matters of national and international significance, while at the same time preserving a role for the States in respect of the substance of laws which are mainly of regional significance. The Commonwealth will be responsible for the administration of all companies and securities laws through its Australian Securities Commission.

The States and the Commonwealth have agreed to work towards 1 January 1991 as a commencement date for the new scheme, though I am bound to say that I still regard it as highly doubtful that that target can be met.

Consideration of the statement made an Order of the Day for the next sitting, on motion by Hon Derrick Tomlinson.

SELECT COMMITTEE ON COMMITTEE ON BILL

Final Report Tabling

HON D.J. WORDSWORTH (Agricultural) [2.38 pm]: I am directed to present the final report of the Select Committee on Committee on Bill.

The committee has decided that all the enactments that had been presented to it should be repealed. I recommend to members of this House that they read the article on the history of law in Western Australia because it appears that the Attorney General passed to us a hot potato on the issue of whether Western Australia had indeed adopted Imperial laws; the Attorneys General and the Chief Justice have been debating this issue for some time.

I move -

That the report do lie upon the Table and be printed.

Question put and passed.

[See paper No 385.]

BILLS (3) - INTRODUCTION AND FIRST READING

1. Supreme Court Amendment Bill

2. Interpretation Amendment Bill

Bills introduced, on motions by Hon J.M. Berinson (Attorney General), and read a first time.

3. Aboriginal Heritage Amendment Bill

Bill introduced, on motion by Hon J.M. Berinson (Leader of the House), and read a first time.

MARKETING OF POTATOES AMENDMENT BILL

Second Reading

Debate resumed from 4 July.

HON W.N. STRETCH (South West) [2.42 pm]: This is a small Bill which will not take very long for the House to consider. It will bring the Potato Marketing Authority into line with the requirements of the Financial Administration and Audit Act, which is necessary due to the seasonal nature of potato growing.

Potato production is a major industry in the south west which is earning between \$20 million and \$30 million annually. Three major processing plants operate within the industry, and these are Southern Processors Ltd in Albany, the new Edgells plant at Manjimup and the smaller, traditional manufacturing plants in the metropolitan area. In the past the potatoes have been delivered to pools run by the Potato Marketing Board, as it was called, and now to the Potato Marketing Authority, and this pooling system makes the changes contained in this Bill necessary.

Under the FAAA the books for all authorities must be completed on 30 June; however, this did not suit the seasonal nature of potato growing. Consequently, this Bill will change the reporting date for the industry from 30 June to 30 September. In that way the proceeds of potato pools will be accredited by the board by 30 September and the board will know its commitments for the year. This will tidy up the administration by the board. The Opposition wholeheartedly supports this legislation and looks forward to its speedy passage through the House.

HON J.N. CALDWELL (Agricultural) [2.44 pm]: The National Party has no quarrel with this Bill. The Potato Marketing Authority has had the odd hiccup in its operation in recent times; however, those anomalies have been ironed out and the authority is progressing satisfactorily. As Hon Bill Stretch said, this Bill will change the reporting date for the potato growing industry from 30 June to 30 September. One of the interesting aspects of this legislation is that the Taxation Department has suggested that it will not allow such things to happen in the future. If any authority wants to alter its financial year to end at a time which is not 30 June, it has great difficulty and has to prove that it is in the best interests of the industry to do so. However, the Potato Marketing Authority must have convinced the powers to be that the change was necessary for this industry, and this was allowed due to the seasonal nature of potato growing. Therefore, the National Party supports the Bill.

HON GRAHAM EDWARDS (North Metropolitan - Minister for Police) [2.46 pm]: I thank members opposite for their contribution and for their concise and accurate summation of this Bill. I do not intend to delay the Bill by speaking on it any further.

Question put and passed.

Bill read a second time.

Committee and Report

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

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Police), and passed.

LOTTERIES COMMISSION BILL

Second Reading

Debate resumed from 5 July.

HON P.H. LOCKYER (Mining and Pastoral) [2.48 pm]: On the face of it this Bill tidies up some arrangements within the commission; however, having studied it very carefully, I have a number of questions which will be directed to the Minister during the Committee stage - a number of clauses require closer checking. Basically, the Bill replaces the Lotteries (Control) Act and the Lotto Act to address some issues regarding the operation of the Lotteries Commission. The commission has grown to become a large organisation for a variety of reasons, and the Bill increases from four to six the membership of the commission.

Governments of every political colour use the opportunity provided with such a commission to place a person of its own persuasion as chairperson - in fact, this is written into the schedule of the Bill. I am not saying that we did not do that when we were in power. In fact, Hon Sir Desmond O'Neil served in that capacity with distinction as did Hon Tom Bateman who carried out his duties with great decorum and was an ornament to the commission. I want some assurance from the Minister that appointments to the commission will not be seen as parking places or rewards for ex members of Parliament, or people who have been kind to a political party - regardless of its political persuasion. The chairperson should be someone who is able to carry out the duties of the office properly. However, I would not like to see the commission comprised entirely of retiring members of Parliament or ex members of Parliament of any political persuasion. I would much rather see some active member of society in that position.

Sixteen per cent of the gross sales of the Lotteries Commission, except for the soccer pools, must go to the hospital fund account. The net proceeds from the soccer pools, after deductions for the distribution of prizes and administration, are paid to the hospital fund account. As such a high percentage is distributed to the hospital fund account it would make good sense to have the administrator of one of the major hospitals in the State as a commissioner. Will the Minister tell me how the hospitals used the funds which were distributed in the last financial year? It would seem to me to be a large sum of money. I am not saying it has been improperly administered, but it would be interesting for this House to find out exactly how those funds have been used.

The Lotteries Commission distributes, for approved purposes, some five per cent of its sales to eligible organisations, which are defined as non-Government, non-profit, and approved bodies from charitable or benevolent areas. I am surprised that local government authorities are now eligible for those funds in areas which are consistent with the approved purposes. A local government authority which is called upon to fund something that is non-Government, non-profit, or of a charitable or benevolent nature could seek funds from the commission. A problem with distributing the Lotteries Commission funds is that the cake is only so big. This afternoon we will be dealing with a number of Bills one of which relates to the distribution of the Government take from the casino.

I become disturbed when Government members are seen handing out Lotteries Commission funds to non-charitable organisations in country towns. The Lotteries Commission should be able to see that it is being involved in a cheap political exercise. I know that the chairperson, as much as she is able, hands over as many cheques as she can, which is appropriate. The previous chairman, Hon Tom Bateman, also did that regularly. Will the Minister give an assurance that political grandstanding will be stamped out? The Lotteries

Commission funds are not the Government's funds; they belong to the people who buy instant lotteries, soccer pools, lotto and lotteries. These funds do not result from the Government's being stringent in its financial planning, but come from people who are desperate to try to offset high taxes and charges by winning a few dollars. On Saturdays some of us try to do that on the four-legged variety of gambling. I note that Hon Tom Butler's eyes are raised; of course, he would not do that!

Hon T.G. Butler: Not with the same success as Hon Phil Lockyer.

Hon P.H. LOCKYER: That is a small point, but I do feel that the Lotteries Commission is not evenhanded with all political parties and it may be appropriate for the chairperson to distribute the cheques. Hon Norman Moore has extensive comments to make concerning Government agencies. I support the Bill, but I will propose amendments in the Committee stage.

HON J.N. CALDWELL (Agricultural) [2.57 pm]: The purpose of the Bill is to replace the Lotteries (Control) Act 1954 and the Lotto Act 1981 with a more adequate legislative base for the Lotteries Commission's current operations. This Bill proposes to give the commission more flexibility in marketing its products such as lotto and instant lotteries; it will validate the conduct of football pools by the commission from the time the original licence was granted in May 1989; and it will increase the number of commissioners from four to six. Will the Minister indicate the reason for a one-third increase in the number of commissioners? Will he give members some idea of the hours these commissioners put into their jobs and whether they work on a part-time or a full-time basis? The Bill will also alter the percentage of profits of the Lotteries Commission which are distributed. Members know that most of that money goes to very good causes, but what percentage goes to country areas compared with the metropolitan area? I am not aware of the basis on which those allocations are made and perhaps the Minister would advise the House accordingly.

Finally, this Bill removes anomalies that have existed since some of the commission's powers were transferred to the Gaming Commission. It also strengthens accountability requirements - again the word "accountability" comes up - by clarifying the commission's relationship with the Minister.

I am sure most members in this House recognise the enormous benefits individual organisations in this State derive from the Lotteries Commission. It has earned a great deal of respect for the way in which it assists charitable organisations. I am a little disappointed at the attitude of some church groups towards applying for financial assistance from the Lotteries Commission, particularly for the establishment of homes for the aged. Some church groups are reluctant to seek financial assistance from the Lotteries Commission because they are of the opinion the money has come from gambling activities. However, I understand they are relaxing their attitude and some of them have applied to the Lotteries Commission for financial assistance and have met with success.

I will debate this Bill further in the Committee stage and I advise the House that the National Party has no quarrel with it.

HON N.F. MOORE (Mining and Pastoral) [3.02 pm]: The Standing Committee on Government Agencies conducted a very extensive inquiry into the Lotteries Commission in 1986 and its report is referred to in the Minister's second reading speech wherein it states, "This Bill incorporates many of the changes foreshadowed by that report." On reading the Minister's second reading speech I read the committee's report to see how many of its recommendations had been incorporated in this Bill. I have to say that it is like the curate's egg - some parts of it are good and some are not.

I will refer to some of the recommendations of the Standing Committee's report and to some of its decisions which are contained within the Bill in an endeavour to ascertain from the Minister the reason why all the committee's recommendations were not agreed to. I would also be interested to know the reason that this Bill is not being referred to the Standing Committee on Government Agencies for review. The Minister may be able to give a very good reason why there is some urgency in respect of the passage of this Bill which would preclude such an activity. A strongly held view of mine is that if the Standing Committee on Government Agencies is to do a useful job it should be involved in legislation which affects the agencies which come under its jurisdiction, particularly those agencies which have been

investigated and reported on by the Standing Committee. Members will recall that recently I raised objections to the activities of the Government in respect of the Country High School Hostels Authority. The report of the committee was virtually ignored by the Government and the Government took a stand which was almost totally contrary to that taken by the committee. I am pleased that the Government backed off on that occasion and it is now reviewing the committee's review which is a bureaucratic way of making sure that it will ultimately get its way.

In respect of the Lotteries Commission the Standing Committee on Government Agencies undertook a very in-depth inquiry of which you, Mr Deputy President (Hon J.M. Brown) having been a member of the committee at that time, would be aware. The committee studied the lotteries commissions in other States and it made what I consider to be sensible and appropriate recommendations for the future of the Lotteries Commission.

The Minister's second reading speech refers to the need for the commission to be more flexible in developing and marketing its products. The committee would go along with that and it recommended that the Lotteries Commission needed to become more professional and to be more active in the marketplace, bearing in mind that competition for the Lotteries Commission these days is quite significant. The opportunities for people to gamble these days are much greater than in the days of the old charities in Western Australia. Now the Lotteries Commission is faced with competition from a wide range of gambling outlets which have increased in number in recent times with the introduction of the casino and two-up in country areas.

The Opposition would support any attempt by the Lotteries Commission to improve its marketing although I am not one of those people who is anxious to encourage people to gamble, especially when gambling can have disastrous consequences for them, by increasing the opportunities available to them.

The report of the Standing Committee explained in detail how the committee considered the money available to the commission should be distributed. Currently a certain percentage of the gross revenue of the commission goes to various organisations, the bulk of which goes to the hospital fund. Other moneys go to sport and the arts and a certain amount is distributed by the commission for community purposes. The committee took the view that the decisions in respect of all the distributions, with the exception of the hospital fund, should be made by the commission. The committee argued that a subcommittee of the commission should be set up to look at distributing funds for community purposes; a similar subcommittee should look at distributing funds for sport; and, there should be another subcommittee to make decisions in respect of the distribution of funds for culture and art purposes. In respect of the total funds available to the commission for distribution the committee recommended that 60 per cent should go to the hospital fund, 20 per cent to sport and culture and 20 per cent to community purposes. If that is translated into percentages in relation to gross revenue they are similar to those proposed in the Government's Bill. I have no argument about the percentage distribution contained in the Bill.

Hon Graham Edwards: It is roughly what the committee recommended.

Hon N.F. MOORE: The committee recommended that 60 per cent of the funds be distributed to the hospital fund and under this legislation it is proposed that 64 per cent be distributed to that fund. In respect of sport and culture the committee recommended that 10 per cent of the moneys be distributed to each area and this legislation has recommended that eight per cent be distributed to each area. I am working on the basis that the amount of money available for distribution is 25 per cent of the gross revenue. The committee recommended that 20 per cent of the funds be allocated to community purposes and that is what this Bill recommends. I have no argument about the percentages for distribution to various organisations, but I do take issue with how the money will be distributed. The committee agreed that the hospital fund money should be transferred to an account set aside for that purpose and it should be spent on hospitals which have been the traditional recipients of funds from the Lotteries Commission for many years. In respect of sport and the arts the committee recommended that the commission should distribute those funds and not the Minister. In fact, on page 2 of the committee's report recommendation (8) states -

Each Lotteries Grants Committee should recommend grants to the Lotteries Commission for the Commission's approval. There should be no ministerial involvement in the approval of grants.

The strongly held view of the committee - as you would be aware Mr Deputy President it was a joint party committee - was that there should be no ministerial involvement in the allocation of funds to sports or to the arts organisations and that those decisions should be made by the commission. Unfortunately, this Bill does not do that. It provides in clause 22 that the funds shall be paid to an account and then shall be distributed by or on behalf of the Minister; in respect of sport it will be distributed by the Minister for Sport and Recreation and in respect of art it will be distributed by the Minister for The Arts.

An Opposition member interjected.

Hon N.F. MOORE: Of course, pork-barrelling will take place. There are two types of pork-barrelling; some people argue that the Lotteries Commission pork-barrels anyway because the Government appoints its own people to that commission and they make decisions in accordance with the Government's wishes. The Bill perpetuates the existing situation that the Ministers shall decide the distribution of funds.

Hon Graham Edwards: That is not really the case, but I will respond to that in my reply, particularly in relation to sport.

Hon N.F. MOORE: The Government is required to consult with certain organisations but the ultimate decision-making on how sport and arts money will be spent will be done by the two Ministers involved. The committee felt that decision should be made by the commission itself on the advice of a subcommittee of the commission. That is a more accountable approach to these funds, bearing in mind that this is not consolidated revenue money, but money which people have spent on purchasing instant lottery tickets, or being involved in lotto, soccer pools or whatever. It is not Government revenue; it belongs to the people of Western Australia and should be distributed certainly in a non-political way. I shall be interested to hear the Minister's view on why the Bill does not contain provision for the distribution of sports and arts money by the commission, but retains the current situation of decision by the Minister. I acknowledge that when the decision to set up the sports instant lottery was made by this House, the then Minister, Hon Bob Pike, argued very strongly that the Minister should have the decision-making power in respect of distribution of funds. If he were not absent from the Chamber on parliamentary business, I suspect he would argue against my comments today.

Hon Graham Edwards: So would I.

Hon N.F. MOORE: Of course, one would expect the Minister to have that point of view and, of course, the Government likes to be able to distribute those funds to keep people happy in the areas where they might not be too happy at the moment.

The Standing Committee also considered that this matter should be taken out of any political context, and that the funds should be distributed by a non-political organisation, which the commission should be. The Standing Committee recommended that the membership of the commission be increased from four to five. That recommendation was made because the existing four members were obviously finding the task too onerous. This Bill will increase the membership to six; I am not fussed about whether that increase is to five or six members. I accept that one of the requirements for increasing the size of the board was to appoint a person with marketing expertise, and that also was a recommendation made by the committee. The committee considered there was a role for members of the commission to be appointed as chairpersons of the subcommittees considering the distribution of funds, so that the people with an interest in arts, sport and community activities would be represented. The Government has decided to appoint people who have other technical expertise, and we must wait to see whether that provides the right balance of knowledge that the commission needs.

As is common with most Bills these days, provision is made for a review of the legislation. I am pleased to see that provision but, again, it contains one fundamental flaw - which is common to these new review clauses - in that the review will be done by the Minister. The Minister in charge of a statutory authority has a vested interest in ensuring that any review is done in such a way that it does not cause embarrassment. I have argued for a long time and will continue to argue - and I hope that one day the Standing Committee on Government Agencies will get its way - that reviews of this nature should be carried out by the Parliament. This House agrees to the setting up of a statutory authority to do a job. In this case we are dealing with legislation amending the Lotteries Commission. The commission is

set up as a statutory authority and not a Government department because the Government believes it should have an arm's length relationship with the Government; that is the reason for statutory authorities. Therefore, Parliament has a role in deciding what those authorities should do, and ensuring that they are accountable. I do not intend to move any amendments to this Bill but I raise the point once more so that members will know I have not forgotten this point; that is, these reviews should be done by the Parliament. One day we shall achieve that when the Standing Committees of this House have sufficient resources to carry out those reviews. Of course, if we started inserting the provision that Standing Committees must carry out the reviews more resources might be made available to the committees, because the Government would be interested in having the reviews completed. However, that would be blackmail and we cannot agree with that! I look forward to that review being carried out in due course by the Minister. Of course, it will be a Caesar unto Caesar style review, and that should be changed one day.

I would like this Bill to be referred to the Standing Committee for consideration before it is passed. However, before moving in that direction, I would like to hear the Minister's view on whether there is any hurry for the Bill to be passed in its present form, bearing in mind that the Parliament is due to rise at the end of this week, and the Legislative Assembly has begun its long holiday.

After a very cursory examination of the Bill, because of other constraints on my time in recent days, I acknowledge that some of its contents reflect the recommendations of the Standing Committee which the Government has taken on board, and others are different, particularly in respect of the role of the Minister. I shall be interested to hear the Minister's response. There is no reason not to support the Bill and, therefore, I do so.

HON D.J. WORDSWORTH (Agricultural) [3.18 pm]: I support the Bill. Like most members, I am very grateful when the Lotteries Commission makes an allocation to an organisation in my electorate. Indeed, it has been doing just that in a number of areas, and has enabled halls to be built in some of the new agricultural areas in the south east.

I dislike seeing on television the advertisements encouraging people to gamble. I was somewhat surprised to hear Hon Norman Moore say that the Standing Committee recommended that the Lotteries Commission should be more competitive with other forms of gambling. I do not like that at all. Gambling can be just as big a problem to families as alcohol and tobacco can be. Just because the Government gets money from gambling is no reason for it to encourage that sort of occupational investment. We would be shocked if bookmakers embarked on a major advertising campaign encouraging people to bet money on the horses; somehow because this is a Government-type agency we think it is all right if people bet only a few bob. I disagree with the committee's recommendation and I strongly object to the advertising of lotteries. I do not wish to deprive people of their hobby, sport or whatever one calls buying a lottery ticket, but as more families find themselves in financial difficulties they tend to try to overcome their difficulties by buying one lottery ticket, then another, then another. That is well recognised. I recall talking to a security agent in Esperance about the number of housebreakings occurring. He said the reason for the increase is that Australians are not used to being poor and are finding ways of overcoming that problem; one of those ways is breaking into houses. The Lotteries Commission's advertising is encouraging people who are in desperate financial difficulties to invest what little money they have in a rather ridiculous way.

HON GEORGE CASH (North Metropolitan - Leader of the Opposition) [3.21 pm]: I join my colleagues in supporting this legislation. Members are aware that similar legislation was introduced into the other place more than 12 months ago and was debated in part but not finalised. Some of the matters raised by members of the Opposition and the National Party at that stage have been taken into account in this Bill, which reflects a number of the amendments moved as a result of discussions in the other place.

My colleagues have adequately dealt with the constitution of the committee and a number of other matters, so I will pursue the question of eligibility of groups to apply for Lotteries Commission grants, and I will do so further during the Committee stage of the Bill. The Bill clearly defines "eligible organisation". I will not read the whole definition into the *Hansard* record but clause 19, in part, specifically excludes the following -

... Minister of the Crown in right of the State, Government department, State trading

concern, State instrumentality, State public utility or any other body, whether corporate or not, which under the authority of any written law, administers or carries on for the benefit of the State a social service or public utility; . . .

It then mentions other exclusions. I ask the Minister to address the question of eligibility when he responds to the second reading debate.

I will refer to a number of groups which I believe should be eligible for Lotteries Commission grants but which are ineligible under the existing Act and which appear to be ineligible under this Bill also because they fall outside the definition of "eligible organisation".

Hon Graham Edwards: I can assure the honourable member that is not the case.

Hon GEORGE CASH: I am pleased to hear the Minister say that, as I have not yet identified the groups I believe are ineligible.

Hon Graham Edwards: I know of Hon George Cash's interest in this area.

Hon GEORGE CASH: I could now bring in all sorts of groups. As the Minister for Police would be aware from my raising this matter in other places on other occasions, the State Emergency Service is one group in which I have particular interest as it comes under the Police portfolio. I know it is also of particular interest to the Minister for Police. Groups such as volunteer fire brigades and sea rescue groups around Western Australia are also excluded. I am unsure whether they will now come within the definition of "eligible organisation". The Minister for Racing and Gaming has given commitments in relation to the State Emergency Service.

I have here a Lotteries Commission publication titled "Funding Policy and Submission Guide" handed out to members at a meeting with a representative of the commission at Parliament House about a week ago. On page 5 of this publication, under the side heading "Organisations Not Eligible for Lotteries Commission Assistance", are listed -

Emergency Services - except for the St John Ambulance Association and Royal Flying Doctor Service who are eligible for grants for capital equipment

Conflict seems to arise between what is said in the Lotteries Commission's "Funding Policy and Submission Guide" and the definition of "eligible organisation" in the Bill. When the Minister responds I ask him to address that matter because I can tell him and other members of this House that during my travels around Western Australia I have met with many State emergency groups, particular in country areas, and I know that they are in dire need of support from organisations such as the Lotteries Commission to gain funding to purchase the equipment they need to carry out their special functions.

I am aware of one group on the Nullarbor Plain which cannot muster the funds to buy its own special emergency trailer. I am told that group applied to the Lotteries Commission in the past and was knocked back as an ineligible group. This is a matter the Minister must address. I can assure the Minister that once he gives the okay for State Emergency Service groups throughout Western Australia to become eligible organisations - if that is the decision reached - many of those groups will certainly make application for funds to improve current equipment so that they may better assist the communities for which they work.

I support the Bill and look forward to hearing the Minister's comments, particularly in relation to what are "eligible organisations".

HON GRAHAM EDWARDS (North Metropolitan - Minister for Police) [3.27 pm]: I thank members for their contributions. I am sorry that Hon Mark Nevill is absent on parliamentary business today because I know that as a co-member of the committee to which Hon Norman Moore referred he was keen to speak on the Bill. I do not have the specific information sought by Hon Norman Moore, but I can tell him that the general framework put forward by the committee of which he was a member was considered closely in framing and initiating these matters. I think committee members can take justifiable pleasure from the fact that the work they did was recognised as this Bill was put together.

I would like to deter Hon Norman Moore from referring the Bill back to that committee because, since it did its work and the Bill was put together, an immense amount of community participation and consultation has occurred, along with extensive and ongoing

consultations by the chairperson and the executive director with Opposition parties and individual Opposition members in an endeavour to reach consensus on this important Bill.

I recognise that this is a Committee Bill, so I will merely cover some of the points raised. The Bill provides for an increase in the membership of the commission from four to six members. It also provides that membership be drawn from people with expertise in the areas of management, finance, computer operations, marketing, health and community services. This commission does not comprise people who are owed political favours. One member of the commission, Tom Bateman, was a member of the Government but no-one could argue that he did not do a sterling job.

Hon P.H. Lockyer: There is no question of any reflection on his abilities; in fact, the contrary is the case.

Hon GRAHAM EDWARDS: Tom Bateman was appointed to the commission because of his expertise and for the same reasons that I appointed Hon Tom McNeil, a former member of this House, to the Racecourse Development Trust. I recognised in them their ability to do those jobs.

Hon D.J. Wordsworth: What about controlling football broadcasting too?

Hon GRAHAM EDWARDS: I do not know about that. I understand Tom McNeil used to play for St Kilda. I found out his nickname by accident one day: he swore me to silence and I do not want to break that silence. This commission must comprise people with the necessary expertise. Former parliamentarians with those qualities should not be precluded from consideration for appointment to Government agencies because they have been a member of Parliament; whether they were members of the Opposition or the Government is immaterial. People's abilities and expertise should be the compelling reasons for appointing them to agencies.

Hon Phil Lockyer asked for information about the distribution of the Lotteries Commission funds. Had this legislation been in place at the end of the 1989-90 financial year the distribution would have been as follows: Hospital funds \$42.5 million; sports account, about \$5.3 million; and arts account, about \$5.3 million. Under the existing legislation the distribution is: Hospital funds, about \$47.5 million; sports account \$3 million; and arts account \$3 million. The figures forecast for the 1990-91 period are: The hospital fund will receive about \$48 million, including proceeds from the soccer pools; the sports account, about \$5.9 million; and the arts account, about \$5.9 million. I will provide Hon Phil Lockyer with those figures in writing later, if he would like them.

Hon Phil Lockyer asked - Hon George Cash also raised the point - why local government areas should be eligible to receive funds. Those areas must be considered so that non-profit organisations, such as sea rescue groups and local State Emergency Service groups which receive support from local government but are not profit orientated, can receive funds. Sea rescue groups and local SES groups, which are voluntary non-profit organisations, will be eligible to apply for Lotteries Commission grants.

Hon George Cash: Does that extend to volunteer fire brigade organisations?

Hon GRAHAM EDWARDS: Yes. I understand that, on the basis that this legislation will proceed, the chairperson of the Lotteries Commission, Wendy Silver, will seek a meeting with me to try to compile some general guidelines for the distribution of funds. It is important that general guidelines are compiled.

Another subject on which I part company with Hon Norman Moore concerns subcommittees being responsible for the distribution of funds to arts or sports groups. I do not agree with that policy and I am very pleased that the previous Minister who set up this legislation, Hon Bob Pike, felt strongly about it also. When I was Minister for Sport and Recreation, I requested that a review be undertaken of the distribution of sports lotteries' funds. I listened to the advice and the recommendations provided by that review group and it recommended certain actions to which I was not prepared to agree. The Minister responsible for sports or for arts must have a broader view than the people involved about how the moneys to be spent will impact on the relevant areas. The funds have to be used to ensure the best possible investment in sports and arts. It is important that the Minister retains an overview.

Hon Phil Lockyer referred to Government members handing out cheques and felt that that

should be done by the Lotteries Commission. I understand that task kept some members of the commission busy travelling around the country. Had a member of Parliament given support to particular community groups in seeking Lotteries Commission funds, it would be appropriate for him or her to present the funds. It was left to the Lotteries Commission to provide some advice on that issue.

Hon Peter Foss: On both sides of the House?

Hon GRAHAM EDWARDS: That happened on both sides of the House. I do not have specific information on that matter, but I know that members opposite were asked to present cheques on the basis of the work they had done for a community group which was seeking support. It is largely the commission's role to set the policy on this matter. I have not found it necessary to give political direction to the Lotteries Commission. Given the calibre and character of the people on the commission, I would not have come off too well had I done that.

Hon John Caldwell requested information on the number of hours the commissioners work. I cannot provide a specific number of hours, but the work the commissioners do is substantial as are their responsibilities. They work very long hours. While to some people it may appear to be an all-frills committee, I assure members it is not. An immense amount of work is undertaken and they take their responsibilities seriously. Also, funds are not distributed with certain percentages going to the country and to the city. Decisions about distribution are made on the merits of the applications.

Hon Norman Moore recognised, as was mentioned by Hon David Wordsworth, that the commission needs to be more flexible with its marketing. Members of the commission, particularly the executive director, are sensitive to the need to find a balance between a fair and proper promotion of the products of the Lotteries Commission and the necessity to avoid unduly encouraging people to gamble. Naturally, they set out to promote their product, but they try to find a balance while being sensitive to the matters mentioned by Hon David Wordsworth. The difficulty is that out of 16 people, there may be 16 different points of view about what constitutes or does not constitute fair advertising. That matter is best left for the commission to determine. I am sure it will take note of the matter that was raised in the House and will give it further consideration.

Hon Norman Moore commented that the review should not be conducted by the Minister. I also note his remark that he did not intend to pursue that matter in the Committee stage but that he wanted to raise it to make sure we did not forget that it was one of his major interests. I indicated when I commenced my speech that the committee of which he is a member has already had a fair influence on the way this Bill has been put together, and on its framework and general direction; and in the future, before the five year period is up, there will be nothing to prevent that committee from again looking at the workings of the Lotteries Commission under this new legislation.

I conclude by saying, as Hon George Cash noted, that this Bill was first introduced some 12 months ago. Since then there has been ongoing and in-depth consultation with interested parties from the community and with members of the Opposition parties. The end result of that consultation has been the introduction of a Bill that members can feel confident in supporting. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

Committee

The Deputy Chairman of Committees (Hon D.J. Wordsworth) in the Chair; Hon Graham Edwards (Minister for Police) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: Composition of Commission -

Hon P.H. LOCKYER: I want to make it absolutely clear that I have no criticism of Mr Tom Bateman, nor of any former member of Parliament who has been appointed as the chairperson of the Lotteries Commission. Mr Tom Bateman has carried out his duties well, as did Hon Sir Desmond O'Neil. My comments were in relation to the appointment of the

remainder of the members of the commission. It is the Government's right to appoint whoever it wants as chairperson, and that appointment is sometimes given as a reward for various reasons, but as long as the person appointed is competent, that is fine with me.

This Bill provides that the number of commissioners is to be increased by two members. I ask the Minister on whose recommendation will the additional two members be appointed? I refer to schedule 1, which says in clause 1(1) -

A member shall be appointed for such term not exceeding 3 years as is specified in the member's instrument of appointment and is eligible for reappointment.

How does that reappointment work at the present time in respect of the four commissioners? Do the present commissioners' terms of appointment expire at the same time or alternately? From what areas will the two new members be drawn? Will they have expertise in management, finance, computer operations, marketing, health or community services as set out in clause 5(3)?

Sitting suspended from 3.45 to 4.00 pm

Hon P.H. LOCKYER: Would the Minister tell us who are the current commissioners of the Lotteries Commission, what is their expertise, and what is the expertise of the two additional people to be appointed to the commission?

Hon GRAHAM EDWARDS: The chairperson, Wendy Silver, was appointed to the commission in about 1983 and was made chairperson in 1988. Her expertise is in the area of management. Bill Warnock was appointed in 1988 and his expertise is in marketing. Tom Bateman was appointed in 1986. He has a variety of expertise and if members want to examine that more closely, I refer them to the recent decision made by the Salaries and Allowances Tribunal, where it summed up the expertise that members of Parliament needed. Margaret Nowak, the last appointee to the commission, was appointed during my term as Minister for Racing and Gaming. I can recall consulting the chairperson, Wendy Silver, at that time. The commission felt very strongly that it needed a person with a financial background and that is the reason Margaret Nowak was appointed. Of course, the final determination about these appointments is made by Cabinet.

Hon P.H. LOCKYER: From whom did Wendy Silver take over the chairmanship?

Hon GRAHAM EDWARDS: From Mr Kakulas.

Hon P.H. LOCKYER: The Minister has said the Lotteries Commission comprises a person with management expertise, one with marketing expertise, a colourful person, and one with financial expertise. From what areas will the two new appointees to the commission come?

Hon GRAHAM EDWARDS: The expertise the commission wants available as part of its own membership includes the areas of management, finance, computer operations, marketing, health and community services. The two additional people to be appointed will be people who can fill the gap that exists between the expertise in the current commission and the requirements of the new commission.

Hon P.H. LOCKYER: I thank the Minister for his answer, and now ask who recommends these people. Say, for instance, Hon Sam Piantadosi knew someone in the computer operations business who he thought would be an appropriate person. Should he write to the Lotteries Commission when this Bill is passed, recommending that that person be considered for appointment to the commission? Or is it the duty of the Minister of the day to hunt up somebody who is in computer operations, or health, or community services? It seems to me that those would be the areas the Minister is looking to fill at the moment. Or is it the duty of the chairperson or the commission itself to make these appointments?

Hon GRAHAM EDWARDS: There is no set procedure which must be adhered to. If Hon Philip Lockyer, for instance, knew of a person who had expertise in one of the areas I have mentioned there is nothing to stop him writing to the Minister - indeed, I would encourage him to do so - saying that he is aware of a certain person who has expertise in this area and asking that the Minister give consideration to appointing that person on the commission at some stage in the future.

Clause put and passed.

Clause 6 put and passed.

Clause 7: Directions by the Minister -

Hon P.H. LOCKYER: This clause gets into an area that can be hotly argued. I was one of the people who was cornered carefully by Hon Bob Pike, and I am sorry he is absent on parliamentary business at the moment because I am sure he would have spoken on this clause. This Bill gives enormous directional powers to the Minister. I note that this clause deliberately does not include sections 22 and 24, with which we will deal later on, which relate to the actual distribution of funds and residual funds.

Under this clause the Minister may give directions in writing to the commission with respect to its functions and powers. What sort of directions would the Minister give? Would he issue a direction saying that the commission should direct more money to the north of the State, or the south of the State, or the central metropolitan area? Is that a fair direction he would expect the Minister of the day to give?

Hon GRAHAM EDWARDS: No. Indeed, the Bill states that the Minister should not give directions to the commission with respect to the distribution of moneys. Subclause (1) says that the Minister may give directions in writing to the commission with respect to its functions; for instance, to ensure that the commission is abiding by certain accountability guidelines. However, there is a very important further consideration here; that is, the text of any direction given under subclause (1) shall be included in the annual report. Therefore the Minister knows that the text of any direction given by him in writing under this subclause will appear in the annual report and he would then need to be able to justify that direction. I think that is a very good and sensible move.

Clause put and passed.

Clause 8 put and passed.

Clause 9: Staff -

Hon P.H. LOCKYER: What is the present staffing of the Lotteries Commission? It is quite obvious that six commissioners will require considerable input from a competent staff. The mere sorting out of applications to the Lotteries Commission would, in itself, be massive, and a certain amount of research would be required on every application. I would be interested to know what has been the increase in the staffing level - that is, whether there has been an abrupt increase - and what are the future intentions concerning staff.

Hon GRAHAM EDWARDS: I cannot provide that information at this stage. I will ensure that the information is conveyed to the member at a later stage.

Clause put and passed.

Clause 10 put and passed.

Clause 11: Permit to conduct soccer football pools -

Hon P.H. LOCKYER: On what grounds can a Minister refuse an application to the Lotteries Commission to run a soccer football pool?

Hon GRAHAM EDWARDS: I cannot think of any grounds that currently exist for the Minister to refuse an application to conduct a soccer football pool. That is not to say that in the future the Minister will find grounds on which to refuse an application. The Minister may refuse to grant an application if he is extremely concerned about the amount to be set aside for prize money. It is not a normal occurrence for the Minister to refuse an application.

Clause put and passed.

Clauses 12 to 15 put and passed.

Clause 16: Unclaimed prizes -

Hon P.H. LOCKYER: Members would all have nightmares about this clause and I live in fear of being included in this category. The time for collection of prize money is to be altered to 12 months which I believe is sufficient time. I am sure that Hon Sam Piantadosi would be at the Lotteries Commission the next day or within the hour to collect his prize.

Hon Sam Piantadosi: Do not be so nasty.

Hon P.H. LOCKYER: I know the member would share the prize money with his parliamentary colleagues because he is so generous. Why do unclaimed prizes exist? Do

people not put their names on the butts? There is a section on the ticket which can be filled in if one does not want one's name published. Would it not be a good idea to make it lawful for people to put their names and addresses on tickets so they can be traced to collect their prizes?

Hon GRAHAM EDWARDS: It would be difficult to ensure that a person put his or her name on a ticket, particularly in the case of a lotto sliktik. It is the player's responsibility to collect prizes. Most players take this matter seriously given the fact that over a one-year period in the case of instant lottery tickets, 99 per cent of the prize money had been claimed; in super 66, 91 per cent of the prize money had been claimed; and, in lotteries, 96 per cent of prize money had been claimed, including charity tickets with 97 per cent of prize money being claimed. As would be expected, people are diligent about collecting prizes. People often intend coming back at a later stage with an instant lottery win but in the meantime lose their tickets. I honestly do not know for what reason a person would not collect a prize.

Hon P.H. Lockyer: A person who has not checked a sliktik result can go to a newsagency and put his ticket through a machine to check it.

Hon GRAHAM EDWARDS: I understand that, although I am not a player of lotto.

Clause put and passed.

Clause 17 put and passed.

Clause 18: Restriction on sales of instant lottery tickets -

Hon N.F. MOORE: Does the current law prohibit the sale of instant lottery tickets to persons who have not attained the age of 16 years? Has there been a change in the age limit? If so, why was 16 years set as a limit?

Hon GRAHAM EDWARDS: That is an existing age consideration. I am not sure why 16 years was adopted in the original stages.

Hon N.F. MOORE: Does the age of 16 apply to other forms of gambling such as betting with the bookmakers at a racetrack, betting at the Totalisator Agency Board, or going to the casino? Is the age limit different in other forms of gambling?

Hon Graham Edwards: In other forms of gambling the age limit is set at 18 years.

Hon N.F. MOORE: Does that mean that gambling through the Lotteries Commission is less harmful than other forms of gambling?

Hon GRAHAM EDWARDS: I really do not want to enter into that argument. We should not reduce the age at which a person can enter a TAB shop because the forms of gambling are quite different. I will not argue about whether we should increase to 18 the age at which a person can buy a lotto ticket or an instant lottery ticket; it is a different type of gambling. However, I stand to be corrected because people have different views on the matter.

Hon N.F. MOORE: The clause relates to the sale of an instant lottery ticket and does not apply to lotto. Is the age limit for lotto set at 18 years of age?

Hon Graham Edwards: I am sorry if I misled the Chamber. No age restriction applies to the instant lottery.

Hon N.F. MOORE: Is any age restriction applied to people involved with lotto?

Hon GRAHAM EDWARDS: No. Some concern has been expressed that the purchase of instant lottery tickets could capture one's imagination and one could become addicted. It is considered that 16 is the age at which a person can make a reasonably mature decision about these matters; and that any person not having reached the age of 16 should be prevented from buying tickets. It is very much a value judgment; no evidence has been submitted that a person aged 16 would not want to spend a fair amount of money on instant lottery tickets, but one would hope that person would make a reasonable decision.

Hon N.F. MOORE: I was very interested in the comments made by you Mr Deputy Chairman (Hon D.J. Wordsworth) at the second reading stage regarding gambling and the consequences thereof. Buying lotto tickets and instant lottery tickets represents a form of gambling. Persons at age 16 can buy instant lottery tickets, but they need to be 18 to go the casino and 18 to bet with a bookmaker or on the TAB. Are we making a value judgment about which age groups can become addicted to different forms of gambling? People can

become just as addicted to lotto as to instant lotteries. I suggest that the Minister should make judgments, in consultation, about whether an age limit ought to apply to all forms of gambling instead of the plethora of age limits applying at the moment.

Hon Graham Edwards: I will take on board those comments.

Clause put and passed.

Clause 19: Interpretation -

Hon GEORGE CASH: I thank the Minister for his comments; he has confirmed to the Chamber that local State emergency groups such as volunteer fire brigades and volunteer sea rescue groups will be eligible to apply to the commission for a grant. Of course, those organisations' applications will be assessed in the normal manner. It had been my intention to move an amendment, if that were necessary, to make it clear that those groups would be eligible. However, no amendment will be necessary. My colleague in the other place, the member for Mandurah, will be pleased to learn of the Minister's comments because that member had encouraged both myself and other members in this place to consider an amendment to ensure the groups mentioned would be covered.

I refer to the publication "Funding Policy and Submission Guide", at page 5, under the heading "Organisations Not eligible for Lotteries Commission Assistance" -

Hon Graham Edwards: I should have explained earlier that that book will become redundant under the new legislation. I apologise for that omission.

Hon GEORGE CASH: I appreciate the Minister's comments because it had been my intention to suggest that at least at the next reprint of the book something ought to be done about emergency services. The Minister has clarified that situation. I am sure that all groups who are now eligible will make their applications felt very soon.

Hon GRAHAM EDWARDS: I thank the member for his interest. Mr Nicholls did not proceed with an amendment in the other place on the basis of information which was provided to him; that is, under clause 19, emergency services are deemed "benevolent purposes" and are, therefore, approved purposes. Emergency services organisations which are non-Government and non-profit making will be eligible.

Hon GEORGE CASH: I refer to the recent grant to a trust relating to the Westpac police rescue and surveillance fund approved under section 9(2) of the Lotteries (Control) Act. I am concerned that the Lotteries Commission is able to pay moneys by way of grants into trust funds, bypassing the provisions of the Act. That is not the intent of the Bill under debate. I ask the Minister to comment. This matter was raised when the chairperson of the Lotteries Commission addressed members of Parliament last week. Obviously, she could give no commitment that it would not happen again. She was aware of the concerns of the Opposition. I support the idea that the Police Force should have a helicopter and should provide a rescue service to the community. However, my preferred option would have been to maintain the former emergency service helicopter run by the State life-saving organisation. The Government has decided that should not be the case, and the police helicopter service has been introduced. My concern is that the provisions of this Bill allow a trust to be set up and a grant to be made, bypassing an important part of the Bill; that is, the definition of eligible organisations.

Hon GRAHAM EDWARDS: I am not aware that the chairperson of the Lotteries Commission has accepted that provisions of the Act have been bypassed.

Hon George Cash: She did not acknowledge that. The matter was not put to her in that context.

Hon GRAHAM EDWARDS: The involvement of the police emergency services helicopter has a dual purpose. It provides a very good service; and just as the reasons were valid for Westpac to be involved through its sponsorship, those reasons are valid for the Lotteries Commission.

Hon GEORGE CASH: The chairperson of the Lotteries Commission did not acknowledge that the current Act had been transgressed in any way. That issue was not discussed. I made my concerns known to the chairperson who accepted that in making any future grants to trusts the commission would have to be very sure of the grounds upon which it was making a grant.

If the Lotteries Commission is able to make grants to trusts, those of us who believe eligible organisations to be those which are stated in the Act will learn very quickly that it is possible to bypass the legislation. That is something the Chamber must take into account should it happen in the future. The message is clear: The lotteries commissioners who use the trust as a method of receiving grants to get around the definition of "eligible organisations" will attract the attention of this Chamber, and amendments must be made to the Act if it is believed that the commissioners are not acting in good faith.

Clause put and passed.

Clauses 20 and 21 put and passed.

Clause 22: Distribution of lotteries and lotto moneys -

Hon P.H. LOCKYER: I thank the Minister for his explanation in his reply to the second reading debate about the requirement for 60 per cent of the moneys to be kept by Treasury in relation to section 3(2) of the Hospital Fund Act. The Minister stated that prior to the passage of this Bill the hospital fund would have received \$47.5 million in the last financial year. Following the passage of this Bill, it will receive \$42 million. I take it that the \$42 million did not include the funds from the soccer pools.

Hon GRAHAM EDWARDS: The \$47.5 million and the \$42.5 million did not include the soccer pools.

Hon P.H. Lockyer: Neither of them?

Hon GRAHAM EDWARDS: No. I am sorry if I misled the member, but those figures were based on the assumption that the Bill would be proclaimed by 30 June 1990. If I did not fully explain that, I apologise to the Chamber.

Hon P.H. LOCKYER: The anomaly involved was \$5 million which is a hefty sum. I see that the projected situation in 1990-91 includes the soccer pools, and that figure will be \$48 million. What specifically will this sum be used for? Is it put to general use in hospitals throughout the State?

Hon GRAHAM EDWARDS: I understand that it is generally put to use in hospitals throughout the State.

Hon N.F. MOORE: I regret that I was temporarily out of the Chamber when the Minister explained why the Ministers for Sport and Recreation and The Arts are given the responsibility of distributing the moneys rather than the commission itself.

Hon GRAHAM EDWARDS: The commission would not necessarily have the expertise or the overview as would the Ministers responsible for the areas of sport and the arts. It is immaterial whether the money distributed to those areas comes from Consolidated Revenue Fund or from the Lotteries Commission grants; what is important is that those funds are used for the best possible development of either sport or the arts, and in the best possible manner to help people involved in those areas. Also, if the Lotteries Commission were to oversee the distribution of those moneys, it would need to contribute many more hours of work and endeavour than it does at present. I am strongly of the view that the distribution of those moneys is best left where it is.

Hon N.F. MOORE: I will not labour the point much more, but I refer the Minister to the recommendations in the report of the Standing Committee on Government Agencies' inquiry into the Lotteries Commission. The committee recommended that a number of grants committees should be established. For example, regarding sport, the recommendation was that the committee should comprise a member of the Lotteries Commission as the chairman, a representative from the Department of Sport and Recreation, and three other representatives from sporting organisations appointed by the Minister for Sport and Recreation. Therefore, the committee membership would be involved in sport and recreation and would make the decisions about the allocation of funds.

A similar situation was recommended with the arts in that members would be drawn from a wide range of organisations involved in the arts. It was the view of the Standing Committee that this would take away the political involvement which will always be attached to the decision-making when it remains with the Ministers. We must recognise the fact that regardless of the words used, political largess is involved in the dishing out of moneys. The

Government and its backbenchers will hand out cheques to the community, and the community will be grateful for receiving the funds.

Also, the Minister distributes the moneys which are not part of CRF as these funds are not received by way of taxation or the normal system of charges and levies. This is money with which people gamble and the fund is formed with the moneys left over after the prizes have been distributed. Therefore, it is not Government funds; it is a gambling fund, and it would seem more appropriate that the body handing out this gambling fund should be the Lotteries Commission. This will happen one day, but it will take a long time!

Hon GRAHAM EDWARDS: I cannot let that comment go without a reply. When I first took over as Minister for Sport and Recreation I instigated a review of the way in which sport lotteries funds were spent. A committee was appointed which consulted many sporting bodies, including the Ministry of Sport and Recreation, on this issue. This committee, under the chairmanship of David Neesham, made a number of recommendations to me as to how the money should be spent. In the main, I accepted those recommendations which came from sport itself.

Hon N.F. Moore: Did you always accept the recommendations in total?

Hon GRAHAM EDWARDS: No, we did not. In some areas we did not accept the recommendations simply because I did not believe that money would have been spent in the best interests of all people involved in sport.

Hon N.F. Moore: Or get something from the electorate!

Hon GRAHAM EDWARDS: I can argue that that is not the case, and the member can argue that it is the case; however, until we come up with a better system, we are stuck with this one. I reiterate that it is immaterial where the money comes from - it may be CRF or from the lotteries funds - but what is important is the way in which it is applied. This is very important because of the limited resources that can be applied for the development of sport and the arts in this State.

Hon N.F. Moore: That was a pretty average answer.

Clause put and passed.

Clauses 23 to 25 put and passed.

Clause 26: Information -

Hon P.H. LOCKYER: Will applications which fail be brought before Parliament?

Hon GRAHAM EDWARDS: It would be very difficult to include a list of the grants which had failed. I have no doubt it could be done, but the work required would be immense because of the many thousands of grant applications. I will put that to the Minister. However, this is a very good requirement which enables Parliament to scrutinise where the grants have gone and members can ascertain whether the grants are a fair reflection of all requests.

Hon N.F. MOORE: I commend the Government for putting this clause into the Bill. The Standing Committee on Government Agencies recommended that recipients of a grant not exceeding \$5 000 should provide the Lotteries Commission with receipts for all items of expenditure and that recipients of grants from the Lotteries Commission of \$5 000 or over should be required to provide the commission with an audited statement of expenditure. Will the Minister advise me whether that will be implemented? This clause makes the commission accountable to the Parliament, and I want to ensure that the recipients are accountable to the commission.

Hon GRAHAM EDWARDS: The commission has procedures which attempt to ensure that every grant is accounted for, regardless of its size. I do not have a copy of these procedures, but I will be happy to provide them to Hon Norman Moore.

Hon N.F. Moore: I will be happy to receive them. Accountability is a fairly important issue and I am anxious for that to be put into place with the new legislation.

Clause put and passed.

Clauses 27 to 29 put and passed.

Clause 30: Review of Act -

Hon N.F. MOORE: It was evident from the Minister's second reading speech that he was not at all fussed with the recommendations of the Standing Committee on Government Agencies. I am unsure of his view on any future review by the Standing Committee, but it may be the same as other Ministers, who have not been anxious. However, I will not pursue that at the present time in view of the way this session is progressing. Had this Bill come to this place earlier in the session it may have been referred to the Standing Committee and members might have been entertaining an amendment to this clause.

Hon GRAHAM EDWARDS: I appreciate the fact that the member will not pursue the matter at this stage, and that this is something which will not drop off his agenda. At the same time I feel that members of that Standing Committee can be pleased with the fact that their endeavours were influential in the directions of this Bill and, therefore, in the future directions of the Lotteries Commission.

Hon N.F. MOORE: The Minister said earlier that there had been considerable consultation in respect of the development of this Bill with community organisations. However, there has been no consultation with the Standing Committee on Government Agencies. That committee conducted an in-depth inquiry, which involved visiting other lotteries commissions in Australia. The committee made a fairly in-depth report which contained good recommendations. However, the Lotteries Commission, in consultation with the Minister's office, drafted a Bill without any consultation with the Standing Committee on Government Agencies. It would have been sensible to have discussed the Bill with the Standing Committee so that it could have had an input into the Bill. Consultation with committees should occur on a regular basis - it could have happened with the Country Hostels Authority. It would have been sensible to have involved the Standing Committee before the Bill came to the House rather than after.

Hon GRAHAM EDWARDS: The Lotteries Commission took very seriously the recommendations put forward by the Standing Committee on Government Agencies. In July last year its executive officer responded to the Standing Committee's recommendations with a five page letter. I will provide a copy of that letter to Hon Norman Moore.

Hon N.F. Moore: It would be better if we had been able to sit down and discuss the Bill.

Hon GRAHAM EDWARDS: The point is taken.

Clause put and passed.

Clauses 32 to 34 put and passed.

Schedule 1 -

Hon P.H. LOCKYER: I commend those officers who drafted the Bill as they did not set an age limit for members of the commission. From time to time an age limit of 65 or 70 years is set. However, many members of the community who have attained that age could competently carry out the duties required of the position. It is sad that a person of 70 years of age is forced to retire from the position of a member of the commission when he is more than capable of carrying out the duties required of him. The Bill states that a member is entitled to such remuneration and other allowances as the Minister from time to time determines on the recommendation of the Public Service Commissioner. I ask the Minister, what is the remuneration received by a member?

Hon GRAHAM EDWARDS: I do not have a list of the fees with me, but I will be happy to provide a copy to the member. I think it is fairly standard.

Schedule put and passed.

Schedules 2 and 3 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Police), and passed.

GUARDIANSHIP AND ADMINISTRATION BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by Hon J.M. Berinson (Leader of the House), read a first time.

Second Reading

HON J.M. BERINSON (North Metropolitan - Leader of the House) [4.53 pm]: I move -

That the Bill be now read a second time.

The Government's intention to introduce progressive new mental health legislation was enunciated in its policy document "Health - Protecting the Community". This Bill is the second stage in the fulfilment of those policy goals. It has resulted as part of a comprehensive review of mental health legislation, first initiated in August 1983 by the then Minister, Hon Barry Hodge. The proposals now before members incorporate the recommendations made by the mental health legislation review committee in 1984. These major recommendations were that -

- (i) A guardianship board should be established with power to appoint limited and plenary guardians and/or estate administrators for incapable persons who are in need of guardianship or estate administration.
- (ii) An office of public guardian should be established and the public guardian empowered to act, among other things, as a guardian of last resort and an advocate for incapable persons.
- (iii) Appropriate consultation should be undertaken with a view to the preparation of draft legislation.

A Bill was introduced in another place in the last session in 1989 to give effect to these recommendations. It was withdrawn to allow some changes and improvements to be made, but this Bill is substantially the same.

The term "guardianship" encompasses the main objective of the Bill. Guardianship is a legal device which gives an individual a right to make decisions on personal matters on behalf of some other person. The classic example is the parent-child relationship, where the parents are the legal guardians of their children. At present when individuals reach the age of 18 years, regardless of their degree of disability or infirmity, they have full legal capacity, and the legal rights of a parent end. Many parents may wish to continue to be the legal guardians of mentally disabled adult family members, and to make provisions to ensure continuing care when they are no longer able to carry out this responsibility. Under the current law this is not possible. The concept inherent in the proposals now before the House addresses this problem and is a significant step forward in an important area of human concern.

Currently in Western Australia the law allows persons to manage the financial affairs of others via the agency of the Public Trustee or via an individual by application to the Supreme Court. These legislative controls allow mental competence to be assessed in one of two ways: A person is judged to be competent or incompetent. It deals with absolutes. When a person is legally declared to be incompetent, a trustee is appointed to look after that person's property. It is assumed that a person's comforts will be provided at home or in an institution by someone who cares. Under the current law the emphasis of concern is on the need to protect property, while no adequate provision is made for actually protecting the ordinary needs of the individual. The Bill will provide for this. The Bill replaces an overemphasis of concern for property with a recognition of personal needs as well as the safeguard of property. The proposals will have far reaching results affecting a wide cross-section of the community. It will be available to all persons over the age of 18 years who unfortunately are unable, for reason of mental disability, to manage their own affairs, and who need the protection of a caring guardian with their welfare at heart. This will be so, regardless of the nature or extent of their disability. For example, victims of a stroke, those who have been affected by accident, the mentally ill, intellectually handicapped, and elderly persons who as a result of senility are unable to make decisions will all benefit equally.

The framework of the Guardianship and Administration Bill gives people the freedom to

function independently if they have the competence. It recognises the existence of a wide spectrum of disabilities between what is judged to be absolute competence or absolute incompetence. It will encourage them, wherever possible, to develop skills for self-management, and it will provide for guardians to act only in those areas where incapable persons are unable to look after themselves. I shall highlight some of the important benefits in the proposed Guardianship and Administration Act.

The Bill establishes an independent Guardianship and Administration Board which will be primarily responsible for the appointment of guardians and estate administrators. The board will be composed of three members appointed by the Governor. The chairperson will be a Supreme Court judge. The board will facilitate the ongoing care of those people who are incapable of looking after their own health and safety or managing their personal affairs, or who require supervision, care or control for the protection of themselves or others, by appointing guardians and/or administrators for these people, and overseeing the management of the guardians or administrators. The board's proceedings will be conducted in an informal atmosphere. The Government believes that those attending proceedings before the board, and especially the person who is the subject of the application, should not be overawed by what would otherwise be a court environment. Applications may be made to the board by the patient, a relative of that person, or any person who satisfies the board that he or she has a proper interest in the care and protection of the person in respect of whom the application is made.

Varying degrees of incompetence are acknowledged. Personal and individual independence will be encouraged for those who suffer from only slight mental handicap. Limited, as well as plenary, guardianship and administration orders can be applied for. This will enable orders to be made accommodating individual circumstances. The scheme contemplates that the board will appoint a guardian only where it is established that a person lacks a decision-making ability. The principle of the least restrictive alternative is followed in the Bill providing for the appointment of guardians and administrators.

The Bill also provides for the board to appoint an administrator to manage the estate of a person. The administrator may be an individual, the Public Trustee, or, in certain circumstances, a private trustee company. A private trustee company may be appointed as an administrator if the board is satisfied that the individual who would otherwise be appointed as administrator has requested in writing the appointment of the private trustee company and, alternatively, if the person in respect of whom the application is made has made a will appointing the private trustee company as executor and the will has not been revoked at the time of the appointment. The separation of the person's property from guardianship of the person is based on the principle that in many cases the personal affairs should be handled by someone other than the person responsible for the estate. However, the provisions of the Bill do not disqualify the administrator of an estate for a person from acting as a guardian in the event that he or she fulfils the requirements under the Act.

A key feature of the Bill is the requirement that both guardianship and administration orders be reassessed by the board within five years from the date of the order. In certain circumstances a review of the orders will be mandatory; for example, if a guardian or administrator dies or wishes to be discharged from his or her appointment. Alternatively, the board may initiate, or any person may apply for, a review of guardianship or administration order. The legislation permits quick action to provide back-up or alternative guardianship in the event that the present guardian is unable to continue to serve the needs of the represented person. There is also provision for discharging a guardian if he or she is perceived as being unfit to act in the best interests of the dependent adult. The review process facilitates a regular evaluation of the orders and a mechanism for adjusting orders as an individual's circumstances change. In order to protect individual civil liberties, the Bill provides a specific right of appeal to the Full Court of the Supreme Court against orders of the board. Under the Bill, the person in respect of whom the appeal is brought will be entitled to be represented by legal counsel. The Bill also provides an extra protection in that a public guardian may act for persons under guardianship orders.

The Bill also provides for the Governor to appoint a public guardian. The creation of this office is modelled on that of the public guardian in Victoria, South Australia and New South Wales. The public guardian may act as a guardian in the event there is no parent, next of kin or other suitable person willing to do so. Additional functions of the public guardian will include promoting family and community responsibility for guardianship, and acting on

behalf of people who cannot make decisions for themselves. The inclusion of the office of public guardian in this Bill represents the Government's recognition of the importance of preserving the rights of disabled persons and providing someone to act for them as their advocate if there is no other suitable person to do so.

An important aspect of any form of guardianship is the consent for medical procedures. The Guardianship and Administration Act will allow a guardian who has been appointed to consent to the medical or dental treatment of the represented person. However, it will not be necessary to appoint a guardian merely to consent to medical or dental treatment for a person who is not otherwise in need of a guardian. Where no guardian has been appointed, a doctor or dentist may provide urgent health care or treatment to a person who, in the opinion of the doctor or dentist, is incapable of consenting to the care or treatment, and is a person for whom a guardian could be appointed under the Act. Before treatment can commence the consent of the person in apparent charge of the person to whom the care or treatment is to be given must be obtained. If the treatment is non-urgent, the doctor or dentist must obtain the consent of the nearest relative if there is no guardian provided that, if the doctor believes there has been the opportunity for a guardianship order without one having been obtained, he or she cannot treat on the consent of the relative. In this way the rights of adult, but incapable, persons to obtain the medical care that they need, while protecting them from treatment to which they might not consent, were they capable, are protected.

The Bill provides an additional protection for persons under a guardianship order, or for whom an application has been made, in the controversial area of sterilisation. It requires that for sterilisation procedures the consent of both the guardian and the board must be obtained. The Minister for Health has been responsible for developing this Bill to benefit people suffering from disabilities. However, because the board and the public guardian's office will operate within a legal framework, responsibility for implementing the Bill is to be handed to the Attorney General. He will establish both the board and the Office of Public Guardianship, and within three years the board will be transferred to the Supreme Court for management.

Overall there are many good reasons why Western Australia should introduce guardianship laws. In the past, intellectually handicapped persons in this State and elsewhere were cared for by mental health authorities, where the power to make decisions for others was often vested in the director or superintendent of the authority or facility. The international trend of transferring intellectually handicapped persons from large institutions to small community living units has meant that not only is the protection of mental health legislation difficult but new challenges and responsibilities are afforded to the mentally handicapped in the community. Most Australians in other States have now had for some years the benefit of appropriate guardianship legislation to protect them if they need it; Western Australia has been lagging behind other States in establishing this important reform.

Within the community there is great concern for the appropriate protection of members vulnerable to exploitation and abuse. Guardianship provisions attempt to satisfy this need. Extensive consultation with community groups and professional organisations in Western Australia has shown strong and emphatic support for the Bill. The need for guardianship laws has been convincingly demonstrated by the Authority for the Intellectually Handicapped, the Slow Learning Children's Group and Nulsen Haven. Advice received from the Attorney General, the Public Trustee and the Law Society of WA has also influenced the process of this Bill. This legislation is innovative for Western Australia. It will bring this State into line with Victoria, South Australia, New South Wales and Tasmania, where guardianship boards currently exist and are extremely effective. This Government recognises the predicament that many elderly, mentally ill and intellectually disabled people are in, and it is providing a mechanism for assisting them in a manner which will least restrict their civil liberties. It includes legislative reform which will improve their lives and give them hope and direction, which is long overdue. Although this Bill has emanated from agencies concerned with the intellectually handicapped it can, and should, be extended to all persons who can benefit from it. Accordingly, I commend this very worthwhile Bill to the House.

Debate adjourned, on motion by Hon Barry House.

[Questions without notice taken.]

SUPREME COURT AMENDMENT BILL*Second Reading*

HON J.M. BERINSON (North Metropolitan - Attorney General) [5.32 pm]: I move -

That the Bill be now read a second time.

This Bill seeks to amend the qualifications for appointment as a Master of the Supreme Court by widening their scope so as to allow for the appointment of practitioners who are admitted as practitioners in Western Australia but who have practised outside Western Australia or who have served as a judge of a court outside Western Australia. The existing provision requires either five years' standing and practice - which means five years' practice in Western Australia - or at least two years' service as a registrar. A number of Western Australian practitioners have many years' standing as Western Australian practitioners but their practice has been out of Western Australia, so they would not qualify for appointment under the existing provisions. In more than one case these persons have attained judicial office elsewhere.

The office of Master of the Supreme Court is of considerable importance. The appointee requires a particular knowledge of practice and procedure as well as a very well-grounded general legal knowledge. The possibility of making very suitable appointments to the office of master from time to time would be enhanced were the provisions amended to enable regard to be paid to the totality of the legal practice and judicial experience of practitioners who are admitted to practice in this State.

The question of qualification for judicial and related appointments is being reviewed so that regard may be paid to the experience which a Western Australian practitioner has gained elsewhere in Australia and in countries overseas where the law is substantially equivalent to ours. Later in the year I expect to introduce a Bill to deal with this. In the meantime, action is proposed in the more limited area covered by this Bill, at the particular request of the Chief Justice. I commend the Bill to the House.

Debate adjourned, on motion by Hon Peter Foss.

CASINO (BURSWOOD ISLAND) AGREEMENT AMENDMENT BILL*Second Reading*

Debate resumed from 4 July.

HON P.H. LOCKYER (Mining and Pastoral) [5.35 pm]: This Bill seeks to ratify an agreement to amend the annual casino gaming licence fee payable by the Burswood Casino licensee to the Gaming Commission. The current licence fee is \$400 000 per annum, payable in quarterly instalments. Part of the agreement was that the licence fee would be indexed according to the consumer price index. The casino is presently paying an annual casino gaming licence fee of \$546 000. Whoever persuaded the Burswood Casino management to increase the annual fee to \$1.4 million must have been a pretty good negotiator, because the increase has been almost \$1 million; in fact, \$900 000.

I have to smile because the Minister said in the second reading speech that the new licence fee would fully cover the costs of regulating the casino and thus result in significant savings to the taxpayers of the State. It sure will! What will the Government do with the \$1.4 million? I would not have thought the costs of regulating the casino would amount to anywhere near \$1.4 million. I would like the Minister to explain whether a large proportion of the revenue raised will be returned to the racing industry to compensate it for the great difficulties it is experiencing at this time as a result of the casino's operations. I hasten to add that at the time the casino legislation was introduced I was in favour of the casino's establishment, and I still am. I do not visit the casino, but if people want to have available to them such a facility they certainly cannot complain about this facility. However, it is a fact of life that the establishment of the casino has led to a diminution in the funds that are available for harness racing, trotting and the dogs.

The Burke Government decided in 1983 to increase by two per cent the turnover tax of the racing industry. That tax has subsequently been reduced to one per cent, but it is no secret - and the Minister would know this better than most because he was formerly the Minister for

Racing and Gaming - that the racing industry is experiencing problems. Approaches have been made to the Minister's successor - not successfully, I might say - asking for an injection of funds or a review of the situation. I do not know what the massive increase in revenue from the gaming licence fee will do for anyone except boost the Consolidated Revenue Fund. It is no secret that the Government, because of its involvement in WA Inc, is looking for every dollar it can raise.

Hon Fred McKenzie: The racing industry never lost that one per cent. That came out of the punters' pockets.

Hon P.H. LOCKYER: I understand that.

Hon Fred McKenzie: As long as you do. That must be made clear.

Hon P.H. LOCKYER: This is not the first time the member has brought that to my attention. I have always admired his close surveillance of that area.

Hon T.G. Butler: He would make a good chairman of the TAB.

Hon P.H. LOCKYER: That is right. It is no secret that the racing industry is having great difficulty in keeping afloat.

Hon Fred McKenzie: That is true.

Hon P.H. LOCKYER: The gaming licence fee is to be increased from \$546 000 to \$1.4 million. I bet the directors of Burswood flinched a bit at the -

Hon Bob Thomas: It is because of the introduction of the new card machines.

Hon P.H. LOCKYER: So the member thinks it is all right to increase the fee to \$1.4 million?

Hon Bob Thomas: Yes.

Hon P.H. LOCKYER: I hope the same negotiator does not find his way into any of the racing industries to try to foist upon them a percentage increase like this. There must be a licence to print money at the casino, because that is a massive increase. I will be listening carefully to the Minister when he gives his explanation. The Bill says that the new fee is to be payable from the date of commissioning the extension to the Burswood Casino, which was commissioned in February 1990. If Hon Bob Thomas is correct - and I have no reason to doubt him - and it is because of the new machines, no doubt the Minister will explain that to us at length. It is a big increase and I want to know precisely how much it costs to regulate the industry. The Minister's second reading speech says that the new licence fee will fully cover the costs of regulating the casino, but I want to know what the costs are to the Gaming Commission.

Hon Fred McKenzie: The number of machines was trebled, so the Government inspectorial staff would probably have to be increased.

Hon P.H. LOCKYER: When I know how much it costs to regulate the casino I will do careful calculations to see what is left over to go into the Consolidated Revenue Fund. In the meantime, I am very happy to support the second reading of this Bill.

HON J.N. CALDWELL (Agricultural) [5.40 pm]: It is not for me to attempt to answer Hon Philip Lockyer's questions of the Minister, but I can see from the Minister's second reading speech that the licence fee does not cover the costs. The speech says that contributions are required from the Consolidated Revenue Fund as well to cover those costs of the Gaming Commission. I do not know how much more has to be paid into it, but how on earth can \$500 000 be spent on regulating the casino? I understand that a turnover tax is paid as well. The National Party's question is: Why is the licence fee not attached in some way to the turnover tax? We know gambling is a growing industry in Western Australia whether we like it or not, especially at the casino, and it is inevitable that if the tax were attached to the turnover tax it would increase much faster than inflation. I ask the Minister to tell us what it actually costs, why the enormous fee of \$1.4 million must be paid, and why this tax is not attached to the turnover tax. I believe that would be far more equitable in the long run, and far easier to administer, and the costs to the Gaming Commission would not be anywhere near as great.

With those few comments the National Party supports the Bill.

HON GRAHAM EDWARDS (North Metropolitan - Minister for Police) [5.42 pm]: I

thank members opposite for their contributions to the second reading debate and their indications of support for the Bill. As I was the Minister for Racing and Gaming at the time, I am aware of the negotiations that took place. In July last year Cabinet approved an extension of the Burswood Casino building to facilitate installation of additional video gaming machines. It was also noted at that time that the appointment of four additional gaming officers to maintain the existing inspectorial and audit levels would be required. This agreement not only found the means to fund the then current operating costs of the casino control division, but also it was enough to promote the appointment of those four additional inspectorial and audit staff. In my view the original amount of \$400 000 that was set - which was indexed - was not enough and I had strong objections to Consolidated Revenue Fund moneys being used to top up the inspectorial services at the casino. I felt that should have been a self-funding provision. Indeed, that argument was put to the casino management and after some discussion, as one would expect, they saw the logic of the argument. In my view it was something that should have been dealt with at the time. I can assure members that the costs referred to are accurate.

I do not want to get into the argument about the welfare of the racing industry, but I recall that at about the time we negotiated this change of position with the casino we also negotiated an additional \$600 000 to go into the racing industry; of course, that money came from the Totalisator Agency Board. I believe the racing industry has had a good shake from the Government. Hon Fred McKenzie, who has knowledge of and interest in the industry, was very quick to point out that the one per cent Hon Philip Lockyer referred to did not come out of the pockets of the racing industries but out of the pockets of the punters. I thank Hon Fred McKenzie for that observation. I understand that the racing industry is in difficulties and I sincerely hope that everyone involved in the industry can work with Government to resolve those difficulties; but I was very saddened to see that they have divisions within their own ranks at the moment. It is important that those divisions be resolved so that they can get on with running the industry. This Bill is about the casino. I note the comment made by Hon Philip Lockyer that there is no doubt the casino has had a detrimental impact on the racing industry. That is recognised, and it is something the industry simply must come to terms with. Again I thank members for their support of the Bill.

Question put and passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon J.M. Brown) in the Chair; Hon Graham Edwards (Minister for Police) in charge of the Bill.

Clause 1: Short title -

Hon J.N. CALDWELL: During the second reading debate I asked why this licence fee was not attached to the turnover tax. It would be far more equitable if it were, and the amount raised would be quite substantial because of the extra proceeds that go through the casino.

Hon GRAHAM EDWARDS: I apologise for overlooking that question during my response to the second reading debate. There is, of course, a casino tax which is set at 15 per cent. In addition, another one per cent goes into the running of the Burswood Park Board. However, this is a separate issue altogether. In the Bill before us, this funding relates to the costs of the inspectorial and audit staff required to work at the casino. It was on that basis that a self-funding proposal was put to the casino management and an agreement was reached.

Clause put and passed.

Clauses 2 to 6 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Police), and passed.

ACTS AMENDMENT (PETROLEUM) BILL
PETROLEUM (SUBMERGED LANDS) REGISTRATION FEES AMENDMENT
BILL
PETROLEUM (REGISTRATION FEES) AMENDMENT BILL

Cognate Debate

On motion by Hon Graham Edwards (Minister for Police), resolved -

That Orders of the Day 4, 5 and 6 be dealt with cognately.

Second Readings

Debate resumed from 4 July.

HON N.F. MOORE (Mining and Pastoral) [5.54 pm]: The three Bills are complicated and detailed pieces of legislation. The most important Bill, the Acts Amendment (Petroleum) Bill, is a very large piece of legislation and updates the law in respect of petroleum exploration and production in Western Australia. As indicated by the title, the Acts Amendment (Petroleum) Bill 1989 has been in the Parliament for a number of months and it has now reached this House and the Opposition does not oppose it. The Opposition supports the three Bills.

Primarily, the legislation attempts to rationalise the requirements of State and Federal laws for petroleum production and exploration. The State and the Commonwealth have jurisdictions in offshore petroleum exploration and development. It is necessary to ensure that the laws relating to petroleum exploration, development and production in areas controlled by the Commonwealth are in line with the laws that apply in areas which come under the State's jurisdiction. If I had my way the Commonwealth would have no involvement in the matter; however, it insists that the Commonwealth have jurisdiction in Commonwealth waters.

The three Bills also update the laws relating to petroleum exploration and development because considerable improvements in the technology and practices in the industry have caused some of the previous laws and requirements to become outdated. For example, when the laws were first drawn up a well would be drilled vertically into the earth; the current technology enables drills to deviate in all directions and from one drilling rig it is possible to have wells which cover an enormous area of land. By having wedges inserted in the drilling well it is possible for the bit to deviate in different directions. Recently, I was fortunate enough to visit the North Rankin A platform off Dampier and I saw a plan showing all of the wells that had been drilled from that platform. Dozens of wells went in all directions, with some wells being drilled in a corkscrew fashion as the drill bit was directed into different parts of the substrata under the platform. The new technology makes it possible to drill in one location and the bit from the drill can find an oil or gas deposit in another company's area of exploration. Permits are granted on the basis of an area of sea or land and it is possible for the drill to go from one area to another. This new technology means that the legislation must be updated to cover these matters and the Acts Amendment (Petroleum) Bill does that.

Another important aspect of the Acts Amendment (Petroleum) Bill is to provide an increased degree of certainty to exploration companies which may be operating in this area. Members will know that the petroleum industry is fraught with uncertainties in view of world prices and demands and because of the way in which the price of the product can be manipulated for political purposes. Therefore, if a company finds an oil or gas deposit there is no certainty that the deposit will be viable at the time or at some time in the future. However, at present the law requires that a company discovering a deposit of oil or gas must go into production. That is impractical if production is not viable at the time of the discovery of gas or oil. This Bill provides for retention leases which enable a company to defer production from its discovery until such time as it becomes more viable. Exploration will be encouraged when exploration companies know that they do not have to develop the find as soon as they discover it.

The second reading speech on the Acts Amendment (Petroleum) Bill is self-explanatory. It provides enormous detail and if anybody is interested in the Bill I refer them to that speech. The Bill is large and is in order and because it is acceptable to the Australian Petroleum

Exploration Association the Opposition supports it. The Opposition also supports the other Bills.

Questions put and passed.

Bills read a second time.

Sitting suspended from 6.00 to 7.30 pm

Committees and Reports

Bills passed through Committees without debate, reported without amendment, and the reports adopted.

Third Readings

Bills read a third time, on motions by Hon J.M. Berinson (Minister for Resources), and passed.

LAND TAX ASSESSMENT AMENDMENT BILL

Second Reading

Debate resumed from 5 July.

HON MAX EVANS (North Metropolitan) [7.39 pm]: I support the Bill. However, I wish to comment on the Minister's second reading speech which commenced as follows -

Recent Commonwealth Government amendments to the legislation controlling the operations of a number of Commonwealth statutory authorities, including Australia Post and Telecom, rendered these authorities liable for State taxes and duties.

That sounds like a simple ministerial statement that legislation has been changed and that these bodies will pay their way. It is absolutely marvellous; it has never been done before in the history of this country as a federation - but what is the catch? I imagine the Leader of the House thought the same thing. This provision applies only to statutory authorities and not to Commonwealth departments such as the Air Force, the Army and the Navy which control huge areas of Western Australia. The day may come when these bodies are privatised, as the Prime Minister is talking about doing with the airlines. The second reading speech states -

However, the present provisions of the Land Tax Assessment Act confer exemption on an agency of the Crown, an instrumentality of the Crown or a public statutory authority, whether created by State or Commonwealth legislation.

This Bill will remove the exemption those bodies have from land tax in this State. Land tax is very high in this State as it is calculated on the value of the land on a cumulative basis. I wondered why this was to be done this way, and the final paragraph of the second reading speech gives an indication by stating -

It is anticipated that these Commonwealth authorities will make an annual contribution in the order of \$1 million to land tax revenue in 1989-90 and subsequent years. Unfortunately, 90 per cent of this revenue will be offset by a reduction in the Commonwealth's payments to the State as part of the arrangement for making these authorities liable to State taxation.

That is the most amazing sleight of hand I have seen in my life. How the Commonwealth Government can pass legislation providing that all authorities shall now pay land tax and charges in the States, but, as a consequence, the Federal Government will receive a benefit of 90 per cent of revenue collected, is beyond me. None of the money was passed on to the Federal Government before. In Western Australia we will receive only \$100 000 out of the \$1 million, so what kind of pea and thimble trick is that? If we are to receive \$1 million and the Commonwealth will knock off \$900 000, the Commonwealth will be far better off. About \$20 million will be received by the Federal Government from all the States, and the States may receive \$2 million overall. Proportionally, Australia Post and Telecom do not have a strong presence in our State as the head offices are elsewhere, but this is a trick by which the Federal Government will raise more money at the expense of statutory authorities.

Hon J.M. Berinson: Which means?

Hon MAX EVANS: It will come from the taxpayer in the form of charges from Telecom, Australia Post and other such authorities. These charges will be passed to the Federal

Government undetected by the taxpayer. This is an absolute rot and should be seen as such. The States will have to administer the collections, and at the end of the day we will make very little money. The Commonwealth Government certainly has not done this to be generous to the States or to ensure that the States do not miss out on revenue.

Also, will these authorities make a contribution to the Fire Brigade fund? The State Government contributes a flat sum to the Fire Brigade, and Commonwealth departments and statutory bodies pay nothing - however, the Fire Brigade does not charge when it stops a building from burning down! Is there some way to retrieve the Fire Brigade levy from the moneys involved in this legislation? I believe all Federal Government departments should make a contribution to that levy.

Hon J.M. Berinson: That comes through the council rates. My understanding is that the new Commonwealth arrangement relates only to State taxes and duties.

Hon MAX EVANS: The legislation should be expanded so that the Commonwealth makes a contribution. The State Government contributes \$12 million to the Fire Brigade fund and the rest comes through insurance policies and local government charges. However, those who are not insured are still attended to by the Fire Brigade. We may have to go back 100 years to have a situation in which buildings carry a sign so that the Fire Brigade will know whether to put out the fire, and that would be a pity. I support the Bill, even though I do not like it very much.

Question put and passed.

Bill read a second time.

Committee and Report

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

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Leader of the House), and passed.

ACTS AMENDMENT (GOLD BANKING CORPORATION) BILL

Second Reading

Debate resumed from 4 July.

HON MAX EVANS (North Metropolitan) [7.47 pm]: I support the Bill, and as the session is drawing to an end I will not take the unlimited time available to me to go through the history of the Gold Banking Corporation, as much as I would like to.

Several Opposition members interjected.

Hon MAX EVANS: I could, as a challenge, but I will not; excuse my rowdy friends up the back, Mr President.

The PRESIDENT: Order! Those kinds of interjections are out of order.

Hon MAX EVANS: This Government churns out the paper work and it is not until we reach page 11 of the second reading speech that we discover the purposes of the Bill.

Hon J.M. Berinson: It is in very big type, Mr Evans!

Hon MAX EVANS: Last night we could have completed two Bills in the time taken with the second reading speech for the tobacco legislation. The Minister could have abbreviated its content and told us what the Bill was about rather than dealing with who was dying from tobacco and what the Ambassador for Ireland was telling us about tobacco problems. The second reading speech contained 15 pages of problems; it was a public relations exercise and did not deal with the legislation. Hon Peter Foss established a precedent with his speech on the second reading concerning the legislation regarding the statutory rights of directors of corporations when he enumerated each section as he went through the legislation. Following that precedent, the Leader of the House did the same with a couple of Bills.

The PRESIDENT: Order! Perpetuating the wrong will not make it right.

Hon MAX EVANS: I am trying to right the wrong for the next time around, Mr President. We will return on 21 August and I hope we can stop this practice.

The second reading speech on the Bill before the House went for 10 pages explaining the profits which had been made by the Gold Banking Corporation. It is clear that the person who wrote the second reading speech knew nothing about the Bill. The Bill is rather a joke. It states that \$25 million will be returned to Treasury; however, it is interesting that the Gold Banking Corporation will give back \$25 million even though Treasury has contributed \$10 million in other loan accounts here and there. After capitalising that the Government has \$25 million. However, the Government did not get that \$25 million by 30 June. That has at least restored my faith in the integrity of the Minister; the Government did not do a sleight of hand with short term investments.

The Government left the money and did the sleight of hand with interest earning short term investments of \$47 million. Had the Government not had that in it would have had \$22 million in short term investments to balance the book by \$300 000. The Government had another \$5 million up its sleeve. Members may have noticed that the Minister for Planning was shocked last night when she read the Tobacco Bill second reading speech and learnt that \$5 million would come in in 1989-90.

Hon J.M. Berinson: I am going from memory but I think that included the Quit money which had already been allocated.

Hon MAX EVANS: No; that \$5 million was extra. An amount of \$5 million will come out of the \$16 million revenue from the tobacco tax to 30 June and there will be \$9 million this year out of \$28 million. Now it is \$9 million which is 10 per cent of \$90 million. Michael Daube told me a few weeks ago that he would have \$14 million to give away this year; \$5 million from last year and \$9 million this year. I have a message for Mr Daube: He will not get the \$5 million from last year. That saved the Government \$5 million of interest on short term investments on the extra revenue that the Government had last year at the expense of arts, sport and so on. That is a fact.

The Gold Corporation Bill started operation in October-November 1987 and it finished in May-June 1988. That was held over for six months because the Reserve Bank did not like the Government's proposal. It was to be called Gold Bank and it had five internal directors. The Reserve Bank forced the corporation to have three external directors in order to keep those directors honest. That had a big impact on John Horgan's salary. He had teed up a far bigger salary but when the external directors were appointed it was reduced to \$30 000. Finally the corporation had to increase its capital from \$10 million to \$25 million. I am certain that the Minister will be able to give me his word that that \$25 million did come out of the Consolidated Revenue Fund or miscellaneous services. I have not verified that myself but if the Minister will give me his word I know he would not say it if it were untrue; he would have checked up on that. Therefore, if it came out of CRF we can put it back there; if not, I know the Minister would put it somewhere else. At the moment he wants it in CRF because it is helpful to the Government.

The Minister credits Richard Court in the other place with giving the advice to sell all the R & I Bank's operations and to leave GoldCorp to mint the coins. The Opposition said that as a result of meeting with executives of the Gold Corporation before the Bill came to this House. It seemed wrong that the R & I Bank would be doing gold loans and this type of business when Donald MacKay-Coghill and Brian Barth of Gold Corporation were saying that they could do it better. They wanted to draw down gold and borrow money and they said that they could do it better than the R & I Bank. That was in 1987 and we have done a complete circle. It has now been decided that the R & I Bank can do it better and Gold Corporation will stick to minting coins.

The Minister, in his second reading speech, stated that the Gold Corporation had two bad years and one good year. The one bad year resulted in a loss of \$1.4 million from \$800 million of sales. John Horgan was said to have turned around the profits of the WA Mint. Of course he did; he bought the gold at \$50 an ounce, which at that stage was worth \$550 an ounce, and after he revalued it up he was given a profit in the first year. Brian Burke said that John Horgan had done a great job; he had turned around the Mint's losses of \$500 000. Those losses were down because the corporation did not pay taxes to the State Government. From 1977 to 1986 the State Government bought gold at \$50 an ounce for one reason only - to fiddle the profits. Those are the Auditor General's words, not mine.

Gold Corporation now deals simply with gold. It has shelved its plans to print its own notes.

That is a good idea because the Government may have got carried away and printed a few million dollars of currency to make up its losses. That problem is no longer ahead of us. Section 21 of the Act currently gives the board of the Gold Corporation the sole right to determine what, if any, dividends will be paid each year. That is a typical John Horgan sleight of hand. The R & I Bank and the Western Australian Development Corporation were to pay a dividend in lieu of income tax. This point has been missed out in respect of the R & I Bank. God bless the R & I Bank; it cannot even make a profit to pay a dividend to the Government in lieu of taxes. When the R & I Bank gets back to making a profit it should not pay a dividend in lieu of taxes as most companies pay a dividend over and above income tax. That point has not been raised in respect of these corporations. I think Treasury officers do not have many investments themselves and do not look at public company balance sheets. They are quite happy to take 48 per cent of the profits as a dividend in lieu of taxes but they should be getting another 20 per cent on their investments. I suggest that the Government would be a lot better off as its deficit would be cut considerably. At least this Bill is an improvement on what was there before. I will quote from the Minister's second reading speech -

There is no precedent elsewhere in Government for this approach as it is considered more appropriate that the approach adopted by the R & I Bank should also be applied to Gold Corporation. Namely, that each year the board makes a recommendation to the Treasurer on what dividend if any should be paid. The Treasurer makes the final determination taking into account the recommendation.

We will get back to a better basis. It was interesting to hear the comment on the R & I Bank this week. I was very pleased that it came out because I asked the Minister questions during the Treasury debate. I hope that I was given the truth the other day regarding the \$40 million from the R & I Bank. I queried how the Government could have brought in an estimated \$40 million in revenue knowing that it had made only \$9 million profit. I thought I had been told that the money had been received, but we are now told that that dividend did not come across. The Government budgeted for \$40 million while the R & I Bank budgeted for \$1.7 million. That information was revealed in the Treasury debate and I have not been able to ask any further questions about that.

We have an open-ended guarantee for the corporation and I will quote from the second reading speech -

The open-ended guarantee provided to the corporation under the existing section 22 of the Act is clearly now inappropriate for the corporation because of the transfer of banking activities, but some form of guarantee is necessary because of the nature of the corporation's remaining activities.

I accept that. I do not think the risks are as great as they were and I am assured by the manner in which they work, how they draw down the gold, and the fact that they work out the price on that day's market. That is a protection for the corporation.

I give full marks to Hon Peter Dowding for setting up the Burt Commission on Accountability although he did it for the wrong reasons. He did it to clear his conscience and as a saviour for the Labor Party before the 1989 election. Many things have been changed since then and we are now asking questions of the WADC which we should have asked from day one. The Burt commission has resulted in a lot of things being taken out of the Gold Corporation Bill which should not have been in it in the first place. The Burt Commission on Accountability should not have had to tell any Government with integrity what to do to be more accountable. As it has turned out the Burt commission has followed the recommendations of the Standing Committee on Government Agencies that directions given to authorities by a Minister must be published in the accounts. That is now accepted practice and is enshrined in the new legislation for the Gold Corporation.

The Liberal Party supports the legislation. We do not support the 10 pages of public relations at the beginning of the second reading speech. The Gold Corporation is back in the position it should have been in in the first place. There are people in the Gold Corporation who know all about gold, minting gold, selling gold and marketing gold. They were not in the banking business and they have now given banking back to the bankers. It is a bit late.

The State Government Insurance Commission and the Motor Vehicle Insurance Trust were

brought together. They are now being slowly pulled apart and will run as separate operations once again. It was a great tragedy - cost wise - when these two operations were running separately. I would be interested to know whether any of the R & I Bank losses were applied to the Gold Corporation's gold loans over the last two months. It may be that it is too soon for that to show up as a loss to the R & I Bank. However we have had no real details of what this \$180 million provision for doubtful debts relates to; one day I suppose that will come out. The Liberal Party supports the legislation.

HON J.N. CALDWELL (Agricultural) [8.00 pm]: This Bill has three main functions. First, it will remove Gold Corporation's legislative powers to engage in banking activities; secondly, it will provide for greater control over the corporation's financial activities and alter its capital provisions in order that it will operate under a more simple structure; and, thirdly, it will ensure full accountability to Parliament for the corporation's activities, in line with the recommendations of the Burt Commission on Accountability.

I read the Minister's second reading speech very quickly and I understand that the first category of amendments in this legislation arises from the decision to transfer Gold Corporation's activities to the R & I Bank. In the past the public could purchase gold in various quantities from the Western Australian Mint and the purchases were able to be stored at the Mint. Under this legislation will members of the public be able to store at the bank the gold they purchase from the R & I Bank? Another question which comes to mind is whether the public will still be able to purchase gold from the Mint; or will the R & I Bank have the exclusive right to sell gold? The National Party supports this Bill and I hope, as do all members, that it will be successful and the R & I Bank will be in a position to build up its reserves.

HON PETER FOSS (East Metropolitan) [8.02 pm]: One of the recommendations contained in the Burt Commission on Accountability report and which has not been included in this Bill is the question of guarantees. It is an aggravated question which has not been adequately dealt with by this House nor, for that matter, by the other House since the Burt commission reported. The point the commission made is valid; that is, by entering into a form of guarantee and that guarantee having a permanent standing appropriation we are virtually allowing liabilities to be incurred without the approval of this Parliament. We do have some standing appropriations, but they are normally for a fixed amount. For instance, the salaries of members of Parliament are governed by a fixed appropriation, but unusual and different reasons justify it. The ordinary operation of the Gold Banking Corporation does not justify a permanent standing appropriation. In this legislation not only is there a permanent standing appropriation for guarantees, but also there is a bigger form of provision than previously existed. Under the existing Act there is provision for the guarantee of Gold Banking Corporation's liabilities and section 22 states -

- (1) The payment of all moneys and the cash equivalent of gold due, payable and deliverable by Gold Bank is guaranteed by the Treasurer.
- (2) The payment of all moneys and the cash equivalent of gold due, payable and deliverable by a subsidiary of Gold Bank in respect of banking business carried on by that subsidiary is guaranteed by the Treasurer.
- (3) Except as is provided for in subsection (2), the guarantee in this section does not extend to the obligations of any subsidiary of Gold Bank.
- (4) Any liability of the Treasurer arising from the guarantees in subsections (1) and (2) shall be met out of the Consolidated Revenue Fund which is appropriated to the necessary extent.

I find that provision totally unacceptable and it is inconsistent with the intent of the Burt Commission on Accountability. We have tried doing this on a Bill-by-Bill basis, but it is time the Government addressed the whole question of guarantees given by State instrumentalities and how they will be properly accountable. Quite clearly there is no accountability now. The Gold Banking Corporation takes on a liability, the Treasurer guarantees it and the people of Western Australia pay it. The public of Western Australia, through their parliamentary representatives, do not have the opportunity to say, "Enough, we do not like what the Government did and we would like to know in advance what it is going to do." Once this legislation has been passed there will be no opportunity for the public of Western Australia to say, "Enough." It is totally unacceptable and it was not acceptable to

the Burt commission. It is time the Government came up with some reasonable way in which to deal with guarantees. I can see no reason why there should not be a budget for guarantees. It could operate in a similar way to that in which the Government details its expected annual expenditure: It should be shown in the Budget that it intends to incur guarantees to a certain amount.

Hon George Cash: They are contingent liabilities.

Hon PETER FOSS: Yes, they are.

Hon J.M. Berinson: There is a statement in the Budget papers.

Hon PETER FOSS: Yes, it outlines what the Government has incurred, but it does not outline what the Government intends to incur. Members do not have the opportunity in advance to say whether they agree to it. The Government incurs the liabilities and the State guarantees them. The Government does not guarantee them by reason of the annual review by this Parliament; it guarantees them by passing this Bill in its present form, and that is wrong. Parliament must have the opportunity to say in advance whether it agrees to such a guarantee and it must have the opportunity to refuse the payment of further moneys if it does not like the way in which it was paid. The checks and balances available in other legislation are not contained in any of the legislation involving guarantee provisions which I have seen.

We must have some form of mechanism and I propose the following for the Government to consider: In provisions such as this there will be a working amount agreed to and if the Government wants to exceed that amount it must come back to the Parliament for approval. It will mean that the Government will not have to come to the Parliament for the approval of every single guarantee, but it will have the ability to give guarantees up to a certain figure and if the guarantee goes beyond that figure the Government must seek parliamentary approval.

Hon J.M. Berinson: Did I understand you to say that it should be capable of annual adjustment in the Budget process?

Hon PETER FOSS: Yes. The way in which I envisage it working is that at the same time the Government introduces the Appropriation Bill it would introduce another Bill which could approve the amounts of guarantees that will be incurred by various pieces of legislation. If the Government wanted to incur a guarantee it would advise the Parliament that its budget for that financial year for that item was X dollars. Every guarantee would be subject to a limited amount. If a person obtains a bank guarantee from the bank the bank does not say, "We will guarantee everything you can possibly hang on us." It will say, "We will guarantee everything up to the amount required."

Hon J.M. Berinson: Do you think an Act like the R & I Bank Act could function on that basis?

Hon PETER FOSS: The R & I Bank Act is interesting because section 30(1) states -

The payment of the financial obligations of the Bank, other than the payment of moneys due by the Bank to the holders of capital stock or capital instruments issued under section 26, is guaranteed by the Treasurer.

If members read the previous R & I Bank Act provision they will find it was not as open as that in respect of liabilities. Eventually the R & I Bank will have to be placed in a situation in which it will have a capital which is part by way of actual subscriptions and part by way of guarantee.

The Government will say, for example, that the R & I Bank has a capital of \$400 million because \$100 million is being subscribed and the State has guaranteed a further \$300 million. I do not see any problem with that. The R & I Bank should not have an unlimited capital and there seems no point to it. The National Australia Bank and the ANZ Banking Group do not have unlimited liability, so why should the R & I Bank or its shareholders, being the people of Western Australia, have unlimited liability? That is the whole concept of limited liability at work. The problem is that every one of the Bills relating to this type of organisation is now providing unlimited rights to guarantees. When this is done by way of guarantee rather than by actual payment, no limit is applied. There is no supervision by Parliament before or after the liability is incurred. Parliament may learn of this liability only if the Government tells it after the event when nothing can be done about it. That must be wrong. I do not say

this purely as a matter of my own belief, but on the basis of the report of the Burt Commission on Accountability, which quite plainly pointed out that giving a guarantee on behalf of the State is as much incurring an expenditure as is actually spending the money. It is unsatisfactory, and it has been raised a number of times in this House. However, absolutely nothing has been done about this matter; the Government has made no attempt whatsoever to grapple with this problem.

Hon J.M. Berinson: Are you saying that you have raised this general proposition before?

Hon PETER FOSS: Yes, in relation to the Government Railways Amendment Bill. After it was raised, that Bill was never heard of again. Of course, it may be one way of getting rid of certain Bills, because after I moved an amendment to the guarantee clause that was the last we saw of it. I have been trying to get the Government to take action in this area. I do not think that the Opposition should be unreasonable, but this matter must be dealt with. The Government cannot keep avoiding the problem of dealing with guarantees; it must find a solution or the Opposition will find one for it. It is within the province of Parliament to ensure that money is not expended without the approval of Parliament.

It is quite clear in a number of proposed subsections in clause 22 that various sums of money which may become due will be guaranteed by the Treasurer. Not only is that money guaranteed by the Treasurer, but also there is an appropriation for it. Proposed section 22(4) states that the due payment of moneys thereunder "is by force of this Act a charge on the financial resources of the State". That is a new concept to me. It seems arguable that the liabilities of GoldCorp may be payable by the Government before anything else is paid. The proposed subsection also states that the payment shall be made by the Treasurer out of the Consolidated Revenue Fund, which to the extent necessary is to be appropriated accordingly. The arrangements are becoming more and more elaborate and are giving more and more security to organisations which I would not be prepared to give such a blank cheque, based on their history to date. We do not give a blank cheque as broad as that to the R & I Bank, which at least has the advantage of being a conventional banking corporation and one which appears to be getting the sort of management it should have as far as proper banking practice is concerned, with the exception of one member of the board who should not be there - Mr Bryce. Gold Banking Corporation has no such track record, and the Government is proposing to give it a blank cheque.

I shall vote against clause 22 of the Bill because I do not believe we should allow any changes in these guarantees until such time as the Government sets up a proper regime to make sure there is accountability to Parliament for the moneys that will be expended pursuant to these guarantees. One way of doing that is by a general provision applying to all Government instrumentalities and guarantees, in which the Government provides annually to the Parliament the budgeted amount for those guarantees. Also, each guarantee should have a time limit and dollar limit placed on it. No bank would give a guarantee without those limits. Under the proposed system each year the Parliament would have details of the contingent liabilities of the State and it would know when those guarantees were likely to expire. The present system is not a businesslike way of proceeding, and it should not continue further without the Government's addressing this problem. It is up to the Government to make a proposal with which it can live; it should do so quickly because otherwise it will be the responsibility of this Parliament to knock out every one of those guarantee provisions in Bills until the Government provides an acceptable alternative.

Question put and passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon J.M. Brown) in the Chair; Hon J.M. Berinson (Leader of the House) in charge of the Bill.

Clause 1: Short title -

Hon MAX EVANS: I am disappointed that the Leader of the House did not comment on the second reading debate, particularly in relation to Hon Peter Foss's remarks. He had only short notice of the Opposition's concern on guarantees, but this matter has been discussed before. I point out further that the R & I Bank, which is an integral part of this issue because it will take half of Gold Banking Corporation, last year had contingent liabilities of

\$632 million, made up of endorsed bills \$155 million, letters of credit \$277 million, guarantees \$193 million and others \$6 million. That figure will be increased because it applied before the bank took over the Gold Banking Corporation. They all become involved with the guarantees of the State Government. These guarantees provided by the State Government are listed in the Treasurer's Annual Statements, but no clear indication is given of the extent of those guarantees. The R & I Bank has tier one capital of \$251 million, which is indirectly guaranteed by the State but there is no record of it. The Government must accept, starting with GoldCorp, that if it wants to provide guarantees it must keep some record of the extent of guarantees approved under legislation so that a running total can be kept. We are aware of the cost to this State of the indemnities provided to Rothwells, Teachers Credit Society, Swan Building Society and others. The guarantees proposed in this Bill will also cost a lot of money and we should know how much will be appropriated to cover them.

Hon J.M. BERINSON: I can see that I was at fault in not replying to the second reading debate; it passed before I had the opportunity to put together a few thoughts on the question raised by Hon Peter Foss. It is a serious question but I do not think we can approach it on the basis that the general problem which he sees related to guarantees can be attached to this Bill and that it can be sorted out here. For practical purposes this Bill can stand on its own merits. It has inbuilt prudential requirements limiting the purposes for which the guarantees will be given. For the reasons I referred to in the second reading debate, in effect clause 22 only guarantees the funds of purchasers over the period that their funds are being held before the gold being purchased is dispatched. A fairly narrow area is sought to be covered.

Hon Peter Foss: Clause 22(1)(b) is to that effect.

Hon J.M. BERINSON: I am referring to the main purpose. I have nothing to say in principle against the view expressed by Mr Foss that this question should be addressed comprehensively. I do not recall the earlier debate on the railway Bill, or whatever else this matter was raised in relation to. Perhaps the problem has been raised in the same fragmented way as the Bills have come forward so that the need for a general review has not become clear. The Government's approach at each stage has been to implement the Burt commission's recommendations; I think that is right, but I am subject to correction. On the whole, the Burt Commission on Accountability looked at separate problems separately; it looked at individual institutions, Bills and corporations and said, "This is what should be done in this case." As I understand matters, the Bill presently before the Committee is fully in line with Burt commission comments and recommendations on GoldCorp. That is not to say that it would not be in order to try to formulate some more general principle on guarantees which could be expressed either through the Budget process or in some other way. I am prepared to take the matter of guarantees to the Government with a view to seeking orderly examination of the matter by Treasury and perhaps others, and to developing a comprehensive policy. Obviously, I cannot say that I offer any commitment to go down the path suggested by Hon Peter Foss.

It is clearly a question that raises issues far too fundamental to allow off-the-cuff judgments. I am prepared to give that commitment because I recognise the force of the argument that if each guarantee can justify consideration in terms of the organisational framework involved then it ought to be possible to have comprehensive guidelines or Budget guidelines into which each of them could fit in one way or another. I am sure that members understand that I cannot take the matter beyond that; I am happy to give an assurance that that sort of examination will be considered. As for the rest, I confess that I did not capture any notes of Mr Evans' speech.

Hon Max Evans: I knew that Hon Peter Foss would be talking about guarantees.

Hon J.M. BERINSON: I did not think he called for a reply and that is the reason he has not heard one. I remember his comments about the first 10 pages. That could no doubt give rise to some good ideological or philosophical discussion. Those pages went to the heart of the Bill, so no practical purpose would be served by tackling that question during the Committee stage.

Hon PETER FOSS: I certainly support the idea of not tackling this matter on a one-off basis, and I have tried all along to have it tackled generally. More importantly, whatever is done should be practical. I am reluctant for something to be initiated by the Opposition.

Any approach must be reached in consultation with the Government as it will have to make it work. As we intend to be in Government in the not-too-distant future, we want something in place that will work when we get there. The matter of guarantees must be given a greater priority than previously. The Burt commission report did not suggest any particular moves; it raised the point that the giving of guarantees was as much subject to accountability as was the spending of money. I think the Leader of the House should accept that.

Hon J.M. Berinson: I know that we have had the analogy of companies, and so on, but is Hon Peter Foss aware of any framework in Government operations that would go to this point?

Hon PETER FOSS: Does the Leader of the House mean in other jurisdictions?

Hon J.M. Berinson: Yes.

Hon PETER FOSS: I have not researched the matter, but that does not mean it does not exist. I am conscious of the fact that there appears to be greater and greater provision for this sort of guarantee.

Hon J.M. Berinson: To be fair, I think that the whole effect of the Burt commission has been to move towards a more restricted application of these things rather than a more expansive one.

Hon PETER FOSS: Perhaps an inquiry by the Standing Committee on Government Agencies could address the question of how this should be done. One of the things on which I have been very keen, as has Hon Norman Moore, is a general law relating to Government agencies and corporations in the same way as we have a corporations law; in fact, the only corporations law left to us soon may be the one relating to Government corporations and Government agencies. We are keen to have a law across the whole spectrum. Every time we deal with these corporations we enact a number of provisions relating to how they are to be run, financed and so on. The provisions also relate to the duties of the people involved. It seems sensible that these matters be tackled on the basis of principle rather than on an ad hoc basis. I think that they have been approached in an ad hoc manner to some extent. The only continuity comes from the use of precedent by the parliamentary draftsman when he takes the previous Bill and looks at what was done. The appropriate way to deal with the financing of Government institutions and to handle this sort of problem is not being tackled on the question of principle and is not being thought through in this Parliament. It is interesting that we now have the Bropho case, which I think is an even greater reason for tackling any Government instrumentality or corporation in the same way as we handle any form of commercial undertaking; that is, as if it were a company under the Companies Code. I notice that the Leader of the House has given notice of an amendment to the Interpretation Act which I assume is related to the Bropho matter.

Hon J.M. Berinson: Yes.

Hon PETER FOSS: An important point of principle is to be dealt with here which arises out of the Bropho case. It is one with which we should deal urgently because of that. It has ramifications when dealing with things such as guarantees. If one sees these corporations as truly commercial and separate organisations and as not part of the Crown, which is what the Bropho case is indicating, perhaps a different approach to such things as guarantees is justified. One may then treat those organisations more like companies, requiring them to operate within a total capital structure rather than saying to them, "Go ahead, spend what you like, because the Government is behind you all the way; no matter how you spend the money or waste it we will make it up in the end." Dealing with the nature of the guarantee, the wording -

The CHAIRMAN: Order! The member cannot quote clauses before the Committee reaches them. We are dealing with the short title.

Hon MAX EVANS: The short title of this Bill is very important. As Hon George Cash mentioned a few minutes ago, the Opposition's advice about the Government Railways Amendment Bill was ignored and the guarantee may be an important aspect of this Bill. We know that the Government needs the \$25 million to pay next month's salaries and the Opposition wants it to receive that money. This issue relates to whether the Bill will be passed.

The guarantee should not be ignored. The Government allowed the Western Australian Development Corporation and Exim Corporation to borrow eight times the capital because it was Government guaranteed. Under the conditions of the Burt Commission on Accountability statutory authorities not directly responsible to the Crown should not have such a high borrowing capacity and liabilities. The Bill states that the Consolidated Revenue Fund shall pick up the shortfall. Under the Westminster system the Government has tight constraints on spending money. Expenditure must be tied to the Budget, yet the Government has allowed a guarantee up to \$130 million to support the Teachers Credit Society, and was happy to accept that. The Opposition does not want this situation to continue and the Government should not want to continue with it. The Minister may wish to elaborate between now and the next session of Parliament on what the Government will do about this. The money is very important because wages need to be paid and the Opposition should allow this Bill to pass. However, in principle it should not pass. Information must be provided on how the Government will deal with guarantees, how the public will be protected and what the Government's advice will be on future legislation.

As Hon Peter Foss has said many times previously, and as I said last year during debate on the Acts Amendment (Accountability) Bill, the Government must face up to its policy on guarantees. Guarantees are important in the private sector. However, they are even more important in the public sector because the money for the guarantees will come out of the taxpayers' purse at the end of the day. This Bill will allow an open cheque to be given to other people which will put the taxpayers' money at risk and the Government does not seem to be worried about that.

Hon PETER FOSS: Hon Max Evans highlighted what the Government is doing in this legislation; the Government is changing from a corporation which has a capital base in order to obtain its money. However, it has not thought through how it will provide those funds. It is taking the easy way. Everything that was previously supplied by capital will be supplied by the Treasurer's guarantee. The Government has gone from having a \$25 million capital base to having an infinite capital base.

Hon Max Evans: Capitalising loans of \$10 million.

Hon PETER FOSS: That is right.

Hon J.M. Berinson: Didn't the organisation we are now abolishing have an unlimited guarantee?

Hon PETER FOSS: Yes, it had the same unlimited backing, but the front-line recourse to money is the guarantee.

Hon J.M. Berinson: But for more limited purposes.

Hon PETER FOSS: I am not allowed to talk about that. I think they are broader purposes. I will not risk the wrath of the Chairman, but I do not agree with that; I think they are arguably broader purposes than previously.

It is a pity this issue has arisen at this time. The Government has placed time limits on the debate. It is unfortunate that so much legislation has been placed on the Notice Paper in the last few minutes. Members are trying to cooperate by passing some of it through the Chamber. However, this Bill would have been an ideal one to send to Hon Norman Moore's committee as a practical example of the problems which arise. It is a good example because it is going from a company which has a capital base to one that does not have a capital base.

How do we deal with this problem? What is the right way to tackle the principle? This Bill would have provided a good object lesson on which to tackle this problem. It is a shame that the time constraints placed on the debate do not allow us to deal with it appropriately. This sort of legislation should be thought through. The legislation has been cobbled together to meet a deadline.

Hon J.M. Berinson: No. This legislation has been hanging around for a long time.

Hon Max Evans: Why is it taking so long?

Hon J.M. Berinson: It did not hit the legislative program.

Hon PETER FOSS: It would have been preferable had the Bill reached the Legislative Council earlier as it would have been a good one for us to have a go at. It helps to have a

problem in mind if one is going to work on a principle because it highlights the principle that should be looked at. The problem in the Bill should have been addressed; that is, going from paying back the \$25 million to what is the front-line capital of this corporation. The answer is the unlimited guarantee of the Treasurer. When we debate clause 22, I will discuss the differences.

Hon GEORGE CASH: I join with Hon Max Evans and Hon Peter Foss in expressing my concern about the openness of the various clauses in this Bill and, in particular, the guarantees by the Treasurer. As the Chairman has rightly pointed out, when we reach clause 22 we can make whatever amendments are necessary to ensure that Parliament is properly informed of guarantees that might be entered into by the Gold Banking Corporation. However, I remind the House of the proposition that was put forward in October of last year when we debated the Government Railways Amendment Bill. A clause in that Bill reads in part as follows -

The Treasurer may on behalf of the State guarantee the performance by the Commission, in the State or elsewhere, of any obligation of the Commission, however or wherever arising, entered into or to be entered into by the Commission.

That is a clear example of a very wide ranging authority which would have been granted to the commission and the State would have had to guarantee any obligations or liabilities that Westrail incurred. The same situation occurs in this Bill. Discussions on the Burt Commission on Accountability report reflected the need to put recognised principles into effect. I recall at the time the report was tabled in this House that certain guarantees were given by the Minister that in future the Government would recognise the principles that were described and inherent in that report. The Leader of the House has, by interjection, said that this Bill has been sitting around for a long time. If it had been sitting around that long, why were the principles enunciated in the Burt Commission on Accountability not incorporated in this Bill?

Hon J.M. Berinson: I believe they have been.

Hon GEORGE CASH: The Leader of the House is wrong. One of the main principles in the Burt commission report was the need for Parliament to be kept advised on the activities of various departments and statutory authorities, particularly where the State was guaranteeing the performance of those departments and authorities. It is clear that this Bill does not do that. All it does at the moment is create a situation where the Crown or the State guarantees any liability that might be incurred by, in this case, the Gold Banking Corporation, with no need for the Parliament to be advised. There is provision in this Bill for questions to be asked by members about certain activities of the Gold Banking Corporation. Requirements also exist in the Bill for the Gold Banking Corporation to provide the Minister with statements and information to satisfy questions asked in the Chamber.

It should not be the obligation of members of the Opposition, nor of any member of this Parliament, to challenge the Government on a regular basis to try to find out what liabilities the State has incurred or accepted on behalf of various Government organisations within a given period. I have said on previous occasions that if this Chamber is to be kept properly informed then a suitable mechanism must be developed so that every three, six or 12 months - and I would prefer it to be on a six-monthly basis - the Treasurer will table, on behalf of all Ministers, a statement advising of the guarantees which have been entered into; for example, guarantees in excess of \$1 million. Another document could be submitted to indicate which guarantees have expired or have been discharged within a given period. That would be a first step towards accountability because at least the information would be made available and questions could be asked in respect of that information. It is not good enough for a member to have to rely on the answers to questions to obtain that information. I remind members of the problem that occurred in respect of the Western Australian Development Corporation, where every time a question was asked about the operations of that organisation the general reply was that the information was commercially confidential to the organisation and could not be given to the member.

Hon J.M. Berinson: We have agreed to completely change any requirements that would have that effect.

Hon GEORGE CASH: Yes, and I acknowledge that under this Bill the Gold Banking

Corporation will provide the Minister with information so that the Minister will be able to respond to parliamentary questions. That is fine, but we also have an open chequebook situation, guaranteed by the State, that unless a member asks what is the current situation in respect of guarantees that have been entered into by the Gold Banking Corporation, no-one will really know what are the liabilities that the State might be up for at any time. That flaw in the Bill can be dealt with when we get to clause 22, and we should not progress past that clause until we sort it out.

It is true, as Hon Peter Foss said, that we cannot make policy on the run. I agree there is a need to incorporate into all Bills a clause which will require that the giving of guarantees be made public. It was my understanding at the time the Government Railways Amendment Bill was discussed in 1989 that the Government was going to do that, and that was one of the reasons the Government withdrew the Bill at that stage. That has not occurred, and even though we may be pressed for time - and I do not necessarily believe that because we are pressed for time we should rush through any legislation - I would hope that when we discuss this clause of the Bill the Chamber will take a very serious look at the amendment that will be moved so that the Parliament can be informed about any liabilities that may be incurred by way of guarantees entered into by the Gold Banking Corporation.

It is not good enough for the Leader of the House to say that will be administratively difficult, because the Leader of the House has just acknowledged that before a Government organisation, corporation or authority can enter into a guarantee, certain research and administrative processes will be necessary. So this would really be a case of reporting those guarantees to the Treasurer at the appropriate time so that all the guarantees which have been given within a specific time can be incorporated into a document which will be laid on the Table of the Chamber. I support the Bill in principle but look forward to further discussion in respect of guarantees.

Hon MAX EVANS: On 1 July 1989 the assets of Gold Bank were transferred to the R & I Bank, so the Government could have put in place this legislation on 2 July. This Bill provides that Gold Corporation is to repay the \$25 million capital that was subscribed by the Government. Has it been only in recent weeks that the Government has thought about how Gold Corporation could reduce its capital? It is not easy for a company to reduce capital; it has to obtain a clearance from creditors, etc. At the end of May Gold Bank had a net worth of \$59.5 million, and had to pay back to the Government capital of \$25 million, and I presume it also had to pay a dividend. However, the liabilities still remain the same, and that is why Hon Peter Foss said that the guarantees become more relevant because those liabilities must still be met.

Hon J.M. Berinson: But the functions of the organisation become much narrower.

Hon MAX EVANS: Those functions have been operating for 11 months. The liabilities are relevant to the guarantees that are given. Years ago, when Tom McFarlane was the then Registrar of Companies, I tried to get a registration of the guarantees that had been given by limited liability companies. A company could have capital of \$100 000 but give a guarantee for \$1 million. Such a guarantee would be completely out of proportion to the capital worth of the company. If the company had a building that was worth \$100 000 it would be able to borrow only 60 per cent of its net worth. The same process of registration should apply to Government statutory authorities. We have no record of the guarantees which are given, and those guarantees may far outweigh the capital assets of those authorities.

To meet the capital need of an authority, \$10 million is to be appropriated from the Consolidated Revenue Fund. An Act of Parliament is required for this appropriation, yet a Government organisation can provide a guarantee for \$20 million or \$30 million without any reference to Parliament or Cabinet. I am sure the Leader of the House is a very canny man and that he would not give guarantees to people other than his wife. We have seen Government statutory authorities get into bad business habits, and we have seen major losses incurred by this State because of the guarantees which were given by the former Premier, Mr Brian Burke, for Teachers Credit Society, Swan Building Society and Rothwells. The taxpayers of this State have lost \$300 million because those guarantees were given so lightly. Statutory corporations should not have unlimited power in respect of the giving of guarantees because at the end of the day any losses will have to be met by the taxpayers of this State.

Hon J.M. BERINSON: Considering that we have not yet started on the Bill, we have been

discussing it for a fair while. I know that it is almost inevitable that we have to anticipate future clauses. I hope that by trying to respond in some way at this stage we can reduce what might otherwise be a repetition of the whole story when we get to clause 22 or other clauses. I said earlier that it really is difficult to latch on to a single Bill, or perhaps a single provision in a single Bill, and try to solve a problem as wide as members opposite perceive the problem of guarantees to be. Since I made that comment, I think the problem has become wider still and we have been talking about guarantees of a nature which is not contemplated by this Bill.

Hon Max Evans: It is all relevant, though.

Hon J.M. BERINSON: I may misunderstand the point, but it seems to me that the reference to the need for a six-monthly account of guarantees really relates to a different sort of guarantee from that which is contemplated by this Bill or which is contemplated, for example, in the guarantee under the Rural and Industries Bank Act. If we are dealing with industry guarantees, for example, we know we have a particular industry which we are guaranteeing for a specific amount, and every six months we can add up all of the guarantees of that nature and can come up with a figure which means something.

Hon Max Evans: And they are listed in the Treasurer's Statements too.

Hon J.M. BERINSON: That is right. Here, however - and Hon Max Evans is the accountant, not I, so I repeat that this is subject to correction - it seems to me we are dealing with an altogether different sort of guarantee; we are dealing with what one might call a running guarantee. What we have here is a position where, if the corporation is holding X dollars one day in payments which it is waiting to have confirmed before it dispatches X dollars-worth of gold, there is X dollars-worth of guarantee. The moment that gold is dispatched a day or two later, that guarantee no longer has anything to relate to; but on that day one might have Y dollars-worth of guarantee because payment for orders has come in, one has not dispatched the gold product that has been ordered, and one goes through the process again.

Hon Peter Foss: But banks have guarantees on running accounts and that is not a problem.

Hon J.M. BERINSON: Yes, but I do not see that in each six months one could do more than say, "Over those six months in this particular statutory authority we did not go beyond a level of Z dollars and as low as X dollars", as the case may be. I do not think one can really say, "We have a commitment at the end of this six months of so many dollars", and attach any real meaning to it. One can do it, I repeat, in respect of specific industry guarantees, or project guarantees, or whatever it is one is guaranteeing to a specific limit.

Hon George Cash: But you can have a global guarantee in respect of the cash equivalent of the gold due, payable and deliverable at any time.

Hon J.M. BERINSON: Yes, but it is on any day, it is not a six months figure that we would be looking at.

Hon Peter Foss: You should have a limit on that, in the Act or in some other way, which would have the effect of governing the way they carried out their business. People would not deal with them if they went beyond that limit.

Hon J.M. BERINSON: I agree that is probably the way to go and that is really what I would expect to be the outcome of any comprehensive review. However, for the moment I still do not know how one could relate that to an institution like a State guaranteed bank, because the whole idea of the State guarantee is to give absolute assurances to the depositors, and they cannot be expected to ring up every day to know whether the deposits have exceeded the -

Hon Peter Foss: But what do you do with the ANZ Bank?

Hon J.M. BERINSON: That is the difference between the R & I Bank and the ANZ Bank, is it not? That is why both Hon Peter Foss and I would recommend that everybody bank with the R & I Bank - absolute security, top returns, and the assurance, we learnt today, of a Moody's Investors Service judgment of an Aaa rating! But seriously, I fear the discussion is starting to get away from us.

Hon Max Evans: You started it.

Hon J.M. BERINSON: No, I did not; Hon Peter Foss started it.

Hon George Cash: You are blaming Mr Foss but he was trying to help the State.

Hon J.M. BERINSON: Yes, it is Mr Foss' fault. I am prepared to ascribe the blame to him; he has not simply supported but positively urged it on.

Hon George Cash: I think his comments were very constructive.

Hon J.M. BERINSON: I do not deny that; what I am saying is this: I seriously want to suggest that it is not just a matter of our being up against a timetable. We know we have attempted to set a timetable for this sitting and that the Gold Banking Corporation legislation is one of the items that simply must get through. If we have to come back next week we will do so, and I am sure that members of the Opposition would say the same as us; that is, if what we are out to deal with is so important and is of a nature that cannot be reasonably dealt with in another way we will have to keep going until it is sorted out. Therefore I join with the Leader of the Opposition in not putting any weight on the question of the timetable. However, I stress the point that I really believe we cannot solve a general problem with a specific case. To the extent that it helps our processing of this Bill, and particularly to the extent that I would like to discourage attempts at amendment of clause 22 on the run, so to speak, I am prepared to firm up what I had to say about the review before, to this extent: I believe that I really have no problem in committing the Government to producing a report on the whole question of guarantees in the Budget session. I specifically say "the Budget session" because I think it cannot be practical to do it in time for the Budget itself, given the very great pressure that will be on Treasury between now and Budget day. If that statement in the Budget session provides an acceptable basis on which to proceed, there could be an agreement that we proceed in that way. If for any reason it is not acceptable to the Opposition, we have available alternatives, one of which Mr Foss referred to; that is, the Standing Committee on Government Agencies. There may be then be other committees which we might think are more appropriate for it. Irrespective of what happened with the Government Railways Amendment Bill, so far as I can recall -

Hon Max Evans: It was not your Bill.

Hon J.M. BERINSON: I do not think I was involved with that and I do not remember a discussion of this general nature coming to my attention at that time.

Hon George Cash: On the Government Railways Amendment Bill we got to a certain clause that widened the guarantees available to Westrail or the commission. Because of the Opposition's concern the Government reported progress and the Bill never returned - it fell off the Notice Paper. There was general discussion about there being a need to have another look at the whole thing, and my understanding was that you were actually doing that. However, it is clear that that has not been done in this case.

Hon J.M. BERINSON: I cannot speak for others. What I am saying is that I think the process I am suggesting is a practical way to go, certainly more practical than attempting to pluck out a particular clause as an example of what might be done without a comprehensive review of related considerations which should be necessary. I will leave my comments on the title at this stage. I have to flag that I doubt whether I can do anything more useful at later stages, in particular on clause 22, but I hope that before we reach that clause members might take the opportunity to consider the approach I have proposed and find it acceptable.

Clause put and passed.

Clauses 2 to 8 put and passed.

Clause 9: Section 4 amended -

Hon J.N. CALDWELL: During the second reading debate I asked a couple of questions and the Leader of the House apparently either forgot to answer them or did not know the answers. In the second reading speech he said that the activities of the Gold Banking Corporation would be transferred to the R & I Bank. Does that mean that a customer can go to the R & I Bank and purchase gold in various quantities as is the case with the WA Mint? Does the R & I Bank have facilities to store gold?

Hon J.M. BERINSON: The facilities that Mr Caldwell has referred to will continue to be provided by the Mint. As I understand it, those services will not be provided by the R & I Bank. However, I cannot be sure about that. I will provide an answer tomorrow.

Clause put and passed.

Clauses 10 to 12 put and passed.

Clause 13: Section 11 amended -

Hon PETER FOSS: Not all the functions of the Gold Banking Corporation are related to buying and selling of gold. It can "buy, borrow or otherwise acquire and sell, lend or otherwise dispose of, deal in and hold Australian and foreign currency". It can deal in foreign currency. Huge liabilities have been incurred by financial organisations in foreign exchange. People have managed to get themselves into enormous difficulties with foreign exchange. I am not saying that the amendment should not be included but it concerns me that liabilities are being guaranteed by the Treasurer.

Hon J.M. BERINSON: I thought that this amendment would be welcomed.

Hon Peter Foss: I welcome the amendment. I think it is a good amendment but I am just drawing the Minister's attention to the fact that the liability is still there.

Hon J.M. BERINSON: A liability still exists but it is of a significantly different nature.

The amendment to section 11(2)(d) makes it clear that the corporation is no longer empowered to be a trader in currencies generally. The existing Act provides that the corporation may "buy, borrow or otherwise acquire and sell, lend or otherwise dispose of, deal in and hold Australian and foreign currency". In other words, under the existing provisions the corporation can deal in currency for its own sake.

Proposed new paragraph (d) limits that by providing that the corporation should no longer be empowered to be a trader in currencies except to the extent necessary to carry out its bullion and coin business. It also provides that the Treasurer may limit the extent of such activities. In place of the words that I referred to, it is proposed to insert "for the purposes of gold related transactions and of carrying out its functions under this Act in relation to gold, but not for any other purpose". That is an important limiting change. To the extent that there may be concern about the risks of dealing in foreign currency, this amendment limits it to an extent that should provide comfort rather than concern. A further proviso at the end is that, after all of that, the corporation should also be subject to limits imposed by the Treasurer. Therefore, there is a double qualification of the power which now exists. That is an important and desirable difference. In anticipating future discussion, it is especially relevant to clause 22(1)(b).

Hon PETER FOSS: That is why I raised this matter. I support the amendment. I would be worried about clause 22 if this amendment did not exist. It is important that when we discuss clause 22 it will be appreciated that the corporation still has the power to deal in foreign exchange. I heartily endorse the amendments to this clause.

Hon J.M. Berinson: The member agrees that clause 22(1)(b) is subject to a relationship with this provision.

Hon PETER FOSS: That is why I raised the issue. If the Chamber were to discuss clause 22(1)(b) without dealing with this clause it would not appreciate what was being discussed in clause 22(1)(b). I completely endorse what the Leader of the House has said would be the effect of this clause; however, I still draw the Chamber's attention to this amendment. It is important but it does not completely extinguish the foreign exchange currency risks. I hope that the Treasurer will impose limits; it is a discretion that he has.

Hon GEORGE CASH: In discussing clause 1, I proposed that a statement be tabled in the Parliament on a six monthly basis. I thought the Leader of the House implied, when discussing the problems associated with the general guarantee given by the Treasurer, that because it was a trading concern and because gold bullion and currency would be sold on a daily basis, it would be hard to ascertain the guarantees at any given time. The Treasurer in this Bill already has the authority to impose certain limits. Specific limits are clearly outlined in this clause together with other limits.

Clause 22 makes provision for the Treasurer to impose limits on the dealings of GoldCorp, and any arguments to say that it would be wrong to impose a general limit in respect of guarantees, stated in that clause, could not be sustained given the limits already contained in the Bill.

Hon J.M. BERINSON: This is a useful illustration of the way it is easy to end up talking at cross purposes when the actual subject of debate is not exactly the same as the subject of interest. I took the Leader of the Opposition's earlier comments about six monthly statements to refer to six monthly statements of actual guarantees. If I understand him correctly now, what he is suggesting is a statement that might combine, for example, the total of actual guarantees outstanding over a particular period and the total of authorised potential guarantees or authorised maximum levels of guarantee, on the other hand.

Without having the advice of someone who could tell us that could work, on the face of it there seems no reason why we cannot have both sorts of guarantee added up, provided there was a clear enough explanation of what was being talked about. I have no argument about that possibility. I was really turning my mind to the prospect of a statement about guarantees in a more strictly defined sense.

Clause put and passed.

Clauses 14 to 21 put and passed.

Clause 22: Section 22 substituted -

Hon MAX EVANS: For the time being, the Opposition accepts the undertaking by the Leader of the House. We suggest that for the easy running of this place a statement of guarantees is provided well before the end of the session; that is, before 22 December. The Government appreciates the recommendations of the Burt Commission on Accountability and the comments I have made in relation to the Teachers Credit Society and the Swan Building Society. The Government has received the message. The Opposition accepts the undertaking that the Leader of the House will make a statement through Treasury not later than halfway through the session as to how we will be kept informed on those guarantees. The public purse is more important than trading organisations.

Hon GEORGE CASH: Hon Max Evans has put that proposition to me and I reluctantly agreed to it because it seems we are agreeing to a Bill which in reality is incomplete and contains inherent dangers. However, given the comments made by Hon Max Evans both to myself and to the Chamber about our being able to rely on the guarantee of the Leader of the House, so to speak -

Hon J.M. Berinson: I will give you six-monthly statements.

Hon GEORGE CASH: It would have to be earlier because that is half the problem.

Hon J.M. Berinson: Four-monthly, then.

Hon GEORGE CASH: For the convenience of this place and in the light of this understanding, we agree to this clause. However, if any other Bill comes up for consideration before the Chamber's agreeing to a general clause to cover the problems we have demonstrated exist in respect of the reporting of guarantees, it could not be expected that the Opposition would support that Bill without an appropriate clause being placed in it.

That is something the Leader of the House will have to work out because he has carriage of the general administration of this place and is able to bring forward whatever legislation he wishes at his discretion. Rather than wait until after the presentation of the Budget it may be of value to the Leader of the House to consider a reference to one of the committees of this place very soon after the Legislative Council sits again. That committee can work on the matter, perhaps in association with Treasury or Crown Law officers, to iron out the problems. Once that clause is agreed to, we should see a gradual process of incorporating that clause in all relevant Acts dealing with guarantees by the Treasurer. I leave that matter with the Leader of the House by way of a constructive comment.

If this matter arises again in the last week of next session or at the end of this year, I will be unhappy. I will not make any threats because the Leader of the House manages to talk his way out of what I perceive to be significant problems. He has managed to do that again tonight. I should commend him for his ability to convince the Chamber, when we believe -

Hon J.M. Berinson: I talked you into something.

Hon Reg Davies: Just trust me!

Hon GEORGE CASH: That is so. My trust is starting to wane a little and I hope the Leader

of the House will understand the seriousness with which the Opposition approaches this clause.

Clause put and passed.

Clauses 23 to 40 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon J.M. Berinson (Leader of the House), and passed.

UNCLAIMED MONEY BILL

Second Reading

Debate resumed from 5 July.

HON GEORGE CASH (North Metropolitan - Leader of the Opposition) [9.20 pm]: This Bill seeks to replace the Unclaimed Moneys Act which was introduced into this House in 1912. The original Act comprised six pages, yet this Bill, which seeks to replace it and which generally has the same objective, with perhaps a few additions, now comprises 23 pages.

Hon J.M. Berinson: That is inflation!

Hon GEORGE CASH: Indeed. I guess it is an indication of the sophistication of the manner in which the Bill is written as it takes into account the changed circumstances. Members would be aware that the Unclaimed Moneys Act was referred to the Law Reform Commission in 1973. The commission had a broad term of reference in that it was asked to consider and report on the subject of unclaimed moneys. The Law Reform Commission produced a working paper in October 1978, some five years after the start of the review, and it reported to the then Attorney General in 1980. Now, 10 years later, a Bill reflecting most of the recommendations included in that report - the commission's project No 51 - is before the House. So, it has had a fairly long gestation and delivery.

The commissioners who were part of the Law Reform Commission when it reported in 1980 on the review of unclaimed money have moved on to what may be described as bigger and better things. Mr D.C. Malcolm, QC, was the chairman at the time, and he is now the Chief Justice of this State. One of the other commissioners was Mr E.G. Freeman, who is now the Parliamentary Commissioner for Administrative Investigations; namely, the Ombudsman. So, things have certainly changed since that report was published.

The original Act required companies and other bodies to submit to the Treasurer moneys that remained unclaimed for six years, and those funds were placed in an unclaimed moneys fund; that provision is generally continued with the new legislation. Over the years that fund has obviously grown, and from time to time claims have drawn on it as moneys have been paid out to people who have been able to prove that they were entitled to them. However, the Bill contains a provision which expands the definition of company from that of the 1912 Act. Also, the Bill contains a provision by which unclaimed moneys which are held by companies for a period of more than two years are to be transferred to the Treasurer rather than the companies' waiting six years to do so. Once the funds are transferred to the Treasurer, the company will not have any further liability regarding those moneys.

The Bill provides for the Treasurer to advertise the unclaimed moneys held in the fund from time to time, and debate took place in the other place as to the method of the advertising. I note that the Bill contains a provision for the Treasurer either to consider using widely distributed newspaper advertising or utilising the services of police stations, local authorities and some other Government agencies. I would like the Minister to indicate whether the police stations and local authorities which are named in the Bill have been consulted and are aware of the fact that they will be used as a distribution point for persons wanting a copy of the unclaimed moneys statement. This seems to be a burden placed on these institutions and I would have thought that newspaper advertising would be adequate. However, comments

by country members indicate that they have more reason to call in to the police station or local authority than do people living in the metropolitan area. So, I am prepared to accept that this system will be more convenient in country areas.

In the past the funds held in the unclaimed moneys fund were not available for distribution into Consolidated Revenue Fund. It is interesting that this Bill provides for the transfer of moneys presently held in the unclaimed moneys fund to CRF, with a clear proviso that if anyone has a claim against the Treasurer for the unclaimed moneys he will be paid out of CRF. There are those in the community who might say that the current balance of unclaimed moneys, which is about \$2.25 million, is being transferred to top up Government coffers. Whether that is true I do not know. However, CRF will clearly benefit from this change to the tune of just over \$2 million, although the Treasurer will face the liability of people who have claims against the unclaimed moneys fund.

An interesting feature of the 1912 Act was that it did not provide for regulation to be made regarding the provisions of the Act. In fact, the then Premier, Mr Scaddan, when introducing the Bill into the Parliament, was questioned why provisions were not included for regulation under the Act. It was made clear by Premier Scaddan that the Act itself incorporated the law, and that the Government was proposing that the law would stand by way of the words in the Act and that there would be no need to make regulations. In the 1900s when Parliament was passing laws it believed that the wording of the Act should be construed as the law, and bureaucratic or administrative processes should not be allowed to take away from the Parliament the general workings of the Act. I would not suggest that the bureaucracy would override the laws, as that would be improper. However, most of the Bills which come into this House have a provision for regulations to be prescribed under the Act. Once the Bill is agreed to the bureaucracy sets to work and prescribes such regulations as may be convenient for it, rather than convenient for the Parliament.

Hon Tom Helm: I hope they do not do that.

Hon GEORGE CASH: I take the point made by Hon Tom Helm, who as Chairman of the Delegated Legislation Committee would have an interest in regulations that are passed in this place. I regret to say to Hon Tom Helm that, as much as his committee is a watchdog and does a good job in overseeing regulations that come into this House, it is a fact of life that the system of Government and public administration has changed in the last 80 or 90 years. The bureaucracy has a greater say in the administration of Acts than might have been the case previously. I raised that as an aside. The original 1912 Act did not make provision for regulations to be prescribed. The current Bill before the House makes provision for regulations, and I have no doubt that from time to time regulations will be tabled in this House in respect of the provisions of this Act.

This is not a complicated Bill. It does not set out to guarantee the funds of the State to any greater extent than those owed to members of the public by way of unclaimed moneys. The moneys that the State would be paying out would be sent to the Treasurer as part of the unclaimed moneys fund, so the State would not be out of pocket. The Bill has provision for interest to be paid on specific amounts of funds so long as those funds were receiving interest prior to being transferred to the Treasurer as unclaimed moneys. However, other funds will not receive any interest.

In the 1912 Act unclaimed moneys in excess of \$10 had to be sent to the Treasurer. The monetary amount will be increased to \$100 and, given the fact that this amount was recommended by the Law Reform Commission in 1980, that is in need of some change. That can be prescribed by regulation for the administrative convenience of companies generally and bodies which are incorporated within the definition of those who have to comply with the Act. I am sure there would be no opposition to an increase in that sum of money from time to time. The Bill is not complicated. It does not impose burdens on the community. It does impose a greater administrative burden on certain companies which must comply with the provisions of the Act, but nothing that would be considered to be excessive. The Opposition supports the Bill.

HON J.N. CALDWELL (Agricultural) [9.35 pm]: The National Party supports this Bill. Country members welcome the provisions in the Bill which allow for advertising in police stations. That is not because country members have to go to their police stations to pay a lot of fines, but because most police officers in country areas are very much involved in their

local community. In my home town of Katanning, one basketball team comprises police officers and two or three Christmas Islanders. Sporting events are a good way of getting to know the community. These police officers became well known as a result of their participating in such events and many people have been encouraged to go along to the police station to discuss forthcoming sporting events. The *Government Gazette* is not widely read by country people - although they should be encouraged to have a look at it from time to time. I must confess that I had read only one issue of the *Government Gazette* prior to coming to this place.

The minimum compliance limit has now been lifted from \$10 to \$100. In 1912 that minimum compliance may have been five pounds, which would have been the equivalent of five weeks' wages. It would have been a considerable amount. It has been lifted to \$100 and in respect of accountants that would be equivalent to one hour's work. Even though the compliance limit has been lifted there is an enormous difference relative to the 1912 limit. The legislation also has a provision for holders of unclaimed moneys to pay in lesser amounts voluntarily if they wish. The National Party supports the Bill.

Question put and passed.

Bill read a second time.

Committee

The Chairman of Committees (Hon J.M. Brown) in the Chair; Hon J.M. Berinson (Leader of the House) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Commencement -

Hon PETER FOSS: I am curious to know why it is that this provides for the Act to come into operation on such day as is, or days as are respectively, fixed by proclamation? I am of the opinion that there has to be a very good reason for there to be partial proclamation of any Act. As far as I can see there is no justification for that.

Hon J.M. BERINSON: This question was raised with me when I appeared before the Standing Committee on Legislation on the Criminal Law Amendment Bill. I do not think I am misrepresenting Mr Foss if I say that he is really pursuing the commencement clause of this Bill in line with his general interest about the proper way of dealing with commencement dates. I cannot give particular reasons about this Bill and as I indicated to the committee, if there is a view that there should be specific justification for what has come to be our standard commencement clause, that is something that will need to be attended to on each Bill, but preferably at the time of its drafting. I suggested to that committee at the same time that it might be prepared to take on this question with a view to recommending what it believes should be the general approach to commencement clauses. Some guidelines of that nature would be helpful if we are to proceed along that path.

For the moment all I can do is to speak in general terms about the traditional justification for this traditional clause. It usually goes to the need for flexibility in terms of administration and the need to overcome problems that may arise from a set date - for example, printing delays or unanticipated difficulties in the drafting of regulations, or the need to have various people concerned in the administration of the legislation brought up to scratch with the new provisions they will have to apply. In general, these are the considerations which have led to an acceptance of the desirability of some flexibility in approach and that is what has been applied here.

If there is a view that there should be an entirely new look, on an individual basis, at the approach to commencement dates, that should be done comprehensively and not on a one-off basis. Although it has been suggested there are some difficulties involved for people who must rely on the printed Acts for their work and their guidance to others, the difficulties in practice appear to be more theoretical than real. The difficulties which could arise from things going amiss after a set date has been established could far outweigh any inconvenience or confusion which could arise from the existing system. It is not all that hard to find out when an Act takes effect and certainly, after the first printing of the Act, that is a matter which becomes very clear.

I am sorry I cannot solve the general problem by any action on this Bill. I can only repeat

my invitation to the Standing Committee on Legislation that it might care to consider some guidelines which the Government and, in turn, Parliamentary Counsel might consider for the implementation of future Bills.

Clause put and passed.

Clause 3 put and passed.

Clause 4: Application of this Act -

Hon GEORGE CASH: I refer members to subclause (2) and I ask the Leader of the House whether he has considered inserting after the word "liability" the words "to pay or deliver the money"? It would restrict the relief of further liability of a person once the money has been paid. I refer the Leader of the House to a statement which I believe he received from the Law Society of WA which states that there is a need for further clarity in respect of this clause; that is, in respect of the question of liability.

Hon J.M. BERINSON: I understand that that question, together with other submissions, has been considered by the Crown Law Department officers and Parliamentary Counsel and their advice was that it was not necessary to adopt the proposal.

Hon PETER FOSS: Is the Leader of the House saying that it is obvious, on the face of it, that we are talking about the payment of money only and that that is what is intended by this clause?

Hon J.M. Berinson: Yes.

Hon PETER FOSS: Now it is on the record, it will probably have that effect.

Clause put and passed.

Clauses 5 to 7 put and passed.

Clause 8: Treasurer to be notified of unclaimed money, or its payment -

Hon GEORGE CASH: My query refers to clause 8(2)(b) which deals with notification to the Treasurer on such other matters relating to that payment as may be prescribed. I ask the Leader of the House whether he has considered in relation to the obligation and liberties of people affected by that paragraph whether the words are too broad and would be an unreasonably onerous burden on the people who must provide the information.

I understand this was raised in the submission made to the Leader of the House as Attorney General and, as he clearly suggested when referring to clause 4 that those matters had been considered by his officers, will he advise what answers were provided in respect of clause 8(1)(b) and 8(2)(b) when they were considered?

Hon J.M. BERINSON: I have already indicated that I do not have with me the file with submissions and responses, and I cannot do more than reply in general terms.

With regard to the specific query raised, any suggestion that these clauses would in some sense cut across civil rights or would be unreasonably burdensome relies on a view that the Treasurer's requirements would be unreasonable and of a nature that could be considered to cut across civil rights. There is nothing to suggest that that sort of approach by the Treasurer would be contemplated. In many situations the Treasurer already has powers drawn in a very broad way but they are, as in this case, restricted to the purposes of the Act.

As I understand these provisions, it would not be in accordance with the ability of the Treasurer to require information for the purposes of a fishing expedition unrelated to the purposes of this Bill. Any attempt to exercise these sorts of powers for extraneous purposes would quickly come to grief, but in any event a Minister would not put himself in the position of being seen to attempt to manipulate quite clearly expressed powers for reasons for which they were not intended. From start to finish these powers of the Treasurer to require certain information, as in clause 8(1)(b), are specified to relate to that money. That is money which is relevant to this Bill, and not to any other money or any other situation.

As to the possibility that matters may be prescribed which are burdensome or go beyond the proper limits of this Bill, we have not only the ordinary political constraints on a Treasurer who may seek to use that regulation-making power improperly, but also the ability of members through this Chamber, either personally or through the delegated legislation committee, to bring any attempt to light. I do not share the view that some people may be

expressing for purposes of greater caution along the lines that the Leader of the Opposition has conveyed. The Bill is self-contained and I think it is self-limiting.

Clause put and passed.

Clauses 9 to 14 put and passed.

Clause 15: Treasurer may make payment to claimant -

Hon GEORGE CASH: I refer in particular to clause 15(4)(b). I clearly understand the effect of this clause to be that once the Treasurer has paid an amount to an original claimant, he is absolved of any responsibility to make a subsequent payment to a further claimant who may prove that the unclaimed money rightfully belonged to him. I ask the Leader of the House to explain why the Treasurer will be able to escape any liability, especially when that liability may have been created by his not having fulfilled his duties under the provisions of this Bill; that is, although the Treasurer may have been negligent any person who may have a rightful claim to money already paid to an earlier claimant must take civil action against the person to whom the money has been wrongfully paid.

Hon J.M. BERINSON: This is a matter on which I would like to refer to notes which I have already said I do not have with me. Rather than deal with the matter in a vague way, I prefer to have time to review the advice I have on questions of that type.

Progress

Progress reported and leave given to sit again, on motion by Hon J.M. Berinson (Leader of the House).

SENIORS (WATER SERVICE CHARGES REBATES) BILL

Second Reading

Debate resumed from 5 July.

HON W.N. STRETCH (South West) [9.59 pm]: The Opposition supports this legislation although without great enthusiasm because several reservations have been expressed about it in another place, some of which may be raised in debate in this Chamber. The commencement date of this Bill is interesting in view of the comments made by the Leader of the House in debate on the previous legislation. Members will have noted in their scrutiny of this Bill that this legislation will come into operation on the date on which it receives Royal assent. I understand that that was always the way in which Bills were presented. I wonder what makes this Bill different from preceding ones. It is interesting to speculate on whether the Leader of the House sees difficulties with this legislation coming into operation on the day on which it receives Royal assent, bearing in mind the reasons he gave as to why that should not happen with the previous Bill.

I take the point made by the Leader of the House about the need for guidelines in general terms for all Bills, and the need for us to possibly introduce proposals relating to that matter in this Chamber. I have raised this question with the Leader of the House on other occasions. I believe the method of proclaiming a Bill can make a major difference to its effect on the community at large; it certainly does for the people trying to interpret a new Act. It requires much extra work to ascertain whether a part proclamation has occurred and, if so, what is the effect of that part proclamation. We have seen in the past few years the effect on the community of not having parts of a Bill proclaimed. Many concerns have been expressed in relation to this Bill and probably the only way to speak to them is part by part. I will not do that now, but in the Committee stage. However, I will put them in order.

Much criticism has been levied that the Bill was a political exercise. That is probably a little unfair in view of the fact that one of its parent Acts, the Pensioners (Rates Rebates and Deferrals) Act, which was introduced in 1966 and dealt with again in 1977, 1978 and 1989, entitled pensioners to rebates or deferrals of accounts. This Bill is an extension of those concessions granted by a Liberal Government. This proposal was put forward during our last stint in Government in 1982. After its election, the Labor Government carried on with the idea of further concessions to older people in the community. That is generally accepted as a fair and proper recognition of the entitlement of older people in the community for the work they put into building up the land over previous years. The small concession was made by the Government in recognition of that work.

The legislation came in for a fair bit of stick in the Legislative Assembly because it was promoted widely before the election as giving a 25 per cent rebate on water, sewerage and drainage charges. People took the promise at its face value. However, when the Government came to implement that promise it settled on 25 per cent of the base rate and a ceiling charge. In practical terms that means that this year the concession will be limited to \$50 for water, \$81 for sewerage and \$9 for drainage. That seemed to me, on reading the debate which took place in the lower House, to have set the scene for the somewhat acrimonious debate which ensued there. Had the Government been more straightforward and said that the payment was a flat concession rather than talking about percentages it could have avoided most of that flak. I guess that is politics.

I am pleased that the Government accepted an amendment moved in the lower House which lightened the penalties on older people who neglected to give notice to the department about certain matters such as change of address. As members are aware, old people sometimes neglect things which to the Government and its departments are important but which are not so important to a person of 75 or 80 years of age; things such as notifying the department of a change of address do not rate highly with older people compared with bread and butter issues of the day. It therefore seemed that a \$1 000 penalty was a bit high to be imposed on the older people in the community. Fortunately, the Government accepted the Liberal Party's amendment in the other place and now a department has to prove that a person wilfully omitted to notify an administrative authority before they incur that solid penalty.

Questions were raised that I would like the Minister to address when he replies. The first related to ownership of land. I think that has been cleared up satisfactorily. Debate took place as to which owner of jointly owned property had to be a senior or whether either or both had to be seniors. That matter was sorted out in the other place and should be emphasised here. Another question related to the exclusion of primary production land, or land other than residential land, which is a concern, particularly for members who represent rural electorates. I would like that matter clarified by the Minister. For instance, if the parents of a farming family are still living on a country property and the younger generation is running the farm, are they excluded by clause 5(1)(b), which refers to land other than residential land? That matter may be covered, but I would like the Minister to address it when he replies. Once we accept the maximum charges as flat rate concessions rather than percentage concessions they fall into a proper perspective. I think that will be the effect of the legislation. However, it has caused much disquiet in the community.

The other point that is fluid at this stage is the question of how we stop the rebate being reduced by regulation once the legislation is proclaimed in its present form. My preference would be to amend the clause so that the concession is indexed to the CPI and could not lose value out of proportion to the economy at large. It was pointed out in the other place that the Government could drop the concession by way of regulation -

The PRESIDENT: Order! The honourable member is not allowed to refer to debates in the other House, which he has been doing. I hope that he will not continue to do that.

Hon W.N. STRETCH: Thank you, Mr President. The point has been made that no guarantee exists that the rebate value will be maintained under this legislation. It could be reduced to an insignificant level, or be increased. It is not likely that the Government would decrease the rebate in real terms, but we would prefer to see that written into the legislation. The Government has said it is anxious to have this concession in place and we have no quarrel with that. I would welcome comments from the Minister on that matter when he responds. Will the local authorities such as Dumbleyung which run their own sewerage systems, and did so successfully and at a profit for years until they came under onerous regulations which whittled away their profit margin, still receive sewerage scheme rebates?

Clause 11 refers to the Water Authority. I would like confirmation that the country town sewerage scheme is now included in the legislation.

Hon Graham Edwards: Twenty local authorities run their own sewerage schemes with independent water boards operating in Busselton and in Bunbury. I do not have the names of the 20 individual authorities. I will be happy to provide them.

Hon W.N. STRETCH: I do not need their names. I wanted to ensure that they were covered when it came to granting the reimbursement to local authorities. It is not stated in the clause

whether the sewerage operations of such bodies are covered. I understand that in the amalgamated legislation they would have been covered, but I am not sure how far down the track it has gone. The Minister can respond later.

Hon Graham Edwards: It is only because of the country sewerage and water boards that we had to deal with this by way of a separate Bill. We could have dealt with the others by way of regulation, but it was decided to deal with the matter by way of a separate Bill to pull them together.

Hon W.N. STRETCH: I understand that; it is evident in the second reading speech. The Pensioners (Rates Rebates and Deferrals) Act is one of the parent Acts. It states that anybody entitled under this Act will not be entitled under the other Act. I want to be assured that pensioners will not lose any benefits they may already hold under the old legislation. It is clear that if they receive one benefit, they may not necessarily receive the other.

Hon Graham Edwards: They will only get the one.

Hon W.N. STRETCH: I understand that and accept the reason for it. I want an assurance that in accepting this rebate they do not lose benefits which they already hold under the Pensioners (Rates Rebates and Deferrals) Act.

My amendment would have affected the final part of the regulations in clause 10. I will send the Minister a copy of the amendment, which I will not insist be moved, so that he can see what the general effects of that will be when the Bill is proclaimed. It is important that if a rebate is granted, it should be a useful one and it should be indexed to give it some real bite in the future, rather than be whittled away by inflation or more serious methods such as by reductions.

I cannot say much more about this Bill. It will be considered during the Committee stage of course, but I indicate the Opposition's general support of the legislation.

HON J.N. CALDWELL (Agricultural) [10.15 pm]: This Bill concerns the water charges for seniors. Rebates will apply from 1 July 1990 to annual charges for water, sewerage and drainage services as well as to the water services in 20 country shires. It also provides for rebates to citizens using the services of Bunbury and Busselton water boards. The general level of rebate is to be 25 per cent of the charge, subject to the monetary limit to be indexed for each water service. The charge is not indexed to the CPI. What is it indexed to? The rebates of Water Authority charges will be met by the Water Authority and the water board and local government sewerage charges will be reimbursed by the Government.

Undoubtedly this rebate will be of assistance to Seniors' Card holders. I am sure they will be very grateful to receive it. As Hon Bill Stretch said, it is somewhat of a pity that the rebate has political connotations. The National Party is interested to see whether the Budget to be debated shortly contains other concessions for seniors who are in difficult financial circumstances. I am sure they will be grateful for any assistance. Perhaps rebates on electricity charges will be considered in the Budget this year. The National Party supports the Bill.

HON MARGARET McALEER (Agricultural) [10.17 pm]: I want to re-emphasise the country point of view on this Bill. This Bill has been welcomed generally. However, some disappointment has been occasioned by the promise of a 25 per cent concession which has now been qualified by the fixing of a ceiling on the rebate. As Hon Bill Stretch said, water will involve an amount of \$50; sewerage, \$81; and drainage, \$9. Those figures will make a difference, depending on the size of one's rates. The amount of \$50 may be nearly 25 per cent of some people's rates, but may be a flea bite to people who live in a highly rated district. However, a \$50 rebate is better than no rebate on a water bill and \$81 rebate on sewerage will be welcome.

To illustrate the disappointment felt by some people, a friend of mine in a country town recently became eligible for a Seniors' Card. Wishing to enjoy the benefits of it immediately, he went to the State Energy Commission where, on production of his card, he was satisfied with the concessions he received. He then visited the Water Authority and was told that he had to fill in an application for registration. He may even have had to fill in a declaration under the terms of this legislation attesting to the conditions under which he owns his land. He was put off by all of the forms that he had to fill in for the Water Authority when he had not had to fill in any for the SEC. In any event, as the Bill had not been enacted he did not receive any immediate concession.

Hon Graham Edwards: He will be eligible after tonight.

Hon MARGARET McALEER: He will be, but in a way his experience has some relationship to the commencement of Bills. When concessions like this are well publicised and the implementation of which is honouring a policy promise made by the Government, people tend to think the concessions are already in force. I know a number of people who think we are already subject to the 0.05 drinking and driving rule.

Hon Graham Edwards: That is not a bad thing.

Hon MARGARET McALEER: That may be salutary, but that rule does not have to be observed yet. Many people believe the 25 per cent rebate has been in force for some time and are naturally disappointed when they do not immediately receive a benefit from it.

My friend was further disappointed because while he had a Seniors' Card, his wife who was somewhat younger, did not have a Seniors' Card. When the Water Authority learnt he was only a joint owner of the property with his wife who was not a senior, he was advised that he would not receive a full rebate but would only receive his share, which was half the rebate. However, he was the payer of the full amount of the water rates because he earned the money - he was the breadwinner - and therefore felt somewhat cheated. So that was a further disappointment for him. Finally, because he was living in the country and was aware of the way that water charges were levied, he realised that had he lived in Perth he would have received a free allowance of 150 kilolitres of water when he paid his rates in the first instance. He missed out on that benefit because he was living in the country.

Hon Graham Edwards: There is no doubt that seniors who live in the city are better placed to take advantage of concessions than are seniors who live in country areas, and we are trying to make available a greater range of concessions, particularly in the private sector, for seniors who live in the country. For example, we have now introduced a senior supplement booklet, which has been very well received and its distribution is expanding quite rapidly.

Hon MARGARET McALEER: One of the difficulties also is that water charges in the country happen to be higher than those in the city, so people in the country miss out both ways.

Hon Bill Stretch drew attention to the fact that farmland will not be included in these concessions. That is to be expected if the farm is a commercial proposition but Hon Bill Stretch instanced some cases of people who are retired and who happen to live on a farm but who will not receive a benefit. An anomaly exists also because on farms an amount is allowed for domestic water supply as distinct from the amount which is allowed for stock water. There is no doubt that many people use their domestic water supply to also water their stock, so it is very difficult to distinguish between them and I can understand that it will be almost impossible administratively to allow a concession here. Will people who live on hobby farms, and who derive part of their income from growing fruit trees or raising ducks, but who are not entirely dependent on those pursuits to provide their income, be eligible for any concessions or will they be classed as primary producers or occupants of farmland?

There was some discussion in another place about providing the concession to people who live in retirement villages because the conditions of their lease did not fit in with the Bill as originally drafted. However, an anomaly has been created because I know of a couple of cases where groups of 10 or 12 people living in blocks of units - not a retirement village - who are on a pension or on a low income, will not be eligible for these concessions because the unit holders have formed themselves into a company rather than into a corporate body. That means that water is supplied to them in bulk, they pay in bulk, and there is no way that individually they can receive a concession. Yet when we look at these people we find that in other circumstances 90 per cent of them would be eligible for a rebate and are probably just as much in need of it as is anybody else.

These problems are difficult to foresee and to solve, but they cause some discontent and certainly an element of unfairness. That is regrettable, and perhaps in time we will be able to achieve some compensating element to balance this out. I support the Bill.

HON REG DAVIES (North Metropolitan) [10.25 pm]: The Minister said in the second reading speech that the purpose of this legislation is to provide a rebate of up to 25 per cent of the actual rates component of sewerage, drainage and water charges to those people who are in receipt of the Seniors' Card. This legislation is worthy of support because it will

provide financial relief to our seniors. I am sure we would all agree that the people within our community who deserve our compassion are those who are forced to exist on a fixed income. Due to the current economic climate in Western Australia and Australia generally, many people are finding great difficulty in making ends meet.

This legislation follows Liberal Party principles in that it will provide a rebate to people and will allow them to stand on their own two feet, rather than following the normal socialist line of taxing first and giving out handouts later. Independence and self-reliance is the liberal way, not relying on handouts from a paternalistic government. I congratulate the Government on this initiative. However, it must be remembered that the subscribers or customers of the Water Authority will be paying for the real cost of this rebate. Therefore, it is not a Government grant but a cost that will be passed on to all consumers. We must remember that many people within our community are feeling the brunt of the downturn in the economy, particularly those people in the lower socioeconomic groups. I hope those people will not be the ones who will eventually have to bear the burden of the rebate that is to be given to seniors because, after all, someone will have to pay the cost.

This Bill is essentially worthy of support. It will provide some relief to those most in need within our community: Seniors. For that reason, I support the Bill before the House.

HON GRAHAM EDWARDS (North Metropolitan - Minister for Police) [10.28 pm]: I thank members opposite for their contribution to what is a very worthwhile Bill. I might just point out right from the word go that when the Government made this commitment to provide a 25 per cent rebate it was to be implemented over a period of three years. The Government has now decided to implement it not over three years but in one hit. We should bear that in mind as we debate this Bill. I was hoping that we could deal with this Bill to finality tonight but Hon Bill Stretch is seeking a commitment about which I need to check, not only with the Minister for Water Resources but also with the Treasurer. Therefore, I will not be able to convey that commitment tonight. Consequently, I will be asking that the Committee stage be held over until the next day of sitting.

I thank members for their contribution to the debate and for their interest in the matter. I will deal with some of the specific questions that were raised. Hon Bill Stretch asked whether, in the case of parents no longer controlling a farm but living on the property, they would receive the rebate. The answer is that where it is determined that the property is primarily residential a rebate will be granted. In answer to Hon Bill Stretch's question concerning a person who had an eligibility under the deferments legislation, a person may be registered under only one Act and a rebate will be given in accordance with that Act. I pointed out earlier by way of interjection that a rebate cannot be given in accordance with both Acts for the same period. Suffice it to say that in the general argument of pensioners versus seniors, no benefits granted will be lost.

I want to clarify another point raised by Hon Bill Stretch. He said that the Government had referred to these rebates by way of percentages, but in all the advertising I have seen the matter has been discussed in terms of maximums. For instance, I will quote from the *Kalgoorlie Miner* of 22 June 1990 -

Under the scheme, which will cost the Government about \$2 million a year, rebates of 25 per cent will be limited to an annual maximum of \$50 for water, \$81 for sewerage and \$9 for drainage.

In *The West Australian* on the same date, exactly the same statement was made in the Press release -

Under the scheme, which will cost the Government about \$2 million a year, rebates of 25 per cent will be limited to an annual maximum of \$50 for water, \$81 for sewerage and \$9 for drainage.

I want to defend our position in relation to that. Questions were also asked about residential matters, and I refer members back to the second reading speech, which stated that -

The rebate will apply to residential property owned by a senior, and which is his or her principal place of residence. For the purposes of the Bill, jointly owned land will also be eligible if owned by two or more seniors, or by a senior and his or her spouse, whether or not the spouse is a senior. In other cases where a senior has a part interest in his or her residence, the senior will be eligible for a pro rata rebate.

I do not think there is any fairer way we could have handled that matter.

For the general information of members, these concessions bring the rebates available to seniors to about \$5.5 million. As Minister for The Aged I think that is a very considerable concession. The principal reason for making it available is to reassure our seniors that we value the contribution they have made to our community over the years and to recognise that contribution in a very real way.

A question about retirement villages was raised. Members who followed the debate in another place would have noted the member for Floreat pointing out that special arrangements have been made to ensure that residents of non-strata titled retirement villages who have life leases but no direct ownership will receive a similar benefit under a special by-law rather than by this legislation. From memory, I believe the number of properties that relates to is five, but if members want any further information about that I would be happy to provide it. A question was also raised about hobby farms and the answer to that, quite clearly, is yes.

In conclusion, Hon Bill Stretch wanted to add an amendment to that amendment to which I referred earlier, in relation to subclause 10(2). I understand that the purpose of his proposed amendment is to ensure that there is a regular annual increase in the value and that there is a means of achieving that by ensuring that it is not left to regulation but is written into the Act. In another place the Minister responsible for the Water Authority of Western Australia indicated that he wanted to review the matter annually with a view to ensuring that the value is retained, but that he wanted to be able to deal with any changes by way of regulation so that we do not need to bring forward a Bill every year in line with any changes that are made. It is that matter to which I will have to address some attention between now and the next sitting, and I will ascertain whether it is possible to give the member the commitment that he seeks. It is my intention to move that we leave the Committee stage of this Bill until the next sitting of the House. Of course, members would be aware that it is important for us to deal with this matter tomorrow. I thank members for their contributions.

Question put and passed.

Bill read a second time.

STATE EMPLOYMENT AND SKILLS DEVELOPMENT AUTHORITY BILL

Second Reading

Debate resumed from 10 July.

HON PETER FOSS (East Metropolitan) [10.38 pm]: The Government's constant resort to tripartism reminds me of the story of the drunk who was found searching around underneath a lamppost at night. Another person came along and said to him, "What is the trouble?" The drunk said, "I have lost my car keys." So the person started to help him search for his car keys, but could not find them. After a short time he asked, "Where did you lose them?" and the drunk said, "I lost them over there." The person then asked, "Why aren't you looking for them over there?" and the drunk replied, "Because there is no light over there and it is much easier to see over here." With tripartism, the Government does not bother to find out what the problems are by asking the people who have them; it goes to the people who are most conveniently placed to it and asks them. In the case of tripartism, it is asking the Confederation of Western Australian Industry and the Trades and Labor Council; it asks peak bodies because they happened to be there; it talks to them all the time. Therefore, it is easier to talk to them. It would be much harder to find the people affected by these matters.

Hon T.G. Butler: How do you talk to them?

Hon PETER FOSS: They are there, and it is possible to speak to them. For instance, other employer representatives exist. What is the point of talking to the TLC which represents around 50 per cent of workers, and in many cases does not represent them very well, because we all know many unions suffer from the same problems -

Several members interjected.

Hon PETER FOSS: I am glad I have woken the small number of Government members in the Chamber.

Several members interjected.

The DEPUTY PRESIDENT (Hon J.M. Brown): Order!

Hon PETER FOSS: Many unions are very much like companies where directors of the companies tend to look after the companies more for their own purposes than for those of the shareholders. Unions suffer from the same problem. Many unions appear to be run more for the benefit or power of the people in charge rather than for the members of the union whom they supposedly represent.

Hon T.G. Butler: That is your perception.

Hon PETER FOSS: The important point is that these unions which claim to represent the workers, can claim to represent only a diminishing number of workers and at best about 50 per cent of the work force. Many other people in the work force have no wish to have any association with unions; they are the people who frequently are involved in organisations which provide the backbone of the hard work in our society. As far as industries are concerned, many people do not belong to those peak bodies, and those people are very important as far as productivity and training of people in Western Australia are concerned. Unfortunately, many of the larger employers in this country who have a lot of influence in those peak bodies have not had the right attitude towards productivity; they have had a cushy relationship with unions over the years which has created the inefficiencies which exist in our society.

Another problem with the unions is that they have only recently discovered the idea of multi-skilling. Unions used to have the absolute antithesis of multi-skilling through the well-known device of the demarcation dispute. Multi-skilling was anathema to them because the unions would protect themselves and fight against the very things with which this Bill is concerned. The reason the TLC is so interested in being specifically named in this legislation is to keep control; that is par for the course and predictable as far as the TLC is concerned.

Hon D.J. Wordsworth mentioned that many of the people who are concerned with providing skills in this society are those who have nothing to do with the peak bodies or with the unions. A classic example of that is the Clay Brick Manufacturers Association which has provided an excellent training course for bricklayers.

Hon T.G. Butler: That is rubbish!

Hon PETER FOSS: One good thing about Western Australia, and why housing is cheaper than in other States, is that we have been able to keep the unions out of the cottage building industry. That has occurred through the training opportunities offered by the clay brick manufacturers. That indicates how the State can progress without interference by unions who look after their own interests and do not promote the true interests of their members. These examples show clearly that given the right atmosphere members of both the employer and employee groups want to learn skills and to work to improve productivity.

The philosophy behind SESDA is excellent, provided that philosophy is carried through properly. After listening to Hon Norman Moore and hearing some details of the investigations and report of that mission, I understand that when that philosophy is carried through and the people involved represent all aspects of both employers and employees, where the real intent is to increase the skills of the work force, to listen to the needs of people who want to employ that work force, we will have a training course which meets the needs of the State. My concern is that if we merely set up something such as SESDA, and do no more than pay lip service to the philosophy, we will provide a bureaucracy which will prevent people from providing that necessary service. I hope SESDA will encourage activities such as the bricklayers course run by the clay brick manufacturers. We are aware of the effect that course has had on this State; it has been a very useful course.

Several members interjected.

Hon PETER FOSS: I can tell it will be a faint hope due to the interjections from the members opposite who obviously do not share my view that it is a useful course. That is the very point that concerns me. Unions are more concerned with stamping out competition than with helping to provide work for people in this State. Unfortunately, unions have moved a long way from the days when the guilds of workmen saw their primary work to be to ensure that skills are passed on and when the old style unions saw as their job to provide this form of training and encouragement.

I endorse fully the philosophy behind SESDA. I hope that the Government will ensure that its philosophy is carried out to the full, that all aspects of the industry are considered, that people - not merely peak bodies but as much as possible all views of the employer group - are represented, and that as much as possible a wider range of employee groups is also given an opportunity to be heard. I hope that we do not just take the cushy coterie of the industrial relations club and allow it to continue the disgraceful state of affairs which has been allowed to continue in this country for far too long - that is, a situation without any concern for productivity or for ensuring that Australia is properly served, but merely looking after their own comfy interests and being able to go to bed knowing there will be no industrial dispute the following day because they have agreed to look after each other's interests. If unions are prepared to embrace this idea properly, if they are really keen on multi-skilling, maybe we have some hope for the future. I do not believe that the unions are genuinely interested in multi-skilling.

Hon T.G. Butler: You do not like unions!

Hon PETER FOSS: Did I give that impression? Maybe this is an indication of a changed attitude; maybe SESDA will allow the Government to continue with this good idea. One cannot have a great deal of hope considering the track record of unions in the past.

Several members interjected.

Hon PETER FOSS: I have woken members; that is something.

The DEPUTY PRESIDENT: Order! I have been awake all the time. I have been listening to the member with interest. I trust he will continue his remarks in my direction; in that way, he will not have any trouble disturbing this Chamber.

Hon PETER FOSS: Thank you, Mr Deputy President. The track record of the unions would not give a great deal of cause for optimism but, being an irrepressible optimist, I am prepared to support the Bill - hoping that in time the philosophy and ideas expressed in the legislation will come to the surface. I hope that I am correct because SESDA has a great deal of potential. I hope that members opposite will not be so intent on naming the TLC in the Bill and that they will agree with the philosophy that all employees will be represented, and not just TLC affiliates.

Debate adjourned, on motion by Hon Fred McKenzie.

PARLIAMENTARY SECRETARIES - ATTORNEY GENERAL'S STATEMENT

Order Discharged

On motion by Hon J.M. Berinson (Leader of the House), resolved -

That Order of the Day No 38 be discharged from the Notice Paper.

STANDING ORDERS COMMITTEE - PARLIAMENTARY SECRETARIES

Order Discharged

On motion by Hon J.M. Berinson (Leader of the House), resolved -

That Order of the Day No 40 be discharged from the Notice Paper.

ADJOURNMENT OF THE HOUSE - ORDINARY

HON J.M. BERINSON (North Metropolitan - Leader of the House) [10.50 pm]: I move -
That the House do now adjourn.

Petition - Night Curfew, Carnarvon- Children 14 Years and Under

HON P.H. LOCKYER (Mining and Pastoral) [10.51 pm]: I will not keep the House for long, but I have a petition from my constituents in the Carnarvon area which bears 1 260 signatures. Regrettably, the petition has a small error in that it states "for ever more pray" which made it ineligible for tabling in the normal manner. However, I will read the petition into *Hansard*; it states -

We, the undersigned urge that legislation be passed that children under the age of

14 years be prohibited from streets and public places after 10.00 pm at night unless they are accompanied by a guardian or an authorised adult.

We also urge the Minister for Police to direct that the Camarvon Police Station be manned for 24 hours per day and that regular patrols are carried out in these hours.

These are genuine concerns held by the people of Camarvon, as the town has a population of 6 500 people and this petition bears 1 260 signatures. I seek leave of the House to table the petition.

Leave granted.

[See paper No 386.]

Adjournment Debate - Southern Processors Ltd - Effluent Treatment Costs Report

HON MURIEL PATTERSON (South West) [10.53 pm]: I seek members' indulgence to allow me to inform them of the outcome of the Southern Processors Ltd projected effluent treatment costs report from the consulting engineers, Binnie & Partners Pty Ltd. This company was specifically commissioned to determine the cost to Southern Processors of complying with the Environmental Protection Authority recommendations regarding discharge into the Princess Royal Harbour, and the cost of pretreating effluent for discharge into the Western Australian Water Authority sewer.

Members may recall my speech in this Chamber on Wednesday, 30 May regarding the hardships placed on this four year old company by the stringent EPA requirements. The outcome of the Binnie & Partners report is that either recommendation, be it a discharge into WAWA sewer or a discharge directly into the harbour, will cost between \$400 000 and \$500 000 per annum with a capital outlay of over \$1 million. Southern Processors is engaged throughout the world in a very competitive industry. The company has been a credit to its decision-makers who have demonstrated their ability to increase profits from \$25 000 to \$400 000 in the first four years of its operation. The cost of the proposed effluent treatment could not possibly be supported. The company cannot increase the price of its products as it must remain competitive with Edgells, the Manjimup canning company. Competition is healthy for the consumers, but it leaves no place for the company to recover this added cost. Therefore, members can see the very real problem facing Southern Processors.

The company cannot sustain a cost of \$400 000 or \$500 000 per annum, and if the company is forced to comply with the EPA orders, the result would be the death of this industry. This cannot be allowed to happen. It is not fair on the 100-odd employees, on the 150 farmers or on the numerous local subcontractors and service companies. Honourable members would be well aware of the difficulties in obtaining employment in country towns, and of the enormous difficulties involved in the establishment of an industry. However, in Albany we have an industry which is providing employment. The company can operate on its own merits, but it cannot survive with the added burden of Government charges.

The EPA is a Government instrumentality, and this body has issued recommendations with a time limit of two years. I am not quarrelling with the EPA in this case as it has its own guidelines and a job to do regarding the rescue of Princess Royal Harbour. However, the Government has the responsibility to support this industry because these environmental restrictions were implemented after the company was established. Whatever the final recommendations from the EPA to assist the harbour to return to an acceptable condition, I trust that this Government will accept the responsibility of ensuring the survival of Southern Processors. This must be done by whatever methods can be negotiated to ensure that one of the most promising new businesses in Albany is not lost for ever.

Adjournment Debate - Railways Amendment Bill - Legislation Delay

HON FRED MCKENZIE (East Metropolitan) [10.56 pm]: I will not take much more of members' time, but during the debate on the Gold Banking Corporation Bill reference was made to the Government Railways Amendment Bill, and to the fact that it had disappeared from the Notice Paper. I assure members that it has not disappeared permanently - it will be back. It was not dealt with because this House refused to restore it to the Notice Paper. This was one of those Bills which the Attorney General indicated he wished to restore to the Notice Paper, but it was not done. I am aware that the Bill was not introduced in another

place as other legislation was given priority. I assure members that this is an important Bill in that it involves financial accounting matters associated with Westrail. We dealt with this Bill until we reached clause 12, and there was no attempt not to continue dealing with it. If members care to check *Hansard* on Wednesday, 9 May 1990, on page 429 they will see that it is listed as Bill No 4.

Hon George Cash: Why did the Government not proceed with it if that is the case?

Hon FRED McKENZIE: It had other priorities; however, it will return during the next session.

Hon George Cash: Good.

Hon FRED McKENZIE: It is a very important Bill. What is the point of introducing a Bill onto the Notice Paper if there is no possibility of the House proceeding with it? The Opposition indicated on a previous occasion that it would reject the Bill unless clause 12 is amended. We hope to deal with other important Bills during this session and the Bill in question has slipped down the list of priorities. I raise this point at this stage to inform members of the situation.

Adjournment Debate - By-elections, Cottesloe - Labor Party Announcement

HON PETER FOSS (East Metropolitan) [10.59 pm]: I draw the House's attention to an announcement in the Press indicating that the Labor Party does not intend to contest the seat of Cottesloe in the forthcoming by-election because it does not believe in spending its efforts on a hopeless case. I draw members' attention to an article in a publication I do not often read called *Labor Voice*. The issue to which I refer was the September/October issue from 1988. At that time the necessary margin to win the seat of Cottesloe was 9.4 per cent. On the other hand, the seats which Labor held -

Hon J.M. Berinson: In the by-election, Mr Foss!

Hon PETER FOSS: I wish to make some comparisons: Just prior to that election there were 25 Labor seats with a larger majority than 9.4 per cent and they included Maylands which required a 15.9 per cent swing and Fremantle which required a 20 per cent swing.

Several members interjected.

Hon PETER FOSS: One would hope the Labor Party could win Maylands and Fremantle in view of the fact that they required a 15.9 per cent and a 20 per cent swing. I remember it being suggested in this House by members opposite that with the seat of Fremantle, which was only fifth from the top of the 25 Labor seats to which I have referred, the Liberal Party had somehow not managed to achieve something on the first preference votes by leading the field! In fact, it came very close to winning that seat. It is interesting that the Labor Government has changed in odour so much since just prior to the 1989 election that it is now considered to be a hopeless case to win a seat which has a Liberal Party majority of 9.5 per cent.

Hon J.M. Berinson: In a by-election! Would you speak up a little!

Hon PETER FOSS: I understand what the Leader of the House is saying. The point remains that this Government is in such bad odour that it has gone from a situation in which it regarded itself as having done very well, and had shown itself as having the confidence of the people, when it managed to hold, on preferences, the seat which coming into the 1989 election was at the top of its pendulum as the fifth down from its best seat - it had to lose by 20 per cent in order to lose that seat. It seems to think it achieved a great deal in holding its fifth best seat, yet it could not even contemplate trying to win a seat when, prior to the last election, the Liberal Party held it with a 9.4 per cent majority. It is interesting to note that in the last election there was an 8.8 per cent swing required in order for the Liberal Party to win the seat of Mandurah and I am pleased to say it did.

Several members interjected.

Hon PETER FOSS: I would like members opposite to appreciate that when they were so proud of their marvellous achievement in holding the seat of Fremantle after the distribution of preferences, and even accounting for the fact that it was a by-election, it was somewhat extraordinary to contemplate. Maylands, which was the Labor Party's eleventh best seat, required a 15.9 per cent swing.

Several members interjected.

Hon PETER FOSS: I am glad that I will be able to suggest to members opposite -

Several members interjected.

The DEPUTY PRESIDENT (Hon J.M. Brown): Order! I am not here to adjudicate on members' interjections. The motion before the Chair is that the House do now adjourn. Speakers have limited time to speak to this motion and while I am in the Chair they are entitled to be heard. In spite of the clarity of Hon Peter Foss' voice Hansard is having difficulty recording this debate because of the interjections. I ask members to observe the decorum of the House.

Hon PETER FOSS: Thank you, Mr Deputy President. I was decorous when members opposite made their remarks about the seats of Fremantle and Maylands and I am pleased that you are ensuring that I have the same decorum exercised while I am making my speech.

I have really dealt with the major part of my speech which was to place in perspective the somewhat limited success of the Labor Party in managing to hold on to its fifth best seat in the seat of Fremantle, after the distribution of preferences, and to hold on to its eleventh best seat in the seat of Maylands. If that is the sort of victory the Labor Party sees itself as gaining it has set its sights low. The Liberal Party certainly sees 9.4 per cent as being the sort of margin it could tackle and in the last election we found that was possible.

Question put and passed.

House adjourned at 11.05 pm

QUESTIONS ON NOTICE

SHARK BAY - WORLD HERITAGE LISTING

391. Hon GEORGE CASH to the Minister for Planning representing the Minister for the Environment:

- (1) Given that the Federal Government announced in March 1990 it would nominate Shark Bay for World Heritage Listing and further that it requested the WA Government to suggest the boundaries, can the Minister provide a plan indicating the boundaries proposed by the State Government?
- (2) Will the Minister nominate on the plan the areas in the Shark Bay region in which trawling will be permitted?

Hon KAY HALLAHAN replied:

The Minister for the Environment has provided the following reply -

- (1) The State Government has not yet developed a proposal for the nomination.
- (2) The State Government's position is that trawling will be permitted in the World Heritage area whenever it is consistent with the Shark Bay Region Plan.

ACTS AMENDMENT (VEHICLES ON PRIVATE ROADS) ACT - LEWIS
BLYTH & HOOPER

Zilko, Mr Colin James - Legislation Effects

471. Hon GEORGE CASH to the Minister for Police:

- (1) Has the Minister received correspondence from Messrs Lewis, Blyth and Hooper, Barristers and Solicitors, acting for Mr Colin James Zilko on the effect on their client if the Acts Amendment (Vehicles on Private Roads) Bill 1989 were to be agreed to by the Parliament?
- (2) Is it intended to proceed with the amendments contained in the Acts Amendment (Vehicles on Private Roads) Bill 1989 or a Bill which would have the same effect?

Hon GRAHAM EDWARDS replied:

- (1) Yes.
- (2) I am obtaining advice on whether the view of the effect of the Bill expressed by Messrs Lewis, Blyth and Hooper is a correct view. Until I have received that advice I do not intend to progress the Bill.

HEALTH DEPARTMENT - GOVERNMENT VEHICLES

485. Hon N.F. MOORE to the Minister for Planning representing the Minister for Health:

- (1) Which officers of the Department of Health in Wyndham, Kununurra, Halls Creek, Fitzroy Crossing and Broome are entitled to the use of Government vehicles?
- (2) What are the terms and conditions for the use of these vehicles?

Hon KAY HALLAHAN replied:

The Minister for Health has provided the following reply -

- | | |
|-------------------------------------|---|
| (1) Wyndham | |
| 2 x Community Nurse | B |
| Regional Aboriginal Liaison Officer | B |
| Community Nurse Child Health | B |
| Health Worker | A |
| Senior Medical Officer | C |
| 2 x District Medical Officer | C |
| Administrator | C |
| Director of Nursing | C |

Maintenance Officer	B
Aboriginal Liaison Officer	B
Kununurra	
Administrator	B
Senior Medical Officer	C
Director of Nursing	B
2 x District Medical Officer	C
Maintenance Officer	B
Regional Officer	B
District Nurse Supervisor	B
4 x Community Nurse	B
Regional Aboriginal Liaison Officer	B
Clerical Assistant	A
Halls Creek	
Director of Nursing	C
Locum Community Medical Officer	C
District Nurse Supervisor	B
2 x Community Nurse	B
2 x Health Worker	A
Environmental Health Worker Supervisor	B
Clerical Assistant	A
Fitzroy Crossing	
2 x Community Medical Officer	C
District Nurse Supervisor	B
4 x Community Nurse	B
Health Worker	A
Clerical Assistant	A
Broome	
District Nurse Supervisor	B
2 x Community Nurse	B
Community Nurse Child Health	B
Health Worker	A
Environmental Health Worker	B
Administrator	C
Director of Nursing	C
Senior Medical Officer	C
2 x District Medical Officer	C
Maintenance Officer	C
Extended Care	C
Aboriginal Liaison Officer	C

- (2) A = official use only
 B = official use and home garaging
 C = official use and home garaging and limited private use.

ASSET MANAGEMENT TASKFORCE - OLD TREASURY BUILDING
Lease Negotiations

488. Hon BARRY HOUSE to the Leader of the House representing the Deputy Premier:

Further to the answer given to question 318 on 20 June 1990: Who is being considered to lease the building and under what conditions?

Hon J.M. BERINSON replied:

The Deputy Premier has provided the following reply -

As outlined in the response given to question 318 on 20 June 1990, if it is determined by the Government that the old Treasury building site should be made available in the future for long term lease and redevelopment, this will be coordinated by the Asset Management Taskforce in a manner which is public, open and fair to all interested parties.

FISHING - IMPORTED FISH LABELLING

505. Hon GEORGE CASH to the Minister for Planning representing the Minister for Health:

- (1) Has the Western Australian Food Advisory Committee considered the fishing industry request for adequate labelling of imported fish?
- (2) If so, will the Minister advise when regulations can be expected to be tabled in Parliament?

Hon KAY HALLAHAN replied:

The Minister for Health has provided the following reply -

- (1) Yes. The committee has recommended that all unpackaged fish displayed for sale shall bear a label declaring the country of origin of that fish.
- (2) Amendments to the Western Australian Health (Food Standards) Regulations to provide for this label declaration have been drafted and are expected to be gazetted on 20 July 1990.

APPEALS - Nos 1022, 1051, 1052, SUPREME COURT
Road Traffic Act Section 106 - Child Welfare Act

513. Hon GEORGE CASH to the Attorney General representing the Minister for Justice:

I refer to Appeal No 1022 of 1989 and Appeal Nos 1051 and 1052 of 1989 in the Supreme Court of Western Australia and ask -

- (1) Is the Minister aware of the view of the court that "Parliament should take another look at Section 106 under the provisions of the Child Welfare Act to decide how it requires the Courts to deal realistically with child offenders against the Traffic Act"?
- (2) What action has the Minister or his department taken to refer this matter to the Crown Law Department for consideration?
- (3) When was this action taken?

Hon J.M. BERINSON replied:

The Minister for Justice has provided the following reply -

- (1) Yes.
- (2) None. The problems referred to have been resolved by the Children's Court of Western Australia Act (No 2) 1988 and the Acts Amendment (Children's Court) Act 1988.
- (3) The above Acts were proclaimed on 1 December 1989.

UNDERWATER WORLD - SINGAPORE
Construction Expenditure

516. Hon GEORGE CASH to the Leader of the House representing the Minister for Finance and Economic Development:

- (1) What is the amount so far expended on constructing the project known as Underwater World in Singapore?
- (2) When is the anticipated completion date?
- (3) What is the expected cost of completing the project?
- (4) Have there been any offers to purchase the project when it is completed?
- (5) If the answer to (4) is yes, how many?

Hon J.M. BERINSON replied:

The Minister for Finance and Economic Development has provided the following reply -

- (1) The amount expended to 31 May 1990 on constructing the project

known as Underwater World in Singapore is \$A9 771 525 (Singapore dollars 14 168 172).

- (2) Completion is anticipated during the last quarter of 1990.
- (3) The expected cost of completing the project is \$A16.5 million (approximately Singapore dollars 24.0 million).
- (4)-(5) One proposal to purchase the project on completion has been received.

POLICE - FLEXIBLE WORKING HOURS

Second Stage Structural Efficiency Package - Industrial Relations Commission Ratification

517. Hon GEORGE CASH to the Minister for Police:

With reference to the Minister's Press release of 8 May 1990 regarding agreements between the Commissioner of Police and the Police Union which might permit flexible hours of attendance for police officers -

- (1) Has the second stage structural efficiency package yet been ratified by the Industrial Relations Commission?
- (2) If the answer is no, has this obstructed the implementation of the plan which may have boosted apparent numbers of police on duty at specific times?

Hon GRAHAM EDWARDS replied:

- (1) I am advised by the Commissioner of Police that this package has been ratified.
- (2) Not applicable.

YOUTH - ALBANY YOUTH SUPPORT CARE

Function

519. Hon MURIEL PATTERSON to the Minister for Planning representing the Minister for Community Services:

- (1) What is the function of the Albany Youth Support Care?
- (2) Who is responsible for this organisation?

Hon KAY HALLAHAN replied:

The Minister for Community Services has provided the following reply -

- (1) There is no association known as the Albany Youth Support Care. The Albany Youth Support Committee have stated objects within their constitution under which their Certificate of Incorporation was issued on 8 March 1985 under the name "Albany Youth Employment Support Committee". There are six issues listed as objects of the association and this list is available if required. The leading issue states as follows -

Identifying areas where preventative programs need to be applied, and facilitating such action as is required.

To facilitate the needs of the association the Committee operate an accommodation unit in Young House and a street outreach program.

- (2) The organisation is responsible to the elected management committee including chairman, secretary, treasurer and up to 10 committee members.

YOUTH - YOUTH OUTREACH WORKER, ALBANY

Community Services Department Referrals

520. Hon MURIEL PATTERSON to the Minister for Planning representing the Minister for Community Services:

Why have there been no referrals to the Department for Community Services by the Youth Outreach worker in Albany?

Hon KAY HALLAHAN replied:

The Minister for Community Services has provided the following reply -

The Youth Outreach workers in Albany have referred youth to the Department for Community Services as well as to other appropriate agencies.

YOUTH - YOUNG HOUSE, ALBANY

Running Cost

521. Hon MURIEL PATTERSON to the Minister for Planning representing the Minister for Community Services:

- (1) What is the cost of running Young House in Albany per annum, including all costs?
- (2) How many youths use the accommodation services at Young House per month?

Hon KAY HALLAHAN replied:

The Minister for Community Services has provided the following reply -

- (1) For the year ending December 1989, the cost of running Young House in Albany on a 24 hour per day basis was \$133 879.21.
- (2) During this year 113 young people were accommodated for a total of 2 001 nights. The spread is reasonably even throughout the year.

SGIO AUTOCHECK - OPERATIONS CONTROL

525. Hon P.G. PENDAL to the Leader of the House representing the Minister for Finance and Economic Development:

- (1) Does the State Government Insurance Corporation or the State Government Insurance Office still operate Autocheck?
- (2) If so, do the State Government Insurance Corporation or the State Government Insurance Office employ all staff or is the operation wholly or partly franchised?
- (3) What number of staff are currently employed either full time or part time or by franchise in providing this service?
- (4) What was the net operating financial result for the year ended 30 June 1989, for Autocheck?
- (5) Do the results referred to in (3) include all expenditures to provide this service including all forms of advertising undertaken by Autocheck to promote the service?
- (6) How many vehicle inspections were provided by Autocheck for the year ended 30 June 1989?
- (7) What is the projected financial result for the year ended 30 June 1990 and the estimated number of inspections to be performed this year?

Hon J.M. BERINSON replied:

The Minister for Finance and Economic Development has provided the following reply -

- (1) SGIO Autocheck is a division of the State Government Insurance Corporation trading as SGIO.
- (2) The State Government Insurance Commission employs all staff and provides services to SGIO under section 6(d) of the SGIC Act.
- (3)-(7)

SGIO Autocheck is a division of the SGIO and as such provides a service to the public in competition with private companies. To provide the information requested will place Autocheck and the SGIO at a commercial disadvantage to its competitors.

SEXUAL OFFENCE - WOMEN'S INTEREST EMPLOYEE
Police Inquiry

530. Hon GEORGE CASH to the Minister for Police:

I refer to question without notice 349 on 3 July 1990 which, in part, asked whether any Minister had received a written complaint about a woman regarding offences of a sexual nature alleged to have occurred during the course of employment in the Minister's office in which the alleged offender was employed by another Minister. Will the Minister advise whether any investigation was conducted into the matter; and whether charges were preferred?

Hon GRAHAM EDWARDS replied:

I am advised by the Commissioner of Police that an investigation into the allegation has been completed and the results of that investigation are under consideration.

FARRELL, MR - COOLGARDIE HOSPITAL CONTRACT

536. Hon N.F. MOORE to the Minister for Planning representing the Minister for Works:

I refer the Minister to the answer given to question 454 on 4 July 1990 and ask -

- (1) What action was taken by the Government with respect to the awarding of tenders to Mr Farrell?
- (2) What was the result of the credit check into Mr Farrell prior to him being awarded the Coolgardie Hospital contract?
- (3) What is the expected cost overrun for the Coolgardie Hospital contract?
- (4) What problems are being experienced at the Laverton and Wagin contracts awarded to Mr Farrell?
- (5) What action is the Government taking to assist contractors and suppliers who are owed money by Mr Farrell?
- (6) If no action is being taken, what is the reason?

Hon KAY HALLAHAN replied:

The Minister for Works has provided the following reply -

- (1) Normal State Tender Board procedures were followed.
- (2) Satisfactory.
- (3) Not yet established.
- (4) The contracts at Laverton Police Station and Wagin Hospital were both running late and remain incomplete.
- (5)-(6)

There are legal restraints in respect of moneys owed by contractors to subcontractors and suppliers in such circumstances. Opportunities will, however, emerge for those subcontractors and suppliers to establish commercial relationships with the incoming contractors to ease their situation.

**CARAVAN INDUSTRY DEVELOPMENT STRATEGY WORKING GROUP -
REPORT**

Local Government Administration Role

560. Hon GEORGE CASH to the Minister for Planning representing the Minister for Local Government:

- (1) Has the Caravan Industry Development Strategy Working Group reported to the Government?
- (2) Is it intended to vary the current role of local government in the administration of caravan parks?

- (3) If so, what changes are proposed?
- (4) Is the Minister aware of the extreme concern that has been expressed by members of the Caravan Park Owners Association of WA and the Local Government Association and the Country Shire Councils Association of their opposition to the establishment of a board of control to manage and administer the caravan park industry?
- (5) Is the Minister aware of the various alternative proposals recommended by the Caravan Park Owners Association of WA and does the Minister support these proposals?
- (6) If not, why not?

Hon KAY HALLAHAN replied:

The Minister for Local Government has provided the following response -

- (1) Yes.
- (2) The Minister for Local Government will shortly be submitting proposals to Cabinet on the implementation of the recommendations of the Working Party Report, taking into account the submissions which have been received.
- (3) These will be announced when Cabinet has made decisions on the Minister's submission.
- (4) Yes. The Minister has met with these associations to discuss their concerns.
- (5)-(6) See above.

QUESTIONS WITHOUT NOTICE

DOWDING, HON PETER - MUSCA, MR LEON

Defamation Action

417. Hon GEORGE CASH to the Attorney General:

Has the Attorney General been able to ascertain the amount of costs payable to lawyers who have acted on Mr Peter Dowding's behalf in respect of the defamation action initiated by Perth barrister and solicitor Mr Leon Musca, to which defamation Mr Dowding has admitted and for which he has apologised publicly to Mr Musca?

Hon J.M. BERINSON replied:

No.

DOWDING, HON PETER - MUSCA, MR LEON

Defamation Action

418. Hon GEORGE CASH to the Attorney General:

- (1) I refer to the Attorney General's confirmation that the Government intends to meet the legal costs of lawyers who acted for Mr Peter Dowding in the recent defamation action which was initiated by Perth barrister and solicitor Mr Leon Musca, and which defamation Mr Dowding has now admitted to and apologised for, and ask whether the Attorney General will ensure that Mr Dowding's costs are subject to taxation by the taxing master of the Supreme Court?
- (2) If not, why not?

Hon J.M. BERINSON replied:

(1)-(2)

That matter will be considered when the account is to hand.

QUESTIONS - ANSWERS

419. Hon PETER FOSS to the Attorney General:

Pursuant to the notice given on 9 July, has the Attorney General been able to obtain the answers, in part or in whole, to the questions Hon Derrick Tomlinson delivered yesterday?

Hon J.M. BERINSON replied:

Those answers have not been made available to me, but I did inquire about them again this morning and urged some special efforts to ensure their availability tomorrow. As I indicated to the House yesterday, if that does not prove possible I will ensure that the honourable member is informed direct.

JUVENILE OFFENDERS - JONES, JEREMY

Police Naming Action

420. Hon JOHN HALDEN to the Minister for Police:

Will the Minister explain the reasons that the police recently published the name of a juvenile escapee?

Hon GRAHAM EDWARDS replied:

The police published the name and photograph of the juvenile in question to assist them to speedily apprehend him, which in their view was clearly in the public interest. I am pleased to say that the person in question was apprehended today.

I fully support the police decision, made in the public interest. However, it has become apparent from community discussion on the issue that the public believe that when the police are undertaking their duties they must themselves remain clearly within the law. I am sure that all members support this view.

It is clear that a better mechanism is needed than exists at present for achieving a better balance of these principles when they are potentially in conflict. I am pleased to say that, following a discussion on the matter with the acting commissioner, we have both agreed to seek a resolution which carefully balances the operational autonomy of the police, accountability, and compliance with the law. This matter will be progressed without delay. In the meantime, as an interim measure the acting commissioner and I mutually agree that, should a situation arise in which the police may again consider that publication of such details is necessary, there will be prior advice to and consultation with the Minister to ensure full accountability. I reiterate my support for the action taken by the police.

JUVENILE OFFENDERS - POLICE NAMING LEGISLATION

421. Hon P.H. LOCKYER to the Minister for Police:

I preface my question by saying that I too agree with the decision made on this occasion in relation to the publication of the juvenile's name. However, I take it that the police concerned did not discuss this matter beforehand with the Minister. How long will it be before a mechanism is put in place that will remove the perception held by some members of the public that the police may be above the law, and will it be necessary for the Attorney General's department to formulate legislation that will make perfectly clear the arrangements the police should utilise in any further case such as this?

Hon GRAHAM EDWARDS replied:

The current practice in a situation like this is for the police to make a decision and then inform the Minister of that decision. That was certainly the case yesterday. I note seriously the concern raised by responsible members of the community who have suggested that this course of action could lead to the police being seen to be disregarding the law.

I think that as legislators, and in particular as Minister for Police, we need to address this matter with some priority. That view is shared by the Attorney

General who yesterday referred the matter to the Crown Solicitor asking that he and the Commissioner of Police seek a resolution to the matter.

In the meantime I have sought action by the police which will lead to the matter being addressed by Cabinet. I can assure the member that, as a result of the concerns that he has rightly expressed, which are also held by other members of the community, the matter will not be delayed.

DEFAMATION ACTION - LEGAL COSTS

422. Hon GEORGE CASH to the Attorney General:

In relation to Mr Peter Dowding's costs in the recent defamation action -

- (1) Is the Attorney General aware that some law firms charge in the order of \$300 per hour for providing representation in defamation actions and that taxed costs for legal representation in such actions are of the order of \$120 per hour?
- (2) Why will the Attorney General not give a commitment that Mr Dowding's costs will be taxed by the taxing master of the Supreme Court?

Hon J.M. BERINSON replied:

(1)-(2)

I am aware in general of the range of legal costs which now apply and also of the fact that scaled costs are often agreed in advance not to apply by arrangement between the party to be represented and the firm representing him.

Hon E.J. Charlton: Was that done on this occasion?

Hon J.M. BERINSON: I can take this matter no further than I did in response to the earlier question; that is, that these matters will be considered when an account is received.

QUEENS GARDENS - DEVELOPMENT

423. Hon E.J. CHARLTON to the Minister for Planning:

What is the current situation with the development of Queens Gardens?

Hon KAY HALLAHAN replied:

I am not sure that this matter comes within my ambit as yet.

Hon E.J. Charlton: Surely the Minister knows how far it has progressed.

Hon KAY HALLAHAN: I do not; it has not come to my office. If the member puts his question on notice I will ascertain whether it is the responsibility of my department and, if so, will get him the information he requires. If it is the responsibility of another Minister I will get that Minister to ascertain that information for him. I do not have readily at my disposal at what stage the Queens Gardens development is, but I am happy to get that information for the member.

Hon E.J. Charlton: Has the Minister inquired about it of late?

Hon KAY HALLAHAN: I have not inquired at all as it has not been necessary for me to do so.

DEFAMATION ACTION - MINISTERS OF THE CROWN

Damages Guidelines

424. Hon N.F. MOORE to the Attorney General:

What do the guidelines say about damages received by a Minister resulting from a defamation case that he has initiated? Do they go to Consolidated Revenue Fund, or does the Minister keep the damages?

Hon J.M. BERINSON replied:

I believe the guidelines make it clear that where a Minister, or any public

officer, is the plaintiff in a defamation action no question of legal costs being met on his behalf arises. Accordingly, the question of the eventual destination of damages does not arise, either.

KARRAKATTA CREMATORIUM CHAPEL - HERITAGE VALUE

425. Mr THOMAS to the Minister for Heritage:

Has the Government taken any steps to consider the heritage value of the Karrakatta crematorium?

Hon KAY HALLAHAN replied:

I thank the honourable member for some notice of this question, which has been a contentious matter in recent times. I am pleased to inform members that the Department of Planning and Urban Development has commissioned a nationally respected architect who I am sure is known to some members, Mr Ron Bodycoat, to assess the heritage value of the crematorium chapel. A major problem is that very little space is available at the cemetery for new facilities and to keep the old crematorium chapel because of the adjacent grave sites and memorial gardens. As we all know, the public hold strong views about the movement of any memorials. Mr Bodycoat will attempt to reconcile the aim of providing new facilities at Karrakatta with the calls for the preservation of that building.

SUPERANNUATION - THREE PER CENT EMPLOYER CONTRIBUTION

426. Hon GEORGE CASH to the Leader of the House:

I have given some notice of this question to the Leader of the House representing the Minister for Productivity and Labour Relations.

- (1) When did the most recent three per cent superannuation contribution by employers come into effect?
- (2) Are employers required to pay that three per cent superannuation contribution into an approved fund?
- (3) Is the employer required to advise the employee of the name of the fund and the date on which the contribution was made?

Hon J.M. BERINSON replied:

(1)-(3)

I accept that the Leader of the Opposition gave advance notice of this question, but it is the first time it has come to my notice. I am sorry the answer has not been provided and I will ensure that it is available tomorrow.

Hon George Cash: There is also another question along similar lines.

DUNSBOROUGH STRUCTURE PLAN

427. HON BARRY HOUSE, to the Minister for Planning:

In relation to the planning proposals for the Dunsborough area, have the differences of opinion between the Minister for Planning and the Minister for South-West been resolved and will the Dunsborough structure plan be released soon to clear up the confusion that exists in relation to the proposed marina and residential development at Curtis Bay?

Hon KAY HALLAHAN replied:

I acknowledge the member's interest in this matter and I know this matter is a source of great public debate and comment at Dunsborough and Busselton. The Dunsborough structure plan will be released soon. I am hopeful that some of the debate that has raged locally will then be calmed down by the fact that people will have access to a document, and some reference point. I make the point that structure plans are not statutory documents. The document will not provide an answer for everybody as it is really the beginning of the Busselton Shire Council's drawing up its town planning scheme. That will cover the Dunsborough area, but we will still be faced with much controversy from the people who cannot agree on what is best for Dunsborough.

DUNSBOROUGH STRUCTURE PLAN - CURTIS BAY MARINA

Minister's Difference of Opinion

428. Hon BARRY HOUSE to the Minister for Planning:

Does a difference of opinion exist between the Minister for Planning and the Minister for South-West in relation to the Curtis Bay marina?

Hon KAY HALLAHAN replied:

I am always reluctant to articulate agreements and disagreements with my ministerial colleagues or even with my parliamentary colleagues. Only on rare occasions do I publicly acknowledge that I have serious differences of opinion with my Opposition colleagues. Is Hon George Cash answering the question?

Hon George Cash: David Smith in the other place always helped Brian Burke out, so there is no real difference; we have squared it all up. You are probably trying to tell us the same.

Hon KAY HALLAHAN: Were the honourable member to tell me what he wanted to achieve, I could perhaps provide him with an answer couched in the terms he needed. I suspect he wants the Dunsborough structure plan released. That will make life easier because a document will be available to which people can refer. The plan's availability is imminent, but it has yet to be printed; members must be patient.

QUESTIONS - ANSWERS

429. Hon GEORGE CASH to the Minister for Police:

Notice of this question has been given to the Minister.

- (1) When may I expect answers to questions on notice 440, 460, 473, 486, 493, 499, 500 and 506?
- (2) What is the reason for the delay in providing answers? The Minister will be aware that I deleted questions on notice 471, 517 and 530, the answers to which are contained in today's Supplementary Notice Paper.

Hon GRAHAM EDWARDS replied:

(1)-(2)

I thank the member for prior notice of this question. I am endeavouring to have the answers completed by the end of this week. If that does not occur, I assure the member I will reply to his questions in writing as soon as possible. Along with other Ministers, I give full priority to answering questions. However, the time taken to reply to questions asked no longer than, I think, seven sitting days ago does not constitute an undue delay.

TOW TRUCK INDUSTRY - INQUIRY

430. Hon CHERYL DAVENPORT to the Minister for Police:

What action has been taken to establish an inquiry into the tow truck industry?

Hon GRAHAM EDWARDS replied:

A meeting was held in my office last week with representatives from the office of the Minister for Transport, the Department of Transport and my office. We examined the situation and had a look at the recommendations by the Coroner. It was decided that an interdepartmental inquiry should take place. The inquiry's first term of reference will be to ascertain, in consultation with the tow truck industry and other interested members of the community, the problems in the industry. Submissions by interested parties will be called for. In due course, the result of the inquiry will be reported to me as Minister for Police and to the Minister for Transport.

SUPERANNUATION - THREE PER CENT EMPLOYER CONTRIBUTION

431. Hon GEORGE CASH to the Leader of the House representing the Minister for Productivity and Labour Relations:

Notice of this question has been given to the Minister.

- (1) When did the most recent three per cent superannuation contribution by employers come into effect?
- (2) Are employers required to pay this three per cent superannuation contribution into an approved fund?
- (3) Is the employer required to advise the employee of the name of the fund and date on which the contribution was made?

Hon J.M. BERINSON replied:

- (1) The 1987 national and State wage principles provided for employer contributions to approved superannuation schemes for employees of no more than 1.5 per cent of ordinary time earnings to operate no earlier than 1 January 1988 and no more than a further 1.5 per cent to operate no earlier than 1 January 1989. The date of effect for these contributions was then the date determined by the commission having regard for specific agreement or award.
- (2) Employers are required to pay these contributions into an approved fund as stipulated in the agreement or award.
- (3) The terms of operation for these superannuation arrangements are also typically stipulated in the agreement or award.

SUPERANNUATION - THREE PER CENT GOVERNMENT CONTRIBUTION

432. Hon GEORGE CASH to the Leader of the House representing the Minister for Finance and Economic Development:

Notice of this question was given to the Minister.

- (1) Has the Government paid the three per cent superannuation contribution for all its employees into an approved fund and if so, which fund?
- (2) Have all Government employees been advised of the contributions being made on the employees' behalf and if not, why not?

Hon J.M. BERINSON replied:

- (1) In respect of Government employees who have elected to join the Government Employees Superannuation - GES - scheme, statutory authorities pay three per cent of salary into the GES fund and departments/agencies financed from the Consolidated Revenue Fund pay as the benefit emerges.
- (2) Employing authorities are expected to provide their employees with a copy of the booklet issued by the GES board to explain the superannuation entitlements. As from 1 July 1990, members of the GES scheme will receive an annual advice from the board containing full details of their accrued superannuation entitlement.

SITTINGS OF THE HOUSE - STANDING COMMITTEES SITTING DAY*Priority Legislation*

433. Hon E.J. CHARLTON to the Leader of the House:

- (1) Will the Leader of the House give an assurance that during the next session of Parliament he will agree to a sitting day being allocated on which the Standing Committees can operate?
- (2) Will he also give an assurance that legislation with Government priority will be introduced early in the session rather than at the end of the session?

Hon J.M. BERINSON replied:

- (1) I cannot give an assurance, but I previously indicated that I accept the

suggestion of the Leader of the Opposition that he, the Leader of the National Party and I consider that proposal. I expect that consideration will be given during the recess.

- (2) Yes, to the best of my limited abilities.

QUESTIONS - ANSWERS

434. Hon GEORGE CASH to the Leader of the House representing the Minister for Productivity and Labour Relations:

Notice of this question has been given to the Minister.

- (1) When may I expect answers to questions on notice 284, 497, 498 and 503?
 (2) What is the reason for the delay in providing these answers?

Hon J.M. BERINSON replied:

(1)-(2)

The Minister is currently overseas.

Hon George Cash: He has not been overseas since 30 May.

Hon J.M. BERINSON: Nonetheless, he is overseas now and is therefore unable to attend to the questions personally, as is required in such cases. He will forward a reply immediately on his return.

QUESTIONS - ANSWERS

435. Hon GEORGE CASH to the Minister for Police representing the Minister for Transport:

Notice of this question has been given to the Minister.

- (1) When may I expect answers to questions on notice 404, 494 and 511?
 (2) What is the reason for the delay in providing these answers?

Hon GRAHAM EDWARDS replied:

I assume that the Minister for Transport is not overseas because today she provided me with the following response -

- (1) Question 404 has been transferred to the Minister for Planning and a response will be provided to the member tomorrow. Answers to questions 494 and 511 will be provided to the member by the Minister for Transport tomorrow.
 (2) The delay in providing a response to question 404 occurred due to the necessity to transfer the question to the Minister for Planning. The delay in providing responses to questions 494 and 511 is not considered to be an inordinate amount of time.

BELL GROUP SHARES - MITCHELL, MR PETER *Meeting Attendance*

436. Hon PETER FOSS to the Attorney General:

Who else was present at the Attorney General's meeting with Mr Peter Mitchell of Bond Corporation in regard to the valuation of Bell shares?

Hon J.M. BERINSON replied:

Mr Kevin Edwards of the Ministry of Premier and Cabinet.

Hon Max Evans: The answer given the other day was that it was a meeting with Mr Michell, not Mr Mitchell.

Hon J.M. BERINSON: No; Mr Mitchell.

Hon Max Evans: Have a look at the daily *Hunsard*.

Hon J.M. BERINSON: Mr Evans is right and *Hansard* is wrong in that case.