

Legislative Assembly

Thursday, 29 October 1981

The SPEAKER (Mr Thompson) took the Chair at 10.45 a.m., and read prayers.

EDUCATION: FOUR-YEAR-OLDS

Petition

DR DADOUR (Subiaco) [10.46 a.m.]: I have a petition signed by 122 residents of Western Australia which reads as follows—

To the Honourable the Speaker and Honourable Members of the Legislative Assembly of the Parliament of Western Australia and in the Parliament assembled.

The Petition of the undersigned Citizens of Western Australia respectfully sheweth a grave concern that Government funding for the education of four year old children in Community based pre-school centres, may be cut and we would respectfully draw the attention of Honourable members to this.

Your Petitioners therefore humbly pray you will give this matter your earnest consideration and your Petitioners in duty bound will ever pray.

The petition conforms with the Standing Orders of the Legislative Assembly and I have certified accordingly.

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

(See petition No. 106.)

ACTS AMENDMENT (LAND USE PLANNING) BILL

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mrs Craig (Minister for Urban Development and Town Planning) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 7, page 4, after line 4—Insert after subsection (2) of the proposed new section 35C the following subsection—

(3) A declaration made under subsection (1) of this section remains in force until—

(a) the expiry of such period, not exceeding five years from the date on which the notice by which that declaration was so made was published in the *Gazette*, as is specified in that notice; or

(b) revoked under subsection (2) of this section,

whichever is the sooner.

No. 2.

Clause 10, page 6, line 27—Insert after “planning control area”, the following—

, and land so affected may be acquired by the Authority,

No. 3.

Clause 11, page 7, lines 1 to 13—Delete the clause and substitute the following clause—

Section 37 amended.

11. Section 37(6) of the principal Act is amended—

(a) by repealing paragraph (a) and substituting the following paragraph—

(a) The Authority shall hold for the purposes of the Scheme any land acquired by it under this Act or the Town Planning Act, including land purchased under section 36A of this Act or subsection (3) of this section, and may, subject to paragraphs (b) and (c) of this subsection, dispose of or alienate that land—

(i) for or in furtherance of the provisions or likely provisions of the Scheme; or

(ii) if that land is no longer required by the Authority. ”; a

(b) in paragraph (b) by deleting “The Authority shall not” and substituting the following—

“ Subject to paragraph (c) of this subsection, the Authority shall not ” ; and

(c) by inserting, after paragraph (b), the following paragraph—

" (c) In exercising a power to dispose of or alienate land conferred by this subsection, the Authority shall have regard to the general principle that in such cases land acquired by the Authority should, if in the opinion of the Minister it is practicable and appropriate to do so, be first offered for sale at a reasonable price determined by the Minister to the person from whom that land was so acquired. "

Mrs CRAIG: I should like to give a brief description of the reasons for the amendments which are contained in the Legislative Council message.

The first amendment seeks to ensure that the planning control area with which the amendment in the Bill mainly deals has a time limit of some five years. The reason is that an argument was put forward to the effect that if people living within one of those areas were to be left in a situation where there was to be no definite determination as to the time for which that planning control would be exercised, it would be disadvantageous to them. Therefore, the decisions of the authority are called upon to be made within a period of five years.

The second amendment is really just a machinery one which ensures that any land which lies within a planning control area is able to be purchased or compensated for as was the original intention in the amending Bill.

The third amendment now requires the Metropolitan Region Planning Authority to offer back to the original person from whom the land was purchased any land that is surplus to the requirement for which it was reserved and any land, that the authority no longer sees any need to retain ownership of.

This brings the situation into conformity with the provisions of the Public Works Act and applies not only to the areas of land which lie within a planning control area, but also to any land that is acquired by the authority and such land will now in the first instance have to be offered back to the original owner. He will have the opportunity to buy it at the market price that pertains at the time.

I move—

That the amendments made by the Council be agreed to.

Mr TONKIN: The Opposition supports the amendments.

Question put and passed; the Council's amendments agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Council.

MARKETING OF LAMB AMENDMENT BILL

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr Clarko) in the Chair; Mr Old (Minister for Agriculture) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 3, page 3, line 31 to page 4, line 16—Delete subsections (2) and (3) of the proposed section 21A and substitute the following subsections—

(2) The Minister shall not give his approval for the purposes of subsection (1)(b) of this section to the sale of lambs live except in respect of lambs delivered to the Board—

(a) before the circumstances by reason of which the Board is temporarily unable to slaughter or arrange for the slaughter of the lambs arose; or

(b) within such time after the circumstances referred to in paragraph (a) of this subsection arose as may be prescribed.

(3) Where under subsection (1) of this section the Board holds lambs delivered to it, the Board shall cause the weight and the quality or grade of the lamb products that would have been obtained from the lambs if they had been slaughtered upon delivery to be assessed, and for the purposes of ascertaining the amount of any payment to be made by the Board under section 22(1) of this Act lamb products as assessed shall be deemed to have been obtained from the lambs.

(4) Where regulations make provision as to the making of an assessment under subsection (3) of this section, the making of an assessment to which the regulations apply shall be in accordance with the regulations.

(5) The Board shall take all reasonable steps to notify the person by or for whom lambs to which an assessment under subsection (3) of this section relates were delivered of the assessment and, if the person elects to take redelivery of the lambs, the Board shall, unless it is no longer reasonably practicable to do so, permit the person to take redelivery of the lambs at the place at which they were delivered to the Board or at another place agreed between the person and the Board, and upon such redelivery the lambs are, for the purposes of this Act, deemed not to have been delivered to the Board.

No. 2.

Clause 4, page 5, line 4—Delete “21A(2)” and substitute the following—

21A(3) .

Mr OLD: The amendments as moved in another place were discussed with me and moved at my instigation, because they were designed to put beyond any doubt the reasons for the amendments to the Lamb Marketing Act.

I do not believe any doubt existed in the minds of speakers in this Chamber as to the intent of the Bill when it was considered originally, but some concern was expressed about a couple of matters. In order to allay the fears of some people, in particular, some of the producers, it was decided the amendments should be made.

They cover two points. One is that they specify the time in which the Lamb Marketing Board may trade in lambs outside its normal activities. In other words, the lambs in lairage at the time an emergency arises, whether it be due to industrial trouble, breakdown, shipping, or whatever, will be covered by the board under the first amendment. The board will be allowed to go ahead and make an assessment so that the lambs can be sold outside the jurisdiction of the normal trading powers of the board. By regulation, lambs in transit will be covered. There could be lambs in transit because of some transportation problem. To say that 24 hours is enough time to cover the situation may not be quite right; it may be necessary to have more or less time. The regulation to cover any extenuating circumstances will be promulgated at the appropriate time.

The amendments originally introduced envisaged the board having the power to make an assessment on lambs and, if possible, to advise the producer of the value of the lambs so that they could be disposed of. The new amendments as proposed make it mandatory for the board to assess the lambs under criteria laid down by regulation. There will be an obligation on the board to advise a producer involved of the assessed value of the lambs, and the producer will have the option either to allow those lambs to be sold or to have them returned to his property or anywhere he designates. Those lambs are then deemed not to have been received by the board. In other words, the acquisition virtually is reversed.

The second amendment is purely a machinery amendment to replace certain provisions. I have covered the thrust of the amendments. I move—

That the amendments made by the Council be agreed to.

Mr EVANS: When the amendments were first mooted the Minister was good enough to indicate their purpose to me. In the main, they are technical and for legal purposes; therefore, the Opposition has no objection to them. They spell out more clearly the purpose of the legislation and obviate some difficulties of understanding which may have arisen in the future. However, when the Bill was debated in this place the Minister said there was a clear understanding of its ramifications.

The coverage of lairage and the transportation of animals is quite satisfactory. I suppose it is important that we have an obligation on the board to notify a producer of an assessment of his animals before the producer is required to make a decision. The Opposition sees no objection to either purpose of the amendments.

Question put and passed: the Council's amendments agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Council.

COLLIE COAL (WESTERN COLLIERIES & DAMPIER) AGREEMENT BILL

Second Reading

Debate resumed from 15 October.

MR T. H. JONES (Collie) [11.02 a.m.]: The purpose of the agreement is to introduce a third company to the Western Australian coalmining industry. The agreement is between the State, and Western Collieries & Dampier Pty. Ltd.; that is,

Western Collieries Ltd. and Dampier Mining Company Limited. The Opposition does not oppose the Bill; however, some matters on behalf of the union movement should be raised. They concern the good industrial relationship that presently exists on the Collie coalfield and the hope that it will not again be interrupted.

Members would recall that in 1961 one firm was left out of the Government coal contracts which resulted in only two companies operating on the Collie coalfield; namely, Griffin Coal Mining Co. Ltd. and Western Collieries Ltd. Before Amalgamated Collieries left the Collie coalfield it would be true to say that there was continual industrial unrest on the field. Now that the company no longer operates on the field we have had only three days' work lost due to industrial stoppage in the last 21 years. That shows a good deal of industrial harmony has existed between the two companies presently on the field. It is the wish and hope of the union movement on the field that the relationship between the company and the workers will not be interfered with as a result of the introduction of a third company. On Tuesday, 27 October 1981, I asked the Minister what the Government considered would be the benefits derived from the introduction of another company to the Collie coalfield. The answer states—

Introduction of a third operator on the Collie coalfields will enable an accelerated exploration programme in a promising section of the coal basin, and may result in the development of a further mine which would help meet the projected rapidly increasing demand for coal in the State.

We do not argue with those views; however, there is concern regarding the manner in which the development will take place. That is the matter to which I intend to refer initially. Three agreements similar in character have been introduced into Parliament; namely, the agreement to ratify long-term production by Western Collieries Ltd.; an agreement to ratify long-term production by the Griffin Coal Mining Company; and an agreement with Dampier Mining and Western Collieries. So there is little difference in the three agreements with the exception of the way in which the coal is produced. I raised this matter with the Minister on behalf of the mining unions and the coalfields because they are concerned about the long-term policies that will be initiated for the production of coal to meet the coal requirements of this State.

On page 7 of the Dampier Bill agreement we see the ratios of coal under clause 6. In clause 7 (1) (a) it says—

measures to be taken for the mining of coal by open-cut methods and deep cut methods consistent with the purposes of this agreement;

A similar provision exists in the Griffin agreement, also passed by this Parliament. This means that any agreement for the production of coal, whether it be by deep-mine or open cut method is purely left to the agreement that can be reached between the operating company, the Minister, and the Government of the day.

Clause 7(1)(a) of the Western Collieries agreement reads—

the mining of coal, including measures to be taken to achieve a fair balance between the mining of coal by open-cut methods and deep mining methods;

The Dampier and Griffin agreements provided that it should be between the company and the Government to make an agreement on the basis of where the coal is to come from and whether it be by deep-cut or open-cut methods, whereas the Western Collieries agreement provides that there should be a balanced production. This is the matter that is concerning the mining unions on the coalfields.

Prior to 1957 the Government entered into an agreement with the Railways Commission and the SEC for the supply of coal for those two Government instrumentalities. In 1957 the Hawke Labor Government issued the first coal contract for the coalfield which included a balanced ratio of deep-mine and open-cut coal. In 1957 the ratios were 60 per cent of the coal, including the deep-mine for Government operations, and 40 per cent approximately was to come from open-cut operations.

That was the agreed ratio. It was agreed also that there should be balanced production, and a deep-mine development should be closely monitored to ensure that the easily won coal was not taken out overnight and the field had to revert to an overall deep-mining programme for the coalfields.

Since then we have seen a deterioration of the level of coal coming from deep mines. In 1957 the ratio was approximately 60:40. In the 1960 contracts a greater emphasis was placed on the amount of coal coming from the open cuts, and in 1979 the situation was that 78 per cent of the production came from the open cut and only 22 per cent from the deep mine, which was an alarming situation.

However, in an answer given to me by the Minister for Resources Development last week, I was informed that the current ratios of production

from the field were 80 per cent from the open cuts and 20 per cent from the deep mines. We know the reason for more coal coming from the open cuts, but I argue very strongly on behalf of the mining unions and myself that there must be balanced production, and an equal or a reasonable amount of deep-mined coal included in the Government coal contracts.

Mr Bryce: Hear, hear!

Mr T. H. JONES: The reverse situation has applied. The first contracts provided for 70 per cent from deep mines, whereas now only 20 per cent of the production is coming from deep mines. I do not think even the Premier would argue with this point. When the Muja open cut was first opened the company had cheap production. That was the time when the Government should have instructed them to put down an open mine. Griffin has had excellent results. It has the Einington depression, formerly operated by Amalgamated Collieries which has proved to be an excellent deep-mining venture, and the company has been paying out handsome dividends to its shareholders and has not embarked on any deep-mining programme at all.

It is in the State's interest that there should be a requirement to channel some of the profits back to develop a deep mine so we have a balanced operation on the Collie coalfield because it would be wrong to allow the easily won coal to be taken now when in the long term we will pay the penalty. Western Collieries is a good example of this. That company has a balanced production coming from both open-cut and deep-mine operations and the overall price for the coal coming from Western Collieries is similar to the total open-cut price coming from Griffin, so it proves it can be done. If Western Collieries had operated a deep mine and an open cut and arrived at a price somewhat similar to the open-cut operation of the Griffin company, there is good reason that they should be required to put down a deep mine.

Clause 7(1)(a) of the agreement currently before us imposes no compulsion or requirement on Dampier Mining to put down a deep mine. This concerns both me, as member for the district, and the unions. I hope the Minister will not allow the previous situation—whereby Griffin was not required to enter into deep-mining operations—to apply in relation to Dampier Mining operations on the Collie coalfields.

I have shown that Western Collieries has been able to achieve a balanced production and, of course, the reserves of open-cut coal and deep-mine coal are similar. We think they are good

arguments for this programme to be entered into. The Minister and the Premier should fully appreciate the situation on the field. We think it is not only in the union's interests, but also in the State's interests to be aware of the situation. We must embark on a deep-mining programme and introduce new development plans which will bring about a higher ratio of productivity from the deep mines. We do not argue with that proposition provided safety is not ignored. Everyone has read about the safety problems which unfortunately have arisen in Japan.

Safety is No. 1 so far as deep-mining operations are concerned. The Minister knows that the Griffin agreement and this agreement are identical, whereas the Western Collieries agreement provides for a fair balance. We maintain and argue that it is only reasonable that some of the profits should be put into a deep-mine development programme so that the State will benefit and we can continue to receive our coal at reasonable cost. I want to hear the Minister refer to that matter.

The next issue with which I wish to deal concerns the measures to be taken by management regarding the environment and rehabilitation of mining areas. This matter was drawn to our attention recently when Amalgamated Collieries left the scene. Great landmarks were left in the middle of the town and they are an eyesore. When they left the Collie coalfield, large areas were underfire and last year young school children who went out to the mine sites had their feet severely burnt.

I say it is not good enough for a company to leave an area with fires burning. There should be some requirement that a company, when it leaves an area, must leave it in good order. It is our responsibility to ensure that such an incident does not occur again.

Just after the incident occurred I inspected the area and rang the Mines Department, which co-operated to put the fires out. It was an expensive operation. There should be some strict controls placed on companies to ensure that when they leave a mining area they make certain, for the sake of the environment and for the sake of safety, that their house is left in good order.

I notice under the provisions of clause 16(2) of the agreement, there is a requirement regarding the spillage of coal. I wonder whether the Government has considered the trucks which are hauling coal to the metropolitan area. If anyone has ever travelled behind one of those trucks, he would know that the coal is not covered. There is no requirement that there be covers on these

vehicles. So, anyone travelling behind one of these vehicles could have coal spilt all over his vehicle.

If we are concerned about the environment, we must have a requirement in this Bill that spillages are not allowed. The question of spillages should be extended to our roadways. I understand the reason that road haulage has been introduced, but there should be a requirement that trucks carrying coal on our highways should have covers over the coal so that there is no inconvenience to other motorists.

We appreciate that long-term planning is necessary and I believe it is a good move. It is a policy for which the miners' unions have been asking successive Governments for a number of years. The coalfields have a bright future and I think there is a great deal of goodwill on the coalfields. Over the last 21 years, three days' work has been lost and that clearly demonstrates the good understanding in this industry.

With those remarks, we support the Bill, and I should like to hear the Minister reply on those matters to which I have referred.

MR BRYCE (Ascot—Deputy Leader of the Opposition) [11.20 a.m.]: I should like to take the opportunity to support the position put to the Chamber by the member for Collie which he expressed, not only as the member for Collie in whose constituency these coal reserves lie, but also on behalf of the Opposition. In support of the member for Collie I say that we agree totally with the idea of the need for long-term agreements between the State Government and the companies which are exploiting the coal reserves in this State. This tends to lead to more orderly and sensible development.

The leases, which are the subject of this agreement, are particularly important because they contain very significant quantities of coal which will be important to the future of the State for the next 50 or 60 years, depending of course on the rate of extraction. In the context of a discussion in this Chamber about this subject, the member for Collie over the years has been proved to be correct on the tremendous number of occasions he has seized to present that view, so forcibly, to have members recognise the importance not only of coal reserves, but also, and more importantly, the undertaking of exploration programmes to define the nature and extent of the Collie coal reserves.

Mr Rushton: With all his abilities you have described, you have put him further back in the line.

Mr BRYCE: The Minister can make any observation he wishes.

Mr Rushton: He is a well-regarded person, but it looks as though your party does not hold him in high regard. You have not convinced us very much.

Mr BRYCE: One of the most important themes that the member for Collie has brought to this Chamber on many occasions in the past has been the question of exploration. By virtue of the constitutional and legal structure in this State, the mineral resources belong to the Crown.

What concerns us, and has certainly concerned the member for Collie for so many years, is that the people through their Government—namely, the Court Government—have done practically nothing by way of exploration to define the nature and extent of the coal basin. Some decade or more ago when coal as an energy resource was not perhaps seen by everybody to be as important as it is today, there may have been some excuse for the tardiness of Governments all over the world to engage in exploration programmes. In recent years, particularly since 1974, the member for Collie and other members of the Opposition, have urged this State Government to do something meaningful and significant about defining the nature, size, and scope of the resource in the Collie coal basin.

The passage of time has demonstrated that the urgings of the member for Collie were quite appropriate and timely. It is a pity there is nothing contained in this agreement to indicate that the State Government has not undergone a change of heart.

There may well be an answer for this, based on a philosophical difference between the Government and the Opposition. In the past, the Government seems to have adopted a practice of leaving exploration for mineral wealth in this community to be undertaken by the private sector.

The member for Collie has advanced the view, as other members on this side of the House have, that because the Crown owns the mineral resources in this State, the Crown has some responsibility to be involved in the exploration processes—the processes which involve discovery and definition of the mineral resources of the community. We believe that it is not good enough for the Government simply to sit back and allow the information upon which it will negotiate agreements with private companies to come solely from a source which is a private company. Just imagine that situation. The Government has the responsibility to sit down and negotiate with a company and in this case, because our own Mines Department simply does not have an independent

data base the Government is not in a position to negotiate meaningfully, based on information other than information which is assessed and monitored as it is supplied by the private companies.

For years the member for Collie has argued the need for exploration work by the State itself. I am suggesting, in the context of a discussion on this subject at this time, that the State would be in a far superior position to negotiate in the best interests of the State if it had undertaken the work of the type already being done in New South Wales. The member for Collie highlighted an issue which has been of great concern to us and one on which I want to give him my support, and that is the ratio of deep-mine and open-cut coal. It is an issue which involves very simple logic and basic common sense. If we have a coal basin and the nature of our coal reserve is such that some of that coal can be exploited by open-cut methods and the remainder of the coal requires deep mining techniques, it is simple logic and common sense that private companies or the extractors of the reserve, whoever they happen to be from time to time, should not be allowed to extract all the open-cut coal first with the obvious consequence that the deep-mine coal would then subsequently have to be extracted at a much greater cost.

I gain the impression from the nature of the agreement that the Minister does have some discretion with regard to the proposals which must be put to him by the company in terms of their future development programmes. I join with my colleague the member for Collie in urging the Minister to require the companies to undertake deep mining. It is logical and it is also a question of our responsibility to future generations of Western Australians. How responsible will we be seen to be if we allow the current generations of Western Australians to enjoy the relatively cheap cost of consuming surface-based coal which is extracted by open-cut methods and say to tomorrow's generations of Western Australians they can have what is left?

It will be located in a formation which will require deep mines like those in many other parts of the world. We will in fact be saying to future generations that we will have the cream today and they can have what is left, and be assured what is left will be a great deal more expensive to mine. Since we are all well aware of the limited availability of fossil fuels and our accelerating energy needs, it is irresponsible of us to allow coal companies to extract surface coal alone in one hit, at one time, to suit the profit and loss columns of their own ledgers.

Mr Sibson: Do you think nuclear energy will be a help in that regard in future?

Mr BRYCE: Quite frankly I think it will be a disaster. If the member for Bunbury is dinkum I would like him to answer my query by way of interjection whether he would be pleased to see a nuclear power station situated near the thermal power station in his constituency.

Mr Sibson: I asked the question whether a nuclear energy station in the long term or in the immediate term could be the way because coal has many other uses, as the member for Collie kept telling us, and he is quite right. Naturally a nuclear power station will be placed where it is best to put it at the particular time.

Mr BRYCE: The record will reveal that the member for Bunbury shirked the issue completely. Having raised the bogey of nuclear power he knows he would not dare hop in his car this afternoon and drive back to Bunbury and tell his constituents that he advocated in this forum that a nuclear power station be located in Bunbury.

Mr Sibson: I did not say that at all.

Mr BRYCE: He is not prepared to do that.

Mr Sibson: I asked whether you thought nuclear power should be considered in our total energy programme, and you dodged the question as usual.

Mr BRYCE: On the contrary, I gave the member for Bunbury a very firm answer in the negative. Unequivocally the establishment of a nuclear power station in this State would be a disaster.

Mr Jamieson: He has fled now!

Mr BRYCE: The member for Bunbury on the other hand knows that once a decision has been made to breath life into the promise the Premier made when he came back from overseas to provide Western Australia with a nuclear power station a further decision must be made to locate the power station somewhere close to the main centres of consumption because there is a tremendous loss in the transmission of power over any great distance. Therefore, if a nuclear power station will be built in Western Australia to serve the massive industry or majority of people, presumably it will be established somewhere near the metropolitan area, or Bunbury, or in between, or somewhere in the Pilbara. Yet none of the members who represent those constituencies has been prepared to say as they stand alongside the Premier that they would be prepared to have a nuclear power station established in their back yards because they know that within the

community there has been a backlash as far as the building and operating of a nuclear power station is concerned. This has been demonstrated in the United States, the United Kingdom, Europe and Japan where most of the nuclear power stations have been built.

Finally, I wish to support the comments of the member for Collie in regard to the provision of the agreement which relates to the protection of the environment in the coalfields. Fifty years ago, or even 150 years ago, mining companies were not required by Governments or communities to be responsible corporate citizens so far as the environment was concerned. We could reasonably argue that concern for the environment surfaced and became well and truly defined in the minds of people during the 1950s and the 1960s. There is a basic logical case to say, whether it is a coal mining company in the Collie coal basin, a bauxite mining operation in the Darling scarp and the jarrah forests, or a mineral sands operation on the coastal strip, the Governments of today require higher standards of mining companies to restore the environment and the expectations are much more significant than they once were.

I concur with the member for Collie and other members on this side who have read this clause of the agreement, and have come to the conclusion that the obligations on the company itself are not sufficiently binding or specific. It is a very vague reference to this question.

Mr Sibson: There is a strong requirement on all companies to abide by environmental aspects. It is written into the Acts.

Mr BRYCE: Which Acts?

Mr Sibson: I am not saying we cannot look for more, and better. However, it is not fair to say there are no strong and cohesive restraints on companies written into the Acts.

Mr T. H. Jones: Would the member for Bunbury disagree with me on the fires in the coalfields?

Mr Sibson: One of the worst offenders probably would be the coalmining industry, if we want to be honest about it.

Mr T. H. Jones: What about the fires on the Collie coalfields? Would you disagree with me on that one?

Mr BRYCE: Mr Acting Speaker (Mr Watt), if I could interject for a minute, I point out for the interest and edification of the member for Bunbury that clause 11 on page 10 of this agreement—since we are discussing an agreement between Western Collieries and Dampier Pty. Ltd., and not an agreement between other

companies, or a general environmental agreement—

Mr Sibson: You were grouping them together in your discussion.

Mr BRYCE: Certainly, I laid the groundwork by establishing the principle.

Mr Sibson: And I interjected to answer what you said.

Mr BRYCE: I suggest the member for Bunbury cast his eyes over this clause of the agreement and appreciate it has been presented in the very vaguest of terms. The member for Collie has drawn the attention of this House to some of the things which have happened in Collie. If a company is granted a lease to extract minerals which belong to the community and has the opportunity to make profits from its endeavours—as it should be entitled to do—we simply argue in favour of the basic principle that the company has a responsibility to put to one side a certain percentage of its profits to be used to restore the environment in the most effective way after mining operations have ceased.

The example set by the mineral sands operations in the Capel district impressed me enormously. I would like to see that standard of restoration mirrored on the coalfields. I regret that the provision in the Bill relating to the restoration of the environment after the mining operations have ceased will not give the community that sort of assurance. Certainly, it will not provide us with the guarantee that such restoration work in fact will take place.

The final aspect of this agreement to which I draw the attention of the Minister is the matter of royalties paid on coal. The subject of royalties has been widely and heatedly discussed in the community in recent months. I wish to pose a fundamental question to the Minister and ask him to give me the reaction of the Government. Perhaps the Government could provide one very basic incentive to the companies to achieve the objective outlined by the member for Collie—an objective we hold very dear. I refer to the question of encouraging companies to develop deep mines, as well as their open-cut mines. I suggest the Minister may consider a differentiation in the rate of royalty as between deep-mined coal, and open-cut coal, and I would like him to indicate whether he believes that sort of incentive may be provided in the future.

The royalties on coal are not set in this agreement; they are set by regulations. It occurs to me some flexibility possibly should be applied to this area. If the Minister is not prepared to require a fair balance between open-cut and deep-

mined coal to be written into the agreement itself—as he did with the original Western Collieries agreement—perhaps he will consider providing an incentive which may encourage the companies to undertake deep mining operations. I would be interested to hear his reaction.

It occurs to me a reasonable case could be made that if the costs of production for deep-mined coal are a great deal higher than open-cut coal, perhaps the royalty should not be set at the same level as that applied to open-cut coal. Whether the royalty on open-cut coal is increased, and the royalty on deep-mined coal is left at a bench mark is for the Government to decide. However we seek to vary it, the point I make is that perhaps the Government should be looking at distinguishing between the two types of coal, instead of applying a royalty across the board.

Not only the coal companies, but also every other mining company in our community, would be very keen to see the Government give some serious evaluation of a royalty system which was profitability-based rather than essentially based on a production levy, on the basis of so much per tonne.

Mr P. V. Jones: When you say “most of the companies”, you are not correct.

Mr BRYCE: I have spoken to the leaders of a number of mining companies in recent times and I have discovered that the top management level of a considerable number of the companies operating in this State are very interested in the prospect of a profitability-based mining royalty system. As I understand it, there are even people in the Mines Department who consider such a system to be particularly worth while.

As I understand it, the opposition to such a system is coming from Treasury; there is a very good reason Treasury does not exactly embrace the idea automatically. A profitability-based royalty system can build into any revenue-raising system a rather significant variable, which Treasury officials are not too keen on. However, right across Canada, throughout South Africa, and in Bougainville, Governments and companies have reached a consensus of opinion that a profitability-based royalty system is preferable to other systems.

Sir Charles Court: Where do you get this idea about Treasury?

Mr BRYCE: I am not prepared to inform the House of the name of the person who gave me that information because doubtless he would get into a great deal of trouble; the Premier is very good at coming down like all hell on anybody who speaks to the Opposition.

Sir Charles Court: That is news to me. There is a great deal of opinion within the mining industry as to whether we should have royalties based on an *ad valorem* system, a figure per tonne, regardless of value, or a profitability-based system. You would know the reaction which set in when the Northern Territory Government introduced what it thought was a revolutionary idea which involved the pegging of the profits of the mining industry; they nearly went berserk.

Mr BRYCE: Over the last few days, I happen to have spoken to some people from the Northern Territory and I can inform the Premier that a real consensus of opinion has been reached between the mining industry leaders in the Northern Territory and the Government of that Territory on the question of profitability. The only area in which there is a difference of opinion is the level at which that rate should be set.

The Premier would realise that when the green paper on mining royalties was produced in the Northern Territory, the principal recommendation was a profitability-related rate of 35 per cent of gross profits. If the Treasurer cares to reflect on what happened, he would appreciate that it was the rate of 35 per cent that scared the mining industry, not the profitability base.

Mr P. V. Jones: That was certainly one thing; but there were things like the definition of “profit”, and a whole range of things.

Mr BRYCE: That is the next obvious point. It is not so much a question of the rate of the royalty, if we are to have a profitability rate, but the definition of “taxable income” in the mining industry becomes the problem. I concede that. It is logical.

I would like the Minister to indicate to the House the Government’s thinking in respect of a possible incentive for those companies to sink a deep-mine shaft, as opposed to concentrating on open-cut operations, possibly by offering a differential royalty rate.

MR GRILL (Yilgarn-Dundas) [11.46 a.m.]: I would like to make a few remarks in support of the member for Collie and the Deputy Leader of the Opposition.

The agreement before the House is one of three agreements covering exploration and exploitation of coal reserves in the Collie basin. It is a long-term agreement. With a term of 42 years, it is twice the length of a mineral lease.

The importance of coal to this State cannot be underestimated. From day to day it becomes more and more important; and from day to day it becomes clearer that the energy needs of this

State will be served primarily by coal, and not primarily by oil, or by gas from the North-West Shelf. It is obvious that in terms of the need to generate large amounts of energy, coal must become the premier fuel.

Oil has priced itself out of the market already. At the prices which have been announced for gas from the North-West Shelf, except for some very special purposes, by and large gas has priced itself out of the market also. Coal is now, and will be, our future source of fuel. For that reason, it is most important that the reserves in the Collie basin be explored and exploited in the most efficient manner.

Some concern has been expressed in respect of two areas of the mining and exploitation of coal in this basin. The first of those concerns has been explained by the member for Collie. We do not want a situation in which this generation of coal miners takes the easily won coal—the cheap coal—and the following generations of coal miners are forced to go underground and take the more expensive coal.

I know that the reserves in the Collie basin have not yet been delineated fully. In fact, in the 1950s, when I first went to Collie as a young boy, my father carried out the first major drilling programme in the area. That programme was sponsored by the Government and the companies, and showed massive reserves of coal that had not been thought of before.

Since then exploration has discovered even vaster amounts of coal in the basin. However, those amounts are finite; and although all the coal has not yet been delineated, an estimate of the amount of coal in the basin can be made. That estimate can be made within certain parameters that are fairly well fixed.

What is most important is that we simply do not open cut the easiest coal now, and leave the more expensive coal in the ground, to be mined later. That would mean a higher cost for electricity and a higher cost for energy for the people in this State during the 1990s and past the year 2000.

The Bill ratifies an agreement. It is the third of three major agreements entered into by the Government over a period of years. It is a weakness of our legislative system that we are not able to amend this agreement in any way. We can amend the Bill; but in fact the Bill has one and a half pages only. The bulk of the documentation before us, which amounts to 32 pages, is the agreement.

If we were able to amend the agreement, I can assure the Minister and the House that the

Opposition would move amendments to ensure, firstly, that the coal was exploited in a balanced way, and, secondly, that proper environmental safeguards were built into the agreement. Quite simply, they do not exist at the moment.

The question of royalties raised by the Deputy Leader of the Opposition could also be the subject of amendment. However, it is not our privilege to move amendments. We are not allowed to amend this agreement, and it demonstrates that the executive process in this State has gone too far. Members of Parliament should have the right to amend agreements before they are ratified.

One of the two other agreements required a balance between open-cut mining and deep mining in the Collie basin. The agreement provided for the mining of coal, including measures to be taken to achieve a fair balance between the mining of coal by open-cut methods and deep-mining methods. That should be taken into account when a mining programme is considered by the Government. The words "a fair balance between the mining of coal by open-cut methods and deep-mining methods" are not used in the agreement before us today.

I ask your indulgence, Sir, because of the nature of this debate. I would like to refer to the provisions of the agreement. Clause 7 (1) (a) provides—

measures to be taken for the mining of coal by open-cut methods and deep-mining methods consistent with the purposes of this Agreement;

That is a far cry from the provision requiring a fair balance between open-cut mining and deep-mining. The agreement before us does not set out the criterion for a fair balance. There is no obligation on either the Government or the coalmining company to ensure that a fair balance exists. That is a matter of real concern.

The second area of concern, for me at least, is in respect of the mining methods used presently in Collie. I would have liked to hear from the member for Collie on this subject, but I have not been able to broach it with him yet. I have formed an opinion after discussions with lecturers at the WA School of Mines which, until recently, operated an annexe at Collie. My opinion is that some concern should be felt about the methods of mining deep coal in the Collie basin.

The experts indicated to me that because of the nature of the basin and the way the seams are structured so that a fair amount of water overlays the seams of coal, the normal method of

mining—the collapsed stope method—by and large cannot be used at Collie. At the same time some fairly large pillars of coal are left in most stopes while mining is carried out. At the present time the expert estimate is that as little as one-third of the coal is being mined from the deep mines and up to two-thirds is being left behind.

I am certainly not an expert on the subject. I do not claim any special knowledge about it. As these questions have been raised by experts in the field, it is important that they should be aired and brought to the attention of the Government, in this case to the attention of the Minister, so that he can comment on them.

The lecturer concerned has indicated to me that he is prepared to write a paper on the subject. Perhaps at some later date the paper can be tabled or forwarded to the Mines Department. However, while such concern has been expressed by a competent person, as I said before, it should be aired in this Parliament.

MR P. V. JONES (Narrogin—Minister for Mines) [11.56 a.m.]: I thank members of the Opposition for their support of the Bill and of the agreement which the Bill ratifies. The general comments made by all three members are ones upon which I am quite happy to have the opportunity to comment, and particularly this aspect of what might be termed “balanced production” or “mining planning” that has been canvassed by the various members. Very simply I concur absolutely with every comment that has been made, although I believe that the Opposition speakers have not gone far enough and mentioned another factor.

Although the member for Collie referred to the two existing companies and the relationship with them, it is very hard now to determine in legislative terms, subject to an agreement, the actual mining plan and the proportions of open-cut and deep-mined coal that would be required, and also the methods of recovery that will be used when this company commences production.

This is the reason that the agreement reflects enough flexibility, not only relating to the operations of this particular company and the ratios of open-cut and deep-mine coal that the company will produce, but also to have regard for what has been produced by the other two companies operating on the coalfields when this company commences operations.

I introduce this matter not only by way of agreeing with the comments made, but also to introduce the other dimension that it is not very easy to examine what will be the required relationship between the companies at that time.

However, I would like to have it clearly understood for the record that although the balance between open-cut and deep-mine coal is very important, I am sure none of the three Opposition members who has spoken on this subject could indicate the proportions that would be required.

Mr Bryce: Could I ask a question? If you look at the three agreements, that clause in the Collie Coal (Western Collieries) Agreement Act of 1979 was the first one that actually spelt out a requirement for a balance. However, in the Collie Coal (Griffin) Agreement Act there was no requirement for a balance, and that is the key, isn't it?

Mr P. V. JONES: That is quite right. The reason for this is that since the first agreement was ratified developments have occurred. Firstly, the proved coal reserve is greater than was believed at that time. Secondly, we now must allow for the fact that two companies are operating already and it will be quite a long time before it could be expected that this company will move into a production phase. Notwithstanding that, I agree with the member. The agreement does reflect the need for balanced production of open-cut and deep-mine coal.

There are two aspects about deep-mine coal. The costs involved in the recovery of deep-mine coal are much higher than in the recovery of open-cut coal, but more importantly, the point was made by the member for Collie that the company should be required to recover a certain percentage of deep-mine coal. I accept that, and when the mining proposals are presented by the company, they will need to reflect this balance. A contribution must be made by the company—not just to put profits back to the shareholders; I think that was the way it was put by the Opposition—but also to contribute to the long-term development of mining. If the mining plans do not reflect this attitude, they will not be accepted. In requesting balanced production, we are not seeking a long-term commitment.

The member for Yilgarn-Dundas would be well aware that there is some argument at the present time between the shareholders and directors of North Kalbarli Mines Ltd. I understand that discussions by the parties concerned have been held over the past few days. The major concern is that there has not been a commitment for the long-term development of the mine, and, quite properly, the member for Collie is seeking the reflection of such a commitment here. I do not want to discuss the North Kalbarli situation now, but it was interesting to refer to the fact that in

that case the long-term planning—the proving-up—of ore bodies was not being carried out.

Mr T. H. Jones: Could you answer this question for me? You mentioned flexibility; why have you not applied that flexibility to Griffin and required that company to do precisely what you have been saying?

Mr P. V. JONES: I am about to come to that in relation to one other aspect of the development. The Premier informed me of a discussion he had had with the member for Collie earlier this week. I think it was regarding a point the member raised about balanced production, the relationship between the two companies, and the concern which was felt in Collie. I wanted to indicate that consideration had been given to the problem, although, as the member quite rightly said, that consideration has not been reflected in this agreement in the same wording as in the earlier agreements. I assure him that the reason for the omission is that the Bill provides for this balanced production, but because it is so much further down the track in terms of time, it is not possible yet to indicate the exact balance.

The question has been raised of current telephone discussions with Griffin in relation to two aspects. One is the long-term mining plan, and as the member for Collie is well aware, the Griffin agreement reflects the RTZ mining plan, which was the basis for it.

The matter of rehabilitation has been canvassed also. I indicate to the member that in respect of the Western Collieries agreement, and particularly in respect of the Griffin agreement, rehabilitation should be stressed a little more strongly than it has been in the past. Some difficulties have been experienced in conducting a rehabilitation programme, and I am quite sure other members have seen the attempt to plant trees and to undertake a rehabilitation programme in the area. Those members who have seen this attempt would agree with me that it has been less than successful in some instances; it has not been good enough so far.

New methods and new species of trees are being considered and the rehabilitation committee is investigating what changes can be made to the rehabilitation programme, and the Bill reflects this. There is a provision for this in the Griffin agreement. Nevertheless, at the present time there is some difficulty involved. In this agreement the rehabilitation and environmental proposals come in at the same time as the mining proposals. They are required here so that there is a clear understanding of what is being done. Clause 7 of the agreement is the relevant one.

The member for Collie mentioned environmental management and the covering of trucks carting coal. I was not aware of any lack of enforcement of regulations in this regard. There is a clear provision governing Westrail and I imagine this would apply also to protection against flying coal dust from open trucks on the road haulage system. If there is a deficiency it will be looked at; it is not intended that this matter should get away from us.

The member for Ascot mentioned the Government's involvement—either directly through the Mines Department or by some other means—as the body responsible for conducting exploration. I am not quite sure to what he was referring or whether he was implying that the information available—which according to the member is available only from the companies—was less than adequate. That would be an assertion I reject. The Government does undertake some exploratory work. It has a drilling section which does survey work. It is wrong for the member to suggest there is no advice available to the Government from any of its own sources.

The member for Ascot is right if he says the bulk of information about the coal basin or any other mineral resource comes from those bodies which undertake exploration activities under the terms of permits or tenements granted to them. We see nothing wrong with that. If the conditions under which a coalmining lease has been granted or the conditions covering any other exploration permit or tenement are not being complied with or the amount of funds which must be expended are not being expended, the Government would take action.

The whole basis of coalmining leases or exploration permits is for exploration to be undertaken by the group which will inevitably undertake the development of any resource that is proved. On the basis that exploration has been undertaken for a long time, no reason is seen to make any alteration. If the member for Ascot is suggesting we should impose more rigorous conditions within a permit, he is touching on a different matter altogether, and I would be happy to discuss it with him at another time.

As for suggesting we do what New South Wales has done with coal, there is no intention of our doing the same thing. I would completely reject any suggestion that we should copy New South Wales. Effectively what New South Wales has done is to nationalise that State's coal industry. This was done about two years ago when that State Government virtually took over 50 per cent of the coal reserves. It is not our intention to do that.

Mr Bryce: You do not understand the word "nationalise".

Mr P. V. JONES: The member suggests that by doing so we can more efficiently develop our coalfields.

Mr Bryce: I did not suggest that.

Mr P. V. JONES: New South Wales did this in order to reserve an adequate percentage of its coal resources for electricity generation by its State utility. We do not need to do it for that reason because we already reserved sufficient coal for this purpose. Similarly, we do not need to do so in order to encourage exploratory activity; we do this by other means. Certainly the member's suggestion is completely rejected by the Government.

The member for Ascot enlarged a particular comment made by the member for Collie about royalties. I indicate to the member for Collie that I am aware of the concern which might be felt about the disparity in royalties which would be paid to the State under the new system for deep-mine coal rather than open-cut coal. I take it the member is aware from the formula that it is not 5 per cent in this case, but 5c; we are talking about 5c for coal used by a State instrumentality and 5 per cent for coal sold within the State, but not to the SEC. The figure for export coal is 7.5 per cent, although there is no such coal at the moment.

Mr T. H. Jones: The argument is still there; it is now \$20 a tonne versus \$28 a tonne.

Mr P. V. JONES: Deep-mine coal sold for industrial purposes in the State at 5 per cent will attract a higher figure, but then again the coal will sell for a higher figure as well. Notwithstanding that, I am aware of the situation and have made arrangements to have it looked at to see whether as a means of encouragement for deep-mine coal it can be considered to ensure we retain some incentive.

It is passing strange that the member for Ascot should raise the subject of using the royalty mechanism to encourage the production of a particular mineral and to encourage its being mined in a particular way when he has led the band of people who believe that royalties are not high enough. He is using the same royalty procedure to promote the development of a resource.

Mr Bryce: There is no inconsistency; it is perfectly logical.

Mr P. V. JONES: He then raised the subject of profitability-based royalties. He did not enlarge on this matter perhaps to say it would give more

income to the State or that it would encourage companies; he simply flagged up the idea and asked why we have not moved to profitability-based royalties.

Mr Bryce: I said, "Look at it".

Mr P. V. JONES: The idea has been looked at. This was done when the review was undertaken.

Mr Bryce: Behind closed doors, where no-one else will find out the results.

Mr P. V. JONES: I can demonstrate how the idea was considered. If the member thinks about the annual reports of companies which have been published recently and looks at where the State gets most of its royalties he will see that if a profitability-based royalty were applied within the industries which produce the most royalty income for the State at present the State would not be doing as well as it is; in fact, it would be receiving significantly less.

Mr Bryce: You cannot say that without defining the levels you have set.

Mr P. V. JONES: Let me give the member one example which I have given to the House already. As the member would be aware, the greatest royalty income to the State at the present time is from iron ore. The example which I gave in this House previously when this matter was canvassed, related to figures from Hamersley Iron Pty. Ltd. which have since been virtually duplicated by the other major iron ore producer. The figures showed that, in the first six months of this year, Hamersley Iron Pty. Ltd.'s profit was in excess of \$6 million and the State's income from the same company in that period was in excess of \$11 million. In other words, the State was doing a little under twice as well as the shareholders of Hamersley Iron Pty. Ltd.

I ask members: What level of profitability-based royalty would need to be assessed in order to give us that return?

Mr Bryce: Do you concede that a profitability-based royalty needs a longer time frame to work out and that one does not look at the worst six months of one year, but takes the position over several years?

Mr P. V. JONES: If the member referred to the comments made last time, he would see his arguments were based on income to the State—how much we are getting now. I referred to the question of the profitability of the mining industry on that occasion and mentioned the cyclical nature and the ups and downs which were experienced. I referred also to the fact that at the present time in this State most of the raw materials produced are meeting depressed world

market conditions and yet, at this very time, the member for Ascot and the Opposition have chosen to lead the band in demanding higher royalty charges. The member for Ascot is doing this at a time that he has accepted we are experiencing depressed world prices for metals.

Mr Bryce: The prices of some of the important ones are depressed, yes.

Mr P. V. JONES: The metals which provide the most income are experiencing depressed prices on world markets.

Mr Bryce: That is logical.

Mr P. V. JONES: I ask: Is it logical for the member for Ascot and the Opposition to want the Government to extract higher royalty payments when they admit prices are depressed?

Mr Bryce: I suggest that the Government should look at the profitability-based royalty system as a fair system of extracting and assessing royalties.

Mr P. V. JONES: I do not wish to pursue the argument here, except to say that the profitability-based royalty system has been examined and assessed in an endeavour to arrive at a suitable basis, so that if we were, in some instances, to introduce it, it would be on a formula which would return to this State a continuing income while allowing some reflection in the State's income of profits which might be more generous in some years than in others.

Mr Bryce: Will you table that information for the edification of members of the House?

Mr P. V. JONES: Does the member for Ascot want me to table the pieces of paper containing my calculations?

Mr Bryce: No, the review you claim your Government has done on a profitability-based system.

Mr P. V. JONES: The member is moving now towards discussions we have had previously. I do not intend to table working papers, minutes sent to me, and minutes I have written.

Mr Bryce: And yet you call that a "decent inquiry"?

Mr P. V. JONES: To begin with, a great deal of the material was confidential information from companies concerning their production and the costs involved. It was possible to do some calculations, based on that information which would not normally be available publicly. However, that is another story.

Mr Bryce: If you will not provide us with the information, you should not then blame the Opposition for failing to accept your word.

Sir Charles Court: People who matter do accept his word.

Mr P. V. JONES: Royalties are being looked at at the present time and we are examining the matter in terms of the discussions between the member for Collie and the Premier earlier in the week and also in regard to the way in which he has raised the matter now. It is quite valid that we should look at the matter as a means of encouragement where deep mining of coal is concerned and, conversely, that we should arrive at a royalty level which does not impose an undue penalty.

The last point I wish to make relates to a comment made by the member for Yilgarn-Dundas, who referred to the agreement as it appears in the Bill and commented to the effect that the Opposition would amend it, if it had the chance. In general terms, I believe he indicated two areas of dissatisfaction. One concerned royalties and the other related to the proportion of deep-mine coal to open-cut coal. The member for Yilgarn-Dundas made those two sweeping comments. If the Opposition were dinkum about the matter, it would set out how it would amend the legislation.

Mr Bryce: What a preposterous suggestion! You have no intention to consider the proposition. You would like us to do all the work and present it to you on a plate. You would then say, "We are interested to know the details of your thinking, but we will not treat them seriously".

Mr P. V. JONES: As the member for Ascot is aware, agreements have been brought here for ratification from time to time and they have been varied. Those variations have been necessary as a result of changed economic conditions.

Mr Bryce: When did the Parliament last vary an agreement, as far as you can remember?

Mr Mensaros: The Government varies agreements.

Mr Bryce: I asked when the Parliament effectively varied an agreement?

Sir Charles Court: Who do you think would do it—the office boy? You have a distorted idea as to what it is all about!

Mr P. V. JONES: If the Opposition is dinkum about how it would amend the agreement in respect of the two items referred to by the member for Yilgarn-Dundas—namely that we should have a tighter, more binding arrangement in relation to the proportion of deep-mined coal to open-cut coal and a different royalty structure—it should let us know the details of the proposed amendment if it wishes the agreement to be

varied. That matter could then be taken into account in any discussions we might have with the company in regard to any variation, particularly as it would affect the proposals under clause 7 of the agreement which have to be approved.

If the Opposition has ideas of substance, they can be fed into the prices. When we were discussing the agreement in relation to diamond mining, the member for Ascot proposed an arrangement which would result in the absence of any sort of agreement at all. How could a company enter into an operation on an open-ended basis?

Mr Bryce: It would not be open-ended.

Mr P. V. JONES: The other day the member for Ascot asked that the Government come here with an agreement—

Mr Bryce: I said, "A green paper".

Mr P. V. JONES: The member has mentioned this matter previously in relation to royalties. The Parliament has the opportunity to alter agreements, and I ask how a company can enter into an arrangement without knowing what it is entering into?

Mr Bryce: What is wrong with a draft agreement? You have draft Bills.

Mr P. V. JONES: How can a company put a signature on an agreement—

Mr Bryce: It does not have to put its signature on a draft agreement.

Mr P. V. JONES: I thank members for their support of the Bill—

Mr Bryce: That's right, scurry off!

Mr P. V. JONES: —notwithstanding some of the remarks which were made.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Mr Nanovich) in the Chair; Mr P. V. Jones (Minister for Resources Development) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Ratification of the Agreement—

Mr BRYCE: I rise to speak very briefly, because unfortunately I have to leave the Chamber shortly for an official engagement. The member for Collie has been good enough to give me the opportunity to make a few comments.

I should like the Minister to indicate to the Committee, with direct and specific reference, the proposition he has put to the Chamber in the last few minutes about the practicality of this

Parliament considering a draft Bill. This clause concerns the ratification of the agreement and nobody would expect the company to sign a draft agreement.

If an agreement were important for the future of the State why could not a draft agreement be brought to the Parliament in which the Government sets out the principles it thinks are important? Members of Parliament could then be allowed to express their views and the Government could take on board the meaningful views of the Parliament before it goes back to the company and says, "We are in possession of the knowledge of what the Parliament thinks. We know what we think as a Cabinet and we know what the company thinks. Let us conclude the agreement and then take it back to Parliament for final ratification". I concede that process would take longer, but this place should not be used time after time as a rubber stamp.

The Minister could quite easily follow the process I have suggested. A few moments ago the Minister stated that agreements have been varied. Of course, over the years agreements have been varied by Governments bringing subsequent legislation to the Parliament to vary the original terms of an agreement. I challenge this Minister to tell the Committee of any agreement between the State Government—whether it be a Labor Government or a Liberal Government—and a company that has been amended during its passage through the Parliament as a result of comments made in this place by members of Parliament. I would be interested if the Minister could do that, and if he did give us the name of one such agreement I would accept it in good faith.

Mr P. V. Jones: That is not what I said.

Mr BRYCE: The Minister is now trying to change the meaning of what he said. The member for Yilgarn-Dundas raised the point and the Minister presumed to reply to that point. The member validly made the point that it is a wasteful exercise for us to talk about specific agreements. He clearly said that if we had the opportunity we would propose amendments to two specific areas, the first relating to royalties and the second relating to the balance between deep-mine and open-cut coalmining. The Minister then said, "Why hasn't the Opposition produced the wording, the specifics of the amendments it would like made to this agreement?" The answer is as plain as the nose on his face. Never in the history of this place as far as I can remember has any Government taken on board during the process of discussion of an agreement suggested variations to the agreement. However, the Minister stood up

and said, "Of course agreements have been varied".

Can the Minister give us one example of an agreement being varied, and do so in order to breathe some ray of hope into the bosom of members of this Parliament that there is some use and purpose in debating agreements brought to this place? Can he give us just one example of an agreement between the State of Western Australia and a group of companies in order to develop the resources of this State when the Government of the day has taken on board the ideas and suggestions of members of Parliament and varied the agreement during the process of the agreement's consideration by the Parliament?

Mr P. V. JONES: We are not really discussing clause 3 of the Bill. I hope I will be allowed to respond to the remarks of the Deputy Leader of the Opposition. In broad terms he was correct when referring to remarks I made in answer to suggestions by the member for Yilgarn-Dundas; but I did not make remarks to the effect that the Opposition's suggestions would now be accepted by the Government. I went on to say that, particularly in relation to the balanced mining plan proposal, if the member for Yilgarn-Dundas or the Opposition as a whole has any comment to make and to develop it will be considered when the proposals are put forward as they must be in terms of clause 7 of the agreement.

Mr Bryce: You said the agreement can be varied.

Mr P. V. JONES: At present we have no facility to amend it, but that inability at present does not preclude the opportunity to consider anything and have suggestions taken on board and discussed with the company in due course, and that will be when the proposals are considered. I extended that invitation after comments had been made by the member for Yilgarn-Dundas.

Mr Bryce: You said, and the record will show it, that the agreement can be varied.

Mr P. V. JONES: It can be varied. The Deputy Leader of the Opposition has implied that my indication was to the effect that it can be varied here and now. I did not imply that it can be varied here and now. I made it quite clear that any comments in regard to mining proposals will be taken on board by the Government, and can be considered in terms of clause 7 of the agreement.

This morning we covered the matter of royalties, not that it is mentioned specifically in clause 7 of the agreement. The comments made will be taken into account when royalties are

discussed. I have indicated that in any case we would have done so.

Mr T. H. JONES: I support the remarks of the Deputy Leader of the Opposition which were to the effect that the Opposition can do little about an agreement coming before this place. Agreements are left to the total discretion of the companies involved, the Minister, and the Government as a whole. If the Government of the day considered under clause 7 of the agreement that a company should not be required to enter into deep-mining operations the Opposition could do nothing about that. If I pause for a moment the Minister can correct me if I am wrong.

The provisions contained in clause 7 of this agreement are identical to the provisions in clause 7 of the Griffin agreement. The Minister cannot deny that point and we know by experience that nothing in that agreement has been varied. I raised that point during my second reading speech and in answer the Minister said there should be some flexibility. I and the unions involved say that the flexibility available has not been exercised; the company concerned was not required to enter into deep-mining operations. This relates to the overall development programme to which the Minister referred. Members would understand that the unions are interested in the welfare of the coalmining industry and that the unions will not gain any profit from raising this matter. However, they want orderly development of the Collie coalfield, and no-one could object to that desire. When Dampier Mining Co. Ltd. commences mining it will not be required to go into deep-mining operations, and there is nothing the Opposition can do about that by way of varying the Bill before us. This point was raised strongly by the Deputy Leader of the Opposition.

I hope the same situation will not prevail as prevailed with the Griffin company. The Minister well knows that when that company commenced its operations at the Muja open-cut mine the coal was close to the surface, and the ratio of support was about 3:1 for mining that coal—it was right on the surface. That situation prevailed for some years, so the easily-won coal profit could have been put into the development of a deep mine. No-one could argue that the development should not have occurred, but it did not and the company was let off the hook.

Neither I nor the unions object to the companies' making a profit. If they did not the unions' members would not receive a benefit from the industry. Naturally I support nationalisation, which is the policy I supported when I entered

this place; however, I would do the companies an injustice if I did not say that they are very fair to the workers and the unions.

The Minister has mentioned flexibility. There is nothing the Opposition can do about that, and I hope whilst he spoke on my remarks on flexibility and the requirements, he agrees with me that there should be some orderly development. That time must come in the interests of us all—not only myself as a member, the unions, and the coalfield concerned, but also the State. Orderly development of the coalfield by the company must be required to initiate a balanced production. Western Collieries has been a splendid example. It has deep mines and open-cut operations and its overall price is the same as the Muja deep-mine operation which is, in itself, an example that the proposition is workable. I hope the Premier will consider my remarks and say to Dampier when it commences operations, “We think you should follow the pattern introduced by Western Collieries”.

I am sure the Minister will see the problems with the Bill in its present form—it has only three clauses and a schedule—and that he will take cognizance of my remarks, made in the light of my experience in the operations of the Collie coalfields, so that what he says can be applied and a sensible policy on both deep-mining and open-cut operations for a balanced production will be initiated and Dampier will not be able to operate on the same basis as Griffin, which has been giving bonus share after bonus share to its shareholders, allowing them to share in the profitability of the operations and putting very little back into the overall development of the coalfield.

Mr P. V. JONES: I again place on record that the Government does support the views enumerated by the member for Collie. Indeed, I draw the member's attention to clause 7(1)(a) of the agreement which provides that its proposals must be submitted on or before 31 December 1982. Included in those are the measures to be taken for the mining of coal by open-cut methods and deep-mining methods consistent with the purposes of this agreement, one of which is clearly the balanced recovery of the coal reserves available. I concede there is no finite amount determined—a percentage of one form of mining as against the other—but the agreement requires a balanced development of both mining methods. The company is required to include within its proposals methods for doing just that, consistent with the tenure of this agreement.

Clause put and passed.

Schedule—

Mr T. H. JONES: I refer to the new levy system. The Minister indicated to Parliament this morning that all coal supplied to the State Energy Commission will be subject to a 5c levy and all coal supplied for private orders will be subject to a 5 per cent levy and if export of coal is provided it will be subject to a 7½ per cent levy.

Mr P. V. Jones: That is right. They are royalties.

Mr T. H. JONES: I am not worried about the 7½ per cent because I do not believe we have reached the situation yet where we should even consider exporting our coal, but that is only my view, expressed at a time when we are experiencing an energy crisis. I ask the Minister whether he will give careful consideration to the deep-mine development.

Mr P. V. Jones: Yes.

Mr T. H. JONES: That is what is worrying the union and, I understand, one of the companies. They levy could retard deep-mine development. Could we consider during the developmental stages that no levy apply to that coal produced? I do not know whether that is going too far. I am not suggesting here that the amount recovered from royalties should be interfered with at all, but I am asking the Minister to reconsider on behalf of the industry the basis on and the manner in which the levy is obtained. No doubt he knows from his experience of the coalfield the disastrous effect that this method could have on deep-mine development. The Minister agreed with me on this. The Premier also agreed with me on it and has indicated this agreement during his frank discussions with the mining unions from time to time. I do not want to delay the passage of the legislation, but would like some assurances that, in view of what I have had to say, the Minister will give this matter close and careful consideration.

Mr P. V. JONES: I again confirm what I already indicated. The answer is “Yes”. We have already had a preliminary look at the use of this royalty mechanism as an incentive by deferment or whatever it might happen to be. The point is well taken, that if it can be a means of encouraging deep-mine development, it should be considered without penalising the State's royalty income.

Schedule 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 Mr P. V. Jones (Minister for Resources Development), and transmitted to the Council.

Sitting suspended from 12.45 to 2.15 p.m.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Second Reading: Budget Debate

Debate resumed from 22 October.

DR DABOUR (Subiaco) [2.15 p.m.]: Once again, I find I am in the most difficult position of being a member of the Government most of the time and not knowing what is happening. Often members of the Opposition give me more information than I receive from the other source. However, be that as it may, I have been attempting to ascertain just how much money from the Consolidated Revenue Fund is being used for capital works and capital buildings. I seem to come up against a brick wall every time I attempt to find out the exact source of the money which is being used for the various buildings and public works which are carried out.

It appears that all the moneys are lumped together under various headings. I have not been able to work out exactly what is happening with regard to capital works money which is being taken from internal revenue. The Budget papers are deceiving. I look upon them as books of deception. It is not that I do not have the knowledge to find out such things, but I find myself at a loss when I see that moneys have been set aside under various headings and they are not seen again, especially when one picks up the loan book and finds that just \$100 000 million-odd is lumped under another source. That is why I find myself at loggerheads with the Government and why I say that the Budget papers are rather deceptive.

Earlier this year I saw the State Auditor General and he was able to put me straight on a few points, but there were many others with which he could not help me because they were not within his realm. So, I find myself still wondering, still looking, and still mystified.

Inflation is running at approximately 10 per cent at the moment yet water charges and SEC charges have increased by approximately 20 per cent per annum. I have been able to ascertain that SEC and water charges have a 5 per cent charge

added per annum which is called depreciation. If we add this 5 per cent to the 10 per cent inflation we find that the cost of the services has increased by approximately 15 to 20 per cent each year.

This is wrong because how long can industry and commerce, as well as the ordinary people, sustain such increases each year? It seems that our capital works are being carried out with money from internal revenue apart from loan money.

I admit the Federal Government seems to have frozen the loan moneys this year so we find ourselves with a further dilemma. As a result, people who have small businesses, as well as pensioners and superannuated people, are bearing the brunt because indirect taxes are across the board. If the taxes are increased by 20 per cent it applies to everyone. That is why I feel they are so wrong.

The Commonwealth Government is to blame for much of this, but I believe an attempt has not been made to clean up our own backyard. In 1974 I said to the Premier that we should look to cleaning up our own backyard in order to have a good Government. I cannot see that there has been any cleaning up in the health and education fields which are the two largest items in the Budget. Combined, they make up over 50 per cent of the Budget.

It did grieve me more than a little last year when the nurses applied for a 5.7 per cent increase in their salaries and wages. This was granted by the Industrial Commissioner—and I am told we always abide by the referee—but it was taken out on the nurses in that there were a number of retrenchments. I believe the number of retrenchments totalled 500.

Mr Hodge: Closer to 700.

Dr DADOUR: I apologise, it is more than 500. That fact grieves me.

This year, when everyone seemed to go off half cocked, there was a crisis with the teachers. I believe if that matter had been approached in a proper manner of consultation there would not have been such confrontation. At least, it would not have reached the proportions it did. This is another occasion where I find myself at loggerheads with the Government. This Government seems to have confrontation followed by crises.

With the Workers' Compensation Bill the Deputy Premier talked with the people concerned, the unions, employers, and interested parties. He called them together and gained a consensus of opinion which he brought to the Parliament. There were some areas which had to be ironed out

and he had the Bill rewritten to the satisfaction of most concerned. The legislation was then brought back to the Parliament and I believe it was a great improvement. It passed through this House without too much hassle. If we had done that with the teachers and nurses, the matters would have been handled much better.

With regard to the nurses, I believe that it was the Industrial Commissioner who was wrong and that the commissioner should have been sacked, not the nurses.

When the Budget was presented I was surprised to note that the Claremont Technical College is to be wound up, pre-schoolers are to be retrenched, and the police are to be amalgamated with the RTA. We just seem to go on and on. If the homework had been done properly and all parties had been included in the discussions we would not have had the problems we have now.

I do not believe in confrontations, but I would confront anyone on an issue; and if I had to fight him I would fight him. As a Government we should not do what we are doing. I believe it is wrong. Maybe I am wrong; I do not quite mind-read. However, I am the best reader of men that one could find in this Parliament but I refuse to try to read women because I just cannot win. As far as reading the minds of men is concerned I do this well. I believe we should have consultation with the people concerned, and what we are doing is very wrong. The Budget is a complete secret from me.

I do not mind that, but the Government is going back on its word in such matters as the closure of the Claremont Technical College, and it is a matter which should have been examined in the first place in an endeavour to determine how to cut back expenditure and still keep the college open. Many people with disabilities are studying at the Claremont Technical College which specialises in the fine arts and this is an area where people with disabilities are on a par with people with no disabilities. This is an emotive area and one in which the Government should not have made a mistake. I feel the Minister is carrying a cross concerning all the cuts in the field of education.

We come to the area of pre-schoolers. The standard of education for pre-schoolers should remain. The Government should not go backwards, and the quicker it learns this the better off it will be. I repeat: Confrontation is not for me. I have been inundated with complaints from relatives of pre-schoolers and from people attending the Claremont Technical College. I have attended various P&C meetings which have

been held in my electorate in an endeavour to iron out the problems which currently exist. I have given these associations my assurance—and I confirmed this with the Minister before I did—that I would not support any move that would lower the standard of education that we have at the moment.

If the Government had done its homework properly the crisis concerning education would not have occurred. I find that at top level there has been some poor management and a failure to understand the problems of all concerned. I look to the Government to see if it is doing the right thing and I find the crises that have occurred could have been totally avoided. We should operate under the criterion that I have laid down: that once we have given something we cannot take it back; we must wait and let time and inflation catch up with it.

The Government talks about a balanced Budget. In order to have a balanced Budget all one has to do is to work out the expenditure for the year, work out the rate of inflation, allow for contingencies that are unknown at the moment, and offset those factors against the income. It is simple to have a balanced Budget and it is not of great significance as one would imagine. I find fault with the Government's management of finance, and I have seen the same thing happen from year to year. Many matters which are within the realm of correction have not been corrected.

I would like the Government to regulate its expenditure with some efficiency. I do know, and I have been able to ascertain, that many people are employed by the Government in positions that have been created specifically for them. This is not a terrible thing and I do not want to see people out of work. If the Government is going to find jobs for people, instead of finding jobs which are superfluous why does not it work out a programme which will benefit our children and their children? This would require some foresight and brainpower, instead of going on *ad infinitum* spending money in the areas where it is not required, plus or minus 0.5 per cent—which means nothing to me—and then coming up with priorities of works to be undertaken in order to employ people. The Government should find the money and use it in the best possible way. I have spoken on this matter before. However, it seems to fall on deaf ears. Perhaps it is too complicated, but I find myself in the same dilemma that I have been in for the past five years regarding the Budget.

Did the Treasurer make an interjection?

Sir Charles Court: No.

Dr DADOUR: I am sorry, but I thought the Treasurer made an interjection. I find it unnerving when I read *Hansard* to find that someone has interjected during my speech and I have not answered it simply because I did not hear it. It was so bad when I sat behind my present seat that on two occasions I requested permission to go to the Table to speak but I was denied those requests.

Sir Charles Court: I have been listening quietly.

The ACTING SPEAKER (Mr Sibson): Would you like to do that now?

Dr DADOUR: No, I am quite happy here.

Let us look at an area where the Government should have some foresight. One area in which the Government could use its money instead of wasting it, and which would be of benefit to our children and our grandchildren, is the improvement of the public transport system within the metropolitan area. The Government could introduce a programme to provide a very good comprehensive public transport system. Before long Perth will have a population of one million or more people and it will, therefore, need a good public transport system. Whether it be rail, bus, or otherwise, is of little significance; we need a good public transport system and the Government is not providing it in the way that it is going at the moment.

I feel it would have been better had our founders built a railway system from Perth along the coast to Darwin. This would have opened up the north and would have provided cheaper transportation for goods, etc. It would have opened up the markets for the Kimberley and the areas south. This railway system should have been provided before and it still could be provided by using moneys that the Government is wasting.

The organism that is causing encephalitis is moving and it will not be long before it is prevalent in the metropolitan area.

Mr Young: No, it will not reach the metropolitan area.

Dr DADOUR: This is one matter that should be kept under constant surveillance because the mosquito that carries the organism can be found in the metropolitan area.

Mr Young: That is being watched very closely, and monitored almost yard by yard; it is being arrested.

Dr DADOUR: I did know something was being done about it.

I turn now to the future water needs of the metropolitan area. One day, we will need to supply a great deal more water if we are to satisfy

the needs of well in excess of one million people living in the metropolitan area. Insufficient groundwater will be available for these purposes if we are to maintain our current life style. I do not know whether it is feasible to consider the possibility of bringing down water from the Ord.

We need to know a great deal more about the proposed gas line from the North-West Shelf to the metropolitan area. What will be the use to which this gas will be put, and how much will industry participate and contribute? We need to know whether the project is feasible. In fact, it may be cheaper to bring down this gas as we need it on some of the Japanese tankers; that would be sufficient to keep the metropolitan area adequately supplied with gas. Before we embark on a multi-million dollar pipeline project, we need to know more about it, otherwise it could be described only as a pipe dream.

We must always bear in mind this State owes its prosperity principally to agriculture, not minerals. We should be doing as much as possible for agriculture. We have a very good Department of Agriculture. This is one area to which we need to allocate more money and engage in more research so that we always do the best possible for our agricultural industries. It will always be the No. 1 money earner for our State.

I turn now to the controversy which surrounded the 5.7 per cent increase sought by the nurses, and the crisis which occurred with regard to teachers. I am not saying that we as a Government were wrong; however, what occurred was avoidable; that is the most important thing to remember.

I refer to the matter of hospital costs. I appeared before the Government's finance committee on health and put my case. I had done my homework on the matter. I had consulted people at the university, physicians and surgeons in teaching hospitals, and members of the AMA. They all agreed that one way of reducing hospital costs was to reduce by about half the number of teaching hospital beds, and convert the remaining beds to "A"-class beds. This system could be effected within the one establishment by making one ward a teaching hospital ward and another ward an "A"-class ward. The staffing ratio for a teaching hospital is something like four or five staff per patient, whereas in an "A"-class hospital it is about 1:2. It would take a bit of nous to do it, but I am sure it could be done. The management committee at Sir Charles Gairdner Hospital agreed there was no apparent impediment to such a suggestion.

On my calculations, in its first year of operation such a proposal would reduce our health expenditure by \$60 million. This projected saving is not as extreme as it sounds. Not so very long ago, the Commonwealth Government claimed Western Australia spent \$96 million more on health on a comparative basis than its sister States. As a matter of fact, ever since that claim was made I have been trying to obtain a breakdown of that \$96 million; I have approached the Federal boys on the matter, but there is no way they intend to give me that information.

Mr Young: When you find out, will you let me know?

Dr DADOUR: I think the Federal Minister for Health (Mr MacKellar) is hiding his head in the sand on this one; it seems to be a hot potato for him.

If we brought Western Australia into line with other States by reducing the number of hospital beds we would save \$60 million in the first year. The Llewelyn Davies Kinhill report of 1977 stated that Western Australia "enjoyed" one of the highest hospital admission rates in the world. I keep harping back to this point, because it is quite relevant, but nobody seems to take notice of it. People say, "What do you mean, 'enjoyed' the highest admission rate in the world?"

Mr Hodge: You mean that the doctors enjoyed it.

Dr DADOUR: We are by no means the sickest nation in the world, although our longevity is less than that of our European counterparts. However, there is no difference between the longevity of Western Australians and that of people living in the Eastern States, yet we have twice the number of teaching hospital beds. What has happened is that we have become oversupplied with teaching hospital beds. If the beds are available—whether they be in a public or a private hospital—the doctors will fill them.

We come back to the same old point I have growled about for so long: We simply are not looking at the areas we should be considering, as a result of which we are not making the most efficient use of the available funds.

I turn now to my own remedies for our health cost problems. My first suggestion is to get rid of the Hospital Laundry & Linen Service. I would drop it like a hot potato, for the simple reason that a few years ago there was a great deal of industrial strife which closed down the operation at hospitals and, only recently, there was more industrial strife which almost closed down the service again. Why do we endure such a situation? This is not in accord with Liberal Party

philosophy. This Government should not be washing dirty linen! We are a private enterprise Government. Let us hand over this operation to private enterprise, because it would do a better job, at a cheaper rate.

Look at the blunder of the Royal Perth Hospital north block; it will end up costing \$100 million without providing one extra bed; it will simply provide better facilities for those who work there.

Mr Young: I have never heard so many figures bandied about as in respect of that matter. Where did you get a figure of \$100 million?

Dr DADOUR: It will cost \$100 million by the time it is finished.

Mr Young: No, it has a projected cost of \$75 million. Take no notice of what you hear; the estimates have ranged from \$50 million to \$150 million. They reckon that \$75 million is too much.

Dr DADOUR: I believe \$75 million is too much in anybody's language for a building which will simply provide better facilities for those working there.

The answer is to convert the north block to a carpark. The Government could then sell the 18 or 20 acres of land north of Wellington Street; look at the money we could get for that land. The only thing which would need to be moved is the "pox" hospital; only the VD clinic is operating in that area.

The solution to the overloading at Royal Perth Hospital is to convert half the beds to "A"-class and leave the others as teaching hospital beds, and move some of the super-specialities from RPH to Sir Charles Gairdner Hospital and Fremantle Hospital.

Another solution could be to cut down on the number of outpatient appointments by discouraging the people from attending the hospital after the initial visits—

Mr Hodge: You could lock the front door.

Dr DADOUR: —and referring them to general practitioners a little earlier. I am not on the same wave length as the member for Melville. He is lacking in certain areas; but if he wishes to make a comment, I will quickly answer it.

My suggestion would relieve the congestion in Royal Perth Hospital. It would give a fair go to the other teaching hospitals. As I said, I would flog all the land on the north side of Wellington Street.

In relation to education, I am mystified. When the teachers and the Government came to loggerheads, I was going to make a speech in the House, so I did a little research. I compared the

Public Service List for 1975 with the Public Service List for 1980. In 1975, four directors worked in the administration of the Education Department, while in 1980 there were nine. On the professional teaching side, there were four directors in 1975, and seven in 1980. Also on the professional side, there were four deputy directors in 1975, and nine in 1980. All the district superintendents were upgraded to become full superintendents.

The clerical staff had increased from 23 to 41. The administration of the Education Department increased from 13 to 23; and, overall, the total number of people employed, according to the Public Service Lists, in 1975 was 800, and 1 200 in 1980. That represents an increase of 50 per cent in the staff of the Education Department over those five years. However, in the upper echelon, the increase was more than 100 per cent.

That is where the money is going. I venture to suggest that the people in the upper echelon contribute little, if anything, to the standard of education. These are the back-room boys who contribute very little.

This Government had doubled the number of people at the top of the Education Department, and overall the staff has been increased by 50 per cent. However, the standard of education did not rise by 50 per cent. It is just that the number employed on the professional side has risen by 50 per cent.

I grieve when I see the poor sister of education—technical education. It seems that if an area of education has to be hit, that will be the poor technical sister. In some way, we have to divorce technical education from the other types of education, so that no longer is it disadvantaged.

If we are to disadvantage education, we should disadvantage the whole lot, not only the technical side of it. As I said about the pre-schoolers, what pertains now must pertain in the future. We must not cut back on what we have already given. We have given things with an open heart, and we must try not to cut back. We could stop at this point and not go forward. Perhaps, with inflation, the increasing numbers over the years will remedy the problem.

I feel sorry for the Minister for Education because he has to bear all of this. He has it all in his lap. It seems that most of the emotional cuts were made in his portfolio. I have already spoken to him about this.

Since I have been in this Parliament, I have found that the Liberal Government has been increasing jobs in the upper echelons. We are spending a lot more money on government. On

the other hand, if the Labor Party goes into office, it will increase the number of people in the lower echelons. I believe both policies are wrong; but the lesser of the two evils is the Labor Party policy, because at least that will spread the money over a wider area. We are giving the money to the top, by increasing the administration of the various organisations.

Big administration does not mean efficiency. More often than not big administration means inefficiency, and more inefficiency. Time and again I have argued this point. Time and again it has fallen on deaf ears.

In the remaining minutes, I will adopt a more comical note. I believe that we have a "Parkinson" Government. It is rather comical in a sense, but it is rather apt in another sense. I have no doubt that we as a Government follow Parkinson's law, so we fulfil that criterion. In 1974 we had 88 000 people employed by the State Government; in 1980, 106 900 were employed. By following Parkinson's law we have increased our spending, but not our efficiency.

Secondly, in medical circles there is a condition called Parkinson's disease. One of the signs of that disease is that the patient develops a mask-like face. A "mask-like" face means an "expressionless" face, which means a "poker" face, which means that we are secretive. Certainly our Government is a secretive Government. That is evidenced by the number of reports which have never been published. I am reminded of one report that, earlier this year—well, I will not talk about that any more.

The next sign of a person suffering from Parkinson's disease is that he develops a tremor. A tremor is often described as "pill rolling". How many times have we heard it said that "a silent Government is a shaky Government"? We are a silent Government, so we fulfil the criterion of tremor.

The next symptom is rigidity of movement. We are certainly rigid, because when we find that we are wrong, we take a long time to alter the situation, if we alter it at all. Therefore we fulfil the criterion of being rigid.

Then there is increased salivation. These people dribble. Are we not always dribbling about Canberra—not without reason? Therefore, that criterion is fulfilled.

Then we have peculiar gait. The peculiar gait is a shuffling gait which occurs when the patient leans forwards, and therefore his centre of equilibrium is forward. That means that he has to keep shuffling and not come to a stop suddenly, otherwise he falls flat on his face. Because of the

number of crises we have had, we have fallen flat on our face; so we fulfil that criterion.

Then there is a most peculiar symptom, which is rather rare, but I have seen it. It is a rather horrifying thing called oculo gyrii crises, when the patient's eyes spin in their sockets. They both go in the same direction.

Mr Barnett: Personified by the Minister for Education.

Dr DADOUR: This Government goes from crisis to crisis, so that is fulfilled.

The next aspect of Parkinson's disease is that the patient remains mentally alert. We do not fulfil that condition.

The third Parkinson is Michael Parkinson, who is well known for his television interviews. They are supposed to bring out the best in people. I do not think we do that.

Of these three Parkinsons, our Government fulfils the criteria for two. That is not a bad record as regards the "Parkinson syndrome".

I feel that perhaps I have said too much, but I have got it off my chest. The Government must heed my remarks. If we are to remain in Government we must take heed. We cannot increase charges in the way we are increasing them, on top of inflation, and continue in Government. It is just not on. We must find other ways to fund our capital works and capital buildings. No longer can we ask the people to accept increasing charges.

The only way for the Government to obtain any extra money without increasing the inflationary effect is from the Federal Government. The Premier is on the right tack there, but it is also time to clean up our own backyard. Our backyard is the same as it was in 1974. Now and again we hear people saying that I was talking sense in the past. Even most of the Opposition members will say that what I said in 1971—when we were in Opposition—has come true. Many of the back-bench Government members and I presume many of the front-bench Government members realise that my ideas were right. What I said would happen has happened, but it has happened more viciously than I thought it would.

Mr Hodge: You should have been made Minister for Health.

Dr DADOUR: No, that is a dead fish. I am quite happy where I am, although I wish I could get people to listen to me a little more intently. We would then get closer to the people, because we have moved away from the people.

Mr Harman: Have you seen the front page of the *Daily News*?

Dr DADOUR: No, what is on it?

Mr Harman: "Doctors in list of big tax dodgers".

Dr DADOUR: That is nothing new—they are expected to do that. I am not a Moll man either.

Mr Clarko: How do you spell it?

Dr DADOUR: M-o-l-l.

Mr Jamieson: We are hearing large confessions.

Dr DADOUR: I keep away from such hazardous situations. I feel that I have said what I wanted to say, and I thank you, Mr Acting Speaker (Mr Sibson) and members.

MR HODGE (Melville) [2.57 p.m.]: It is certainly a hard act to follow to speak after the member for Subiaco, especially if one wants to speak on health matters and would like to be taken seriously.

The Leader of the Opposition, in his response to the Budget, said it had been framed in very difficult circumstances. However, he went on to say that those circumstances were largely of the making of the Premier and the Government and that the Premier had been financially negligent. I agree with that assessment, but while the Premier is the leader of the Government and the buck stops with him, I do not think he should be left to carry the whole burden. His Minister for Health also must share a major portion of the blame for the financial mess that the State is in at the moment.

No other Minister of this Government played such a leading role—apart from the Premier himself—as did the Minister for Health in bringing about the present financial crisis. No other Minister goaded the Fraser Government so much over such a long time about making major changes to the health care system and the funding of that system. The impact on the Consolidated Revenue Fund of the transitional tax-sharing arrangements, the abolition of the 50-50 cost-sharing agreement for hospitals, and the various other changes governing specific purpose payments, all added up to a major disaster for Western Australia. There is no doubt but that the Minister for Health played a large part in bringing about that situation. He harped constantly to the Fraser Government about changing the system and bringing back the system of the pre-Medibank days. He harped on that theme like a cracked record. Of course eventually the Fraser Government decided to take him up on that offer—probably it could not believe its luck.

Mr Young: Thank heavens, for the future expenditure on hospitals in this country.

Mr HODGE: The Minister invited the Fraser Government to make the diabolical changes that it has made.

Mr Young: Every now and then the Fraser Government listens to common sense.

Mr HODGE: Instead of fighting the Fraser Government in regard to the proposed arrangements, this man went out of his way to welcome them; he welcomed them with open arms. He was the only Minister for Health in Australia to do so. This action alone is a gauge of his gullibility and of how naive he is. The chickens have come home to roost. Even the Premier has finally woken up to the fact that the State has been taken to the cleaners by Fraser, although this has taken a long time. I do not think the Minister for Health has woken up yet; I do not think he has woken up about what the Budget provisions in relation to health will do. If he had, he would hang his head in shame instead of trying to defend himself in this Chamber.

I would like to quote some sections of the Premier's Budget speech. The Premier had this to say on pages 8 and 9 of his speech—

Initial estimates of the revenue likely to be available this year indicated an increase of about 8% in the absence of any corrective measures. On the other hand, Treasury calculations of the likely cost in 1981/82 of simply maintaining existing activities and allowing only minimal growth of services to meet the needs of an increased population indicated a prospective expenditure increase of 14%.

The latter figure is not surprising in view of the Federal Treasurer's estimate that average weekly earnings could increase by some 13.5% in the current year, following substantial increases in the latter part of last year, and recognising the preponderance of wages costs in total Government expenditure.

Those were two very important paragraphs of the Premier's speech. They indicate that in the forthcoming year wage rises can be expected to be in the vicinity of 13.5 per cent. To maintain State Government existing services at the same level would require increased expenditure of the order of 14 per cent.

When referring to hospitals and health services the other night the Premier told the Parliament that the actual increase in the health budget is in the order of 3.4 per cent from the Consolidated Revenue Fund—an actual increase of \$15.1 million. Obviously that is nowhere near enough and the Government has taken steps to try to bridge the gap by raising another massive amount

of money from the public by introducing new charges for hospital and health care services, and by increasing existing charges substantially. To maintain services at the same level as last year, I estimate that we would need another \$43.4 million from the CRF.

To make up that massive loss, the Government is proposing to raise \$44.8 million by levying new charges and by increasing existing charges in hospitals for 1981-82. I point out that that is an additional amount of \$44.8 million—the total amount which the Government intends to raise via hospital charges is \$116 million.

Despite this massive impost on people unfortunate enough to require hospitalisation, in my estimation the Government will still be short of money. Such a large sum of money will be needed that it will mean a reduction in standards, a reduction in staff, and an overall reduction in efficiency, mainly in public teaching hospitals.

It is the public sector hospitals that have fared the worst under this Government and its Budget. The total expenditure on hospitals and allied services allocated in the Consolidated Revenue Fund and the money raised by way of hospital charges will amount to \$460.9 million in 1981-82. That is an increase of 12.7 per cent. By budgeting for an increase of 12.7 per cent I estimate that will leave the hospitals light on, in real terms, by an amount of between \$8 million and \$10 million.

If members cast their minds back 12 months they will recall the turmoil and chaos caused in the public teaching hospitals by the Government's cutback of about \$5 million in expenditure. Hospital wards and annexes, and nurses' accommodation were closed; and nurses were sacked as a result of the measures taken by the Government at that time. All that was to save \$5 million.

The Government's allocation for this financial year will mean it will have to save between \$8 million and \$10 million if the Budget is to meet its mark. Members do not need much imagination to understand the effects of this reduction on the public teaching hospital system.

The five teaching hospitals will be hit very hard by this Budget. The total recurrent expenditure in the Budget for each hospital has increased by the following amounts: Fremantle 3.7 per cent, King Edward 9.1 per cent, Princess Margaret 6.9 per cent, Royal Perth Hospital 8.5 per cent—

Dr Dadour: Should be less.

Mr HODGE: —Sir Charles Gairdner 6.6 per cent. When one realises that wages make up about 70 per cent of the recurrent costs of those teaching hospitals and that wage rises are

expected to run at about 13.5 per cent, one does not need to be a mathematician to realise that teaching hospitals in this State will be in a state of crisis.

The Government has been very coy about the amount of money it has put aside in the Budget to pay for wage rises in this financial year. No figure was given in the Budget papers. I have asked the Minister for Health what moneys are involved and he has avoided answering both my questions. The Government has not told the Parliament how much money it has put aside to cover wage increases in hospitals and allied services for this financial year. The Minister has admitted in answers to questions that the Government has not budgeted for any increase in staff for hospitals. In the past 12 months the number of nursing staff employed by the Government has decreased by approximately 700. So there is to be no increase in nursing staff or any other staff this financial year. Already we are down 700 on the staff employed 12 months ago and use of public hospitals is increasing at a steady rate.

Mr Young: That is not true.

Mr HODGE: It is perfectly true. The Liberal Party philosophy behind the health care changes was to try to divert people into private hospitals and private doctors' surgeries and away from public hospitals.

Mr O'Connor: From where did you get that information?

Mr HODGE: About increasing use of public hospitals?

Mr O'Connor: It does not matter; you do not realise what you have just said.

Mr HODGE: It is probably too early yet in the life of the new scheme to be dogmatic about it, but my research shows that what the Liberals wanted to happen is not happening. My research shows there has been no increase in the use of private hospitals and in fact there is a steady increase in the use of public hospitals. The public are not as naive as the Liberal Party thought; they realise they will get no better standards of care and attention in private hospitals, even when staff in the public hospitals are under such pressure and even when all these economies are being made. People still have confidence in the public teaching hospitals.

Mr Young: Do you have figures showing the steady increase of people entering teaching hospitals?

Mr HODGE: No; perhaps the Minister could supply me those figures.

Mr Young: The information I have is that the increase that was occurring has been arrested.

Mr HODGE: That is not my information. My information is from a very authoritative source who has close knowledge of the health funds. The information I have is that the flow of accounts to health funds from public hospitals is increasing fairly substantially and the flow of accounts from private hospitals is staying at a fairly static level.

There is also a powerful financial incentive for people to use public hospitals. The tremendous financial burden the new health scheme has imposed on people, if they take out a package of medical and hospital insurance, is at least \$10 a week. Many people have opted to take out the cheaper hospital only insurance which is \$6 a week. This ensures they will continue to patronise public teaching hospitals. They get good value for their money by going to the public teaching hospitals if they have hospital only insurance. Many people have realised this and are taking advantage of the benefits which hospital only insurance offers if they have access to public teaching hospitals.

Mr Young: Do you think there should be a rapidly escalating demand for public hospital services?

Mr HODGE: I do not think this is the time to be debating that point.

Mr Young: At least we know what we think ought to happen.

Mr HODGE: I have debated this matter with the Minister on numerous occasions. We would have to start from scratch with a proper universal health insurance scheme.

Mr Young: Do you want more people in public hospitals or less?

Mr HODGE: If we had a proper universal health insurance scheme the Minister would find the situation would work itself out.

Mr Young: You cannot say if you want more or less people in the hospitals.

Mr HODGE: The Minister can make his own speech if he likes.

Mr Young: I have never heard you say whether you want more people in public hospitals or less.

Mr HODGE: The Minister is trying his best to disrupt my speech.

Mr Young: I am trying to get some truth out of you instead of your gobbledygook.

Mr HODGE: The Minister does not know what is in his own budget or what happens in his own department. The pressure on staff in public hospitals is enormous.

Mr Young: And you want more.

Mr HODGE: I want more money and more staff for public hospitals.

Mr Young: More demands on public hospitals.

Mr HODGE: That is not necessarily so.

Mr Young: You have said it constantly.

Mr HODGE: I have it on good authority that the number of sick days being taken by nurses in teaching hospitals has doubled in the past 12 months because of the pressures under which they are working and the tensions they are required to endure, all as a result of the Government's cutbacks. This Budget is going to do nothing to relieve that pressure; in fact it will increase it even more. Of course, it will end up causing a breakdown in the entire public hospital system.

While it is true the hospitals will bear the brunt of the reduction in expenditure in this Budget, many other health care services will be affected severely also. The expenditure of the Alcohol and Drug Authority is down from \$2.872 million last year to \$2.803 this year which is an actual reduction of 2.6 per cent. Bearing in mind the circumstances in relation to drugs and alcohol in this State today, such a reduction is incredible.

The Commissioner of Police has expressed his concern publicly at the alarming increase in drug abuse in the community. I believe that comment was made in the commissioner's annual report to Parliament where he referred to the massive increase in drug abuse in the community. However, the only State Government agency set up specially to combat drug abuse in the community is being wound down. Instead of receiving a reasonable increase to allow its very modest services to be improved and expanded, the authority's budget is being scaled down and, as a result, it will be a less effective force in combating alcohol and drug abuse in the community. It is a great shame that has occurred and it is a rather revealing example of the sort of priority the Government places on fighting alcohol and drug abuse in the community.

The Minister for Health and the Treasurer take very strong stances in the Press statements they release and say how appalled and shocked they are at the level of drug and alcohol abuse, and yet, when it comes to putting their money where their mouths are, they do not toe the line; they give the Alcohol and Drug Authority a substantial reduction in funds.

Mr Young: Can you tell me where that will affect the performance of the Alcohol and Drug Authority?

Mr HODGE: As the authority is limping along at the moment with its present budget, it will probably restrict severely its ability to fight the drug and alcohol abuse in the community. I would not know where it will make the necessary economies or who will suffer the most as a result of this reduction; but certainly it will not help combat the ever-increasing drug problem in this State.

The Mental Health Services will also feel the brunt of the allocations made in the Budget, because its expenditure has been increased by only approximately 10.2 per cent. I ask members to cast back their minds to the quotation I read to the House from the Treasurer's Budget speech in which he referred to the need to maintain services at existing levels which would require an increase in expenditure of 14 per cent. He mentioned also that wage increases are running at an annual level of 13.5 per cent.

When we look at the Budget allocation to the Mental Health Services, we find it has been granted an increase of only 10.2 per cent which, in real terms, will mean a reduction in the amount of money it will have to spend.

It is a great shame that a valuable service such as the Mental Health Services will have to scale down its operation somewhere. I do not know where it will make its cuts, but it is not in the community's interest for the budget of that organisation to be reduced.

The Budget allocation to community health has been increased by 8.3 per cent and, in real terms, that represents a reduction of approximately \$750 000. The Budget does not give explicit details as to where economies will be made. I do not know where they will be made, but obviously there is little fat in the community health budget and, therefore, this reduction in expenditure will affect the standard of service it can offer.

Educational services under the health allocation have suffered also. The expenditure in that area has been increased by 5.1 per cent. The other day the Treasurer said to the House he was confident that the State Government's educational programmes in health matters would be of some benefit in stopping people from taking up smoking and using drugs. Obviously the ability to do that will be restricted severely when a token increase only has been allocated to that area.

Dental health services have suffered also at the hands of the Treasurer's Budget with an increase of only 7.2 per cent. Again that is nowhere near a big enough increase. Quite frequently I receive complaints from members of the public about the stringency of the means test which is imposed on

people who attend the dental hospital for treatment. They are turned away, because they cannot meet the very stringent means test.

Recently I heard of a case in which a man, who is the father of eight children, was turned away from the dental hospital, because his income was allegedly too high.

Mr Young: Well, it must have been extremely high, because the sliding scale, with the dependents factor built in and the amount of income a person is allowed, would have to put him on an extremely high income before he would be denied some form of subsidy.

Mr HODGE: I do not know how much he was earning.

Mr Young: Didn't you ask him?

Mr HODGE: I did not ask him. He is a supervisor of apprentices and is employed by the Public Service; therefore, I would not imagine he would be on an astronomical income. However, he was told that no more than two children were taken into account when assessing people for the means test. I do not know whether that is accurate; but it certainly seemed strange to me that a father of eight children in receipt of a Public Service-type wage could not qualify for treatment at the dental hospital.

Child health services have not been given the sort of increase they deserve. That area has been allocated an increase of 11 per cent. That is slightly better than the expenditure allocated to some of the other services; but it is not even enough to cover the projected wage increases or the expected inflation rate in the coming year.

Mr Young: I gather from the speech you are making that you are saying the State should find any amount of money and then it will have produced a satisfactory Budget. You are saying there should be no curtailment in expenditure at all. Isn't that the nub of it?

Mr HODGE: The Minister heard only the first few minutes of my speech before he walked out of the Chamber. I am not inclined to repeat it all, but, to recapitulate briefly, all the diabolical things which will happen to our health services in the next financial year—

Mr Young: What "diabolical things"?

Mr HODGE: If the Minister wanted to criticise my speech, he should have stayed in his seat and listened to it.

Mr Young: You said the same things last year and none of it came to pass.

Mr HODGE: What I am saying is that, if the Minister and the Treasurer had not allowed themselves to be conned by Fraser to the extent

they were and had they not agreed to the new arrangement for tax sharing and health—had the Minister not goaded Fraser into changing the scheme and had he put up some resistance to it—the State would not be in the very serious position in which it is placed at the moment.

Mr Young: Had the position remained the same, by next year we would not have been able to run the public hospital system.

Mr HODGE: If we had the benefit of the 50-50 cost-sharing agreement for another three or four years, the position would be different. The Treasurer knows very well he should not have knocked back the offer made by the Whitlam Government of a 50-50 cost sharing agreement for 10 years.

Several members interjected.

Mr Young: Give it to Gough!

Mr HODGE: The Treasurer also should have transferred the railways to the Commonwealth and then we would still have the Perth-Fremantle service.

Mr Young: Give it to Gough!

Mr HODGE: It would have been better to give it to Gough than to close it down. Had the Government been prepared to enter into a 50-50 cost-sharing agreement for 10 years, as did two of the other States, the position today would be much better. The two States which accepted the 10-year agreement are still enjoying the benefits of it.

No matter how much the Minister for Health tries to shout me down because he finds what I am saying to be unpalatable, I believe that these matters must be exposed.

Mr Young: You are pathetic!

Mr HODGE: It is of no use the Minister for Health and the Treasurer beating their breasts and saying, "What a lousy deal Fraser has given us". They were the two trend setters who goaded Fraser into doing this.

Mr Young: It is the best thing that has happened to the hospital funding system in this State in the last 10 years.

Mr HODGE: I warn the public of Western Australia that in the forthcoming financial year we are in for an unprecedented run of cuts and reductions in services provided by our health care system. The cuts we had 12 months ago were severe enough. They were designed to save about \$5 million and caused great public outcry. If the Government had gone to an election at that time it would have been decimated.

This Budget provides for a reduction of between \$8 million and \$10 million in expenditure on hospital and allied services. One can imagine the chaos that will cause to our public hospitals. The public will not stand for that, and I hope people protest vigorously. I hope people do not have short memories so that in 18 months' time they will remember this Government's obnoxious behaviour. If the public remembers this behaviour in 18 months' time this Government will be swept from office.

MR COWAN (Merredin) [3.26 p.m.]: As usually happens during Budget debates, in this debate some members have taken a stand expressing criticism of the Budget brought down by the Treasurer, and some members have given it rather vociferous support. As usual I have found several items which I believe deserve support and some for which the Government deserves criticism.

Firstly, I refer to pay-roll tax. Members would be aware that yesterday we dealt with accompanying legislation—the Pay-roll Tax Assessment Amendment Bill. I will deal briefly with the level of pay-roll tax imposed by this Government. Members on both sides of this House have claimed that the imposition of pay-roll tax is iniquitous. However, since pay-roll tax responsibility was given to the States by the Federal Government no attempt has been made by any Western Australian Government to eliminate that tax. It is time an effort was made. There is no question but that the exemptions provided to small businesses have been advantageous to those businesses. There is no question but that the exemptions have saved those businesses a degree of money, and I certainly hope that situation will create employment opportunities.

This year, the Government has raised the level of the exemption which will mean \$1.9 million in the last half of this financial year, and \$4.4 million in a full year will be available to the business community. If we examine the amount of revenue earned from pay-roll tax by this Government we see that the estimated revenue this year will be \$30 million more than the actual amount received in 1980-81. It is time the Government of the day regarded pay-roll tax in the same manner as it regarded probate duties in 1977. A policy to eliminate pay-roll tax eventually must be developed and implemented over a period. It may be carried out by successive Governments, but certainly by successive Parliaments.

I believe we should embark on a policy to reduce the percentage of pay-roll tax by 0.5 per

cent each year until it is eliminated totally. On an annual basis that procedure would bring about a 10 per cent reduction in revenue earned from pay-roll tax. I would not think that a reduction of \$22 million in State revenue in one year is an insurmountable problem. In budgetary terms it could be overcome and adjustments could be made.

Some criticism has been made of the Government's education policy. At the commencement of the spring session a degree of criticism was levelled at the handling by the Minister for Education of the campaign by the Teachers' Union and teachers to maintain the level of education funding. The campaign coincided with the decision of the Government to make public some of the cuts it intended to impose on education spending, which the Teachers' Union and teachers generally saw as having a direct effect upon the quality of education in this State. Consequently teachers, generally with the support of parents, commenced a campaign to have the level of education spending maintained. It is interesting that claims from both sides of this House have been made about the effectiveness of the campaign.

Members on this side have claimed always that the Government will continue to give education the high priority it has in the past. Members opposite have been more inclined to the view that the campaign by the Teachers' Union and parents was successful. I have only one comment to make, and it is directed to the Teachers' Union and teachers generally. While the Teachers' Union constantly complains about the quality of education and, in fact, runs down the quality of the service teachers provide, in the long run the union will do itself a disservice. I would like teachers to spend more time advocating the high quality of education generally in Western Australia rather than constantly referring to situations which indicate education in Western Australia is not as good as the teachers would like it to be. If they change their policy they might find a greater degree of enthusiasm from the public and the Government in support of the demands they make in regard to education, especially for the quality of education rather than the payment teachers receive for the professional services they provide.

The Budget increase of \$53.1 million on education has been highlighted. However, some proposed funding cuts were not dealt with at any great length, and two of them deserve mention. The first relates to pre-school education. I agree with the member for Subiaco that it is difficult for any Government to get away unscathed from

a decision to take away from the public what it has always had. In that situation there always will appear a few scars, and this will happen in relation to the funding cuts for pre-school education of four-year-olds.

Special problems relate to pre-school children in country areas. At the moment I understand it is the Government's policy to cater only for five-year-olds, and where possible to have a pre-school teacher assigned to five-year-olds for morning sessions and in the afternoon sessions have that teacher assigned to the nearby junior primary school as an assistant to the junior primary school teacher. That situation may be fine in cases of five-year-olds attending a pre-primary centre or pre-school on a one-session-per-day basis. As the Minister knows, pre-primary school children in country areas are entitled to attend their school on a full-day basis—two sessions. Usually they attend two sessions on each of two days to give them a four-session per week learning programme compared with children in the metropolitan area who attend one session on each of four days. What will happen to these particular students if the Government's policy is carried out in regard to eliminating from pre-primary centres and pre-school centres a learning programme for four-year-olds?

There is also the question of what happens to these particular teachers in country towns. Will they be employed for only half the time—that is, employed for the position in which they are trained for half of their time—and, for the rest of the time, be employed as assistants to primary teachers, or should we not accept just four-year-olds, keep the pre-primary and pre-school centres full and give those teachers an opportunity to practise that for which they have been professionally trained for a full working day?

In the Budget mention has been made of the fact that this year is the International Year of Disabled Persons and there has been provision for extra funds for people, students, or children with special learning difficulties, for which I commend the Government. There is one matter that needs to be examined and on which a policy should be developed, which will cost money and it is appropriate that it be raised at Budget time. It relates to those children with special learning difficulties who can generally cope with the classroom situation. Very few teachers are trained to provide specialist education to these students—unfortunately there are many of them—and I think it is time that emphasis was placed on giving all teachers some training in providing a special education programme for those children who have learning difficulties, but

who do not need to leave the classroom; in other words, their learning capacity has not been so badly affected that they have to attend a special school, but in the classroom they find themselves always at the bottom of the class. It is time that a policy was formulated to give those people an opportunity.

This afternoon there has been quite some debate on health matters and I will make a small contribution to that. I note the Budget speech of the Treasurer was very carefully worded when it came to health. He spoke of gross expenditure on health being up \$152 million. When one reads further one finds that the expenditure on health comes mainly from the increased contribution that will be made by patients themselves rather than by an increased contribution from the Government. I have no argument with that.

I have maintained for some time that the member for Subiaco is right when he says there has been too much provision in Western Australia for medical beds as opposed to nursing beds. If people were to realise, through their pockets, that the provision of medical beds is far more expensive than the provision of nursing beds, there may be some public demand for a degree of rationality in the provision of health services.

One thing I want to mention of a parochial nature is the Merredin Hospital which firstly, for many years has been the centre of a campaign for a regional hospital; secondly, of course, what it now really deserves is to be only a district hospital. I hope that the trend of channelling vast amounts of money into the specialist hospitals in the metropolitan area is gradually reduced and is in fact changed so that country hospitals receive their fair share of the money budgeted for health. There has been too much emphasis on teaching and specialist hospitals in the metropolitan region. The time has now come for those people in the Medical Department who are responsible for dividing up the Hospitals and Allied Services budgetary cake to make certain that a little more is spent in all country regions.

One other factor that has been mentioned in the Budget, but which had been left to the imagination, is the merger of the RTA and the Police Force. There has been an increase in money for both these arms of the force, but there has been only the statement that the RTA and the Police Force will merge after discussions with local authorities. I want to know and to have it demonstrated to this House or to those local authorities precisely why it is necessary to merge the two services, and what the savings will be. I am aware that the union point of view is that more policemen are needed in the metropolitan

area, particularly to service the new court facility, and the only place where these policemen can come from, because of the ceiling on increased manpower, is from those country stations which are three-man police stations. Generally they have two general duties personnel and one RTA officer and it appears that those stations will be reduced to two-man stations and one general duties officer will be transferred back to the metropolitan area. If that is the case, I am strongly opposed to the RTA and police merger. That, together with any objections from the local authorities, would be the only reason we would oppose it. There is no question that the people who enforce the law are policemen. The law itself will not change. I suggest that while we have policemen enforcing the traffic code and no change of the law, there will be no change in how the policemen or RTA officers go about their duties, so what we must cover is the stationing of men in country areas. Being a member representing a rural area, I am concerned with that. If the local authorities have objections, and if those two matters cannot be satisfied, or if it cannot be demonstrated that those two issues have been catered for, I will strongly oppose the RTA-police merger.

I note in the Budget papers that the Department for Youth, Sport and Recreation has been allocated a vote of \$3.7 million. When that department was created it certainly became a point of interest to people, particularly in country areas, not so much because of the work they do, but because of the funds that were created for the department to distribute. A trust fund has been established from within Treasury for distribution to local authorities for the creation of sporting complexes and facilities and it was the responsibility of the Department for Youth, Sport and Recreation or, as it was then, the Department of Community Recreation, to process the applications of various local authorities and distribute the moneys that were available in the trust fund.

It disturbs me greatly that the allocation of moneys to the Department for Youth, Sport, and Recreation has been increased continually, yet the allocation of moneys to the trust fund, for distribution to local authorities, is being reduced. It is costing something like \$2 million to administer a fund which, in effect, is worth only \$1.4 million. Some economies could be practised within the department, and I would rather see the department reduced in size than the level of moneys allocated to the trust fund reduced, as has occurred this year.

The value of the allocation for sporting facilities in country areas is immense. I suggest to

the Premier that if the moneys available to local authorities were increased, they would certainly be used well. It would be money far better spent than using it to increase the size of the department which administers the fund.

Approximately two years ago, some people in the Merredin Shire became very concerned about matters relating to conservation and salinity control. They were concerned about the small amount of natural vegetation that had been left in the established wheat belt areas, particularly in the eastern wheat belt. These people decided that it was time something was done about activating the soil conservation service which existed within the Department of Agriculture.

I do not think many people would be aware that we have had a Soil Conservation Act in this State since 1945. I am not aware of the powers of that Act ever being fully utilised. They most certainly have not been utilised with regard to conservation where a farmer, by his own negligence, has destroyed some of the land he owns.

Criticism has been expressed about the commissioners of the soil conservation service because of their inactivity over the last 15 to 20 years. I am pleased to say that a new commissioner has been appointed, and that gentleman appears to be taking an active interest in his duties. As well, he is supported actively by the Government in that money is being made available for salinity control and soil conservation. He has shown an interest in matters relating to conservation in the eastern wheat belt region. This conservation is very necessary and it is not too late, as many people maintain. It is time we did something about rehabilitating some of the areas which have been destroyed because of poor farming practices.

I am pleased to note that money has been made available to the cereal-growing industry in order that it might produce varieties of grain which can tolerate the marginal areas of the wheat-producing regions. I have found it very strange that most of the emphasis on plant research, particularly cereal, has been devoted to the production of varieties which can handle the wet areas of Western Australia. It has been known for a long time that the majority of quality produce in Western Australia comes from the drier marginal regions. It is pleasing to note that new strains of wheat are being introduced, and we hope they will be able to cope well in the marginal wheat-producing areas of the State.

It is pleasing to note that money has been made available for research into continuous cropping programmes. The cereal-growing industry is

undergoing a radical change, particularly over the last two to three years. Cereal production has increased at a rapid rate, and because of high costs of land, farmers have felt that rather than purchase more land they are prepared to crop the land they have more often. This has destroyed the original concept of dry land farming, which involved production on a rotation system. Continuous cropping has had some effect upon the soils in the wheat belt and it is pleasing to note recognition has been given to its effects on cereal growing and that some research will be carried out.

I am critical of the area of the Budget which relates to local government. I recall that some 25 years ago I attended the official opening of the Narembeen swimming pool which was opened by the late Premier, Sir David Brand. At that opening he pulled out a handful of two shilling pieces and threw them into the water and invited people to dive in and retrieve them. At that stage, the only people who could swim were the young adults, although none of them could swim very well.

Approximately 25 years later, the present Premier (Sir Charles Court) visited Hyden and opened a swimming pool and did exactly the same trick. Of course, inflation had taken its toll and he threw in a handful of 50c pieces. The Premier invited children to enter the water and find those 50c pieces. The point I wish to make is that the swimming pools have an invaluable place in rural life. This facility has enabled everyone over the age of five years to be totally water secure, whereas 25 years ago very few adults could swim.

It disappoints me to note that the swimming pool subsidy will be removed. It also disappoints me to note that the Government will phase out the local authorities' assistance fund. The reason for this phasing out is that there has been an increase in revenue going to local authorities from the Commonwealth tax-sharing arrangement. I believe the receipts from that particular item have increased by 18 per cent, and for that reason the Government has decided it will reduce its own level of assistance to local authorities.

When such an action is undertaken, one must be very careful when criticising another Government—and I am talking about the Federal Government—for its reduction in contributions to State funding. I think we have to recall the fact that approximately half the Budget speech delivered by the Premier was devoted to criticism of the Federal Government. I believe that was quite correct because that criticism was entirely justified.

If we can justify our criticism of the Federal Government for its reduction of contributions to the State, then similarly local government can be justified in criticising the State Government for its reduction in funds to be made available to local government. I would ask the Treasurer to reconsider the proposed reduction in the allocation of funds to local authorities.

Sir Charles Court: There is no reduction this year.

Mr COWAN: I know there is no reduction this year. That is why I am saying, "Please reconsider it".

Sir Charles Court: They went up 33 per cent last year, 16 per cent this year and will increase 18½ per cent next year.

Mr COWAN: Is the Treasurer talking about the State contribution?

Sir Charles Court: No, the contribution we are getting from the Commonwealth. This year it is \$32 million.

Mr COWAN: The Commonwealth contribution has decreased and the State Government has indicated it is going to reduce the State contribution to local authorities. On that basis it is very easy for other people to justify the Commonwealth's reduction in the contributions to the State. The Treasurer cannot be critical of the Commonwealth for reducing the State's contribution if he in turn is going to reduce the contribution he makes to local authorities.

Sir Charles Court: There is a big difference because we received no notice from the Commonwealth at all.

Mr COWAN: I accept that the level of funding the State makes to local authorities is nowhere near as great as the level of funding local authorities receive from the tax sharing arrangement with the Federal Government, just as the level of funds the State receives from the Commonwealth provides the far greater proportion of its economy. I still maintain the principle exists.

Sir Charles Court: You are missing my point. The Commonwealth gives us no notice when it cuts us.

Mr COWAN: Certainly.

Sir Charles Court: Local authorities have expressed public appreciation of the fact that we talked to them and told them what we thought should happen; for example, that it should be adjusted from 1982-83 progressively, on a phasing out basis. Local authorities were agreeably

surprised that we were prepared (a) to give them notice and (b) to talk to them.

Mr COWAN: I agree with that and it is to the Government's credit that it has given local authorities 12 months in which to mount a campaign, and I hope it is successful. The basis of the Budget debates—if we can remove the favourite issues that people have brought in—is related to federalism and the Commonwealth's contribution to this Budget. The Treasurer has been very critical of the Federal Government's attitude to federalism. I agree with the criticism that has been made. The Opposition has been critical of federalism itself. As far as I am concerned, federalism would work provided it is federalism in a truly co-operative sense. Unless there is co-operation between the Commonwealth and the States and the States contribute meaningfully to federalism, particularly those parts of it dealing with the reimbursement of tax money, there will be constant areas of criticism of federalism and the way in which it operates. I certainly hope that in future the States will know precisely what amount of money they will get and are able to negotiate for that money on an

advanced notice basis and be able to budget precisely.

I agree with the Treasurer that there is no way in the world that States can continue on the basis on which federalism is operating. I do not criticise the principle of federalism, I criticise the people who are involved in arriving at the formula under which it operates. My criticism is directed entirely at the Commonwealth and I include those members of Parliament who represent this State in the Commonwealth Parliament. It is time they were told that they are not there to support the Prime Minister or the Leader of the Opposition, but to support the State of Western Australia and see to it that we receive a better deal from federalism.

Debate adjourned, on motion by Mr Clarko.

QUESTIONS

Questions were taken at this stage.

House adjourned at 4.33 p.m.

QUESTIONS ON NOTICE

STATE FINANCE: BUDGET

Finalisation and Printing

2401. Mr CARR, to the Premier:

(1) On what date did the Government Printer—

(a) commence printing;

(b) complete printing,

(i) the Consolidated Revenue Fund estimate document;

(ii) the document containing the Treasurer's second reading speech on the Consolidated Revenue Fund?

(2) On what date did Cabinet finalise the Budget content?

Sir CHARLES COURT replied:

(1) (a) and (b) Copy is forwarded progressively to the Government Printer for printing of the Budget documents. I understand printing was completed on 12 October 1981.

(2) The main components on 28 September 1981, but as is customary, some important details were considered and decided progressively until printing deadlines were reached.

CULTURAL AFFAIRS: FILMS

"R" rated: Prosecutions against Minors

2409. Mr CARR, to the Minister for Police and Traffic:

(1) On how many occasions during the last five years have charges been laid against persons under the age of 18 years for attending "R"-rated movies?

(2) How many convictions have occurred?

Mr HASSELL replied:

(1) Records do not disclose any charges preferred for the last five years against persons under the age of 18 years for attending "R"-rated movies.

(2) Answered by (1).

AGNEW CLOUGH LTD.

Wundowie Iron and Steel: Sale

2423. Mr TONKIN, to the Premier:

What are the details (including dates and costs) of all subsidies and other payments paid to Agnew Clough since the sale of the Wundowie Iron and Steel Works to it?

Sir CHARLES COURT replied:

I have referred the question from the member to my colleague, the Minister for Resources Development. This information will take some time to collate. A reply will be given as soon as the details are available.

2448. *This question was postponed.*

ABATTOIRS

Export Licences

2450. Mr COWAN, to the Minister for Agriculture:

(1) Can he name the abattoirs in Western Australia which have an export licence?

(2) What percentage of the kill in each of these abattoirs is nominated for export?

(3) What are the numbers of—

(a) Department of Primary Industry meat inspectors;

(b) State meat inspectors,

attached to each of the abattoirs?

(4) What are the fees charged for—

(a) Department of Primary Industry meat inspections;

(b) State meat inspections,

for animals slaughtered at abattoirs with an export licence?

(5) How many local authorities have made a loss on the meat inspection services they are required to provide?

(6) Is it envisaged that meat inspection charges will be increased?

(7) If so, by how much?

Mr OLD replied:

(1)	Company	Location
	WA Meat Commission	Robb Jetty
	Watson's Foods	Spearwood
	Thomas Borthwick & Sons	Albany
	Bunbury Beef Exports	Bunbury
	Harvey Meat Exports	Harvey
	Wynne Exports	Warroona
	Metro Meat	Katanning
	Metro Meat	Geraldton
	Smorgons	Wooroloo
	Tip Top Meats	Wooroloo
	Derby Meat Processing Co.	Broome and Derby
	Wyndham Meats	Wyndham

- (2) This is a matter for the companies concerned.
- (3) (a) and (b)

	Number of Inspectors as at 29.10.1981	
	DPI	State
Robb Jetty	25	13
Spearwood	5	13
Albany	14	—
Bunbury	12	—
Harvey	10	—
Waroona	13	—
Katanning	12	—
Geraldton	9	—
Smorgons, Wooroloo	12	—
Tip Top Meats, Wooroloo	7	—*
Broomie (Season finished)		
Derby (Did not open in 1981)		
Wyndham	8	

* Inspection by local government

- (4) (a)

	Per head \$
Cattle	1.80
Calves, under 40 kg	0.18
Calves, 40 kg and over	0.60
Sheep, lambs and goats	0.18
Pigs	0.60

- (b)

Cattle	1.25
Calves, under 68 kg	1.00
Calves, 68 kg and over	1.25
Sheep, lambs and goats	0.38
Pigs	0.75

NOTE: The fees under (4) (b) apply at metropolitan export abattoirs. Fees differ at country export abattoirs where inspection of meat for the domestic market is carried out by local government authorities.

- (5) This information is not available to my department.
- (6) and (7) This matter is under examination.

MINING: GOLD

Mineral Claims

2451. Mr GRILL, to the Minister for Mines:

- (1) Is it the Government's policy to concur with the grant of mineral claims for the purpose of exploration for gold?
- (2) What is the Government's policy especially in respect of the exercise of his discretion where the exercise of that discretion is called for or is appropriate with regard to such grants?

Mr P. V. JONES replied:

- (1) and (2) The grant of a mineral claim gives the holder the right to mine for specified minerals. The grant does not convey any specific rights to explore for gold, as would be associated with the granting of a goldmining lease.

HOUSING

Kalgoorlie and Boulder

2452. Mr I. F. TAYLOR, to the Honorary Minister Assisting the Minister for Housing:

What is the State Housing Commission building programme for Kalgoorlie/Boulder in 1981-82?

Mr LAURANCE replied:

The proposed construction programme for Kalgoorlie/Boulder in 1981-82 is 20 three-bedroomed rental houses, and ten aged pensioner units as a joint venture with the Anglican Church.

EDUCATION: PRE-PRIMARY AND PRE-SCHOOL

Commonwealth Funds

2453. Mr COWAN, to the Treasurer:

- (1) Does the Commonwealth Government provide funds for the specific purpose of meeting the costs of pre-school or pre-primary education?
- (2) If "Yes"—
 - (a) what is the amount; and
 - (b) on what is the money spent?
- (3) Under what item of estimated revenue was the money included?

Sir CHARLES COURT replied:

- (1) Yes.
- (2) (a) \$5 828 685—1980-81.
\$5 875 000—1981-82 (Estimate).
- (b) The above figures include a block grant of \$4.86 million as "supplementary funding to the State for the early education of children one year below school age". The balance is provided for specific programmes such as the vacation care programme.

- (3) Under the item "Children's Services Programme" in the specific purpose grants section of the Commonwealth division in the 1981-82 revenue estimates.

DROUGHT

Areas Declared

2454. Mr GREWAR, to the Minister for Agriculture:

- (1) What is the criterion necessary for declaration of drought in any particular area or district?
- (2) Does such a criterion cater adequately for primary producers in higher rainfall areas who experience seasonal conditions which result in their having to drastically reduce livestock numbers, or to purchase fodder well above normal annual requirements?
- (3) Why are declarations of drought revoked before income from the primary producer's main enterprise is received?
- (4) Is he aware that such revocation can result in increases in loan interest rates before the primary producer is in receipt of any substantial income?

Mr OLD replied:

- (1) The criteria used are the rainfall and its distribution; the expected crop yields; reduction in stocking capacity; and the recommendation of the inspecting officer.
- (2) Yes.
- (3) The drought declarations are revoked when it is considered that a drought situation no longer exists.
- (4) Yes. I have discussed this at a meeting of the associate banks, and most are maintaining concessional rates until harvest.

EDUCATION: NON-GOVERNMENT OR GOVERNMENT

Voucher System

2455. Mr GREWAR, to the Minister for Education:

- (1) Has the department investigated the "voucher system" as a means of giving parents a freedom of choice in selecting a school for their children's education?

- (2) Is the department concerned that the present policy does not allow freedom of choice, especially when some schools have a decidedly better performance than others?

- (3) In view of the mounting public concern that alternative schooling should be available, is he prepared to consider implementing the "voucher system" in Western Australia?

- (4) Is the department concerned that a rigid policy of an almost monopolistic system, e.g., a State system, could have a tremendous influence on the child and ultimately society if the standards and values adopted as policy have deficiencies?

Mr GRAYDEN replied:

- (1) to (4) The "voucher system" is a familiar idea which has been advanced from time to time in various countries around the world.

As far as can be ascertained no education system has adopted it.

NOXIOUS WEED

Cape Tulip

2456. Mr GREWAR, to the Minister for Agriculture:

- (1) Is Cape tulip a declared noxious weed in Western Australia?
- (2) If "Yes", what actions have been taken to control this weed in Kings Park?

Mr OLD replied:

- (1) Yes.
- (2) The policy with regard to Cape tulip in the metropolitan area is one of containment. Periodically the weed is removed manually from Kings Park by staff employed by the Kings Park Board.

GRAIN: WHEAT

Yields

2457. Mr GREWAR, to the Minister for Agriculture:

- (1) Could he kindly provide five-year averages of wheat yield in Western Australia since 1900?

- (2) Could an estimate be made of the increase in yield attributed to—
 (a) breeding;
 (b) improved technology, mechanisation, etc.?

Mr OLD replied:

(1)	5 Year Average To	Yield (T/Ha)	5 Year Average To	Yield (T/Ha)
1904-05		.75	1944-45	.74
1909-10		.73	1949-50	.80
1914-15		.58	1954-55	.88
1919-20		.63	1959-60	1.00
1924-25		.71	1964-65	.93
1929-30		.74	1969-70	1.00
1934-35		.81	1974-75	1.14
1939-40		.73	1979-80	1.04

- (2) (a) and (b) It is not possible to partition the effects of plant breeding and other technologies on wheat yield.

Undoubtedly breeding and other improvements in technology have increased yields per unit area as well as extending the soil types and environments in which wheat can be grown.

Recent studies in the UK have indicated that 60 per cent of yield increases in that country since 1947 have been due to plant breeding and 40 per cent to other factors.

PUBLIC SERVICE

Public Servants: Public Holiday

2458. Mr HODGE, to the Premier:

- (1) Is the Government's failure to make a decision on whether Monday, 4 January 1982 is to be granted as a Public Service holiday, causing confusion and inconvenience to many people?
 (2) When is it likely that the Government will make a decision on this matter?

Sir CHARLES COURT replied:

- (1) Pursuant to Public Service regulation 12(a), 4 January 1982 is a Public Service holiday.
 (2) Not applicable.

HEALTH: WOMEN'S REFUGE CENTRES

Funding

2459. Mr HODGE, to the Minister for Health:

- (1) How much has been allocated in the 1981-82 Budget for women's refuges?

- (2) How much was provided for women's refuges in 1980-81?
 (3) How much of the money provided in the 1981-82 Budget came from the State Government?
 (4) Under the former funding arrangements the Federal Government provided 75 per cent and the State Government provided 12½ per cent of the funds for women's refuges. Using that formula, what percentage is the State Government paying in 1981-82?

Mr YOUNG replied:

- (1) \$641 000.
 (2) \$532 000.
 (3) \$641 000 has been provided by the Western Australian Government. However, an amount of \$517 000 was provided by the Commonwealth Government and included in the identified health grants.
 (4) The State contributed \$62 000 in 1980-81 and will contribute double this amount in 1981-82.
 The State Government is providing 100 per cent of all grants to women's refuges and as the refuges are no longer required to raise any specific percentage to qualify for Government funding, the continued use of percentages in respect of contributions is meaningless.

GRAIN

Oats

2460. Mr EVANS, to the Minister for Agriculture:

- (1) What quantity of oats were produced in Western Australia in the 1980-81 season?
 (2) What quantity of oats were handled by the WA Grain Pool in 1980-81?
 (3) What was the charge per tonne made by Co-operative Bulk Handling for handling oats in the 1980-81 season?
 (4) What charges will be levied by Co-operative Bulk Handling for handling oats in the forthcoming season?

Mr OLD replied:

- (1) 383 545 tonnes.
 (2) 36 000 tonnes.
 (3) \$15.15/tonne.
 (4) \$14.01/tonne.

EDUCATION: HIGH SCHOOL

Tuart Hill: Canteen and Swimming Pool

2461. Mr BERTRAM, to the Minister for Education:

What arrangements have been made for the operation, during 1982 and thereafter, of—

- (a) the canteen; and
- (b) the swimming pool,

situated at Tuart Hill Senior High School, and when were such arrangements made?

Mr GRAYDEN replied:

- (a) and (b) Discussions on the operation of the canteen and swimming pool in 1982 and thereafter at Tuart Hill Senior High School are continuing.

HEALTH

Air Travel

2462. Mr JAMIESON, to the Minister for Health:

- (1) Is it an established medical fact that aircraft vibration on long flights is the cause of blood clotting in some aged travellers?
- (2) If so, as Perth is at the end of long flights, even within Australia, is it known whether the airlines warn older travellers that it is desirable to move around the aircraft during flight to minimise the possibility of clots forming?
- (3) If airlines do not warn such passengers would he discuss this matter with the Department of Transport to see if some warning basis can be established?

Mr YOUNG replied:

- (1) No, but it is an established medical fact that prolonged immobility, whether in a sitting or lying position, may predispose to thrombosis of blood vessels of the legs in elderly people. This risk occurs most commonly following prolonged bedrest, but some cases have been reported following prolonged sedentary travel in aircraft and buses. Two cases are known to have occurred following flights from London to Perth, and one following a five-day coach trip from Perth to Sydney.

- (2) It is understood that airlines generally take a particular interest in older travellers, especially where there is a known medical history. Patients with a history of thrombosis may be given special seating to enhance the mobility of their legs, and encouraged to get up and walk around the aircraft. Passengers on long flights are generally encouraged to disembark at transit stops to stretch their legs, and printed advice on in-flight exercises are sometimes included with other material placed in seat pockets for the information of passengers.

- (3) I see no need for any specific approach to the Department of Transport on this matter.

EMPLOYMENT AND UNEMPLOYMENT

Para-Quad Industries

2463. Mr WILSON, to the Minister for Health:

- (1) Is he aware of claims by a former employee in the industrial metalwork section of Para-Quad Industries that he was threatened by a supervisor while working there and subsequently assaulted?
- (2) If "Yes", have these claims been thoroughly investigated and with what result?
- (3) Why was this person subsequently refused renewed employment at Para-Quad in spite of medical certification affirming his suitability for such re-employment?

Mr YOUNG replied:

- (1) to (3) Para-Quad Industries is a sheltered workshop conducted and controlled by the Paraplegic-Quadriplegic Association. I have no control whatever over the workshop or the association.

2464 and 2465. *These questions were postponed.*

RECREATION: OFFICERS

Local Government: Funding

2466. Mr WILSON, to the Minister for Cultural Affairs and Recreation:

- (1) Will the Government's announced intention to reduce the funding for the salaries of recreation officers assigned to

local government authorities by 50 per cent bear most heavily on smaller shires in country areas on the one hand, and advantage the larger metropolitan local authorities who already directly employ some recreation officers on the other, by subsidising such officers by 50 per cent?

- (2) Can he confirm that it is the Government's intention to contribute 50 per cent of the salaries of such officers rather than of the full cost of employing them?
- (3) Is his department concerned about the possible adverse effects, especially on small authorities, of the intended abolition of \$3 000 annual swimming pool subsidy?
- (4) Is it the Government's ultimate intention to dismantle the Department of Youth, Sport and Recreation?

Mr GRAYDEN replied:

- (1) and (2) Operational details of the scheme to transfer recreation officers to the direct employ of local government have not yet been finalised; however, it is not the intention of Government to unfairly disadvantage any particular group of local authorities.
- (3) In 1980-81 local government received a 35.7 per cent increase in Commonwealth appropriation. In 1981-82 the increase was 16.6 per cent and not less than 18 per cent is expected next year. During the same period the State has received increases of 10.8 per cent in 1980-81 and less than 10 per cent in the current year. It is equitable therefore to have local authorities accept responsibilities for the operation of facilities such as swimming pools.
- (4) No.

2467. *This question was postponed.*

STOCK: SHEEPSKINS

Treatment: Chemicals

2468. Mr EVANS, to the Minister for Agriculture:

Will he table the full data, including the results of trials, upon which the registration of "Clout" was permitted in Western Australia?

Mr OLD replied:

Section 36(5) and regulation 7 of the Veterinary Preparations and Animal Feeding Stuffs Act 1976 prohibit the disclosure of any particulars furnished in connection with an application for registration of a product under the Act unless previous consent of the applicant has been obtained in writing or for purposes of proceedings for an offence under the Act.

ROADS

Carramar Street-Wanneroo Road Intersection

2469. Mr BERTRAM, to the Minister for Police and Traffic:

- (1) Is he aware that Carramar Street has been closed at its junction with Wanneroo Road?
- (2) When did the closure occur, and why?
- (3) Is he aware that since the closure of Carramar Street as aforesaid, even more dangerous situations are occurring at the junction of London Street and Wanneroo Road?
- (4) If "Yes" to (3), what action is proposed to correct this state of affairs?

Mr HASSELL replied:

- (1) Yes.
- (2) Closure was effected by Stirling City Council on or about 22 October 1981. This followed consultation with the Main Roads Department on means of improving traffic management safety associated with the development of an adjacent major shopping centre.
- (3) and (4) No. However, I will have the matter investigated.

QUESTIONS WITHOUT NOTICE

EDUCATION: HIGH SCHOOLS

Driver Education: Programme

704. Mr CARR, to the Minister for Police and Traffic:

I refer the Minister to an interjection he made on Tuesday evening during the address by the member for Gosnells on the subject of the driver education scheme, when I understood him to say the RTA was working on a scheme of its

own for driver education in schools to replace the present scheme. My question is as follows—

- (1) Is the Minister able to give the House any information as to what stage has been reached in preparing for that new scheme?
- (2) Can he advise when the scheme will come into effect?
- (3) Can he advise how the scheme will work and in what places it will work?

Mr HASSELL replied:

- (1) to (3) The driver education programmes which have been operating clearly are to be replaced because the Education Department is not continuing with the scheme. When that decision was made we were concerned to ensure there was a continuity of programmes and that we should not lose the benefit of the very significant degree of voluntary input now being made with the cars that are made available by General Motors-Holdens Sales Pty. Ltd. and the servicing of those vehicles by the General Motors dealers. In addition to that, there is the question of the momentum, which we do not wish to lose, of having a programme which is operating.

The Treasurer, in his Budget speech, made it clear that we were looking at alternatives. As the Minister for Education said yesterday, and has said before, there has been a degree of criticism of present programmes because of their limited nature. The present scheme is available only to those students attending high schools, and this is where the problem occurs, because it is not available to those children who do not attend high school. What I have been seeking to develop is a programme that will be available to all people in the appropriate age bracket and one which we can fund. We have no Budget allocation this year and an allocation could not have been made because of the nature of the Budget. I have to look at the question of funding, the sort of programme that may be provided, who is going to provide it, and also the issue of what inducements there may be for students to enter into the programme to benefit from it. An inducement I have seen in other places is the reduction of

the age at which a young person may obtain his licence for the first time if he has taken the course and reached a certain standard.

Another inducement I have seen is that insurance companies have recognised the value of the course and have reduced loadings on young drivers who have taken it.

Mr Parker: The problem is not to induce people, the problem is to have sufficient courses available.

Mr HASSELL: That is not altogether correct because I understand that people who could have taken them have not done so. I am not going to argue on that point. That is my understanding. Those issues, including the issue of funding, all have to be worked out.

Some weeks ago, with the authority of other Ministers, of whom there are several, I caused the interdepartmental committee which investigated the road traffic and safety matters for the Government earlier this year to be reconvened and to consider this matter and associated issues. The committee has had one meeting, and has more work to do before providing me with an interim report. All those aspects will be considered.

The other aspect of the question was "When". It is my sincere hope I will be able to have something ready for the beginning of the next school year, although it will not be related directly to schools but will be for the purpose of maintaining continuity. In my understanding, the Minister for Education has made it clear the current programme will continue until the end of the year.

Mr Carr: From where would you get the funds next year?

Mr HASSELL: That is one of my problems. I am not discounting the possibility, but I want to pursue the matter to a conclusion. I have some ideas on which I wish to work.

**TRADE UNION: FIRE BRIGADE
EMPLOYEES' UNION**

Industrial Commission: Order

705. Mr WILLIAMS, to the Chief Secretary:

- (1) What were the exact terms of the Industrial Commission's order in relation to the firemen's strike today?
- (2) To what extent were fire stations manned today?
- (3) (a) Was there a complete coverage of fire protection in the metropolitan area;
(b) in particular, what fire stations normally service the following suburbs—
 Como
 Manning
 Bentley/Wilson
 Karawara
 Mt. Pleasant
 Booragoon
 Brentwood
 Rossmoyne
 Shelley;
 (c) were these fire stations manned during the strike;
 (d) if so to what extent;
 (e) what is normal manning of these stations?

Mr HASSELL replied:

I have had some notice of this question. I should mention that one of the fire stations referred to in the list read out by the member for Clontarf—Brentwood—I have down as Riverton in the notice of question I received.

Mr Davies: That was not the question he gave you to ask?

Mr Hodge: Get your "Dorothy Dixers" right.

Mr HASSELL: This question was phoned through to my office in the normal way.

Mr Brian Burke: On a telephone? That is the normal way.

The ACTING SPEAKER (Mr Crane): Order! I remind members it is the practice of the Speaker that when continual interjections occur during questions without notice, questions will be terminated. I intend to do just that if interjections persist.

Mr HASSELL: The answer is as follows—

- (1) (i) That the Fire Brigade Employees' Industrial Union of Workers of Western Australia, having advised that certain fire fighters will remain on duty at all relevant times at the Perth station and the Fremantle station, shall ensure that the normal complement of fire fighters shall remain on duty also at all relevant times at the Balcatta, Midland and Maddington stations.
- (ii) That a fire fighting appliance from each station at which fire fighters do not remain on duty at all relevant times if designated by the Chief Officer, Western Australian Fire Brigades Board, shall be positioned at Perth station or at such other place as may be nominated by the chief officer and shall be attended at all relevant times by a driver a member of the said union.
- (iii) That the said chief officer shall station the personnel carrier operated by the board at Perth Oval whilst the meeting is in progress and being attended by members of the said union, and further that two fire fighters one of whom shall be supplied with a portable radio shall attend that carrier at all relevant times.

(2) FIRE STATION	NORMAL CREW NUMBERS		ACTUAL CREW NUMBERS DURING STOPWORK MEETING	
	Officers	Firemen	Officers	Firemen
Perth	8	25	3	11
Fremantle	4	12	2	8
Balcatta	1	2	1	2
Midland	1	2	1	2
Maddington	1	2	1	2
Osborne Park	2	6		NIL
Belmont	2	8		NIL
Daglish	1	4		NIL
Kensington	1	4		NIL
Bedford	1	2		NIL
Bassendean	1	2		NIL
Canning	1	2		NIL
O'Connor	1	2		NIL
Spearwood	1	2		NIL
Claremont	1	2		NIL

In addition to the above, appliances from each of 10 unmanned stations stood by with a driver at Perth Fire Station. Also, a personnel carrier with one officer and one fireman stood by at Perth Oval. Both of these arrangements were pursuant to the Industrial Commission's order.

- (3) (a) No.
(b)

Suburb	Station of Initial Response
Como	Kensington
Manning	Kensington
Bentley/Wilson	Kensington
Karawara	Kensington
Mt. Pleasant	Partly by Kensington Partly by O'Connor
Booragoon	O'Connor
Riverton	Canning
Rossmoyne	Partly by O'Connor Partly by Canning
Shelley	Canning

- (c) to (e) Answered by (2). It is obvious the manning situation was extremely poor and quite unsatisfactory for an emergency service. Frankly, I find it hard to believe the order made by the Industrial Commission was considered to be acceptable.

Point of Order

Mr BRYCE: Mr Speaker, could you advise the House as to the ground rules which should be followed during questions without notice. There is no Standing Order related to this period. The Minister has just spent 12 minutes answering two questions. What ground rules should apply when Ministers read obviously prepared lengthy answers which should require those Ministers to hand in the answers? The Minister has just spent six minutes reading a prepared answer to the Chamber, when the answer could have been handed in.

The SPEAKER: The normal practice is for the Minister concerned to make a judgment as to whether or not the answer is too lengthy, and whether it would be appropriate for the answer to be handed in. There have been times when the Speaker has perceived an answer is extremely long, and has asked

for it to be handed in. I believe the practice has worked well up until now and I will continue to rely on the judgment of Ministers as to whether they should hand in questions which are excessively long. It is always within the power of any member of the House to seek my intervention if he thinks answers to questions are excessively long.

FIRES: FIRE BRIGADES

Manning: Volunteers

706. Mr BRIAN BURKE, to the Chief Secretary:

I note the Chief Secretary's new found interest in the Fire Brigade and the chaos which has followed that new found interest. I ask—

Notwithstanding the inquiry the Chief Secretary is conducting into the Fire Brigade, is he prepared to scotch the silly rumours which still abound about the proposed manning of certain stations; namely, Spearwood, Maddington, Midland, and Balcatta with volunteers instead of professional firemen?

Mr HASSELL replied:

If the Leader of the Opposition cared to be more specific about the rumours, perhaps I could answer his question.

FIRES: FIRE BRIGADES

Manning: Volunteers

707. Mr BRIAN BURKE, to the Chief Secretary:

Am I to understand that the Chief Secretary is not prepared to give an assurance to this House that the Midland, Maddington, Spearwood, and Balcatta stations will not be manned by volunteers in replacement of the professional firemen now manning those stations?

Mr HASSELL replied:

I answer the Leader of the Opposition by saying that, to the best of my knowledge, no plans to make such arrangements have been formulated.

GOVERNMENT GUARANTEES

Details

708. Mr TRETHOWAN, to the Honorary Minister Assisting the Minister for Industrial Development and Commerce:

- (1) Did he see the report in *The Sunday Times* of 26 October headed "More cuts by Opposition razor gang", wherein it was reported that the State Opposition considered that the \$7 million losses on loan guarantees to business were Government wastage of taxpayers' funds?
- (2) What was the total value of loan guarantees approved by the Government during the period from 1 July 1974 to 30 June 1981?
- (3) What is the total amount of losses written off in respect of guarantees approved during that period?

Mr MacKINNON replied:

- (1) Yes.
- (2) \$101 468 850.
- (3) \$3 351 473, or 3.5 per cent of the total guaranteed loans during that period.

I could provide the member with some further information to show him how the report is fallacious. The Opposition's platform since August 1980 suggests that a Labor Government will continue providing loan guarantees. If the Opposition were to continue that practice and provide those loans on essentially the same advice, it seems that a similar level of losses would be incurred; although if the Opposition were the Government at that time, it would not continue the guarantees in the same manner.

Our current system supports totally the private sector. In other words, we guarantee loans through the private banking sector. I can assure the House that the Opposition would not do that. If it were in government, it would provide the loans through its own corporation, and so cut across the private sector.

HOUSING: INTEREST RATES

Campbell Inquiry

709. Mr WILSON, to the Premier:

I refer to a Press statement by the Honorary Minister for Housing concerning his worry about the probable

recommendations of the Campbell inquiry into Australia's financial system, with the lifting of the control on bank interest rates. I refer also to the Honorary Minister's call for the sacking of the Federal Housing Minister (Mr McVeigh). My question is as follows—

- (1) Did the State Government make a submission to the Campbell inquiry into the Australian financial system, recommending against deregulation of bank interest rates?
- (2) Have the Premier or the Honorary Minister for Housing made a direct approach to the Prime Minister on this matter since the issue of the Press statement?
- (3) Have the Premier or the Honorary Minister made a direct approach to the Prime Minister recommending the sacking of Mr McVeigh?

Sir CHARLES COURT replied:

- (1) The Campbell committee's report is in the hands of the Minister, and the date for its public release has been announced. I do not intend to make any observations on the Campbell report until I have seen the document. It is a far reaching report, and I cannot pluck one item out of it. As is not unusual in cases like this, we have heard all sorts of conjecture as to the recommendations of the Campbell inquiry about overseas banks, deregulation of interest, and so on. I will not be caught making conjecture on it.

The Honorary Minister was entitled to foreshadow that if deregulation was one of the recommendations, he would be seeking representations from me to the Prime Minister to ensure that that recommendation was not adopted. In the meantime, I will not become involved in chasing every red herring across the path.

(2) I cannot recall a specific submission on that particular subject, bearing in mind that the Campbell inquiry was dealing with the total banking and financial situation in Australia. I could not be so bold and brave as to say that I can remember every detail, so I would not presume to answer that question off the cuff.

(3) I have already indicated across the Chamber, in answer to a question by the member, that although the Honorary Minister might have been a little presumptuous in calling for the Minister's resignation, I can well understand his anger because we have had a pretty raw deal and pretty discourteous treatment from the Federal Minister. I have not gone as far as calling for his resignation; but I have made clear to the Prime Minister my feelings about the Minister's attitude towards the State Ministers.

MINING: DIAMONDS

Agreement: Ratification

710. Mr BRYCE, to the Premier:

(1) Does he recall the procedure adopted by the Tonkin Government of bringing unsigned resource development agreements to the Parliament, to enable the Parliament to participate in a meaningful debate in respect of those agreements?

(2) Does he recall taking advantage of that procedure to move amendments to certain agreements during the course of his term as Deputy Leader of the Opposition?

(3) In view of the long term importance to Western Australia of the agreement between the State and the Ashton Joint Venturers, is he prepared to bring an unsigned agreement on the diamond industry to the Parliament?

Sir CHARLES COURT replied:

(1) and (2) I remember well the type of agreement brought to the Parliament by the Tonkin Government. I recall vividly some acrimonious debate in this Chamber, but I would not be precise about the name of the agreement. I think it had something to do with Pacminex; and the debate had something to do with the fact that the CBH installation would have been rendered suspect if the alumina export wharf had been built where the Tonkin Government proposed to build it. The Hon. H. W. Gayfer, who now sits in another place, was then in this Chamber; and he was fairly vocal and active about the issue. Again, I am speaking from memory.

I do recall the type of agreement of the time. However, this Government made it clear that it did not subscribe to that type of approach, and we introduced modifications to the mining agreements that were presented, and the format and procedure adopted for amendment. They have worked very well.

(3) I am not prepared to give an undertaking that we will bring forward an unsigned agreement. It will be in the best interests of the people of the Kimberley—and particularly of the East Kimberley—as well as the people of the State, to move the project off the ground as soon as possible. When we have arrived at an agreement that we believe is in the interest of the State, in the interest of the region, and in the interest of the nation, we will bring it to this Parliament. Then the Opposition can have its say on the agreement. No doubt it will be very vocal about it.

Mr Brian Burke: Can we amend it?

Sir CHARLES COURT: The Opposition will find it harder to criticise the agreement than it thinks.

WATER RESOURCES AND SEWERAGE: CHARGES

Increases: Advertisement

711. Mr HERZFELD, to the Minister for Water Resources:

I refer him to an advertisement authorised by the Leader of the Opposition in *The West Australian* on

16 October. In that advertisement, the claim is made that water and sewerage charges had increased by \$300 over the past seven years. Is this claim factual?

Mr MENSAROS replied:

Considering that in point one in the first part—"The problems"—of the advertisement it is claimed that the 1981-82 average rates for water and sewerage were \$125 plus \$194—that is a total of \$319—the \$300 increase claim would mean that the average charges seven years ago were \$19 per year.

Considering that the \$319 average claim itself is exaggerated, the Opposition in fact states that seven years ago the average ratepayer did not pay anything for the combined water and sewerage services.

This of course self-evidently proves the totally unfactual and misleading statements in the advertisement.

HOSPITALS

Hospitals and Allied Services

712. Mr HODGE, to the Minister for Health:

What amount of funds does the Government intend to make available to the Department of Hospitals and Allied Services for wage and salary increases in hospitals in 1981-82?

Mr YOUNG replied:

I thank the member for some notice of this question. The reply is as follows—

An amount of \$11.1 million has been provided for award increases for hospitals in 1981-82.

INDUSTRIAL RELATIONS

Pilbara

713. Mr GRILL, to the Minister for Labour and Industry:

- (1) Is the Minister aware of a report by Commissioner Kelly that the iron ore industry, with workers representing a tiny fraction of the Western Australian workers, was responsible for half the stoppage time lost hours in Western Australia during the last year?

- (2) What is the Government prepared to do about this chronic situation?
- (3) Why cannot the Government cope with industrial relations in the Pilbara area?

Mr O'CONNOR replied:

- (1) Yes.
- (2) and (3) The Government has already had talks with the Trades and Labour Council and other people to try to overcome the particular problem. The problems in the Pilbara appear to be the result of the shop stewards who disregard completely the benefits that can accrue to their members. They are more concerned in getting benefits or power for themselves than in obtaining work and money for the workers.

Mr Grill: There are some problems with management too.

Mr O'CONNOR: I believe most of the people in the Pilbara would be prepared to work if it were not for the unruly elements amongst the shop stewards. The Government has had tremendous difficulty and so have the workers. Generally the workers are putting themselves out of jobs. In the world field iron ore is something reasonably obtainable from many areas and unless we get some substance and security back into the area, we will feel the effects, not only in lost income for the State but also in lost jobs for the people.

MINING: IRON ORE

Pig Iron: Markets

714. Mr BARNETT, to the Minister for Resources Development:

I draw attention to an article in *The West Australian* in which he is quoted as saying the following in respect of Australian Iron & Steel Pty. Ltd.—

The State Government should have acted sooner to help secure markets for pig-iron and also should have widened its horizons to include a bigger manufacturing sector which might have cushioned the effects of the close-down, he said.

Why did not the Government act sooner and why did not the Government widen its horizons to include a bigger manufacturing sector?

Mr P. V. JONES replied:

I have been made aware of the statement attributed to me in this morning's Press, and it bears no relationship to the statement made. In fact, its inaccuracy has already been drawn to the notice of the newspaper in question.

The Government indicated to the House yesterday that there have been discussions with Australian Iron & Steel Pty. Ltd. for some time regarding possible ways of assisting. The company has made the point to us that any assistance we can give by way of rail freight concessions so far as the Koolyanobbing line is concerned or deferred payments for other expenses, would have to be made up in the end, and they would not be enough to allow the company to compete internationally with their product.

Through increased costs of production on the one hand, and through the ready availability of the product at lower prices in countries such as China on the other hand, there has been a considerable loss of work. Any assistance we can give, or were prepared to consider giving, was nowhere near enough to allow the company to be competitive.

after this production run, the Koolyanobbing mine will not be closed?

Mr P. V. JONES replied:

No, I cannot confirm that. The member was quoted in the media this morning as saying that the Koolyanobbing mine would not close. My understanding today is that his information is not as cast iron—if I could put it that way—as he would have the world believe it is.

Mr Grill: It is not my statement.

Mr P. V. JONES: It is our hope that Koolyanobbing can remain open and supply iron ore of the quality it has done in the past for the domestic pig iron market. We must bear in mind that every tonne of ore from Koolyanobbing that goes to the Eastern States is probably one less tonne from the Pilbara. If Koolyanobbing iron ore were used to replace some of the seven or eight million tonnes going to BHP from Newman, Kulin Island, or Cockatoo, some people will lose jobs. I am not criticising the attempts of the member and others to keep Koolyanobbing operating, but it must be done within the framework that it is not necessarily guaranteed. The existing operations at Newman, Kulin Island, and Cockatoo will be influenced by what happens at Kwinana.

MINING: IRON ORE

Koolyanobbing

715. Mr GRILL, to the Minister for Resources Development:

It is our information that Koolyanobbing will not necessarily close down after the four to five-month run to produce pig iron for the local foundry market. In view of the fact that, in terms of freight royalties and lease rentals, Koolyanobbing means about \$10 million to the State and about 105 jobs, can the Minister confirm that next year,

HEALTH: MENTAL

Patients: Complaints

716. Mr YOUNG (Minister for Health): On 16 September, in reply to a question by the member for Melville, an answer was given on my behalf to the effect that the report in respect of complaints raised by the citizens committee on human rights about psychiatric treatment would be obtained by me from the Director of Mental Health Services. Because of the nature of the reply, I think it is proper for me to table the report.

The paper was tabled (see paper No. 559).