

# Legislative Assembly

Tuesday, 17 October 1989

THE SPEAKER (Mr Barnett) took the Chair at 2.15 pm, and read prayers.

## PETITION - PRISONER

### *Nina - Urgent Release*

DR WATSON (Kenwick) [2.17 pm]: I have a petition which reads as follows -

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

We, the undersigned residents of Western Australia request the Government to:

- 1) ensure that all available means are explored and used to facilitate the urgent release from prison of the woman known as Nina who is serving a life sentence for the murder of her husband;
- 2) review sentencing options for murder with a view to replacing the penalty of mandatory life imprisonment with a maximum term;
- 3) consider the special circumstances of women who kill their spouses after subjection to abuse and assault;
- 4) implement those recommendations of the Domestic Violence Task Force which will amend legislation to protect women and their families.

Your petitioners ask that earnest consideration is given to these matters and as in duty bound will ever pray.

The petition bears 2 097 signatures but I am certain only that 1 616 of them conform to the Standing Orders of the Legislative Assembly; I am not certain of the status of the other 481 signatures.

The SPEAKER: I direct that the petition be brought to the Table of the House and I will look at those signatures about which the member is uncertain, include them if they are appropriate, and send them back if they are not.

[See petition No 63.]

## PETITION - TRAFFIC ACCIDENTS

### *Youth Death Rate Concern - Blood Alcohol Content, Legislation Amendment*

MR P.J. SMITH (Bunbury) [2.19 pm]: I have two petitions to present, both of which deal with the same matter. The first reads as follows -

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

We, the Upper School students of Mazenod College are concerned with the high road traffic accident death rate of youth in the 17-24 year age group.

We request that Section 64(1) of Road Traffic Act 1974 be amended to lower the percentage of alcohol in blood from 0.08 to 0.05 per centum.

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

The second petition is from the upper school students of City Beach Senior High School. The petitions bear 32 and 44 signatures respectively and I certify that they conform to the Standing Orders of the Legislative Assembly.

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

[See petitions Nos 65 and 64.]

## LEGISLATIVE ASSEMBLY - SEATING ARRANGEMENTS

### *Leader of the Opposition - Alteration Request*

**THE SPEAKER :** I have recently approved a request from the Leader of the Opposition that the seating arrangements be altered slightly and I will recognise the member for Darling Range from the seat which he currently occupies for the balance of the session.

## FINANCIAL ADMINISTRATION AND AUDIT ACT

### *Report Tabling - Extension of Time*

**THE SPEAKER :** I have been informed of the following ministerial approval for an extension of time for the presentation of annual reports in accordance with the Financial Administration and Audit Act 1985 -

The Minister for Consumer Affairs -

Settlement Agents Supervisory Board Annual Report 1988-89.

Real Estate and Business Agents Supervisory Board Annual Report 1988-89.

I table the relevant correspondence.

[See paper No 455.]

## JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION - SWAN SHIRE BY-LAWS

### *Material Removal - Report*

**MR DONOVAN (Morley) [2.26 pm]:** I present a report of the Joint Standing Committee on Delegated Legislation on the Swan Shire by-laws relating to removal of materials.

[See paper No 480.]

## MATTER OF PUBLIC IMPORTANCE - MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

### *Company Investments - Disclosure*

**THE SPEAKER :** Earlier today I received a letter from the Leader of the Opposition seeking to debate as a matter of public importance the involvement of the Minister for Economic Development and Trade with certain companies.

If sufficient members agree to this motion, I will allow it.

[Five members rose in their places.]

**The SPEAKER:** In accordance with the Sessional Order, half an hour will be allocated to each side of the House for the purpose of this debate.

### *Point of Order*

**Mr THOMPSON:** With respect to that arrangement, in my new found position there appears to be no opportunity for me to participate in debates of this nature and I ask you to give consideration to that. I also draw your attention to the fact that it is only by cooperation between the National Party and the Liberal Party that the National Party gets a berth. I suggest you ought to give further consideration to this matter because there are other entities in this outfit now and, if thought appropriate by the Standing Orders Committee, they should be recognised.

**The SPEAKER:** Order! Firstly, I will certainly give consideration to what the member said and will raise the matter with the Standing Orders Committee where it can be properly considered. Secondly, our Standing Orders provide me with the opportunity to give the call to the person who first catches my eye. I suggest to the member that if he is the first person to catch my eye, he will get the call.

### *Debate Resumed*

**MR MacKINNON (Jandakot - Leader of the Opposition) [2.31 pm]:** I move -

That this House calls on Premier Dowding to immediately disclose the full extent and nature of his knowledge of the Minister for Economic Development and Trade's investments, directly or indirectly, in Leader Resources NL and Chequecard Limited, and calls on the Premier to also immediately stand down the Minister for failing to disclose these interests in companies involved directly and indirectly with Rothwells Ltd at the same time as being involved in the desperate though failed attempts to keep that company from collapse.

This matter is very serious. It clearly identifies on the public record a conflict of interest involving a senior Minister of the Crown who was involved in negotiations and dealings on behalf of the Government while having a direct and indirect interest in those matters about which he was negotiating.

I will briefly paint the picture that led to this conflict. Leader Resources NL is a mining company which, in 1985, arranged to purchase mining tenements from Messrs Zuks and Grill, sometimes described in the company's annual reports as partners. The purchase price for those mining tenements was \$550 000, \$150 000 of which was in cash and \$400 000 of which was in shares. The cash was paid in 1985 and the shares were allotted later.

Subsequently, in December 1986, Mr Laurie Connell invested, through his company Oakhill, in the company Chequecard Limited. It was known by another name, but during this debate suffice to say that Chequecard was the name of the company involved in a cheque guarantee scheme. Mr Connell became involved in December 1986 through Oakhill and had an associate of his as a director on the board of Leader. He joined Mr Zuks and others as a director of that board.

In January 1987, Leader, the company which had purchased the tenements from Minister Grill and Mr Zuks, purchased and invested in Chequecard. Subsequently, in May 1987, pursuant to the agreement of 1985, Messrs Grill and Zuks received their shares in Leader - \$200 000 worth each. At that time, the Minister and Zuks were significant shareholders in Leader. From memory, they held in the order of eight to nine per cent of that company which then invested in Chequecard, a company at that time associated with Mr Connell.

Then came the October 1987 stock market crash. It is important that we bear in mind the context of all of these matters as we proceed through. We now know, through admission by the Minister, that, following the October 1987 crash, he was actively and personally involved in seeking support throughout the State via a local government agency in this community, firstly, to retain their funds in Rothwells and, secondly, to inject funds into Rothwells. The Minister has not denied that and has publicly admitted that he was involved in campaigns around the State urging people to retain moneys in that company. I think it is unprincipled for a Minister to be undertaking such activities.

Mr Kierath: The Premier did it as well.

Mr MacKINNON: Did he?

Mr Kierath: Premier Brian Burke.

Mr MacKINNON: I have been informed that former Premier Brian Burke did it as well. However, attempts to gain that support were unprincipled.

We then saw a very interesting chain of events, bearing in mind that I am making no reference to the indirect investments involving Mr Grill in either of those companies.

According to the Bond Press statement and other reports, an agreement was entered into on 3 June 1988 by Bond and the Government to inject \$100 million into Rothwells. That is a remarkable coincidence. On 9 June a loan agreement was negotiated between Rothwells and Chequecard. The date on that agreement for \$3.5 million to be injected from Rothwells into Chequecard had been changed from March running through to June. I remind you, Mr Speaker, that, according to the Bond statement, on 3 June the Minister gave a commitment and an undertaking to Bond Corporation that secured the \$100 million. Six days later, \$3.5 million was injected by Rothwells into Chequecard, and we should bear in mind that \$100 million was important to inject because the Government had to get \$50 million out for the State Superannuation Board and, it is important to note, for some other purpose.

One would only need to check the newspapers and read Leader's accounts on 30 June to find out that Leader marked down significantly the value of the investment in Chequecard.

Mr Peter Dowding: What date was that?

Mr MacKINNON: That was in the accounts of 30 June 1988.

Mr Peter Dowding: Was Mr Grill a shareholder of Leader then?

Mr MacKINNON: Clearly, he was.

Mr Peter Dowding: Are you sure?

Mr MacKINNON: According to the documentation that we have, yes. If that is not the case, somebody has been lodging false documents with the Companies Office in New South Wales where the company is registered.

On 28 July 1988, Mr Grill undertook a memorandum of understanding with Bond Corporation with regard to the purchase of the petrochemical industry companies. That was when the Petrochemical Industries Co Ltd deal was concluded and Minister Grill was the person who concluded that arrangement.

Then came another remarkable coincidence. Fourteen October 1988 was a Friday and a very important date in the history of Western Australia when we consider the nefarious affairs of Rothwells. In fact, on that day, the National Companies and Securities Commission, in its report, said that a settlement was expected of the whole PICL transaction before the end of that day. Those are not my words; the NCSC said in its report that settlement was expected on that day.

We now know, as a consequence of a whole range of matters, including Mr McCusker's report, that many problems over that weekend led to the conclusion of the negotiations on 17 October. However, on 14 October, the documentation in relation to the Rothwells loan to Chequecard was varied and the loan was increased from \$3.5 million to \$6 million. Again, the date on an agreement was changed. It was agreed a few weeks before and changed to 14 October. We know that the PICL deal was concluded on 17 October and that 19 October was the beginning of the end of Rothwells. We know also that, throughout that time from 19 October onwards and probably prior to that date, the Minister for Economic Development and Trade was closely involved in the desperate attempts to salvage something out of the Rothwells rubble. The Minister, in a most unsavoury way, approached the R & I Bank seeking funds and he then directed the State Energy Commission to inject funds indirectly into Rothwells. Those matters have been well publicised. In due course, Rothwells went into liquidation followed by Chequecard.

The important point is that when Chequecard went into liquidation it owed Rothwells \$3.2 million. It is also interesting to note from the documentation we have that the State Government Insurance Commission bought a Chequecard bill involving \$2.3 million. It would appear from our observations that the SGIC claimed to have been exposed to Rothwells for the amount of \$90 million - \$50 million secured, and of that latter amount \$2.3 million was security against the bill of Chequecard. It was quite a massive exposure by both the SGIC and the Government to Chequecard - a company in which the Minister, through Leader Resources, was involved. We never heard any comments about that throughout the debate. The Minister did not declare his involvement in this matter.

Before I pose the very important questions that need to be answered in this debate members should understand the propriety of what is involved. It is not a question of whether the law has been broken; it is a question of the principles involved in holding ministerial office. It is a question of whether a Minister should place himself in a position knowing he has a direct involvement, and then involve himself in decisions that could, and probably would, benefit him materially at the end of the day. When I became a Minister of the Crown I disposed of every share I owned. There was no legal requirement for me to do that, but I did not want to find myself in a position of conflict.

Mr Peter Dowding: Was it a Cabinet practice?

Mr MacKINNON: No.

Mr Peter Dowding: You were a one-off?

Mr MacKINNON: I do not know what the other Ministers did when we were in Government, but I disposed of the shares I owned because I did not want to be placed in a position of conflict. If I had been placed in a position of conflict I would have declared it

openly and disqualified myself from any debate. That is what I did when I was offered a bribe when I was in Government.

The question that needs to be answered is: "Did the Minister declare his interest to the Premier and, if so, when?" The Premier is silent all of a sudden. It is an important question and it must be answered. If the Minister did declare his interest why was he allowed to continue in the negotiations? If he did not declare his interest, why did he not disqualify himself from the transactions, bearing in mind that he had a direct investment in Leader Resources and an indirect investment in Chequecard? The Minister knew that all the time and I ask whether the Premier knew it. The Premier is vocal when he wants to be, but when it suits him he is quiet. When the Premier did become aware of the Minister's involvement what action did he take?

Another very important question is why Chequecard is not on the list of companies Mr McCusker's committee is inquiring into. It is an amazing omission. I refer to last night's "7.30 Report" when Mr Berinson's office claimed that the National Companies and Securities Commission provided the list of companies to be inquired into. However, it is on the public record for all to see and I refer to the *Commonwealth of Australia Gazette* of 1 August 1989 which reads as follows -

Pursuant to subsection 292(6) of the Companies (Western Australia) Code ('the Code') the National Companies and Securities Commission hereby gives notice that Honourable Joseph Max Berinson, Attorney General in and for the State of Western Australia, by instrument in writing dated 8 March 1989 and pursuant to section 291(1) of the Code directed the National Companies and Securities Commission to arrange for an investigation to be carried out . . .

The Attorney General directed that the investigation be carried out, not the National Companies and Securities Commission. However, there are some remarkable omissions from the list of companies. For example, Chequecard, a company that owed Rothwells \$3.2 million and in which Oakhill was directly involved - Mr Connell was directly involved in it - a company in which we know the Minister had an indirect involvement and investments, was omitted from the list. Why was it omitted? The Attorney General in another place and the Premier have said that the list was directed by the National Companies and Securities Commission. It is on the public record for all to see that it was directed by the Attorney General.

Mr Peter Dowding: Did the National Companies and Securities Commission say that?

Mr MacKINNON: The Premier wants us to believe it is a lie.

What is the connection between the dates? Why was it that on 3 June the Minister was involved in negotiations with Bond and his colleagues to conclude a \$100 million deal and six days later, bearing in mind the original documentation was altered from March to 9 June, to conclude a loan agreement of \$3.5 million? Again, a document that was dated 14 October was altered to 17 October in order to tie in with the day the Petrochemical Industries Co Ltd transaction was to be concluded. Is that a coincidence or is there a direct connection? Mr Speaker, I believe there is a direct link between the two - it does not seem that it could be any other way.

Mr Peter Dowding: What is your evidence for that?

Mr MacKINNON: The evidence is quite clear. On 19 October Rothwells was in severe difficulty. On 17 October, the day the PICL deal was signed, the Premier did not believe it was in difficulty. The Minister for Economic Development and Trade was obviously of the same opinion because he continued with negotiations to extend Chequecard's loan to \$6 million. For what other reason would Rothwells extend the loan on 14 October if it did not believe it would obtain an extension? Why is there a conflict?

We will have an important debate in the future regarding disclosure legislation and I ask why the Government's legislation excludes people associated with members of Parliament; for example, their spouses. It is interesting that the legislation which the Government has proudly brought into this Parliament and about which it has been beating its breast, saying that it believes in financial disclosure, would not have disclosed the matters to which we have referred today. We intend to amend it to make the disclosures appropriate.

The documents to which I have referred today are available to anybody who wants them. They have not been obtained surreptitiously and they have not fallen off the back of a truck. In case the Premier makes a certain allegation I advise him that this motion has no relationship to Bond Corporation. We are not doing Bond's bidding. The Premier has claimed that the Opposition comes into this Parliament and does Bond Corporation's bidding for it. That is not true. The Opposition wants to pursue the question of ministerial propriety.

The Premier can sit on the other side of the House and bluster; he can make any sort of absurd comment he wishes, but it has been clearly demonstrated that this Minister has involved himself in the matter with direct conflict of interest. The Premier can deny that, he can walk away from it and he can support the motion, but this is not the last matter the Opposition will raise with respect to this Minister. If the Premier gets behind the Minister and defends him, he will do so at his own risk. I urge members to support the motion.

**MR THOMPSON (Darling Range) [2.50 pm]:** As there appears to be a reluctance on the part of members to speak, I seek the opportunity to do so. I have some concern about the alleged involvement of a Minister of the Crown in the way that has been outlined by the Leader of the Opposition. In the interests of this institution we should remember some of the events that have occurred in our history. It is totally inappropriate for Ministers of the Crown to be given special treatment or to be involved in such matters. Indeed, I think we need to ensure that people disclose their interests and dissociate themselves from these matters.

I remind members of this House that in 1970 some Ministers of the Crown received some very favoured treatment in a particular transaction; it was not right then and, in my view, it is not right now.

**Mr Pearce:** Was that given publicity at the time?

**Mr THOMPSON:** It was given a fair amount of publicity. I went to the office of *The West Australian* newspaper and picked up a copy of some articles which appeared at the time. In fact I vividly recall pounding the streets at the time trying to get elected to Parliament as a Liberal Party candidate, and doors were being shut in my face because Ministers of the Government in power at the time had been given preferential treatment in respect of shares issued by Comalco Ltd. The following appeared in an article at the time -

Top ranking politicians in three states are being allotted thousands of shares in the highly publicised Comalco Ltd share issue.

Nearly half the Queensland cabinet have been allotted shares.

The article continues and details some of the Western Australian Ministers involved. A couple of those Ministers have since died and I will not mention their names. However, one of those Ministers is very much alive and kicking; I refer to Sir Charles Court. The article states -

Comalco's public issue has been the most controversial for years. Prime Minister Gorton last month declined an offer of shares on a preferential basis and advised his Ministers to do likewise.

Notwithstanding that, Ministers in Liberal Governments in three States accepted the shares. When challenged on this matter Sir Charles Court was reported as follows -

Interviewed on This Day Tonight last night, Mr Court said he personally had no shares in the Comalco venture. He had gathered from newspaper reports that his family company, Cherita Pty Ltd, had some shares.

The standards of people who hold public office needed to rise at that time and they need to rise now. I remind people in this place that before they get up and beat their breasts saying that they are holier than thou, they should give some thought to the past.

**MR PETER DOWDING (Maylands - Premier) [2.54 pm]:** Some very important issues have been raised by this motion, in the debate, and in the Press reports of the events last night. It is another example of the Opposition decision to try to continue the publicity it has embarked upon and to resort to dishonesty in order to achieve popular approval. The Opposition has maintained today that the Attorney General and/or this Government influenced the outcome of the terms of reference of the McCusker inquiry; the Leader of the

Opposition has further stated that the NCSC clearly did not do these things, but that the Attorney General did. As recently as today the National Companies and Securities Commission has informed the community that that was not so. It is dishonest of the Opposition to ignore the statements made by the NCSC today, from which I quote -

I don't see how he -

That is, Mr Berinson -

- could possibly have done because he hadn't been privy to the enquiry that we had been conducting here and wouldn't have had any reason to know the names of most of the companies on the list.

In fact, I will read the whole quote -

The National Companies and Securities Commission has rejected suggestions there was any interference in the compilation of the list of companies to be looked into by Rothwells's special investigator, Malcolm McCusker.

This comes after claims by the ABC program, "7.30 Report", . . .

But NCSC Chairman, Henry Bosch, says there is no reason why Chequecard can't still be placed on the list and he says WA Attorney-General, Joe Berinson, had nothing to do with the company's exclusion from the investigation.

He said in an earlier report this morning -

The list was not intended to be exclusive, it was intended to be helpful. There is no bar on companies that are not on the list being investigated by Mr McCusker. The list was drawn up within this condition by people who had been associated with the NCSC inquiry and it included companies that had come up during the course of our inquiry. I think that any suggestion that the Minister might have led to the exclusion of a company is quite wrong.

I understand that the Opposition is still not prepared to accept the word of the Chairman of the NCSC. Therefore, I will turn to a statement made by the Deputy Chairman of the NCSC, Mr Charles Williams. I do not know what Mr Williams said to the reporter from the ABC when he was contacted, but I can tell members what he said when contacted today. He confirmed the following four points -

1. For formal requirement of the Act, the Attorney General signed the directive.
2. However, in accordance with the Ministerial Council's decision, the terms of reference were actually drafted by the NCSC.
3. The list of companies in the schedules to the terms of reference was compiled solely by the NCSC and the Attorney General had no input into that at all.
4. As required by the Ministerial Council, the Attorney General was consulted on the terms of reference and proposed two minor amendments. These did not restrict the very wide terms of reference as originally drafted by the NCSC which went to "all aspects of Rothwells" etc.

The Chairman of the NCSC and the Deputy Chairman of the NCSC, who incidentally was the informant to the reporter who went to air last night, have said that the Minister did not in any way at all have any influence in the compilation of that list. The Opposition, having made a false allegation, has immediately turned from confronting that falsity; it is not prepared to admit that it is wrong.

The suggestion is then made by the Opposition that the Government should extend the number of names on the list. That is the point it now makes. Let us consider what Mr McCusker said about this issue when he released a statement as a result of the false statements the Opposition has been peddling. He made the following statement on Friday. It states, in part -

Recently, it was suggested that because the names of some corporations and some Government bodies do not appear in the schedule to my appointment, the terms of reference may be unduly restricted or deficient. To date, I have not found that to be so. The powers of examination conferred on an inspector under the Companies Code are very wide.

My appointment is on the basis that I will be available, as required, to give direction (particularly with respect to legal issues) to the full-time investigation team ...

And so on. Let me now demolish two legs of the Opposition's argument. The first is that the Attorney General or the Government had anything to do with the list of companies; that is false, and proved false. Secondly, it has been claimed that the Attorney General had an influence on the outcome of the terms of reference; that has been proved to be false. At the same level, the claim that Mr McCusker is inhibited by the terms of reference has turned out to be false. A pack of falsehoods is what has been put up in the first leg of the Opposition's argument.

The second matter which needs to be dealt with is the question raised in this motion as to what is the gravamen of the offence of Minister Grill. This motion says that Mr Grill has failed to disclose his interest in the companies involved - a failure to disclose! I invite the Leader of the Opposition to say whether he received a letter in or about September 1987 setting out in detail the Minister's shareholding in the company of which he now complains. By letter dated 4 September 1987 the Leader of the Opposition was told the following facts: First, that Leader Resources is a public company; as such, the name of its major shareholders and their holdings are available to the public through the share registry. Secondly, the shareholders were: Elders CED, 16 per cent; Nick Zuks, 10.7 per cent; Treadwick 9.39 per cent; Julian Grill, eight per cent; Ron Brown, 11.52 per cent; and the remainder totalled 44.39 per cent.

It was pointed out that Mr Ron Brown therein named was an active member of the Liberal Party, that Elders Resources was under the control of John Elliott, that Julian Grill was not involved in the management decisions of Leader Resources and had not participated in the company in any way, that his shareholdings were referred to in the Perth media in October 1986 and February 1987 and that, in fact, he was informed about all of those matters and acknowledged that information.

Mr MacKinnon: So what?

Mr PETER DOWDING: I table a letter from the Leader of the Opposition to Mr N Zuks, which states -

Thank you for your letter of 4 September 1987 regarding press statements attributed to Ross Lightfoot MLA concerning your company and the shareholding therein of the Minister for Agriculture, Mr Grill. May I say that if you have any comments or complaints to make about Mr Lightfoot's remarks, then I would suggest you address them directly to him.

I interpolate that that has the mark of a true leader. The letter continues -

From my point of view it would seem ...

And so on, and so forth. I table a photocopy of that letter which has been supplied to me.

[See paper No 483.]

That is clear and unequivocal evidence that the issue raised in this motion of whether Mr Grill's interest in a company had been the subject of public disclosure falls absolutely flat. That is what the motion says; it mentions a failure to disclose. I put to the Leader of the Opposition that that letter establishes unequivocally the disclosure of that very shareholding, not only publicly but also to the Leader of the Opposition in September 1987.

I will take this matter a little further as it is important, because not only were those issues raised with the Leader of the Opposition but also, I understand, a similar letter went to the editor of *The West Australian*; I have not yet been informed whether it was published. There cannot be much more public disclosure than telling the Leader of the Opposition and the editor of *The West Australian* and the information being on the public record of a public company. I understand from the Opposition that it has no evidence that Mr Grill participated in any way in the management of that company; the Opposition has no evidence of any participation by him in its decision and no evidence that he had a significant equity of any sort at all. He had 8 per cent of a public company which I understand was vendors' shares. I have been informed by Minister Grill that those shares were, in fact, disposed of in May of 1988. Members opposite should remember that they were vendors' shares not equitable holdings, and they were disposed of.



Several members interjected.

Mr PETER DOWDING: I can tell the Leader of the Opposition that bleating will not get over the point that he is wrong about the NCSC, and about the issue of disclosure, or that he has no evidence of impropriety. The reason for this debate today, and the reason the Opposition has been out frantically pumping up this sort of material over the past few weeks, and getting quite hysterical about it over the past few days, is that there is an event tomorrow night that the Opposition is hiding behind but participating in actively. That active participation is beginning to emerge. We heard first from a group called People for Fair and Open Government. I have reason to believe that that group has something to do with a Mr Bevan Lawrence, an active supporter and member of the Liberal Party, who certainly campaigns actively for the Liberal Party and who is an appointed officer of that party for the purpose of handing out how to vote cards, at the very least. This little front group behind which the Opposition desires to hide has a meeting listed for 18 October which includes that well known commentator on the political scene in Western Australia - Terry, no, not Terry - Patrick O'Brien who members will recall had to telephone once under an alias. The interesting thing is that the same meeting is now part of the lobbying activities of another group called Citizens for Honest Government. One would not have thought that these groups were really joined in any way, except that we now have that group supporting the same meeting. Another group of the Liberal Party which has emerged is the Citizens Initiated Referendums group which has suddenly popped up.

Mr MacKinnon: It is nothing to do with us.

Mr PETER DOWDING: Oh, "Nothing to do with us"! Is it true that the Leader of the Opposition had an air lock built at his office so he can have meetings with people other than in his office and then deny they ever took place? That is about as honest as the statement he made. The fact is that the Citizens Initiated Referendums group is now supporting the famous meeting to be held tomorrow night.

The comments of the Leader of the National Party are a reasonable summary of the political activity in which the Liberal Party is now engaged: Not content with waving the banner of the Liberal Party, not content with being rejected by the people of Western Australia, not content with a leader who really is not shaping up and who is creating all sorts of problems within the party, not content with its failure to damage the Government with this sort of constant attack, the Opposition is now resorting to the establishment of front organisations to try to get across its political message. I view the establishment of secret organisations, with no apparent organisers or funding, and with no knowledge of who is involved behind the scenes, as a disgraceful part of the current political situation in Western Australia.

The Opposition has on every occasion, both while in Government and in Opposition, prevented the passage of legislation requiring the disclosure of pecuniary interests. For the born again Leader of the Opposition to tell us that he had no idea what the rest of his Cabinet did when he became a Cabinet Minister, but he sold his shares, prompts me to ask what an extraordinary Cabinet is it that no-one discussed the matter, and the Leader of the Opposition did it in secret. This is an Opposition whose leader in the Legislative Council held a meeting for the formation of a new gold mining company, and it has been clearly and unequivocally established that this business meeting was held in this Parliament. The meeting comprised Hon S.G.E. Cash, Hon D. Bell, and the then member, Mr P.R. Lightfoot, and was held on 29 December 1986 at 12.15 pm. The meeting resolved to form a mining investment company, with some exploration targets to be owned by the company, but with predominance in investing in existing mining companies, particularly gold companies. It was resolved that Hon G.E. Cash be a director of that company.

Let me go further by saying that I do not know whether a loan from Rothwells to Chequecard was improper. If it were improper, it is a matter for Mr McCusker; it is within his terms of reference, and there is no constraint on his examining it. Mr McCusker acknowledges in his public statement that there is no reason for him not to look at matters concerning any company to which Rothwells made a loan. Members opposite say in their motion that the evidence of impropriety is a failure to disclose. Chequecard was a public company, and the shareholders are on the public record, so there is no question of any failure to disclose. The small parcel of vendors' shares held by Mr Grill was part of the public record; it was disclosed to members opposite in September 1987, it was disclosed to the Press, and it has

never been denied. However, that is not the impropriety which the Opposition is seeking to allege. The Opposition does not even have the guts to allege the impropriety in the motion before this House because it knows it has no evidence of it; it is seeking to make an impropriety of smear and innuendo, and of hints and winks.

I am informed that Leader Resources' shareholding in Chequecard was again a small shareholding. I have also been informed that the shareholding of Mr Grill's wife in Chequecard was 0.25 per cent of the company. My wife had a Chequecard. I say to members opposite, so that they will not continue with their smear and innuendo, that when I had my barrister's chambers here near Parliament House my office was next to an office in which Mr Zuks operated. So let members opposite understand that their smear and innuendo tactics will not work. People are looking for facts, and what we have put in place is a mechanism to acquire the facts and to ensure that impropriety is dealt with. That is covered by the terms of reference of the inquiry, which have been resourced in a way that no other inquiry has been resourced. The smear and innuendo from members opposite is disgraceful. If the Opposition is saying that it is a matter where members of Parliament ought to disclose their pecuniary interests, we will welcome it, because they have been the architects of frustration in preventing that legislation from being implemented. This motion should be defeated.

Government members: Hear, hear!

**MR COURT** (Nedlands - Deputy Leader of the Opposition) [3.17 pm]: What a disgraceful performance! What the Premier has said today is totally irrelevant to what we are asking in this motion. He has not addressed the issue at all; that is, the misconduct of one of his Ministers. We have even been told that there is a dispute about whether he owned the shares in May or October 1988. The official report says it was October 1988, but even if it was May 1988, that Minister was responsible, and he has admitted that he was telephoning local government organisations, asking them to put money into Rothwells. He as a Minister was part of the team which was trying to prop up Rothwells. What we are talking about was spelt out very clearly last night on the "7.30 Report". There has been a conflict of interest between Mr Grill and some of his business dealings. We are talking about huge sums of taxpayers' money.

Fancy the Premier of this State not supporting this motion, and not asking for his Minister to stand aside while this matter is investigated! We have a situation where the Premier has visited Hong Kong, and where the Deputy Premier and the Minister for Economic Development and Trade are in Europe, to try to restore the credibility of this State. They have admitted that WA Inc was a mistake, and it will not happen again. What hope do we have of restoring the credibility of the State if there just happens to be a Gordon Gekko among the ruling triumvirate! The public of this State are sick to death of watching hundreds of millions of dollars of taxpayers' funds being milked off by certain people in this community.

Mrs Beggs: Speak to the motion!

**MR COURT**: I am speaking very much to the motion; I am talking about the misconduct displayed last night. There is nothing complicated about what we are proposing. Ministers have a certain responsibility, and the Premier should know by now that it is only proper that he should ask that Minister to stand down. The purpose of this motion is to start to restore values in Government. Many people out there have had enough of the Premier and his Government's activities. The Premier will hear many people in the community say that they have had enough of the way he and his people have been governing the State. We in the parliamentary Liberal Party and in the lay Liberal Party had nothing to do with the newspaper advertisements in relation to the National Party.

Mr Peter Dowding: Tell us another!

**MR COURT**: What was revealed last night was one of the most blatant abuses of pecuniary interest. It is the most blatant case of a Minister saying publicly that he has a position in an organisation, yet the Premier and his colleagues are prepared to pour hundreds of millions of dollars of taxpayers' money into that organisation, and the Premier does not even have the decency to ask that Minister to stand aside until a proper investigation is carried out. There is a spiritual saying which is very relevant to what is happening in this State today: "If you

purify the river upstream, downstream will become clean." We on this side of the House will set about purifying that river. These people should resign.

**MR COWAN** (Merredin - Leader of the National Party) [3.22 pm]: I will place the position of the National Party on the record, firstly in relation to this motion, and secondly regarding some remarks made by the Premier about a meeting being held tomorrow night. The issue as we see it is a very complex one. I do not profess to have great knowledge of the financial affairs of any person, least of all the Minister for Tourism, but what is apparent to me and to my colleagues in the National Party is that he was a shareholder in a company which borrowed funds from Rothwells and at the time -

**Mr Peter Dowding**: No, that is not true.

**Mr COWAN**: Just listen; I have three minutes. The Premier can tell me afterwards if I am wrong. The position is that a Minister of the Crown had some involvement in a company which took out a loan from Rothwells. Rothwells in turn was able to have the State Government Insurance Corporation take over those promissory notes.

**Mr Peter Dowding**: That is not true either.

**Mr COWAN**: Well, the Premier can tell me that later, but it appears to me that there has been a transfer of some responsibility for a debt going from Rothwells to the SGIC, and the Minister had some knowledge because of his involvement in a company. It appears to me that the taxpayer has assumed some responsibility for a debt owed to Rothwells which was subsequently assumed by the SGIC.

**Mr Peter Dowding**: No, it was not.

**Mr COWAN**: Any Minister knowingly doing that has a case to answer. I am not 100 per cent sure of my facts, but that is how it appears to me, and that is how it appears to my colleagues in the National Party. If that is the case, the Minister must accept responsibility for it and the Premier must accept responsibility for it and take the necessary action.

The meeting tomorrow night has certainly been focused upon by a lot of small, single issue groups, and I hope those groups can be clearly identified and separated from the main group, the Citizens for Fair and Open Government. I agree that what those single issue groups are doing is quite despicable and gutless in the extreme.

**MR PEARCE** (Armadale - Leader of the House) [2.26 pm]: It is disturbing when the leader of the National Party says, "If these things are the case, the Minister has questions to answer." The Minister is not here to answer these questions.

**An Opposition member**: Where is he?

**Mr PEARCE**: The member stood up in support of this motion. It is particularly cowardly for the Opposition to raise these matters when it knows perfectly well that the Minister is absent. The matter could be raised next week when the Minister returns.

**Mr Court**: What about when our members were in China?

**Mr PEARCE**: The Opposition sought to raise these matters when the Minister was not here to respond. The Opposition hoped to catch him out in that way.

**Mr Court**: We do not control the "7.30 Report".

**Mr PEARCE**: That is an interesting interjection. The Deputy Leader of the Opposition thinks that because the "7.30 Report" raised it on Monday, the Opposition must raise it on Tuesday. If a matter requires answering, as the leader of the National Party says -

Several members interjected.

**The SPEAKER**: Order! This is beginning to border on the disorderly. When I call for order I would appreciate it if, when members come to order, it lasts a little longer than three seconds.

**Mr PEARCE**: The Opposition thought it would catch the Government out because the Minister was not here to respond. The Opposition was absolutely crucified by the Premier in the fullest and most complete response one could have hoped for. The Premier set the matter very comprehensively to rest, and did the Opposition not look stupid while he went through that demolition! Next time the Opposition should have a little more integrity on these

matters and raise them when the person against whom the allegations are being made is in the House. In its failure to do that I can only say that I smirked from one end of the Premier's speech to the other to see how the Opposition's try-on failed so dismally.

Question put and a division taken with the following result -

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Ayes (23)			
Mr Ainsworth	Mr Grayden	Mr McNee	Mr Fred Tubby
Mr Bradshaw	Mr Hassell	Mr Mensaros	Dr Turnbull
Mr Clarko	Mr House	Mr Nicholls	Mr Watt
Mr Court	Mr Kierath	Mr Omodei	Mr Wiese
Mr Cowan	Mr Lewis	Mr Shave	Mr Blaikie ( <i>Teller</i> )
Mrs Edwardes	Mr MacKinnon	Mr Strickland	
Noes (27)			
Dr Alexander	Mr Peter Dowding	Mr Leahy	Mr Thomas
Mrs Beggs	Dr Gallop	Mr Marlborough	Mr Troy
Mr Bridge	Mr Graham	Mr Pearce	Mrs Watkins
Mr Carr	Mrs Henderson	Mr Read	Dr Watson
Mr Catania	Mr Gordon Hill	Mr Ripper	Mr Wilson
Mr Cunningham	Mr Kobelke	Mr P.J. Smith	Mrs Buchanan ( <i>Teller</i> )
Mr Donovan	Dr Lawrence	Mr Taylor	
Pairs			
Ayes		Noes	
Mr Minson		Mr Parker	
Mr Trenorden		Mr Grill	

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Question thus negatived.

### STAMP AMENDMENT BILL (No 3)

#### *Message Appropriations*

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

### ELECTION OF SENATORS AMENDMENT BILL

#### *Returned*

Bill returned from the Council without amendment.

### JOINT SELECT COMMITTEE ON PAROLE

#### *Assembly's Amendment - Consideration of Message No 13*

Message received from the Council notifying that it had agreed to the Assembly's amendment.

### FINANCIAL INSTITUTIONS DUTY AMENDMENT BILL

#### *Second Reading*

Debate resumed from 28 September.

**MR WIESE (Wagin)** [3.32 pm]: I wish briefly to put before the House some of the history of the financial institutions duty, particularly in respect to its commencement in this State. I would like to point out the effect this Bill and the alterations to the rate of duty will have on the people of this State if the Bill is passed, which I have no doubt will occur.

FID was introduced in 1983. The rate at that time was 0.05 per cent, or \$500 on a receipt of \$1 million. That was a fairly high rate and it was substantially higher than the rate which exists at the moment. Subsequently, in 1984 the rate was brought down to 0.03 per cent; in

1985 it was dropped to 0.02 per cent and it has remained at that level since. This duty has given the Government a substantial amount of revenue. This year, however, for circumstances which I do not think need to be dealt upon heavily - although we are all very much aware of the financial straits this Government has found itself in - the Government has had to look for every possible opportunity to raise revenue. Of course FID is one of those avenues which the Government has found it can use to raise the revenues it takes from the community. That is what this Government is trying to do in the Bill we are discussing this afternoon. The Government is raising the rate of FID from 0.02 per cent to 0.35 per cent. The Government says that is a very minor increase in the revenue that will be taken from the community. In his second reading speech the Minister said that the impact on taxpayers would be minor, and that is how the Government is trying to portray this increase in revenue through the introduction of this Bill.

However, far from being a minor increase, we are looking at an increase of 75 per cent in the duty which will be levied upon financial transactions. I do not call that a minor increase; I think 75 per cent is a major increase. The actual tax take this year will be \$56.3 million over eight months; if one projects that over a 12-month period the actual tax take will be 72 per cent up on last year. That is not a minor increase; it is a major increase which will have a major effect right throughout the community. The Government is not being honest with this Parliament and with the people of Western Australia in trying to portray the impact of this Bill and the increase in revenue it will cause as minor. I believe the Bill and the increase in revenue will have a major effect on the people of this State. Those effects will mostly be felt by small business and by the financial institutions of this State. However, the effects will be passed on to every man, woman and child in Western Australia because those financial institutions will not wear the increase themselves. They will not accept the 75 per cent increase; they will pass it on to the community and every person in Western Australia will be affected.

If anyone thinks we are talking about peanuts when referring to the amounts of money raised by this duty, they ought to look at the sums of money involved. We are talking about \$56.3 million being raised from the people of Western Australia by this duty this year and about \$67 million being raised in a full year. That is not minor; it is a major amount of money which is being withdrawn from the community of Western Australia and passed to the coffers of the Government in order to help it pay for some of the problems it is facing this year. The Government has probably brought those problems upon itself, but in saying that one is not really talking about the Government itself but rather the people of Western Australia because they are the ones who will feel the effects of this Bill. The people of Western Australia will be paying the amounts of money we are talking about; they are the ones who will be hit hardest by this 75 per cent increase in FID. I hope that message gets through loud and clear, via the media, to the people who will be affected because I do not think Western Australians are aware of how the problems the Government has brought upon Western Australia are being paid for, and what effect it will have on them. We do not like what this Bill will do. We believe that it is yet another imposition on the taxpayers of this State.

The SPEAKER: Members who are paying attention may be surprised to see the member for Mandurah rising from that position in the Chamber. I indicate that he has also been allocated a new seat by the Leader of the Opposition. I recognise him from that position.

MR NICHOLLS (Mandurah) [3.40 pm]: I rise to express my disgust and opposition to this Bill. The financial institutions duty is the Labor Government's method of getting blood out of a stone. This insidious tax should have been called the "parasite tax" because it taxes every dollar and cent that is deposited in a financial institution. The money may come from a young child trying to make a start as parents try to teach good habits, or from a pensioner trying to exist on his meagre income, but wherever the money comes from, it will all be taxed.

The State Government should have been condemned in 1983 when it introduced FID. This increase is nothing more than an attempt to raise revenue for mistakes made in the past. Not only will the tax be increased, it will be increased by 75 per cent. As previous speakers have indicated, 75 per cent is a lot more than was indicated in statements by the Premier and others in the media to the effect that State taxes and charges would not rise by more than the CPI rate this year. I hope that this figure of 75 per cent is a misprint and that the rise will not occur, but we all know that that is not the case.

I remind the House that most Western Australians do not have a choice as to whether their income is placed in a bank, a building society or some other financial institution, as opposed to getting paid in cash. The method which has been adopted, due to the factors of security and ease of access, is that companies and other employers directly deposit salaries into accounts when paying their employees. Now we see a situation in which an employee is not only taxed on his earnings, but he is taxed again before he can pick up his salary. Looking further afield it can be seen that all pensioners - according to the information I have received - now have their pensions paid into a financial institution and are no longer paid by cheque. I believe this is as a result of anxiety caused by a lack of security and incidents of fraud which have taken place when pension cheques have been cashed by those not entitled to receive them. Once again the people who are trying to make ends meet on limited incomes are being taxed by this Government through a "parasite tax" to raise revenue to fill the Government's coffers.

Some Government members may not think that 2¢ or 3.5 ¢ in \$100 is very much for those who can afford it, but many people in our community are having a hard time making ends meet and cannot afford to be put under further pressure. Therefore, if this is a meagre amount, I suggest that the Government scrap the tax and ease the burden on those people. It does not seem to be enough to tax people's salaries as they go into a bank; the tax also applies to Mr Average Western Australian who has to borrow a large sum, especially if he has bought a home in recent times and put himself and his family into the situation of having to repay a mortgage; he borrows the money and, lo and behold, he also pays FID tax on his repayments, not only on the principal borrowed, but on the interest as well. On one hand Mr Average's income is paid into the bank and is charged FID, but when he draws out the money he has to pay the Federal BAD tax, and as he makes his mortgage repayments - the obligation of his debt - he is charged FID on the principal as well as the interest. It is not equitable that the people of Western Australia are not only being taxed once, but are being taxed again and again as they try to meet their obligations.

The current economic policy in Australia is driving interest rates through the roof and people do not need this extra burden. No doubt a lot of people are finding it necessary to seek credit to make ends meet or to allow them to live the lifestyle they need, but once again they pay FID on the principal and the interest on a personal loan or any credit facility. We are supposed to be compassionate members of Parliament who represent our constituents. I start to wonder whether this Government truly cares or is interested in the people who are feeling the pain. This FID tax should not be increased, it should be removed. From what I can see it could be removed quite easily if this Government had not lost hundreds of millions of dollars in its business dealings with some Government authorities and other people in the community. The people of Western Australia can clearly see that the Labor Government does not really care about those people who are hurting, or about the pressure that it is applying to them. The FID applied to businesses or commercial dealings in which large amounts of money are deposited is used by the companies as an accounting measure and is offset against the profits. That does not apply to the average PAYE Western Australian as he does not have the facility to do that; he is the stone out of which the Government is pumping blood, and he is being pumped dry. I cannot believe the gall of this Government in having a leader stand up and tell the State that State taxes and charges would not increase by more than the CPI rate and yet he comes here and tell us that the FID tax will increase by 75 per cent. I wonder whether the people of Western Australia think - if they have time to sit and think - there is any chance when Mr Average faces such a financial burden. It is a matter of looking at where taxes and charges come from - usually they go to the State Government.

The average Western Australian, whether Mr PAYE worker or the pensioner, has served this country well. Many pensioners are trying to spend the remainder of their life in blissful retirement - many of the pensioners to whom I have spoken are very sorry that they did not continue working because their retirement plan is not what they thought it would be. Children are being taught good savings habits and are being encouraged to save a few cents a week - that is, if the family can afford it - but they are being charged financial institutions duty. Do the families get a chance to offset that duty against their earnings? No, they do not. My understanding is that FID applies to every \$100 or part of, in the bank each month. If for example a child saved an average of 20¢ a week he would be liable for 3.5¢ in FID. If this

were the case, it is clear that the child would not have an incentive to save his money. People in the community are being forced to seek out credit and once they have used credit they find it very difficult to get off the merry-go-round. This Bill is a clear case of the Government seizing an opportunity to get its fingers on money which people need to survive. We are urging people to build their own homes in order that they can enjoy life, but they are being taxed heavily.

I do not support the Bill and I urge the Government to adjourn the debate and introduce an amendment to exclude FID on any deposits which are not of a commercial nature. It would not exclude the deposits of those people who are using the banking facility as a means to make money, but it will allow people who can least afford it to be exempt from paying this duty. If that cannot be done I urge the Government to think hard about removing the tax to allow people to deposit their hard earned capital into a bank for their future. This Government should not be delving into the few dollars that people are trying to save by imposing what I call a parasite tax. If members in this House are serious about representing their constituents and helping the growing number of people in this State who are finding it hard to make ends meet, they will give consideration to removing this duty. As I said, I do not support the Bill and I hope that it is not passed.

MR LEWIS (Applecross) [3.54 pm]: I agree with members on this side of the House who have said that we cannot accept and do not accept the further imposition of an increase in the financial institutions duty which this Government proposes to impose on the public of Western Australia. It is interesting to look back at the history of FID which was referred to by the member for Wagin. What he did not say was that when this duty was originally introduced it was done so on the basis that certain stamp duties associated with financial dealings would be abolished.

Mr Pearce: Why are you making an attack on the member for Wagin?

Mr LEWIS: I am not attacking him. The member for Wagin is a good friend of mine, which is more than I can say of the Leader of the House. The Leader of the House should recall that the original duty was introduced on the basis of relieving other stamp duties which are imposed on promissory notes and the like. With the subterfuge at which this Government is so clever, it came into this Parliament at the time the original Bill was introduced and said that the introduction of financial institutions duty would enable the removal of some terrible, iniquitous taxes.

Mr Pearce: You were not here.

Mr LEWIS: I have the *Hansard* here and I know what was said at the time. What disturbs me is that the Western Australian media does not pick up the sleight of hand of the Government when it does something like this. The media have not picked up the fact that the Government intends to increase this duty by 75 per cent. The member for Wagin and the member for Mandurah have said that, but I have not read in the Press that that is what the Government intends to do. The media have a responsibility to tell the public of Western Australia what is going on in this State.

Dr Alexander: Doesn't the Press cooperate with your party?

Mr LEWIS: I am not saying that. The Government has at its disposal 72 Press personnel and they are continually feeding out propaganda - like Goebbels of Hitler's Germany - and the media are confused by the number of red herrings, and they do not see what is happening in this State. The Treasurer's Budget speech was smoothly worded, but underneath it there were the nasties. Why did the Treasurer not say, "I am sorry, but the Government will increase FID by 75 per cent this year." The public of Western Australia should know these things.

At the time this iniquitous duty was originally introduced the then Treasurer said -

When considering the introduction of this new duty, the Government was mindful of two important factors.

This is the Government's sleight of hand showing through again. He continued -

Firstly, the abolition of certain stamp duties which accompanied the introduction of this duty in other States had led to a decline in short-term money market activity in Western Australia.

What a nonsense. He continued -

As a result, there was a need for some action to be taken to redress a situation in which local commerce was becoming increasingly dependent on activity in Eastern States' money markets.

The real reason for the introduction of FID was that the Government wanted to bring Western Australia in line with the rest of Australia on the subterfuge of making it easier for Western Australians to borrow money. That was the first premise for the introduction of FID. The second premise was as follows -

Secondly, there was a real need to eliminate a number of inequitable and inefficient stamp duties which often impacted on those in the community least able to afford it.

This Government has not told anyone about the increase in this duty, but it is hidden in the Budget papers. It will be imposed, in one form or another, on practically every person in Western Australia.

That is the truth of the matter. This duty was introduced under the guise of reducing stamp duty. It is interesting to read from the Treasurer's Budget speech which states that this year, apart from the revenue measures I have just announced, the Government has introduced three stamp duty initiatives designed to improve equitable impact on the economic efficiency of the tax system. What that really means is that the State Government is increasing stamp duty in the current Budget, but the semantics are such that the Budget speech implies, "We are giving Western Australians some relief." The debate on stamp duty is yet to come before this Chamber, but members should note the Treasurer's words in the Budget speech when he said the Government had taken initiatives in relation to stamp duty; the fact is that stamp duty will be increased.

The original premise for the introduction of the financial institutions duty was the fact that certain stamp duties were to be abolished. What have we this year? There is a 75 per cent increase in the financial institutions duty and an increase in stamp duty as well. The one thing that was supposed to be removed has been increased after it was used as the reason for introducing the financial institutions duty. That is the subterfuge involved here! Those are the semantics used by this Government to delude - I believe con - the people of Western Australia. Unfortunately, the people of Western Australia are not aware that they are being conned.

We have heard that the Treasurer, and indeed the Premier, will not be increasing taxation by any more than the inflation rate. Members on this side of the House who have spoken in this debate have pointed out that, if one does not include the additional \$14 million in revenue that will be raised this year by the increase in the financial institutions duty and one relates this to the natural growth of the financial institutions duty - discounting any increases whatever - there will still be an increase to \$42.3 million this year. Financial institutions duty revenue last year was \$36.76 million. That represented a natural increase, without increasing the base rate, of \$5.4 million, an increase of over 15 per cent by natural means.

We have heard both the Treasurer and the Premier boast in this Parliament how this State is doing twice as well as the rest of Australia in an economic sense. Indeed, figures suggest that our growth is 6.4 per cent compared to an increase in the rest of Australia of 3.3 per cent. I make the point that that is easily manifested in the growth of the financial institutions duty; that there is no need to increase that levy from 2¢ per \$100 to 3.5¢ per \$100 because it is increasing due to the natural growth of the State. If members look at this increase in the financial institutions duty this year, and if one adds the \$25 million expected in a full year from the 75 per cent increase, that will swell revenue to \$67.3 million. If one compares that to the \$36.76 million actually raised last year one sees that there is a 60 per cent actual increase in revenue. That is a large increase.

For the benefit of the House, I will mention revenue raised by way of financial institutions duty between 1986-87 and 1989-90: In 1986-87 the Treasurer's Budget papers showed that \$26.6 million was raised; in 1987-88, \$31.87 million was raised, which was an increase of \$5.26 million, or about 19.8 per cent. That is what happened naturally between 1986 and 1987 - there was a 20 per cent increase in financial institutions duty revenue. In 1987-88 the amount increased from \$31.87 million to \$37.76 million, another \$4.8 million natural increase without a need to increase the base rate. That represented a natural increase of 15.35 per cent.



I have already demonstrated that from 1988 to 1989 there will be a natural increase of 15.7 per cent. The Government is not happy with that natural increase because it is in severe financial difficulties. Everyone in Western Australia understands the difficulties the Government has at present because its revenue is not running to its expenditure and it is reported that it is in deficit to the amount of \$30 million a month aggregated, so at this time it is probably \$100 million down in its revenue from what it budgeted for; the Government is obviously in trouble.

We should ask why this Government is in trouble when the State has had unexpected windfall increases in revenue over the past four years. The increases in the financial institutions duty alone represent, from 1986 to 1990, a 111.6 per cent aggregate increase. One wonders why the Government needs to increase the actual rate in the dollar levied when this natural increase of nearly 112 per cent has occurred over three years. It is a disgraceful state of affairs that this Government comes into this Parliament and arbitrarily, and for no substantial reason other than, I suppose, the weak excuse that Western Australians enjoy lower levels of financial institutions duty or payroll tax than the rest of Australia, increases those taxes. I do not see that for a moment as being a reason to increase taxation, especially when one realises that because of this State's economy, which has certainly grown over the past three or four years, there is no sound economic reason for increasing financial institutions duty other than to try to plug the haemorrhaging of this Government's money, which has gone down the chute for the petro deal, Rothwells, Teachers Credit Society, Swan Building Society, you name it, and all its disastrous commercial business dealings, which will cost this State and the people of Western Australia probably \$500 million when finally brought to account a year or so down the line.

We must look at the sharp upward trend in the number of bankruptcies occurring in the business community. Ordinary householders who are buying their own homes are under tremendous pressure from high interest rates which have been generated by the Federal Government's economic incompetence. If one compares housing interest rates in our country of 17.5 or 18 per cent to those in Japan of 5.5 or 6 per cent, or those in America of 9 per cent, one sees that we are in an impossible situation and that the Government of this country, aided and abetted by this State Government - which has not said anything because it is too frightened to take a case to the Federal Government and afraid of Keating and Hawke - has mismanaged the economy causing the imposition of previously unheard of high interest rates on the people of Australia.

This Government has come forward with this Budget and compounded those imposts against the community and small business by increasing the financial institutions duty by 75 per cent when it should not have been increased. There is no economic reason to increase this duty because there are already increases caused by natural growth in this State. The public of Western Australia should know that this Government is imposing increased financial institutions duty, payroll tax, sales tax and other imposts on the business community through its budgetary measures. The time has come when the people of Western Australia must say, "We have had enough of you as a Government which has squandered money and the windfall moneys you have gained because of the State's buoyant economy in past years and now, because you need money to build schools, you have to screw us even further and wind taxes up to justify that, or try to put some of the money back in the till that has been squandered by incompetents." The Opposition certainly has no truck for increasing financial institutions duty and it cannot support that in any way. We cannot see any reason why financial institutions duty needs to be increased in the current Budget.

MR STRICKLAND (Scarborough) [4.13 pm]: I was interested to hear what the member for Applecross said because, like him, I have had a look at what was said by the then Treasurer when introducing this new tax. He gave two reasons for doing so; firstly, that there was a need to redress a problem of a decline in short term money market activities in this State; and, secondly, that there was a desire to eliminate a number of inequitable and inefficient stamp duties. In doing that, the proposed rate on the introduction of the Bill was 5¢ per \$100. It was indicated then that in a full year the tax would raise \$38.8 million, but there would only be a nett additional revenue of \$21.8 million because of the elimination of stamp duty.

In other words the Government of the day was prepared to make a \$17 million effort to change the base of the tax. If I could quote from the *Hansard* at the time, the key feature of

the new financial institutions duty was that it would apply across a wide field and the impact would be kept to a minimum. What is of interest to me is that initially it was proposed to levy the tax at 5¢ per \$100. This Bill proposes a change from 2¢ per \$100, which is the rate at which the duty was introduced, to 3.5¢. That is an increase of 1.5¢ per \$100, or, as other members have indicated, a 75 per cent increase. That is half way towards the Government's original intention, because if we add another 1.5¢ we get 5¢ per \$100. The first bells of concern to ring with me are that the Government always intended to implement a rate of 5¢ per \$100, and, with this Bill, we will be more than half way there. By 1983, the duty had been introduced in other States, and I draw the attention of the House to what has been happening in those other States. In South Australia the tax was introduced at a rate of 4¢ per \$100, and it is still 4¢. In Victoria and New South Wales it was 3¢ per \$100 and it is still 3¢. What is different about Western Australia?

Mr Pearce: It started at 5¢ and it is now 3.5¢.

Mr STRICKLAND: It started at 2¢ and it is now 3.5¢. I am worried that it will go to 5¢.

Mr Pearce: You are wrong.

Mr STRICKLAND: We will see about that as the years progress.

Mr Pearce: It started at 5¢ and it went to 2¢.

Mr STRICKLAND: It was introduced at 2¢. The Minister tried to get it in at 5¢ but he has slowed down a little. Unfortunately, with the urgency brought about by the shortage of cash, the Minister has said, "We had better start moving on this because last year, financial institutions duty comprised only about three per cent of total State tax revenue." Under this proposal it will increase to four per cent, so the Government is shifting the base of the tax. In other words, this tax is becoming more significant.

Let us look at what the State's tax collector might consider as the principles of a good tax. Firstly, a tax must be easy to collect. Secondly, it must be easy to administer. Thirdly, in a democratic society, it should be a progressive tax, which means it should have regard to one's ability to pay. Those are the principles of good taxation. Is financial institutions duty easy to collect and to administer? It sure is; in fact, the Government does not make too much of an effort, because the financial institutions themselves must make the effort, so collections are made very easily. While that is good for the Government, there is great danger for the individual taxpayer. I want to draw an analogy. Most of us have been at home when the electricity bill arrives, and we get a shock because all of a sudden it has increased. There is a bit of a flurry and all sorts of solutions are considered. The first thing mums and dads do is to tell their children to turn off the lights to keep the bill down. The parents say that because they can see when the lights are on and when they are off.

The real cost of electricity for a household increases because of a thing called the refrigerator. As everybody knows the refrigerator just sits there ticking away, switching itself on and off all day every day throughout the year. In fact if one has a second refrigerator it is just like this tax, which is a tax on turnover - it just sits there ticking away day after day, switching on every time money goes into an account. FID is a partially hidden tax, like the refrigerator, and that is the danger for the taxpayers because they do not realise up front that the money is being taken.

I mentioned the word "progressive". Having regard to the ability to pay, this tax is not like that; it is a proportionate tax and comes out currently at 0.02 per cent of turnover. With the proposed 75 per cent increase, it will become a tax of convenience. I think one should consider the impact it will have on the man in the street. As every member of this House is aware, we are experiencing changes in technology. While people are going to employers and asking for wage rises, one of the trade-offs has been a push towards direct bank payment. Workers, instead of being paid in cash, are encouraged to have their pay put directly into their bank accounts. That has been a bonanza for the Government because every time a person's salary is paid into the bank FID becomes payable on the account. Earlier the member for Applecross spoke about the natural increase of 15 per cent, but this tax is expanding way beyond any consideration of the changing rate because more people are using this direct payment of their salaries to the banks.

I refer to my own situation. I flipped back through my cheque accounts since I became a member of Parliament, and I was surprised to find that I have been paying FID twice. When

I am paid the money goes into my bank account on a certain day in the month. I have an arrangement with the bank that once my salary is in the account, money is transferred into an electoral account so that I can keep track of expenses. I also have an arrangement for the bank to pay my housing loan. Therefore when the money goes into the bank account the first round of FID is paid, and when it is transferred from one account to another I pay the second round of FID. The amount involved is not a massive sum of money and I am sure every member of this House could afford it. Last year I built a house; I went through the accounts of the house because I had opened a special account to look after that, and the amount was \$39 on top of the \$15 from my normal pay, making a total of FID for me of \$55 a year. This increase will take that \$55 up to about \$93. People may say that this is not a lot of money, but what will happen - in fact we know it will happen - is that hundreds of thousands of people will be affected. That is how the Government will raise significant sums of money.

What about business? This is a tax on turnover and if a business is making a good profit, it will be a small amount, although there is to be an increase of 75 per cent. Large businesses probably will be able to absorb it by showing a book loss. However, small businesses may have real losses; because it is a tax on turnover. If someone is making a loss instead of a profit, it will be a tax on a loss situation, which would make it that much more bitter to have to pay FID. A \$1 million turnover in business currently produces \$200 to the State; it will produce \$350. Those figures may not sound very large, but for businesses making a loss \$350 is still \$350. The other day I attended an annual general meeting of a junior football club; at the meeting the treasurer passed around the annual statements of accounts, and FID was shown on them. It was only a small amount, but it made the point to me that everyone must pay this tax, including junior sporting organisations and other groups. For groups such as that, every dollar counts.

We have heard a whole range of arguments from members on the other side of the House. Members on this side are speaking against a savage increase. My concern is not only about this increase but also that it is half way towards the original intent, which was to have a tax of 5¢ in every \$100. I appreciate the Government is short of money and that it has to conduct Government business, but it is disappointing that the Government is tapping into turnover. This sort of tax is not up front. As the Government says, people will barely realise what is happening, but unfortunately there has been too savage an increase in the rate of FID.

MR COURT (Nedlands - Deputy Leader of the Opposition) [4.27 pm]: When legislation dealing with FID was first introduced into Parliament in 1983 by the former Premier, this House had a fairly lengthy debate about it. At the time the Opposition put forward many arguments as to why Western Australia should not follow the direction of some of the other Labor States. The Opposition said then that Western Australia should use the introduction of FID in New South Wales, Victoria and South Australia as an ideal opportunity for this State to create a competitive advantage for some of our finance related industries, particularly the money markets. When the Government introduced a financial institutions duty similar to that introduced in other States, it locked this State into mediocrity. It certainly resulted in ineffective money markets here, because if one looks at what has happened since FID was introduced, one finds that more financial transactions have gone to States that do not have FID, in particular Queensland. That State has become popular for people who transferred their financial dealings there. In fact as soon as the legislation was introduced here many companies went to extreme lengths to do the major part of their banking there. We had pay rolls coming from Queensland because companies were able to avoid paying the FID introduced here.

With due deference to the former Speaker, when FID was introduced here it came in at the higher figure of 0.05 per cent which was higher than the other States at that time. Our argument was that a FID tax not only was to be introduced, but that it was to be introduced at a higher rate. Later on the Government cut the rate back to 0.02 per cent and now this legislation seeks to increase the rate again. Some of the previous speakers on this side of the House have outlined the effects of FID on everyone in the community who is doing financial transactions through banks, but the point I will concentrate on is that it is one of those taxes that, if removed, would give the State a very competitive advantage compared with other States. As I mentioned, Queensland is one State which has benefited from such moves. In 1983 our proposal was to come up with a number of initiatives to encourage Perth as a stronger financial centre. Of course FID worked against that. In more recent times the

biggest factor that has worked against the State is the way this Government has destroyed our financial credibility through its financial dealings.

Later this week we will be debating the stamp duty legislation which is another area which could be used - or its removal could be used - to provide incentives for different industries. The time has come to start looking at some of the financial measures as an incentive to the business community rather than a disincentive. Queensland has always led the way in this regard; it was the first State to get rid of probate duty, and as a consequence it was able to attract a lot of people and money from New South Wales. In the end all States have had to follow suit. I suggest that we do the same thing with FID. If we genuinely want to re-establish Western Australian financial services - not just local branches of national companies but companies based here - some of these taxation incentives need to be provided. We could distinguish ourselves from other States by the way in which we apply FID and stamp duty to give a competitive advantage over them. When the FID legislation was first introduced I knew that the Government would play the rate up and down depending on what it required to help to fill its coffers.

The point made by the member for Applecross is very relevant; that is, that we have been through some years in which the Government has had a buoyant revenue through taxation and royalty collections. The State has been awash with revenue, yet the Government still finds it necessary to increase this tax from 0.02 per cent to 0.035 per cent. The question everybody in the community is asking as part of the backlash occurring against this Government is, "How come the Government is still putting up taxes and cutting back on services with a record taxation collection?" All the groups in the community whose Government revenue has been cut back want to know why this is occurring. The answer is simple: The Government has lost hundreds of millions of dollars which it has to pick up somewhere.

This measure could have been an incentive to assist individuals and the financial service industry in this State, but we are seeing a further disincentive being put in place. I am strongly opposed to the direction the Government is taking with this tax.

**MR PEARCE** (Armadale - Leader of the House) [4.34 pm]: I suppose the position with this tax is similar to that with every other tax, and that the position of the Opposition is also a touch predictable. The Opposition is in favour of expenditure measures, but is not in favour of any measure that might raise revenue. We have seen in the life of this Parliament and throughout the community people demanding expenditure here and there. If I was to take out of my letter files all the demands of members opposite, the stack would reach from the floor to my chest. These letters were asking for hundreds of millions of dollars, yet every time efforts are made to raise revenue the Opposition says it is not in favour of raising money but is in favour of spending money.

The reference to a loss of hundreds of millions of dollars is hogwash because quite a small sum of money is involved in this Budget.

**Mr Court:** There was \$350 million involved in the petrochemical project!

**Mr PEARCE:** That is the hype for which the Deputy Leader of the Opposition is becoming famous. How much money is in the Budget to pay for the petrochemical plant?

**Mr Court:** I am saying that that is only one project.

**Mr Kierath:** It is \$63 million.

**Mr PEARCE:** It is a small amount of money, as the member said, which deals with all of these matters. Therefore, it is no good talking about hundreds of millions of dollars in that way.

**Mr Court:** It is true that you have borrowed \$175 million from the SGIC which has to be paid back sooner or later.

**Mr PEARCE:** I would not have come to see the Deputy Leader of the Opposition in his days as an accountant if that is the way in which he worked.

**Mr Court:** There will be no asset at the other end.

**Mr PEARCE:** That has nothing to do with the expenditure and income columns in this year's Budget. That is the kind of smokescreen the member is trying hard to raise over these matters.

Returning to the matter of financial institutions duty, for the enlightenment of the member for Scarborough who has now departed from these shores - perhaps in preparation for a longer sojourn after the next election - when FID was brought in, it was set at 5¢ and was taken down to 2¢.

Mr Court: Did you not listen to what I said? I corrected him.

Mr PEARCE: I am correcting him too. The Deputy Leader of the Opposition and I can agree for a change that the member for Scarborough was wrong.

Mr Court: The Minister knows only too well that not only were we opposed to FID, but we were certainly opposed to it coming in at a higher rate than that of other States.

Mr PEARCE: We have brought it down. When FID was introduced it was said by the then Premier that we would be taking a different view with those taxes from that which normally applies; that is, that taxes are like smoke and only go up. The Government made it clear that it would introduce the tax at a high level because of the unfortunately difficult task we faced in mopping up the financial mess which the State was in in 1983 which required some very firm measures.

Mr Fred Tubby: You smiled when you said that!

Mr PEARCE: I knew the effect it would have on members opposite.

This measure was introduced at that level to mop up the financial deficit we faced on that occasion. We will never forget the experience when we were elected to Government of having the then Under Secretary to the Treasury coming to Cabinet to explain the level of deficit we were facing. He produced the figures that I believe were made available to the previous Government the week before the election, which is no different from the Federal situation which applied at the same time. We had to take unpopular measures to clear up the huge deficit and once that was achieved the rate of FID could come down. We did this and at the same time we reduced payroll tax.

Mr Court: So, things are in a mess again and the rates have to go up. Is that the deal?

Mr Wiese: It is called creative accounting.

Mr PEARCE: It is called facing up to reality. One of the difficulties of any claim by the Opposition to being a financial manager is its habit of dealing with taxes as bulk sums of money rather than rates. I think it was the mistaken member for Scarborough who said that the State was getting bigger and therefore more people were paying taxes, and, therefore, if the State has twice the population, it will take - in round terms - twice the money if the tax is at the same rate.

A State that has twice the number of people must provide twice the number of services such as schools and hospitals. That level of services must be provided at increased costs. That is what is called "balancing the budget", a term not well known to members on the other side of the House. It is no good members opposite talking about the bulk sums of money involved; they have to look at the rate. The FID tax was introduced at a higher level than the other States. When we cleaned up the financial mess that we found when we came into office, we were able to bring it down to a level comparable with other States. Since that time, some States have increased FID and, in the face of Commonwealth reductions to our grants, we have had to increase the level of FID in this State. It is still at a level equal to the other States and, under those circumstances, there is nothing remarkable about that level.

What members of the Opposition who said they will not support the tax should do is look in the Budget papers and identify the amount of money which is raised by the increase in FID. They should then indicate to us where they would like to make cuts to expenditure to enable a balanced Budget to be maintained. Taxation measures are always unpopular and are always measures with which Oppositions do not want to be involved. However, that is new thinking for this Liberal Party because, despite all the rhetoric, when it was in Government, it was one of the highest taxing Governments that we have ever seen.

Question put and passed.

Bill read a second time.

*Committee*

The Chairman of Committees (Dr Alexander) in the Chair; Mr Pearce (Leader of the House) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Sections 10, 12, 21 and 40 amended -

Mr COURT: Did the Government consider a lower increase to the rate of, for example, 0.025¢? Can it give an indication of what the revenue collections will amount to under this clause and if the figure were set at 0.025¢?

Mr PEARCE: The Deputy Leader of the Opposition is seeking to reinforce the claims he made that business will flee to other States that have a lower rate of financial institutions duty. I do not think that practice bears out his claim. The rate in other States is as follows: In South Australia and Tasmania it is 4¢ in \$100 and in New South Wales and Victoria it is 3¢ in \$100. I think the duty in Queensland is either very low or non-existent. However, Queensland is likely to find itself suddenly in a position of having to introduce FID. It is well known that the Queensland Budget is held up by an arrangement whereby the State rail system is a huge income earner because of the monopoly powers it has to transport coal and wheat. The Federal Government's measures in relation to deregulation may affect that system in a way that will force the Queensland Government to introduce this tax.

This Government did not consider a rate different from the rate proposed in the Bill. Therefore, no work has been done on estimating revenue collections in relation to the figure of 0.025¢ or any other figure. The Treasurer may have given consideration to another rate, but it was never a consideration by the Budget committee of Cabinet. If the member still wishes to be advised of those figures, he can put a question on notice and I will be happy to obtain an answer for him.

Mr Court: I am interested in how much revenue will be collected at the rates of 0.025¢ and 0.035¢ on the same level of turnover.

Mr PEARCE: I understand what the member is saying; I do not have those figures.

Mr Court: I will put a question on notice.

Clause put and passed.

Clause 5 put and passed.

Title put and passed.

*Report*

Bill reported, without amendment, and the report adopted.

*Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Pearce (Leader of the House), and transmitted to the Council.

**BUSINESS FRANCHISE (TOBACCO) AMENDMENT BILL***Second Reading*

Debate resumed from 19 September.

MR MacKINNON (Jandakot - Leader of the Opposition) [4.48 pm]: This is another Bill designed to recoup to the Government some of its multi-million dollar business losses. We have just finished debating a huge increase in the financial institutions duty which takes from every Western Australian a significant increase in taxation revenue for that purpose. We are now dealing with another regressive taxation measure designed to do exactly the same thing. In fact, it is nothing more than an increase in a consumer tax. This Government may claim to be opposed to consumer taxes, but in this case and, arguably, in the case of the fuel tax, this Government has overseen dramatic increases in consumer taxes in the last 12 months. The fuel tax has increased by 36 per cent and the financial institutions duty by 75 per cent. Under this legislation, the tobacco franchise licence fee will be increased by almost 50 per cent. So much for this Government's commitment to keep taxes and charges within the rate of

inflation; so much for its so-called and claimed commitment to the health foundation, to which I will refer later.

Let us consider how the licence fees in Western Australia compare with those in other States of Australia. State licence fees are calculated according to the level of Federal excise and manufacturer's price. Thus they rise twice yearly because the Federal excise is indexed to the consumer price index which is published twice yearly. The per packet figure is calculated on a percentage basis, and it makes interesting reading. In South Australia the tax per packet is 28 per cent or 52.3¢; in Queensland it is 30 per cent or 56¢; in New South Wales, Victoria and the ACT it is 35 per cent or 65.4¢; and in the Northern Territory it is 40 per cent or 74.7¢. The leader in Australia is now Tasmania at 50 per cent or 93.4¢ a packet, and in Western Australia the tax will rise from 35 per cent or 65.4¢ a packet to 50 per cent or 93.4¢ a packet. That is a huge increase by any measure, and one which will be borne by those people least able to afford the tax; in other words, by people on fixed and lower incomes. It is likely that a huge black market trade in cigarettes will develop. Whatever the legislation sets out, that is likely to occur with South Australia levying 28 per cent tax at 52¢ a packet and Western Australia levying a 50 per cent tax at 93.4¢ a packet. That 41¢ a packet margin will provide a big incentive for people to break the law, as happened initially in Queensland, and break the barrier by shipping huge amounts of cigarette products across the border.

Let me say at the outset that I do not smoke and I do not support smoking. It is not a healthy habit. However, at the same time I indicate that it is totally hypocritical for this Government to expect the Opposition to debate this legislation which, according to the Minister's second reading speech, will be put into effect from 1 November. The people in this State will be asked to pay this huge increase which will provide the Government with \$28.5 million in a full year, of which \$9 million will go to the so-called health foundation. However, the health foundation legislation has yet to be introduced in this Parliament. This Government's attitude to the Parliament is the ultimate example of the Opposition's criticism of the Government for some time; that is, it treats the Parliament with absolute and utter contempt. The Minister has brought to the Parliament a Bill which provides for \$9 million to be given to a health foundation, and yet the Opposition has not been given one detail in legislative form of the Government's proposals. I do not think that is fair and reasonable, and I ask the Government to adjourn debate on this legislation until such time as it can be debated concurrently with the health foundation legislation. I ask the Minister for Health when he expects the health foundation legislation to be introduced.

**Mr Wilson:** It is going through the consultative stage at the moment with community groups, and the National Party has indicated support for it.

**Mr MacKINNON:** That is a typical Government answer; it is full of information but it does not answer the question.

**Mr Wilson:** It will be introduced in the very near future, as soon as that consultative process has been completed.

**Mr MacKINNON:** It sounds like a question of commercial confidentiality, it is a wonder the Minister did not mention it in those terms!

**Mr Wilson:** We have no indication from the Liberal Party of its stand on this legislation, although we know the member for Melville is totally opposed to it.

**Mr MacKINNON:** The Minister asks why the Liberal Party has not made a decision, yet it has not seen a copy of the Bill. The Liberal Party works differently from the Labor Party; it is not a dictatorship. The Liberal Party prefers to see some detail of legislation before it determines its attitude.

**Mr Wilson:** What did you say to the Australian Medical Association?

**Mr MacKINNON:** The AMA members are not members of this Parliament.

**Mr Wilson:** You did not commit yourself to any legislation.

**Mr MacKINNON:** The Minister for Health and his Premier have no idea about this matter. The Premier has no understanding of conflict of interest or ministerial propriety. The Minister for Health and his Government do not understand that the Opposition will not commit itself until it has seen the Government's proposal. Why would the Opposition make a commitment when it has no details of the Bill?

Mr Wilson: They simply asked you to support the proposition.

Mr MacKINNON: The Minister for Health is well known for his dishonesty in presenting to this Parliament Bills which are different from the indications he had previously given. It is a question of saying one thing and doing another. The Premier says one thing and does another and this poor excuse for a Minister is following the leader and doing exactly the same. Why should the Parliament waste its time debating a Bill to take \$9 million from the pockets of the taxpayers of Western Australia and to authorise approval for the so-called health foundation, when it has not one skerrick of information about the foundation? I ask the Minister whether there is a precedent for this. When has this Parliament debated an increase in taxation before knowing the details of the legislation for which the tax is to be used? The Minister can provide no example. My second question to the Minister is that, if the tax is to be introduced from 1 November, will the health foundation be established retrospective to 1 November?

Mr Wilson: I am not saying anything of the sort.

Mr MacKINNON: No answer again. To my knowledge no precedent exists in this Parliament. Also, the Minister cannot tell us whether the Bill will be retrospective to 1 November. If it is not to be retrospective legislation, where will the tax go in the meantime? The Minister is indicating that the smokers of Western Australia are being asked to pay for this Government's failed business dealings yet again. The pensioners of Western Australia will be paying through the financial institutions duty, as will every other person in the State, and the Government is now asking the smokers in this State to contribute \$19.5 million in a full year to help the Government. The Minister states that the Government has made a commitment to the health foundation, but where is the legislation dealing with that body?

Mr Wilson: It will be introduced as soon as it is ready.

Mr MacKINNON: There are varying points of view about the health foundation among members of the Liberal Party, as I am sure there are among Government members and members of the National Party. For any party to be asked to discuss such a matter without knowing the details of the proposal is an ultimate abuse of Parliament by Government. Once again this Government does not demonstrate one skerrick of commitment to the Westminster parliamentary process.

We see that happening yet again, represented by the Minister for Health, who cannot tell us when that has ever previously occurred, nor whether the Bill - which he says will be introduced in the near future, as long as it is not commercially confidential - will be retrospective; and if it is not, what will happen with the money in the meantime?

Mr Wilson: The Government has made a clear commitment that \$5 million will be allocated this financial year.

Mr Kierath: Where will the rest go?

Mr MacKINNON: To bail out the Government.

Mr Wilson: Is it not simple for you?

Mr MacKINNON: I do not see it as being very simple when we do not have one skerrick of evidence about what is being proposed. What I have read in the newspapers is some detail about restrictions on sports advertising; but it will not apply to test cricket because, heaven forbid, that does not influence children; yet magazines like *The Women's Weekly* do. I have news for the Minister: My son does not read *The Women's Weekly*, but he sure watches a lot of cricket. So much for the hypocrisy of the Minister's statement; he expects us to sit here and read Press statements, and to authorise a \$9 million increase, without his giving us a skerrick of evidence about where that money will be used.

We will be prepared to debate this legislation, as well as the legislation to establish the health foundation, when the Minister brings it forward, and we will then make up our mind about the merits of the legislation and give our opinion to the members of this Parliament, the Australian Medical Association, and all the professional people who have written to us; but we are not prepared to see this Parliament's being abused by the Government in this way, where we do not even have a Bill before us to authorise this \$9 million increase. It is an insult; consequently, I move that the debate be adjourned.



The ACTING SPEAKER (Dr Gallop): There is a precedent that those who have spoken in a debate cannot move an adjournment, so in order to facilitate the proceedings I ask someone else to move the adjournment.

Mr MacKINNON: Mr Acting Speaker, thank you for your guidance; in that case, I will continue to speak. It really is a disgraceful situation, and one that I have not seen during the history of this Parliament, where we are being asked to impose on the people of Western Australia a huge increase in taxation. It is an increase that is supposedly for the establishment of the health foundation, but as was the case with the taxation increase which Brian Burke imposed in 1983 - which ripped about \$35 million out of the community, \$2 million of which went to the Quit campaign - the majority of the money will go into funding the day to day activities of the Government, or to supplementing the Government's huge WA Inc losses. Cigarette smokers are being asked to pay for the Petrochemical Industries Co Ltd losses. I take great exception to this Parliament's being treated in such a contemptuous way by a Government which has shown many times - and twice today - that it does not have any commitment to the standards set for us so long ago by the Westminster system.

### *Adjournment of Debate*

Mr BLAICKIE: I move -

That the debate be adjourned.

Question put and a division taken with the following result -

Ayes (23)			
Mr Ainsworth	Mr Grayden	Mr McNee	Mr Fred Tubby
Mr Bradshaw	Mr Hassell	Mr Mensaros	Dr Turnbull
Mr Clarko	Mr House	Mr Nicholls	Mr Watt
Mr Court	Mr Kierath	Mr Omodei	Mr Wiese
Mr Cowan	Mr Lewis	Mr Shave	Mr Blaikie (Teller)
Mrs Edwardes	Mr MacKinnon	Mr Strickland	
Noes (27)			
Dr Alexander	Mr Peter Dowding	Mr Marlborough	Mr Thomas
Mrs Beggs	Mr Graham	Mr Pearce	Mr Troy
Mr Bridge	Mrs Henderson	Mr Read	Mrs Watkins
Mr Carr	Mr Gordon Hill	Mr Ripper	Dr Watson
Mr Catania	Mr Kobelke	Mr D.L. Smith	Mr Wilson
Mr Cunningham	Dr Lawrence	Mr P.J. Smith	Mrs Buchanan (Teller)
Mr Donovan	Mr Leahy	Mr Taylor	

### *Pairs*

Ayes	Noes
Mr Minson	Mr Parker
Mr Trenorden	Mr Grill

Question thus negatived.

### *Debate Resumed*

DR TURNBULL (Collie) [5.10 pm]: The purpose of this Bill is to increase the tax on the sale of tobacco products from the current level of 35 per cent of the value of the product being sold to 50 per cent of that product value. The percentage increase will result in an approximate increase in tax of 30¢ on the price paid by the smoker for a packet of cigarettes. Let us fully understand here and now that the 30¢ will not be paid by the tobacco manufacturers, the wholesalers, the advertisers or the retailers; the tax of 30¢ is to be paid by the smokers - the users of tobacco.

I support this tax, and the National Party supports it, because the tax is to be paid by the smokers. The budgeted cost for running the health system in Western Australia this year is \$1 091 351 000, and if we add the estimated expenditure for the Alcohol and Drug Authority

the health bill for Western Australia this year will be approximately \$12 billion. It is the biggest item on the whole State Budget this year. I will not comment on this \$2 billion cost or on whether the Budget item should be smaller - whether it should not be this astronomical amount - because that is another question. It is sufficient to say that this is an increase of \$370 million, or nearly 20 per cent, over 1988-89.

The money to fund the public health system and the health care system in Western Australia has to come from somewhere. As the Leader of the House has just said, we do have to have taxes to pay for the system that this Government - or any Government, for that matter - must run. Should the increased funds for the health bill for Western Australia come from the Medicare levy? No. Why should the Medicare levy be increased? Why should not the users of the hospital system contribute to their own costs? Members might say it would be far too difficult to work out costs of individual items to our health system, but in the case of smoking it has been possible to calculate a cost per smoker, with the aid of Western Australia's record system which has been kept by the hospitals for many years, and the very competent epidemiology department that we have. I will read to the House a list that this covers because many people are not aware of just what are the effects of smoking.

The list includes respiratory infections, and neoplasms of the lip and the oral cavity, the oesophagus, the stomach, the pancreas, the larynx, the lungs, the cervix, the bladder, the kidneys, and the reproductive organs - both male and female. It includes the cardiovascular system; myocardial infarction; cerebrovascular disease - that is, strokes and so on; arteriosclerosis - that is, blocking arteries of the limbs which requires amputation of the limbs; and aortic aneurism. It includes respiratory problems of pneumonia, emphysema and airways obstruction; and it includes stomach ulcers, and all of the other neoplastic conditions which are promoted by smoking.

Mr Cowan: Do non-smokers get these diseases?

Dr TURNBULL: Non-smokers do get them as well, but it has been calculated that the incidence at which smokers get them is at a higher and more significant level than for non-smokers.

The cost of covering all the areas I have listed works out today at \$138,000 per day, or approximately \$50 million per year, sheerly for hospital beds. That includes nothing else - not medication, investigations, or the necessary attendances upon those people by out-of-hospital carers. The Treasury has calculated that the cost of these services to Western Australia is \$112 million per year. Therefore, the total tax that the smoker will pay towards the health care system in Western Australia is \$90.5 million this year, so that is only a partial payment.

As a member of the National Party I say that this tax is fully justified. We live in a democratic society and democracy is about freedom. It is about freedom of the individual; it is about freedom of the individual to smoke tobacco or nicotine-containing material if he or she so wishes. Our society is a democratic society which must require that the citizen exercise his freedom, but when he exercises that freedom he must also accept his responsibilities. With this tax the smokers are partially contributing to the health care costs with which their chosen actions are burdening the rest of the taxpayers of Western Australia.

I have often been asked, "Isn't the tax an unfair tax on the poor? Only the rich will be able to afford to smoke." I personally see that that is the desired effect. This is a cost disincentive. Many people will not be able to afford to purchase cigarettes, roll-your-owns, cigars or pipe tobacco. The people who certainly will be deterred from smoking are young people. I will digress slightly to say that I am very strongly of the opinion that cigarette companies should not be permitted to sell cigarettes in packets of half numbers in order to reduce the cost of cigarettes, as this will reduce the purchase price and thus bring it within the range of affordability of young people.

Another effect this cost disincentive will have, and which we know it will have, is to allow other people who have not yet been able to break the habit of smoking the opportunity to convince themselves that it is now time to give up smoking. Again, I see this as a desired effect. I am very pleased with the Minister's second reading speech that was presented to this House and I endorse the Government's commitment to use some of the extra 30¢ raised on each packet, albeit unfortunately only 10¢ of that, to promote healthy lifestyles in Western

Australia. This sum of money will amount to about \$6 million this year and \$9 million in a full year. However, we share the concern of the Leader of the Opposition, who has just stated that we do not know what the proposals are for spending this money. We know that 20¢ of the 30¢ will go towards funding the health care costs of Western Australia this year, but we do not know what will happen to the 10¢.

The National Party is absolutely determined that this money will not become a slush fund for any Government at any time. The National Party gives notice that it will scrutinise closely the proposals regarding the utilisation of funds for the so-called health promotion foundation. Any proposal in this connection should ensure that any board appointed to run the fund is truly independent and representative of all areas in Western Australia. The board should be independent of any Minister. A Minister appointing the board or making announcements regarding the distribution of any moneys will not represent a satisfactory situation either. We have seen too many cases in Western Australia where money has been put aside and has come in very handy as a form of slush fund prior to an election. This happened recently in relation to the Lotteries Commission and the family package which was used to dispense largesse throughout the community of Western Australia prior to the last election. This should not occur again in relation to any health promotion foundation.

The \$9 million which is to be put aside should not be put to a cynical use; it should be used for the promotion of health and a healthy lifestyle for Western Australians. If this money is seen to be tied in with a slush fund or with the Government's pork-barrelling - or any other Government activities - it will lose its effectiveness as a tool in the development of healthy lifestyles in Western Australia. The National Party warns that if this money is to be spent in this way we will ensure that amendments produce the required results.

The National Party supports the Bill.

**MR GRAYDEN** (South Perth) [5.22 pm]: I oppose the Bill. Normally, I would support any Bill of a practical nature that leads to a decrease in cigarette smoking. However, I do not believe that when a person becomes addicted to nicotine - as so many people do - we should add to that person's woes by imposing such a savage impost as that contained in this Bill. It has been said that smoking is the only way the addict can satisfy his addiction. For that reason, I oppose the legislation.

I do not smoke at the moment but I have smoked heavily at various times during my lifetime. The price of cigarettes is already exorbitant, currently in the vicinity of \$3 per packet; the cost may be more or less depending on where one buys the cigarettes. Without question the price of cigarettes is unjustified and, as has been pointed out, the Bill represents another form of taxation which will be collected by the Government. Only one third of that tax will be directed towards the foundation. A savage impost of this kind will harden the resolve of smokers; it will make them more determined to continue their habit. Without doubt this legislation is at variance with the objectives of the very commendable Quit campaign which has achieved worthwhile results, although it does not go far enough.

When introducing the Bill, the Minister said that the Government has spent an estimated \$112 million annually on the treatment of smoking-related diseases, a figure that is forecast to increase to \$146 million within four years. The Minister said the tax is a justifiable and fair one and that smokers will make an appropriate contribution to the State's revenue to offset the costs involved. Smokers in this State are already making a contribution. The problem should be approached in other ways. Initiatives should be taken by the Government and the Health Department to reduce the incidence of cigarette smoking. I refer now to the huge roadside hoardings used in Singapore, depicting a huge skull and the slogan "Smoking Kills". These signs are very effective and are used against drugs in Asian countries. I can think of no reason why, at very low cost, we cannot have at least one of those signs on each major highway in this State. They could be 60 feet in length, if necessary, carry a skull and a slogan of that kind - "Smoking Kills" - so that the message is constantly before the public. This does not have to be an expensive exercise as it could be undertaken in a cost effective way.

**Mr Watt:** "Cancer is Killing Smoking".

**Mr GRAYDEN:** Yes. As far as smoking is concerned further steps should be taken bearing in mind that more than 1 700 people die annually in Western Australia as a consequence of

smoking-related diseases. Nationally, 23 000 people die annually as a consequence of cigarette smoking. Yet all Governments throughout this country pussyfoot around as far as this addiction is concerned.

I would like to see the Criminal Code amended to make it an offence to entice by any means and for monetary gain a tobacco addict to continue such an addiction if the addiction is demonstrably likely to result in the death or impairment of health of an addicted person. I do not suggest that that wording is perfect but I do suggest that those words should be put before a competent body with legal training in order to examine the ramifications of my suggestion. I cannot see any reason why the Criminal Code could not be altered in that way to automatically ban cigarette advertisements.

While watching a soccer match on television recently I noted that one cannot see tobacco advertisements around the playing fields in the United Kingdom. That is in contrast with what occurs in other parts of the world. Recently, I read reports of an innovation introduced in Canada. It has been found that by placing a small bandaid like pack on the arm, nicotine can be absorbed through the skin.

[Questions without notice taken.]

*Sitting suspended from 6.02 to 7.30 pm.*

Mr GRAYDEN: The Bill before the House is expected to add 30¢ to the cost of a packet of cigarettes. I believe that is a savage impost and that there are many much more acceptable methods of bringing about a decrease in cigarette smoking. Prior to the dinner suspension I spoke about a bandaid-like device developed, I think, in Canada. The cotton gauze of that device is impregnated with nicotine; the device is simply placed on the arm or some other part of the body, and nicotine is absorbed through the skin. This is of considerable help to anyone trying to give up the habit of smoking. Smoking is an addiction and if the addicted person can absorb the nicotine they require through the skin, it is then a relatively simple matter over a period of weeks perhaps, to reduce gradually the dose of nicotine. It is infinitely more simple than trying to quit smoking. If this device were to be introduced into Western Australia, it would make inroads into the smoking habits of Western Australians. I beseech the Government to inquire into this method of decreasing the incidence of smoking and if necessary to promote its introduction in this State. If the Government did that, without question it would be a blow of consequence to those purveyors of the drug nicotine.

Everywhere I go I meet people who are anxious to quit smoking. Every member of this House has either had the experience, or has witnessed the experiences of their friends, of endeavouring to quit smoking. People manage to stop smoking for a matter of days and then they resume; they try all sorts of methods to stop. This brings me to the purpose behind the advertising of cigarettes. I mention this as an alternative to the savage impost of 30¢ a packet, which is to be added to the already excessive taxation imposed on every packet of cigarettes smoked. I do not know whether they are extraordinarily naive, but many people - including health departments - emphasise that cigarette advertising is a means of securing additional sales of a particular brand of cigarette. They call it winning a brand share. All of the organisations to which I refer prefer to think that cigarette advertising is carried out for the purposes of inducing people to smoke in order to obtain new customers. They completely overlook the main purpose of cigarette advertising, which is to entice people who are already addicted to continue their addiction. If a person addicted to cigarette smoking goes to a football game, for example, he will see placed around the football oval giant signs depicting cigarette brand names. The addict's immediate reaction is to reach into his pocket, remove his packet of cigarettes and smoke a cigarette. People attempting to quit the habit are constantly being confronted with these images, which are specifically designed to entice an addict to continue his addiction.

It was for that reason that prior to the suspension of the sitting I spoke in terms of altering the Criminal Code to make it a criminal offence to entice for monetary gain a person to continue an addiction, particularly if it were an addiction that was demonstrably likely to result in death or the impairment of health of the addict. I think that tobacco companies collude on this issue, because for weeks at a time we see one name being put forward; a few weeks later another brand name is promoted. The companies are not seeking a brand share; they are not trying to win over new customers. Those are corollaries which the cigarette companies welcome, but the main purpose of cigarette advertising is to have constantly before the addict

the image which causes him to continue his addiction. That is the purpose of cigarette advertising. Cigarette companies welcome it if they can obtain a few new converts and if they happen to continue to get a brand share. However, the main purpose behind advertising is to have the image constantly before the addict, so that no matter where the addict looks there is an image to remind him to continue his addiction. I think there is collusion between the companies; they get together and say, "It is your turn now." They do that because it is to the benefit of them all.

Prior to the suspension of the sitting, the Leader of the House referred to the fact that some legislation in respect of racial violence is before the Law Reform Commission. If the Government can place legislation of that kind before the Law Reform Commission, I suggest that it place the kind of legislation to which I earlier referred before it. The Government should come up with an amendment along the lines of which I have spoken which will make it an offence to entice for monetary gain a person to continue an addiction of that kind.

As mentioned earlier, 1 700 people die annually from cigarette smoking in Western Australia, and 23 000 people die annually from cigarette smoking in Australia. In the 10 years of the Vietnam war 400 Australian servicemen were killed. We regard that as a very sad event - and it was, of course - but in our State alone 1 700 people die annually. What is the Government doing about it? I might be accusing the Government wrongly, but I believe the Government is pulling its punches on the question of cigarette advertising.

Mr Pearce: That is rubbish.

Mr GRAYDEN: The previous Minister for Health, the then member for Melville, introduced a Bill along these lines.

Mr Pearce: It was knocked off by your colleagues in the other House.

Mr GRAYDEN: The former Minister was a most effective Minister for Health and he was moved sideways. He lost the portfolio because the cigarette companies approached the Premier.

Mr Pearce: That is absolutely untrue.

Mr GRAYDEN: I hope the Leader of the House is right. Could he explain to me why that Minister - a most effective Minister although I disagreed with many of his policies - was moved very shortly afterwards?

Mr Pearce: He was made Minister for Environment, and he made a most effective Minister. All Ministers are moved around.

Mr GRAYDEN: He was moved to a very junior portfolio.

Mr Pearce: The environment is not a very junior portfolio, and I say that with some feeling.

Mr Shave: He has caught you out.

Mr GRAYDEN: The environment is not a junior portfolio, but obviously it was treated as such by the Government. If the Minister was not moved for that purpose and the Government is serious about cigarette smoking, I challenge it to do something positive about it.

Mr Pearce: We are.

Mr GRAYDEN: The Government is pulling its punches on the question and is allowing 1 700 people to die annually in Western Australia. The Government is introducing a Bill to increase tax on a packet of cigarettes by 30¢. A far more effective way of reducing cigarette smoking is to put hoardings 60 feet long on every major highway depicting a skull stating that smoking kills. This has been effective in Malaysia and throughout the Asian countries in reducing the incidence of drug smuggling. It is a proven, cost-effective method.

Mr Pearce: Why do you not give this speech in your party room because it is your party that is opposing effective action?

The SPEAKER: Order! That sort of interjection is highly disorderly. I suggest that the Minister for Environment is becoming a little unruly with his interjections.

Mr GRAYDEN: The only reason that we tolerate the sale of cigarettes and tobacco in Australia is due to the delayed effect of taking this drug. The effect is not felt for many

years. Of the 1 700 people who are dying annually in Western Australia most probably started smoking 20 or 30 years ago. If 1 700 people died six months after they started smoking cigarettes this would not be tolerated for one minute. If members require a parallel, we can take the situation in the asbestos mines at Wittenoom which operated for 23 years from 1943 until 1966 without the Public Health Department of Western Australia publishing a single statement that asbestos was harmful. The culpable people are not necessarily the management of CSR; the culpable people were those in the Public Health Department who knew of the dangers of asbestos but did not say a word about it for 23 years. They allowed the migrants to come from overseas - that was the only place labour could be recruited - and innocently work with the asbestos without the department stating how lethal that could be. We are dealing with a similar problem regarding the 1 700 deaths annually in Western Australia and the 23 000 deaths throughout Australia. What is the Government doing about it? It is introducing a Bill to increase taxation on a packet of cigarettes. Already a vast amount is imposed on every packet of cigarettes. It is not good enough, and for that reason I suggest to the Leader of the House that the Government must be pulling its punches.

Mr Pearce: We are not pulling our punches.

Mr GRAYDEN: I applaud the Government for what it has done, but if it were concerned about the death rate, it would go much further; otherwise it could be accused in the same category as those people in the Public Health Department who stood by for years and never advertised in the newspaper, or put up posters at Wittenoom or anywhere else, stating that working with asbestos was dangerous. For 23 years they held their silence and we are reaping the harvest of death at the present time. Any Government which sits by and watches 1 700 people die annually and does nothing except the sort of thing being done at the moment has to be pussy footing on the issue. I urge the Government to put the amendment which I have suggested before to the Law Reform Commission. I read it again -

...to entice by any means for monetary gain the tobacco addict to continue an addiction if the addiction is demonstrably likely to result in the death or the impairment of the health of the person.

Mr Pearce: Does that proposal have the support of your party?

Mr GRAYDEN: How would I know? The Minister would have as much idea as I do.

Mr Pearce: I thought you might have some idea being a member of your party.

Mr GRAYDEN: The Government's proposal to put before the Law Reform Commission a proposition in respect of racial violence is similar to my proposal to put before the Law Reform Commission a proposition to amend the Criminal Code regarding cigarette smoking. It is not necessary that it be in those words. The Government should ask the Law Reform Commission to come up with something which would achieve that.

Mr Pearce: Do you want to give us your opinion of the Deputy Leader of the Opposition while you are on this track?

Mr GRAYDEN: I would be glad to give my opinion of the Leader of the House if he continues to allow 1 700 people to die every year without doing anything to prevent it. I will hold him responsible and will gladly give my opinion of him if he does not take up my suggestions.

Mr Pearce: I have given my opinion of you in this place often enough.

Mr GRAYDEN: I would be glad to engage in that sort of activity after a little research.

The Government has indicated that it will introduce a Bill to stop cigarette advertising. I will support that without question because I will do anything to support legitimate, practical legislation which will reduce the incidence of cigarette smoking.

Mr Pearce: You could start with supporting this Bill.

Mr GRAYDEN: I will not support it.

Mr Pearce: You are a hypocrite then.

Mr GRAYDEN: The people who smoke are addicted already. I feel sorry for them because the Government is increasing taxation on every packet of cigarettes. I wish to try to establish the Minister's sincerity. In his second reading speech, the Leader of the House said -

The revenue benefit of this measure, after allowing for some reduced consumption, is estimated to be \$16.5 million in 1989-90 and \$28.5 million in a full year. A portion of the additional revenue, some \$5 million in 1989-90, and \$9 million in each of the subsequent four years - in total more than \$40 million - will be applied to fund the Western Australian Health Promotion Foundation.

Mr Pearce: An excellent move.

Mr GRAYDEN: The Leader of the House is right, it is an excellent move.

Mr Pearce: How about voting for the Bill then.

Mr GRAYDEN: I will support the Government's later legislation. I take exception to the fact that this Government will hand back only one-third of the taxation it is raising by this measure. The Minister says further -

Significantly, this is additional to the \$2 million annual allocation to the Quit campaign. The foundation will be involved in buying out existing tobacco sponsorship of sports and the arts, funding low profile youth orientated sports activities and health promotion campaigns, and funding smoking and other health related research.

The Government is taxing every smoker 30¢ on every package of cigarettes to do that and I applaud it. However, the entire amount should go towards that purpose. The Government is going to allocate only one-third of that savage impost for that purpose. That is absolutely unacceptable and I oppose the Bill for that reason.

MRS EDWARDES (Kingsley) [7.55 pm]: The Business Franchise (Tobacco) Amendment Bill seeks to do one thing, which is to increase the cost of cigarettes by 30¢ a packet. The justification for that increase is to help to pay for the treatment of smoking-related illnesses. It therefore puts the cost of that treatment back on those who need it.

Mr Pearce: Is that not fair?

The SPEAKER: Order!

Mrs EDWARDES: The thrust of all announcements relating to these measures has been to protect the young. We are not talking only about this proposed legislation. We are talking about all of the other announcements including the announcement relating to the proposed ban on cigarette advertising.

Mr Pearce interjected.

The SPEAKER: Order! What did the Leader of the House have for tea?

Mr Pearce: I did not smoke, I will tell you that, Mr Speaker.

Mrs EDWARDES: We have not seen any legislation for the proposed ban on cigarette advertising. Neither have I seen legislation relating to the establishment of the Health Promotion Foundation. We have heard also about increases in the penalties for those who sell tobacco products to underage children, yet we have not seen legislation in relation to that. I may be corrected, but I have not seen legislation for those increased penalties. They may have been included in regulations, and if so, I have not seen them either.

The whole thrust of this amendment and of the other statements about the dangers of cigarettes has been concern for the young. When these increases in the cost of a packet of cigarettes are imposed, it will not be only the wealthy who can afford to buy them. Young people also will find the money to buy them. Putting an extra 30¢ on the cost of a packet of cigarettes will not stop young people from smoking. They will continue to buy cigarettes. We should be asking where they get them from. Do they get them from the local delicatessen owners? A 13 year old constituent of mine wrote to me and said -

I'm 13 years old . . . At school I'm always hearing about how bad it is to smoke and how we should try and stop kids from smoking, but that seems pretty impossible when our . . .

The name of a local delicatessen is given -

. . . is supplying kids at the age of 14 with packets of cigarettes. This happened today while I was buying some milk. It wasn't like the boy looked older than he really was,

in fact, I would have thought he was younger. Instead of the deli owners thinking about the health of kids at this age they only think about the profits they're making but in the long run they're going to lose out when there is nobody left to smoke their profits away.

Mr Pearce: What did you do about that? The deli owner acted illegally.

Mrs EDWARDES: I made inquiries about it. I have many letters here and I would be pleased to tell this place exactly what I did about it. I inquired about what the penalty was for a deli owner who sells cigarettes to underage children. What is the penalty? It is \$4. I could not believe it.

Mr Taylor: It is not the penalty; it is the publicity that is critical.

Mr Pearce: Name that delicatessen now. You have parliamentary privilege. You don't mind naming people under parliamentary privilege.

Mrs EDWARDES: The Leader of the House does not mind either.

The penalty was \$4. I could not believe it so I carried out further investigations by going to libraries to try to find amendments to the parent Act. I wrote to the Minister for Police and Emergency Services and followed it through to find out exactly whether the penalty was really \$4. It has not changed from the 40 shillings penalty imposed in 1917. That is rather incongruous especially bearing in mind the increasing publicity about the dangers of smoking and the Government's real concerns for young people.

I am about to tell the Parliament about action taken by a former member in the upper House, Mr Peter Wells. This Government was given two golden opportunities in 1983 and 1984 to deal with the sale of tobacco products to young people. However, it did nothing about it. A Bill introduced at that time was not supported by this Government and it lapsed on the Notice Paper. The 1984 legislation was entitled Tobacco (Promotion and Sale to Young Persons) Bill, and it introduced a number of realistic deterrents to the sale and distribution of tobacco products to young people under the age of 18 years. Among other things it provided for fines of between \$300 and \$600 on retailers who sold tobacco products to those under the age of 18, and fines of between \$1 000 and \$2 000 for those persons who offered or distributed free samples. On further investigation, I discovered that the *Daily News* of Friday, 30 June 1984 reported that top level Government talks would be held soon on enforcing laws forbidding the sale of cigarettes to minors. I love that. I understand that several weeks later the then Premier, Brian Burke, said on talkback radio that there was a problem with enforcement because the penalty was no deterrent. That was recognised by this Government in 1984. An amount of \$4 was supposed to be the deterrent to stop the sale of products to people under the age of 18 years. One wonders at the hypocrisy of this Government when the Minister for Health refers to a comprehensive attack on youth smoking. The Government has had two golden opportunities to address the problem. It is now 1989 and a number of questions need to be asked.

Mr Taylor: There has been attack after attack on youth smoking as far as this Government is concerned. It is not the \$4 fine, it is the publicity associated with those people being named in court in relation to selling cigarettes to minors.

Mrs EDWARDES: It is not a deterrent; it has not been a deterrent in the past and it has taken this Government until 1989 to wake up. The Opposition still has not been informed of the proposed change to the penalty. I ask the Minister for Police and Emergency Services when it is anticipated that the Bill will be available. A number of questions need to be asked - the Government talks about the imposition of a tax on cigarettes but is referring to youth and smoking. Is that the thrust of its legislation?

Mr Taylor: Which way will you vote on it?

Mrs EDWARDES: The Minister will soon know. When will the full legislation be introduced? The Minister will then know how I will vote on the issue. I am a non-smoker and I hate smoking; in that I am different from some members on the Government side of the House. The Government talks about the imposition of tax and the effects of the legislation, but the thrust of the campaign has not been put before the Parliament. Is it just another slush fund so that the Government can move money around for its political advantage from one area to another? Alternatively, is the Government revenue raising, especially with regard to



the small amount to be directed to the health foundation? I doubt that the prime motive is related to young people and I support the member for Collie when she says she will be looking at future legislation very carefully. I also will peruse that legislation very carefully, because I do not believe the young deserve to be treated in this cavalier fashion.

**MR AINSWORTH (Roe) [8.05 pm]:** The Bill before the House at the moment certainly has the support of the National Party and for very good reasons. Before I outline some of those reasons to this House, I would like to take some issue with a couple of points made by the member for South Perth. He said smokers should not be penalised for their addiction by a savage tax increase. I find that hard to reconcile because I cannot see why the non-smoking taxpayers should help to pay for the addiction of those people. They choose to smoke of their own free will and if they have problems because of that addiction, they should be prepared to pay for them. Those costs should not be foisted on the non-smoking community. The member for South Perth also mentioned the effectiveness of using billboards to promote non-smoking in our community. He said such promotion worked in countries such as Malaysia with regard to preventing the smuggling of drugs. I agree that it works in those countries, but the main reason that it works is that it does not warn that death could occur as a result of smuggling drugs, it warns that if a person is caught smuggling drugs the penalty is death. We know that the penalty for smoking is death but it is not mandatory, and it is something that may or may not happen over a period.

**Mr Pearce:** It is said that cancer cures smoking, but hanging also cures smoking.

**Mr AINSWORTH:** Hanging also cures drug smuggling. I am not suggesting that the member for South Perth was advocating the introduction of the death penalty for smoking; in fact, I am sure he was not. To return to the National Party's position, the party very strongly supports the increase in taxation on tobacco and does so for one simple reason: It is a major step towards reducing smoking. It will reduce smoking particularly among young people who are the smokers of the future - those who have not taken up the habit and those who will hopefully avoid the health problems of smokers who take up the habit and who, after many years, finally succumb to cancer or some other ailment caused by smoking. Increasing the price is a disincentive to young people who will not be so easily able to afford to buy tobacco products and, therefore, will be less likely to take up the habit. It will not totally exclude them from purchasing tobacco products, but it will be a major disincentive.

It is worth reiterating the health cost to the State of Western Australia from tobacco related illnesses. Our research has confirmed figures quoted in the past. I would like to read some figures we have collated on the estimated total health care cost as a result of tobacco smoking and its related illnesses. The diseases have been classified in four categories: Cancer, heart disease, vascular disease, and other smoking related diseases. It is estimated that for the current financial year 1989-90 the cost will be \$112 million rising to \$146 million in the 1992-93 financial year. That is a very large amount of money. Those figures relate to diseases caused totally by smoking. The \$90 million which will be raised in taxation under the provisions of the Bill before the House would go a long way to offsetting some of those costs, although not the whole way. I reiterate that the National Party is disappointed that both Bills have not been presented.

**The SPEAKER:** Order! The background conversations are constantly rising to unacceptable levels. If people must have these conversations in the Chamber, they should do so much more quietly or have them elsewhere.

**Mr AINSWORTH:** The National Party is concerned that both Bills dealing with this subject have not been introduced together. We feel there is no guarantee about where the money will be spent and how it will be distributed under the provisions of the Bill yet to be introduced. We have that reservation; nevertheless, we certainly support the Bill now before us. We give notice that if the content of the proposed regulation of tobacco advertising legislation does not provide sufficient protection for juveniles from subjection to advertising pressure, and samples of cigarettes, we will definitely be seeking to amend the Bill. The priority of any responsible Parliament must be to reduce the number of young people who take up smoking; increasing taxation on cigarettes is one way - not the only way - of helping to achieve this aim. I support the Bill.

**MR McNEE (Moore) [8.11 pm]:** I did not intend to speak on this Bill, but in the light of some of the comments made by my colleague, the member for Kingsley, I want to place on

record an appeal on behalf of the poor people who are being beaten to death by this deceitful Government. It is a deceitful and high taxing Government, which barely stands to be considered in any form at all. The Government is taxing a lot of its own supporters - the workers, the little Aussie battlers - whom the Labor Party claims to represent, but has long forgotten. The little Aussie battler does not matter any more. The Government says its policy is based on the family, but it cannot mean what it says when it allows this nonsense to continue of imposing a fine of \$4 upon those people who sell cigarettes - drugs, as the Government calls them - to youngsters.

If I were to see young people taking on something with which I did not agree, I could visualise their going to the casino to gamble, and wrecking their families as a consequence of going to that rotten place. Mr Speaker, you do not need me to remind you of what one of this Government's predecessors did to ensure the establishment of that casino, in complete disregard for what the people of Western Australia wanted. This Government has said it stands for the family, but it is simply being deceitful. Members opposite know that because they are sitting there like mutes; they know we have got them; they know in their own hearts they do not mean what they say. I have not heard any member opposite talk about dreaded liquor.

Several members interjected.

The SPEAKER: Order! The member for Peel's interjections may or may not be appropriate but they are certainly being made from the wrong place.

Mr McNEE: Liquor and gambling would have as great an effect on a family as smoking. Members opposite are planning to impose an additional charge of 30¢ on a packet of cigarettes. That is just another one of their deceptions. If they were really interested in those people who smoked they would have done long ago the things they are now saying they are going to do. This Government said in 1983 that it would drop the price of petrol, yet we have seen this year a 35 per cent increase in fuel tax; the Government probably was thinking of the family in its own deceitful way -

Mrs Buchanan: You are getting off the Bill a bit.

Mr McNEE: The member should go back to the Pilbara and check the prices of groceries, because I remember her saying she was going to bring them down. The prices of groceries have gone up, and I am told they are still going up.

I do not particularly want to see young people smoking, but I am thinking about the poor old fellow who is paying his taxes, the 35 per cent increase in fuel tax, and all the other increased charges which the Government has put on him, and whose family is probably under greater threat now than it has ever been, and who smokes a cigarette or two as some form of relaxation. I am thinking also about the breadwinner of a family, a him or a her - the bread person - who likes to have a cigarette, and who will pay 30¢ a packet more for that privilege. This legislation will not prevent young people from buying cigarettes, because I imagine that if they want to buy marijuana or whoopee weed - or whatever it is they call it - it will cost them considerably more than this proposed increased charge. However, this Government never mentions that, and if it were really interested in young people, that is what it should be looking at.

The Government should stop its financial attack on the family, and not say deceitfully that it is helping the family. It is not helping the family in any shape or form. The proposed cigarette tax is yet another reflection of the Government's taxation policy; since 1985 it has almost doubled the taxation burden of Western Australian taxpayers. If that is the way it gives security to families, I do not know how that can be rationalised.

I make a final plea on behalf of elderly people, who will be particularly disadvantaged by this proposed increase.

Mr Shave: Returned diggers!

Mr McNEE: That would not mean much to this bunch. The Government considers them as sheep to shear; that is what it thinks they are. These people will really be disadvantaged. They may have taken up smoking 30 or 40 years ago, when there was not as much known about the dangers as there is now, and perhaps if they had their opportunity over again they would choose not to smoke. However, this Government has decided, rightly or wrongly, to

tax these people and tax them heavily; furthermore, it is being quite deceitful about it. If it were prepared to come out and be honest and open about its actions it would be a different matter - but of course, this Government every day confirms the fact that it is not prepared to be open and honest. If it were it would not be in office for very long because it has to have the juggler supreme - the Premier, who is not in the House at the moment - to keep the balls in the air, otherwise the show would fall down. Nevertheless, that will probably happen anyway.

I make this plea on behalf of those already overtaxed and heavily burdened people who will be most affected by this vicious tax inflicted by this deceitful Government.

**MR PEARCE** (Armadale - Leader of the House) [8.20 pm]: If ever a debate sorted out the difference between the two Opposition parties, this must be it. The attitude of the Liberal Party in this matter would be more hypocritical than anything I have heard in all my time in this Parliament and it was summarised by a range of speakers, from the member for South Perth - for whom I must admit I have a great deal of respect - to the member for Moore, for whom I have no respect whatsoever.

**Mr McNee**: I would be disappointed if you had.

**Mr PEARCE**: The member can put that in his pamphlets the next time around - that the Leader of the House has no respect for him. It may do him some good in his electorate. Irrespective of the crocodile tears which the Liberal Party has been pouring out for poor smokers and poor young people who take up smoking, it is absolutely astonishing to anyone who, like me, has sat through the various debates on smoking in this House. In its early days this Government introduced a Bill to outlaw tobacco advertising in this State, and to take away from the tobacco companies - which are doing what the member for South Perth said, killing thousands of Western Australians per year - the right to advertise in this State. However, that was bitterly opposed by the Liberal Party. I remember sitting here night after night while the evil looking representatives of the tobacco companies sat in the Public Gallery and listened to the debate. They watched glumly while members of the Government argued for the abolition of tobacco advertising; they watched with gleeful smiles while members of the Liberal Party argued against that proposition and for the freedom of the people to have cigarette advertising. As I recall it, the only member of the Liberal Party who stood up against that was the member for South Perth. When the Bill reached the upper House, where the Liberal Party had the numbers and we did not, that legislation was defeated. One of my lasting memories of the various debates I have sat through in this House is the absolutely delighted looks on the faces of the representatives of the cigarette companies that evening when that legislation was defeated, and I have no doubt whatsoever that a very handsome donation from the cigarette companies went into the Liberal Party coffers for the 1986 election and probably for the 1989 election.

When the defeated member for North Metropolitan Province, Hon Peter Wells, introduced that Bill to outlaw smoking for young people no-one had any doubt at all that that was a real crocodile tears effort to get back some of the ground the Liberal Party had lost on that occasion. Everyone knows there is a huge move against smoking and against cigarette products in this community. It is not just a move by those people who do not smoke but also it is a move on behalf of many people who do smoke. Many of those are in the position indicated by the member for South Perth - that is, they smoke and wish they did not. It is no good the member for Kingsley's saying we are not doing anything about stopping young people smoking and that it does not matter what we charge because they will still smoke. They will smoke less if cigarettes cost more - that is a simple fact. However, we do not say that the disincentive of adding to the cost of cigarettes will be successful by itself. No-one would pretend that is the case, but it is a disincentive and the money raised in this way will be used for two specific purposes. One of them is to allow the State, through the Quit Smoking campaign, to buy out the sponsorships that various sporting and artistic groups normally have from cigarette companies, and that is a move which ought to be supported by every decent Western Australian. The second specific purpose is to pay for the health care that cigarette smokers require because of their self-inflicted injuries. There is no doubt that anybody who smokes and suffers health complaints as a result is doing it to themselves as surely as if they were playing Russian roulette. The taxpayers of Western Australia are paying between \$120 million and \$140 million a year to remedy the self-inflicted health problems suffered by smokers.

Smokers do require the kind of compassion the member for South Perth has pointed to. We are not bearing down on smokers and saying it is all their own fault, because they may have been induced to take up smoking by advertising. They probably took it up at a time when the fearful health effects were not so well recognised. However, it is equally true that every cigarette they smoke contributes to the health bill of this State. The money to be raised by this legislation will help to pay for health care and a proportion of it is to be set aside to try to convince young and not so young people that they should either quit or not take up smoking.

It is no good for the Opposition to cry crocodile tears over this matter. The time has come for decent people to put their votes on the line over the issue of smoking. I refer to the effort of the Leader of the Opposition and his way of getting out of having to vote on this matter. The member for Kingsley, after giving an impassioned speech, could not even say whether the Liberal Party was supporting or opposing the legislation because nobody had told her what the party position was. The member for Moore also opposed it, but no-one had told him what the party policy was, either. Indeed, on his own admission no-one in his party knew he was going to speak. Let the Liberal Party stand full square behind this legislation. Let us have no more sitting on the fence by the Liberal Party on this matter. The Government's approach to smoking is clear-cut. It is something we have held up strongly in the community over seven years against a huge amount of opposition and pressure from the cigarette companies. We have had all sorts of threats from them. The Liberal Party has been the receiver of largesse. We have fought two election campaigns against the Liberal Party which was part funded on both occasions by the smoking lobby. That is why we are having this little fence-sitting exercise tonight.

Mr Clarko: Where is the evidence?

The SPEAKER: Order!

Mr PEARCE: If one takes the money one must dance to the tune, but it is the closest thing to honesty that one gets in the Liberal Party.

Several Opposition members: Where is the evidence?

The SPEAKER: Order! Would members please take note that when I call for order it would be most appreciated if they paid some attention to it and at least for a short space of time maintained some degree of order so that we can hear the person on his feet.

Mr PEARCE: I contrast that to the much more principled approach taken by the National Party. It could have done the cheap point scoring tonight that the Liberal Party has sought to do, but it appreciates that the issue at stake is much more important than that. As the member for South Perth said, it is people's lives and people's health that we are talking about and it is about time that the Liberal Party stood up and was counted on this issue.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Pearce (Leader of the House), and transmitted to the Council.

## **ACTS AMENDMENT (REMUNERATION OF GOVERNOR) BILL**

### *Second Reading*

Debate resumed from 21 September.

MR MacKINNON (Jandakot - Leader of the Opposition) [8.30 pm]: This legislation is designed to change the way in which we handle the question of the Governor's remuneration in Western Australia. I am concerned about this legislation.

Until 1984 the Governor's salary was set under the Constitution Act which has been amended from time to time, increasing the salary payable to the Governor in a tax-free form and supplementing that salary between the years 1977 and 1984 with an expenses allowance to cover the expenses of office.

In 1984, the then Premier Burke, prior to the appointment of Professor Gordon Reid to the position, requested the Salaries and Allowances Tribunal to undertake a review of the

Governor's salary. The tribunal recommended that the Governor's salary be 70 per cent of the salary for the Chief Justice. Again, that salary was tax free with an expenses allocation of \$30 000 from the Consolidated Revenue Fund, to be expended by the Governor in the conduct of his duties, and accounted for. The matter was then brought to the Parliament - and this is an important point to remember - which resolved to approve that change. The Governor's salary was pegged at 70 per cent of the salary of the Chief Justice.

The proposal now before the House is that that link with the Parliament be withdrawn. The legislation proposes that we place in the hands of the Salaries and Allowances Tribunal the question of remuneration for the Governor. The tribunal will assess the appropriate salary - a request made prior to the appointment of the Governor under this legislation, which request is to be referred by the Premier. The tribunal will adjudicate and make a decision which will come into effect - whether the Parliament agrees with that decision or not.

This legislation also indicates a review will be carried out during the term of office of the Governor as specified by the tribunal - and not be referred to Parliament. Many people might say that is an appropriate proposition; that the question of pegging the Governor's salary to the position of the Chief Justice is outdated because we will be reviewing the position of Chief Justice and that means that the salary of the Governor will be too high in terms of the work done. I argue that his job is one which deserves significant remuneration.

Despite all these arguments, I am concerned that the Labor Party - having a historically long-held point of view that it does not support the retention in the long term of the Governor's position and wants to see a move towards a republic-type system - is supporting a move to devalue the position of Governor.

Mr Peter Dowding: I assure the Leader of the Opposition that it is not.

Mr MacKINNON: I will develop that argument because important points need to be made. By treating the Governor as just another person for whom the Salaries and Allowances Tribunal will assess a salary - that is, a non-elected body makes that decision - and bearing in mind we are talking about the Queen's representative, the person to whom the Parliament historically has made an allocation of funds - we are now about to allow that non-elected tribunal to make decisions for the Parliament. Not only is that a cop-out, but also it is a significant change away from what has traditionally been the case. That move takes authority away from Parliament.

To take up the Premier's assurance that that is not the direction we are taking, the words of his predecessor are ringing loudly in my ears. The former Premier made remarks in relation to this matter during general debate in the public arena. In *The Western Mail* of 4 June 1983 an article read -

Premier Brian Burke believes Western Australia will ultimately abolish the position of Governor.

But he says the change will take years and require a continuation of the trend towards republicanism evident in Australia in the past decade.

The following day, an article in the same newspaper read -

WA could eventually be without a Governor, the Premier, Mr Burke, said yesterday.

Further on the article reads -

Mr Burke made it clear he saw the Governor's role entirely as one of a ceremonial head of State.

The job of Governor is much more than being a ceremonial Head of State, as I am sure you, Mr Speaker, are well aware. The job of Governor is indeed very much an integral part of our system, just as we saw that the Governor General in 1975 was in a position of adjudication when the crisis occurred.

Mr Peter Dowding: He did not adjudicate, that is the problem.

Mr MacKINNON: He did adjudicate, properly and in the terms of the Constitution. The interjection by the Premier indicates and highlights the basis of my concerns regarding the ALP's attitude in respect of this viceregal position both nationally and in this State. The ALP still resents and bites us about that very proper decision, a decision which was made within the terms of the Constitution.

Mr Peter Dowding: Not many commentators agree with you; but it is a long time ago.

Mr MacKINNON: A majority of commentators agree with my position, as did a majority of Australian people at that time. No doubt, the decision was an appropriate one. It highlights the need for the retention of the Governor and the Governor General.

I have not had sufficient time to put together an appropriate amendment. I have considered some amendments today but they were not to my satisfaction in terms of the direction I want to take.

I have no objection to the Salaries and Allowances Tribunal making an assessment from time to time on the question of the Governor's salary and allowances. However, the Parliament should make a decision regarding the acceptance of any recommendation by the tribunal. As the Premier knows, that tribunal adjudicates on salaries for members of Parliament - who then make a decision regarding those salaries coming into effect; that is fair and reasonable.

Mr Peter Dowding: Can I raise a matter here?

Mr MacKINNON: In a moment, this is my speech, not the Premier's.

With respect to judges' salaries a recommendation is made to the Government which either accepts or rejects that proposal. Regarding the salary of the Governor many options could be taken. One could be in the form of a recommendation to the Government which can bring an amendment to legislation to the Parliament. It could be like a regulation, where a recommendation is made and is allowed to lie on the Table of Parliament for acceptance or rejection. Or we could have a direction or advice to the Parliament which then will make a decision.

Mr Peter Dowding: The point is we could have the potential for political interference in the question of the Governor's remuneration. This system puts the matter beyond that.

Mr MacKINNON: In Western Australia, until 1984, we operated under the Constitution Act 1899. But the Premier has the temerity to say that legislation politicises the decision-making process which was in place between 1899 and 1984.

Mr Peter Dowding: You misunderstand me.

Mr MacKINNON: I understand the Premier quite clearly.

Mr Peter Dowding: No, you don't, because you suggested it should be a regulation. A regulation can be disallowed in either House of Parliament.

Mr MacKINNON: If the Premier had listened to me he would know that I said that is the least preferred of my options. If the Parliament rejected the regulation, the legislation could include a reference by the Premier back to the tribunal to take into account the comments by the Parliament in its rejection of that regulation. It is entirely appropriate for the Parliament of this State to make such a judgement. My preference would be one of the other two options - a recommendation to the Government as was previously the case which could then amend the legislation on a recommendation direct to Parliament.

There are concerns in the community about the devaluing of the position of Governor. I share those concerns. People have suggested that Government House and its gardens should be open to the public on a full time basis. I have received correspondence from the Perth City Council which included a proposition for the Government House gardens to be opened for public access between 10.00 am and to 3.00 pm each day. I object strongly to that proposal. The previous Governor used to open up the grounds and Government House from time to time for public access. Opening them up full time would seriously denigrate and devalue the position of Governor. That position should be held in high regard and should be above those sorts of proposals.

I am concerned also about the way this Government has allowed both Government House and the Government House ballroom to be kept not in a manner which I believe they should be kept. I applaud the group, Friends of Government House, who are spending funds maintaining them in the manner in which they should be maintained.

Mr Blaikie: The Government does not mind spending \$30 million on the Swan Brewery, but it has not spent a cent on Government House.

Mr MacKINNON: That is a very important point when one considers the investment at the Swan Brewery site. That is a monument to the arrogance of this Government.

I hope that Government House will be there for centuries. It is a very important building representing important sections of our Constitution and the balancing role of the Governor in that Constitution.

I sincerely hope that the Government is not intending appointing somebody to the position of Governor who will not reside in Government House. I will make my comments tomorrow in that regard about the previous Governor. I do not believe that the Governor, whoever he or she might be, should not reside in Government House. It is a very important part of the office.

I will not oppose the legislation at this stage because of the difficulty I have had in arranging for an amendment to be drafted. I hope I will have the opportunity to have it drafted and discuss it with my colleagues and with the National Party prior to the legislation entering the Legislative Council. I repeat that I am very unhappy about the responsibility and authority for the setting of the Governor's salary being taken out of the hands of the Government and the Parliament and placed with a non-elected but appointed body which will have no reference to Parliament. If the Government wished to significantly downgrade the position of Governor along the lines referred to by the former Premier, Brian Burke, who indicated the position was one of a ceremonial head of State, one could see how easily a Government could appoint someone to that position, downgrade it and request the Salaries and Allowances Tribunal to set a remuneration which would ensure that downgrading.

It is the Opposition's intention, through amendments in the Legislative Council, to endeavour to achieve far better provisions in this legislation to ensure that the matter is determined by the Parliament as it always has been.

**MR COWAN** (Merredin - Leader of the National Party) [8.46 pm]: We have examined the purpose behind the Bill and we agree that it is somewhat illogical to link the salaries of the Chief Justice and the Governor. The National Party feels that there is some point in passing the responsibility of determining the salary of the Governor to a tribunal which has been established to determine the salaries and allowances of not only members of Parliament, but also of the judiciary.

It would be remiss of me if I did not say that sometimes I question the competence of the Salaries and Allowances Tribunal in reaching some of its conclusions. Most members will remember only too vividly the fact that, immediately after the last State election, many constituencies were expanded to a substantial degree and, at the same time, the Salaries and Allowances Tribunal decided it was appropriate to reduce allowances to members.

**Mr Clarko**: And make them equal when the areas and commitments of members were not equal.

**Mr COWAN**: Exactly. It was only after a committee of parliamentarians was established to fight that decision that the Salaries and Allowances Tribunal made a new determination to correct its original error. I sometimes question the competence of the Salaries and Allowances Tribunal in reaching a determination.

**Dr Alexander**: It will be interesting to see what the next one on salaries is.

**Mr COWAN**: It will be. The tribunal took some advice from submissions by members and corrected what was, in my view, its error.

The Premier needs to clarify the method for establishing the salary of the Governor. He has indicated that the Salaries and Allowances Tribunal will be required to make a determination prior to the appointment of a Governor. It appears to me from that provision in the Bill that the Government will be delegating an authority to the Salaries and Allowances Tribunal to go to the Governor-elect and negotiate a salary package with him or her. Is that correct? The legislation provides two things. It provides for the Salaries and Allowances Tribunal to make a determination prior to the appointment of the Governor. It allows also for the tribunal to make a determination during the term of office of that Governor.

It would be appropriate for the Premier to comment on these matters in his response. It is also interesting to note that the second reading speech indicates specific issues of which the Salaries and Allowances Tribunal must have cognisance in making its determination, such as tax exempt status, package of benefits that might be attached to the office of Governor, remuneration paid to other State Governors and the Governor General, and remuneration

paid to others in Western Australia such as parliamentarians, the judiciary and also senior officers of the public sector. That is included in the second reading speech, but there is no evidence of it in the legislation. I am very pleased that there is not, but I query why it is included in the second reading speech. Was it to give some guidance as to how the tribunal would arrive at its determination, or was it merely to fill empty space in the speech notes?

These issues should be responded to by the Premier, and there is also the question of whether or not the Parliament is the appropriate authority to make the final determination of the salary package payable to the Governor. Notwithstanding my criticisms of the Salaries and Allowances Tribunal over an issue which occurred immediately after the last State election - in my view it wrongly made a determination on electoral allowances - having established a Salaries and Allowances Tribunal to make decisions on the salary packages of members of Parliament, the judiciary and senior public servants, it is appropriate that the tribunal makes the decision and that the Parliament delegates that authority. I have been in Parliament a long time, and people have heard me often enough talk about my repugnance for those provisions in legislation which delegate the authority of the Parliament. The Parliament does this all too willingly and on most occasions I point out that we are yet again delegating what is rightfully the authority of Parliament to the Executive - in other words, the Minister or the Government - and we should be wary about that practice. In this case we are delegating authority to a tribunal which has been especially created to deal with the salaries to which I referred. I see no reason at all why the Salaries and Allowances Tribunal should not be given this responsibility, and I consider it should be its responsibility alone. The Parliament does not necessarily have to finally authorise the salary package of the Governor. I hope that the Premier will respond to the few queries I have raised, and I indicate that the National Party supports this Bill.

**MR MENSAROS (Floreat) [8.54 pm]:** I have some brief comments to make, arising mainly from the debate which ensued from the introduction of this Bill. I support the Leader of the Opposition's contention about delegating this power away from Parliament. If I understand the Premier correctly, he said that if this delegation is not provided then virtually or pragmatically the decision could be political.

**Mr Peter Dowding:** I said in respect of regulation either House of Parliament would be able to knock it off.

**Mr MENSAROS:** Nonetheless, if the determination were ultimately to come back to Parliament, as has been the case in the past, that could be called perhaps being political but I maintain no less than if the power is delegated. If it is to be delegated, the Government of the day which has the majority in Parliament will appoint the delegated authority or the members of it. If there is no delegation the very same parliamentary majority makes the decision. So there is no practical difference. That being so we should consider the practice which has always existed in the United Kingdom, where a civil list is determined by Parliament and Parliament alone. There is no committee or delegated authority to do this, and I do not think there has ever been any complaint - whichever party has been in Government - regarding partiality or improper behaviour.

As the Leader of the Opposition and the Leader of the National Party pointed out, there is also a principle involved; there are all too many delegations of this Parliament, partly of its own volition and partly because of the constitutional provisions, and matters which rightfully should belong to the Legislature are being decided by the Executive arm of Government. I would like to reaffirm the contention of the Leader of the Opposition that whether or not a recommendation is made by the Salaries and Allowances Tribunal, the decision should be made by the Parliament. Even when considering the appointment of the Governor individual cases could arise - looking back into the not too distant past - where a person leaves his home, for example, in England, and incurs various expenses which should be taken into account. I see nothing wrong or improper about the Premier of the day discussing these matters with the person concerned.

**Mr Peter Dowding:** Did yours when he was Premier?

**Mr MENSAROS:** I was not privy to that.

**Mr Peter Dowding:** Of course you knew very well that it was never discussed.

**Mr MENSAROS:** It would be quite proper for conditions to be varied. Discussions could be



held by the Premier with the nominated person and various aspects would have to be discussed on both sides. The Premier is the leader of the majority party in this Parliament and that is one reason why the decision in all practical senses as well as on a matter of principle should be made by the Parliament.

**MR PETER DOWDING** (Maylands - Premier) [8.59 pm]: I will deal briefly with the issues raised by the Leader of the Opposition. It is hard to find logic in the position he has raised. The Governor's remuneration is at the mercy of a hostile upper House in the present situation, and that is not a good thing.

**Mr MacKinnon**: What a stupid thing to say. For 84 years the situation has been the same.

**Mr PETER DOWDING**: The fact that it has been hostile for 84 years is also my point. This is a way of putting it beyond the political process and putting it to an independent process. Increasingly that is done with a whole range of appointments for very good reason; that is, it puts it outside the political process. This is not a Bill entrenched in political dogma.

**Mr MacKinnon**: I bet that advice came from the Salaries and Allowances Tribunal.

**Mr PETER DOWDING**: Do not denigrate that body.

**Mr MacKinnon**: I do not denigrate it. I said I bet it came from them.

**Mr PETER DOWDING**: It did not, it came from my officers.

**Mr Clarko**: Move it away from Parliament; increase Executive power.

**Mr PETER DOWDING**: I have some very senior public servants in my department.

**Mr MacKinnon**: Such as Neil Bartholomaeus, the failed ALP candidate?

**Mr PETER DOWDING**: The Leader of the Opposition obviously does not know the situation if he chooses to denigrate people, whether it is members of the Salaries and Allowances Tribunal or very senior public servants who deal with this issue. They interface with Government House all the time; that is their job. So the Leader of the Opposition should not try to make some political stoush out of it; it just does not make sense.

**Mr MacKinnon**: You are the one not making sense.

**Mr PETER DOWDING**: The Leader of the Opposition immediately opened his mouth and started pouring a bucket on the Salaries and Allowances Tribunal, and on the people who have advised the Government that this is a desirable -

**Mr MacKinnon**: You could not lie straight in bed.

**Mr PETER DOWDING**: What evidence does the Leader of the Opposition have to say that about this legislation?

**Mr MacKinnon**: I am talking about your comments.

**Mr PETER DOWDING**: What evidence does the Leader of the Opposition have to say that anything I have said since I have been on my feet is not correct?

**Mr MacKinnon**: The comments you are making about other matters are totally erroneous.

**Mr PETER DOWDING**: I guess other people will judge that in the end. This legislation is designed to ensure that the Governor's salary is fixed in such a way that it can be improved and amended quickly, as required. Members will know the lengthy period which legislation takes to go through this Parliament. This legislation provides a way in which the salary can be adjusted to meet the changing requirements in an independent way.

**Mr MacKinnon**: With the Parliament's not having a say in it.

**Mr PETER DOWDING**: We do not have a say in the determination of the salary of the Chief Justice. Is that a good or a bad thing? Why do members opposite think we do not have the power to deal now with the salary of the Chief Justice? Who put that in place? An independent body fixes that salary, for very good reasons, which I think apply also to the Governor.

**Mr MacKinnon**: You cannot even tell the truth about that. The Salaries and Allowances Tribunal recommends the salary of the Chief Justice, and the Government either accepts or rejects that recommendation. The tribunal does not set the salary.

Mr PETER DOWDING: I have said to the Leader of the Opposition on a number of occasions that he is so locked into the thought that everything we say is wrong or lies that he cannot even debate a Bill as remote from politics as this without pouring out a bucket over the Government. That is why the people have rejected members opposite.

Mr Clarko: They did not reject us; they voted more for us than for you. It was 52 per cent.

Mr PETER DOWDING: We have noticed that; that is why members opposite are not in Government.

The Leader of the National Party has made some important points. This is a proposal which deals with the need to adapt to changing circumstances. It is wrong that those changing circumstances should be linked to the position of the Chief Justice, because that creates a disproportionate situation. This proposed Bill is a speedy way in which the salary can be adjusted at arm's length from the Executive and from the cumbersome delays which are inherent in the matter having to be dealt with in the Parliament. I commend the Bill because I believe it enables us to do justice to the Governor. It is a sensible measure which was recommended to us by very senior officers in my department, who regarded it as appropriate. It is important that this legislation be implemented before the appointment of the new Governor, because that is the traditional and proper way of putting this in place.

The member for Floreat suggested that there be consultation. I do not disagree with that. Members opposite did not do that when in office; they never took the consultation route. I have repeatedly offered to the Opposition the opportunity for consultation about serious issues, but on most occasions they have refused that offer. Members will recall that in respect of the opening of Parliament, I consulted the Leader of the National Party and the Leader of the Opposition. I am sorry to say that the confidence of that consultation was not respected by the Leader of the Opposition.

I have no objection to acknowledging there is ground for consultation to take place about this issue, and I am happy to discuss it with the party leaders, but only on the basis that it is clearly understood that this will be a confidential consultation. I think we all know that we can trust the integrity of the Leader of the National Party, even though he has been a bitter opponent from time to time. I am sorry to say that the Leader of the Opposition has not proved himself in this way, but if he wants to have a confidential consultation, I will be happy to talk to him about that, and he can let me know when he is ready.

Mr Clarko interjected.

Mr PETER DOWDING: Does the member want that, or not?

Mr Clarko: We have basically said no to confidential consultations. I do not know about this one.

Mr PETER DOWDING: The Leader of the Opposition has not treated this seriously enough to have any of his amendments ready by now. He has had since 21 September to prepare any amendments. He has not discussed his concerns with me.

Mr Wiese interjected.

Mr PETER DOWDING: The member would agree that there must be a confidential consultation about a matter as sensitive as this. If the Leader of the Opposition had wanted to resolve this in a bipartisan way, he could have raised the matter with me, but he has not done so. I repeat that there are ways of fixing these things in a fair and reasonable way which does not embarrass people, but the Leader of the Opposition has not shown himself able to do that.

Mr MacKinnon: We have shown in the past that our approaches have been rebuffed.

Mr PETER DOWDING: Can the Leader of the Opposition name a time when he has made an approach to me about this matter? I believe that at the end of the day this Bill will represent a very sensible outcome. I hope that it will give proper dignity to the office of Governor. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*Committee*

The Chairman of Committees (Dr Alexander) in the Chair; Mr Peter Dowding (Premier) in charge of the Bill.

Clauses 1 to 8 put and passed.

Clause 9: Section 5A inserted -

Mr MacKINNON: The Premier has indicated that this matter has to be determined prior to the appointment of the Governor. Do I understand the Premier to be saying that the tribunal will now adjudicate and make a decision prior to the appointment of the Governor; in other words, this legislation will go through the Parliament, the Premier will make a reference to the tribunal, the tribunal will adjudicate and make its decision in terms of a salary, and the appointment will then be made? If that is not the case, why is the legislation now going through?

Mr Peter Dowding: That's what I said in the second reading speech.

Mr MacKINNON: This will now pass, the tribunal will adjudicate and prior to the appointment of a Governor, the tribunal decision will be handed down.

Mr WIESE: Two aspects of proposed section 5A worry me. The first applies to proposed subsection (3) which deals with the process of establishing the remuneration to be paid to the Governor. Proposed subsection (3) provides the mechanism which allows this determination to be altered from time to time during the term of appointment of the Governor. The Premier in reply to the second reading debate spoke about the need to be able to make changes frequently and quickly as the need arises. I agree with him that such a provision needs to be built into the Act. Proposed subsection (3) provides that "The Tribunal may, in complying with a request made under subsection (1) . . . specify a method of altering from time to time the remuneration payable to the Governor . . ." I believe the word "may" should be "shall"; it should be mandatory upon the tribunal. The Act should also provide for the Governor's remuneration to be able to be altered and adjusted during the term of the Governor's office. It becomes even more important when one considers proposed subsection (7), which provides that if a determination is not made by the tribunal under proposed subsection (3) the Governor's remuneration shall not be altered during his term of office. I would like to ask the Premier why the word "may" appears in proposed subsection (3), yet a very definite statement that the remuneration shall not be altered is contained in proposed subsection (7).

Mr PETER DOWDING: It is not intended to hamstring the tribunal's determination of the Governor's salary. Because of the tax exempt status of the salary there are obviously a number of issues relevant to it. The purpose of setting the remuneration before the Governor accepts the position is so that he or she knows exactly what are the arrangements in respect of the salary and of any reviews. That could affect whether or not the Governor accepted the job. I think it would be wrong to mandate the tribunal. We don't normally do it; it is usually a discretionary matter, and should remain so. The package is announced to the Governor before the Governor accepts the position. I think that is the important part of this legislation.

Mr WIESE: That is the very point I make, because it would appear to me that the Governor would negotiate the terms of the salary package prior to accepting the offer. The tribunal will arrive at a salary package before the Governor accepts the position. However, the Governor-elect will be negotiating with no knowledge or experience of what is involved in the job, or of the requirements which will be made upon him in respect of both time and financially by virtue of the office he will be holding. The Premier is keen to maintain a discretionary power in the tribunal, but I believe that that discretionary power is being taken away from the tribunal by proposed subsection (7), which is why I believe the wording of proposed subsection (3) should be "shall" rather than "may", because I do not believe that the negotiations will be taking place in the full knowledge of what is involved. It is essential that the tribunal be able to review that salary package over the term of the appointment. Let us presume it is a four year appointment. If no alteration is made over the four year term, at the end of that term the package will be worth something between 40 and 50 per cent of the initial level.

Mr PETER DOWDING: I can only repeat that it is clearly a matter for the tribunal. We are not dealing with nitwits. The tribunal has a responsibility to act properly. They know what is involved and they know what term they are setting the remuneration for. I do not believe it is appropriate to mandate the tribunal. The tribunal might do it some other way, but we

should not try to hamstring it. There is no other way. It is up to the tribunal. It will make a reasonable allocation and once it has done that the Governor can decide whether he accepts it.

Clause put and passed.

Title put and passed.

### *Report*

Bill reported, without amendment, and the report adopted.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr Peter Dowding (Premier), and transmitted to the Council.

## SPENT CONVICTIONS AMENDMENT BILL

### *Second Reading*

Debate resumed from 5 September.

**MR HASSELL** (Cottesloe) [9.20 pm]: The Opposition supports the Bill, which is intended to make the Act work more effectively. I will delay the House only to read some extracts from a remarkable letter I received when there was some publicity about this Bill. The letter does not directly relate to the amendments, but rather to the purposes of the Bill itself. It is because the letter is in these terms that I decided I would indicate to the House what one of my constituents feels about the need for the legislation itself. The letter reads as follows -

Dear Mr Hassell,

I am writing in regard to the forthcoming debate on spent convictions or Expungence. My name is -

He then gives his name and the letter continues -

I am a 45 year old New Zealander, resident in Australia for 9 years.

I run my own business in . . . employing myself and 2 to 3 staff.

In 1971 I was charged in NSW for being in possession of 8 oz of canibis leaf. It was my first offence so I was fined and my sentence suspended with a probation period of 3 years which I duly served.

In 1984 I married an American Girl but was unable to immigrate to the States because of my record.

She was a professional Ice Skater and I was an under-water welder, I was working internationally and could live anywhere there was a phone but she needed to be based in the States.

I could not ask her to give up her career, skating was her life. It was impossible so we seperated and are now divorced.

I am now thinking of immigrating to Australia as it has become my home but after my American experience am doubtfull I will be able to do even that.

The point is, just how great can a debt to society be for such a petty offence?

It is now 18 years later and apart from traffic violations is the only offence Ive had in my whole life.

If I had of killed someone, robbed a bank or committed some other violent crime then it is understandable that the record should stand however the only person harmed was me, and this is still casting a dark shadow over my life.

Mr Hassell it is terribly important that a person can have the hope of a fresh start.

What kind of society are we creating if a person has to pay for their whole life for one small mistake?

While the Law must be firm it should reflect the milk of human kindness and pay out on complience.

Personally it has made me very bitter I loved my wife and through that experience can see why some people never escape a life of crime.

Why even try to be a decent human being when the law doesn't give you a second chance?

I am sure many criminal acts are born out of hopelessness.

They are damned if they do and damned if they don't, so why not?

I hope these observations are of some help to you.

They are born of experience and come from my heart.

I am a happy healthy human being and feel I deserve to be able to put this behind me forever.

Regards

The letter is signed and as I said, it does not go directly to the amendment; rather it goes to the Act which was introduced some time ago. It supports the need for that kind of legislation and underlines the fact that there are people who appreciate the existence of that Act. After this debate is finished, I will write to my constituent and send him a copy of the Act, and indicate to him that if I can give him any assistance in his desire to become an Australian citizen, I will do so, assuming of course that his story is as he states it. I am constantly confronted with the difficulty of the criminal justice system where on the one hand there is a feeling that the law is ridiculously lenient, while on the other hand it needs to have regard to individual cases more thoroughly and take into account individual factors. I wrote to a constituent about that only the other day. This constituent is very close to me and she has been afflicted by the criminal act of her child, which has brought to her the most tremendous pain and suffering. There is no doubt about what her child did; there is no doubt about the ultimate justice of the sentence he received. However, the mother of the child felt that the law did not adequately have regard to the individual. I tried to explain to her that the law seeks to deal with each case individually. This case to which I have referred relating to a past event in that person's life underlines the fact that we have accepted the principle that when someone commits an offence and pays the penalty that should not stand against that person forever.

I do not think I need to say more about the Bill. The Opposition supports it.

**MR WIESE (Wagin) [9.26 pm]:** I wish to make the point that it is really less than 12 months since the Act which this Bill seeks to amend was first introduced in this House. At that time it brought about, as the previous speaker said, a very much needed change in our system of justice and the way we treat people who have at some stage in their past had a conviction against them, have paid the appropriate penalty to society, and gone on and made a life for themselves and not reoffended. The legislation allowed a conviction to be wiped from the record of a person after a certain length of time during which that person had not reoffended. Unfortunately we have had no explanation in the second reading speech, as I read it, of why the Act passed last year is no longer appropriate, nor is there any explanation of why this amending Bill has been introduced tonight.

It is rather unfortunate that the second reading speech did not spell out clearly the need for us to consider this amendment tonight. The amendment refers to sections of the original Act which dealt with crimes of a serious nature. Members will recall that the Act differentiates between serious crimes and lesser crimes, and provides a mechanism whereby convictions for lesser crimes are dealt with, from memory, by the Commissioner of Police. However the important part we are dealing with relates to convictions for serious crimes and the wiping of those convictions from the record. These were dealt with by a mechanism which allowed an application to be made to a District Court judge for an order to declare that conviction spent. A District Court judge looks at all the factors spelt out in the Act and the schedule and makes a decision whether to make an order declaring a conviction to be spent. The provision to which I am referring provides a mechanism for appeal. The Bill removes that mechanism for appeal. Members will recall that the appeal mechanism was to a single District Court judge. The effect of the repeal of that provision should have been spelled out. It appears that the only avenue of appeal is to three judges of the Supreme Court. It seemed to me that in his second reading speech the Minister made the point that it was not necessary for an appeal of this nature to go before three Supreme Court judges.

I may be wrong in my reading of the Bill but it appears to me that we are completely removing the ability for a person to appeal against any decision handed down by a District Court judge. That is unfair and unjust. Perhaps the Minister can clarify the situation. Why would an appeal mechanism provide for an appeal to three judges rather than one judge? Have we removed the appeal mechanism altogether?

**MR D.L. SMITH** (Mitchell - Minister for Justice) [9.32 pm]: I thank members opposite for their support for the Bill. I thank the member for Cottesloe for sharing the letter from one of his constituents.

In response to the queries raised by the member for Narrogin, the reason for the Bill is as expressed in the second reading speech. The thinking was that it is offensive to judges of the District Court to enable a person to appeal from a decision made by a District Court judge sitting alone to a Supreme Court judge sitting alone. The inference is that by allowing that form of appeal somehow the Supreme Court judge is so much superior to a District Court judge - which is not a fact. The Supreme Court is a superior court but we do not talk about a different quality of judges in relation to the two jurisdictions.

The Bill removes the right of appeal altogether. It is thought that procedures and considerations that the District Court judge might take into account in deciding whether an application should be approved is unlikely to give rise to any serious question of law. It would be only on a question of law wherein would lie an appeal to the full Supreme Court. It is also thought that the nature of proceedings do not warrant an appeal of that kind - especially as there is an opportunity after two years from the date of the decision of the District Court judge for a person to reapply. That is my understanding of the situation.

People may take the view that somehow not having a right of appeal is offensive to what is normally perceived as a right to go on appealing through the system. But the nature of the application is largely administrative. The reason it is given to the District Court judge to decide is because it is in relation to serious offences. It is thought that the burden of having no previous conviction should not be removed except by consideration by someone as qualified as a District Court judge. It is not intended - in the same way as appeals are not allowed on any administrative decisions - to have appeals of the kind suggested. Members may disagree with that point of view, as may members of the community.

**Mr Wiese:** What has happened over the last 12 months to cause the Government to remove the avenue of appeal?

**Mr D.L. SMITH:** Concern was expressed on the basis that the legislation was offensive to judges of the District Court; that is, to allow an appeal to a single Supreme Court judge. I agree that construction could be put on the previous appeal provision. On the other hand, it was thought because of the limited opportunity for any question of law to arise plus the nature of the application itself, it was not a matter of sufficient substance which ought to go to the full Supreme Court for consideration.

This matter has not arisen suddenly. The intention of the Attorney, when he had jurisdiction in this area, was to move an amendment at an earlier date. This has now been done. No great harm has been done because the delay in the proclamation of the legislation has been caused by the issue of exemptions.

That matter is being considered by the Law Reform Commission; when that examination is completed we can proceed with the proclamation of the legislation. Nothing has been lost in terms of the effectiveness of the legislation. I thought it prudent to bring this amendment before the House so that when we proclaim the Act it will be in a complete form rather than having to bring it back to Parliament after proclamation for amendment.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr D.L. Smith (Minister for Justice), and transmitted to the Council.

**PUBLIC TRUSTEE AMENDMENT BILL***Second Reading*

Debate resumed from 5 September.

**MR HASSELL** (Cottesloe) [9.38 pm]: I have difficulty with this Bill. I am not happy with the principal amendment to remove the need for Executive Council's approval of the appointment of the Public Trustee. When the Government starts talking about competitive environments, market places, and management reviews - which it has done over recent years in relation to a number of traditional Government instrumentalities - my suspicion is aroused.

I cast my mind back to the time when the Government brought in legislation to make the State Superannuation Board more commercial and competitive. We found that money from the State Superannuation Board was popped into Rothwells. I cast my mind back to the legislation to combine the State Government Insurance Office with the Motor Vehicle Insurance Trust to create the State Government Insurance Commission and I am reminded of the report of Mr Connell and Price Waterhouse which was about making it more efficient and commercially competitive. What has the SGIC done since? It has become the dipping pot for Government money for its ill-fated business ventures.

I now ask myself whether we are moving on to the Public Trustee. Are we going to make that office commercial and competitive? Have we got a Laurie Connell report on the structure and organisation of the Public Trustee? This is a serious matter because the Public Trustee is in a very important position. He is the Public Trustee of private moneys. There has been much criticism about the Public Trustee, his inefficiencies, his delays and his policies. I receive those criticisms in my office and I have raised a couple of issues with the Public Trustee on occasions on behalf of people who have complained to me.

**Mr D.L. Smith:** Have you brought them to the attention of the Minister?

**Mr HASSELL:** I do not recall having done so. I have raised them with the Public Trustee. I would rather the Public Trustee be criticised for being excessively cautious than for having invested in Paragon Resources and the ilk of that company as occurred with other Government moneys, including those moneys invested by the State Superannuation Board which also handles retirement trust moneys for public servants and so on.

**Mr D.L. Smith:** There is no intention of increasing the powers or the methodology of investment.

**Mr HASSELL:** No, but the Government wants to change the Public Trustee into a fully-fledged public servant by having him appointed under the Public Service Act without that appointment going to the Executive Council. I grant the Minister the fact that the Public Trustee's appointment going to the Executive Council and the Governor is not much of a protection.

**Mr D.L. Smith:** All it does is create more work for the Executive Council.

**Mr HASSELL:** No, it does not; it does more than that. It slows it down. The Public Service Act allows a departmental head to be moved in just like that because he is answerable to the commission. When an appointment must go to the Governor, it has to go through additional processes. The Public Trustee should not be a public servant. The Government should be strengthening his independence. Instead of doing what it is doing, it should be doing the opposite. It should appoint the Public Trustee under the Public Trustee Act and not under the Public Service Act. His staff may be appointed under the Public Service Act but he should not be because he should not be answerable as a public servant. He should have an independent status like the Solicitor General, although not at the same level. He should have an independent responsibility to Parliament because of his special duties and his special position.

**Mr D.L. Smith:** He will continue to have responsibilities to Parliament. All the Bill does is put extra steps in the process as you have indicated in order to appoint or remove.

**Mr HASSELL:** I understand what the Minister says. We considered this matter when it was initially put forward and we accepted it. However, the more I and my colleagues thought about it, the more we thought it was the wrong way to go. We consider the Government

should go the other way. Instead of removing that one step which distinguishes the Public Trustee from an ordinary Public Service head of department, the Government should be going the other way and appointing him under this Act and not under the Public Service Act as is the case with the Commissioner of Police, the Solicitor General, the Commissioner for Corporate Affairs and a number of other positions that are very important independent positions. We have become very sensitive to the need for certain public officers to be and be seen to be independent of the Government. We are debating in this Parliament at the moment the establishment of the office of the independent Director of Public Prosecutions. I remind the Government that the Public Trustee is not someone who can be popped in from another department or shuffled around in the Public Service and put in charge of people's estates. The Government might appoint Len Brush, Kevin Edwards or Tony Lloyd!

Mr D.L. Smith: Our appointment of a Public Trustee would be done in exactly the same way as it would have been done before the amendment. The advertisements would be placed, and an interview panel would be established to make a recommendation to the Minister for Cabinet to endorse, which appointment would then go to the Executive Council. The only difference is that the appointment will not have to go to the Executive Council; it will still have to go through the other steps.

Mr HASSELL: The Minister paints an idyllic picture. He should explain to me how Len Brush became executive director of the State Superannuation Board with hundreds of millions of dollars at his command, how Kevin Edwards became head of the State Government Insurance Commission or how Tony Lloyd became assistant under secretary -

Mr Mensaros: Chairman of Rothwells.

Mr D.L. Smith: None of those appointments would have been any different whether or not they went through the Executive Council. The process would have been the same whether the Executive Council accepted the recommendations of the Government.

Mr HASSELL: I am not saying that the process should be left as it is. I am suggesting that the Government move in the other direction and strengthen the independence and responsibilities of the position. There has been quite a lot of criticism of the Public Trustee.

Mr D.L. Smith: A lot of it unjustified. Some of it relates to the sorts of constraints that are placed on him by the Act.

Mr HASSELL: That may be the case. I am not for promoting the activities of the Public Trustee. I think it is a necessary office but one which should be confined. I do not think we need a Government trustee in the great majority of cases. I do not agree with his seeking to do people's wills and getting business in that way. It is again a case of the Government getting involved in private enterprise. We have plenty of private trustees who can do the job. We do not need a Government entrepreneur in that area.

Mr D.L. Smith: Are you suggesting that, if you are elected to office, you will remove the scope of the Public Trustee?

Mr HASSELL: I am not saying "remove"; it should be confined to doing Public Trustee work essentially. I do not know who has been appointed to the office, but I wish him well. I hope he is not one of the Government's political appointments.

Mr D.L. Smith: He came from the Public Trust Office.

Mr HASSELL: That gives me some hope. I have been appalled by some of the Government's appointments. I am not going to get involved in a long debate about this. However, I have a serious reservation about the direction the Government has taken and I am opposed to it. I intend, therefore, to vote against the second reading because I think the Government should have another look at the legislation. It should be attempting to strengthen the independence of that office instead of equating it with the Public Service.

The other issue I wish to raise is whether the Public Trustee should have the unlimited power of delegation proposed in the Bill. I am significantly concerned about that also. I am inclined to the view that, as drafted, it goes too far. These issues are largely for the Government and they should not be political issues. It is only our experience with bodies such as the State Government Insurance Corporation, the State Superannuation Board and the R & I Bank which indicates the extent to which the Government has politicised everything in this State and the horrendous results of that politicisation.



Mr D.L. Smith: I do not think that has anything to do with this Bill. This has nothing to do with politicising the office of Public Trustee, expanding its powers, changing its investment procedures or anything of that sort.

Mr HASSELL: I am glad to hear the Minister say that. Those are the concerns of the Opposition, and I do not think we shall ever know the extent of the damage the Government has done to the reputation of the R & I Bank.

Mr D.L. Smith: That sort of debate has nothing to do with this Bill and it should be dealt with when such matters are before the House and not in relation to Bills of this kind.

Mr HASSELL: I understand the Minister's desire to confine this debate. I wish the new Public Trustee well in his appointment, but I do not think the Government should seek to equate him to other departmental heads under the provisions of the Public Service Act. I do not think the power of delegation the Government seeks to give him is appropriate. However, the Minister may be able to satisfy me on that point when responding to the debate. For those reasons I will vote against the Bill, although I will not seek to divide the House because this sort of legislation is very much the responsibility of the Government and it should take responsibility for it. We shall see in time whether the Government is getting up to the things about which the Opposition is concerned. Although the Minister will not concede it, he might understand privately why the Opposition has these concerns, bearing in mind what the Government has done with other bodies which were formerly so respected and which have been so diminished by the way the Government has treated them with dreadful political stooges and the like.

Mr D.L. Smith: By the irresponsible way the Opposition goes about doing things.

Mr HASSELL: Is the Minister seriously suggesting that the State Superannuation Board under Len Brush did not lose tens of millions of dollars and, secondly, that it did not get involved in the most improper activities?

Mr D.L. Smith: Yes I am.

Mr HASSELL: Is the Minister saying that it did not lose tens of millions of dollars? A Minister has admitted it lost tens of millions of dollars.

Mr D.L. Smith: In the periods you are talking about, the actual rate of return by the superannuation fund was greater than it was when administered under the previous Government.

Mr HASSELL: That is the old Brian Burke argument, which was discredited years ago. The rate of return has nothing to do with the activities of Mr Len Brush and Mr Martin in relation to the bridge to bridge project in North Fremantle. Those are the things they got up to with the Government's political stooges. As for what Kevin Edwards has done to the State Government Insurance Commission, that is unbelievable. What he did to the R & I Bank by standing over it to extract money in places where it did not wish to loan money is also unbelievable.

Mr D.L. Smith: That has nothing to do with this Bill.

Mr HASSELL: I am glad the Minister can reassure me.

MRS EDWARDES (Kingsley) [9.54 pm]: I oppose the Bill for reasons similar to those outlined by the member for Cottesloe. I am also concerned about the proposal to remove the need for the Executive Council to approve the appointment of the Public Trustee and, more particularly, the more general power of delegation and the provisions with which it will be replaced.

I remind the House of what the Public Trust Office and the Public Trustee position are about. The objectives of the Public Trust Office as set out in its annual report are -

- (a) to provide a competent Trustee Service to the public of Western Australia at a reasonable cost;
- (b) to operate at no cost to the Consolidated Revenue Fund;
- (c) to increase public awareness of the importance of having a Will, and of the services provided by the Public Trust Office.

The position of Public Trustee is a very onerous one. I am concerned about the removal of the need for approval by the Executive Council because of the need to ensure that stability

and confidence are maintained in the office of the Public Trustee. I regard that as very important and critical in terms of the types of functions and services it carries out. The principal activity of the Public Trustee is the administration of the estates of deceased persons, but he is also trustee in other matters, such as for persons classified under the Mental Health Act, for moneys placed under his control by order of the court. He receives and holds in trust investment moneys received from the Workers Assistance Commission, and is agent for persons who by reason of some physical disability or other are in need of assistance. All moneys in the Public Trust Office are invested in the Public Trustee's common fund. It was created as a specific office and it is not just another Public Service position. It is an important position because of the duties he performs and the powers he has. His duties are onerous and his powers extensive. He can be appointed as a trustee, executor, administrator, guardian, next friend, committee, agent, attorney, receiver, manager, custodian trustee or guardian trustee.

I refer to the second reading speech when the Public Trustee was established and the report of the debate on page 500 of *Hansard* on 9 September 1941. I refer specifically to the importance of the powers given to the Public Trustee at that time, and quote from the report -

The object of these powers is to ensure stability of administration regarding investments, and to provide machinery for the speedy and cheap administration of estates.

The critical point was to ensure stability of administration regarding investments. When talking about Public Service positions and senior Executive Service positions, the instability is evident from some of the positions that have been held by members of the senior Executive Service. That is not in any way a criticism of any members, but is an observation of their continued movement. The office of the Public Trustee is far more onerous, and it is too important a position to those members of the public to whom the services are provided to be used as a stepping stone for members of the Public Service. A further reason relates not just to the use of this office as a stepping stone, but also to the question of accountability.

Mr D.L. Smith: In what way does a change from requiring the appointment to be made by the Governor in Executive Council to its being made under the Public Service Act change the authority or the question of whether people come and go in the position?

Mrs EDWARDES: I am probably a little more conservative than the Minister, and I do not consider that change is necessary for the sake of change itself. No reason has been outlined by the Minister in the second reading speech, and none has been put forward by way of interjection, for making this change. The Public Trustee and his office have been in place since 1941 and it has operated effectively.

Mr D.L. Smith: If something is done which is unnecessary and it achieves nothing in terms of security of the position or anything else, why persist doing it?

Mrs EDWARDES: I follow the same lines as the member for Cottesloe: Why lessen the importance of the role of the Public Trustee by making him a public servant?

Mr D.L. Smith: There is no change of power, or in what he does or cannot do.

Mrs EDWARDES: Are public servants not going to be able to move in and out of that position? Can the Minister assure this House that public servants will not be able to use that position as part of the Public Service?

Mr D.L. Smith: They may well be able to use that position for three or four years.

Mrs EDWARDES: That is where it is wrong. Members of the public have confidence in the ability of the Public Trustee to look after their money. These are little old ladies, incapacitated people, people under the Mental Health Act, and it is very important to them.

Mr D.L. Smith: Are you suggesting that senior executive public servants are less competent to do that?

Mrs EDWARDES: No. To be able to move in and out of positions creates instability. Instability in the office of Public Trustee will lessen the amount of confidence the public has in the Public Trustee. If the Minister wants to retain the office of the Public Trustee rather than an independent or private trustee, the Minister must look at this aspect. In his second reading speech the Minister referred to the fact that the Public Trustee's office operates in a

much more competitive market. If he wants the Public Trustee's office to operate in that much more competitive market, how will he keep the confidence of the public if trustees move in and out of that position every two or three years?

Mr D.L. Smith: The question of being more competitive relates to the capacity to delegate and to appoint more than one deputy. While we are stuck with being able to appoint only one deputy, the capacity to get extra people in and pay them appropriate salary rates is inhibited. We want the power to have a number of people below the Trustee. They should be in a position to pay full attention to their directorates rather than have a single deputy or the Trustee himself. It makes for a more efficient operation.

Mrs EDWARDES: I am not convinced that it makes it a much more efficient operation. When talking about the general powers of delegation -

Mr D.L. Smith: I am not suggesting this will be the be all and end all. It is one small step we are taking to help him to be more efficient. In the same way we have given him more resources this year in terms of capacity and training positions. We have improved some of the positions to ensure that the level at which people are paid can attract the best people into those positions.

Mrs EDWARDES: I would encourage the Minister in that. I do not know the name of the new Public Trustee, but I wish him all the best in his new position. By the same token, I do not believe that that office should be a Public Service position for people to use as a stepping stone for promotion. By taking that into account, with the more general powers of delegation, the Minister is taking away from the office of Public Trustee. He is removing the confidence the public should have in that office.

Mr D.L. Smith: You are confusing the opportunity to do something with whether it will be done. I do not think there will be a change. The person appointed will probably be the Public Trustee for longer than the present Public Trustee because he is younger.

Mrs EDWARDES: Perhaps that is where my conservatism comes in. I believe in not looking at the moment now; I always believe in looking to the future.

Mr D.L. Smith: It normally means looking to the past or keeping the status quo.

Mrs EDWARDES: I am still to be convinced. I do not wish to drag out the debate any longer, but I want to remind the House of the powers and position of the Public Trustee. My reason for concern is to ensure that the stability and confidence in the office of Public Trustee is maintained. I do not believe this Bill will necessarily achieve that; it will probably take away from it.

MR WIESE (Wagin) [10.05 pm]: I rise to make a contribution to the Bill, having been warned by my leader of the foolhardiness of standing up to follow two legal practitioners and make a contribution which may be contrary to theirs. It would appear that what we are looking at here are changes to the Act which will not have a major effect on the operations, accountability and everything else of the Public Trustee. I agree with the comments of the previous two speakers, the members for Cottesloe and Kingsley, about the importance of the office. It is an important office, and the person holding down the position and exercising that responsibility has a major responsibility to the community of Western Australia.

However, the Public Trustee Act contains all the necessary controls and safeguards which can possibly be built in to ensure that what is required of a Public Trustee is executed and performed by that person. I cannot see that the operations of the Public Trustee will be weakened or demeaned in any way as a result of the proposed changes in this Bill. The safeguards remain; nothing will be changed. The safeguards we have go to the extent of having everything examined and audited by the Attorney General. That includes all the accounts, estates and property managed by the Public Trustee. If ultimately anything goes wrong, the safeguards still remain. A person who sustains injury as a result of the acts or omissions of the Public Trustee retains the right of remedy against the Public Trustee and shall be entitled to be indemnified under the Act, if I may quote section 56. If we reach the situation where, as a result of an oversight or act of the Public Trustee, a person sustains loss or injury, the Act specifically provides that the Consolidated Revenue Fund or such other fund as may be prescribed shall be liable to make good those sums required to discharge any liability of the Public Trustee acting in his corporate capacity.

I take on board all the comments of the previous two speakers, but I remain unconvinced that this amendment to the Act will weaken or change the operations of the Act in any major way. What we have here will allow the Public Trustee a little more freedom to perform his work in an improved fashion compared with what he has been able to do previously. Acting on that belief, we in the National Party support the Bill.

**MR D.L. SMITH** (Mitchell - Minister for Justice) [10.10 pm]: I thank members opposite for their contribution to the debate even though two members cannot support the Bill. The objects of the legislation are relatively simple: One is to increase the number of deputy trustees and to enable the Public Trustee himself to delegate more of his powers to those deputy trustees and to other members of his staff. We could have provided for only one extra deputy so that instead of there being, as in the past, the Public Trustee and one deputy, there would be the Public Trustee and two deputies. However, that would only be overcoming a current problem in terms of the division and quantity of work. There is simply too much work in terms of the previous duties of the deputy trustee to be done by one officer. That work load needs to be shared by another person. We therefore need a second deputy trustee. On the basis that we can anticipate that the growth of the work of the Public Trustee will continue there should be freedom in the future, as the Public Trustee decides, where it is appropriate to add a third and fourth deputy and perhaps give them some specialised responsibilities.

Within the Bill there is a simple provision which shifts the appointment from one made by the Governor in Executive Council to one made under the Public Service Act. I can understand that because of the member for Kingsley's and the member for Cottesloe's conservative natures and beliefs they approach every change on the basis that it should not happen unless it can be demonstrated that there is a very good reason for it. However, I take the contrary view that if there is a step in the process currently required, which does not secure any extra protection for the office of Public Trustee or increase its status in any way, why should we have that work being done? It must be remembered that everything that goes to Executive Council by way of the preparation of minutes, the attendance of Ministers and the Governor or Lieutenant Governor at the meeting, the attendance of clerks and the paperwork, can in some cases add thousands of dollars to what is simply an appointment of an officer to take on a role which is provided for in the legislation. If spending those extra thousands of dollars provides no extra protection or status for the position, then why do it? The member for Cottesloe seeks to justify it on the basis that it means the Government has to take a couple of extra steps in either the appointment or the removal of the position. However, if the extra steps are costing the taxpayer a couple of thousand dollars extra and they do not achieve any security of status, then why are we wasting taxpayers' money? Why are we occupying the time of the Governor in Executive Council? Why are we occupying the time of the clerk and the two Ministers who have to attend? It is just one of those things where change is being approached by the conservatives on the basis that any change must be bad and cannot be productive or lead to more efficiency.

**Mr Hassell:** I said you should be going the other way. It isn't opposition to change.

**Mr D.L. SMITH:** I acknowledge that and I will come to that. The Opposition certainly seemed to be looking for a greater degree of security of position and, by linking it to another matter of concern to them, thought to give the officer more independence in the belief that in the future he might be given some direction by Government which he felt he could not resist and perhaps he should be appointed by Parliament, for instance, and only be removed or appointed by a Bill or something of that kind.

That is fine in some cases, but as the member for Kingsley pointed out, this Public Trustee really has two different roles. One is to perform the duties of trustee in what in many cases are unprofitable types of work. The work is difficult and onerous, but there is a need for someone public who can be relied on and treated by the courts as independent, and whom the courts can appoint in appropriate situations. However, to do that in cases where more often than not there is a net loss to the person carrying out the role because of the smallness of the estates or the nature of the duties would lead to a substantial cost to the Consolidated Revenue Fund. As the member for Kingsley indicated, one of the other roles of the Public Trustee is to be a trustee of people's estates. The Public Trustee is meant to earn his own way, to earn enough money from profitable work to pay for unprofitable work because no one else in his right mind in business would want to do the unprofitable work.

Under previous Governments it has always been the case - I invited the member for Cottesloe to indicate if it would be any different under a new Liberal Government - that a balance has existed between public duty at a loss and therefore potentially at some cost to the taxpayer, and private work that actually generates revenue. The Public Trustee in each of the last 10 years has made a reasonably significant contribution with a payment of his surplus to the Consolidated Revenue Fund which can be used to build schools and other things.

This Bill does not change any of the powers of the Public Trustee except for the two referred to in relation to delegation. There is no change in the processes by which he works, in the power of investments, or in any of the matters which might be of concern to the Opposition or to anyone evaluating the role of the Public Trustee in his public office. I think the Opposition has initially come to the right conclusion, and that is, that these changes, as the member for Wagin has indicated, are of minor effect which just lead to greater flexibility and efficiency within the operations of the Trust office. However, extraneous things like the Opposition's concerns about the SGIC and the Superannuation Board have led it to oppose the Bill in principle. I suggest that its original inclination to support the legislation was the correct one.

I want to assure members opposite that the capacity to appoint the deputies and to delegate is something that the Public Trustee has sought. It is not something that the Government or some external consultants have suggested to him. It has been a matter of reviewing his operation to try to make it more efficient and less costly.

Members opposite have not referred to the fact that while the Public Trustee continues to operate in a more competitive commercial area, because under this Government we have allowed a number of other organisations to become private trustees and not left it exclusively to the two trustee companies which previously had that capacity, he is increasingly confronted by more and more competition. Unless he maintains his market share there is a danger in the future that his private work will contract and he will become a drain on the public purse in the course of fulfilling his other public duties. I do not think anyone wants that. Perhaps more importantly, one must remember that at present the Public Trustee sets the standard in relation to the fees being charged by trustees. He has traditionally, and still does, charge something like one and a half percent, in some cases, less than private trustees, and in other cases at least half a percent and one percent less than private trustees.

One of the problems with the Public Trustee of course is that within the constraints of the legislation, there are procedures which he has to go through that are not required of private trustee companies in terms of flexibility of the investment and of the way in which he manages the work which comes his way. In this legislation we do not seek to make him substantially more competitive or substantially more efficient in relation to those operations. We are providing the capacity for him to request the appointment, in this case, of two deputies and in future, as the workload requires, to appoint three or four deputies.

Another matter relates to the removal of the necessity of the Governor in Executive Council to appoint people to a normal Public Service position. This is an overall thrust by the Government towards efficiency and to avoid unnecessary matters going to the Governor in Executive Council. This is done easily without loss of confidence or loss of anything else which surrounds the office of the Public Trustee. It will make less work for the Public Service and less work for the Governor and the Ministers who attend meetings of the Executive Council.

Criticism has been made that complaints are made regarding the Public Trustee. The member for Cottesloe is a former solicitor and knows very well that complaints are often made about private trustees and solicitors, or family members who act as trustees. Unfortunately, when money is involved, complaints are made by people who expect to be the recipients of money, if they are not getting as much as expected or as quickly as expected, perhaps even before someone dies. People are often unaware of the legal technicalities which arise in relation to the execution of a will, and the granting of probate or administration. Quite often the Public Trustee is dealing with wills which have not been prepared by his officers and not executed in their presence. That presents a problem with quick administration. An enormous amount of paperwork is involved in transferring assets into the name of the trustee and then into the name of the beneficiary, or by the selling of assets in order to get the money together for the beneficiaries.

In the course of human affairs, all these things can occasion delay but my experience is that the Public Trustee is at least as efficient in his work as private trustee companies. The Public Trustee is as efficient as, or in some cases more efficient than, solicitors. He does his work at substantially less cost, in some cases, than the work carried out by private trustees or solicitors. To that extent the Public Trustee should be congratulated. Unfortunately, because he is a creature of Statute, and to that extent an employee of the people, he is subject to letters to the Minister and the subject of letters from members of Parliament who feel free to write to him. That creates extra work which no private trustee or solicitor would experience. This adds to the delay and extra cost which the Public Trustee manages to absorb without increasing his fees to the level of the private trustees or solicitors.

The Office of the Public Trustee is not only one which is important in terms of its public role in carrying out statutory duties, but also the Public Trustee is of benefit to people who can get work done in an expeditious way, and cheaply in many cases. In a way, the Public Trustee places a restraint on the rate at which private trustees could increase their fees if he were to drop out of the market altogether. That is why I think we should support him when he comes to the Government and says that his advice is that to make his operations more efficient he needs more deputy trustees and a greater power of delegation. We are happy to agree with that and, as a matter of Government efficiency, to have less work done by the Governor in Executive Council, if that work does not achieve anything.

No change will take place in the powers of investment or direction or anything else to do with the Public Trustee. The amendments are simple and cannot be connected to the matters raised by the member for Cottesloe. The member raised those matters to allow himself and members opposite to ride the Opposition's pet hobby horse. Members opposite are willing to link their concerns to issues surrounding the Public Trustee which bear absolutely no relationship with the matters raised by the member for Cottesloe. The end result is a reduction in public confidence in the Public Trust Office. Being a person who believes in private enterprise, the member for Cottesloe's primary role is to direct business away from the Public Trustee to the private sector. If that is the member's motive he ought to be condemned because everyone in this State, especially members of Parliament, should be enhancing and acknowledging the valuable role that the Public Trustee performs. Members opposite should not seek to debase that role by linking it to things which might attract headlines or somehow allow members opposite to vent their spleens. These matters bear no relationship to the Bill before the House.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr D.L. Smith (Minister for Justice), and transmitted to the Council.

## **CHANGE OF NAMES REGULATION AMENDMENT BILL**

### *Second Reading*

Debate resumed from 5 September.

**MR HASSELL** (Cottesloe) [10.26 pm]: The Opposition is not opposed to the Bill.

**MR WIESE** (Wagin) [10.27 pm]: My contribution to debate will be minor. However, I do not propose to allow the Bill to pass without commenting on some issues contained in it. The Bill alters the system of registration of a change of name. Presently, that registration is performed by the Registrar of Deeds at the Department of Land Administration. This legislation transfers that power to the Registrar General. No-one could have any problem with that provision.

The Bill ensures that a register of names is maintained by the Registrar General, and provides for public access to that register. But therein lies the problem. The Bill will allow complete and open access by any person to the details in the register, on payment of the prescribed fee.

That person does not need to provide a valid reason for that access. In some small way, the Bill tries to cope with the problems that I foresee in allowing complete and open access to any member of the general public. The Bill states -

The Registrar General shall refuse to comply with a request under subsection (1) where he has reason to believe that compliance with the request would be -

- (a) prejudicial to the safety of a person; or
- (b) otherwise contrary to the public interest.

Built into the Bill is an acknowledgement of some risk being accepted for allowing complete free access. I cannot help but wonder what criteria the Registrar General will use to ensure that matters such as those raised in that clause will be put at risk by allowing free access to the register.

The Bill also states -

The Registrar General may delegate in writing to any person employed in his office any of his functions under this Act, other than this power of delegation.

The person on the counter receiving the application for access to the register could grant approval for that access. I fail to see how the Registrar General can ensure that the matters raised in the Bill are safeguarded. How will he ensure that a matter which could be prejudicial to the safety of a person or contrary to public interest will be safeguarded? There is no indication in the legislation of how that will be done or of what criteria for protection will be used.

I also wish to raise with the Minister - I hope he will refer to it in his reply to the second reading debate - what will be the Registrar General's liability if he released information which prejudiced somebody's safety or in some way ruined someone's life. One does not need much of an imagination to understand the circumstances for someone wishing to change his or her name to safeguard themselves. What is the Registrar General's liability if the person on the counter handling the application unwittingly or unknowingly releases information which prejudices that person's safety? Why is open public access so necessary? Should there not be a provision allowing for good and valid reasons to be given before access to a register is granted? Quite frankly, it is absolutely necessary that a person wishing to gain access to the register or to the index of that register should provide good and valid reasons for that access, and those reasons should then be considered by the Registrar General and not by the person on the counter. The Registrar General should make the decision about whether that information is made available and, after he has ensured that no harm will come to the person by the release of that information, grant that access.

What is the Police Force's position in relation to access to the register. There should be no need for the police to have that access because presumably the Registrar General, in considering the reasons for the name change, will ensure that it is not being requested because of some unlawful act.

**MR D.L. SMITH** (Mitchell - Minister for Justice) [10.35 pm]: I thank the member for Cottesloe and other members opposite for their support of the Bill and the member for Wagin for his contribution to the debate and general support for the Bill subject to the concerns that he has expressed.

I remind the House that this is a relatively simple but important piece of legislation. The status quo is really an unfortunate, archaic anomaly. Because of the nature of the deeds and the system of registration in the past, if one wanted to change one's name by deed poll, one had to go through a process of completing the deed poll and then registering it as a deed, not at the office of the Registrar of Births, Deaths and Marriages, but at the office of the Registrar of Titles. After that registration was effected, one went to the Registrar of Births, Deaths and Marriages and, if one wanted to effect a notation of the change on the birth certificate, one actually had to make a separate application to the registrar to effect that change by virtue of the registration of the deed poll. Two steps and two fees were involved and, quite often, a rather complicated process was involved which left most people in a situation where they registered the deed poll but did not follow through with the application to amend their original birth certificates with the notation of the change if they were born in Western Australia.

When the Government came to the view that the former legislation was an archaic anomaly that should be changed and that it should be centralised at the Registrar General's Office so that what was happening could be clearly explained to people and so that, in the case of Western Australian births at least, the registrar would be aware that the deed poll had been registered and that there was no application to him to amend the birth certificate, we did not want to change the circumstances substantially in relation to the impact of the registration or the access to the records. The tradition has been that the registry of deeds is open to public inspection, whether it is a register of a conveyance of land document under the old system or something of this kind. All the documents registered at the Registrar of Titles and Deeds office are open to the public. To that extent, in the past, members of the public have had easy and open access to the register including changes of name by deed poll.

It is recognised that the motives for people changing their names vary enormously. There are occasions when people change their names to disappear so that people looking for them cannot harm them. To that extent, we do not want to create a situation where people can gain quick and easy access to the registration of a change of name by deed poll. If someone was concerned about their safety because of the public's access to the record, at the time of the registration of the change of name at the Registrar General's office that person would advise the Registrar General of his or her reasons for such a change, and a notation could be made to the document which would act as a pointer so that whenever anyone wanted to search the entry later on there would be an indication that the reason for the change had been one of safety or some other matter of public interest, and the Registrar General could decline to issue a copy of the deed, thereby protecting the person.

The issue of what is in the public interest embraces a range of matters and I think the registrar is likely to use that power reasonably widely. It is appropriate when changing from a situation in which there was free and open access to the Registrar of Deeds to one in which protection is provided under the Registrar of Births, Deaths and Marriages to do it slowly. The Government is trying to do that at the moment; it is trying to provide greater protection than was previously available and to provide those two reasons for not allowing access to the record. I have no doubt that if the member for Wagin or any other member of the public thinks other reasons should be added to the discretion, or if the Registrar General suggests other additions, the Government will consider the suggestions on their merits.

Despite concerns expressed by the member for Cottesloe, this Government is interested in making records public and giving the public access to information in Government storage. This is no different from other sorts of information, and a limited range of reasons should exist as to why people do not have access to information of this kind. In the past people who were the subject of an adoption application could not obtain a copy of the original birth certificate, and even relinquishing and adoptive parents and children were restricted in that regard. Safeguards were placed around that sort of registration for obvious reasons, some of which are not as important as they used to be and they may be subject to change in the future. We have to look at these issues, and now when we are only improving the efficiency and making clear that everything relating to births, deaths and marriages should be done in the Registrar of Births, Deaths and Marriages, we are introducing the two constraints as a first step. If members opposite or members of the public think the Government should go further, I would be happy to hear from them.

The police are no different from any other member of the public and clearly they will have access to the records, but the same constraints will apply. No special privilege is given and the registrar will be able to refuse access for each of the two reasons - relating to the safety of the individual or the public interest. However, I cannot imagine that the registrar would refuse the police access for those reasons.

On the issue of penalties, raised by the member for Wagin, or damages which apply if the Registrar General makes a mistake in giving access to the record which later leads to harm - whether financially, to reputation or physically - to the person the subject of the registration, the Registrar General will be treated no differently from any other person in public office. If he has acted in good faith, he has certain protection and is exempted from claims for damages. But he is subject to the normal constraints that apply to people holding public office or any public servant; that is, if they make mistakes, they can be dismissed, subjected to other penalties under certain legislation, reprimanded, subjected to questions in Parliament, subjected to examination on what has happened by the media, or any of those



other things. No other remedy is readily available for any breach or mistake as long as it is made in good faith and in the course of his duties. If a mistake is made in bad faith, outside the role of his normal duties, or in an improper way, other provisions of the Criminal Code apply. I cannot imagine a situation in which any of those penal provisions would be appropriate, but that is the only opportunity for anybody with concerns of that kind to seek redress. Beyond that it would simply be a matter of taking the usual steps of contacting one's local member for the matter to be raised in Parliament, correspondence, or any of the other things that people do in this regard. I thank members opposite for their support and I commend the Bill to the House.

Question put and passed.

Bill read a second time.

### *Third Reading*

Leave granted to proceed forthwith to the third reading.

Bill read a third time, on motion by Mr D.L. Smith (Minister for Justice), and transmitted to the Council.

## **CARNARVON BANANA INDUSTRY (COMPENSATION TRUST FUND) AMENDMENT BILL**

### *Second Reading*

Debate resumed from 5 September.

**MR HOUSE** (Stirling) [10.45 pm]: This is a fairly simple Bill which will put in place some changes that were recommended by a meeting of banana growers in Carnarvon some months ago.

The banana industry compensation trust fund was established in 1962, after a series of cyclones over some years had devastated the industry in that area. Many growers had been forced into bankruptcy because of the destruction of their crops and their inability to refinance the planting of another crop. This legislation has served a very important part of the industry in Carnarvon for some years. Indeed, it is important to renew this legislation now and to make the necessary amendments to update it. It has done a good job over the years, although it has not provided total compensation to the growers; it is a partial recovery fund that has enabled them after devastation by cyclones, floods, pests or any other natural events to recover some of the costs of planting a new crop. It has provided the stability that is necessary in the agricultural industry, a stability which has given the growers some faith in the future of their industry.

It is interesting to note that Carnarvon produces approximately 80 per cent of the bananas consumed in Western Australia. It is also important to mention that in the past the contribution made by growers to this fund was 20¢ per 16 kilogram carton, and the Treasury has matched that by contributing 10¢ per carton. It is proposed to change that amount slightly, and also the levy rate will be set by regulation rather than by an Act of Parliament. Therefore, the Minister will be able to prescribe from time to time a regulation to allow the levy to change. The maximum amount the Minister will be able to prescribe is 39¢ per carton, and the carton size will be amended to 13 kilograms. That will keep up with modern packaging in the industry. Any changes will be made by negotiation from time to time with the Minister of the day and set by regulation.

It is also important to note that it will not be necessary to debate this legislation regularly in Parliament, but a sunset clause is included which will enable the Minister to set up an inquiry at the end of five years to ascertain exactly how the Bill is working and whether it is working properly. Assessing compensation for losses in the industry is based on a number of regulations, such as the percentage of the damage, the area of land, the weighted average production of that land over a period, and the rate of compensation per carton, as prescribed. Although it is a fairly involved formula, it has been accepted by the growers, and it should therefore be accepted by this Parliament. Over the years there have been a number of payouts from this fund; the greatest was after cyclone Herbie in 1988, when \$800 000 was paid to growers to enable them to re-establish their plantations.

The current compensation rate of \$1.75 per 16 kilogram carton is due to be reviewed. I presume the Minister will make some comments about that when he sums up this debate, because it has been indicated to me that it is time for that to be reviewed, in consultation with the industry. I hope that the Minister, because of his ability under this Act and the regulations to prescribe certain amounts, will set in place as soon as possible a review committee to look at the compensation rate. I understand from talking to one of the growers in the Carnarvon region that there is some concern among growers that while they all pay into this fund at a certain rate, there is not the ability to identify their contributions, and while that might be a consideration that needs to be looked at in the future, it is not something that need affect the passage of this Bill tonight. The reduction in carton size will provide some increase in the levy anyway, and if the amount is not changed immediately by the Minister, that will probably go some way along the track towards solving the problem.

I place on record my thanks to Hon Phil Lockyer, who represents this area in the other place. Some of the comments that he wrote for me on a piece of paper to make in this debate do not bear repeating to the House as you, Mr Deputy Speaker, might take action against me and have me summarily removed. I thank Phil Lockyer for the general tone of his comments and for his assistance in helping me to gain some understanding of the banana industry.

**MR OMODEI (Warren) [10.53 pm]:** There is general support on this side of the House for the Bill. I am advised that the Carnarvon banana industry compensation trust fund is administered by a statutory committee of four people, comprising a representative from the Department of Agriculture, and Treasury, and two grower members. I understand from talking to growers in the Carnarvon area that they are quite happy with the way the trust fund has been administered in the past, and are pleased with the liaison and commitment from extension officers of the Department of Agriculture in that district.

Hon Phil Lockyer, one of the members for the Mining and Pastoral Region, has also assisted me in my comments in this debate. He is closely associated with the banana industry and the vegetable growers in Carnarvon, has attended all these meetings, and is well regarded in the district. The decision to change the base carton size from 16 to 13 kilograms to comply with the new industry standards was a significant course of action, and the agreement to continue to pay the existing levy rate on the smaller carton size means that there has been an effective increase in the fund levy to achieve the requests of the growers.

The re-establishment cost per hectare of damaged crop is an important consideration, and is a little more difficult to assess. However, the industry has agreed on a compromise of \$2.60 per carton, and this is believed to be a fair levy to cover cost of production estimates. The cost of production has of course escalated in recent times for a number of reasons, and in the end only partial compensation is paid, for obvious reasons. It is well recognised that the fund cannot offer total compensation for losses. It is important to note that this is a \$10 million industry. I believe, as a one time farmer, that the payment of 20¢ per 13 kilogram carton is good insurance for this industry. There have been a number of occasions when there has been a need for compensation. The Act has been in force for 28 years now, and I understand that for every three years of its existence, there have been claims for compensation. That in itself is verification of the need to increase the levy to meet those demands.

The Minister mentioned in his second reading speech, as did the member for Stirling, the number of large compensation payouts as a consequence of cyclone Herbie. It is important to note that it has been suggested during my discussions with the industry that 39¢ per 13 kilogram carton should be the maximum levy, and that will be the equivalent of 3¢ per kilogram of bananas. Insofar as section 41 of the principal Act is concerned, I believe the suggested review should take place in accordance with the amendments which have been suggested. However, in the meantime, a review of the industry should be carried out by the Department of Agriculture. The Minister would be aware that the industry is fluctuating at the moment. There is a demand for other vegetable crops in the Carnarvon area, and there is great competition from growers in the Eastern States, particularly in Queensland, in respect of the supply of bananas. If the industry is to remain in any way, shape or form, there should be a review by the department, not only because of any such changes, but also to assess any other type of damage that could occur, particularly frost damage, about which I believe there is concern. That review should be carried out within the five year extension of the Act so that any continuation of the legislation can be properly assessed.

Future funding should be ascertained in the light of the increasing costs of production, and the re-establishment costs or changing of crop production. In other words, if there are severe losses in the area, and the costs of production increase dramatically, that should be considered in the light of the Act, and changes should be made accordingly. Market trends are also important in that regard. I support the Bill, on behalf of members on this side of the House.

**MR LEAHY** (Northern Rivers) [10.58 pm]: Unlike the members opposite - and I wish to thank them both for speaking in support of this Bill - I do have personal knowledge of the banana industry in Carnarvon, having resided there for some considerable time.

**Mr Wiese**: I have been eating bananas all my life!

**Mr LEAHY**: It shows! I have not had to refer to Hon Phil Lockyer's information on this Bill. He has, however, provided good information to members opposite because they have stolen a lot of my thunder. The banana industry is extremely important to Carnarvon. It is a \$10 million industry; in 1987 it produced 14 000 tonnes of fruit and it produced some 80 per cent of the fruit consumed in Western Australia. It is extremely important to the growers in Carnarvon. The horticulturists rely on bananas for some 50 per cent of their income, and they inject some \$23 million into the economy of Carnarvon each year. Obviously the banana industry is very important to the economy of Carnarvon. The banana industry compensation fund was established in 1962 and has helped to give stability to the industry in order to enable growers in times of natural disasters such as cyclones or flooding to re-establish. It was never meant to completely recompense the growers for losses; it is simply there to enable them to re-establish and get back into the production of bananas as soon as possible after the disaster. It has proved to be a success in that area. It has been claimed upon some nine times in the past 28 years, and it has enabled growers to get back into the industry.

There have been some problems because there have not been any major amendments to the Act since 1980. Obviously with costs escalating because of inflation, we have had a 120 per cent increase in re-establishment costs. Consequently the amount of compensation available under the fund has not kept step with that. This amendment Bill is meant to offset that problem. Growers have expressed confidence in the legislation by voting unanimously to increase their commitment and the levy they pay by 25 per cent. They have done this by retaining the present 20¢ levy per carton of bananas, although the carton size has been reduced from 16 to 13 kilograms, so effectively they have made a 25 per cent additional commitment to the fund. Their contribution to the fund represents 66 per cent of the total cost; the Government is contributing over 33 per cent, or \$1 for every \$2 contributed by growers. As I said earlier, it is extremely important to growers that the Act is amended because the fund provides a degree of stability within the industry.

I thank the Deputy Leader of the National Party for his comments in support of growers, and I also thank the member for Warren. I commend the Bill to the House.

**MR BRIDGE** (Kimberley - Minister for Agriculture) [11.02 pm]: I thank the members who have spoken in support of the Bill. I thank the Deputy Leader of the National Party in the first instance, and the Opposition's shadow Minister for Agriculture, the member for Warren. I also thank the member for Northern Rivers.

It is true that the changes contained in the Bill are important measures in respect of a particularly important industry. Carnarvon represents a very high percentage of the banana industry. The function of this procedure goes back to 1962 when the Act came into operation for purposes then seen to be necessary. In the period since then there has been a continuation of extensions to this fund until it reached the point where it was necessary for us to consider the extension contained in this legislation, which takes it beyond April 1990. That requirement, which was necessary in any event, was followed by a number of procedural and administrative matters which just tidy up the functions of the trust fund and the way in which it will operate in the future. Those administrative changes were seen by the Government to be necessary and were supported by the industry. Wide ranging consultation has taken place in respect of the proposed changes under this legislation. These were outlined in particular by the member for Northern Rivers, and there has been widespread support for and agreement by the growers in the Carnarvon area. One understands that for a very good reason - it is a safety mechanism which was put in place for growers. In times of

disaster it is an essential piece of legislation which needs to have its operations firmly reviewed from time to time; also this is necessary in order to accommodate the changes which are emerging in the industry.

As the Deputy Leader of the National Party said, the levy will be based on a set of regulations which will come into place and be subject to a decision making process by the Minister of the day. This will be done in general agreement and consultation with the industry from time to time. I am happy to give the assurance tonight that in looking at the review of the committee structure, I will give consideration to the query raised by the member for Warren and the Deputy Leader of the National Party. I think that assurance needs to be given to the industry. The House can be assured that it would be a course of action which in any event I would seek to follow. I again thank the member for Northern Rivers. I am not sure of Hon Philip Lockyer's position, but he has spoken not only to Opposition members on this issue but also to me, in respect of supporting this measure and speaking of the importance of the industry to Carnarvon. I thank him for his advice and support.

In summary I must admit that other speakers have sought to steal my thunder. I am not sure whether I agree about that; I did not introduce a satisfactory Bill simply to enable the Opposition to steal my thunder, but members opposite have done it very well. In view of that and the anger that has occasioned, I think I will conclude with this remark: I hope that other Bills introduced by me result in my thunder being stolen again. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

#### *Third Reading*

Leave granted to proceed forthwith to the third reading.

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

*House adjourned at 11.08 pm*

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# QUESTIONS ON NOTICE

## MOTOR VEHICLES - GOVERNMENT

### *Vehicle 6QS 737 - Allocation*

608. Mr MacKINNON to the Premier:

- (1) Will the Premier advise to whom vehicle 6QS 737 is allocated?
- (2) Is the officer concerned entitled to use that vehicle for private purposes?
- (3) If yes, why?
- (4) If no, who authorised the use of this vehicle for a trip from Collie to Bunbury on 16 April 1989 to watch football?

Mr PETER DOWDING replied:

(1)-(4)

An investigation into the circumstances relating to the use of this vehicle has begun and is expected to be completed shortly.

## NORTH WEST SHELF GAS PROJECT - DOMESTIC PHASE

### *Taxpayers' Costs*

1079. Mr COURT to the Premier:

As the Premier has been reported in the media as saying that the domestic phase of the North West Shelf gas project is still costing Western Australian taxpayers about \$90 million a year, would the Premier please detail the costs which make up that \$90 million?

Mr PETER DOWDING replied:

The equivalent figure in last year's Budget was \$61 million, made up of \$30 million increases in stock and \$31 million holding - interest - cost.

## GOVERNMENT EMPLOYEES - TRAINING NEED

### *Percentage Estimates*

1083. Mrs EDWARDES to the Minister for Employment and Training:

Will the Minister please advise -

- (a) what percentage of the current State work force will need training in 1990, 1991, 1992 and 1993; and
- (b) how have these estimates been arrived at?

Mr TROY replied:

- (a) 1990 - 13.2 per cent  
1991 - 13.4 per cent  
1992 - 13.7 per cent  
1993 - 14.0 per cent

These figures are the proportion of the working age population in training, but do not capture training provided in-house or by private institutions. These estimates do not include the impact of award restructuring; and

- (b) utilising statistics and/or forecasts from the relevant training and tertiary institutions and the Australian Bureau of Statistics.

## EDUCATION - TECHNICAL AND FURTHER EDUCATION

### *Pre-apprentice Courses - Closures*

1084. Mrs EDWARDES to the Minister assisting the Minister for Education with TAFE:

Will the Minister please advise which pre-apprentice courses conducted in 1989 will not be conducted in 1990, and which colleges will be affected?

Mr TROY replied:

In 1990 there will be a reduction in the number of pre-apprenticeship places offered in Western Australia. The reduction is due primarily to a withdrawal

of Commonwealth Government funding as a result of an increase over the last few years of the number of young people entering into apprenticeships with employers. Pre-apprenticeships have in the past been used to increase the number of people entering trade training during periods of economic downturn, when employers may reduce the number of apprentices they take on. By smoothing out the troughs in this way, the supply of skilled tradespeople may be kept at acceptable levels.

The Commonwealth Government has noted that the number of young people entering trade training in WA has increased some 28 per cent since 1984. As from 1990, the Commonwealth will not provide any resources for funding pre-apprenticeship places. Despite a tight State Budget, 634 State funded places will be offered in 1990.

The tripartite Industrial Training Advisory Council, which decides upon courses and places to be offered, also sought to ensure that any changes should be in line with labour market requirements and that changes should be spread as equitably across pre-apprenticeship programs and colleges. Nevertheless, where 28 courses were offered in 1989, as many as 25 will be offered next year.

The four programs that will not be offered in 1990 are -

Dental Technician  
Plant Mechanics Industrial/Agricultural  
Sheetmetal  
Vehicle Body Building/Metal Fabrication

Of these, the latter was Commonwealth funded, sheetmetal did not start this year and the other two courses provided only 21 places between them. A new course in fitting and machining/plant mechanics will be offered in 1990.

For the sake of equity, all but six colleges will experience some reductions in places next year. Colleges to be affected in some way by reductions are Bentley, Carine, Carlisle, Fremantle, Midland, Mt Lawley, Rockingham, Thomlie and Wembley.

The pre-apprenticeship program has played a valuable role in smoothing out cyclical troughs in commencements in trade training. Commonwealth Government's withdrawal from funding assistance, which is as a result of an increase in apprenticeship indentures, is the main reason for pre-apprenticeship course reductions.

#### TRADE UNIONS - MEMBERSHIP *Reduction - Representativeness*

1088. Mr COWAN to the Minister for Labour:

- (1) Is the Minister aware the overall rate of union membership has now dropped to below 40 per cent of the work force?
- (2) Is the Minister aware that a report issued recently by the Building Workers Industrial Union predicts that union membership could fall to 25 per cent of the work force by the year 2000?
- (3) On what basis does the Government recognise unions as being genuinely representative of workers?
- (4) What steps does the State Government take to ensure that the views of the 60 per cent of the work force who are not union members are considered in the various tripartite discussions on industrial relations matters?

Mr TROY replied:

(1)-(2)

Yes.

- (3) The Western Australian industrial relations system provides for common rule awards. Under this system unions, as recognised representatives of

employees, must represent the interests of all workers in their industries, not just their own union members. Therefore, trade unions play a significant role in maintaining a system which provides benefits to all Western Australian workers. Trade union organisations and officials bear responsibilities which extend well beyond a direct representative role.

- (4) Trade unions and their officers are required to take a broader representational view in tripartite deliberations; so are employers. Representatives of the Confederation of Western Australian Industry and the Australian Mines and Metals Association act on behalf of all employers in the same tripartite forums in which trade union officials act. Not all Western Australian employers are members of either employer organisation. Nevertheless those organisations represent the general employer interests in tripartite forums and before industrial tribunals.

Where appropriate, working parties are formed to consider matters and report to the Tripartite Labour Consultative Council. At this level, the views of representative organisations and pressure groups become part of the policy making process.

**FRUIT FLIES - BAITERS**  
*Pesticide Levels - Tissue Checks*

1135. Mr BRADSHAW to the Minister for Health:

- (1) Are people engaged as fruit fly baiters checked periodically for levels of pesticides in their tissue?
- (2) Does any research take place with regard to people using fruit fly sprays and the residue absorbed and possible health effects?
- (3) Have any cases been reported in the last three years of people being poisoned by fruit fly sprays?

Mr WILSON replied:

- (1) No. Some sample testing of baiters involved in jetting liquid bait will occur to confirm that a problem does not exist. The results of these tests will determine the need for further monitoring.
- (2) The Department of Occupational Health, Safety and Welfare is not aware that any research has occurred in this State. However, the effects of the particular pesticide are well documented in the scientific literature.
- (3) The Department of Occupational Health, Safety and Welfare is not aware of any reported cases in Western Australia of persons being poisoned by fruit fly sprays.

**EMPLOYMENT AND TRAINING - UNEMPLOYMENT STATISTICS**  
*New Apprenticeships - Mandurah Region*

1160. Mr NICHOLLS to the Minister for Employment and Training:

- (1) Would the Minister please inform me of the unemployment figures for the Mandurah region -
  - (a) under 25;
  - (b) 25 to 40; and
  - (c) over 40?
- (2) What were the figures for the above in -
  - (a) 1986;
  - (b) 1987; and
  - (c) 1988?
- (3) How many apprenticeships were officially taken on within the Mandurah area during -

- (a) 1986;
  - (b) 1987; and
  - (c) 1988?
- (4) What is the Western Australian average for new apprenticeships and how does Mandurah compare?

Mr TROY replied:

(1)-(2)

Data available from the 1986 Census of Population indicates that for the Town of Mandurah the number of unemployed by age group as at June 1986 was -

Age Group	Number Unemployed
Under 25	385
25-44	388
45 and over	182

Information for the 25-40 and 40 plus age groups is not currently available from the Australian Bureau of Statistics.

Date for 1987 and 1988 is available only in an aggregated form for the area compassing the south west and great southern areas, of which Mandurah forms a part.

(3)-(4)

This data is presently not available.

#### **FAST FOODS INDUSTRY - WAGES UNDERPAYMENT**

*Federated Liquor and Allied Industries Employees Union and*

*Employers 1979 Agreement - Office of Industrial Relations, Validity Test*

1170. Mr KIERATH to the Minister for Labour:

- (1) Referring to a report by the Office of Industrial Relations concerning underpayment of wages and the role of the Federated Liquor and Allied Industries Employees Union -
  - (a) has the 1979 agreement between the Federated Liquor and Allied Industries Employees Union and employers been tested for the purpose of validity before the Western Australian Industrial Relations Commission by the Office of Industrial Relations; and
  - (b) if not, why not?
- (2) Has the 1979 agreement between the union and employers been tested for the purpose of validity before the Western Australian Industrial Relations Commission by any employee in the industry?
- (3) (a) Will the Minister advise whether this is the first ever written report prepared by the Office of Industrial Relations to the Government outlining such practices;
  - (b) if not, how many other reports have been prepared;
  - (c) when were they prepared; and
  - (d) what action did the Government take with respect to each report?
- (4) Is there a similar agreement, formal or informal, between the Federated Liquor and Allied Industries Employees Union and the employers in the hotel industry?

Mr TROY replied:

- (1) (a) No; and
  - (b) the industrial inspectorate was not in receipt of a complaint.
- (2) No.



- (3) (a) I am unable to answer the question without specific details of the report to which the member refers; and  
(b)-(d) Not applicable.
- (4) There is no other registered agreement in existence covering this industry.

**EDUCATION - PINJARRA PRIMARY SCHOOL**

*Occupational Health, Safety and Welfare Department - Improvement  
Notices, Work Completion*

1172. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 3083, 3084, 3085 and 3086 issued respectively on 13 March 1989 against the Pinjarra Primary School by the Department of Occupational Health, Safety and Welfare has been done?
- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.
- (2) Not applicable.

**EDUCATION - ARDROSS PRIMARY SCHOOL**

*Occupational Health, Safety and Welfare Department - Improvement  
Notices, Work Completion*

1173. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 3463 and 3464 issued respectively on 6 February 1989 against the Ardross Primary School by the Department of Occupational Health, Safety and Welfare has been done?
- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.
- (2) Not applicable.

**EDUCATION - MADDINGTON SENIOR HIGH SCHOOL**

*Occupational Health, Safety and Welfare Department - Improvement  
Notices, Work Completion*

1174. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 3459, 3460, 3461 and 3462 issued respectively on 3 February 1989 against the Maddington Senior High School by the Department of Occupational Health, Safety and Welfare has been done?
- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.
- (2) Not applicable.

**EDUCATION - HAMPTON SENIOR HIGH SCHOOL**

*Occupational Health, Safety and Welfare Department - Improvement  
Notices, Work Completion*

1175. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 3578, 3580 and 3581 issued respectively on 6 April 1989, the improvement notices Nos 11672 and 11673 issued respectively on 27 June 1989, and the prohibition notice No 3553 issued on 6 April 1989

against the Hampton Senior High School by the Department of Occupational Health, Safety and Welfare has been done?

(2) If not, why not?

Dr LAWRENCE replied:

(1) Yes.

(2) Not applicable.

**EDUCATION - SUBIACO PRIMARY SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement  
 Notices, Work Completion*

1176. Mrs EDWARDES to the Minister for Education:

(1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 4870 and 4871 issued respectively on 30 March 1989 against the Subiaco Primary School by the Department of Occupational Health, Safety and Welfare has been done?

(2) If not, why not?

Dr LAWRENCE replied:

(1) Yes.

(2) Not applicable.

**EDUCATION - OAKFORD PRIMARY SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement  
 Notices, Work Completion*

1177. Mrs EDWARDES to the Minister for Education:

(1) Can the Minister please advise if the work required to be carried out under the prohibition notice No 3502 issued on 13 April 1989 against the Oakford Primary School by the Department of Occupational Health, Safety and Welfare has been done?

(2) If not, why not?

Dr LAWRENCE replied:

(1) Yes.

(2) Not applicable.

**EDUCATION - CRAIGIE SENIOR HIGH SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement  
 Notices, Work Completion*

1178. Mrs EDWARDES to the Minister for Education:

(1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 11561 and 11562 issued respectively on 7 July 1989 and the prohibition notice No 08258 on 7 July 1989 against the Craigie Senior High School by the Department of Occupational Health, Safety and Welfare has been done?

(2) If not, why not?

Dr LAWRENCE replied:

(1) Yes.

(2) Not applicable.

**EDUCATION - CYRIL JACKSON SENIOR HIGH SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement  
 Notices, Work Completion*

1179. Mrs EDWARDES to the Minister for Education:

(1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 11683, 11684 and 11686 issued respectively on

28 June 1989 against the Cyril Jackson Senior High School by the Department of Occupational Health, Safety and Welfare has been done?

- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.

- (2) Not applicable.

**EDUCATION - SOUTH FREMANTLE SENIOR HIGH SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement*  
*Notices, Work Completion*

1180. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notices Nos 11661 and 11662 issued respectively on 23 June 1989 against the South Fremantle Senior High School by the Department of Occupational Health, Safety and Welfare has been done?

- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.

- (2) Not applicable.

**EDUCATION - GREENWOOD SENIOR HIGH SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement*  
*Notice, Work Completion*

1181. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notice No 11553 issued on 3 July 1989 against the Greenwood Senior High School by the Department of Occupational Health, Safety and Welfare has been done?

- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.

- (2) Not applicable.

**EDUCATION - GLENCOE PRIMARY SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement*  
*Notice, Work Completion*

1182. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notice No 08804 issued on 9 November 1988 against the Glencoe Primary School by the Department of Occupational Health, Safety and Welfare has been done?

- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.

- (2) Not applicable.

**EDUCATION - DUDLEY PARK PRIMARY SCHOOL**  
*Occupational Health, Safety and Welfare Department - Improvement*  
*Notice, Work Completion*

1183. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if the work required to be carried out under the improvement notice No 08803 issued on 9 November 1988 against the Dudley

Park Primary School by the Department of Occupational Health, Safety and Welfare has been done?

- (2) If not, why not?

Dr LAWRENCE replied:

- (1) Yes.  
(2) Not applicable.

#### EDUCATION - GOVERNMENT SCHOOLS

#### *Occupational Health, Safety and Welfare Act - Questions 251 406, Answer Correlation*

1184. Mrs EDWARDES to the Minister for Education:

Referring to question 251 of 1989, to which the reply from the Minister on 11 April 1989 was -

Until audits are undertaken following the election of health and safety representatives in schools, the adequacy of schools in meeting the requirements of the Act cannot be determined.

and to question 406 of 1989, to which the Minister for Labour advised of 18 improvement and prohibition notices issued to the Education Department prior to 11 April 1989, how does the Minister correlate the two answers?

Dr LAWRENCE replied:

The answer to question 251 dealt with the internal system which is being established for the identification and assessment of the adequacy of the Ministry of Education workplaces in light of the Occupational Health Safety and Welfare Act 1984. Question 406 deals with an area of responsibility outside the Ministry; namely, the inspectorate. Given the recency with which the Act was promulgated, the number of workplaces, and the complexities of the issues involved, the two answers, taken together, are indicative only of a reasonable course of events.

#### EDUCATION - PERTH TECHNICAL COLLEGE

#### *Students - Full Time and Part Time Study Statistics*

1185. Mrs EDWARDES to the Minister assisting the Minister for Education with TAFE:

Would the Minister please advise for the 1989 year at the Perth Technical College -

- (a) the number of males studying full time;
- (b) the number of females studying full time;
- (c) the number of students studying full time in the office and secretarial studies;
- (d) the number of males studying part time;
- (e) the number of females studying part time; and
- (f) the number of students studying part time in office and secretarial studies?

Mr TROY replied:

- (a) 355;
- (b) 522;
- (c) 117;
- (d) 5 387;
- (e) 7 683; and
- (f) 1 118.

**EDUCATION - TEACHERS' DUTIES AND RESPONSIBILITIES SURVEY**

*Integra - Selection Criteria*

1188. Mrs EDWARDES to the Minister for Education:

Referring to the teachers' duties and responsibilities survey, will the Minister advise -

- (a) how the firm Integra was selected by the Government to conduct the survey;
- (b) if the firm Integra has previous experience in conducting similar surveys; and
- (c) if the Ministry for Education had any input into the conduct of the survey and, if so, what role and/or input came from the Ministry for Education?

Dr LAWRENCE replied:

- (a) Integra PL was selected by the Ministry of Education to undertake the survey of teachers' duties and responsibilities for the following reasons -

The consulting personnel are based at the University of Western Australia and have extensive experience in consulting and academic research with particular expertise in -

job analysis/evaluation techniques used in the Public Sector;  
and  
the design, administration, and analysis of questionnaires.

They employ staff with experience in the area of education.

They were available to commence work immediately.

They were completely independent of the ministry and were deemed to be able to approach the task impartially.

The State School Teachers Union has been consulted throughout the term of the project;

- (b) yes; and

- (c) the ministry's input into the conduct of the survey was limited to -

indicating the objectives of the survey and commenting on the survey instrument;

distributing the surveys to schools;

accepting any returns that were not sent directly to Integra; and

forwarding those returns to the data inputters.

**EDUCATION - CITY BEACH SENIOR HIGH SCHOOL**

*Nurse's Appointment - Approval*

1190. Mrs EDWARDES to the Minister for Education:

- (1) Can the Minister please advise if and at what date was a nurse's appointment approved for the City Beach Senior High School?
- (2) If an appointment was approved, what is the reason that the appointment has not taken place?

Dr LAWRENCE replied:

- (1) City Beach Senior High School benefits from the services of a visiting nurse. A nurse has not been appointed to the school because of declining school enrolments and the lack of suitable accommodation for the nurse. The situation is being kept under review.
- (2) Not applicable.

### EDUCATION - SMOKING

#### *Schools - Teachers and Administrative Staff, Policy*

1192. Mrs EDWARDES to the Minister for Education:

What is the policy relating to teachers and administrative staff smoking in schools?

Dr LAWRENCE replied:

The current policy for teachers and administrative staff in relation to smoking is that smoking is forbidden on school premises at all times except in the staff room.

A policy draft has been prepared to bring schools into line with Government and occupational health guidelines. This has been approved by the ministry executive and the ministry is awaiting ratification from the unions for the release of the policy to schools.

[See paper No 482.]

### EDUCATION - SCHOOL BUSES

#### *Student Day Fare - Implementation*

1193. Mrs EDWARDES to the Minister for Education:

Is the Minister contemplating implementing a fare of 90¢ a day for all students travelling on school buses?

Dr LAWRENCE replied:

No.

### EDUCATION - SCHOOL BUSES

#### *Government Ownership*

1194. Mrs EDWARDES to the Minister for Education:

Is the Minister considering the introduction of Government owned buses to be operated by schools?

Dr LAWRENCE replied:

Government owned school buses are already supplied to a number of schools that have special needs; for example -

isolated schools;  
agricultural schools; and  
schools for disabled students.

### EDUCATION - SCHOOL BUSES

#### *Contractors - Tendering Process, Changes*

1195. Mrs EDWARDES to the Minister for Education:

Is consideration being given to altering the tendering process for school bus contractors?

Dr LAWRENCE replied:

A joint review is to be conducted of school bus costs and associated matters between officers of the West Australian Road Transport Association and the ministry. The tendering process for school bus contracts will be one of the items to be reassessed.

### EDUCATION - NON-GOVERNMENT SCHOOLS

#### *Funding - Government Policy*

1196. Mrs EDWARDES to the Minister for Education:

Will the Minister detail the State Government's policies on funding of non-Government schools?

Dr LAWRENCE replied:

As printed in the 1988 pre-election Labor Party policy statement, the State Government's policies on funding of non-Government schools are -

provision of funding for low interest loans for capital works in a wide range of new and existing non-Government schools;

real increases in the value of per capita grants to all non-Government schools in the next two years;

increased professional guidance and vocational education services in non-Government schools; and

commencing this year, country children wishing to attend non-Government schools will be provided with school bus services on the same basis as Government school students.

**EDUCATION - NON-GOVERNMENT SCHOOLS**  
*Distance Education Support - Government Policy*

1197. Mrs EDWARDES to the Minister for Education:

Will the Minister please advise what the Government's policy is relating to distance education support to non-Government schools?

Dr LAWRENCE replied:

Limited access to the services of the Distance Education Centre has been granted to a small number of non-Government schools during 1989. While these have chiefly been in the Kimberley region, other students have been admitted where special circumstances have arisen.

A report on the future directions for distance education in Western Australia is presently under review and this incorporates a number of principles related to wider access and a user-pays philosophy for those who are not Government school students. When this Government reaches its decision on the future directions report, shortly, the scope for wider access and on what condition can be clarified by any implementation task force which may be established.

**DAWESVILLE CUT - CONSTRUCTION PROPOSAL**  
*Government Commitment - Budget Allocation*

1208. Mr BRADSHAW to the Minister for Environment:

- (1) When does the Government intend to go ahead with the proposed Dawesville Cut?
- (2) Is any money allocated in the Budget this year for the Dawesville Cut?
- (3) Is the Government still committed to building the Dawesville Cut?

Mr PEARCE replied:

- (1) The commencement date for the construction of the Dawesville Channel has not yet been determined.
- (2) Yes. An allocation of \$256 000 was made to the Department of Marine and Harbours to finalise the engineering studies associated with the construction of the channel.
- (3) Yes. The Government is committed to the implementation of the Peel Inlet-Harvey Estuary management strategy, stage 2 as recommended by the Environmental Protection Authority. This strategy recommends a dual solution to the algae problem involving alternative fertiliser practices in the catchment and the construction of the Dawesville Channel.

**EDUCATION - TECHNICAL AND FURTHER EDUCATION**  
*Bakers' Training - Inadequate Facility Conditions*

1217. Mr SHAVE to the Minister assisting the Minister for Education with TAFE:

- (1) Is the Minister aware of the inadequate condition of facilities at TAFE for the training of bakers?

- (2) Are there any plans to improve or upgrade these facilities?
- (3) If so, when will the upgrading commence?

Mr TROY replied:

(1)-(2)

Yes.

- (3) Upgrading will commence with the acquisition of new equipment in 1990.

#### FINANCIAL INSTITUTIONS DUTY - TAXPAYER STATISTICS

##### *Revenue - Benefits*

1223. Mr NICHOLLS to the Minister representing the Minister for Budget Management:

- (1) How many Western Australians paid financial institutions duty in the 1988-89 financial year?
- (2) What was the total revenue raised by FID in the 1988-89 financial year?
- (3) What benefits have resulted to the Western Australian people from the introduction of FID?
- (4) Did the previous Labor Premier, Mr Burke, ever give a commitment not to introduce such a tax?
- (5) Are the following people in our community required to pay FID -
  - (a) pensioners;
  - (b) children under the age of six years;
  - (c) children under the age of 16 years; and
  - (d) unemployed?
- (6) How much does the Government expect to raise in FID this financial year?

Mr PARKER replied:

- (1) Financial institutions duty is payable only by organisations such as banks, building societies and credit unions which are classified as financial institutions. The institutions are authorised to recoup their duty payments from individual depositors although I understand that not all do so. The State Taxation Department has no information about depositors from whom duty is recouped.
- (2) \$36.76 million.
- (3) All financial institutions duty collections are paid into the Consolidated Revenue Fund, which is used to meet the cost of Government services and undertakings.
- (4) I am not aware of any commitment.
- (5) Financial institutions duty is payable by a financial institution on the basis of deposits made with the institution. However, under the Act, deposits are exempt from the duty which are made by Government departments, local authorities or charitable and public benevolent institutions which apply for exemption.
- (6) \$56.3 million.

#### NATURAL DISASTERS ORGANISATION - KWINANA MAJOR URBAN DISASTER STUDY REPORT

##### *Premier's Environment and Community Safety Task Force - Referral*

1225. Mr WATT to the Premier:

- (1) Has the Natural Disasters Organisation's major urban disaster study report (1986) for Kwinana been referred to the Premier's environment and community safety task force?



- (2) If so, what were the task force's findings?
- (3) If the report has not been referred, why not?

Mr PETER DOWDING replied:

- (1) Yes, by Dr David Dale.
- (2) The report was referred after the task force's last meeting. It has not therefore been formally considered to date. The task force has previously raised issues of terrorism and sabotage with the State Counter Terrorism Intelligence Unit.
- (3) Not applicable.

#### LOCAL GOVERNMENT - ELECTIONS

##### *Stirling City Council Meeting - One Councillor Per Ward Resolution*

1229. Mr STRICKLAND to the Minister representing the Minister for Local Government:

- (1) Is the Minister aware of the resolution passed at the 1 August meeting of the City of Stirling, relating to the election of 15 councillors for 15 separate wards, as from council elections in 1991?
- (2) Which local authorities in -
  - (a) Western Australia; and
  - (b) Australia
 have a ward system which occasions representation on the basis of one councillor per ward for each ward in the authority?
- (3) Does the Act allow the establishment of 15 separate wards with 15 councillors - that is, one per ward?
- (4) If yes to (3), would this cause to be created a de facto all in, all out situation?
- (5) Does the Minister have the power to approve some councillors to be elected for a full term and others for a different term in the situation where the election would involve 15 separate wards electing 15 councillors - that is, one per ward simultaneously?
- (6) Does the Minister have the power to reduce the terms of elected councillors?
- (7) If so, under what conditions?

Mr D.L. SMITH replied:

The Minister for Local Government has provided the following reply:

- (1) Yes, the Minister is aware of Press reports to this effect.
- (2) (a) Shires of Kent, Mt Marshall, Nungarin and Upper Gascoyne; and
- (b) no information available in the Department of Local Government.
- (3) Yes, under section 12 of the Local Government Act the Governor has the power to determine ward boundaries and representation.
- (4) An all in, all out situation would be created at the first election after the change. At subsequent elections, only a third of councillors would be up for election.
- (5) No, under section 139 of the Local Government Act the power resides with the returning officer.
- (6)-(7) No. However, there are circumstances - for example, the dismissal of a council or a ward boundary change - in which a councillor's term might be reduced.

## EDUCATION - FORRESTFIELD SENIOR HIGH SCHOOL

*Drama Program*

1236. Mrs EDWARDES to the Minister for Education:

- (1) Is a drama program offered to students at the Forrestfield Senior High School?
- (2) If so, what facilities at the school are used for the purpose of the program?
- (3) If not, why not?

Dr LAWRENCE replied:

- (1) Yes; however, insufficient children selected this option to enable a class to be established in 1989.
- (2) The school has a utility room for drama performance and rehearsal.
- (3) Not applicable.

## EDUCATION - LEONORA PRIMARY SCHOOL

*Library Resource Centre - Construction Commitment*

1237. Mrs EDWARDES to the Minister for Education:

- (1) Was a commitment given to the Leonora Primary School for the construction of a library resource centre?
- (2) If so, when will construction for the centre commence?

Dr LAWRENCE replied:

(1)-(2)

It is proposed to relocate a library/resource building to Leonora Primary School towards the end of first term next year.

## EDUCATION - FORRESTFIELD SENIOR HIGH SCHOOL

*Music and Dance Program - Facilities*

1238. Mrs EDWARDES to the Minister for Education:

What facilities are provided at the Forrestfield Senior High School for the purpose of meeting the requirements of the school's music and dance programs?

Dr LAWRENCE replied:

A large classroom fitted with 17 electronic keyboards and a sports hall.

## ROADS - PASSING LANES

*Great Northern Highway, Bindoon-New Norcia - Construction*

1240. Mr McNEE to the Minister for Transport:

- (1) How many passing lanes will be provided on the Great Northern Highway between Bindoon and New Norcia?
- (2) At which points will they be constructed?
- (3) How many will be constructed in the 1989-90 financial year?
- (4) When is it planned for construction to commence?

Mr PEARCE replied:

- (1) Nine passing-lane sites between Muchea and Walebing are being investigated at the following locations -

**Northbound Traffic**

Eight kilometres north of intersection with Brand Highway.

20 kilometres north of intersection with Brand Highway - near turnoff to Chittering.

At Bindoon Hill.

Seven kilometres north of Bindoon Hill near intersection with Spillman Road.

11 kilometres north of Bindoon Hill.

17 kilometres south of Walebing.

**Southbound Traffic**

16 kilometres north of the intersection with Brand Highway - near the intersection with Maddern Road.  
At Bindoon Hill.  
Four kilometres south of Walebing.

(2)-(4)

Two - northbound lane and southbound lane at Bindoon Hill - are being considered and construction could commence in January 1990.

**STORMS, JUNE - DAMAGE ASSISTANCE**  
*Shire Councils and Farmers - Arrangements*

1242. Mr McNEE to the Minister representing the Minister for Budget Management:

- (1) Are arrangements in place for assistance to shire councils and farmers suffering damage as a result of the June storm?
- (2) If so -
  - (a) what are the guidelines for assistance; and
  - (b) how many applications have been received from -
    - (i) shires; and
    - (ii) private individuals?
- (3) How many applications for assistance have been approved?
- (4) What is the total amount of assistance granted?
- (5) What is the final date for applications for assistance?

Mr PARKER replied:

- (1) The Government declared the June 1989 storm to be an eligible disaster for the purposes of the Commonwealth/State natural disaster relief arrangements on 31 July 1989.
- (2) (a) June 1989 Floods Relief and Restoration Measures Scheme - Guidelines for Assistance

Farmers

For the purposes of this scheme, the following will apply:

The measures below are not to supplant, or operate as a disincentive for, self-help by way of either commercial decisions or appropriate strategies of disaster mitigation.

Concessional Loans

1. Purpose

To provide carry-on finance for the purpose of replanting of crops, replacement of stock and to repair dams and fences, to enable farmers whose properties have been affected by the June 1989 floods and who have no reasonable access to commercial finance but who have a reasonable prospect of long term viability.

2. Eligibility

2.1 Applicants must be in working occupation of their properties and derive their main source of income from that activity.

2.2 Applicants must be able to show that carry-on funds required are not available from either normal sources of finance or from within their own resources, including assets not essential for the future viability of the farm operation.

- Normal sources are considered to be trading banks and traditional stock firms.
- 2.3 With inclusion of the loan in their liabilities applicants must still have an equity in their farm business.
- 2.4 With the assistance provided, applicants should have reasonable prospects of continuing in farming activities and of being able to repay the loan provided under this assistance.
- 2.5 Loans are to be adequately secured by mortgage(s) over land. Bills of sale over wool, stock and other chattels may be taken where considered necessary.
- 2.6 Applications require the inclusion of a statutory declaration detailing the effects of the storm upon the farm operation.
3. Amount of Loan
- 3.1 Up to a maximum of \$70 000.
- 3.2 Subject to 2.1, 2.3, 2.5 and 3.1, maximum natural disaster loan indebtedness of a farmer assisted over the period 1976-77 to 1989-90 is to be at the discretion of the Rural Adjustment and Finance Corporation of Western Australia.
4. Terms
- 4.1 Interest rate to be eight per cent per annum initially.
- 4.2 Total loan to be on demand and, subject to clause 4.3, repaid as soon as possible within a maximum period of 10 years following the date on which funds are advanced.
- 4.3 Loan to be reviewed annually with a view to obtaining earlier repayment and/or increasing the interest rate to a commercial rate, consistent with the borrower's financial circumstances at the discretion of RAFCOR. Commercial rate will be that rate of interest applied by the Rural and Industries Bank of Western Australia on small business loans of \$70 000.
- 4.4 A natural disaster loan can be continued only while the recipient remains in working occupation of the farm property.
- 4.5 Continuation of a loan beyond each annual review will depend on carry-on funding being maintained by normal commercial sources.
- 4.6 Where appropriate, at the discretion of RAFCOR, payment of principal and interest may be deferred for up to two years following the date on which funds are advanced, with arrears thus created spread over the remaining period for repaying the loan.
- 4.7 The above terms will be at the discretion of RAFCOR.

5. Closing Date

Applications are to be made through the applicant's own trading bank to RAFCOR and the closing date for lodgment for applications will be 30 September 1989.

Shires

On receipt and approval of work estimates by the Main Roads Department, shires will be able to repair the damage to roads caused by flooding.

Shires must submit claims to divisional offices showing 100 per cent expenditure. Seventy five per cent of approved cost will be recoverable from the State by shires.

Each expenditure claim must be certified to the effect that the expenditure to date -

- is based on, and in agreement with, properly kept accounts and records;
- relates only to expenditure on eligible relief measures - that is, restoration of roads to pre-disaster standard - for financial assistance for natural disaster relief and restoration;
- does not include any normal expenses that would have been incurred whether or not the disaster had occurred; and that
- restoration or replacement is to pre-disaster standard and that no betterment factor is included in the claim.

In relation to the final requirement, if a betterment factor is to be included, then separate estimates should be submitted for restoration and betterment, and shires should keep separate costs if betterment expenditure is incurred.

(b) As at 29 September 1989 -

- (i) eight requests have been received from seven shires; and
- (ii) five, of which two are incomplete.

3. Work estimates on six requests from shires totalling \$381 000 have been approved to date.

4. See (1).

5. For farmers - 30 September 1989.

Shires have up to two years from the date of the disaster to complete approved repairs and seek recoup of 75 per cent of the approved expenditure.

**FISHERMENS' SERVICE JETTY - MANDURAH**

*Owner - Rent Responsibility*

1243. Mr NICHOLLS to the Minister for Transport:

- (1) Who owns the fishermen's service jetty in Mandurah?
- (2) Who sets the rent?
- (3) What are the criteria for setting rents?
- (4) Has there ever been land allocated to the professional fishing boats for the construction of pens to berth the vessels?
- (5) How much revenue has been raised from vessels berthing at the jetty in Mandurah since 1979?

Mr PEARCE replied:

- (1) The vesting of the jetty was transferred from the Shire of Mandurah to the Minister for Transport in October 1984, from which time it has been controlled by the Department of Marine and Harbours.

- (2) Minister for Transport, following a recommendation from the Department of Marine and Harbours.
- (3) Berthing fees, which are assessed on vessel lengths, are based on a standard fee structure that applies throughout the State and are the same as those applicable at the Fremantle fishing boat harbour.
- (4) No.
- (5) Since 1984-85, \$18 811 has been paid by way of berthing fees.

#### STATE ENERGY COMMISSION - GAS TURBINES

##### *Expressions of Interest - Advertising*

1246. Dr TURNBULL to the Minister for Fuel and Energy:

- (1) Has the State Energy Commission of Western Australia advertised for expressions of interest in supplying two 100 MW gas turbines?
- (2) Are these turbines to be part of the new gas turbine power station listed in the Budget?
- (3) Is Kwinana being proposed as a site for the new gas turbine power station?

Mr CARR replied:

- (1) SECWA has called tenders for one 100MW gas turbine generating unit, with the option for a second. Tenders close 1 November 1989.
- (2)-(3) Units purchased as a result of this tender will supplement existing gas turbine plant already on order and included in the Budget. A final decision on the siting is yet to be made.

#### HOPETOUN - FORESHORE DEGRADATION

##### *Rectification Advice - Marine and Harbours Department*

1252. Mr AINSWORTH to the Minister for Transport:

- (1) Is the Minister aware of the major foreshore degradation which continues to take place at Hopetoun?
- (2) What advice has the Minister been given by the Department of Marine and Harbours in relation to rectification of the problem?

Mr PEARCE replied:

- (1) Yes.
- (2) I have been advised by the Department of Marine and Harbours that the situation has been continuously monitored since the area was first affected by severe storms in May 1987. Results of all surveys undertaken were analysed and a report was presented to the Ravensthorpe Shire Council for its consideration on 20 July 1989. The report included options available to the council. The Ravensthorpe Shire Council has considered the report and requested the department to continue monitoring the situation for at least the next two to three years.

#### MINES DEPARTMENT - PROSPECTING LICENCE

##### *Mining and Exploration Distinction - Grounds Details*

1254. Mr COWAN to the Minister for Mines:

Will the Minister advise the detailed grounds on which the Mines Department makes a distinction between mining and exploration in relation to a prospecting licence?

Mr CARR replied:

Under the Mining Act 1978 the term "mining" includes fossicking, prospecting and exploring for minerals, and mining operations.

Section 48 of the Act sets down the rights conferred by a prospecting licence.

The licensee is restricted to the extraction or removal of 500 tonnes of ore in connection with prospecting activities, unless approval is obtained from the Minister for Mines to remove a larger tonnage.

In connection with a prospecting licence, approval would not be given to a mining proposal that went beyond the phase of prospecting, sampling and testing. In such circumstances, the licensee would be required to convert the holding to a mining lease.

#### PROSPECTING LICENCE - ENVIRONMENTAL PROTECTION AUTHORITY

##### *Proposal Opposition - State Mining Engineer's Approval, Authority*

1255. Mr COWAN to the Minister for Mines:

- (1) Where the Environmental Protection Authority has recommended against a proposal for a prospecting licence, does the State Mining Engineer have the authority to approve the proposal?
- (2) Why was it a condition of prospecting licence 70/616 for Coarin Rock, Kwolyin, that approval of the State Mining Engineer was necessary before the prospector could proceed?

Mr CARR replied:

- (1) No, provided the Minister for Environment endorses the Environmental Protection Authority's recommendation.
- (2) The warden, when granting PI 70/616, imposed the undermentioned condition as a safeguard to ensure the potential for impact on the environment was fully assessed prior to any mining activity being commenced -

2. No mining being carried out until:

- (a) the licensee has supplied the State Mining Engineer with a report providing details of the mining proposal including its likely environmental effects and their management;
- (b) the report has been referred to the Environmental Protection Authority for assessment with respect to the environmental acceptability of the proposal; and
- (c) the State Mining Engineer has given his approval to the proposal following consideration of the Environmental Protection Authority's recommendation.

#### PROSPECTING LICENCE - COARIN ROCK RESERVE, KWOLYIN

##### *State Mining Engineer's Approval - Environmental Protection Authority, Mining Exploration Recommendations*

1256. Mr COWAN to the Minister for Mines:

- (1) With reference to prospecting licence 70/616 on Coarin Rock Reserve, Kwolyin, and notwithstanding the fact that the licence expired in July 1989, had the State Mining Engineer given his approval after he had considered the Environmental Protection Authority's recommendations on mining/exploration?
- (2) Is there a procedure for cancelling a mining tenement that has been subjected to -
  - (a) a recommendation of the EPA against it; and
  - (b) ministerial dismissal of an appeal against an EPA recommendation?

Mr CARR replied:

- (1) No.
- (2) No, unless the tenement holder breaches either the Mining Act or a condition of his tenement - for example, he carries out mining operations whereas a condition prohibits him from doing so without approval.

**PROSPECTING LICENCE - ENVIRONMENTAL PROTECTION AUTHORITY**  
*Proposal Opposition - Recommendations, Mines Department, Follow-up Procedure*

1257. Mr COWAN to the Minister for Environment:

Where the Environmental Protection Authority recommends against a proposal for a prospecting licence -

- (a) what follow-up procedure is adopted to ensure that the Mines Department takes note of the EPA recommendations; and
- (b) where the EPA recommendation is not subjected to a successful appeal, what action does the EPA take to have the prospecting licence surrendered or cancelled?

Mr PEARCE replied:

(a)-(b)

A proposal for a prospecting licence which is referred to the Environmental Protection Authority may be assessed formally under part IV of the Environmental Protection Act or reviewed informally, with advice being given to the proponent or the decision making authority.

Where informal advice is offered there is no requirement for that advice to be followed. However, in the event of the authority's informal advice not being accepted on a matter of environmental significance, the Mines Department would normally advise the authority of the reasons. If the Environmental Protection Authority considers a proposal which is likely to be environmentally unacceptable, it assesses it formally under the Environmental Protection Act.

Where a proposal is assessed formally, the Act requires that the Environmental Protection Authority reports to the Minister for Environment on the environmental acceptability of the proposal. On receipt and consideration of this report, and determination of any appeals thereon, the Minister may, following consultation with relevant decision making authorities, notify the proponent and other relevant people that the proposal may not proceed. Decision making authorities are thereby permanently precluded, under this notification, from issuing approvals which would allow the proposal to proceed.

**WESTRAIL - SPECIAL RESERVES**  
*Nature Reserves Policy - Environmental Protection Authority Red Book Recommendation*

1259. Mr COWAN to the Minister for Transport:

- (1) Further to the Environmental Protection Authority Red Book recommendation 4.8, item 9, is it Westrail policy or practice to offer special reserves under its control and other land no longer used for railway purposes such as disused sidings in agricultural areas to the National Parks and Nature Conservation Authority as possible nature reserves?
- (2) What consideration has been given to involving the Department of Conservation and Land Management in the joint management of special reserves under Westrail's control in the agricultural areas that still retain significant stands of remnant vegetation?
- (3) What consideration has been given by the Main Roads Department and Westrail to involving railway reserves that are contiguous to main road reserves in roadside vegetation schemes being carried out on the Dalwallinu/Wubin/Perenjori lines and the Cranbrook/Brookton line?

Mr PEARCE replied:

- (1) No. However, Westrail has given a commitment to promote the conservation, restoration and replanting of vegetation throughout the railway reserve of the



system. Projects are undertaken conjointly in collaboration with Greening Australia (WA) Inc and local community based groups.

- (2) Westrail is continually liaising with the Department of Conservation and Land Management regarding the management of selected portions of the railway reserve. Sensitive areas of vegetation are treated accordingly.
- (3) The matter has been discussed between the two authorities at officer level but at this stage a plan has not been developed for the railway reserves in these areas.

#### LOCAL GOVERNMENT ACT - SECTION 532(3)

##### *Amendment Proposal*

1273. Mr HASSELL to the Minister representing the Minister for Local Government:

- (1) Is it correct that the Government proposes to amend section 532(3) of the Local Government Act 1960?
- (2) Who proposed this amendment?
- (3) Why was this amendment proposed?
- (4) On what basis is the amendment being made?

Mr D.L. SMITH replied:

The Minister for Local Government has provided the following reply -

(1) No.

(2)-(4)

Not applicable.

#### JOINT LIBRARY COMMITTEE - JOINT PRINTING COMMITTEE

##### *Meetings - Chairman*

1275. Mr COWAN to the Speaker:

- (1) How many meetings of -
  - (a) the Joint Library Committee; and
  - (b) the Joint Printing Committee
 have been called and/or held since the 1986 State election?
- (2) Who have been the chairmen of these committees since the 1986 State election?

The SPEAKER replied:

- (1) (a) One; and  
(b) one.
- (2) Both meetings were chaired by the Speaker.

#### ELECTIONS - ELECTORAL ROLLS

##### *Joint Keeping - Federal-State Agreement, Tabling*

1279. Mr MENSAROS to the Minister for Parliamentary and Electoral Reform:

Would the Minister please table or make available the agreement between the State and the Commonwealth Governments regarding jointly keeping all electoral rolls?

Mr PEARCE replied:

The statutory framework for the arrangement with the Commonwealth for the single enrolment procedure is contained in sections 31, 31A and 31B of the State Electoral Act, 1907 and section 84 of the Commonwealth Electoral Act, 1918.

A copy of the arrangement between the Governor General and the Governor of Western Australia dated 20 October 1983 is tabled.

[See paper no 481.]

### HABITATION SURVEY - ELECTORAL DISTRICT *Cost*

1280. Mr MENSAROS to the Minister for Parliamentary and Electoral Reform:

What is the cost of having a habitation survey executed in one electoral district?

Mr PEARCE replied:

The Australian Electoral Commission pays habitation review officers contracted on a casual basis 73¢ for every dwelling included in an urban survey and \$1.25 for every dwelling surveyed in the country. In addition, the review officers are paid allowances to compensate for transport costs of 4¢ a dwelling in the metropolitan area and 11.3¢ a dwelling in the country.

Review officers are encouraged to have electoral enrolment forms completed by residents wherever necessary. A fee of 50¢ is paid to the review officer for every enrolment form completed and returned to the Australian Electoral Commission. This is a cost effective measure for the Commonwealth as there are considerable savings in postage costs and follow up activity.

Based on the above fees and other costs additional to those related to the field work of the electoral roll review, the cost of a habitation survey in a typical metropolitan electoral district with 11 052 dwellings - Marmion - has been estimated to be \$11 500 and one in the country with 5 871 dwellings - Albany - would be of the order of \$10 500.

### HABITATION SURVEYS *Swanview - Midvale*

1281. Mr MENSAROS to the Minister for Parliamentary and Electoral Reform:

At what times were habitation surveys made during the last 10 years in the suburbs of Swanview and Midvale?

Mr PEARCE replied:

The Australian Electoral Commission conducted a habitation survey in Swanview and Midvale in 1980-1981 and later surveys in those suburbs were commenced as follows -

July 1982  
July 1983  
August 1984  
October 1985  
April 1988  
July 1989

The habitation survey usually takes four months to complete. The 1988 survey was delayed by the Commonwealth referendum on 3 September 1988, and the survey was not completed until early 1989.

### STATE ENERGY COMMISSION - EXCHANGE LOSSES *Capitalised and Unrealised Amounts*

1282. Mr MENSAROS to the Minister for Fuel and Energy:

What were the amounts of capitalised exchange losses and unrealised exchange losses by the State Energy Commission at 30 June -

- (a) 1985;
- (b) 1986;
- (c) 1987;
- (d) 1988; and
- (e) 1989?

Mr CARR replied:

The amount of realised and unrealised exchange losses on offshore borrowings at 30 June 1985, 1986, 1987 and 1988 as reported in SECWA's annual report is outlined below. The figure for 1989 is subject to audit, but has also been included.

Note 1.6 in SECWA's 1988 annual report specifies how SECWA treats foreign exchange liabilities. This note also explains how Alcoa of Australia Ltd's share of offshore borrowings relating to the financing of the construction of the Dampier - Wagerup natural gas pipelines is treated.

**Total Deferred Exchange Loss - Realised/Unrealised**

		\$m
(a)	1985	229.5;
(b)	1986	457.2;
(c)	1987	443.7;
(d)	1988	428.7; and
(e)	1989	370.2.

**EDUCATION MINISTRY - EQUAL OPPORTUNITY SECTION**

*Employment Statistics - Funds Allocation*

1283. Mr MENSAROS to the Minister for Education:

- (1) How many people are employed in the equal opportunity section of the Ministry of Education?
- (2) What funds have been allocated to that section for the current financial year?

Dr LAWRENCE replied:

(1)-(2)

There is no equal opportunity section in the Ministry of Education. The former equal opportunity branch was split into two units during the restructure of the ministry. The resources allocated to these units are as follows -

**Equal Employment Opportunity Unit -**

- (1) Two officers.
- (2) No specific budget allocation; funds are drawn from the human resources policy branch budget.

**Gender Equity Unit -**

- (1) Two officers.
- (2) \$22 000.

**ABORIGINAL AFFAIRS - NGURIN ABORIGINAL PROJECT**

*Centre Development, Roebourne - Government Funding Plans*

1285. Mr MacKINNON to the Minister for Aboriginal Affairs:

- (1) Is the Minister aware of any plans by the Government to fund the development of a centre in Roebourne for the Ngurin Aboriginal Group?
- (2) If so, what will be the total cost of the project?
- (3) Who authorised this proposal and when will construction commence?

Dr LAWRENCE replied:

(1)-(3)

I am aware of an interest by the Ngurin Aboriginal Corporation to develop a resource centre base in Roebourne and have recently approved funding to Australian Construction Services for costings to be developed for inclusion in a formal proposal. No commitment for future funding has been given.

**EDUCATION - "LEEMING SENIOR HIGH SCHOOL" PAMPHLET**  
*Financier - Printing Date*

1286. Mr MacKINNON to the Minister for Education:

- (1) Who paid for the pamphlet headed "Leeming Senior High School"?
- (2) When was the pamphlet printed?
- (3) What was the purpose of the pamphlet?
- (4) What was the cost of the pamphlet?
- (5) To whom was the pamphlet distributed?

Dr LAWRENCE replied:

If question 1286 refers to a letter written by the principal and included with the most recent school newsletter, then the following answers apply -

- (1) The school.
- (2) The last week of third term.
- (3) To inform parents of the implications of the six and a half hour day directed by the State School Teachers Union.
- (4) Approximately \$40.
- (5) To all parents of children attending the school.

**STATE FINANCE - "INVESTING FOR THE FUTURE" COMMITMENT**  
*Petrochemical Project Proposal - Aluminium Smelter Proposal*

1302. Mr HASSELL to the Premier:

- (1) Is the Government fully committed to the implementation of the support guidelines set out in the white paper entitled "Investing for the Future" in relation to -
  - (a) its proposed further petrochemical project; and
  - (b) the proposed aluminium smelter project?
- (2) In particular, will support of either project through -
  - (a) favourable or non-commercial gas prices; and
  - (b) favourable or non-commercial electricity prices
 "be open to public scrutiny as to its costs and risks"?
- (3) Will energy contracts be open to public scrutiny on the basis that "project support drawn from the public purse shall be made fully accountable to taxpayers"?
- (4) Does "comprehensive disclosure of all costs, risks and benefits associated with projects" include public disclosure of energy contracts in relation to these projects?

Mr PETER DOWDING replied:

- (1) Yes.
- (2)-(4) Unlike the North West Shelf project, yes.

**CORONER'S ACT - REVIEW**  
*Ad Hoc Committee - Appointment Date*

1303. Mr HASSELL to the Minister representing the Attorney General:

- (1) On what date was the ad hoc committee for the review of the Coroner's Act appointed?
- (2) What was its membership?
- (3) What were the terms of reference given to the committee?

- (4) Were submissions called for from the public?
- (5) If so, in what way were they publicised?
- (6) If not, in what way were submissions sought from the people shown as making submissions in appendix 1 to the report?
- (7) Has the report in its entirety been made public?
- (8) Is there any continuing role or task assigned to the committee?
- (9) If so, what?
- (10) Have submissions been sought in relation to the report?
- (11) If so, from whom?

Mr D.L. SMITH replied:

The Attorney General has provided the following reply -

- (1) 25 October 1989.
- (2) Mr D.A. McCann - Coroner;  
Ms C.A. Wheeler - Crown Solicitors Office; and  
Mr D.J. Bourke - Law Society nominee.
- (3) To review various earlier recommendations made for amendment to the Coroner's Act.
- (4) Yes.
- (5) Comments were sought directly by the ad hoc committee from Government departments and various organisations. Submissions were also invited by advertisement in *The West Australian* on 14 January 1989.
- (6) Not applicable.
- (7) No. Appendix II of the report - a draft Bill prepared by the committee - was not released, but copies can be made available to any interested party.
- (8) No.
- (9) Not applicable.
- (10)-(11)  
Yes. The report is open for public and professional comment until early December.

#### PREMIER AND CABINET MINISTRY - ANNUAL REPORT

##### *Tabling*

1306. Mr MacKINNON to the Premier:

- (1) Has the annual report of the Ministry of The Premier and Cabinet yet been completed?
- (2) If so, when will the report be tabled in Parliament?

Mr PETER DOWDING replied:

(1)-(2)

Following approval by the Governor-in-Executive-Council on 2 May 1989, the designation of the Ministry of the Premier and Cabinet was altered, pursuant to section 21 of the Public Service Act 1978-87, to the Ministry of the Premier and State Administration, and the Ministry of the Cabinet and Public Sector Management was established.

The annual reports of the two new ministries have been completed and will be tabled in Parliament within 21 days of receiving the Auditor General's opinion.

## PUBLIC SERVICE COMMISSION - ANNUAL REPORT

*Tabling*

1307. Mr MacKINNON to the Premier:

- (1) Has the annual report of the Public Service Commission been completed?
- (2) If so, when will the report be tabled in Parliament?

Mr PETER DOWDING replied:

- (1) Yes.
- (2) The report was tabled on 19 September 1989.

## GOLD CORPORATION - INDEPENDENT BODY

*Board Members*

1308. Mr MacKINNON to the Premier:

- (1) Is Gold Corporation still an independent body that functions under its own board?
- (2) If so, who are the members of the board?
- (3) If not, who in fact is responsible for the management and control of Gold Corporation?
- (4) When did the Rural and Industries Bank of Western Australia take over Gold Corporation and what was the detail of the purchase by the bank of the corporation?

Mr PETER DOWDING replied:

- (1) Yes.
- (2) Tom Lang - Chairman  
Brian Bath - Deputy Chief Executive  
Ross Bowe  
Dwane Buckland  
Bill Clark  
Peter Lalor  
Don Mackay-Coghill - Chief Executive Officer.
- (3) Answered by (1).
- (4) The bank has not taken over Gold Corporation, but has acquired its gold banking assets, effective 1 July. Gold banking staff also transferred to the R & I Bank. Gold Corporation's processing, manufacturing and marketing activities were not involved in the arrangements.

## MUSCA EVIDENCE - ANSWERS TO QUESTIONS

1311. Mr MacKINNON to the Minister representing the Attorney General:

When is it anticipated that the Attorney General will be in a position to provide the answers to the questions relating to the Musca evidence, as requested in my correspondence dated 15 September 1989?

Mr D.L. SMITH replied:

The Attorney General has provided the following reply -

A reply was sent to the honourable member on 13 October 1989.

## ROADS - MENDS STREET-PERTH ZOO PRECINCTS STUDY

*Completion Date - Pedestrian Safety*

1312. Mr GRAYDEN to the Minister for Transport:

- (1) When is it anticipated the Mends Street and Perth Zoo precincts study will be completed?
- (2) In view of the danger to pedestrians from traffic in the area, is adequate consideration being given in the study to pedestrian safety?

- (3) Is it expected at this stage that pelican lights will be installed opposite the Zoo entrance?
- (4) What other measures in respect of pedestrian safety are under consideration for the area?

Mr PEARCE replied:

- (1) The City of South Perth circulated the final report of the Mends Street and Perth Zoo Precinct Study in March 1989.
- (2) Yes. The report identified Labouchere Road adjacent to the Zoo as the principal danger spot, and conflict with pedestrians crossing Mill Point Road at Mends Street was also identified.
- (3) Pelican lights will be installed this financial year in Labouchere Road approximately 70 metres south of the Zoo entrance.
- (4) The Main Roads Department has suggested to the City of South Perth that traffic management measures be put in place in Mends Street to improve safety for pedestrians. The final decision on this proposal rests with council as it has the care and control of the street.

#### TROCHUS SHELL - COMMERCIAL USE

##### *Catch, Quantity - Aboriginal Communities*

1313. Mr GRAYDEN to the Minister for Fisheries :

- (1) How much trochus shell for commercial use was taken in Western Australian waters by Australian-based operators in each of the years 1983 to 1988 inclusive?
- (2) Are any Aboriginal communities currently engaged in taking trochus shell for commercial use?
- (3) If so -
  - (a) which communities are involved; and
  - (b) how much trochus shell for commercial use was taken by each community in each of the years 1983 to 1988 inclusive?

Mr GORDON HILL replied:

(1)	Year	Catch (Tonnes - Clean Weight)
	1983	9.3
	1984	31.3
	1985	49.5
	1986	54.1
	1987	73.3
	1988	55.6

(2) Yes.

- (3) (a) There are two Aboriginal communities permitted to take trochus in Western Australia at present. Members of the Bardi Aboriginal Association at One Arm Point have been operating in the King Sound area since 1978. Members of the Kandijwal Association, a subgroup of the Mowanjum tribe, traditional people of the Kimberley area, are licensed to take trochus adjacent to their traditional land in Admiralty Gulf. Their licence is for a one year exploratory period which began on 12 July this year.

(b)	(i)	Bardi Aboriginal Association
		Year                      Catch (Tonnes - Clean Weight)
		1983                      9.3
		1984                      31.3
		1985                      49.5
		1986                      52.3

1987	73.3
1988	55.6

- (ii) The Kandijwal people have not taken any trochus since their licence was issued.

### JETTIES - COODE STREET JETTY, SOUTH PERTH

#### *Repairs - Urgent Need*

1319. Mr GRAYDEN to the Minister for Transport:

In view of the fact that the condition of the Coode Street Jetty, South Perth, has deteriorated to such an extent that it is no longer serviced by the Transperth ferry, will the Minister give consideration to ensuring that the necessary repairs are urgently effected?

Mr PEARCE replied:

A review of the options and costs for replacement of the jetty is being undertaken. The jetty has deteriorated beyond economic repair.

### QUESTIONS ON NOTICE - CLOSING TIMES

1321. Mr COWAN to the Speaker:

- (1) What are the new closing times for questions on notice?
- (2) How do these compare with -
  - (a) one year ago; and
  - (b) five years ago?
- (3) Is the Speaker aware that the closing time for questions on notice in the Legislative Council is, for each sitting day, one hour before the House sits?
- (4) Why is the Legislative Assembly unable to offer the same standard of service as the Legislative Council with respect to questions on notice?

The SPEAKER replied:

- (1) On sitting days, questions on notice may be lodged for the next sitting day up until the following times -

Tuesday	12 noon
Wednesday	12 noon
Thursday	4.30 pm

When the House stands adjourned over a week or more, and the next sitting day is a Tuesday, questions on notice may be lodged up until 12 noon on the Thursday immediately preceding that next sitting Tuesday.

- (2) In October 1988 and October 1986, the times for lodgment of questions on notice were -

Tuesday	12 noon
Wednesday	12 noon
Thursday	4.30 pm

When the House stood adjourned over a week or more, and the next sitting day was a Tuesday, questions on notice could have been lodged up until 4.30 pm on the Thursday immediately preceding the next sitting Tuesday.

- (3)-(4)

The member may not be aware that the systems operating in the Legislative Assembly and the Legislative Council are not directly comparable. I do not accept that the standard of service offered by the Legislative Assembly is inferior to that of the Legislative Council.



**WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - CABLE BEACH  
CLUB RESORT, BROOME**  
*Involvement Cost - Sale Price*

1324. Mr COURT to the Premier:

- (1) What was the total cost of the Western Australian Development Corporation's involvement in the Cable Beach Club Resort development at Broome?
- (2) What price did it receive for its interest in this project when it was sold to Australian City Properties?
- (3) Where any terms involved in this sale?

Mr PETER DOWDING replied:

- (1)-(3) WADC has disposed of its interest in the Cable Beach Club Resort at Broome to its joint venture partner Australian City Properties. The sale was completed at terms satisfactory to WADC and under the criteria outlined by the Premier in his announcement regarding the winding down of WADC's equity and investment activities.

**INDUSTRY COMMISSION, FEDERAL - MINING AND MINERAL PROCESSING**  
*Inquiry - State Participation*

1328. Mr COURT to the Minister for Mines:

- (1) Has the State Government been asked to participate in the Federal Government's Industry Commission's inquiry into mining and minerals processing?
- (2) If so, when will the Government be making its submission?
- (3) Will that submission be made public?

Mr CARR replied:

- (1)-(3) On 15 August 1989 the Commonwealth Treasurer announced that the Federal Government would establish the Industry Commission to replace the Industries Assistance Commission. He also indicated that the new commission would undertake a series of inquiries. One of the inquiries is to cover mining and minerals processing in Australia and the terms of reference are still being discussed within the Federal Government. The Industry Commission has not yet been established and the State Government is yet to be consulted regarding the proposed inquiry. An announcement is expected shortly.

**INDUSTRY COMMISSION, FEDERAL - RAIL SERVICES**  
*Efficiency Inquiry - State Participation*

1331. Mr COURT to the Minister for Transport:

- (1) Has the State Government been consulted by the Federal Government's Industry Commission in relation to its inquiry into the efficiency of Australia's rail services?
- (2) If yes, what submission has or will be made to this inquiry?
- (3) Will this submission be made public?

Mr PEARCE replied:

- (1) Relevant Federal Government studies are the Industries Assistance Commission inquiry into Government - non tax - changes, part of which relates to the efficiency of rail services, and the House of Representatives Standing Committee inquiry on the efficiency of Australian National's east-west rail operations. The State Government has been consulted on both of these.
- (2) The Western Australian Department of Transport and Westrail made a joint submission to the Industries Assistance Commission in September 1988, and

Westrail gave evidence at public hearings for the House of Representatives Standing Committee study in July 1989.

- (3) Copies of written submissions and transcripts of public hearings are available to the public through the agency undertaking the inquiry.

# **INDUSTRY COMMISSION, FEDERAL - ENERGY GENERATION AND DISTRIBUTION**

## *Inquiry - State Participation*

1332. Mr COURT to the Minister for Fuel and Energy:

- (1) Has the State Government been consulted by the Federal Government's Industry Commission in relation to its inquiry into energy generation and distribution that is currently taking place?
- (2) If yes, has the Government made any submissions to this inquiry?
- (3) Will any submission be made public?

Mr CARR replied:

(1)-(3)

On 15 August 1989 the Commonwealth Treasurer announced that the Federal Government would establish the Industry Commission to replace the Industries Assistance Commission. He also indicated that the new commission would undertake a series of inquiries. One of the inquiries is to cover energy generation and distribution in Australia. The Industry Commission has not yet been established and the State Government is yet to be consulted regarding the proposed inquiry. An announcement is expected shortly.

## **MINING - IRON ORE**

### *Production - Statistics*

1339. Mr COURT to the Minister for Mines:

How much iron ore did the iron ore industry produce from its Western Australian mines in the years 1980-89 inclusive?

Mr CARR replied:

#### **Calendar Year**

#### **Tonnes**

1980	84 971 629
1981	75 302 640
1982	78 182 395
1983	74 983 543
1984	90 907 135
1985	88 768 086
1986	81 290 940
1987	84 122 743
1988	98 319 089
1989*	49 838 403

\*first six months to 30 June 1989.

## **FAMILY - WESTERN AUSTRALIAN FAMILY FOUNDATION**

### *Funding - State Government Insurance Commission Profits*

1342. Mr LEWIS to the Minister representing the Minister for The Family:

- (1) Is the Western Australian Family Foundation still in existence?
- (2) Is the Family Foundation being funded by use of profits from the State Government Insurance Commission?

- (3) Has the Western Australian Family Foundation been or will it be the recipient of moneys from any Government, semi-Government or Government agency source during the 1989-90 financial year?
- (4) If yes to (3), what is the total amount of moneys advanced or that will be received and from what source?
- (5) What is the total extent in financial terms of grants from the Western Australian Family Foundation from July 1989 to 30 September 1989?

Mr PETER DOWDING replied:

- (1) Yes, the Western Australian Family Foundation still exists.
- (2) Not in 1989-90.
- (3) Yes.
- (4) \$6.550 million from the Consolidated Revenue Fund.
- (5) 1 July - 30 September 1989.

Community Grants	\$242 127
Women's Health Development Grants	<u>47 000</u>
	\$289 127

#### ASSET MANAGEMENT TASK FORCE - CHAIRMAN

##### *Members*

1343. Mr LEWIS to the Premier:

- (1) Who is the chairman or convenor and who are the other members of the Government's Asset Management Task Force?
- (2) Who is the executive officer of the Asset Management Task Force?
- (3) To which Minister does the Asset Management Task Force report?

Mr PETER DOWDING replied:

- (1),(3) These questions were previously answered following notice of question 942 from the member for Nedlands to the Treasurer.
- (2) Mr Neil Smith is the Executive Officer of the Asset Management Task Force.

#### LANDCORP - FULLY SERVICED URBAN LOTS

##### *Metropolitan Region - Projected Numbers*

1344. Mr LEWIS to the Premier:

- (1) What is the budgeted or projected total number of fully serviced urban lots within the metropolitan region that LandCorp is intending to develop during the 1989-90 financial year?
- (2) What is the total gross expected revenue budgeted to be received from the sale of LandCorp's urban land development program during the 1989-90 financial year?

Mr PETER DOWDING replied:

- (1) The projected total number of fully serviced urban lots within the metropolitan region for the 1989-90 financial year is 912 lots.
- (2) The total gross expected revenue from the sale of LandCorp urban land for the 1989-90 financial year is \$40 200 000.

#### QUESTIONS WITHOUT NOTICE

#### ROTHWELLS LTD - MINISTER FOR ECONOMIC DEVELOPMENT AND TRADE

##### *Rescue - Conflict of Interest*

197. Mr MacKINNON to the Premier:

- (1) Did the Minister for Economic Development and Trade discuss with the

Premier between October 1987 and November 1988 the conflict of interest he faced because of his involvement in associated companies while negotiating with and for the support of Rothwells Ltd?

- (2) If so, when, and what was the nature of the conflict discussed?

Mr PETER DOWDING replied:

- (1)-(2)

Without being fulsome in my response, on the material that has been presented to me, there was no conflict. The Minister for Economic Development and Trade had vendor shares in a company that he could not sell under an agreement until May 1988. Come May 1988, he sold them to one of the people who had a very large equity participation in the company. He sold them so the value of the shares owned by the Minister for Economic Development and Trade did not have any impact on the value of the company.

Mr MacKinnon: If he sold them, why was that not reflected in the company's accounts? Probably because he did not sell them!

Mr PETER DOWDING: The Leader of the Opposition is like a moving feast. I dealt with the issue of the National Companies and Securities Commission's response. The Opposition has not admitted it is wrong; it immediately turned to something else. On this occasion, the Opposition has not produced any evidence of conflict.

Mr Court: Don't be stupid.

Mr PETER DOWDING: The Opposition moved a motion alleging nondisclosure. The answer was an embarrassment. It turned out that not only was there public disclosure, but also that the Opposition was itself told about it. That put an end to the motion because that dealt with the issue of disclosure. Now the Opposition is talking about conflict of interest, but it is not producing any evidence of conflict of interest. According to the information that has been supplied, the man had a very small shareholding in a company that he neither managed nor controlled.

Mr MacKinnon: It was the third largest shareholding.

Mr PETER DOWDING: It was about an eight per cent shareholding in a company. If the House allows me a minute, I will try to find the information. I cannot find the information, but it was a very small shareholding. Vendors' shares cannot be disposed of under an agreement until a certain date. When he disposed of them, he did not dispose of them on the market; one of the people in the company bought them. In other words, in May 1988, what was an asset technically that he could not sell was transposed into a debt from one of the people in the company to him. Immediately he was freed of the obligation, he did not have any interest in the company and he did not have a debt from the company; he had a debt from an individual. Unless the Leader of the Opposition can give me some evidence of conflict, I reject the assertion.

#### WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - FUTURE *Erroneous Claims*

198. Mr CATANIA to the Premier:

- (1) Is the Premier aware of erroneous claims about the future of the Western Australian Development Corporation?
- (2) What is the true situation?

Mr PETER DOWDING replied:

- (1)-(2)

We have heard a comment by the Deputy Leader of the Opposition about the role that I played in going to Hong Kong and the role that the Minister for Economic Development and Trade and the Deputy Premier played in going to Europe to bring people's attention to the value of Western Australia as a place

to invest. These sorts of ministerial responsibilities are traditional for Western Australian Ministers and for Ministers of other States. They are very important ways of communicating to people the valuable opportunities that exist for them to invest in this State and this country.

I have said on a variety of occasions that the Opposition must be very careful about the way it denigrates Western Australia by raising domestic political issues in our major Press. I refer to previous trips by some Opposition members. However, I now have a very clear and unequivocal example of that which I think answers the member's question. On Wednesday, 11 October, *The Australian Financial Review* ran a series of articles about Western Australia. *The Australian Financial Review* does not have a wide domestic readership. It is read by about 4 500 people in Western Australia. I bet probably two-thirds of those are people who live in the Opposition's electorates. It is not, therefore, as though the Leader of the Opposition was trying to win hearts and minds. However, that is not the place for a domestic political debate. The journalists were interested to know whether the Government had taken any steps to provide an environment of greater accountability where Eastern States businesses could look at Western Australia and see that it was a place to invest. The Leader of the Opposition, whatever he thinks of me - he has made that fairly clear over time - had an opportunity to be a supporter of Western Australia. He could have been a bit effusive and said, "Mistakes had been made and the Opposition had been critical of them, but things are getting back to normal and Western Australia is still a good place to invest." However, he told that Eastern States newspaper read by investors in those States -

It cannot be dead -

He was referring to WA Inc -

- when the major aspects of it are still alive.

The WADC (Western Australian Development Corporation) is alive and well, and has indicated they are not going to pull out of equity investments.

That is false. I have told the House and the WADC has made it clear by its actions that the WADC is pulling out of equity investments. It has sold more than 80 per cent of them and the major investments are in the process of being disposed of but will not be disposed of in a fire sale, something which I think everyone should applaud. The Leader of the Opposition, for base domestic political purposes, carried the domestic fight into the boardrooms of Eastern States and international companies which read *The Australian Financial Review*, and he could not even be honest about it.

#### MINISTERS OF THE CROWN - OATH OF ALLEGIANCE

*Minister for Economic Development and Trade - Rothwells Rescue, Breach of Oath*

199. Mr MacKINNON to the Premier:

- (1) Is the Premier aware that when Ministers are appointed they swear an oath of allegiance before the Governor which in part states "and I will do right to all manner of people after the laws and usages of this realm, without fear or favour, affection or ill will"?
- (2) Does the Premier acknowledge that the facts showing the Minister for Economic Development and Trade's involvement, both directly and indirectly, with companies that benefited from Rothwells' loans demonstrate that the Minister is in breach of this oath?

Mr PETER DOWDING replied:

- (1) Yes.
- (2) No.

**RACIAL HATRED - INCITEMENT**  
*Legislative Reform - Government Plans*

200. Mr CUNNINGHAM to the Minister for Multicultural and Ethnic Affairs:

Will the Minister outline the Government's plan for legislative reform to address the problem of incitement to racial hatred?

Mr GORDON HILL replied:

I am pleased to advise the House yet again of the Government's intentions in this respect. It is a well known fact, which has been outlined by the Premier and me both in this House and in other public forums, that the Government intends to legislate on the question of incitement to racial hatred. It is well known that last year the Equal Opportunity Commission produced a report outlining the options available to the Government. One option was to ask the Law Reform Commission to examine existing legislation, and to consider ways in which that legislation could be strengthened, or whether it was appropriate to introduce new legislation. The Law Reform Commission has undergone a long consultative process, which ended on 6 October. I look forward to the release of the Law Reform Commission report to the Attorney General this Friday, which will outline the proposals of the Government in this respect.

I have previously invited members of the Opposition to give bipartisan support to the Government's Bill, as I believe this matter transcends party politics and should be of concern to members of all political parties. It is now a great disappointment to me to find that today the Opposition announced its intention to proceed with a Bill of its own dealing with incitement to racial hatred, without giving consideration to the Law Reform Commission report, and without going through the extensive consultative process through which the Law Reform Commission and the Government have been in order to arrive at legislation that will be workable.

The Opposition previously made a commitment that it would provide bipartisan support on this issue. It has departed from that commitment, but I now give the Opposition an opportunity to again examine the Government's intentions in this area. I do not believe the Government should be diverted by the Opposition's intransigence in this matter, and I again invite its members to endorse the bipartisan approach so that we can implement legislation which will be of benefit to the whole of the community, rather than take part in a political stunt.

**PARLIAMENT - PROROGATION**  
*Premier's Commitment*

201. Mr HASSELL to the Premier:

In order that the various Select Committees and Standing Committees of this Parliament, many of which have been created in recent times, can continue and complete their work in proper fashion, will the Premier give the House a commitment that at the conclusion of the sittings this year Parliament will not be prorogued and that, in accordance with the long established traditions and forms of this House, Parliament will be prorogued only when the new session next year is about to be called together?

Mr PETER DOWDING replied:

I do not know that the member for Cottesloe has ever been an adherent of the forms and traditions of this House. However, my understanding - and I am happy to take advice on it - is that the question of prorogation is always considered on its merits after the Parliament has ended. I am happy to talk to people and take advice on that, but at this stage I have made no decision about it.

FISHING - RECREATIONAL  
*Management*

202. Mr DONOVAN to the Minister for Fisheries:

Will the Minister please advise what, if anything, is being done with respect to the management of recreational fishing in Western Australia?

Mr GORDON HILL replied:

This should be of great interest to all recreational fisherpersons in this State. I believe the word "fisherpersons" is an appropriate description, and it is not a new one. I advise members opposite, and particularly the member for Nedlands, that the matter I am about to outline will not affect them in the many fishing expeditions we have heard lately in this Parliament.

I remind the House that earlier this year I announced a decision to appoint a recreational fishing advisory committee. This committee recognises the approximately 300 000 fisherpersons in this State. The committee has very broad representation in the general community, ranging from fishing and diving clubs, Government departments and those involved in marine management and in the fishing industry itself. The committee's task will be to develop a strategy for the future management of recreational fishing in Western Australia. Members opposite are laughing at the suggestion and it is interesting to hear their mirth.

Opposition members: We are not laughing at that, we are laughing at you.

Mr GORDON HILL: I am sure that the fisherpersons in this State, including members of the Western Australian Sports and Recreational Fishing Council, will be interested to learn that the Opposition members do not treat this matter very seriously. The matter is serious and the Government is concerned about the management of recreational fishing in this State. The Government represents the 300 000 recreational fisherpersons in the State in making this move, and ensuring there will be appropriate consultation throughout the State in order to provide appropriate management of recreational fishing in Western Australia.

WATERFRONT - REFORMS  
*Implementation - Government Assistance*

203. Mr COWAN to the Minister for Labour:

What action is the State Government taking to assist in the implementation of the proposed reforms of the waterfront recently announced by the Federal Minister for Industrial Relations?

Mr TROY replied:

I am grateful for this question which gives me an opportunity to put on record that many of the recommendations picked up in the national report have already been in operation in this State with a number of initiatives that have been taken. I can assure the Leader of the National Party that the Government is not resting on that good reputation. Currently the Chairman of the Australian Association of Marine and Port Authorities, Mr John Jenkins, is meeting in Sydney and looking at further extensions of initiatives that can take place in Western Australia following this last resolution. Certainly a range of initiatives across a very wide ranging set of port situations in Western Australia need to be addressed, and it is the Government's intention to pursue that further.

As members will be aware, this State has clearly made significant progress in the operations at the Fremantle Port, and the development of the national discussions in the last 18 months has perhaps hindered further progress. However, now that firm resolutions have been made, the Port of Fremantle and other Western Australian ports will be able to continue down the path of addressing problems in that area.

WESTERN AUSTRALIAN DEVELOPMENT CORPORATION - CABLE BEACH  
CLUB RESORT, BROOME

*Involvement Cost - Sale, Interest Price*

204. Mr COURT to the Premier:

- (1) Why will the Government not disclose -
  - (i) The total cost of the Western Australian Development Corporation's involvement in the Cable Beach Club Resort development in Broome;
  - (ii) the price it received for its interest in this project when it was sold to Australian City Properties; and
  - (iii) the terms involved in the sale?
- (2) Under the Government's new accountability legislation, should this information not be made available to the Parliament?

Mr PETER DOWDING replied:

(1)-(2)

I do not see any reason why not. I understand there was a question on notice, which was answered, but which did not provide that information, and I will certainly check with the Board of the Western Australian Development Corporation. The real issue which the Deputy Leader of the Opposition should recognise is that the sale was to the group which had a partnership role in its establishment, and I will have to check to see whether there are any issues which might impact on their position as a consequence of the disclosure of the information. The information is disclosed in the WADC annual accounts, and the money is all accounted for, but I will check with the board, and if the member would like to put this question on the Notice Paper I will see if we can get an answer.

ORCHIDS - PURDIE'S DONKEY

*Canning Vale Land Preservation - Member for Riverton, Political Motivation*

205. Dr WATSON to the Minister for Conservation and Land Management:

I am concerned, as the Minister for Conservation and Land Management knows, that the efforts of the member for Riverton, the Liberal candidate for the Federal electorate of Canning, and the President of the Orchid Society of Western Australia, to preserve the Purdie's Donkey orchid in land at Canning Vale are not informed but are politically motivated. Could the Minister provide the House with information in respect of the Purdie's Donkey orchid?

Mr TAYLOR replied:

I am delighted to respond to the member for Kenwick because on this issue she - unlike the member for Riverton - has a genuine concern, and is not seeking to manipulate the Orchid Society in its enormous anti-Government push to try to stop us doing something to save the Purdie's Donkey orchid. The member for Riverton would know that the Government is doing something about the matter. This orchid is on a site in Riverton -

Mr MacKinnon: It is in Canning Vale. You do not even know where it is.

Mr TAYLOR: I have been there; I know where it is. We are trying to save that orchid. I indicated a couple of weeks ago that there are a number of sites in the State where this orchid is found, including the site at Canning Vale. The problem with the site at Canning Vale is that it may be developed, and we have the unique situation where the developers involved are prepared to put aside some \$70 000 to allow scientists of the Kings Park Board to try to find a way to ensure the long term survival of this orchid. They have also found another site for this orchid, in addition to the five or six sites I mentioned last time. That site -

Mr Kierath interjected.



Mr TAYLOR: The fact is that there were other sites available when I gave that answer. The member for Riverton said in respect of an article in *Landscape* that this was a very rare plant, and that I was trying to mislead the House. That article is some 12 months old.

An additional site has been found in the south west, which has some 600 orchids growing on it. We have in this State an outstanding effort on the part of scientists at the Kings Park Board to try to ensure the long term survival of this orchid. They are developing techniques to produce mass germination of many Western Australian orchid species. There has been a trial propagation of the Purdie's Donkey orchid, which has resulted in additional plants being grown at Kings Park. I have no doubt these techniques will continue to be successful. They are also investigating methods for the large scale propagation of the Purdie's Donkey orchid to ensure its preservation.

The member for Riverton would know, if he were to take a genuine interest, rather than let his interest in politics overwhelm his interest in orchids, that if those orchids are set aside in a reserve at Canning Vale, we would have weed invasion, and we would have no control over the burning of that area, which is important for the long term survival of that orchid. The member for Riverton, rather than taking this politically motivated stance of liaising with his Federal colleague, should be saying to the Government and the scientists involved, "Well done. I support you because you are at least doing something different to try to ensure the survival of this species."

#### MINERAL SANDS - NANNUP-AUGUSTA REGION

##### *Transport - Government Studies*

206. Mr BLAIKIE to the Minister for Transport:

- (1) What studies has the Government undertaken on the transport of mineral sands from proposed mines in the Nannup-Augusta region?
- (2) What transport options are being considered?
- (3) When are decisions to be made on the transport of these mineral sands?

Mr PEARCE replied:

(1)-(3)

A study is now being undertaken by the Department of Transport to consider the transport options that are available for the carriage of mineral sands in the south west region. The member should know that; it has been in all the newspapers, and he does not need to ask me. It has been a matter of some debate in the local community for some time.

Mr McNee: He is asking you, and it is your job to answer him.

Mr PEARCE: If the member likes, I will stay here after 6.00 pm and not ask for overtime. The member should know perfectly well the answer to this question; I believe it is a kind of a fill-in question because the Opposition does not have any real questions left. The Department of Transport is considering the transport options, and a report will be made available as soon as possible.

#### EDUCATION - COUNTRY HIGH SCHOOLS HOSTEL AUTHORITY

##### *Ministry Transfer - Opposition*

207. Mr HOUSE to the Minister for Education:

In respect of the proposed transfer of the Country High Schools Hostel Authority to the Ministry of Education -

- (1) Is the Minister aware that such a transfer is strongly opposed by all the hostel boards of management and a large majority of parents?
- (2) Will she reject the proposal as being contrary to the best interests of the students attending those hostels?

Dr LAWRENCE replied:

(1)-(2)

The proposed transfer is not in fact a proposed transfer; a proposition has been put to me by officers in the ministry, and it is not a proposal on my part. I receive advice from time to time from the policy and resources section of the ministry, which casts an eye - as it properly should - over the use and management of resources, for the benefit of children in the education system. One of the proposals put was the possibility that the management of financial and staffing matters should fall within the ministry's general purview. That proposition is being examined at the moment by officers of the ministry, who are touring country areas, and discussing with the boards exactly what that proposal means, how it might affect them, and the administration of the country hostels in general. So at this stage it does not have my support. It is being examined, and consultation is taking place, and I would welcome any input from members opposite, particularly from the National Party, who have an interest in this proposal, before I consider it.

Mr House: You would be aware that the Select Committee rejected that proposal.

Dr LAWRENCE: Yes, but one is not obliged, as a Minister, to take as gospel every recommendation of every Select Committee.

Mr House interjected.

Dr LAWRENCE: Exactly, and that is why it is going through the process of consultation. I will examine the responses from the board, and any response from the National Party members and other members opposite - although the Liberal Party does not seem to have an interest in this matter.

#### SHEEP - MIDDLE EAST PROBLEMS

##### *Slaughter Increase - Government Action*

208. Mr McNEE to the Minister for Agriculture:

In respect of the significant problems being experienced in selling live sheep to Middle Eastern markets, what does the Government propose to do to ensure increased capacity at Western Australian abattoirs to meet the expected increase in the number of sheep for slaughter?

Mr BRIDGE replied:

In response to the member for Moore, the Government will continue to do precisely what it is doing now.

Mr Blaikie: That is nothing!

Mr BRIDGE: The clock is ticking over and I want to tell members the end of the story. I want to go into Banjo Paterson this afternoon, so members should give me time.

The operation at Robb Jetty is running at maximum output and the industry is being accommodated by that operation. I have been constantly in touch with the operation down there to ensure that the influx which was considered likely to happen in October and leading into November can best be accommodated in the current circumstances. That is happening. Some of the country abattoirs, for example, are not even operating, or if they are they are operating at only a very small degree of their capacity. At the moment the processors, the industry and the Government are looking at how we can continue to maintain this efficiency. I am confident that at the moment we are dealing with the situation and the member, as a grower out in the Moore country, can hope for a bit more rain and send in a bit more stock and we will deal with them for him.

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