



WESTERN AUSTRALIA

# **Parliamentary Debates**

**(HANSARD)**

THIRTY-FIFTH PARLIAMENT  
SECOND SESSION  
1998

LEGISLATIVE COUNCIL

Tuesday, 18 August 1998

# Legislative Council

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**THE PRESIDENT** (Hon George Cash) took the Chair at 3.30 pm, and read prayers.

## MIDWIFERY

### *Petition*

Hon J.A. Scott presented a petition, by delivery to the Clerk, from one person praying that the Legislative Council will ensure state health services include community-based midwifery as part of maternity services.

[See paper No 90.]

## FAMILY AND CHILDREN'S SERVICES

### *Petition*

Hon J.A. Scott presented a petition, by delivery to the Clerk, from one person praying that the Legislative Council investigate the administration, procedures and legislative framework of the Family and Children's Services in relation to the Child Welfare Act.

[See paper No 91.]

## GOODS AND SERVICES TAX

### *Urgency Motion*

**THE PRESIDENT** (Hon George Cash): I have received the following letter addressed to me and dated 18 August -

Dear Mr President

At today's sitting it is my intention to move an Urgency Motion under SO 72 that the House at its rising adjourn until 9.00 am on Friday 25th December 1998 for the purpose of discussing the impact of the proposed GST tax package on pensioners and self funded retirees.

Yours sincerely

Hon Cheryl Davenport, MLC  
Member for South Metropolitan Region

In order to discuss this matter, it will be necessary for at least four members to indicate their support by rising in their places.

[At least four members rose in their places.]

**HON CHERYL DAVENPORT** (South Metropolitan) [3.36 pm]: I move -

That the House at its rising adjourn until 9.00 am on Friday, 25 December.

First I draw the attention of members to question without notice 53 which I asked last Thursday of the Minister for Finance, which states -

- (1) Will the minister confirm that by definition a GST is a regressive tax?
- (2) Does the minister have a guarantee that the compensation package will not be reduced in the future?
- (3) If not, what guaranteed protection for low income families exists in the proposed GST package?

The Minister for Finance replied -

- (1)-(3) I do not know of any country outside New Zealand that has a guarantee. We have not defined that. Any change to the rate of 10 per cent, either up or down, must be subject to the approval of each Parliament, Federal or State.

My colleague Hon Ljiljanna Ravlich interjected and asked, yet again, whether it was regressive. The minister then replied -

No. There will be many benefits for everyone. I said in fairness to the President that I would not extend my speech.

Hon Max Evans: You will do it today. That's better.

Hon CHERYL DAVENPORT: The minister got a bit grumpy when he was replying to that question.

Hon Max Evans: Never!

Hon CHERYL DAVENPORT: His answer was not satisfactory, despite the Premier's acceptance of the goods and services tax package.

Hon Tom Stephens: He will have time today to respond.

Hon CHERYL DAVENPORT: He will indeed. At that point the minister was not around the detail. In the few minutes I have available in which to speak in this debate this afternoon I will show how the tax is regressive, and how it assists high income earners but disadvantages pensioners, particularly seniors on fixed incomes and some self-funded retirees. I ask all members this question: Is it just that people such as us will gain \$86 a week? From my view it is quite unfair. I have seen figures provided by the pensioners' and superannuants' organisations in Western Australia and, although there are differences of opinion, these figures generally estimate that the weekly effect for pensioners on fixed incomes - that is, age pensioners and some superannuants - will be between an extra \$7 and \$10. Obviously that will not mean everybody, but some people will fit into that category. I will place a couple of examples before the Parliament.

In 1995 the now Prime Minister said that there would be no GST, that the Liberal Party had learned its lesson and had lost an election in 1993 on that basis. That is correct. I do not think this federal coalition Government will get much further this time, because the Australian community will not accept the proposed GST. It is quite clear to me that both the Prime Minister and the Treasurer have also been conned by Treasury. Since before 1980, Treasury has been very intent on making sure a GST is introduced in Australia and has moved heaven and earth to do so.

Hon N.F. Moore: They even convinced your Prime Minister and his Treasurer, and the current Leader of the Opposition.

Hon CHERYL DAVENPORT: So be it, but they did not lose an election on it then, and they will do the same this time.

Treasury has assumed that the spending patterns of millionaires are the same as the spending patterns of people on low incomes. However, that is not the case. The proposal to try to keep pensions above the inflation rate by utilising the 4 per cent compensation package has been shown by a number of economic commentators to be quite rubbery. It is based on budget forecasts for the next few years. However, no guarantees can be given on that matter, and we have not yet seen the full impact of the Asian crisis on our economy, an impact that economists all over the world have forecast will be quite severe. The compensation package will be dependent on the social security system. I understand that it will not be legislated for as part of the GST package. The bottom line, therefore, is that it cannot be guaranteed that in future the 4 per cent compensation package will remain.

It also cannot be guaranteed that the rate of the GST will not increase. I know that all the States must agree to an increase if that is what the Federal Government chooses to do, but revenue can be raised in other ways and thereby lessen any benefit to people in this income bracket. I remind members that 21 of the 23 Organisation for Economic Cooperation and Development countries that currently have a GST have increased the rate of the GST.

I have been able to glean over the past few days since the release of the GST package that shire rates are not generally of interest to pensioners because, in the main, they defer them; child care is obviously of no interest to them because they do not have young children; and if they are age pensioners, they have no school aged children, and although they may choose to undertake further studies, they generally no longer use the education system.

I have received the following comments from two of the major organisations that have pensioner constituents: The Government is doing away with wholesale sales taxes and is imposing a new form of tax that will make it more difficult for people on low incomes to maintain their quality of life; and, secondly, pensioners are already so far behind that the 4 per cent compensation promise is an insult. They are suspicious, and they do not trust the Prime Minister. They have good reason, after the fiasco that occurred last year with the proposed up-front fee for nursing home care. I believe that again, as with the nursing homes package, the Government is listening only to the top end of town. It listened in that instance to the Moran Health Care Group Ltd, which is the for-profit sector in the provision of nursing home care, as opposed to the churches and the non-government organisations. The same thing is happening this time. No GST will be applicable to the up-front fee for nursing homes. However, the criterion for people to gain access to nursing homes will still be 85 per cent of the base pension, and that will be of no comfort to self-funded retirees either, some of whom may have to pay up to \$36 per day for nursing home care.

The economic modelling that was carried out by the peak national pensioner organisations prior to the announcement

of the GST package indicated that if the compensation package were 7 per cent, that might go some way towards assisting this group of people. Today I was given an example by one of those pensioner groups, and for the benefit of members I will read these figures into the record. The example is of a married pensioner couple who receive the maximum benefit of \$295.80 per fortnight each. If the 4 per cent compensation were built into their benefit, they would receive an extra \$24 per fortnight, which would increase their disposable income to \$322.50. This couple own their own home and vehicle. I wonder what would happen in the case of single pensioners or couples who rent their accommodation. I hope Homeswest will be very clear about how it will provide rental services to those people, because while rent will not be affected, building materials and maintenance costs will be affected, and that is forecast to lead to an increase in rents.

The normal annual expenses of this couple, based on the past year, are broken down as follows: They pay \$5 200 for food and groceries. People are being encouraged to eat fresh products so that they will remain healthy as they age. However, while there will be some reduction in wholesale sales tax for things such as cordial, biscuits, ice cream and sweets, the price of bread, milk, vegetables, fruit and meat will increase. That does not equate with encouraging people to eat fresh products as opposed to processed food.

Hon W.N. Stretch: Have you thought about the impact of transport costs on those fresh foods? Those costs are enormous now.

Hon CHERYL DAVENPORT: They may well be; and the member can argue his case when I have argued mine.

Hon W.N. Stretch: You do not have a case.

Hon CHERYL DAVENPORT: I do have a case.

House insurance for this couple is \$400; car insurance is \$300, and I know there is a state government discount for pensioners; electricity is \$500; wood heating is \$200; car licence fees are \$300; telephone is \$320; house maintenance and repairs are \$2 000; car maintenance and repairs are \$1 000; clothing and linen are \$600, which is minimal; gardening and lawnmowing are \$500; hobbies and sports are \$500; petrol is \$750; and two cans of beer a day are \$720. If we added a GST to those items, this couple would have to pay an extra \$44.57 per fortnight; and even if we deducted the 4 per cent compensation that they would receive, they would still be approximately \$20 worse off per fortnight.

I have not talked about the cost of goods that are not eligible for pharmaceutical benefits, nor have I talked about home and community care, which assists people who are sick to remain in their own homes. Meals on Wheels, gardening and maintenance services, and home help will all be subject to a GST. That will have an impact on the community services sector. A fee for service has now been imposed, and those organisations are regarded as businesses. Some of those organisations may be about to lose their permanent benevolent association status.

The State Government should look thoroughly at that range of factors in the context of the production of the package before it is legislated for. As people age, they want to stay in their own homes; they do not want to go into institutional care. The Government has exempted institutional up-front fees but it has not looked at the costs of home and community care to make sure that pensioners and self-funded retirees are able to have access to services that will help them to stay in their own homes. That is absolutely reprehensible and, frankly, the Australian people will well and truly reject it.

**HON JOHN HALDEN** (South Metropolitan) [3.50 pm]: I guess that it is fair to say that with most issues, particularly taxation matters, the devil is always in the detail. I want to concentrate on self-funded retirees. Those people have been courted on many occasions by members opposite because of their voting power. Members opposite have told them repeatedly at public meetings how they were short-changed by the previous Federal Labor Government and how they would do better for them. I shall talk about those people and the proposed impact of a goods and services tax on them. In the vast majority of cases, those people have limited incomes and limited access to the social security benefits which are provided to less well-off aged people, but, more importantly, they have saved all their lives and done the right thing not to burden the State in their latter years. They should generally be applauded for those efforts. I do not want to give a lecture about what John Halden may think about a goods and services tax; I want to quote briefly the comments of experts in the matter. First, I shall quote Mr John Randall from Deloitte Touche Tohmatsu whose press release by way of the Internet on 14 August this year states -

Superannuation pensioners will be some of the biggest losers out of the Government's Tax Reform Package with previously tax-exempt pension funds to now be taxed at 15 per cent, said Mr John Randall, Partner, Deloitte Tax Service.

Randall said the new 15 per cent tax would mean the assets available to fund a pension over the retirement years would diminish more rapidly.

"Pensioners will either run out of capital faster or have to take a smaller annual pension," . . .

Randall said this erosion of benefits would be accentuated by the increased costs to super funds that a 10 per cent GST would impose on services such as investment advice, external administration and insurance.

"Add to this the abolition of the \$450 savings rebate, supposedly offset with a maximum all-up \$2 000 Retirees Bonus, and we have a situation where self-funded retirees are greatly disadvantaged.

"The Government really needs to consider the financial impact of the proposed tax reform changes on self-funded retirees to ensure that Australia doesn't end up with a raft of self-funded retirees unable to fund themselves."

I would now like to go to another piece of advice that was given by the same company, again on the Internet. I do not know whether it was released to the Press. It refers to the changed funding arrangements for life insurance and superannuation. I want to quote the contents of the table referred to in the document. Currently, life underwriting profits are exempt from tax. They will be taxable under this proposed scheme. Ordinary life insurance investment income, which currently is taxed at 39 per cent, will be taxed at the corporate rate of 33 per cent, but then superannuation investment income, which currently is taxed at 15 per cent, will be taxed at 33 per cent. Annuity investment income, which currently is not taxed at all, will be taxed at the corporate rate of 33 per cent. That is all good news for self-retirees, is it? I must say that the devil is in the detail.

What the Government does not do in its \$10m taxpayer-funded extravaganza of advertising is tell the truth. Government members do not go into the detail because they do not want people out there who will be most disadvantaged to know what the truth is. The truth is that the Government will rob blind two of the most disadvantaged groups in society. Goodness knows what it will do with other groups, but the two groups that Hon Cheryl Davenport and I have looked into are clearly examples where the Federal Government does not want to tell the truth because it does not want people to know the significant impact that the proposal will have upon them. It does not matter how many quirks members opposite may go through to try to twist the matter, those people will be worse off, except, of course, those who earn the most in superannuation. People with superannuation policies of \$100 000 a year will be all right, thank you very much; for them the compensation package will be adequate, but for those on the lowest incomes that will not be the case.

According to the Government's own slick advertising, under the proposal a single person on \$15 000 to \$20 000 a year is better off than a married couple. Also, a younger couple with no children on \$15 000, \$20 000 or \$25 000 a year is better off significantly, in one case by 300 per cent, in terms of the benefits that the Government is to provide, than an aged self-funding couple. All the rhetoric the Government has dished out over all the years means nothing when it comes to the realities. It is hoodwinking the community and it knows that. When people say, "That's not true; that's not the real story," I say, "Don't argue with me, argue with Deloitte because they are the experts. In fact, you can argue with their senior retirement fund partner."

I shall quote again from the Deloitte document because what we will develop is a dual system of taxation for retirement benefits now and retirement benefits in the future, just to make it simple. Remember that this was to be done so that we could have a simpler taxation system. The last paragraph of the Deloitte Touche Tohmatsu document states -

As a transitional measure, policies taken out before the start of the entity tax regime will be subject to the existing rules. This could mean that life companies will be required to comply with two tax regimes until the middle of the next century.

That is not bad - that is 52 years of complication. The Government has actually developed a very simple system. We are all delighted, particularly self-funded retirees. In the remaining few minutes I shall quote the impact of the proposed rules. The document states -

The cost of term life insurance will increase due to the taxation of underwriting profits;

Superannuation funds and taxpayers on marginal rates below the corporate rate are likely to elect to be taxed on the bonuses as they are assigned to the policy rather than on encashment. This would give them access to any refundable imputation credits; and

Policyholders on a marginal tax rate higher than the corporate rate will choose to pay tax on the bonuses on encashment as the reinvested bonuses will have only borne tax at the corporate rate. This will increase the after tax return of the policyholder.

All members would say that there is a need for tax reform, but we cannot have tax reform by virtue of the

Government's own slick advertising campaign, which clearly points out that one group will benefit most from it - that is, those who can most afford to pay more tax. The people who receive least out of this, according to the Government's own advertising campaign, are those who can least afford it and who should be given more benefits under any progressive, realistic taxation regime. Those are the Government's own figures. The critique of what it will do for self-funded retirees is developed not by the Australian Labor Party or me but by experts in the matter. Where does that leave the Government? Where is its defence now, particularly when the income spending pattern of the people whom it will attack the most is skewed in certain areas? We all know that. The majority of self-funded retirees, those who are on lower incomes, and the general bulk of the population spend a greater proportion of their income on food and day-to-day sustenance. Any form of compensation that the Government may be offering these people will not compensate them for what will happen.

Hon Ken Travers: They do not care.

Hon JOHN HALDEN: There has been a smoke screen. For a decade members opposite said they would help self-funded retirees. When it comes to eating the pudding, we know it will not be there, because the Government will take their money.

**HON MAX EVANS** (North Metropolitan - Minister for Finance) [4.00 pm]: The motion relates to the impact of the proposed goods and services tax package on pensioners and self-funded retirees. I only wish to goodness Mr Keating had been more successful in 1985 and had introduced a GST, because the whole country would have been a lot better off over the past 13 years.

Hon Bob Thomas: It was one of three options and it was not supported.

Hon MAX EVANS: Inflation and other factors have arisen during that time. The ALP got all the Labor States to approve a GST but at a tax summit in Tasmania in May 1985 it was wiped out.

Hon John Halden agrees that changes must be made to the tax system. We would all agree that people are creeping into the higher tax rates, and some changes must be made.

Hon Bob Thomas: It must be fair.

Hon MAX EVANS: Hon Cheryl Davenport referred to a GST in other countries. I have not checked but it was 3 per cent at one stage, and it is now 10 per cent. I doubt the rate is below 10 per cent in any country around the world.

Hon Cheryl Davenport: That does not make it right. They raise the tax all the time.

Hon MAX EVANS: We have set the GST at 10 per cent and it can be changed only with the approval of all the States and Territories and both Houses of the Federal Parliament.

Hon Bob Thomas: It could be done in a one-line Bill.

Hon MAX EVANS: Members opposite have ignored the benefits that will flow from it; for example, the aged person savings bonus of \$20 a week up to \$1 000 to retirees over the age of 60 on income from savings and investments. On top of this is a self-funded retiree's supplementary bonus of \$2 000. A person who is of pensioner age but who does not receive a social security service pension will receive extra benefits later.

Hon John Halden: They have lost 6 per cent off the top.

Hon MAX EVANS: Those bonuses have been targeted at low income earners - those with incomes less than \$30 000, or \$600 a week. Hon John Halden referred to a married couple receiving \$15 000 a year. I cannot image a young couple living on that, so he is quoting statistics and not real figures.

Hon John Halden: They are your figures.

Hon MAX EVANS: Provisional tax will not be paid by self-funded retirees. They will pay as they go each year. That could also result in a financial cash benefit to them.

Hon John Halden: I know a lot of provisional taxpayers who earn \$15 000 a year.

Hon MAX EVANS: I receive a lot of letters complaining about the financial institutions duty and the federal bank account debit tax. Removing that will provide some relief to people. It is not a lot of money but it is a benefit, particularly on amounts debited to their accounts.

Hon Cheryl Davenport: It is hardly anything.

Hon MAX EVANS: There will be a 30 per cent rebate on private health insurance. An elderly couple with a health insurance premium of about \$1 000 a year will receive a benefit of \$300 a year, or \$6 a week. The benefit for a family

will be \$600 a year, or \$12 a week. That is a big benefit. I would not disagree with Hon John Halden that the Federal Government's rebate incentive for hospital benefit premiums has not worked. People have not picked that up. In the old days we received a full tax rebate for hospital benefit premiums. We will now come back to the middle rate of tax of 30¢ in the dollar. I have found over the years that many of my friends and contacts have kept up their hospital insurance despite its being a cost to them. They will receive a direct benefit from a tax rebate.

In addition the pensioner rebate will be maintained and increased so that pensioners will not pay income tax until their taxable income exceeds \$24 500. They will receive a rebate of \$250 per annum for a single person or \$350 a couple.

The age pensioner with personal income from savings investments may also be eligible for the aged person savings bonus of \$2 000. This is in line with New Zealand, which tried to pick up people on a fixed income and put money into their pockets.

Hon Bob Thomas: They have completely withdrawn that compensation. The minister should ask the pensioners.

The PRESIDENT: Order! Hon Bob Thomas will get his chance later on.

Hon MAX EVANS: I doubt he will get up, Mr President.

Hon Bob Thomas: Don't you want to hear the truth?

Hon MAX EVANS: Members referred to the GST on fruit, vegetables and meat. Prices for those goods vary by 10 per cent to 30 per cent depending on changes in weather conditions and seasons. It is like petrol prices; the price goes up and down according to the whims of the oil companies. The prices of fruit, vegetables and meat vary over the year by a lot more than 10 per cent.

Hon N.D. Griffiths: The GST will go up too.

Hon MAX EVANS: As Hon Bill Stretch said, a lot of prices are affected by transport costs to the markets and shops, and there will be major savings from that.

Hon Ljiljanna Ravlich: How major? You do not know.

Hon MAX EVANS: There will be compensating factors.

I do not know whether many members opposite were in this House at the time, but the Labor Government lifted wholesale sales taxes from zero to 12 per cent. The price of goods such as biscuits, ice cream, domestic stoves, wrapping materials, water softening filters - which everyone uses these days, packaged flavoured milk and non-alcoholic drinks increased by up to 12 per cent.

Hon N.F. Moore: Members opposite did not tell anyone about that, did they?

Hon Ljiljanna Ravlich: That is luxury for a lot of these people.

Hon MAX EVANS: They did not tell anyone. Members opposite did not complain when the former Labor Government introduced not only that tax but also a CPI factor on tobacco and alcohol excise. The CPI went up every year. That was far worse than a GST.

Several members interjected.

The PRESIDENT: Order! Some members fail to realise that Hansard is trying to record what is being said. Members make life difficult for the people who are charged with the responsibility to record things accurately. What about a bit of consideration for other people.

Hon MAX EVANS: The real problem is that members opposite do not want to hear the truth. They do not want to hear the facts. That is the way they think. That is why they never learn or get any more intelligent over the years.

Items which now attract a 22 per cent wholesale sales tax - such as pet foods, razors, shampoos, stationery, toilet paper and toothpaste; items people cannot live without because they are major commodity items - will be taxed at a rate which is 10 per cent less than the current rate. Major household items will be taxed at a rate which is 10 per cent lower than now. The tax on items like carpets, floor mats, whitegoods etc, which is 12 per cent at present, will decrease to 10 per cent, which is a drop of 1.9 per cent. Members opposite are overlooking major savings.

Hon John Halden does not want to hear the answer on the tax rate. The superannuation surcharge is an entirely different issue and came into effect in August 1996. That has nothing to do with this deal. I do not disagree with Hon John Halden that that will affect everyone in this House. He also talked about other tax factors and referred to the tax that the life funds will pay. The life funds are managing funds on deposits, and accumulated benefit schemes such as superannuation are doing very well. Only this week Colonial Ltd paid \$1.6b out of its petty cash to buy

Prudential Australia Ltd. They are not short of cash and some people say they should pay more money to the Government for the benefit of taxpayers. We saw the true worth of AMP when it was floated on the stock exchange. Those companies can afford to pay some taxes which they were not paying before. They were accumulating funds for the benefit of those in life funds.

On the issue of self-funded retirees and pensioners I believe we must go into this knowing there will be some give and take. This package is a very brave and wise way to clear up a lot more of the problems we have. One reason land tax rates were dropped was to assist self-funded retirees. Over the past four or five years the land tax on properties in the range of \$200 000 to \$600 000, which were the residences of self-funded retirees, was going through the roof. That had some big benefits.

Hon Cheryl Davenport talked about home and community care. I am certain that as the whole thing clears and we know what the extra costs will be, in time we will pick up the extra costs.

Hon Ljiljanna Ravlich: You do not know what they are.

Hon MAX EVANS: Homeswest has a \$30m repair bill. That will increase by \$3m. It is not a material amount and by the time I finish sorting out the accounts we will save \$3m. Mr President, I think these people are on a good deal under the GST.

**HON KEN TRAVERS** (North Metropolitan) [4.12 pm]: I am honoured to support the motion. I found the comments by the Minister for Finance to be extraordinary. He suggested that we would not see a price increase in food items such as meat and vegies. The reality is that they will increase. If they were not going to increase why would the Federal Government propose a compensation package? Pensioners and seniors in our community probably spend the majority of their income on food items. Those items will go up in price.

Hon Simon O'Brien: What are they?

Hon KEN TRAVERS: I want to talk about hypothetical constituents this afternoon. Let us assume they live near the RAAF base at Merriwa, an outer northern suburb. I want to show how the GST is regressive and unfair on those people compared with people who live closer to the city. A pensioner living in accommodation at Merriwa who wants to go out for the afternoon must catch a bus because the trains do not go that far.

Hon Greg Smith: They have just filled up with petrol which is 25¢ a litre cheaper.

Hon KEN TRAVERS: Is it? Does the Government pay tax on its petrol? Will they get it cheaper?

The PRESIDENT: Order! Hon Ken Travers is meant to be addressing the Chair.

Hon KEN TRAVERS: No serious commentator would argue differently. Public transport fares will increase. The Minister for Transport is in this place. I would love to hear a statement from him that public transport fares will not go up as a result of the GST.

Hon Ljiljanna Ravlich: They will not go down.

Hon KEN TRAVERS: Members opposite will not make that statement because they know that the cost of public transport will increase. The pensioners at Merriwa will be hit with a 10 per cent increase. However, the 10 per cent -

Hon Greg Smith: It might be 3 per cent.

Hon KEN TRAVERS: It could be 3 per cent, 5 per cent or 10 per cent. The reality is that pensioners, who do not have much money in their pockets, will be required to pay the increase. It is all right for us to smirk about this package.

Hon N.D. Griffiths: You are not.

Hon KEN TRAVERS: I am embarrassed and ashamed about it.

The PRESIDENT: Hon Nick Griffiths will come to order!

Hon KEN TRAVERS: I had a look at this package on the weekend and found that my partner and I will get an extra \$120 per week. I could hire a bus with that. It is an embarrassment.

The pensioners of Merriwa are paying not only an extra 10 per cent for bus travel, but also 10 per cent more than that paid by pensioners living in Mt Hawthorn. This Government wants to increase bus fares. During the Estimates Committee I was given information that leads me to believe that the Government plans to increase bus fares by up to 50 per cent. When I asked what the Government saw as the optimum level of cost recovery from fares I was told that the desired rate is 40 per cent. The current rate is 23 per cent. The pensioners at Merriwa will be hit hard.



If they scrape together the money to go to the city and see a movie, they will also face a 10 per cent increase in the cost of their movie ticket. If they have lunch while they are in town, again they will pay 10 per cent more.

Hon Greg Smith: You have already said that they will spend all their money on food.

Hon KEN TRAVERS: I said they would spend the majority of their money on food.

They might then decide they can no longer afford these luxuries. They might stay at Quinns Rocks and shop at the local centre. Even if we factor in a decrease in the cost of the transport for the goods they buy, the cost of those staple goods will be higher for those pensioners than it is for those living closer to the city. Again, the compensation package might in some way address the concerns of the pensioners living in Mt Hawthorn.

Several members interjected.

Hon KEN TRAVERS: I am surprised that the members from the regional areas are not becoming concerned. If it hurts the pensioners at Merriwa, what will it do to the pensioners of regional Western Australia?

Hon Bob Thomas: Hit them hard.

Hon KEN TRAVERS: That will all be factored in; we have an average compensation scheme. Those people will shop at the local Quinns Rocks shopping centre and will pay extra. If they want to participate in activities at the Quinns Rocks senior citizens group, which is a great organisation, they will have to pay an extra 10 per cent.

Hon Greg Smith: It does not apply to non-profit organisations.

Hon KEN TRAVERS: It does if the organisation is involved in a commercial activity. Will Meals on Wheels be exempt? If pensioners decide they cannot afford to participate in these activities, they might stay at home to watch television and use the Meals on Wheels service. Again, that will cost an extra 10 per cent. Meals on Wheels will probably close down. The people doing the books for those organisations will not want to do the extra work for the GST.

Hon Simon O'Brien: So the GST will cause it to go out of business!

Several members interjected.

Hon KEN TRAVERS: Is the member suggesting that it will be exempt?

The PRESIDENT: Hon Simon O'Brien will come to order and Hon Ken Travers will address the Chair and not individual members.

Hon KEN TRAVERS: My father, as a volunteer, does the books for his local Meals on Wheels service. Unlike Hon Simon O'Brien, he did not start out in life as a supporter of the Labor Party - he started at the opposite end of the political spectrum. He has told me that he does not want to do the book work for a GST. Arthur from "Minder" would love this "Mr Ten Per Cent" trickery.

Even if the compensation package is sufficient for the pensioners living in Mt Hawthorn - I doubt it will be - the pensioners living in Merriwa will be hit, and hit hard.

Members should compare that to the situation in which I find myself. My partner and I will get \$120 extra each week after tax.

Hon N.F. Moore: Perhaps you can donate that to someone.

Hon KEN TRAVERS: I already do.

Hon N.F. Moore: Obviously you get too much.

Hon KEN TRAVERS: I am happy to show the minister how much I donate.

Hon N.F. Moore: As a good socialist you should give it all to the pensioners.

Hon KEN TRAVERS: I am more than happy to give it away.

Hon N.F. Moore: Good on you.

Hon KEN TRAVERS: Everyone will be required to pay 10 per cent more, but after allowing for the GST, my partner and I will receive an extra 10 per cent.

Hon Simon O'Brien interjected.

Hon KEN TRAVERS: That is based on the figures in Saturday's *The West Australian*. My partner and I will get about \$120 per week extra.

Hon N.F. Moore: You don't deserve it.

Hon KEN TRAVERS: I will go through this briefly and highlight -

Several members interjected.

The PRESIDENT: Members are drowning out their own speaker at the moment.

Hon KEN TRAVERS: I draw to members' attention the advertisement that appeared on page 35 in *The West Australian* on Saturday, 15 August. I urge people to look at the cash gain a self-funded retired couple will receive per week after the GST if they are earning an income of \$20 000. They will receive \$2.42 according to the Government's figures. However, a couple earning \$20 000 without children will gain \$13.91 from the GST. Where is the equity in that for the self-funded retirees? How can members stand in this place and justify and support a system that will hit the self-funded retirees who have worked to put away something for their future? They will be hit in that order, but those on a double income will receive in the order of an extra \$11 a week. If one believes these figures, a pensioner couple on an income of \$20 000 will receive \$36.51, but a self-funded retiree will receive an extra \$2.42. Where is the equity in that? How can anyone say this is an equitable system? It attacks those who can least afford it. It gives us, in this place, a whopping increase in our after-tax income.

Hon N.F. Moore: Which you are most welcome to give back.

Hon KEN TRAVERS: It does so at the expense of the pensioners, the self-funded retirees and the group that I have not had a chance to mention, the students - the people who can least afford it. It is a disgrace.

**HON RAY HALLIGAN** (North Metropolitan) [4.21 pm]: We are back to the days of 1993 - the unsubstantiated statements and the pure, unadulterated claptrap. It is absolute rubbish.

Hon N.D. Griffiths: By Mr Howard.

The PRESIDENT: Order, members! Other speakers have been heard in relative silence. I want members to afford that courtesy to the member on his feet. If members do not like what is being said, they can leave the Chamber.

Hon RAY HALLIGAN: A sentiment with which I concur entirely.

We went down this path before, in 1993, and we are going down exactly the same path again - scare tactics; that is all it is. It has no substance whatsoever. A lot of the information provided by *The West Australian*, the guru, and some of these chartered accountants who believe they know everything has been disputed.

Hon Ken Travers: That is the Government's own information advertisement.

Hon RAY HALLIGAN: They have yet to provide more information that is acceptable to the majority. Members opposite are picking up on those things from which they believe they can make some political mileage - such as the fresh produce that they expect all pensioners to eat. These pensioners, it seems, eat nothing else and buy nothing else but fresh produce. I would like to see the shopping list that created the figures that Hon Cheryl Davenport provided to this House. Apart from food, would there not be other things on the shopping list of those pensioners and self-funded retirees?

Hon Tom Stephens: Yes, books. That will cost them 10 per cent more.

Hon RAY HALLIGAN: Would they not use toothpaste and toilet paper?

Hon Simon O'Brien: Of course they would.

Hon RAY HALLIGAN: Those items carry a wholesale sales tax of 22 per cent; shampoos, 22 per cent.

Hon N.F. Moore: Brought in by the Labor Party without telling anybody about it.

Hon RAY HALLIGAN: It is all right if a person grows a beard, but if he shaves and must buy razors, 22 per cent.

Hon Tom Stephens: Ten per cent for going to the barber.

Hon Ken Travers: Will their weekly bill go up or down?

Hon Derrick Tomlinson: Contraceptive pills, 33 per cent.

Hon RAY HALLIGAN: The few necessities; fruit juice, 12 per cent.

Hon Tom Stephens: Aspirin, 10 per cent.

Hon RAY HALLIGAN: As the Leader of the House has stated, a tax introduced by a Labor Government.

Hon N.F. Moore: Without telling anyone.

Hon RAY HALLIGAN: Most definitely. These are the hidden taxes.

Hon N.D. Griffiths: Where is your pricing?

The PRESIDENT: Order!

Hon RAY HALLIGAN: I suggest it is probably better than the Opposition's, because it had none.

Hon N.D. Griffiths: We do not need one; we are not bringing in a GST.

Hon RAY HALLIGAN: Very true. The Opposition rides roughshod over everyone.

We also heard that these people probably would not have any children, but they probably would have grandchildren. If they wanted to buy things for their grandchildren, even birthday cards, they would pay a sales tax of 22 per cent; stuffed toys, 22 per cent; toy jewellery, 32 per cent. There was a suggestion that some of their costs would not decrease. If I recall correctly, Hon Cheryl Davenport mentioned \$2 000 per annum for home maintenance and repairs. A certain number of things are specifically for that purpose and attract a wholesale sales tax.

Hon N.D. Griffiths: Tell me about lawn mowing.

The PRESIDENT: Order!

Hon RAY HALLIGAN: Lawnmowers, ladders, adhesives, bench vices, workbenches, sawhorses, wheelbarrows, something as simple as glass paper, and rakes all have a sales tax of 22 per cent. Beer was mentioned. Members opposite wanted to make out that these people were providing themselves with a luxury of two beers - was it per week, per month or per year? Are members aware that beer is taxed at 37 per cent and wine at 41 per cent?

Hon Ken Travers: What will be the change?

Hon RAY HALLIGAN: That we will find out when John Howard is re-elected.

Hon Ken Travers: What will be the change?

Hon RAY HALLIGAN: Does Hon Ken Travers know? He points the finger at members on this side of the House.

Hon Tom Stephens: You are in government. Your Government signed off on this.

Hon RAY HALLIGAN: This is a federal issue, is it not?

Hon Tom Stephens: Your Government has endorsed this.

The PRESIDENT: The Leader of the Opposition will come to order, as will Hon Ken Travers.

Hon RAY HALLIGAN: I will tell members what the people of Western Australia and the rest of Australia are waiting for. They are waiting for the next week and a half when the Opposition's illustrious federal leader brings down their party's alternative.

Hon Tom Stephens: Hear, hear!

Hon RAY HALLIGAN: It will be more "Ha, Ha" than "Hear, hear." We shall see. There will be increases of pensions and allowances for pensioners and the Government will maintain its legislative commitment to ensure that the single rate of pensions does not fall below 25 per cent of the male total average weekly earnings. Those who are funding their own retirement will receive a bonus of up to \$3 000. Single retirees will receive an extra tax rebate of \$250 a year. Couples will receive an extra rebate of \$350.

*Point of Order*

Hon N.D. GRIFFITHS: Will the honourable member identify the document from which he is quoting?

The PRESIDENT: Under standing orders, the member is required to identify the document from which he is quoting.

*Debate Resumed*

Hon RAY HALLIGAN: It is a booklet entitled "Tax Reform not a new tax a new tax system". It is the Howard Government's plan for a new tax system, circulated by Hon Peter Costello MP, Treasurer of the Commonwealth of Australia, and dated August 1998.

Hon Ljiljanna Ravlich: What are the guarantees?

Hon Tom Stephens: Will you table the document?

The PRESIDENT: Order!

Hon Ljiljanna Ravlich: Will you guarantee it?

Hon RAY HALLIGAN: I can guarantee that if Labor is elected at the next federal election, the greater majority of Australians will be worse off.

Hon Ljiljanna Ravlich: They could not be any worse off than they are under you.

Hon RAY HALLIGAN: Yes, they could, a lot worse off, just as they were when we had a Labor Government.

Hon Ljiljanna Ravlich: Wasting air.

Hon RAY HALLIGAN: Thirteen years of hard Labor, and the people recognise that and will remember it when the next federal election comes around.

Hon N.D. Griffiths: We will have another 13 year term.

Hon RAY HALLIGAN: In Opposition; I agree with that.

Hon Ljiljanna Ravlich: What are your polls showing?

The PRESIDENT: Order! As a new member Hon Ljiljanna Ravlich should understand that there are rules in this place. If she continues to interject I will apply the rules. That means she could be missing from the Chamber.

Hon RAY HALLIGAN: There is no doubt in my mind that the tax system proposed by the Howard Government will benefit the majority of Australians, including pensioners and self-funded retirees.

Hon Kim Chance: Rubbish.

Motion lapsed, pursuant to standing orders.

#### **JOINT STANDING COMMITTEE ON THE ANTI-CORRUPTION COMMISSION**

##### *Assembly's Message*

Message from the Assembly received and read acquainting the Council that it had adopted a standing order to establish a Standing Committee on the Anti-Corruption Commission and inviting the concurrence of the Council and the appointment of Council members.

#### **METROPOLITAN REGION TOWN PLANNING SCHEME AMENDMENT BILL**

##### *Introduction and First Reading*

Bill introduced, on motion by Hon Norm Kelly, and read a first time.

##### *Second Reading*

**HON NORM KELLY** (East Metropolitan) [4.32 pm]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to amend the Metropolitan Region Town Planning Scheme Act 1959. The primary intent is to introduce into the Act the ability to make partial disallowances of omnibus amendments to the metropolitan region scheme.

Section 33 of the Act deals with amendments to the MRS. Subsection (1) allows for amendments to the original scheme while subsection (4) provides for amendments to the MRS to be disallowed by Parliament. Importantly, section 33A allows for amendments not considered to be substantial alterations to the scheme, to bypass section 33 provisions.

It has been the Government's policy over recent years to introduce omnibus amendments, which are a compilation of mainly minor amendments to the MRS. Often these minor amendments are regarded as not being substantial under section 33A of the Act and, as a result, not subject to parliamentary scrutiny.

I stress that the Australian Democrats support this Government's policy of putting forward minor amendment proposals as part of an omnibus amendment. This policy ensures that otherwise minor, non-contentious amendments

can be tabled in Parliament. We will continue to support this policy to ensure that all amendments to the MRS are brought before the Parliament to undergo parliamentary scrutiny. Although the Australian Democrats support this process of dealing with amendments, it is our intention with this Bill to overcome the current situation where it is an all-or-nothing approach.

Under the Act, a partial disallowance is not permitted. I have recently raised this matter, as have others, during debate in this place of two disallowance motions to MRS amendments. On both occasions - on 8 April and 1 July this year - I commented on the limitation of the Metropolitan Region Town Planning Scheme Act in that it does not enable partial disallowance of omnibus amendments. By this restriction, members have the difficulty of considering the possible merit of disallowing a single proposal within an omnibus amendment, against the impact such a disallowance would have on other worthy proposals contained in the same amendment. The effect is that, no matter which way members vote, it remains a win-loss situation. This Bill intends to change that to a win-win position.

The fact that an omnibus amendment may be disallowed because of a single proposal may be an incentive for Governments to bypass this scrutiny in future by implementing minor amendments under section 33A of the Act.

Omnibus amendments can be an extremely costly process and disallowance should not be taken lightly. However, it would be negligent of Parliament, particularly the Legislative Council, to ignore its role of scrutiny by disallowing an omnibus amendment if a single amendment proposal were disallowed. Those fearful that the availability of partial disallowance of an omnibus amendment may accommodate the occurrence of more frequent disallowances need to balance this with the danger, as has already occurred, of an entire omnibus amendment being thrown out, after much time and expense, due to a single contentious proposal.

The metropolitan region scheme amendment No 985/33 contained 19 changes, including a number of substantial changes to the scheme which were worthy of support. Notably, it included a proposal to transfer some lots of high-conservation-value land from rural to parks and recreation reservation zoning. The omnibus amendment was not passed because a disallowance motion was moved and passed relating to the contentious and significant amendment to rezone the Kiara TAFE site from public purpose to urban. It is wrong that such a contentious amendment be contained within an omnibus amendment.

Ideally, all contentious amendment proposals would be put forward as separate amendments, but this is not always possible to judge. It is often only when the amending process has commenced that it will become obvious which amendments may be contentious. This was not the case with the metropolitan region scheme amendment No 985/33. The Kiara site had been the subject of an omnibus amendment in 1996 - the north-west corridor omnibus amendment - at which time 601 of the 604 submissions received during the public consultation phase were opposed to the zoning change. Even so, the Government chose to include this significant and contentious change in the recent 985/33 omnibus amendment. As a result of this decision, the opportunity to make 18 positive changes to the scheme was lost because one proposal was not supported.

This Bill will allow for the disallowance of either "the whole of the amendment", or "any part of the amendment by deleting anything from it". The Bill also makes a change in the number of sitting days from the date the amendment is tabled in Parliament in which a disallowance motion can be moved. The current period is 12 sitting days, but this Bill will extend that time to 14 sitting days to put it in line with the period allowed under the Interpretation Act for moving disallowance motions for tabled regulations. Having the same disallowance period for both Acts will lessen any possibility of confusion for the public and for parliamentary staff. I commend the Bill to the House.

Debate adjourned, on motion by Hon Muriel Patterson.

#### ADDRESS-IN-REPLY

##### *Motion*

Resumed from 13 August.

**HON CHRISTINE SHARP** (South West) [4.43 pm]: I am very pleased to have the opportunity to speak in this Legislative Council on the Governor's speech, in which he outlined the Government's major policies for the year. On 6 March last year, although I had been elected to represent the South West Region in this House, I sat upstairs in the public gallery during the Governor's speech. It was a strange sensation to look down being part of, yet apart from, proceedings. I admit that I was fairly shocked by the content of the Governor's speech last year. Speaking on behalf of the Government, the Governor outlined the new era to take us into the third millennium, and this was all about resources development. The Governor proceeded to outline resources development to the tune of \$8b, as costed by the Government, which was to create 2 000 permanent jobs. I remember thinking at the time, upon doing some quick sums, that each new job would cost \$4m to develop. Those 2 000 jobs to be created were in stark contrast to the State Government's cut, as estimated at that stage, of 12 000 to 13 000 public service jobs. I wondered

how the Government thought it could sort out anything by creating only 2 000 jobs when it had cut 12 000 to 13 000 jobs.

I had the honour of being seated on this upholstery at the opening of Parliament this session. Therefore, I am able to address some of the issues raised in the Governor's speech. The tenor this year was very different from last year's. Very little was said about resources development, with greater focus placed this year on social issues, such as law and order, youth, health, education and native title.

I had no anticipation about the Governor's speech and sat here and partook in the ceremony. However, I felt increasingly angry and alienated about the words the Governor was expected to mouth on behalf of the Government. I was quite shocked. We sit in here on a day-to-day basis getting on quite well in a reasonably civilised and cordial manner. I assume that that results from the reasonably friendly working relationship we have developed. To the credit of us all, we are in some kind of harmony regarding overall parliamentary development. Nevertheless, the Governor's speech brought me down to earth with a thud. We are poles apart in understanding the problems and what we think should be done about them. I found myself making remarks to the Press a few minutes after the speech to the effect that the content of the speech was offensive, ineffectual and out of date. They are strong words. I wish to explain to the Council why I made those comments.

Why did I call what the Government outlined as ineffectual? In the emphasis placed on law and order, it was obvious that the Government was addressing symptoms, not causes. How will we solve things if we never go to the causes? The Government's whole approach towards law and order is to address community fear, which is real and genuine and about which everybody is concerned.

An interesting study was conducted about five years ago by a Californian political scientist called Michael Lerner. He was fascinated by what was causing a significant shift globally to the right, and why people were becoming more right wing. Michael Lerner conducted a study in psychotherapy in conjunction with politics to discover what was causing this community shift. He admitted that when he started his study, he thought he would discover that the move to the right was because many people in the community are inherently sexist, racist, homophobic, anti-Semitic or just plain stupid.

Hon N.D. Griffiths: A good description of the Liberal Party!

Hon N.F. Moore: That's a stupid comment.

Hon CHRISTINE SHARP: Nevertheless, when he pursued his studies, he discovered that people were not inherently sexist, racist, homophobic, anti-Semitic or just plain stupid. He discovered the driving force for people's fears and the move to the right was that many people were responding to deep pain in their lives stemming from the way the world of work and institutions of daily life interfered with the capacity for mutual recognition and connection with others. This led people to believe that they could not trust others and must look only to themselves. The whole thrust of modern life is reducing our capacity to respond to the world with joy and wonder; instead, it is presenting us with a despiritualised outlook, which is literally "de-meaning". As a result, Michael Lerner developed a discipline which he described as the politics of meaning. I mention that because it is important that we understand the meaning of the increase in the crime rate in our society, and that we do not deal just with people's very natural fears as a consequence, but with the causes so that we can address this fear.

I suggest that one of the major causes of the increase in the crime rate is the increase in the alienation of our young people, and in particular of young Aboriginal people. It is not surprising to see economic causes as one of the reasons for this increase in alienation. Almost every social indicator of young people indicates that they are far worse off economically than they were 20 years ago. For example, wages in the past 20 years have fallen by 20 per cent in real terms for young males and by 12 per cent for young females. In the same period, since 1978, in the 15 to 24-year-old bracket, unemployment has increased from 11 to 17 per cent for males, and from 13 to 17 per cent for females. Meanwhile, homelessness has increased dramatically in the 1990s decade. In 1991, 8 000 to 10 000 people aged between 12 and 18 years were estimated to be homeless. By 1994, that had increased in those three years to 21 000 people. Homelessness more than doubled in the first part of this decade. What do these figures mean? They mean that life has very little meaning for a significant number of young people in our community. They do not have a lot going for them. They do not feel that they will achieve anything in their lives. They are suffering from very low self-esteem, they are bored, they are disaffected and they sense that they are quite outside the system. This is what I mean by alienation. These people need a meaningful life. That is one of the reasons that these same people turn to using drugs, because drugs are a way to stimulate the consciousness to provide meaningfulness in the mundane.

Marijuana is probably the favourite drug of young people. It is relatively harmless and it is very easy to grow. It is terrific that the day after the Governor made his speech, an announcement was made of the move towards a cautioning system for first offenders in the Mirrabooka and Bunbury police regions. It is an important and positive step forward on behalf of the Government. However, it does not go far enough by any means. The Greens (WA)

party is doing some research into drug reform legislation, and it will move to introduce a Bill into this House shortly. However, at the moment we are looking at the drafting and speaking with a lot of interest groups. Today I would like to talk a bit more about marijuana because there is an incredible amount of misconception in the community. When I listened to the Governor speak about the Government's solutions, I thought how the Government did not understand the situation. It is so out of touch with the dynamics of what is making young people do this.

Firstly, I will discuss this much-used gateway argument about marijuana; the idea that marijuana is a gateway drug. I believe that the most significant gateway drug is alcohol. Undoubtedly, almost everybody who moves to harder drugs did not begin with marijuana, but with alcohol.

Hon Bob Thomas: What about mother's milk?

Hon CHRISTINE SHARP: One of the really community-friendly things about marijuana is that it is a very democratic sort of drug. One needs to be reasonably skilled to make alcohol which is pleasant enough to drink and which one feels like drinking every day. As reasonable skill is needed to make it, we therefore are prepared to pay \$15 for a bottle of Margaret River wine.

Hon Barry House interjected.

Hon CHRISTINE SHARP: No, we are not Liberals.

Marijuana is much easier to produce and that is why I say it is a very democratic drug. It is easier to grow than tomatoes. Anybody can have their plant. If everybody had their plant, it would become very easily available and cheap. The extreme attitude of this Government - and previous Governments - and the emphasis of the police on clamping down on the smoking of marijuana has resulted in marijuana becoming so expensive for the average urban person to smoke that it is cheaper for him to get stoned on heroin. What an appalling situation! The difference with amphetamines and heroin is that they are drugs which are much worse for the body and must be produced in laboratories. Therefore, they come from a relatively few number of sources in our society, and those sources are likely to be of a criminal element. However, if people had their pot plant of pot on their back doorstep, that would not cause young people to have contact with any type of criminal element at all. Our legal system has made marijuana a so-called gateway drug. Our laws are not preventing crime; they are helping to reinforce the increase in the rate of crime.

If members are feeling uncomfortable about what I am saying, I would like them to address their own drug usage. I wonder how many members in this place do not have some politically-correct drug of their own. I guess it would be alcohol for most of us. How many of us have not had either caffeine or alcohol within the past 24 hours? If all those who have were to leave the Chamber, it would become very quiet in here indeed, because caffeine and alcohol are politically-correct drugs. It is okay for us to get drunk and it is okay that every time we are asked about serving a hot beverage, the choice - for example, in the parliamentary dining room - is, "Would you like to drink a cup of caffeine or would you like to drink a cup of caffeine?" That is fine, but if it is other drugs, it suddenly becomes politically incorrect.

Would members know what these young people who like to smoke pot think? They think that is really hypocritical. They know that smoking pot and getting a bit high on pot is very similar to drinking a glass of wine and feeling good after drinking a glass of wine. It is relatively harmless, it helps socialisation and it is generally a beneficial thing, although I am not claiming it is good for the health. However, it has many social benefits and young people know this. They see the hypocrisy with which our society and our Police Force hound them and make them criminals for doing something simple. That is a fundamental cause of alienation for where law and order is at; it is because of this hypocrisy.

Andre Malan wrote an interesting article on heroin reform on the same day that the Governor gave his speech. The Greens very much support the National Party's call for the provision of free heroin to registered drug addicts because we think that would make a significant impact on crime rates. On page 15 of *The West Australian* on 11 August, Andre Malan quoted Dr Derek Pocock, who was the State's chief forensic pathologist in the 1980s. Dr Pocock commented -

If you want to see a drug that really kills people, you need only look at alcohol. There is a body on my slab every day from alcohol.

That was the comment of the State's former chief forensic pathologist. This is what can happen if one drinks alcohol but no-one suggests that as a result we should become totally prohibitionist and prevent anyone from drinking alcohol. The problem is addictive behaviour, not the substances themselves. That addictive behaviour is caused by the lack of meaning in life and alienation from the system.

**[Questions without notice taken.]**

Hon CHRISTINE SHARP: I will continue my remarks regarding marijuana. I noted the interesting information given today by the Minister for Transport in response to a question asked by Hon Norm Kelly about the advertisements in the weekend newspapers and that it cost \$8 250 to advertise in *The West Australian* on Saturday. This is the sort of thing I mean: How many young people read the back pages of *The West Australian*? If the Government really wants to communicate with young people, why does it not use media such as Triple J? That is where the youth are at! They are not on page 31 of *The West Australian*! For many youth who had any contact with *The West Australian* on Saturdays, it would be only to use it as a pad on which to roll their joints. We must get to where the young people are and get in touch with what they are doing. If we are to break the association between marijuana and criminal activity, we must understand that we will not do that by toughening the laws because laws cannot prevent the problem; they are causing it.

The Parliamentary Joint Committee on the National Crime Authority said in 1988, 10 years ago, that -

Over the past two decades in Australia we have devoted increased resources to drug law enforcement, we have increased the penalties for drug trafficking and we have accepted increasing inroads on our civil liberties as part of the battle to curb the drug trade.

All evidence shows, however, not only that our law enforcement agencies have not succeeded in preventing the supply of illicit drugs into Australian markets, but that it is unrealistic to expect them to do so. If the present policy of prohibition is not working then it is time to give serious consideration to the alternatives, no matter how radical they may seem.

I will now read some extracts from the Greens (WA) election platform on drug law reform so that members will know where the Greens stand on this issue. We want to see the systematic implementation of school-based education programs about drugs; the further development of services that are available to support people with drug dependency; the development of research, evaluation and professional competence by establishing an agency for drug dependency; improved access to the methadone program; and the development of proposals to trial new drugs which help prevent relapse into narcotic dependence; and to transform law enforcement through integration of policing strategies related to drugs in association with health, education, community services and local communities. We also want to see a change to the laws with regard to drugs, including the elimination of the offence of personal possession and use of marijuana, and the elimination of the offence of growing up to five marijuana plants per household; and the retention of offences with regard to trafficking in marijuana and other illicit drugs.

That is not exactly the approach that the Greens (WA) will be taking to the legislation that we will introduce; and before we introduce that legislation, we intend to speak to other members of this Parliament so that we can take a cooperative approach and embrace as many of the opinions in this Parliament as possible. I would like to speak to my local member, Dr Hilda Turnbull from the National Party, who has made some comments in favour of the decriminalisation of marijuana, and I also would like to have more information from the parliamentary drug law reform group, so that we as members of this House can put our heads together to come up with the best possible package and start to do something that will be effective. This matter is urgent. We cannot wait another few years to deal with this matter. This will be the best possible thing that we can do for law and order. It is not, however, the only thing that we can do.

Education is another matter that the Governor raised in his speech. It has been suggested that for every dollar that is spent on the education system, \$5 is saved on law and order. We must understand that schools and our education system are the major socialisation agencies in our society after the family, therefore it is important that our schools are able to deal with behavioural problems. That means that we need to have small schools and small class sizes so that teachers can pick up antisocial behaviour and learning difficulties at an early age and put in place intervention programs. This is absolutely critical. Teachers in small schools are the best placed to identify young people who may experience problems with the law in later life.

However, what the Government has announced about our education system is the expenditure of \$100m on a computers-in-schools program. The Government's emphasis is on academic performance only and not on understanding the community socialisation role that our education system should also perform. The Governor talked also about the introduction of the curriculum framework and a revolutionary change to teaching approaches which will be based on what students are learning rather than on teaching students a set curriculum. Apparently the Government will spend only \$1.5m on training our teachers to implement the new curriculum effectively, rather than the at least \$6m that has been estimated will be necessary.

Earlier in my speech I discussed alienation as a major cause of crime in our society and said that the people most likely to be alienated are young people and Aborigines. Statistics have suggested that an Aboriginal person is 26 times more likely to be gaoled in Western Australia than is a white Western Australian. Aboriginal families face tremendous problems, partly as a result of the stolen generation, and partly as a result of 150 years of racism,



oppression, misplaced policies, and so on. That has caused tremendous damage in Aboriginal communities, and has led to dysfunctional communities and dysfunctional families.

The Governor touched on Aboriginal issues in his speech and said, on behalf of the Government, that the solution for Aboriginal people's problems is education and jobs. I found that absolutely staggering, because the Minister for Education conceded in May of this year that education has probably failed Aboriginal people. Aboriginal unemployment is currently 23 per cent on the national average, compared with 8 per cent for non-Aboriginal Australians.

Hon Derrick Tomlinson: There is probably a high correlation between unemployment and a low level of education.

Hon CHRISTINE SHARP: That is right. The recent announcement about a new Aboriginal school in Perth is a tremendous step forward. However, it is a pity that this comes at the same time as Scarborough and Cannington Senior High Schools, which have good Aboriginal programs, attract a lot of Aboriginal students, and have a high rate of retention into years 11 and 12, may be closed.

Hon Derrick Tomlinson: The most depressing problems are found in rural areas, where Aborigines have a reading age of about year 3.

Hon CHRISTINE SHARP: We face a huge challenge in dealing with this problem. I have spoken in this place previously about how sad we are about the amalgamation of Pundulmurra College, which was the only Aboriginal secondary college in this State. We would like to see Aboriginal people regain control of that college and it become a model for Aboriginal education.

Hon Derrick Tomlinson: That is a symptom of the failure rather than a cause of the failure.

Hon CHRISTINE SHARP: That is right, and that is why I am dealing with the Governor's solution, which was education and jobs.

An interesting article appeared in *The West Australian* of 11 August about a new security force called Nyoongah Security Services that has been established in Perth by Nyoongah people. That service will be run by Aboriginal elders and older Aborigines, and is led by a former boxer from Collie called Andy Nebro. The article states that -

His remedy for repeat troublemakers is to speak to their parents to gain permission to take them to their families' traditional lands.

There, they could learn new skills including horticulture and farming, and their own language and culture under guidance from elders.

I found it interesting that the Nyoongah people make a connection between Aboriginal offenders and the lack of connection with the land. During the winter recess, I met with many Nyoongah people in the south west and learnt about the enormous success they had achieved this year of the acquisition of a farm near lower Denmark called Wallich Farm which has been receiving funding from the Aboriginal and Torres Strait Islander Commission. It has been made available to Nyoongah people in the lower south west. This has been an enormous hit with the young Nyoongah people who are flocking there. They are learning fencing, tree planting and all sorts of other skills. It is improving their self-esteem and getting them off the streets. It is incredibly positive. The provision of farms such as Wallich farm is a kind of solution in the south west where all land is freehold title, and therefore if Aboriginal people are to have a connection with the land, it will be through the provision of enough money to enable them to afford to buy farms in each district where that connection with the land seems to be so incredibly important to the spirit of Aboriginal people, although I suggest it is perhaps important to the spirit of all people.

Hon Derrick Tomlinson: I agree.

Hon CHRISTINE SHARP: I turn now to the part of the Governor's speech where he referred to what he said would be the most important legislation before this House in the forthcoming session, the native title Bill. That is when I started to feel really offended because it seems to me that this access to the land is very vital to the wellbeing of Aboriginal people, and none of us would doubt that Aboriginal wellbeing is in serious jeopardy at the moment.

Hon Greg Smith interjected.

Hon CHRISTINE SHARP: I shall discuss that, do not worry.

When we discussed the forthcoming native title Bill, all the remarks, every single one of them, was about economic development. Not a single comment by this Government recognised the genuine aspirations of Aboriginal people to have access to their traditional lands.

Hon Greg Smith: Where do you think the \$1b comes from?

Hon CHRISTINE SHARP: All the discussions were about the benefits to our economy of these additional jobs. That is fine. Let us talk about that because that is very important. However, given the state of the Aboriginal community in Western Australia, I find it offensive that this Government does not have the generosity to at least acknowledge the importance of some kind of connection and recognition of their right of access to this land.

Hon Peter Foss: It is already there.

Hon CHRISTINE SHARP: The speech does not mention it.

Hon Peter Foss interjected.

Hon CHRISTINE SHARP: It does not. Look at the speech.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order!

Hon CHRISTINE SHARP: I would like to discuss the issues, as the Governor did, that will come up in this session. When this forthcoming native title Bill is before this place, I hope that the Legislative Council will be the House in this Parliament which stands up for the principles of native title and recognises the valid rights of Aboriginal people. I hope that we will be not only the House of Review, but also the House of principle. That is why I made such a strong comment and said that I found the Governor's remarks to be offensive, because they were so exclusive, so one-sided -

Hon Barry House interjected.

Hon CHRISTINE SHARP: Of course, everything is what one reads into everything, and that is exactly it: What will Aboriginal people read into that?

Hon Barry House: I do not know.

Hon CHRISTINE SHARP: My last comment was that I thought so much being proposed for this session was completely out of date. I made these remarks because, to use the jargon of youth, this Government is so uncool and its big solution to youth alienation is Youth Cadets. This is *Boys Own Annual* stuff; these are regimented, militaristic activities which, for a large percentage of the kind of young people who are likely to get onto the slippery slope, are totally unattractive and unappealing and not the kind of activity they will get involved with.

Several members interjected.

The DEPUTY PRESIDENT: Order!

Hon CHRISTINE SHARP: The other major initiative of the Government for youth advisory councils again shows this kind of perspective. There is nothing wrong with this, I am not saying that we should not have Youth Cadets.

Hon Peter Foss: You only want to look after ones you believe require assistance, but what about ones who are doing the right thing; are you encouraging them?

Hon CHRISTINE SHARP: I am not saying that we should not have Youth Cadets or youth advisory councils. It is a big new development of this Government that about 40 youth advisory panels have now been set up. These consist of groups of young people who are encouraged to go to meetings and write motions about this and that and send off letters.

Hon Peter Foss: You are demeaning these kids.

The DEPUTY PRESIDENT: Order!

Hon CHRISTINE SHARP: I am not suggesting that there is anything wrong with these kinds of activities at all.

Several members interjected.

Hon CHRISTINE SHARP: They are very good activities. The trouble is, they tend to appeal only to young Liberals. They are not the kind of thing that many of our young people will want to do, because to be involved in a youth advisory council and pass a motion that this shire should blah, blah, blah, one must be of the kind of person that many people in this Chamber already are; that is, we are white, well-educated and confident, and we have high self-esteem. Most of the young people who feel alienated in the system have extremely low self-esteem, and do not feel that a solution to the lack of meaning in their lives is to go to some bloody meeting and -

Hon Derrick Tomlinson: I wish you were in the Armadale Town Hall, then you would have seen the -

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order! Three members were having a running commentary on the member's speech as she was speaking and it then briefly became four. I look forward to hearing only the member's comments.

Hon CHRISTINE SHARP: The other kinds of things that we can do is let young people loose a bit in community centres where they can do things the way they like to do them, rather than the way that adults imagine they need to do things. We must let young people express themselves in their own way. I am thinking about places such as Youth Voice which I visited in Northcliffe two weeks ago. Northcliffe is a very isolated community. It is about 60 kilometres from the nearest large town and kids have nothing to do except attend the Northcliffe family centre. It is fantastic, except that it runs entirely on voluntary labour.

Hon Peter Foss: It sounds good, and that is why it works.

Hon CHRISTINE SHARP: While I was there, the young kids arrived for their band practice. A rock band started to crank up and it became very difficult to continue the conversation.

Hon Greg Smith interjected.

Hon CHRISTINE SHARP: There is no ongoing funding for them and that is the problem. There is \$11m worth of funding for Youth Cadets, but no ongoing funding for Youth Voice.

Hon Peter Foss interjected.

The DEPUTY PRESIDENT: Order! Three of the members, not the fourth, are getting back into their bad habits. I am sure they know who they are.

Hon CHRISTINE SHARP: The only reference to any kind of creativity in the Governor's speech or self-expression was about graffiti. We are about to give powers to the police so they can stop young people on the streets and search them to see whether they have graffiti implements.

Hon Barry House: A very good idea.

Hon CHRISTINE SHARP: I will not comment further; I think members understand what I am saying. I will end my remarks by announcing that I request that this Government look at the causes of crime, the causes of alienation, and the lack of equity in our society and where its own policies are causing them.

*Sitting suspended from 6.00 to 7.30 pm*

Hon CHRISTINE SHARP: I have taken up enough of the Council's time this evening. I have let members know very clearly my views.

*Amendment to Motion*

Hon CHRISTINE SHARP: I move an amendment to the motion -

That the following words be added to the Address-in-Reply -

However, the Legislative Council regrets to inform His Excellency that this House finds much of the Government's policy outlined therein to be ineffectual, offensive and out of date.

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [7.33 pm]: I cannot vote on this amendment without saying something. This is the most outrageous amendment I have ever heard.

Hon Max Evans: Hear, hear!

Hon W.N. Stretch: Totally tasteless.

Hon N.F. MOORE: That is a good description of it. Those are the words I should use, "totally tasteless".

Regrettably, we are developing in this House a change of process, a change of tradition. The Address-in-Reply traditionally has not been amended because it is simply an address to His Excellency and gives members a chance to make a speech about whatever they like. The address, which is the beginning of the motion, is then sent to the Governor. On one previous occasion to my knowledge it was amended when we were in opposition on an issue related to the Australia Card - if my memory serves me right; an issue of significance at the time. I do not recall it being amended on any other occasion, although we considered an amendment the other night. However, to move, as Hon Christine Sharp has, that this House finds much of the Government's policy to be ineffectual, offensive and out of date, is just seriously going right over the top. Putting that to one side, it provides an opportunity to members to have two or three attempts in the Address-in-Reply. If members cannot say what they want to within an hour, it seems it is a way of providing more and more opportunities for them.

I understood that a number of Labor Party members wished to speak on this amendment; however, none of them got to his feet. Now that I am speaking on this amendment I cannot respond at the end of the Address-in-Reply, as is

normally the case for the Leader of the House. However, we have standing orders designed to ensure that one does not have to ask for leave to do something differently.

I am disappointed that Hon Christine Sharp did not show us a copy of the amendment in advance, not that she has to; however, we often talk about cooperation in this place. I am continually told that I need to cooperate, and I do my best to do that. Regrettably, on many occasions, including this one, it is not reciprocated. Had I known the honourable member intended to move this amendment, I would have counselled her in the best way I could to change the language, because to say the Government's policy is ineffectual, offensive and out of date is a significant exaggeration.

I propose to go through the Governor's speech and point out the things of great significance to Western Australia that are not ineffectual, offensive and out of date. Some of the things the honourable member said offended me as an individual; however, I do not propose to send that message to the Governor. The member's attitude towards drugs is interesting, to say the least. Her attitude to people compared with my attitude is also interesting. She seems to think that anybody who does not agree with her point of view is uncool. Good grief! This cool attitude that we have had in Australia for the last 20 years is one of the reasons we have a significant number of problems now. We got this really cool, left-wing, socialist approach after 13 or so years of a Federal Labor Government and 10 years of a State Labor Government when most legislation and government policy took the country to a very significant veer to the left. Regrettably, this was begun by the Whitlam Government in a very significant way in 1972 and was not redressed by the Fraser Government.

When the Government is seeking to take a different approach on some of the more difficult social issues that we face, for people now to say that we are uncool because we want to take a tough line on some issues is a reflection of all that is wrong with this place. For the last 20 years we have been taking this cool, left approach that has given us many of the problems that beset young people these days. To suggest that the best way to understand young people is to let them do their own thing and smoke their heads off with pot and never, ever suggest to them that there might be a different way of doing things, is an extraordinary suggestion in this day and age.

Hon Kim Chance: I do not recall any of our ministers ever operating a business where they sold bong.

Hon Ljiljanna Ravlich: The Leader of the House cannot defend the indefensible and he knows it.

Hon N.F. MOORE: I remember ministers and other members of the Labor Party promoting the legalisation of heroin and marijuana. That is a little bit different from what the honourable member is suggesting.

Hon Kim Chance: The Leader of the House is not suggesting this was ever Labor Party policy, I hope.

Hon N.F. MOORE: I would not know what the Labor Party policy is because its policy changes when the wind changes. There was a time when the Labor Party stood for something. Now it stands for nothing. We have put up with it on the goods and services tax today.

Hon Ljiljanna Ravlich: We cannot say so much for the Leader of the House.

Hon Kim Chance: Is the Leader of the House pretending it was ALP policy or not?

Hon Derrick Tomlinson: He just told you he does not know.

Hon Kim Chance: Why did he not say it?

The PRESIDENT: Order! I ask Hon Kim Chance not to interject, and the Leader of the House to direct his comments to me, which may encourage Hon Kim Chance not to interject.

Hon N.F. MOORE: The member referred to one of my colleagues, who allegedly sold bong. I simply reminded the member that he has former ministers in his party who had very significant opinions, I hope, on what should and should not be legal in drug abuse. If she cannot handle that, she needs to look at what the history of the Labor Party is all about.

We have before us tonight the Governor's speech which, as members know, is an outline of the Government's legislative program. It contains a whole range of issues. The member indicated that all that the Governor said about native title related to economic development. If she does not know now, she will never know that the federal native title legislation is having a very significant, detrimental effect on the economy of Western Australia. It is having an effect on the employment prospects of Aboriginal people and everybody else in Western Australia for that matter. I suggest that she get out of the south west and head off into the gold mining areas of the north west of Western Australia and have a good look. She should talk to mining companies.

Hon Barry House: It is happening in the south west as well.

Hon N.F. MOORE: The member is right, but I presume that she would know that because that is her electorate.

The PRESIDENT: Order! The Leader of the House must address his comments to me and not refer specifically to members or, if he does so, he should do so specifically through the Chair.

Hon N.F. MOORE: The problem was given to Western Australia by the federal Labor Party and by Mr Keating, the person who told us that native title was extinguished on pastoral leases and then left it for the courts to decide.

Hon N.D. Griffiths: You are reinventing history.

Hon N.F. MOORE: I am not at all.

Hon N.D. Griffiths: The problem was given to us by the Senate.

The PRESIDENT: Order, Hon Nick Griffiths!

Hon N.F. MOORE: If the member does not know what native title is doing to Western Australia, he must walk around with his eyes closed and his ears blocked up and never his mouth shut, regrettably.

Hon N.D. Griffiths: You talk about yourself with great accuracy.

Hon N.F. MOORE: We have here members of the Labor Party, assisted on this occasion by a Greens member, telling us that somehow or other we should be ignoring the native title problems and that in the Governor's speech we should be talking about social issues of Aboriginal ownership of land, when the problems being addressed here are those of native title given to us by the federal Labor Party.

Hon N.D. Griffiths: The federal Liberal Party.

The PRESIDENT: Order! There are rules in this place. One of them is that the member must remain silent when other members are speaking. If he does not like what is being said, he can leave the Chamber.

Hon N.F. MOORE: If members on the other side do not understand that the native title legislation under which we are operating in Australia today was provided to us by the Keating Government, I do not know what they think actually happened. We have legislation given to us by Mr Keating and his Government, which has caused significant difficulty for Western Australia - significant difficulty. I do not know how many times people need to say that. It is a fact of life. If members opposite do not believe me, they should go and talk to people in the farming industry, the pastoral industry and the mining industry.

Hon Kim Chance: How are farmers affected? They have freehold land.

Hon N.F. MOORE: I must say to Hon Kim Chance that there is a suggestion in the minds of some people that native title has not been extinguished on freehold land.

Hon Kim Chance: What lunatic put it there?

The PRESIDENT: Order! Hon Kim Chance will control himself.

Hon N.F. MOORE: One High Court judge said something to the effect that, had he thought that would have been the case, he would have voted differently on the Mabo decision. He does not know either whether native title is extinguished on freehold land.

Hon Kim Chance: Absolute rot.

Hon N.F. MOORE: Many farmers in Australia operate on leasehold land. Hon Kim Chance obviously does not know about them, nor does he know about some people in the south west who are operating on titles which are of some concern.

Hon Kim Chance: You will not try that in here. Pastoral leases! Come on, grow up.

Hon N.F. MOORE: Is it not interesting that when Mr Keating gave us the Mabo legislation he said - I think it is even in the preamble - that native title was extinguished on pastoral leasehold land? That is not what the legislation meant at all. We had to wait for the Wik decision, which did not extinguish it at all.

Hon Kim Chance: It was a later determination.

Hon N.F. MOORE: That is quite right. However, Mr Keating told us that was the case, just as he told us that he thought that a goods and services tax was a very good idea. He spent a great deal of time telling us what a very good idea it was, along with his former leader, Mr Hawke, and the current leader, Mr Beazley. Mr Beazley, Mr Keating, Gareth Evans and I think the other member was Susan Ryan, supported a GST. Paul Kelly's book said something

to the effect that Keating pulled off a miracle. With only four other people supporting him in Cabinet - Evans, Beazley, Susan Ryan and one other -

Hon Barry House: Gerry Hand, probably.

Hon N.F. MOORE: I do not think so. I will remember the name in a minute. With only those members supporting him, Keating got the GST through the federal Cabinet.

Hon Ljiljanna Ravlich: If you are knocking it, why are you introducing it?

The PRESIDENT: Order!

Hon N.F. MOORE: Paul Kelly recounts in his book "The End of Certainty: The Story of the 1980s", which is what happened when the Whitlam Government came to power, that Keating emerged victorious with cabinet endorsement of his tax option as the preferred government position. This is preferred option C. He also recounts that it was an extraordinary event. Only Hawke, Gareth Evans, Kim Beazley and Susan Ryan supported Keating's position. It was carried against the numbers.

Hon W.N. Stretch: Kim Beazley?

Hon N.F. MOORE: Yes, the same person who now stands up and says that we do not want a GST in Western Australia or in Australia.

Hon Kim Chance: How do you carry something against the numbers?

Hon N.F. MOORE: The member must get Paul Kelly to explain it to him.

Hon Kim Chance: He was not there either.

Hon N.F. MOORE: Keating was like that; he was very clever.

Hon Kim Chance: When was Paul Kelly a member of Cabinet?

Hon Max Evans: His wife was.

Hon N.F. MOORE: He probably knew what happened. Although I have digressed on the GST, it is important that we look at a few other things that were said at that time. I will quote Mr Keating because it is important that members understand what he was saying on this occasion. For once in his life it was a very statesmanlike approach. According to my notes, he said to the National Press Club on 5 June 1985 -

I have every confidence that much of this cynicism on taxation that might have developed through years of political buck-passing will give way to a broader appreciation of the need for change, and the honest and earnest attempt this government is making to bring about that change.

According to my notes, he went on to say to the Melbourne Age Taxation Symposium on 7 June 1985 -

... We must recognise that it would be all too easy in this debate to inflame fears and prejudice. And we should realise that some people will be trying to do just this.

... It would be all too easy to let the discussion collapse to the lowest common denominator. The emotive claim of the screaming headline will always be a strong temptation.

But the question is whether we have, as a nation, the maturity to pursue a dispassionate debate in order to achieve such overdue change.

I have no doubt that, unless this climate is acted upon, tax reform will be thrown back into the too hard basket for another 20 to 30 years at immense cost for the vast majority of Australians.

Hon Kim Chance: Tell us what Howard said when he was not going to bring in a GST.

The PRESIDENT: Order!

Hon Kim Chance: Tell us what Costello said.

Hon N.F. MOORE: One thing that Mr Howard is doing is putting forward a proposal for tax reform. It will not be brought in until after an election, I suspect. He will go to the polls on the basis that is what he will do after the next election, if he is elected. However, Keating told us for years that we needed tax reform in this country. When the unions leaned on him he caved in and changed his mind. He then rubbished what was a brave attempt by John Hewson to bring in tax reform based on what Keating had vigorously supported.

Hon Kim Chance: What evidence have you got that he caved in because of the unions? The policy got dumped at the tax summit. You are reinventing history.

The PRESIDENT: Order! Hon Kim Chance will come to order.

Hon N.F. MOORE: The former Prime Ministers Keating and Hawke were very strong and vigorous advocates of a consumption tax because they thought it was fair and in the interests of Australia. They thought it was significantly better than the current taxation system and they argued strongly for that system to be changed. It is interesting to look at what they said about why it needed to be changed. I will not go through that now because we will do it some time in the future.

Native title is referred to in the Governor's speech at some length because the solving of the administrative problems surrounding native title legislation is a significant and important issue in Western Australia. For the benefit of Hon Christine Sharp, it is not meant to take away the rights of Aboriginal people, but is to put in place a process to determine what those rights are. It is to take away the uncertainty and the current clogged-up system that has resulted in no more than one native title claim being settled in Australia in the past five years. The system is based on Keating's native title legislation, from which no Aboriginal people have benefited, except those in mining areas who have allowed the mining companies to go ahead with mining or exploration for a handful of dollars.

Hon Christine Sharp: Why were those rights not acknowledged in the Governor's address?

Hon N.F. MOORE: I quote from the Governor's address as follows -

Should the rights of native title holders be affected, the legislation provides for native title holders to be compensated and the new Native Title Commission will have the power to determine the amount of compensation in particular cases.

Hon Simon O'Brien: They are acknowledged.

Hon Christine Sharp: It is not what I call "acknowledged".

Hon N.F. MOORE: This Governor's speech is to tell the Western Australian community what the Government proposes by way of legislation. It will introduce legislation this year - hopefully it will be passed by this House - that will provide for Western Australian native title legislation and a Native Title Commission, so that Western Australia can deal with the problems that existing native title legislation has created for the nation. The Government will be able to create more wealth so that more Aboriginal people will have better opportunities in employment, education, housing, health, hospitals and all the things necessary for people living in low socioeconomic circumstances, as are many Aboriginal people.

If members think for one minute that native title is all about reclaiming land, they should look at how many Aboriginal groups are using the current native title legislation. They are using it to obtain money. They are indicating to mining companies that in exchange for money, they will let them drill a hole in the ground. I have heard people from the Labor Party say that native title is not about land, it is about money. I regret to say that is how it is seen in many parts of the goldfields, particularly in Western Australia, where some Aboriginal groups will not let people explore or prospect unless they come to some financial arrangement. That is discrediting a whole number of Aboriginal groups because people think they are out for the money and that the land is irrelevant. The member wants this House to make a statement about how important land is to Aboriginal people. I have been told about that ever since I can remember, and I accept that. Native title is accepted.

Hon Christine Sharp: Then you must acknowledge that.

Hon N.F. MOORE: The Government is not introducing legislation to abolish native title.

Hon Bob Thomas: You did once.

Hon N.F. MOORE: That is not so. That demonstrates the complete ignorance of the member with respect to the State Government's endeavours to introduce usable and workable legislation that will allow this State to proceed. It is interesting that members of the Labor Party sit back and could not care less about what happens in Western Australia. Their federal colleagues tried to stop any change to native title legislation in the Federal Parliament. The federal senators from the Labor Party in Western Australia voted against changing the native title legislation in the Federal Parliament, which was against the total interests of Western Australia. I hope they are now sitting in their offices contemplating that, and working out ways and means of making sure they vote for the changes referred to in the Governor's speech. The Governor's speech indicates what the Government will do by way of legislation in Western Australia this year.

Hon Christine Sharp: It is treating it as a problem.

Hon N.F. MOORE: It is a problem. If the member does not know that, she has her head buried in the sand.

Hon Christine Sharp: It is also a solution and a way forward.

The PRESIDENT: Order! Hon Christine Sharp has had her say in this matter.

Hon N.F. MOORE: The Governor's speech dealt with the long term future of indigenous people and how much of that lies in improving education and employment. He spoke about the increase in the number of Aboriginal children graduating from school, and about Aboriginal people who are teachers and principals in the government school system, education workers, liaison officers, and health workers. The Governor also spoke about the growth of the Aboriginal Affairs Department, and said that it is providing regional offices around Western Australia so that government services can be delivered where people are living. He spoke about the demonstration projects at Jigalong and Oombulgurri, which will improve health, living standards, and the quality of life. He also spoke about the special Aboriginal school, which the member acknowledged. Two pages in the document containing the Governor's speech are about Aboriginal affairs. The first three-quarters of a page are about native title and fixing up the problem, which the vast majority of Western Australians want. However, it will not in any way take away the right of Aboriginal people to claim native title over particular pieces of land. That process is still in place.

I find it interesting that those who talk about these things, and say the Government has not acknowledged the Aboriginal people's claim to land, quite glibly accept the fact that native title has been extinguished on freehold land, because that is where those people live. They are happy that their land will not be touched by native title claims, but they want the Governor's speech to include an expression of their concern about whether Aboriginal people can claim pastoral leases or vacant crown land in Western Australia.

Hon Christine Sharp: You cannot claim leases; you can only claim access to land.

Hon N.F. MOORE: The interesting thing about native title is that nobody quite knows what it means and what entitlement people get under native title. No entitlement has yet been given, except to one group in the eastern States.

Hon Derrick Tomlinson: That was settled outside the system.

Hon N.F. MOORE: That is right. The system does not work and the land access system, whether for mining tenements or residential development, is gummed up. A packet of salts is needed to fix it up because it is constipated. The legislation aims to do that.

Reference is made in the Governor's speech to law and order. That is a serious issue in the community. It is probably the most serious issue at present if one believes the Leader of the Opposition. It is a very serious issue and people want the Government to take some action. The Government has outlined in the Governor's speech a range of steps it will take to improve law and order in Western Australia. I do not think the Governor's speech is in any way ineffectual or offensive, although it may be out of date for someone as cool as Hon Christine Sharp.

Hon Ljiljanna Ravlich: She is real cool.

Hon N.F. MOORE: Of course she is.

Hon Ljiljanna Ravlich: I wish you were half as cool.

Hon N.F. MOORE: I am too old to be cool. I do not intend to be.

Hon Derrick Tomlinson: I think you are hot.

Hon N.F. MOORE: Do not tell anyone! The Governor's speech contains a long list of programs and legislation that the Government proposes to introduce to try to deal with a very difficult problem. As I said at the beginning of my comments, the past 20 years of fairly relaxed attitudes by society towards a number of these law and order issues has led to the situation in which a number of people think it is cool to break the law. Therefore the time has come to do more about it, even though, as it says in the Governor's speech, the Government has increased the Police budget significantly, sought to improve the facilities available to police and introduced a range of programs that are important in occupying young people in their spare time. His speech referred to graffiti. Hon Christine Sharp got quite upset at the prospect of police being given the power to speak to young people who might have a spray can of paint in their possession.

Hon Christine Sharp interjected.

Hon N.F. MOORE: If a policeman is on patrol and a young person carrying a can of paint walks away from what is obviously a fresh graffiti tag on a wall, which somebody has had to pay for to have painted in the first place, it is perfectly legitimate for a policeman to ask what the can of paint is for. If the person was not seen spraying the paint, under the law there is nothing that can be done. It is akin to the law which provides that the police have the capacity



to detain people who are carrying tools suitable for a trade that can also be used for breaking and entering if the circumstances indicate they may have been involved in breaking and entering.

Hon Christine Sharp: It means the police will hassle young people. It will create a police State.

Hon N.F. MOORE: They do not hassle carpenters and other people with tools in their possession. If someone were walking around Hon Christine Sharp's house at 3.00 am with a crowbar, I am sure she would rather the police assumed it was for a break-in rather than to dig a hole.

Hon Christine Sharp: We are talking about graffiti.

Hon Kim Chance: That would be an offence under entry with intent.

Hon N.F. MOORE: He would not have done anything at that stage. He would be apprehended based on the expectation that he may be about to commit an offence. The police will be sensitive about the circumstances. They do not put in gaol carpenters and other people who happen to be carrying crowbars. It depends on the circumstances. If a young person were running around with a spray can of paint in the middle of the night not far from a freshly graffitied wall the policeman would have every right to ask why he was carrying the can. If Hon Christine Sharp does not think graffiti is a problem, obviously nobody has painted her wall. It looks dreadful and it costs a lot of money to get it off one's private property. I find it offensive - to use her word - when my private property is defaced. It is not out of date to expect something to be done about it.

Surely road safety is a fairly serious issue. This Government has a good record of dealing with the road trauma rate. The number of fatalities has declined, but there is a long way to go. Any fatality is one too many. Every Government has an obligation to ensure road accidents are reduced. We are considering ways and means of improving road safety, not just by buying more Multanovas.

Hon Ljiljanna Ravlich: You are doubling the number.

Hon N.F. MOORE: They work.

Hon Ljiljanna Ravlich: So would taking away people's cars.

Hon N.F. MOORE: They stop people speeding. If Hon Ljiljanna Ravlich thinks we should not have Multanovas why did her party introduce them when it was in government? They are an effective deterrent.

Hon Ljiljanna Ravlich interjected.

Hon Derrick Tomlinson: Joe Berinson didn't say that when we opposed Multanovas.

Hon N.F. MOORE: That is quite right. The Governor's speech contains several pages on health. If the member thinks anything to do with health is ineffectual, out of date or offensive -

Hon Kim Chance: A few people in Armadale thought so.

Hon N.F. MOORE: They should think positively about their new hospital, which will replace the present clapped-out hospital.

Hon Ljiljanna Ravlich: They do not want it.

Hon Derrick Tomlinson: Rubbish.

Hon Ljiljanna Ravlich interjected.

Hon Derrick Tomlinson: You were there and could not hear what was going on.

The PRESIDENT: Order! If Hon Derrick Tomlinson and Hon Ljiljanna Ravlich have a matter they want to discuss they should discuss it outside the Chamber. They are turning the place into a kindergarten. If that is the way they want to run the Parliament it is a reflection on them as members.

Hon N.F. MOORE: I hope the Hansard reporter was able to record the interjection by Hon Ljiljanna Ravlich that people in Armadale did not want a new hospital, because it is important people know what the Labor Party thinks about that matter.

Hon Tom Stephens: She did not say that.

Hon N.F. MOORE: I am told, although I have not seen it, that the Armadale-Kelmscott Memorial Hospital is a disgrace because the building is clapped-out.

Hon Derrick Tomlinson: It is.

Hon N.F. MOORE: This Government will replace it. For some strange reason the Labor Party has an ideological view that the only people who can administer medical treatment are people working in government hospitals.

Several members interjected.

The PRESIDENT: Order! I will not have people interjecting within seconds of my advising members their behaviour is contrary to standing orders and to cease their interjections. It is entirely up to them. The standing orders provide plenty of opportunity for the person in the Chair to have a member removed from the Chamber.

Hon N.F. MOORE: It is a fact of life that private hospitals are just as capable of delivering good health services as are public hospitals. To have a mind-set that public hospitals must be funded by the Government and staffed by government employees is to be in an ideological time warp. Perhaps people should look at private hospitals to see whether they offer good service. They are superb.

Hon Kim Chance: I have seen Port Macquarie, Modbury and Joondalup.

Hon N.F. MOORE: Hon Kim Chance should look at the present Armadale-Kelmscott hospital rather than sitting in this place whingeing and carrying on. Armadale-Kelmscott hospital is worn out. This list shows the Government is aiming to provide significant support around the State. The hospital in Broome, which services a growing community, will receive \$15m. No doubt Hon Tom Stephens supports that funding. I am sure he would not say \$15m for the Broome Hospital was ineffectual, offensive or out of date. Maybe he would.

Hon Tom Stephens: It is not being provided soon enough.

Hon N.F. MOORE: Multipurpose health centres are being built in Katanning, Merredin, Pemberton, Goomalling, Kalbarri, Jurien and Lancelin. Many hospitals have been built by this Government. We are putting a lot of money into health in Western Australia. What we are doing is not ineffectual, offensive or out of date; it is forward thinking and sensible.

The Governor's speech outlines legislation to be passed and refers to issues such as prostitution which must be debated, as well as a Bill in respect of the terminally ill. Again, those issues are not ineffectual, offensive or out of date. They are contemporary and must be dealt with, as they will be in due course.

The Governor's speech also refers to a new curriculum framework put together by the Curriculum Council, which was established by legislation introduced by this Government. It is accepted by most people as a positive move towards the development of a significant curriculum for Western Australian schools. The \$100m computer program is not out of date; it is very contemporary. It will result in the pupil to computer ratio in Western Australia being the lowest in Australia. It will be very up to date and very effective in teaching students to understand how computers work. Reference is made to the professional development of teachers, good citizenship and family values as part of the school curriculum. Surely they are relevant. Perhaps the member does not agree with that. We hope the School Education Bill will be passed through this Parliament. It is the first rewrite of the Education Act since 1928. That Bill is not out of date; it is contemporary. After 70 years we will have an Act for school education which is brand new.

Reference is also made to youth. I think Hon Christine Sharp gave grudging credit to some of the programs referred to but felt other areas should be funded. I do not disagree with that. We should consider all areas that provide support for young people. I have no doubt that is one area we should consider in a positive way not only to create good attitudes among young people but also to do something about much of the crime and misbehaviour that occurs when they do not have enough to do in their time after school.

Much more needs to be done in these areas. The Minister for Youth should be commended for his attitude to these issues. If any government support can be given to the organisations mentioned by Hon Christine Sharp - despite not being able to hear oneself because of the rock music - we should consider it. However, this Government has a good record. The cadet program is very successful and popular among young people, and most schools are becoming involved in that process.

The Governor's speech then referred to resources. Frankly, one must talk about resources because the Western Australian economy is resource based. If we do not have good mining, agricultural, fishing and petroleum industries, we have nothing.

Hon Barry House: Do not forget forestry.

Hon N.F. MOORE: Of course. We are still very much a primary production economy, and the resources sector keeps the economy going. It is going very well. In fact, we had an 80 per cent increase in exports in the last financial year, which was very good considering the Asian economic downturn.

Hon Christine Sharp: What about the native title problem?

Hon N.F. MOORE: I can spend more time explaining that to the member if she wishes. Most Western Australian exploration has taken place in recent years on brownfield as opposed to greenfield sites. People are not exploring on new ground, but on that to which they already have title.

Hon Christine Sharp: Exploration has increased by 40 per cent in the last year.

Hon N.F. MOORE: It may have, but people are exploring on ground they have already acquired. They are not greenfield sites, which they cannot obtain or for which they must pay high prices. Ultimately, people have not been given mining leases. The problem with native title is that we have just about reached the stage where the mines of the future are not being found now. Exploration finds new mines. The mines of the next five years need to be discovered now. The fact that greenfields exploration is drying up is a problem for the future of Western Australia, not so much a current problem.

We had an 80 per cent increase in exports last year. However, it is important for Western Australia to have in place legislation which encourages people to spend money on resource projects. There is \$60b-worth of projects on the drawing board, which is a lot of money for an economy the size of ours. If all of that can be spent and invested in Western Australia, more jobs will be created for our children, for Aboriginal people and for people coming here from elsewhere. That is what it is all about.

We referred in the Governor's speech to workplace safety.

Hon Ljiljanna Ravlich: That is a huge plus for you! You're so good in that area!

Hon N.F. MOORE: Statistically, improvements have been achieved over time. I was going to talk about the mining industry, where improvements have occurred. A plateauing has occurred with fatalities, and a huge amount of work is being directed to resolving mining fatalities. That is mentioned in the Governor's speech. It is contemporary. It is hardly offensive to improve safety in the mining industry.

We then refer to primary industry and land care, and how important it is to preserve our agricultural industry and the land on which it takes place. Other than closing industry down, which some people might like to see happen, I cannot see how it can be described as ineffectual, offensive or out of date.

With commerce, trade and technology, we referred to the significant development in Jervoise Bay which will provide a meaningful manufacturing industry and jobs. It is very important. It will provide support for our petroleum industry in the north. What is taking place at Jervoise Bay, with its associated industry, is very up to date and positive for the future of the Western Australian economy.

Then there is the Bentley Technology Precinct and the deal made with the Commonwealth Scientific and Industrial Research Organisation regarding petroleum and minerals research. This is very important for the future of the economy and employment in Western Australia.

Western Australia had a 2 per cent growth in tourism up to April 1998, which compares with 0.1 per cent Australia-wide. That is a good effort considering that our visitor numbers from Indonesia dropped by 30 per cent; however, tourism numbers from the United Kingdom increased by 22 per cent, so we must be doing something right. Tourism is a great industry which provides a lot of employment, especially for young people. Also, it does no harm to the environment. Interestingly, some people with a green tinge think we should have tourism in the south west instead of forestry. That is okay for the time being; however, wait until these people have closed the forestry industry, because they will put the tourist operators out too. They will not want tourists crawling around the forests of the south west leaving tin cans and a mess. They will use the tourism industry to get rid of loggers, so all loggers can become tour operators. Is that not what Hon Christine Sharp says? It is like saying that somebody who used to dig graves should be made a school teacher.

Hon Ljiljanna Ravlich: You do that with government employees.

Hon N.F. MOORE: I tell the logging industry that these people will use tourism as a good reason to close logging. However, once that is done, they will say that they do not want tourists in the forests at all. "They make a mess; let us keep it pristine and we will be happy."

Hon Christine Sharp: As Minister for Tourism, you're really doing well for tourism!

Hon N.F. MOORE: People understand very well what the member has in mind for them. A lot of what is available to tourism in the south west results from the logging industry. If there were no logging in the Pemberton area, there would be no vineyards, which are a big deal in that area. People like industry as a tourist attraction. They like the timber industry, which is an interesting tourism experience for many people. The history of the area is fascinating.

Hon Bob Thomas: Much of the tourism industry is dependent on the infrastructure put in place by the timber industry.

Hon Barry House: That's right.

Hon N.F. MOORE: Hon Bob Thomas is making sense at last - it is a terrific achievement!

Hon Tom Stephens: He always makes sense.

Hon Bob Thomas: Open your eyes and listen and you might realise I make a great deal of sense.

Hon N.F. MOORE: It was a positive comment.

The Government's roads and transport policy is not ineffectual, offensive or out of date. It is very contemporary indeed. Members might not like cars or anything other than public transport, but that is for individual members to decide. I suspect that Hon Jim Scott would like us all to ride to work on pushbikes so we do not create pollution by having cars on the road. However, a fact of life is that people will drive cars. People need to get from one place to another quickly. We need good transport systems for public transport to work well. We are putting a lot of money into upgrading the public transport system and into making our roads more useful. Country members have been sick of driving on dirt roads for countless years. For the first time, we will see bitumen roads in outback Western Australia. Having driven on such roads for most of my life, I thought I would never see the day when roads like the Sandstone-Leinster, the Sandstone-Mt Magnet or the Wiluna-Meekatharra roads would be sealed. I have blown many tyres on those road and been frustrated by such a transport system. These roads will be sealed. I think even Hon Tom Stephens thinks it is a good idea.

Hon Tom Stephens: I do. I hope you live to see it.

Hon N.F. MOORE: I have no doubt that I will live to see it happen. I have already seen the Tom Price-Newman road sealed. I argued for that for 20 years and never thought it would happen.

I travel across the Narrows Bridge every morning. Interestingly, in debate the other day on the Narrows Bridge widening project all members from the northern suburbs and Cottesloe told us we did not need the bridge to be widened; they said it was a waste of money. However, I did not hear any southern suburbs people saying it should not be widened. In fact, I did not notice southern suburbs Labor members contributing to the debate. Those members should sit on the Narrows Bridge at 8.15 each morning and they will see that the bottleneck must be widened. Traffic disperses in all directions once it has crossed the bridge. The irony of the Narrows Bridge and the Kwinana Freeway is that one travels at 30 kilometres an hour past South St and 80 kmh past Hay St.

The whole system is clogged up by the Narrows Bridge. Once motorists get over the bridge, they take off at 80 kilometres per hour. If the bridge is widened, people will get through much quicker. If the road system is tied in with the Northbridge tunnel, which was a visionary decision by this Government, vehicles will quickly get out of the central business district which is the whole aim of the exercise. Traffic will move quickly at all times of the day. That is an innovative and up-to-date initiative which does not offend me in the slightest.

We have an excellent housing program and people who live in some of the lower socioeconomic suburbs which have experienced significant redevelopment will be the first to agree. The Labor Party is happy to leave these little ghettos as they are, because it thinks that is where it will get its votes from.

Hon Barry House interjected.

Hon N.F. MOORE: Mr Marlborough thinks it is terrific. When one looks at what has happened in places such as Kwinana and Lockridge, one sees that, although this Government will not get any votes out of those parts of Western Australia, it is prepared to ensure that the people who live there have a decent standard of living and have their housing upgraded and the amenities of the area improved. This is being done by the conservative Government that the Labor Party criticises for not having a social conscience. It has done a superb job under that housing program. It is a contemporary and up-to-date program which is effectual and does not offend the people who live there.

Mr Omodei has an excellent record as Minister for Disability Services. He is highly respected for his work in disability services in Western Australia. This Government has done more than any other to look after the interests of disabled people and its contribution is recognised by those involved.

Hon N.D. Griffiths: What you said about the Labor Party in relation to certain suburbs is wrong. The Government of Sir Charles Court, of which he was a member, put those initiatives in place. Ted Cunningham and Norm Marlborough have been pushing for housing redevelopment -

Hon N.F. MOORE: Does the member know when that housing redevelopment occurred? It did so when we became

the Government. We listened to the Labor Party members because they had a genuine concern. The Labor Party had 10 years in government and it let those areas go downhill -

Hon N.D. Griffiths: You were there for nine years before that.

Hon N.F. MOORE: All the Labor Party wanted to do was create more state housing so that it received more votes. It is interesting that the member should acknowledge that this is a good program. I am happy to acknowledge that his members argued for it.

Hon N.D. Griffiths: That is right.

Hon N.F. MOORE: They recognised that, once the Government changed, something might be done.

Hon N.D. Griffiths: Stop being trite about good policy.

Hon N.F. MOORE: The Governor's speech sets out what the Government has in mind for Family and Children's Services. It refers also to the renaming of the Ministry of Citizenship and Multicultural Interests. The functions of that agency will be refocused so that it deals to a greater extent with citizenship issues rather than viewing multicultural affairs as being separate from mainstream society. The focus will be on citizenship and everyone belonging to the Australian community, making the contributions that they want to make and maintaining -

Several members interjected.

The PRESIDENT: Order, members! It is not a case of questions getting tough; it is a matter of members not interjecting.

Hon N.F. MOORE: A member mentioned One Nation and its position on the how-to-vote card. If Peter Paedophile or somebody of that ilk puts his name down as a candidate for my electorate on the basis that he wants to get rid of the laws relating to paedophiles, he will go right to the bottom of my ticket. Members opposite should understand that some people who put their names up for election may be significantly worse than the One Nation candidate. The Socialist Workers Party does nothing for me. Collectively, socialists and communists have ruined this world. Members should ask those who live in a communist regime whether they like it.

Several members interjected.

The PRESIDENT: Order!

Hon N.F. MOORE: I do not propose to respond in any way other than to say there may be candidates who should be further down the ladder than One Nation. At times when I hear members of the Labor Party, I think perhaps that is where they should be.

Hon N.D. Griffiths interjected.

Hon N.F. MOORE: A number of Bills are listed for consideration by the Parliament this year. In conclusion, the Governor said it is the job of parliamentarians to protect this great State and he referred to the good job that members of Parliament are doing, which I think is refreshing.

Hon N.D. Griffiths: He was not thinking of you.

Hon N.F. MOORE: Perhaps he was not, but I assure the member that I do my best. I have done my best in the past few minutes to convince the House that Hon Christine Sharp's amendment is offensive. Firstly, it is grossly inaccurate. I have gone through the Governor's speech and I think I pointed out to her satisfaction that it contains many very positive initiatives. We might not be legalising marijuana or letting the kids do whatever they like or what is cool, and we might not be doing all the things she wants to do, but then she is not in Government. We have 17 people, including you, Mr President, on this side of the House. On the other side we have three groups of people with varying numbers and three members of the Greens (WA) party. As a result of the last election, the people of Western Australia voted overwhelmingly for the Liberal-National Party coalition. In the Legislative Assembly, we have the biggest majority in its history.

Hon N.D. Griffiths: Since 1917.

Hon N.F. MOORE: That is not a bad effort; indeed, it is very good. The Labor Party almost disappeared off the face of the earth.

Hon Tom Stephens: They cannot wait to get their hands on you now to get rid of you.

Hon N.F. MOORE: In this House, half of the elected members come from the coalition parties, the other half come from a combination of other groups. The reason that the Governor's speech is not the Greens' manifesto, the

Democrats' manifesto or the Labor Party's manifesto is that they were not elected to form the Government. We were elected to do the things that we said we would do when we went to the polls. We went to the people and said, "This is what we did in the past four years, and this is what we want to do in the next four years." They said, "We shall vote for you", and they did so overwhelmingly.

Hon N.D. Griffiths: They were conned.

Hon N.F. MOORE: They were not.

The PRESIDENT: I say to Hon Nick Griffiths that I do not need a running commentary on everything that is being said in this place.

Hon N.F. MOORE: The reason that the Governor's speech contains what our Government wants to do is that we form the Government. The suggestion that what the Government is going to do - which is based on what the people have accepted because they voted for us in overwhelming numbers - is ineffectual and out of date, is a reflection of Hon Christine Sharp's views of the society in which we live. What a shame that, as far as she is concerned, the majority of people have views which are ineffectual, offensive or out of date. Maybe she should live somewhere else. If we are to get a GST I shall be pleased to use my extra \$160 to help pay for her fare so that she can have a more enjoyable life elsewhere. I do not know where anybody would go to find a better society than this.

This amendment is against the spirit of the Address-in-Reply debate and it is out of order to seek to amend it in these terms. If the member wants to move a substantive motion to this effect independently of the Address-in-Reply, that would be the appropriate course of action. We would be happy to debate that, but it should not be moved as an amendment to the Address-in-Reply. If this amendment is passed, it will relate to the Governor and we will have a disrespectful motion. Members might find that an unusual word, but I believe there are certain niceties in this society that we should continue to abide by.

The amendment is unnecessary, it is offensive, and most of all, it is untrue. The member's comments are not reflected in the words of the Governor's speech because it contains some significant benefits for Western Australians and some significant new programs which are effectual and neither offensive nor out of date; indeed, they are very contemporary. I ask the House to oppose this amendment very sincerely and vigorously.

**HON LJILJANNA RAVLICH** (East Metropolitan) [8.29 pm]: I support the amendment.

The PRESIDENT: Before Hon Ljiljanna Ravlich commences her speech, I point out that she has spoken to the original motion, therefore her comments are restricted to the parameters of the amendment. She is speaking to the amendment only.

Hon LJILJANNA RAVLICH: Thank you, Mr President. I support the amendment. I have listened to the Leader of the House, but I do not agree with his comments. I understand that his party is in government and that we are not; however, that is not to suggest that we are not interested in accountable government. My concern about the Governor's speech is that I am not convinced that it represents a balanced view, therefore I consider that many of the matters that the Governor addressed in his speech are somewhat inaccurate or lacking in factual information. In view of that, I found that much of the speech was ineffectual, offensive and out of date. I shall deal with those parts of the speech with which I had specific difficulties, and I shall start with the Government's support for indigenous Australians.

Some of the information that was presented did not represent the true picture. The Governor stated -

However, the Government believes the long term future of the indigenous peoples lies in education and jobs.

He went on to point out that a significant number of Aboriginal youth now graduate from high schools and pursue further education. I wondered how accurate that information was, so I took the opportunity to look up the Education Department's annual report. Clearly, those comments might be out of date because they do not represent the true picture. If we look at the apparent retention rates of Aboriginal students in years 8 to 12 from 1992 to 1996, we do not see an upward trend, we see a significant downward trend. In 1993, the female retention rate was recorded as 19.3 per cent and in 1994 it dropped to 18.6 per cent. In 1996 the rate for females dropped even further to 16.8 per cent. So we have a declining trend. There is also a declining trend for males, with 18.6 per cent in 1993, 17.8 per cent in 1994, and 14.8 per cent in 1996. I must admit that I had a little difficulty with the comment in the Governor's speech that a significant number of Aboriginal youth are now graduating from high school and pursuing further education. The department's own 1996-97 report clearly indicates that that is not the case and that we have a downward trend.

Hon W.N. Stretch: Have you correlated the percentages with the numbers and are they the same? They can be very different.

Hon LJILJANNA RAVLICH: I have not done that, but those statistics concern me and I would be keen to see information relating to the number of Aboriginal students, both male and female, who are graduating from high school and pursuing higher education. I would be very surprised to see a significant upward trend.

The next matter of concern to me and one which led me to support the amendment moved by Hon Christine Sharp and to believe that some of the information was out of date relates to figures on the number of Aboriginal people employed in the state Public Service. The Governor's speech stated that the exact number of Aboriginal people in the Public Service is unknown because many people have not proffered details of their ethnicity. That seemed a little odd to me because I had a recollection of browsing through the profile of the Western Australian State Government work force both last year and this year and I did not think that information in relation to the number of Aboriginal people employed in the state public sector was particularly difficult to obtain, especially as the information is collated annually.

It was interesting to look at the information because, as at 30 June 1996, Aboriginal and Torres Strait Islander people accounted for 3 per cent of the Western Australian population. In the Australian Public Service and the Western Australian public sector they accounted for 2 per cent. However, in the following year - this is the profile of the Western Australian state government work force as at 30 June 1997 - we see a substantial drop. In Western Australia, for example, they still constituted 3 per cent of the Western Australian population. As at 1991, they made up 2 per cent of the Australian Public Service, and in the Western Australian state public sector as at 30 June 1997 the figure had dropped to 1.5 per cent.

That causes me some concern because the implication is that in some way the information is not available. I do not know whether it is a case of the information not being available or whether it is the Government's not wanting to make accurate comment in relation to the information. Clearly, when we have a downward trend rather than a positive upward trend in terms of the number of Aboriginal people employed in the state public sector, it is probably rather tempting to gloss over the accuracy or otherwise of the matter. When I thought about whether I should support the amendment moved by Hon Christine Sharp in relation to informing His Excellency that this House finds much of the Government's policy outlined in his speech to be ineffectual, offensive and out of date, I must admit that, on having found information which I deemed to misrepresent the truth or to be just wrong, I had no choice but to support the amendment.

The other point that concerns me about the Governor's speech is that it is almost misleading in some respects. Anybody reading it might think we were living in a state of utopia and that everything is very positive out there, but when one looks at the detail in some policy areas, one finds that the situation is not quite as good as the Government would have us believe. On law and order, the Governor's speech stated -

As a first and very innovative step, the Government will help local councils establish their own security patrol services.

That causes me some concern because, as I have argued in this place on a number of occasions before, people should not have to pay twice for security within their own communities. However, because of the failure of the Government's law and order policy many people in many councils have been forced to pay an additional fee for their own security service.

The Governor's speech goes on to say -

These council surveillance teams, acting under guidance from the police, will be patrolling residential and business areas. If there are suspicious circumstances they will call in the police. The very presence of continuous and regular patrols will be an immediate deterrent.

These patrols have operated in a number of councils for some time. Given their presence, together with the other claims made in the Governor's speech, and the crime statistics, clearly something is amiss. With these council surveillance teams patrolling on the ground, the vehicle immobiliser scheme being in place, and the increase in police resources, the community might assume a corresponding decline in the number of crimes. However, that is not the case. The crime statistics show that crime in Western Australia is pretty much out of control. I have some problems with that, and I think that parts of the Governor's speech are misleading.

The Governor also refers to the Government's policy on immobilisers. He states -

In the campaign against car theft, the Government will widen the vehicle immobiliser subsidy to include commercial vehicles. The scheme is already a success and it is proven that immobilisers prevent theft. Owners who fail to have the anti-theft device installed are assisting criminals.

Can and should the Governor claim this scheme is a great success? According to the Australian Bureau of Statistics report released on Wednesday, 15 July 1998 titled "Recorded Crime" there was an 8.4 per cent increase in motor vehicle theft in Western Australia.

Hon W.N. Stretch: How many with immobilisers?

Hon LJILJANNA RAVLICH: I do not know how many immobilisers were involved.

Hon W.N. Stretch: I bet you do not.

Hon LJILJANNA RAVLICH: The Governor states that the scheme is already a success and has proved that immobilisers prevent theft. That should be indicated by a significant reduction in the number of vehicle thefts, yet that is not the case.

Hon Ray Halligan: It is for those cars with immobilisers.

Hon LJILJANNA RAVLICH: I have a vehicle immobiliser in my car, and it proved no trouble to someone.

Several government members interjected.

Hon LJILJANNA RAVLICH: Government members might as well take the pain sitting down, because they will get more of it. The bottom line is that their record in law and order is appalling. Before I tell them how appalling it is, I will tell them what the Governor says about law and order. It is all good, positive stuff to indicate to the outside world that things are hunky-dory and the Government has a handle on the issue, whereas members know the truth, because they have much greater access to information. They are on top of the statistics, because a part of power is access to information and that is what we have. Members of our community should have access to that information; unfortunately, they do not always have access to that information to make their judgment on this Government's performance.

Hon W.N. Stretch: I suppose people are flooding out of Western Australia.

Hon Simon O'Brien: Things are so bad here.

Hon LJILJANNA RAVLICH: Things are bad in law and order.

Hon Simon O'Brien: What are you going to do about it?

Hon LJILJANNA RAVLICH: What is Hon Simon O'Brien doing about it? His Government is in office! Clearly the Government is not addressing the issue. He should not ask me what I am doing about it. That is a joke!

Several members interjected.

Hon Simon O'Brien: You have said nothing positive. You never have and never will. You have not done one positive thing since you got here.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order! Hon Ljiljanna Ravlich will address the Chair and other members will not address anyone.

Hon LJILJANNA RAVLICH: The Governor in his speech says -

Western Australia already has the best "police to population" ratio of any State. Only the Northern Territory has a better one.

He said that other government initiatives included -

The Police budget has been increased by 60 per cent.

There are more officers on active duty.

What are they doing? To continue -

The Government opened 15 new state-of-the-art police stations in just two and a half years.

These stations are among the most modern in Australia and the service, as a whole, is one of the best equipped in the nation.

Hon Barry House: That is accurate, is it not?

Hon LJILJANNA RAVLICH: The problem I have with the Governor's speech, which is the reason I support the amendment, is that from reading it one would assume that all is well, and that throwing resources at the problem is achieving something positive. Clearly, it is not. I refer to the ABS data to which I have already referred which confirms that over 12 months Western Australia recorded an 11 per cent increase in assaults; was one of only two States to have a victimisation rate above the national average for armed robbery; recorded a 43 per cent increase in unarmed robbery; recorded the second highest rate of unlawful entry with intent involving the taking of property in



Australia; recorded the highest victimisation rate for other unlawful entry with intent in Australia with a victimisation rate of 904 per 100 000 persons, which is nearly double the national rate of 480 victims per 100 000 persons; recorded an 8.4 per cent increase in motor vehicle theft; and recorded the highest rate of other theft in Australia with 4 204 victims per 100 000 persons, which is well above the national rate of 2 856 per 100 000 persons.

I do not mind the Governor outlining the Government's policy. However, I do have a problem when one reads the Governor's speech and assumes that all is well in the area of law and order when the crime statistics indicate that there are many failures. This Government needs to adopt a more positive, cooperative and preventive strategy. It should take a coordinated, whole-of-government approach to the issue of crime. It should address the issue of truth in sentencing. We have seen delays in that area. Those delays are not called for given that the Australian Labor Party has already given a commitment to support that legislation. We need to ensure that police have the resources to patrol our suburbs and to apprehend and prosecute offenders. We need to go back to the fundamentals and address the symptoms of crime and their primary causes, because the rest of it is just gloss.

In view of the fact that law and order is deteriorating within our community, that there is ample statistical evidence to support the view that law and order has not been addressed adequately by this Government and that the crime rate is increasing at an alarming rate, I had to support Hon Christine Sharp's amendment. I did not believe that the information was as accurate as it could have been; in fact, I found it misleading.

The Governor went on to say -

An integral part of law and order is the road toll. Many tragedies, described as accidents, are so often caused by recklessness, speeding, inattention and disregard for the law.

There is truth in that. However, instead of working out a strategy to deal with it, two days later a press release from the Government stated that the number of Multanovas would be doubled. That was one way in which the Government would address the issue of road safety.

Hon M.J. Criddle: We have done more about road safety than any other Government.

Hon LJILJANNA RAVLICH: Like many members of our community, I am not sure what motivates that action. I have seen many resources tied up in the use of Multanovas. The Government makes no secret that it is expecting them to generate \$30m a year. If this Government is so interested in saving lives, why does it not divert those funds to WorkSafe so that more lives can be saved?

Hon M.J. Criddle: You were talking about road safety and now you want to channel off the money.

Hon LJILJANNA RAVLICH: If the Government were so interested in saving lives and not in revenue raising - a by-product of this activity will be \$30m of revenue for the Government's coffers - it would look at diverting some of that revenue to WorkSafe to reduce deaths. More people die at work than on the roads. Why not divert some of the money to WorkSafe to address fatalities in workplaces?

The next topic that caused me some difficulty is roads and transport. The Governor stated -

The Government's road and public transport policy is both visionary and pragmatic.

The \$1.3b Transform WA program will give the State the best new road network in Australia, new busways and new fleets of buses.

A couple of months ago -

Hon M.J. Criddle interjected.

Hon LJILJANNA RAVLICH: Hon Murray Criddle did not know it was signed off. He is the new Minister for Transport and he did not know we would be getting a second Narrows Bridge. He should not attack me for not knowing, when it is not my shadow portfolio area. He is the minister and he did not know, and he still does not know.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): The member should direct her comments to the Chair rather than to the minister.

Hon LJILJANNA RAVLICH: I listened to talkback radio the other day and I heard a lot of anger. The community has not embraced this decision wholeheartedly and a lot of anger was expressed about how it was made. It is a major decision and it has major financial and environmental implications for the State. The decision to build a second bridge is of enormous community concern. The way that this Government has approached this matter is anything but visionary and pragmatic.

Hon M.J. Criddle: How many calls have you had about this?

Hon LJILJANNA RAVLICH: A few.

Hon M.J. Criddle interjected.

Hon LJILJANNA RAVLICH: This was an appalling example of how Governments operate. This Government believes that it can do what it wants without any public consultation or scrutiny by this place. It makes major decisions without any input from or consultation with anyone. That is a terrible way to operate and the Government should be ashamed of the way that it conducts business in many areas.

If I found any part of the Governor's speech offensive it was that section covering multicultural and ethnic affairs. He announced that the State would now have a Ministry of Citizenship and Multicultural Interests. I do not have a problem with the name change, but I do have a problem with the Government's perception of what is going on in the community. The Governor stated -

This ministry was formalised only today.

That is, 11 August. He continued -

Western Australia has a community living in harmony.

If that is the Government's perception, it is certainly not mine nor that of the ethnic communities I visit. I was at a function on Saturday night to celebrate India's 51 years of independence. People at that function voiced concerns about the direction in which this State is heading. That does not suggest that this is a community living in harmony. The Governor went on to state -

... the Government wants to focus on the rights and obligations of citizenship and the meaning of citizenship, and to reinforce the importance of a united and caring community.

We want to see all Western Australians working together to make this great State even greater.

This cannot be done with the politics of division and hate.

That leads me to a fundamental question about what the Government intends to do, apart from creating a new ministry and producing a document entitled "Living in Harmony", which is about 60 pages of unmet commitments and a "living in harmony" charter, 6 000 copies of which have been produced for different organisations. What does the Government intend to do about ensuring that Western Australia has a community living in harmony?

The Minister for Citizenship and Multicultural Interests advised everybody far and wide who was prepared to listen that, at the next state election, he would make a commitment to anti-racism and would put One Nation last on his how-to-vote card in the seat of Murdoch where he has a 66 per cent vote on a two-party preferred basis. That is very noble of him. He has also promised that he will speak to his Liberal Party colleagues and to the Premier, who has been called on by prominent members of the Asian community to address this question. However, to this day nothing has happened.

This minister has been totally ineffectual in delivering his promises. We are still waiting for him to put his money where his mouth is; to either put up or shut up. The bottom line is that he has not had any success in convincing the Premier or his Liberal Party colleagues that they should put One Nation last on their how-to-vote cards.

The Australian Labor Party, at both state and federal levels, has made a total commitment to Australia as a multicultural society. We believe it is the Government's responsibility to assist all Australians to live together productively and to have an equal sense of belonging to a nation. The ALP has determined at both state and federal levels that it will put One Nation, and all fellow travellers, last at the forthcoming election.

It has made an upfront commitment to all ethnic communities in this State. It is firm in its resolve, and it has placed its commitment on the public record. The problem in our community which has been created, whether we like it or not, by the very unsettling force of the One Nation party, will require substantially more than the production of a Living in Harmony policy document, most of which has not been implemented. It also will require substantially more than 6 000 copies of a Living in Harmony charter signed by the minister. I am not sure whether his photograph is on them, but I understand he is mad keen on seeing these charters hanging in organisations purely because they contain either his picture or his signature. They definitely have his name on them, so he is absolutely preoccupied with that aim.

That is all well and good, but it will not create the harmony about which this Government speaks because our community is not in harmony. Many people within our community are being vilified and no longer feel safe.

The Leader of the National Party has said it will place One Nation last. The Deputy Leader of the Liberal Party has also shown leadership on this issue. However, there is no commitment by the Premier or the Liberal Party. They

have turned their backs on ethnic communities in Western Australia. Despite the Government's rhetoric, the bottom line is that the Government has moved away from a policy of multiculturalism. Its lack of commitment to ethnic communities is probably nowhere better reflected than in the fact that it is not prepared to address the issue publicly.

I do not accept the logic of asking where we would put Peter Paedophile if he rolled up.

Hon Barry House: Would you vote for him?

Hon LJILJANNA RAVLICH: That question is no more than a diversion.

Hon Kim Chance interjected.

Hon Barry House: I would not vote for Peter Paedophile ahead of One Nation.

Hon Kim Chance: We are not asking you to; all we are asking you to say is what we are saying to you; that is, that we will put you ahead of One Nation.

Hon Barry House: You go ahead and say that.

Hon Kim Chance: We have.

Hon LJILJANNA RAVLICH: The Government has a lack of commitment to ethnic communities. This is shown no more clearly than in its lack of response on this issue. It is also demonstrated by lack of funding to the Ministry of Citizenship and Multicultural Interests. Irrespective of what the minister continually crows about, the bottom line is that he has allocated only \$816 000 for that portfolio. As I have said time and time again in this place, much of the funding is spent on the servicing of the minister's office rather than on the application of programs. We have seen major program cuts in that area. In fact, some programs have been reduced by up to 50 per cent. In real terms we must question the Government's commitment to this area. I must admit, I found the comments on that in the Governor's speech offensive. They did not reflect the true situation. All Western Australians deserve better than what they are getting from this Government.

Another area of concern is the impact of the goods and services tax on the operation of the whole of the state public sector.

#### *Point of Order*

Hon RAY HALLIGAN: I believe Hon Ljiljanna Ravlich is drawing a long bow by moving into the goods and services tax area.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): I do not believe there is a point of order. The amendment before us refers to the Government's policy outlined in the Governor's speech as being ineffectual, offensive and out of date, although the member will need to direct herself to the policies of the State Government rather than those of the Federal Government.

#### *Debate Resumed*

Hon Bob Thomas: You want to tip the pensioners upside down and shake a few more coins out of their pockets.

Hon LJILJANNA RAVLICH: Hon Ray Halligan spoke about the GST. The only reason I am drawing attention to it is that the Governor's speech is about how the Government will implement its policy through government agencies. They offer services or goods and therefore, as opposition spokesperson for public sector management, I am concerned about the Government's ability to implement its policies. In view of that, I have some grave concerns not only about the impact of the GST on the operations of the state public sector as a policy delivery arm but also about the implications of a GST for state public servants. For example, one of the relevant areas is salary packaging which obviously will have implications for the 40 agencies that engage in salary packaging arrangements. I think approximately 32 000 public sector workers enjoy salary packaging arrangements. My main concern is the Government's ability to deliver its policies in the long term and the implications of its policies in the future.

With the vast reduction in the number of state public servants - a reduction of anywhere between 13 000 and 15 000 jobs since 1993 - we must assess how many additional public sector workers will be required to administer a GST in Western Australia. Also, does the minister have any idea of the cost to the State of administering a GST, how it might be administered and by whom? These are important questions. They are also important questions in the context of the implementation of the Government's policies as outlined in the Governor's speech. The Government has a lot of work ahead of it in addressing the implications of a GST on the state public sector. It will no doubt impact directly on the Government's ability to implement its legislative framework. Another area of concern is the impact of a GST on tourism. Some of those issues were raised in question time today. I will not discuss them in detail in this speech.

I do not have a problem with the notion that the Government is here to govern, and that the Governor's speech contains some positives. However, from my point of view, many areas of the speech were not particularly accurate, in some ways were a little misleading, and perhaps in other areas a little patronising. I accept that the speech is an outline of the Government's agenda. Nevertheless, this Parliament is about making Governments accountable. The Governor's speech is about presenting an open and honest position on where the Government is at, and where it intends to go in the future. My reading of the speech caused me grave concern regarding whether the Governor was being as accountable, on behalf of the Government, as he could have been. Certainly, enormous discrepancies exist in what was said and what is happening on the ground. I am more than happy to support Hon Christine Sharp's amendment to the Address-in-Reply.

Earlier, the Leader of the House denied that his Government's legislation had extinguished native title. He clearly has a very poor short-term memory as he was unable to take himself back to 1993 when -

*Point of Order*

Hon RAY HALLIGAN: We are definitely getting off the mark.

Hon LJILJANNA RAVLICH: It is about native title!

Hon RAY HALLIGAN: The member is talking about the comments of the Leader of the House.

Hon Kim Chance: It is in the Governor's speech.

Hon RAY HALLIGAN: What the Leader of the House said is not in the Governor's speech.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): I did not hear the matter of concern raised, but I will now pay attention to ensure that the speech addresses the amendment - if, indeed, it did not previously.

*Debate Resumed*

Hon LJILJANNA RAVLICH: The only point I wished to make was that the Leader of the House was wrong in his denial regarding native title in commenting on the Governor's speech. The Land (Titles and Traditional Usage) Act, section 7(1) reads -

On the commencement of, and by operation of, this section -

(a) any native title to land that existed immediately before that commencement is extinguished;

The minister did not know what was in his legislation.

Hon Bob Thomas The High Court did though - it was 7-0!

Hon LJILJANNA RAVLICH: I uphold the ideals of an accountable Government.

Hon Ray Halligan: You're a breath of fresh air for the Labor Party then!

Hon LJILJANNA RAVLICH: If Hon Ray Halligan wants to make a contribution, he might do some work and engender some trust from his parliamentary colleagues and make a speech in his time, rather than taking mine.

Hon Bob Thomas: He is too busy making attacks on pensioners.

Hon LJILJANNA RAVLICH: I support accountable government.

Hon Simon O'Brien: That is not the subject of the amendment. It is whether you found the Government's policy outlined in the speech to be ineffectual -

Hon LJILJANNA RAVLICH: Offensive and out of date.

Hon Simon O'Brien: That is the first time you have mentioned it.

Hon LJILJANNA RAVLICH: I was not picked up by the Deputy President, so I will not be picked up by Hon Simon O'Brien.

The DEPUTY PRESIDENT: Order! We are not having a cross-Chamber discussion. Hon Ljiljanna Ravlich is drawing her remarks to a conclusion.

Hon LJILJANNA RAVLICH: I am. I fully support the words of Hon Christine Sharp's amendment.

*Point of Order*

Hon BARRY HOUSE: A few comments cannot pass without response. The amendment is inaccurate, is in very poor taste and also out of order.

Hon Bob Thomas: Are you reflecting on the President's decision to accept the amendment?

Hon BARRY HOUSE: The member should get back in his box.

Hon Bob Thomas: If it were out of order, the President would have ruled it out of order.

Hon BARRY HOUSE: The amendment contravenes Standing Order No 95, which reads -

No Member shall use the name of Her Majesty or of her representative in this State disrespectfully in debate, nor for the purpose of influencing the Council in its deliberations.

*Deputy President's Ruling*

The DEPUTY PRESIDENT (Hon J.A. Cowdell): I rule that there is no point of order. The President has already accepted this amendment. We have had a number of speakers to date. Therefore, it has already been ruled in order. It is in order for the member to set out why it should not be accepted.

Hon Bob Thomas: Hon Barry House is reflecting on the Chair.

*Debate Resumed*

**HON BARRY HOUSE** (South West) [9.19 pm]: I am extremely disappointed in my colleague Hon Christine Sharp, with whom I share the South West Region electorate. When Hon Christine Sharp and Hon Giz Watson were elected to this House at the last election, it was in some ways a breath of fresh air.

Both of them brought a very strong commitment to the environment, a wealth of knowledge, and credibility owing to their knowledge of and input into environmental issues. I certainly have had nothing but confirmation of that opinion of Hon Giz Watson in my dealings with her in this Chamber since she was elected a year or so ago. Up until this point, I believed I had the same degree of respect for Hon Christine Sharp. Her moving this amendment has indicated to me, unfortunately, that Hon Christine Sharp shares a trait of the extreme environmental movement. That trait is that some of the people in the extreme green movement are very selfish, extremely negative and against progress of all sorts. In terms of their economics, the only term I can think of to describe them is economic troglodytes. The other trait of some of the people of the extreme green movement is that they are very vindictive against people who do not share their point of view and they unfortunately go to extremes to demonstrate that against anybody who will not accept their point of view. Unfortunately for me, because I had a high regard for Hon Christine Sharp, I must say that in moving this sort of very disrespectful amendment, she is displaying some of those traits of the extreme conservation movement which I did not think belonged to her. The other aspect of the extreme conservation movement is that its interest in conservation and the environment is really a sham. It is nothing but a political movement interested in power. It simply uses the environment as a vehicle to achieve its ends. Some of those people are no more interested in the environment than you, Mr Deputy President, or I. I claim a very strong interest in and commitment to the environmental movement, so it is very disappointing to see some of those traits being demonstrated in this amendment.

*Point of Order*

Hon BOB THOMAS: I ask what relevance this has to the amendment before the House.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): I rule that the member's comments are in order. He is saying why he finds the amendment offensive to himself and other members, although I ask that the member perhaps address policy rather than imputed motivations of the mover.

*Debate Resumed*

Hon BARRY HOUSE: My comments have so far been restricted to the motivations behind the member's moving the amendment, but I have not yet spoken to the Address-in-Reply, and therefore I can indulge in a general debate across a wide range of issues, which I did not really intend to do, but now that I am on my feet, I am obliged to do that because I will not get another opportunity.

Hon Bob Thomas: You are right.

Hon BARRY HOUSE: Hon Christine Sharp said that she felt the Governor's speech was ineffectual, offensive and out of date. Unfortunately she chose to mention the cadet movement in high schools and derided that as very ineffectual and out of date. I am not sure whether she used the word "offensive" in relation to that movement, but I cannot think of anything more to the contrary. The cadet movement is in more than 50 high schools in this State now, and that is a phenomenal take-up rate. I do not have the figures with me or any notes, so I cannot verify that, but I think members will find that the target was about 25 schools by this time in which students would have joined the cadet movement in some shape or form. Over 50 high schools have cadet units, which indicates a demand for it.

Before I entered this Chamber I was a high school teacher, and a youth education officer for five years. I believe I may have a few credentials to work with young people, particularly young teenagers. I am not sure what Hon Christine Sharp's credentials are in that area, but when one is working with young people of that age group, one cannot let them get into a situation without any boundaries. One soon understands that the cadet movement is an excellent vehicle for developing discipline and pride among young people. These are not all the traditional army, navy, air force cadet units; the scheme involves the emergency service cadets, police cadets, and bush rangers who are environmental cadets.

There is one other group that I am not quite sure of at the moment; however, it involves young people who are not necessarily the leaders in their peer group. If members know anything about young people, they will know that peer pressure is the most important thing in their lives during the teenage years. It is far more important than their teachers, their parents or anything else. The young people attracted to cadets are not necessarily the sporting leaders or the academic leaders in many respects; they are the average Joe Blow and the kid who can take up something and get some sort of very valuable personal development out of a cadet unit. I spent five years as a youth education officer at the Busselton high school working in similar situations with groups of kids who were not leaders in other fields; they were often the problem kids. I found that if they were put into a different environment, they suddenly became leaders. The kid who was an absolute pain in the neck in the maths class would suddenly become the kid I would put my life on during a hike at a bush camp. He was the kid who could get me through, and he would get a lot of personal development out of it.

Hon Kim Chance: I was in it and I think I am a fine example of the cadet corps!

Hon BARRY HOUSE: I agree.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): Order!

Hon BARRY HOUSE: The problem with Hon Christine Sharp's prophecy is that if kids have freedom to do what they like, smoke a joint and sit under a tree with no guidelines or boundaries in their life, that very same group of young people will become the people who have a strong correlation with substance abuse, incarceration and recidivism. They are the sort of young people who unfortunately we read far too much about in our newspapers and see on our television sets today. They are in trouble all the time.

Another initiative of the Government in the field of youth has been the employment of an ambassador for youth. I mention Dean Kemp - I am not sure whether he was mentioned in the Governor's speech - with whom I took up the opportunity to coordinate a visit into one area of my electorate in the Augusta-Margaret River area. Dean Kemp is an outstanding young Australian. He is a guy who overcame adversity in terms of his size, and followed his ambition to play professional basketball, or football or whatever it was. He came from a country area, Kalgoorlie, and he never gave up. He is an outstanding role model for young people because of his perseverance and desire to achieve something. He had a very strong message for the schools that we went to about drugs, including drugs in sport. His message was very clear: People who use drugs in sports and in the community are cheats and losers.

We talk, in the language of Hon Christine Sharp, about being cool or uncool. "Losers" is a cool word and he used that word to great effect in front of a lot of kids on that day. We went to six schools in the Augusta-Margaret River region and spoke to the youth advisory council. The youth advisory council of the Augusta-Margaret River Shire is not just sitting in meetings, passing motions and writing letters; it is out there raising funds. It has already raised the funds for a skate park. Another organisation in Margaret River called Youth Cafe has also raised over \$300 000 - that is not a bad effort - to build a youth cafe.

Hon Kim Chance: That is fantastic.

Hon BARRY HOUSE: The construction of that facility has just started. The children in the groups come from a broad background; they do not come from a particular socioeconomic group. They represent a wide range of interests, want to have a go and put forward a very positive face for the youth of Western Australia. We sometimes forget that 95 per cent of children turn out to be outstanding young Australian citizens - I rate it probably a little higher than that. I feel great satisfaction when I see many of my former students in the community. It soon teaches a person that he should not generalise about people, particularly young people who may have been dismissed as dropouts or have not made the grade at high school and are now outstanding citizens. Only a very small minority can be picked out at school. Unfortunately, I had the displeasure of teaching a young lady at Kewdale Senior High School who ended up murdering a policeman. Right from the time we came into contact at that school, everyone realised that she was destined for trouble with the attitude she had at that time. Hopefully that has changed over time. That is all I want to say about Hon Christine Sharp's amendment. It has been very disappointing to listen to that sort of amendment. As has been said, it is not in the spirit of this general debate. It crosses right across the respect that this Chamber should have for the Governor and is right out of place.

I congratulate Hon Murray Criddle on his elevation to the ministry as the Minister for Transport. I have known him through sport for many years and he has been an outstanding leader in his community for that time. I have had dealings with him over the past five years. We have worked together on committees and he will do an outstanding job as the Minister for Transport.

It gives me a great deal of pleasure to welcome Hon Dexter Davies to this Chamber. Hon Dexter Davies and I also go back a few years as we were former teammates at the Claremont-Cottesloe cricket club. I used to wicket-keep to his bowling and while there were a few caught House bowled Davies, it did not reach the same heights as a caught Marsh bowled Lillee. We enjoyed some good times playing cricket. Hon Dexter Davies, in those days, was a fierce yet fair competitor and he has displayed those traits since then in his political career with the National Party. I am sure he will also be an outstanding member of this Chamber.

The last words I save for Hon Eric Charlton. It was a great shame that he did not have an opportunity to say farewell to this Chamber and that members did not have the opportunity to say farewell to him face to face. That is the way he probably planned it, and is the way he probably chose to do it. I have always found Hon Eric Charlton to be a very approachable and a very likeable person. He was, as we all know, a bit of a larrikin in many ways, but he was a very likeable larrikin. I have only praise for him as a minister. Sometimes there were a few rough edges, but he got things done. I thank Hon Eric Charlton for the input he had into the transport facilities in the electorate in the South West which I represent.

Starting from the top end - the freeway extensions - while we would all like to see more blacktop going towards Mandurah, we are very pleased that it has been committed to go as far as Folly Road to link up with Safety Bay Road, so that we will have a dual carriageway to Mandurah, at least. Planning has started on the Peel deviation as the bridges through Mandurah are becoming bottlenecks, and now there are lights on the dual carriageway. It is a bit of a pain for someone who is travelling through Mandurah and does not want to stop. That has certainly been a vast improvement.

There has been a vast improvement on the coast road. As one of the architects of the south west policy leading into the 1993 election, I know the commitment was to put a dual carriageway from Perth to Dunsborough and we are well on the way to achieving that. The dual carriageway extends almost to Lake Clifton from Bunbury. The Ludlow deviation has been put in around the Tuart Forest near Busselton and there is a firm commitment to put in the Busselton bypass by 2001. That puts further pressure on the roads further south. There is an urgent need to start planning for the Vasse-Dunsborough linkage onto the Busselton bypass road. Some issues must be sorted out and I am not sure whether the current Minister for Transport has had time to get his teeth into that yet. That is difficult in some ways because the route proposed by the consultants will severely impact on farmland in that area. I am not sure what the ultimate solution will be for the interests of the wider community. I am sure that the volume of traffic heading south will not decrease. It will increase and we will need those facilities in the near future.

Before Hon Eric Charlton left office, he made a commitment to the Augusta-Margaret River Shire Council on Mowen Road. I hope and trust and am confident that Hon Murray Criddle will honour that commitment for the Augusta-Margaret River Shire Council to do the work to have Mowen Road at an acceptable sealed standard as far as Sues Road, which is the new haul road going south. The Augusta-Margaret River Shire would finance that by borrowing and then when it came up in the Main Roads Department's list of priorities, that money would be refunded directly to the shire. Hon Eric Charlton reached agreement with councils on those issues before he retired. That is a very effective way in which the local community can put its money where its mouth is. If its commitment is strong enough to have that road built, it can borrow the money with the assurance, backed by a legal agreement, that the money will be refunded by the State Government through the Main Roads Department when the opportunity arises.

I will vote against this amendment, because it is totally out of place to move an amendment of this sort to the Governor's speech. On the other issue, I am sure that Hon Eric Charlton will have a productive and long retirement.

**HON KIM CHANCE** (Agricultural) [9.40 pm]: I support the amendment moved by Hon Christine Sharp. I am sorry that the Leader of the Government and other government members have found the words of the amendment to be offensive. They must understand that some of the things that the Government has done and plan to do are regarded as offensive.

Hon N.F. Moore: Perhaps by you, but you represent a minority interest. You keep forgetting that.

Hon KIM CHANCE: It will be difficult for the Government if the Leader of the Government in this place is unable to accept that a wide range of the things that the Government has done are regarded as offensive by other people.

Hon N.F. Moore: By you.

Hon KIM CHANCE: If the leader does not recognise that, it is no skin off my nose. However, it will represent a

serious difficulty for the Government when it next must face the test of whether its actions are regarded as offensive by others.

Hon N.F. Moore: Let us worry about that.

Hon KIM CHANCE: Then the acid test will be whether my side is representing a minority view. It is not all that uncommon for Governments to lose their way after a few years of coping with the stress of office.

Hon Simon O'Brien: Can you think of any recent examples?

Hon N.D. Griffiths: The Court Government.

Hon KIM CHANCE: Every Government that serves more than four or five years falls into that trap and its political colour is no immunity. Certainly this Government is not immune from the lacklustre performance which typifies Governments which are in their sunset phase.

Hon N.F. Moore: What a joke.

Hon KIM CHANCE: I was trying to be kind. The amendment refers to the Government's policy and contends that much of it is ineffectual, offensive and outdated. Generally I concur with that sentiment. Members opposite have asked for examples of that and one could hardly fail to call the Land (Titles and Traditional Usage) Act anything but ineffectual; and one could hardly call the current workers compensation legislation anything but offensive.

Hon Simon O'Brien: Was that referred to in the Governor's speech? I do not think it was.

Hon KIM CHANCE: No, it was not. One could hardly call the Industrial Relations Amendment Act anything but outdated and offensive.

I want to move quickly to a matter which was referred to, albeit obliquely, in the Governor's speech. In doing so I will drop quickly back into history and then return to the present. In 1992 the Government introduced legislation to close the Robb Jetty abattoir.

*Point of Order*

Hon N.F. MOORE: If a member has already spoken on the Address-in-Reply and then speaks on an amendment that member is required to confine his comments to the amendment. I ask that this member be required to do that.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): I look forward to Hon Kim Chance not going too far back into history, but relating his comments directly to something that appears in the Governor's speech which he finds to be ineffectual, offensive and out of date.

*Debate Resumed*

Hon N.F. Moore: If Hon Kim Chance wants to have two goes at speaking, why not move a motion that will allow him to do that?

Hon N.D. Griffiths: The President does not like running commentaries during speeches.

Hon KIM CHANCE: In the Governor's speech under the heading of "Commerce, Trade and Technology" the Governor states -

Conversely, Western Australia itself has always been attractive to new investors because of its commercial and business expertise, its infrastructure and political stability.

I intend to refer to the Government's shameful investment in the Narrikup abattoir.

Hon N.F. Moore: I think you are taking advantage of this amendment to have two goes at the Address-in-Reply.

Hon KIM CHANCE: I am speaking directly within the terms of the amendment. In 1992 this Government introduced legislation to close the Robb Jetty abattoir. At that stage it was the last government-owned service works in Western Australia. One of the points made by the Government at the time of that closure was that Western Australia had an overcapacity of killing space and the closure of Robb Jetty would allow the rationalisation of the industry.

Hon N.F. Moore: This has nothing to with the Governor's speech as you well know.

Hon Murray Montgomery: Antiquated as it was.

Hon KIM CHANCE: I will not pick up on that comment, although it is quite wrong.



The DEPUTY PRESIDENT: I look forward the member's relating his comments to the Governor's speech.

Hon KIM CHANCE: I have now moved forward five years.

Hon N.F. Moore: Which puts you in 1925 in your thinking.

Hon KIM CHANCE: Five years later we have seen the commissioning of a new export-accredited abattoir located at Narrikup, south of Katanning. During those five years sheep numbers in this State have fallen substantially and existing abattoir capacity in Western Australia is under considerable financial pressure due to insufficient throughput. It is none of our business as a Parliament if Fletcher International Exports Pty Ltd, which is the proponent of the new abattoir, a private company, wants to establish an abattoir at a time of falling demand. Nor is it our business as a Parliament that that private investor chooses to site that abattoir in an area which is close to the existing largest export works in Western Australia - that is, Metro Meat International, Katanning. However, it becomes very much the Parliament's business when the Government announces that it will tip \$5.2m of taxpayers funding into this private abattoir.

Hon Derrick Tomlinson: Was that in the Governor's speech?

Hon KIM CHANCE: Obliquely, and I refer the member again to the heading "Commerce, Trade and Technology", under which the Governor refers to Western Australia as being attractive to new investors because of its commercial and business expertise. I suggest that Western Australia was attractive for different reasons. This extraordinarily generous gesture now makes the outcome of those decisions which were once the private decisions of the Fletcher group very much an issue central to public policy.

The establishment of an abattoir in that area is now an issue of public policy. It was none of our business that it happened to be located in that area before - although it seemed like a strange decision to me - because there was no public money in it. However, as soon as public money became involved in the location of that abattoir, funded directly out of the Department of Commerce and Trade, an agency of this Government, it became a central policy issue. Why was that abattoir sited at Narrikup? The point now becomes one of why do we have a public policy as spelt out in the Governor's speech under "Commerce, Trade and Technology" which seeks to provide -

Hon N.F. Moore: You are supposed to be talking about the amendment, not the Governor's speech.

Hon KIM CHANCE: Do not worry, I am.

Hon N.F. Moore: I am waiting to hear it. You are abusing the processes of this debate.

Hon KIM CHANCE: I would be embarrassed if I were the Leader of the House, too, and I would be trying to interrupt and prevent a member saying what needs to be said. The Leader of the House will not draw me. The Leader of the House will not like what I have to say but he will listen.

Hon N.F. Moore: I do not have to listen to you at all.

The DEPUTY PRESIDENT: Order! Hon Kim Chance will direct his comments to the Chair.

Hon N.F. Moore: Stick to the rules.

Hon KIM CHANCE: The reason for the interjections by the Leader of the House is clear: He does not want the public of Western Australia to hear about the deal that his Government did with the Fletcher group.

Hon N.F. Moore: You have already had one go. You cannot help yourself; you keep talking all the time. Move a motion and be done with it!

Hon KIM CHANCE: I have news for the Leader of the House: He will hear and the public of Western Australia will hear.

Hon N.F. Moore: Why not move a motion instead of abusing -

Hon KIM CHANCE: Perhaps I will.

Hon N.F. Moore: No-one can respond to you on this issue.

Hon KIM CHANCE: Anyone can respond, and the minister knows that very well.

Hon N.F. Moore: You are contriving to delay this debate.

Several members interjected.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): This is not a free-for-all.

Hon KIM CHANCE: Why on earth do we have a public policy that seeks to provide a substantial free kick to one operator in the national and international abattoir scene - a deal that actively disadvantages other operators - when there is not enough livestock in this State to keep our existing abattoirs viable? Is this what members opposite call better management? What possible purpose is served by subsidising further surplus capacity in the abattoir industry?

Hon W.N. Stretch: To increase the mutton prices for the producers.

Hon KIM CHANCE: We will get to that.

The Minister for Commerce and Trade has said that the Narrikup abattoir will create 400 new jobs and \$100m of exports for Western Australia. If I could be convinced that that would be the outcome, I would probably agree that there may well be a case for the infusion of \$5.2m of public funds. What I want to know first is from where the 400 new jobs and the \$100m of new exports will come. That is about 1.5 million lambs a year. Will they materialise as the result of the new abattoir? Of course not. The new abattoir will not create a new supply of livestock.

Hon W.N. Stretch: Have you heard of growing contracts?

Hon KIM CHANCE: Of course I have.

Hon W.N. Stretch: That is where they come from.

Hon KIM CHANCE: It is possible that the abattoir will generate 400 jobs, but they will not be new jobs. They will be jobs transplanted from Katanning and other abattoirs throughout Western Australia. If that is the outcome, there is no justification for the diversion of taxpayers' funds to the Fletcher group.

Hon Simon O'Brien: Could it have been given this \$5m as a cash advance or does it have a holiday on land tax and other costs?

Hon KIM CHANCE: That is a fair question. The assistance does comprise two components: A grant of \$2.5m and an interest free loan of \$2.7m to offset the costs of headworks. That \$2.7m can be converted to a grant over five years pending certain performance measurements during that period. At the end of that time, assuming all performance requirements are met, the total of the grant would be \$5.2m.

We must take a closer look at this company and its operations. The Fletcher group not only is doing extremely well out of its relationship with the Government but also is using the Australian workplace agreements system to minimise the rewards that its workers gain from the Government's benevolence. As most members know, Fletchers operates a large works in Dubbo, New South Wales. That enterprise operates under a certified agreement with the Australasian Meat Industry Employees Union. When the AMIEU sought to put in place a similar agreement by letter to Fletchers on 9 April 1998, Fletchers did not even bother to reply. Now that I have read the Australian workplace agreement that applies to workers at Narrikup and I have seen the difference between Fletchers' Dubbo agreement and what it pays its Narrikup workers, I know why it did not bother to respond. A list I have comparing Fletchers' Dubbo operations with its Albany operations shows that at level two, Dubbo workers are paid \$11.80 an hour for a 38-hour week and Narrikup workers at the same level are paid \$11.30 an hour for a 45-hour week. At Dubbo, Fletchers' employees get overtime for the first two hours at \$17.70 an hour and thereafter at \$23.60 an hour.

#### *Point of Order*

Hon N.F. MOORE: I repeat the point of order raised earlier: We are supposed to be debating an amendment to the Address-in-Reply moved by Hon Christine Sharp. We are now getting a dissertation about the workplace agreement in an abattoir in the south west compared to that applying in an abattoir in Dubbo, which has nothing to do with the amendment before the Chair.

The DEPUTY PRESIDENT (Hon J.A. Cowdell): The Leader of the House has made a point. The amendment in its current form does not allow Hon Kim Chance to canvass in this way comparative industrial relations systems unless he can relate it to anything under industrial relations, in which case we will listen. It does not bear a relationship through the amendment to his reference on page 16. I look forward to his relating it to something relevant to the Governor's speech.

#### *Debate Resumed*

Hon KIM CHANCE: I have diverted briefly, but I did so for a particular reason; that is, to provide a very clear illustration of the conditions that apply to workers of the company that has been given this largesse of taxpayers' money by the Western Australian Government. I do not need to go too much further with the illustration.

The DEPUTY PRESIDENT: Perhaps not any further.

Hon KIM CHANCE: No penalty rates are paid for overtime at Fletchers' Albany works. Further, the sick leave

entitlement at Albany is eight days a year, which does not meet the Minimum Conditions of Employment Act requirements in this State.

The Fletcher group is treating Western Australia as if it were a Third World country. Members should consider this: It has come here because it was offered cheap land and very cheap labour. That was the purpose of my illustrating the difference between its arrangements at Dubbo and at Narrikup. It came here because it was offered juicy handouts by the Government, and the Government delivered \$5.2m.

Hon N.F. Moore: What did we get for it?

Hon KIM CHANCE: It came here because it was offered plenty of political influence. Members should believe me that Fletchers' personnel have been in the lamb producing area of this State over the past several months exercising that influence.

Hon W.N. Stretch: Over whom?

Hon KIM CHANCE: By trying to bring down the Western Australian Meat Marketing Corporation -

Hon W.N. Stretch: Nonsense.

Hon KIM CHANCE: Does the member really think that?

The DEPUTY PRESIDENT: Order!

Hon W.N. Stretch interjected.

Hon KIM CHANCE: The member should come off it! He should go and hear what they are saying.

The DEPUTY PRESIDENT: For the remaining couple of minutes Hon Kim Chance will address his comments to the Chair.

Hon KIM CHANCE: The Fletcher group has been exercising political influence. Very clearly some of these offers were made to entice it to come into this State.

Hon W.N. Stretch: It is trying to buy the lambs you referred to earlier.

Hon KIM CHANCE: Where will it find them? If the member believes that, he is a joke.

Hon W.N. Stretch: I am in the business; I know.

Hon KIM CHANCE: Not only are Fletchers' Western Australian workers employed under substantially worse conditions than its Dubbo workers, but also they are employed on a very tenuous basis by Skillhire, a labour hire firm - the Fletcher group does not hire them directly. They work on a probationary system for eight weeks.

The DEPUTY PRESIDENT: The member might like to relate this to the government policy he is addressing in his speech.

Hon KIM CHANCE: I refer to page 16. Western Australia itself has always been attractive to new investors because of its commercial and business expertise. It has been presented as attractive by this Government for much wider reasons than that - for political largesse and financial benefit. These are the things the Government used to attract Fletchers to this State.

Hon N.D. Griffiths: Are you suggesting the people who wrote these words for His Excellency have misled him?

Hon KIM CHANCE: I am indeed.

Hon N.F. Moore: Perhaps he forgot about the petrochemical plant and there is a mistake in this plan.

Hon KIM CHANCE: It is long before my memory.

Debate adjourned, pursuant to standing orders.

#### **ADJOURNMENT OF THE HOUSE**

**HON N.F. MOORE** (Mining and Pastoral - Leader of the House) [10.00 pm]: I move -

That the House do now adjourn.

*Bridgetown Bypass - Adjournment Debate*

**HON CHRISTINE SHARP** (South West) [10.01 pm]: Given the negative debate and criticism this evening, I want

to finish this evening by commenting on a decision announced by the new Minister for Transport on Friday, with regard to the construction of a proposed bypass in Bridgetown, which is my local town. I congratulate the new minister on an integrated approach to the difficult decision he had to make in this regard. He has come up with a package which is a win-win situation for Bridgetown. Many people in the local area are absolutely delighted about it. Bridgetown has a steep topography and a narrow valley which already accommodates the town, the railway and the main highway. It was proposed to fit a bypass into the same narrow alignment, which would have largely obliterated Geegeelup Brook and, with it, much of the heritage character of the central business district of Bridgetown. It would have been an irreversible decision for the character of that town.

On behalf of many residents in my local town, I indicate that the minister made a wise decision which is probably one of the most important planning decisions for Bridgetown in decades. The fact that \$1m will be spent on making Bridgetown a tourist destination and that, instead of obliterating the Geegeelup Brook, it will become a focal feature, indicates positive, constructive and lateral thinking. Also, the minister has recognised that Bridgetown does not need a bypass, but it needs a heavy freight haulage route to take the heavy freight well away from the town. That is now being proposed and the minister has undertaken to begin planning for that within six months. I acknowledge and thank the minister for that excellent decision.

*Goods and Services Tax - Adjournment Debate*

**HON LJILJANNA RAVLICH** (East Metropolitan) [10.05 pm]: I raise a matter in relation to the lack of detail about benefits that the Government purports will arise from the goods and services tax. I asked a question today about how the \$27b projected revenue from the GST will be allocated by the Commonwealth Grants Commission. My question asked -

- (2) How does the Premier conclude that this State will be better off under a GST, given that the allocation for Western Australia has not been determined?
- (3) Does the Premier accept that he is misleading Western Australians by claiming they will be better off - prior to a determination by the Commonwealth Grants Commission?
- (4) What guarantees can the Premier give that extra money promised by the Federal Government will not be offset by cuts in other federal grants after the three-year transition period has ended?

The response from the Premier was very disappointing -

- (1) Goods and services tax revenues will be distributed conditional on the States applying horizontal fiscal equalisation principles. The Commonwealth Grants Commission will continue to determine the equalisation formula.

In direct response to the question the Premier replied -

- (2) Distribution of the GST on the basis of horizontal fiscal equalisation principles -

I do not know exactly what they are, but I have a fair idea. The answer continues -

will be similar to the process applying to distribution of financial assistance grants.

- (3) No.
- (4) Negotiation of specific purpose payments will continue to occur on a case by case basis.

If WA is to be treated in the allocation of the \$27b on the same basis as the Commonwealth Grants Commission has allocated funds in the past, I shall be most concerned. In each of the annual updates carried out by the Commonwealth Grants Commission since 1993, Western Australia has fared very badly and it has been estimated that its accumulated loss over the five years is approximately \$778m. Western Australia has continually complained about not receiving sufficient funds, because the formula is worked out on a per capita basis and, as Western Australia has a smaller population than the other States, it tends to fare badly under that sort of allocation.

I am concerned that Western Australia will give up enormous taxing powers and it does not even know what it will receive from the Commonwealth in revenue. The Premier has indicated that Western Australia will be better off and ministers crow about how much better off Western Australians will be, but nobody has done the calculations that indicate WA will be better off. I understand the States will be expected to do a number of things in order to receive 100 per cent of the revenue from the GST. Some figures have estimated the revenue at \$32b and others at \$27b. Irrespective of the figure, WA must give up an enormous amount in order to receive a pro rata share. The States will be expected to abolish or reduce a number of taxes - including financial institutions duty; bank accounts debit tax; business stamp duties, including those on shares and business conveyancing; loan security duty; bed tax, which WA

does not impose; and gambling taxes - to offset the impact of the GST. The States will no longer receive revenue from safety net taxes or financial assistance grants. They will abolish diesel fuel rebate schemes, take over responsibility for commonwealth payments to local government, provide assistance to first home buyers, and so on.

The Premier has continually argued about increased powers for the States, and WA will give away many taxing powers based on the premise that it will be better off as a result of a pro rata share of the GST take. However, it is apparent that no-one knows whether WA will be better off, and no cost-benefit analysis has been carried out by the Government on the current taxing arrangements versus the proposed taxing arrangements. Who has worked out the cost of banning the old model versus the benefits of the new model? I suspect I am correct in saying that this sort of analysis has not been done at a state level. Accordingly, if the Premier is to run around crowing about how much better off WA will be, he should table his analysis to demonstrate, in relation to the taxing powers this State will give up, the revenue forgone versus the revenue that will be received from the pro rata share of the GST.

We want to know the guarantees the Premier has received to date from the Prime Minister that the extra money promised by the Federal Government will not be offset by cuts in other federal grants after a three-year transition period. There is no guarantee as I understand it. All Western Australian taxpayers will want that assurance. We want to know whether the Premier will wait to receive the guarantee before promoting the benefits of a goods and services tax to the Western Australian population, using Western Australian taxpayers' money.

There is nothing to substantiate the argument that Western Australia will be better off. I have read nothing that categorically supports that notion. I do not think anybody has done the sums. The determinations will not be made until after the federal election and after the Commonwealth Grants Commission has had an opportunity to sit down to work out what the States will get. In my view that is way too late. I cannot see the sense of going to the bargaining table based on giving up certain taxing powers by the States without a clear understanding of what we will receive in return. This State will not be better off as a result of the GST. The truth is the Premier does not know how much Western Australia will get and, like every other Premier, he will have to wait until negotiations with all the States are finalised. As I said, in my view that is way too late.

The Commonwealth Grants Commission will be asked to come up with a formula for dividing the GST revenue among the States after the next federal election. Coming up with a formula telling us how much we will get as our pro rata share at that time is way too late. Western Australian taxpayers must know that information up front. It is beholden on this Government to provide that level of detail. People will once again be asked to trust this Government, with the Premier going to Canberra to deliver a deal for us that is better than anything this State will give up. In its history this Government has done nothing which would lead me or any other Western Australian taxpayer to trust the Government yet again. Time and time again it has let us down.

We must ask a number of questions on this matter, including how the Premier can conclude that the State will be better off under a GST, given that the allocation for Western Australia has not yet been determined. I believe the Premier is misleading Western Australian taxpayers by saying, and putting on record, that this State will be better off prior to his knowing the outcomes of the determinations of the Commonwealth Grants Commission. We want to know the guarantees the Premier will give Western Australians that the extra money promised by the Federal Government will not be offset by cuts from the Commonwealth Grants Commission after a three-year transition period.

In conclusion, we want detail, detail, detail. Until this stage, every time we have put a question to any minister in this Chamber in relation his portfolio, he has responded by saying that he does not know. The Minister for Finance is an absolute disgrace and never knows anything; likewise, the Minister for Tourism knows nothing. We want them to get on top of the detail. We want Western Australians to have the detail before they are asked to make judgments.

Question put and passed.

*House adjourned at 10.13 pm*

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## QUESTIONS WITHOUT NOTICE

### GOODS AND SERVICES TAX

#### *Departmental Analysis*

**54. Hon TOM STEPHENS to the Minister for Finance:**

- (1) Has the minister's department prepared an analysis of the Federal Government's GST package and its impact on state finances?
- (2) Will the minister table any analysis that the department has done? If not, why not?

**Hon MAX EVANS replied:**

- (1)-(2) At this stage I have not seen any analysis of the impact on the State's finances. We are looking towards 1 July 2000 when we get rid of the financial institutions duty, the bank account debits tax and stamp duty.

Hon Tom Stephens: Will the minister ask them to do that?

Hon MAX EVANS: The Federal Government has done some financial models on this for the future. Answers to later questions today will give some idea of the amount of tax and stamp duty etc in the year 2000.

### GOODS AND SERVICES TAX

#### *Economic Growth Forecasts*

**55. Hon TOM STEPHENS to the Minister for Finance:**

- (1) Is the minister aware of the statements by the economists of Bankers Trust, the Hongkong and Shanghai Bank, Access Economics, the National Australia Bank, the ANZ Bank and the Melbourne Institute of Applied Economics and Research, as reported in *The Weekend Australian*, that they do not believe the Federal Government's growth forecasts are realistic?
- (2) Has the State Government revised the budget economic growth forecasts as a result of the continued instability in Asia?
- (3) Has the minister's department carried out, or is he aware of, any studies showing the effect that a lower rate of growth will have on projected GST revenue?
- (4) If so, what is that effect?

**Hon MAX EVANS replied:**

We scaled our own growth forecasts back to less than half of 1 per cent on the basis that we know the iron ore mining industry is keeping up its overseas sales. We know that some part of the fruit and vegetable overseas market has been lost. We know the live cattle market is going to Libya rather than to the Asian region. These industries have not lost markets. We do not see a very big impact in this State. Economists who say that future growth rate may not be there are crystal-ball-gazing economists.

Hon Tom Stephens: They say it will not be there.

Hon MAX EVANS: They have never been right yet but they make some decision as to what it will be, either up or down. A growth factor has to come from some things. There will be growth factors on other duties. A budget forecast is based on the best evidence available at the time. When we did our budgets last year, it was not long before the Asian meltdown occurred and it did not affect our figures; it affected the other States more. We have to take the good with the bad. However, we do a budget to provide some projection. The economists say that their predictions are more on the whole Australian scene. The general feeling is that the benefits will be reduced tax rates and a scale-down in car and fuel rates. There should be more money to spend, which should increase the spending power of people. That is what the Japanese are trying to do. Whether it works out that way, we will just have to wait and see.

Hon Tom Helm: Second-hand cars are cheap.

### GOODS AND SERVICES TAX

#### *Legal Services*

**56. Hon N.D. GRIFFITHS to the Attorney General:**

- (1) Is the Attorney General aware that a 10 per cent tax on services includes a tax on legal services?

- (2) Has any consideration been given by the Attorney General to the effect of this on the affordability of legal services?
- (3) Will the Attorney General advocate an increase in the Legal Aid Commission's budget to make up for any anticipated demand for the commission's services? If not, why not?

**Hon PETER FOSS replied:**

I am always pleased to have a talk about value added tax because I had two previous experiences with a VAT. I was in England in 1973 when VAT was first introduced.

Hon Tom Helm: So, the Attorney General is responsible.

Hon PETER FOSS: I was in England again in 1982 and 1983 when I was part of a legal firm which was subject to VAT. The way in which a value added tax works is fantastic. I am a great believer in a VAT.

Hon John Halden: Because it has something to do with your income bracket.

Hon PETER FOSS: The problem is that people who consider only part of a VAT misunderstand what a VAT does to an economy.

Hon Tom Stephens: It stuffs it.

Hon PETER FOSS: Members will get the answer I will give, not yes or no. My answer will take into account the big picture.

Hon N.D. Griffiths: Answer the question.

The PRESIDENT: Order! There are 11 members who have signified they want to ask a question. If members continue to interject we will not get past this question.

Hon PETER FOSS: Everybody agrees that the Australian tax system needs amendment and some of the people most vociferous about that were former Labor Prime Ministers. Both Messrs Hawke and Keating pointed out that one of our big problems is our current tax system; and we need to change that tax system. A tax system is not a matter of adding a few more dollars on particular goods. Mr Keating did that very well. He introduced automatic indexation of a rate on wholesale sales tax. If members want to know how to get away with slipping up the taxes, an indexation of a rate means that when a price goes up not only does one get 30 per cent of it, one gets 33 per cent of it. If members want to know how to affect an economy in a deleterious way, they should consider the tax system we have, in particular what Mr Keating did to it.

What we need is a system which motivates people to do something. One of the problems of our tax system is that it does not motivate people to do things. We will always have a changed system if we change the tax system. Some things will go up, some things will go down. However, what we really hope for in a changed tax system is for people to respond to the change.

A VAT system is an excellent system for encouraging certain things to happen in the community - to encourage people to work, to do things and to earn money. One of the problems of our system is that people often say, "I worked an extra hour this week but I was working mainly for the Federal Government." The important thing about a VAT system is that significant changes to tax are made and people pay the tax only when they actually spend money.

The PRESIDENT: Order! I ask the Attorney General to draw his answer to a close.

Hon PETER FOSS: In simple terms, VAT is the best thing since sliced bread. It will have an immense effect on the inputs in legal services because businesses are freed of tax by a GST. I am hopeful that the result of that would mean a reduction in the cost of legal services. People who nit-pick on these taxes are missing the whole point. If members want to take a little wider view they should read some of the pleasant things said by Messrs Hawke and Keating about a proper consumption tax.

**"JERVOISE BAY PROJECT NEWS"**

**57. Hon HELEN HODGSON to the Leader of the House representing the Minister for Commerce and Trade:**

I refer to the community newsletter from the Department of Commerce and Trade entitled "Jervoise Bay Project News", issue No 1, and ask -

- (1) How widely has this publication been distributed?

- (2) Has the publication been distributed to residents of the suburbs surrounding Jervoise Bay; and, if so, which ones?
- (3) What was the cost of printing and distribution of the publication?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Six thousand copies of the newsletter were delivered to households, businesses, parliamentary members, local government and other agencies with a direct interest in the Jervoise Bay region.
- (2) The specific suburbs for distribution were Hope Valley, Wattleup, Coogee, Cockburn and relevant parts of Spearwood.
- (3) The costs of printing and distribution were -

Printing 7 200	\$3 349.60
Delivery of 6 000	\$ 484.96

The outstanding copies are being distributed by the Jervoise Bay project office to a wider range of interested parties during briefings and visit programs.

**COCKBURN SOUND**

*Letter to Van der Meer and Associates Pty Ltd*

**58. Hon J.A. SCOTT to the Minister for Transport:**

- (1) Will the minister table the letter from the Department of Transport to Van der Meer and Associates Pty Ltd of 5 October 1994 regarding the conceptual approval for dredging works in Cockburn Sound? Did the letter state that an Environmental Protection Authority clearance was required before any dredging was to take place?
- (2) What steps did the Department of Transport take to ensure that approval was given by the EPA before allowing dredging to take place?
- (3) Does the department normally ensure that proponents comply with conditions it stipulates? If so, what are the department's procedures for ensuring proponents comply with conditions it sets?

**Hon M.J. CRIDDLE replied:**

- (1)-(3) If this letter exists it will need to be retrieved from archives. I ask the member to please place this question on notice.

**GOODS AND SERVICES TAX**

*Effect on Government Services*

**59. Hon JOHN HALDEN to the Minister for Finance:**

- (1) Has the minister's department carried out any studies to determine what government departments and agencies will have to pay under the proposed goods and services tax?
- (2) What are the estimates of how much this will be?
- (3) Will Western Australia be compensated for any extra costs of government incurred as a result of a GST on goods or services purchased by Government?
- (4) Will the State in effect be paying itself amounts paid by government departments and agencies, as part of the GST revenue it receives from the Commonwealth, and paying the Commonwealth an administrative fee for doing so?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1)-(2) Under the Commonwealth's proposals, health and education would be GST free. Furthermore, most other non-commercial state government activities will not be subject to GST because there is no direct charge for the services they provide. Credits of GST incurred by agencies on purchases that are inputs to producing those services will be able to be claimed.



- (3) The Commonwealth Government has estimated that State and Territory Governments will actually save around \$500m per year from the removal of the embedded taxes such as wholesale sales tax on goods and services they buy.

- (4) No.

To finish my answer to Hon Tom Stephens, I advise that the Federal Government has assured the States that they will be no worse off than they are now; in other words, everything will be circulated to give the same position. The growth of GST over a period of time is expected to provide an increase in revenue to the States. The GST will be based on a formula, parts of which I am not very happy with. The Grants Commission has done the first draft of the new grants for 1999. It will have to rewrite all those formulae because it will be dealing with a great deal more money. We will be compensated for all the financial institutions duty and the bank account debits tax, in addition to the fuel, alcohol and tobacco taxes. The Grants Commission will be rewriting its draft. The new Grants Commission period will be for five years from 1999. We will hold our breath until then.

#### LANDFILL SITES

##### *Regulation*

**60. Hon MURIEL PATTERSON to the minister representing the Minister for the Environment:**

- (1) What Environmental Protection Authority regulations cover the development of new landfill sites in regional areas?
- (2) Who monitors these sites?
- (3) What provisions exist for the disposal of toxic items such as agricultural chemical drums in such sites?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) Parts IV and V of the Environmental Protection Act 1986 regulate the development of new landfill sites in all areas of Western Australia. Landfill sites are prescribed premises under the Environmental Protection Regulations 1987, as amended.
- (2) The operator of the premises is obligated under licence conditions to monitor any environmental impacts from the site and any complaints received. As part of licence conditions for a premises, landfill operators are required to submit an annual monitoring report. Regular inspections of landfills are conducted by officers of the Department of Environmental Protection to ensure compliance with licence conditions.
- (3) DEP guidelines recommend that items such as agricultural chemical drums are stored in purpose-built storage facilities to facilitate recycling in preference to disposal. When disposal is necessary the DEP recommends that drums are triple rinsed and rendered unusable by puncturing and flattening and are subsequently covered with a minimum of 230 millimetres of material.

#### DRUGS STRATEGY

##### *Advertising Campaign*

**61. Hon NORM KELLY to the minister representing the Minister for Family and Children's Services:**

In relation to the Government's drug strategy -

- (1) What was the cost of advertisements appearing on page 31 of *The West Australian* and page 10 of the *Sunday Times* last weekend?
- (2) What is the overall cost for this advertising campaign?
- (3) What is the target group for these advertisements?
- (4) The advertisements refer to health problems such as asthma, bronchitis and emphysema. Will the minister table evidence that relates these problems to smoking marijuana?
- (5) Does the minister believe that the statements referred to in the advertisements accurately reflect scientific evidence of the effects of smoking marijuana?

The PRESIDENT: Order! The last part of the question in that form is out of order. It seeks an opinion whether the minister thinks something is or is not. I am sure the minister will take that into account.

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1) The advertisement in *The West Australian* cost \$8 251.83. The advertisement in the *Sunday Times* cost \$8 389.01.
- (2) \$137 051.59.
- (3) There are three target groups for the marijuana public education campaign - young people, to prevent cannabis use; dependent users, to encourage them to quit; and parents of young people, to support them in dealing with the issue.
- (4) I table the "Cannabis Information Brochure" produced by the Alcohol and Other Drugs Program, Health Promotion Services, Health Department of Western Australia in 1997. This sets out in brief the conclusions of the research and the references for that research including the National Drug Strategy Monograph No 25 entitled "The Health and Psychological Consequences of Cannabis Use", produced in 1994.

[See paper No 92.]

GERALDTON PORT AUTHORITY

*Consultancy Costs*

**62. Hon KIM CHANCE to the Minister for Transport:**

- (1) What are the hourly rates paid by the Geraldton Port Authority to consultants who are, or have been, engaged on work related to the privatisation of the Geraldton port and the new business plan generally, with the exception of those consultants' fees which relate directly to the bulk handling facility?
- (2) What have been the total consultancy costs to the Geraldton Port Authority and the State Government so far on this project?
- (3) What are the total projected consultancy costs to the Geraldton Port Authority and the State Government for this project?
- (4) What is the budgeted annual cost of the newly created position of maintenance consultant?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1)-(3) The Geraldton Port Authority is simply exiting the business of providing public sector labour to private industry in the pursuit of private sector business. The business plan has been prepared, generally, without the use of consultants.
- (4) There is no position of maintenance consultant.

PORT BEACH, FREMANTLE

**63. Hon GIZ WATSON to the Minister for Transport:**

In relation to the beach erosion in the area of Port Beach, Fremantle -

- (1) Is or has the sea wall referred to in the Halpern Glick Maunsell study - report E4352 for the Fremantle Port Authority - suffering or suffered any damage from coastal erosion?
- (2) If so, how much?
- (3) If not, how has this assessment been made?
- (4) If yes to (1), is the sewer line, located behind the sea wall and running parallel to the beach, at any risk of damage associated with coastal sea erosion?
- (5) Will the FPA be implementing a strategy to manage the impact area of Port Beach, Fremantle?
- (6) If not, to whom is that responsibility ascribed?

**Hon M.J. CRIDDLE replied:**

I thank the member for some notice of this question.

- (1) There has been no significant damage to the sea wall from coastal erosion.
- (2) Not applicable.
- (3) By regular inspection.
- (4) Based on recent inspections of the area, the FPA does not believe that the sewer line is at risk of damage from beach erosion.
- (5) A strategy has been implemented by the FPA.
- (6) Not applicable.

## GOODS AND SERVICES TAX

### *Tourism*

#### **64. Hon J.A. COWDELL to the Minister for Tourism:**

- (1) Is the Government concerned at the proposed imposition of a goods and services tax on domestic travel, while no GST will be applicable to overseas travel?
- (2) Is there a need to remove the disadvantage to domestic tourism by applying the tax to overseas travel?

#### **Hon N.F. MOORE replied:**

- (1)-(2) The last time a significant tax was applied to the tourism industry, it was a 10 per cent bed tax introduced by the New South Wales Labor Party under the current Premier, Mr Carr.

Hon Ljiljanna Ravlich: That was not the question.

Hon N.F. MOORE: I know it was not the question, but it is the answer I will give. A group of members of Parliament from the Labor Party have decided to ask questions about particular parts of the GST package, in the expectation that they can then somehow or other draw the conclusion that it is all bad. The Attorney General has given a very good answer indicating that people must look at a GST in the broadest terms.

Hon Tom Helm: Say you do not know and we will get to the next question.

The PRESIDENT: Order! Nine members have indicated by standing that they wish to ask a question. The longer this answer takes, the less opportunity there will be for some of those members to ask a question. I direct my comments particularly to those members who have already asked a question. They have had their chance, and they should give other members an opportunity to ask their questions.

Hon N.F. MOORE: It is incumbent on ministers to answer questions in the best way possible, and it is important to understand the tourism industry in its entirety, because people may draw the conclusion that some parts will be disadvantaged and ignore the fact that other parts will be advantaged. It is important to look at the whole package across the board to understand how important it is to the Australian economy. I do not propose to say that domestic tourism will have a problem and international tourism will not, because it is not the case. It is far more complicated than that. It is part of a whole package and not one part of the industry compared with another.

There will be a significant reduction in the cost of fuel, which could impact on bus tour operators in domestic tourism, for example. I do not know whether it will mean that a bus tour between Perth and Port Hedland will be 1 or 2 per cent more expensive or 3 per cent cheaper, because I do not know what effect it will have on the total package. There will be an increase in the price of hotel rooms, but it will not be as high as the 10 per cent bed tax imposed in New South Wales. Many things in hotel rooms will be cheaper because hoteliers will receive a rebate of the GST, and the proposed 10 per cent rate is cheaper than the current rate on many items. For example, the current tax on television sets is 22 per cent, and the tax on items such as bed linen is higher than 10 per cent. It may be significantly cheaper to create hotel accommodation, and that will be an offset against the 10 per cent GST on the price of the room. Until consideration is given to all the circumstances, it is hard to give a yes or no answer about domestic tourism compared with international tourism. A strong argument was put forward by the tourism industry that tourism should be regarded as an export earner and, therefore, should be exempt from GST, as are other export industries. That is not a bad idea. However, on this occasion, because of the broad ranging nature of the package, it was not included. I will argue for that in time down the track.

Hon N.D. Griffiths: You have sold out the State.

The PRESIDENT: Order! I am trying to include other questions. Hon Nick Griffiths wants to ask a second question and the way things are going, we shall not get there.

Hon N.F. MOORE: The overall effect on prices across the board is about 1.9 per cent. It is totally wrong to argue that it will be 10 per cent across the board.

## GOODS AND SERVICES TAX

### *The Arts*

**65. Hon E.R.J. DERMER to the Minister for the Arts:**

- (1) Is the minister aware of claims by arts organisations that arts patronage is highly susceptible to small increases in ticket prices?
- (2) Has the minister or his department carried out any studies to determine the effects that the Howard Government's proposed GST will have on patronage of the arts in Western Australia?
- (3) In particular, has the minister's department determined the impact of a GST on the start-up costs of non-profit arts organisations, where such organisations are not offered the assistance available to small businesses?

**Hon PETER FOSS replied:**

- (1)-(3) I thank the member for this opportunity to answer the questions. One of the most important things about arts is to attract patrons, and some of the best patrons of the arts are middle income earners. In order to spend money on the arts, they must have some available money. The wonderful thing about the tax package - I hope members understand that it is not just a GST, but is a package - is that it will increase the amount of available income for that group to spend on things such as the arts. The biggest problem is not the cost of the arts, because it is incredibly cheap in Australia, but people having the available income and the inclination to spend it. I hope, and sincerely trust, that one of the greatest beneficiaries of the GST will be the arts.

Hon Ljiljanna Ravlich: And the middle class.

Hon PETER FOSS: No. The other important issue, and it seems to have been forgotten, is how a GST works. People seem to forget that they pay wholesale sales tax. It is paid before most consumers purchase the item or service, and the rate is up to 33 per cent. People never actually know they are paying it. I remember when the State Government added 4¢ a litre to the price of petrol in Western Australia, which was intended to be used on the roads, and there was an outcry. Within a couple of months the Federal Government added 7¢ a litre to the price of petrol and not a whimper was heard. Somehow it seems to be possible to add that base price to everything with no return. It represented the total amount Western Australia received for roads from the Federal Government at that time. The wholesale sales tax is iniquitous and it goes to the base of everything. One of the basic economic lessons I learnt was that the price of aggregate, cement, bitumen and clay should never be increased because the further down the economic line the cost is added, the more it multiplies up through the system. It multiplies through everybody's profit system.

The wonderful thing about a GST is that everybody involved in business gets their GST back the first time they file a return. It is paid only by the ultimate consumer who will use the goods for consumption purposes. It is not added to the cost of every process. It is a very progressive and the fairest way of taxing. Members opposite have never been through it. I have lived through it and it works very well indeed. It is the fairest tax, and it will encourage people and help the arts.

## STAMP DUTY

**66. Hon TOM STEPHENS to the Minister for Finance:**

What proportion of stamp duty paid to the Western Australian Government on security documents is sourced from -

- (a) commercial transactions; and
- (b) residential transactions?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question. The State Revenue Department does not currently keep records on this basis. There is no real point. Stamp duty is dealt with all day long and it would be a waste of time and effort for it to keep a separate record, although it might be nice to provide an answer today.

## GOODS AND SERVICES TAX

*Legal Practices***67. Hon SIMON O'BRIEN to the Attorney General:**

Following the answer to an earlier question, can the Attorney General explain why a legal practice would have lower cost inputs under a GST regime?

**Hon PETER FOSS replied:**

I draw the attention of members to some of the taxes being paid at the moment by legal practices. The tax rate on office chairs is 12 per cent. The tax rate on computers, telephones, computer accessories, electric typewriters, mouse pads, printer ink cartridges, printer paper, disks, disk storage boxes, letter pads, envelopes, folders, ring binders, files, fax machine ink and almost everything in the office is 22 per cent.

Hon Bob Thomas: Who put it on?

Hon PETER FOSS: The member should just listen for a moment. If he happens to know anything about the basis on which lawyers' offices work -

Hon Tom Helm: We know.

Hon PETER FOSS: For every input by way of expenses, these offices normally try to get twice that amount back to achieve a profit. They must do that. If they spend a dollar, they will charge \$2. If they spend 22 per cent tax, they must charge clients 44 per cent to retain their level of profit. They get this tax back the moment they send in their first return.

Several members interjected.

The PRESIDENT: Order!

Hon Tom Helm: We trust you, mate.

The PRESIDENT: Order! Hon Tom Helm will come to order.

Hon John Halden: He has no words to describe it.

Hon Bob Thomas: We rest our case.

The PRESIDENT: Order! It is pretty obvious that some members do not want to ask questions. I ask the Attorney General to complete his answer.

Hon PETER FOSS: Other taxes will go - financial institutions duty and bank account debits tax. In a legal practice they are quite substantial. Stamp duty on securities is another that will go. All of these are part of the business inputs which either will be not paid or if paid, as they currently are, will be paid at a lower rate, and those businesses will receive that money back the very first time they file a return. Therefore, the only time tax will be paid will be when a bill is sent to a client. That bill should be considerably less because a large amount of the input costs will be removed. That is the benefit of a goods and services tax which was understood by Keating and by Hawke, but which fails to be understood by those opposite.

## RENEWABLE ENERGY

**68. Hon CHRISTINE SHARP to the minister representing the Minister for Energy:**

This question is similar to those I asked last week about renewable energy.

- (1) How many sites are being assessed for viability in relation to wind generation?
- (2) Currently are there any plans to develop new solar generated sites within Western Australia?
- (3) How much is allocated through the remote area power system subsidy scheme for wind farms?

**Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Previously 20 sites were assessed between Denham and Esperance. Currently sites at Albany and Geraldton are being assessed in detail.
- (2) No.

- (3) The remote area power system subsidy is to assist isolated householders with installation of a 24-hour-a-day power supply using renewable energy. Although such power supplies may include a wind turbine, they are not wind farms. Of 148 households, 23 have chosen to include a wind turbine in their system. An amount of \$143 000 has been paid or allocated to these 23 households.

The PRESIDENT: Order! I have just been asked whether I have a particular member listed to answer a question. I have that member on the list, but because of the interjections, I am unlikely to get to that member.

#### TAX PACKAGE

##### *Financial Institutions Duty*

**69. Hon CHERYL DAVENPORT to the Minister for Finance:**

I refer to the abolition of the financial institutions duty under the Howard Government's proposed tax package.

- (1) What is the projected revenue from this tax in 2000-01?
- (2) What proportion of this amount is paid by, firstly, companies and, secondly, individuals?

**Hon MAX EVANS replied:**

I thank the member for some notice of this question.

- (1) The answer I have been given is that the projected revenue is \$137.5m. However, on 1 July 2000, the financial institutions duty and bank account debits tax are to cease, so the accurate answer is nil.
- (2) The State Revenue Department does not keep records currently on this basis.

#### GOODS AND SERVICES TAX

##### *Effects on Tourism Industry*

**70. Hon TOM HELM to the Minister for Tourism:**

In light of the fact that the tourist industry will not be zero-rated, under the proposed goods and services tax the costs for tourist operators and prices will increase for international tourists.

- (1) Will the State Government be providing additional funding to the tourism industry through the Western Australian Tourism Commission?
- (2) If not, why not?

**Hon N.F. MOORE replied:**

- (1)-(2) The member has obviously realised that because the tourism industry is not GST-free, international tourists coming here will pay more money and, therefore, we will make more money. The member now wants to know how that money will be spent. I can only presume that this is a question supportive of what is being proposed. The member obviously is working out that there is a benefit to be had by Australians in the sense that international visitors will spend more money here. We must bear in mind that when Australians go overseas, they pay in most countries a GST or a value added tax, and Australian tourist dollars get spent in other countries. Now, of course, international visitors to Australia will pay more through the GST, but I do not know how much that will be. If there is an increase for the State Government in its budget, I will argue very strongly for more money to be spent to attract more tourists to Western Australia because it is a very significant industry.

#### HILLARYS POLICE STATION

**71. Hon RAY HALLIGAN to the Attorney General representing the Minister for Police:**

- (1) Will the new Hillarys Police Station be run as a 24-hour station?
- (2) If not, which stations in the north metropolitan area will be open for 24 hours?

**Hon PETER FOSS replied:**

I thank the member for some notice of this question.

- (1) No. The Hillarys Police Station, which commenced operations on 30 March 1998, is not a manned 24-hour station. Currently the station operates seven days a week with the following shift times: Monday to Sunday,

day shift - 7.00 am until 3.00 pm; Monday to Thursday, afternoon shift - 3.00 pm until 11.00 pm; and Friday and Saturday, afternoon shift - 6.00 pm until 2.00 am. In addition, the Hillarys police zone is patrolled 24 hours each day by the Warwick police. Telephone inquiries to the Hillarys Police Station at times when it is unattended or after hours are diverted directly to the Warwick Police Station. Should a caller require immediate police presence, the patrol in Hillarys or Warwick police officers will attend forthwith.

- (2) The Warwick Police Station and the Joondalup Police Station are both open 24 hours on each day of the week.

## GOODS AND SERVICES TAX

### *State Revenue*

#### **72. Hon LJILJANNA RAVLICH to the Leader of the House representing the Premier:**

- (1) Given that the promise of the Federal Government to pass \$27b in projected revenue from the goods and services tax will have to wait until negotiations are finalised after the next election, when will the Commonwealth Grants Commission be asked to come up with a formula for dividing the GST revenue among the States?
- (2) How does the Premier conclude that this State will be better off under a GST, given that the allocation for Western Australia has not been determined?
- (3) Does the Premier accept that he is misleading Western Australians by claiming they will be better off - prior to a determination by the Commonwealth Grants Commission?
- (4) What guarantees can the Premier give that extra money promised by the Federal Government will not be offset by cuts in other federal grants after the three-year transition period has ended?

#### **Hon N.F. MOORE replied:**

I thank the member for some notice of this question.

- (1) Goods and services tax revenues will be distributed conditional on the States applying horizontal fiscal equalisation principles. The Commonwealth Grants Commission will continue to determine the equalisation formula.
  - (2) Distribution of the GST on the basis of horizontal fiscal equalisation principles will be similar to the process applying to distribution of financial assistance grants.
  - (3) No.
  - (4) Negotiation of specific purpose payments will continue to occur on a case by case basis.
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